

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL
OF THE CITY OF FOSSTON, POLK COUNTY MINNESOTA
May 14, 2018

The regular meeting of the Council of the City of Fosston, Polk County Minnesota was held in council chambers on Monday, May 14, 2018 at 7:00 p.m.

The meeting was called to order by Mayor Offerdahl with the following members present: Veum, Dufault, Hoialmen and Anderson. Also present was: Charles Lucken, Cassie Heide, Lee Cariveau, David Larson, Keith Kinnen, Ed Lavelle, Karen Graham, Amelia Linehan, Barb Erdman, Chett Carlson, Joy Sundbom, and youth boy scouts.

Motion was made by Anderson, seconded by Veum to approve the agenda with the following modifications:

- Consider approval of resolution authorizing sponsorship of trails operated by Knightriders Snowmobile Club
- Consider approval of application and permit for a 1 day temporary on-sale liquor license to the Fosston/Lengby Lions.

Motion carried by unanimous vote.

Motion was made by Veum seconded by Anderson to approve Consent Agenda items A., B.
Motion carried by unanimous vote.

- A) To approve the minutes of the regular meeting held April 16 2018 regular meeting minutes and the May 2, 2018 Board of Review Minutes.
- B) To approve Accounts Payable Bill Listing #18-05 in the amount of \$76,140.17 and AP Bill Listing #18-05A in the amount of \$208,812.41.

COMMITTEES/BOARDS/COMMISSION:

Law Enforcement: Sheriff Barb Erdman and deputy Chett Carlson were present to discuss matters pertaining to their department

- Sheriff Erdman would like to have a public safety committee meeting in the next month to review the law enforcement contract and other matters of importance.
- Carlson reported that the last month has been busy with traffic calls and working with the school on an upcoming mass casualty drill.
- Dogs running at large have been an issue. It is not easy for officers to catch the animals and when they can the back of the squad vehicle is not an ideal place for the animal. The city recognizes the need for a better solution and is working to find someone out of town that can board dogs.

Street/Utilities/Sanitation: Dave Larson reported on matters pertaining to his departments.

- Street sweeping, curb and street painting and mowing is all being done.
- Crews have a long list of items to maintain and take care of before the All School Reunion in July.
- The Aspen property is being prepped for the demolition of the buildings on site. The fire department has a controlled burn of the barn on the property scheduled for Saturday, June 9th, weather permitting. There are three wells on the property. Two wells have been located and the thirds location is suspected. Larson will contact a well company to come in and properly seal the wells.
- Wastewater permits that are coming due have been submitted.
- Pond 3 is ready to dump after approximately 12,000 gallons of alum were added. RMB Environmental Labs is doing the testing and will soon have results if it is ready to dump. Pond 1 and 2 are also full. Larson reported the need for an additional pond in the near future due to vast amounts of water. The ponds have been at or near capacity. The quality of the water gets better the longer you can keep the water and extra pond space will reduce the costs of the chemicals needed to treat the water before discharge.
- Everything east of Eaton that has old wire and is not looped will be replaced during the 2018 street improvement project. Gas main extension into the Aspen addition will also be completed.

Civic Center/Park & Recreation: Karen Graham was present to discuss matters pertaining to her department.

- Registration for summer rec and summer swimming programs was held last Wednesday with 137 kids registered.
- Peterson Sheet Metal provided Graham with a quote to replace the pool heater which has not been able to keep the pool water temperature at the appropriate levels. They also provided a quote for new boilers that the building also needs. The boilers have recently had ignition controls, flame sensors, flame rods, and igniters replaced in order to keep them functioning properly.
Lucken reported that there is money in the budget to cover the cost of the pool heater but not the boilers.
Graham will order the pool heater and budget in 2019 for replacement boilers.
- Mens softball league is set to begin on May 30th.
- Three loads of agrilime were delivered and are being applied to the fields. Crews have also begun mowing the parks and city property.

Community/Economic Development:

- Offerdahl reported that the F.E.D.A. board met today at noon and discussed the purchase of the west end trailer court. Last month council approved offering \$500,000 for the purchase of the trailer court. The owners counter offered \$532,500. Michelle Landsverk negotiated on behalf of the City of Fosston a purchase price of \$510,000. Our city attorney has advised us that the City can legally own the property. As stated before the property cash flows and will not be a burden to the city. Utilities Commission has approved doing an internal loan for the property. Greater Minnesota Management has agreed to manage the property for the city and management costs have already been built in to the financial statement provided. A motion was made by Dufault, seconded by Anderson to approve \$510,000 for the purchase of the west end trailer court.

Airport:

- Lucken reported that one of the hangars at the airport will be painted in the next week or so. Hangar owners have been notified to have their hangars painted and some are working toward getting this done.

Council previously approved the sale of real property to Burggraf for part of the alley adjacent. A resolution is needed to complete the process.

Member Hoialmen introduced the following resolution and moved its adoption:

**RESOLUTION AUTHORIZING THE SALE
OR DISPOSAL OF REAL PROPERTY
RESOLUTION NO. 18-15**

WHEREAS, it is in the best interest of the City of Fosston, Minnesota (“City”) to sell or otherwise dispose or transfer real property located in the County of Polk, State of Minnesota, as follows:

Legal Description:

That part of the Southeast Quarter of Section 4, Township 147 North, Range 40 West of the Fifth Principal Meridian, Polk County, Minnesota described as follows:

Commencing at the southeast corner of Auditors Outlot U, AUDITOR’S PLAT OF OUTLOTS in Fosston, according to the Official Plat of Record in the Office of the County Recorder in and for the County of Polk and the State of Minnesota; thence North 54 degrees 37 minutes 17

seconds West, assumed bearing, along the south line of said Outlot U, a distance of 239.37 feet to the point of beginning; thence at a right angle South 35 degrees 22 minutes 43 seconds West 8.10 feet; thence at a right angle North 54 degrees 37 minutes 17 seconds West 79.00 feet; thence at a right angle North 35 degrees 22 minutes 43 seconds East 8.10 feet, more or less to the south line of said Outlot U; thence South 54 degrees 37 minutes 17 seconds East, along the south line of said Outlot U, a distance of 79.00 feet, more or less to the point of beginning.

Containing 0.01 acres, more or less and is subject to easements, restrictions, or reservations of record, if any

("Land")

Buyer/Transferee:

Burggraf Properties LLP

("Transferee"); and

WHEREAS, Minnesota Statutes, Sections 412.201 and 412.211 provide that real property of the City may be disposed of as its interests require.

NOW, THEREFORE, IT IS RESOLVED by the City Council as follows:

1. That the City sell, convey or otherwise dispose of or transfer the Land to the Transferee or any previous disposal or transfer of the Land to the Transferee is ratified and approved; and

2. That the Mayor and the City Administrator are authorized and directed to sign and deliver an instrument of conveyance of the land to the Transferee and any such instrument of conveyance which was previously signed and delivered is ratified and approved.

The motion for the adoption of the foregoing resolution was duly seconded by member Veum and upon vote being taken thereon the following members voted in favor thereof: Hoialmen, Veum, Anderson, Dufault, and Offerdahl

and the following voted against same: none

Upon this vote, this resolution passed and is effective the 14th day of May, 2018.

James Offerdahl, Mayor

Attest:

Charles Lucken, City Administrator

Randy Landsverk, president of the Fosston Golf Club Association was present to request assistance in funding the maintenance of the property, specifically the greens. Landsverk provided financial statements that show the golf course's cash flow is breaking even. There are some necessary repairs that need to be done at the golf course. With the maintenance contract being paid by the city that money would be freed up to do those repairs.

Lucken reported that we have not budgeted for this in 2018 but could ask the utilities commission for an additional transfer at year end to cover this amount.

Offerdahl reported that there are a lot of volunteers at the golf course which keeps maintenance costs low. Anderson added that the golf course adds to the quality of life in Fosston and Hoialmen agreed to that point and added that it is an asset that should be maintained.

Dufault questioned the cost for real estate taxes on the property as it was paid by the city but also on Landsverk's statement. Lucken reported that the city pays the taxes before the due date and the golf course reimburses the city, there are receipts showing these payments.

A motion was made by Anderson, seconded by Veum to add the maintenance contract of Todd Daniels into the existing softball complex maintenance agreement and ask utilities commission to cover the transfer for 2018. Motion carried by unanimous vote.

Council considered approval of an application for variance from provisions of the zoning ordinance from Lloyd Godtland per recommendation of the planning commission. The application is for constructing a deck that would be eight feet, rather than ten feet from the property line. Lucken reported that the neighbor directly affected has indicated she has no issues with the construction. Residents within 300 feet of the applicant's property were notified and no members of the public came forward. A motion was made by Dufault, seconded by Hoialmen to approve the application for variance from provision of the zoning ordinance from Lloyd Godtland per recommendation of the planning commission. Motion carried by unanimous vote.

Council considered approval or partial payment estimate no. 6 – final in the amount of \$5,694.73 from Hagen Construction for the 2107 street and utility improvement project. Cariveau reported that there is some trench settlement in one area and another item from last fall is still outstanding. Cariveau's recommendation was to either approve the payment estimate but not issue the check until the items are satisfied, or table the payment. The council conceded to table the payment estimate.

Council reviewed the recommendation letter from David Drown Associates for 2018A G.O. Bonds. Lucken reported that the bond is being broke out between the TIF portion, the new construction piece and the utility piece. Total costs of the project for the bond amount include the project construction, engineering fees, legal fees and capitalized interest. First National Bank Bemidji has authorized purchase of the bond.

Member Hoialmen introduced the following resolution and moved its adoption:

**RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF A \$1,148,000
GENERAL OBLIGATION, SERIES 2018A AND AWARDDING THE SALE THEREOF
18-16**

The motion for the adoption of the foregoing resolution was duly seconded by member Veum and upon a vote being taken thereon, the following voted in favor thereof: Hoailmen, Veum, Anderson, Dufault, and Offerdahl.

and the following voted against the same: none.

Whereupon the resolution was declared duly passed and adopted.

Lee Cariveau, Widseth, Smith, Nolting was present to discuss the 2018 street and utility improvement project. He reported that the plat for the Aspen addition has been recorded and he delivered it for city staff. The pre-construction meeting was held last Friday. An open house for residents living in the construction area is being held Thursday, May 24th from 6:30-7:00p.m. at City Hall. Cariveau reported that once the road is built with gravel it will be left for compaction and will be accessible and drivable.

The wetland permit has not been received yet, however, the core of engineers has signed off on it and is now with the US fish and wildlife. They have a30 day public comment period that they need to satisfy before they can sign off and send the permit out. Once the permit is received construction is ready to begin.

Council reviewed a notice of intent to exercise option to purchase and develop lot 1 & lot 2, Fosston Industrial park Third Addition per purchase option contract. Lucken reported that council signed purchase option contract with MDV in June of 2016. In that contract a deadline to exercise the option to purchase was June 1, 2018. MDV is exercising their option as they have plans to build more storage buildings and another plant that could result in job creation. They are working to get plans to Administrator Lucken.

Council received bids for the airport 2018 pavement improvement project. Lucken reported that this is a crack seal project and 95% of the project is paid for by the FAA and MNDOT.

Member Veum introduced the following resolution and moved its adoption:

RESOLUTION ACCEPTING BID AND AWARDING CONTRACT
FOR AIRPORT 2018 PAVEMENT IMPROVEMENT PROJECT
#18-17

WHEREAS, pursuant to an advertisement for bids for the improvement of the following project:

Airport 2018 Pavement Improvement Project.

WHEREAS, bids were received, opened and tabulated according to law, and two (2) bids were received complying with the advertisement as follows:

Astech Corp.	Bid -	\$28,589.00
Fahrner Asphalt	Bid -	\$35,460.43

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FOSSTON, MINNESOTA

1. The Mayor and City Administrator are hereby authorized to enter into an agreement with Astech Corp, in the name of the City of Fosston for the 2018 Airport 2018 Pavement Improvement Project, Bid, in the amount of \$28,589.00. Final award of the contract is contingent upon the final approval of the Federal Aviation Administration grant and the State of Minnesota, Department of Aeronautics grant.
2. The City Administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposits of the successful bidder and the next lowest bidder shall be retained until a contract has been signed.

The motion for the adoption of the foregoing resolution was duly seconded by member Anderson and upon vote being taken thereon, the following members voted in favor thereof: Veum, Anderson, Dufault, Hoialmen, and Offerdahl.

And the following voted against same: none

Whereupon said resolution was declared passed and adopted this 14th day of May, 2018.

James Offerdahl, Mayor

ATTEST:

Charles Lucken, City Administrator

Council considered approval of the memorial donation & gift policy. Heide has made the appropriate modifications to the policy for the City of Fosston. As the city receives donation, this policy will outline the policies the city follows with accepting donations and the overall care,

maintenance, and placement of donated items. A motion was made by Hoialmen, seconded by Dufault. Motion carried by unanimous vote.

Member Anderson introduced the following resolution and moved its adoption:

RESOLUTION AUTHORIZING SPONSORSHIP
OF TRAILS OPERATED BY
KNIGHTRIDERS SNOWMOBILE CLUB
RESOLUTION 18-18

BE IT RESOLVED, that the City of Fosston act as the legal sponsor for an application for funding to the State of Minnesota Department of Natural Resources for grooming of snowmobile trails managed by the Knightriders.

BE IT FURTHER RESOLVED that upon approval of its application by the state, the City of Fosston may enter into an agreement with the State of Minnesota for the above-referenced project and that it will comply with all applicable laws and regulations as stated in the agreement.

BE IT FURTHER RESOLVED that the City Administrator is authorized to sign such an agreement with the Department of Natural Resources.

BE IT FURTHER RESOLVED that the City Administrator is hereby authorized to serve as the fiscal agent for the above-referenced project.

The motion for the adoption of the foregoing was duly seconded by member Hoialmen and upon vote being taken thereon the following members voted in favor thereof: Anderson, Hoialmen, Dufault, Veum, and Offerdahl.

And the following voted against the same: none.

Whereupon said resolution was declared passed and adopted this.

James Offerdahl, Mayor

ATTEST:

Charles Lucken, City Administrator

Council considered approval of application and permit for a 1 day temporary on-sale liquor license to the Fossston/Lengby Lions. Lucken reported this is an application for the Jerry Daniels golf scramble during the all school reunion and all proceeds will go to the golf course. A motion was made by Dufault, seconded by Hoialmen to approve the application and permit for a 1 day temporary on-sale liquor license to the Fossston/Lengby Lions. Motion carried by unanimous vote.

Keith Kinnen, Karvakko Engineering was present to discuss the release that Karvakko and Hagen Construction entered in to satisfy the defective concrete at the warming house garage. Both parties have agreed to pay half of the replacement. Kinnen provided an Architectural Supplemental Instructions to Hagen that include dealing with the dust and taking care of the cleanup. The specified drain is a trench drain and approves a formed in trench. The Minnesota plumbing code does not allow for standing water.

Offerdahl requested that both city engineers present, Cariveau and Kinnen would work on proposals for preliminary extension of the FIT trail. The plans should be usable for obtaining future funding that may be available. Dufault would like to see the FIT trail connect to the Apsen property.

There being no further business to come before the council, motion was made by Hoialmen, seconded by Anderson to adjourn. Motion carried by unanimous vote.

Charles Lucken, City Administrator