

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL  
OF THE CITY OF FOSSTON, POLK COUNTY MINNESOTA  
OCTOBER 14, 2013

The regular meeting of the Council of the City of Fosston, Polk County Minnesota was held in Council Chambers on Monday, October 14, 2013 at 7:00 p.m.

The meeting was called to order by Mayor Offerdahl with the following members present: Carlson, Lambert and Dufault. Member absent: Veum. Also present was Wayne Omundson, Dean Vikan, Sheriff Erdman, Pat Hanlon and Lee Cariveau.

Before business was conducted the Mayor asked for a moment of silence as we remembered City Employee Jay Johnson who passed away this afternoon. He worked for the City for 14 years and represented the city well.

Motion was made by Lambert seconded by Carlson to approve the agenda with the following modifications: Motion carried by unanimous vote.

- 1) Consider approval for submission of Application to PFA for the Lift Station Replacement.
- 2) Consider approval of Resolution to adopt Assessment for Demolition of the Wynne House.

Motion was made by Carlson seconded by Dufault to approve consent agenda items A & B. Motion carried by unanimous vote.

- A) To approve the minutes of the regular meeting held September 9, 2013 and the Special meeting held September 9, 2013 as per copies furnished each member.
- B) To approve Accounts Payable Bill Listing 13-10 in the amount of \$80,687.42 and AP Bill Listing #13-10A in the amount of \$223,297.17.

COMMITTEES/BOARDS/COMMISSION:

Law Enforcement Committee: Sheriff Erdman was present to discuss law enforcement matters.

- The prescription collection box to be placed in city hall will arrive sometime tomorrow. After a press release is done then it will be available for use. The box will be emptied as needed by Sheriff Office personnel. This drop box is for personal, not business use.
- The County is doing an update to its Hazardous Mitigation Plan. The process will start and the City will be contacted. This is important because it will be the plan for county-wide mitigation. Built into this plan will be the ability to make changes if needed. The old one did not have that ability.
- The importance of Public Safety meetings was discussed and can include troubleshooting, looking for options, etc. Installing a panic button in the front office area was discussed again. It's an easy way to get an officer's attention in the back office if we need a police presence up front. Pat Hanlon mentioned an incident in the past week that involved an individual off of his medications when law enforcement was called. Council member Lambert invited law enforcement to tour manufacturing facilities also. The Fire

Department is touring Sun Opta on Wednesday night and if law enforcement is available, they are welcome also. Sheriff Erdman will inform the officers.

- No action on the Law Enforcement Contract.

Civic Center/Parks & Recreation: Pat Hanlon reported on matters pertaining to his departments:

- Hanlon reported some water leaking in the back stairwell. A roofing company will be contacted to correct this.

Hospital: The addition to the Bagley Clinic will begin soon.

Community/Economic Development: the FEDA board met today.

- They discussed the Mobil property and are waiting for final results on soil contamination.
- The board is waiting on paperwork for the Johnson Avenue properties for the Thrivent Financial project.

Airport:

- Lucken reported that two airport engineers were up last week and met with the commission. They did an inspection of the airport also.

Star Committee:

- Laurel reported that plans for Manufacturer's Week are coming along nicely. Eighty people have signed up for the dinner and tickets are now available to the public. Northern Woolen Mills will host tours of its plant and hopefully we can get one more manufacturer to host tours also.

Member Lambert introduced the following resolution and moved its adoption:

**RESOLUTION TO AFFIRM COMPLIANCE WITH  
FEDERAL TITLE VI REGULATIONS  
RESOLUTION NO. 13-25**

**WHEREAS**, the City of Fosston Transit system provides an effective transportation services program to the general population in the City of Fosston.

**WHEREAS**, the City of Fosston Transit system receives federal financial assistance to assist with the operation of the transit system.

**WHEREAS**, both Title VI of the Civil Rights Act of 1964 and the Civil Rights Restoration Act of 1987 provide that no person in the United States shall, on the ground of race, color or national origin be excluded from participation in, be denied the benefits of or be subjected to discrimination under any program or activity receiving federally funded programs.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FOSSTON**, that the City of Fosston Transit system shall comply with all federal Title VI regulations.

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

and the following voted against same: None

Whereupon said resolution was declared passed and adopted this 14<sup>th</sup> day of October, 2013.

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James Offerdahl, Mayor

ATTEST:

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Charles Lucken, City Administrator

Councilmember Carlson introduced the following resolution and moved its adoption;

RESOLUTION NO. 13-26  
CALLING FOR A PUBLIC HEARING ON  
THE ESTABLISHMENT OF TAX INCREMENT FINANCING DISTRICT NO. 1-11,  
AND THE ADOPTION OF TAX INCREMENT FINANCING PLAN RELATING THERETO

BE IT RESOLVED by the City Council (the "Council") of the City of Fosston, Minnesota (the "City"), as follows:

1. Public Hearing. The City Council shall meet on Monday, December 9, 2013, at approximately 7:00 p.m. to hold a public hearing on the following matter; (a) the proposed establishment of Tax Increment Financing District No. 1-11, and (b) the proposed adoption of the Tax Increment Financing Plan relating thereto, all pursuant to and in accordance with Minnesota Statutes, Sections 469.174 to 469.1799, inclusive, as amended (the "Act").

2. Notice of Hearing. Filing of Plan. The Administrator is hereby authorized to cause a notice of the hearing, substantially in the form attached hereto as Exhibit A, to be published as required by the Act and to place a copy of the Tax Increment Financing Plan, as proposed to be adopted, on file in the Administrator's Office at City Hall and to make such copies available for inspection by the public.

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember Dufault and upon vote being taken thereon, the following voted in favor: Carlson, Dufault, Lambert and Offerdahl

and the following voted against the same: None

Whereupon said resolution was declared duly passed and adopted this 14<sup>th</sup> day of October, 2013.

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James Offerdahl, Mayor

ATTEST:

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Charles Lucken, City Administrator

Lee Cariveau of WSN was present to report on city projects:

- Second Street South & Second Street North Projects: Plans were sent to Dave and Rich Sanders for review. The county has to be the sponsor and sign off on these plans which then need to be sent to St. Paul for review. Both of the Streets have been approved by the PFA as acceptable to move forward for loans and/or grants. The next step is to finish plans/specs and submit application into the State of Minnesota by March. Environmental reports need to be done also. The estimated cost on this is \$10,000 to \$20,000. No decision needs to be made tonight.
- The Alley Project: This will get tied to the Columbia Road and Second Street South project. This should bring the price down when combining projects.
- Fit Trail: Lee talked to all property owners regarding easements to complete this project. Some have concerns – the biggest being added traffic in their back yard. We were approved with wetland credits. The plans will then go to St. Paul after Dave Larson and Rich Sanders sign off on them. Cariveau recommends doing the paving for this project in conjunction with an Erskine project as the wage rates and hiring requirements are the same for both and will hopefully get a better price.

Lucken explained to the council where the dollars are coming from for the Second Street South project that is estimated to cost 1.3 million dollars: \$400,000 is from a MN/DOT grant; \$400,000 from the State bonding bill. The \$500,000 will be borrowed probably from PFA and payable over 30 or 40 years.

The Second Street North Project needs to have the survey work done and then move forward with the environmental and design. Authorizing WSN to proceed with design can be given at the next meeting but the survey work should be done now. The cost on this is by the hour and the estimated cost is \$2,500 to \$3,000 and will take about two days.

The next question was whether to proceed with the environmental report. Cost on this is about \$10,000 to \$20,000. As Cariveau explained these reports are quite extensive and cover any things including endangered species, air and noise, groundwater, etc. This has to be done to use PFA money. Since he just completed one for the Fit Trail Cariveau stated that the costs could come down significantly. He would be willing to do a “not to exceed” on this. This report should be done by March 25<sup>th</sup> as Government entities have 30 days to respond. Before we begin this process we can get clarification from Nancy Johnson of PFA that we are eligible for these dollars and also get an estimate from her of how much we are eligible for. After further discussion, motion was made by Lambert seconded by Dufault to authorize Lee Cariveau to

proceed with the Environmental report at a cost Not to Exceed \$7,500.00. Motion carried by unanimous vote.

The Golf Course Purchase Option Contract was reviewed. The only change was the timing of the second payment on the purchase with half being paid this year and the other half being paid early in 2014. No action was taken.

Veteran's Memorial Master Plan – Consider proposal for schematic Design & Preliminary Design. As Lucken explained, Laurel would like to apply for a grant to the Bremer Foundation for funds to upgrade the Veteran's Memorial Park. To do this we need some preliminary information as to schematic and preliminary design with estimated costs. Keith Kinnon from Karvakko Engineering met with Lucken and Skala last week and can complete the preliminary schematic and design for \$5,000. This is a good project and motion was made by Lambert seconded by Carlson to proceed. Motion carried by unanimous vote.

Council considered the recommendations from the Personnel Committee:

- a) Approve 3% Cost of Living Adjustment for Full Time employees for 2014
- b) Approve 2014 step adjustment for eligible city employee
- c) Proceed with Request for Proposals for Employee Classification and Compensation Study.
- d) Approve hiring of Josh Houska for Solid Waste Handler position in Sanitation Department at \$13.41 per hour.

Lambert asked what the goal of the Study would be. Lucken explained that we have not done a study for about twenty years and we have an employee who believes his wage is out of line. We have nothing to base this on and are looking to get data and make informed decisions; to get an analysis on pay grades and to see if employees are in the correct pay grade. This will also compare us to other municipals. We are different in that our workers cover many different areas including electrical, gas, water, etc. Lambert then questioned what will happen when we do get the answer – pay a wholesale rate or decrease them? He doesn't think there is a clear plan here. Offerdahl explained that this won't just sit on a shelf. We will discuss it, analyze it and make some decisions. We are only requesting quotes at this time. Motion was made by Lambert seconded by Dufault to approve recommendations a – d from the Personnel Committee as submitted. Motion carried by unanimous vote.

Motion was made by Carlson seconded by Dufault to approve Partial Pay Estimate No. 13 in the amount of \$34,555.22 to Gladen Construction for the Wastewater Treatment Facility Expansion Project. Motion carried by unanimous vote.

Member Carlson introduced the following resolution and moved its adoption:

**RESOLUTION AUTHORIZING THE SUBMISSION  
OF LOAN APPLICATION TO THE  
MINNESOTA PUBLIC FACILITIES AUTHORITY  
RESOLUTION NO. 13-27**

BE IT RESOLVED that the City of Fosston is hereby applying to the Minnesota Public Facilities Authority for a loan from the Clean Water Revolving Fund for improvements to its municipal wastewater treatment system as described in the loan application.

BE IT FURTHER RESOLVED that the City of Fosston estimates the loan amount to be \$536,970.00 or the as-bid cost of the project.

BE IT FURTHER RESOLVED that the Council of the City of Fosston concurs in Resolution 13-2 adopted by the Fosston Public Utilities Commission on October 8, 2013.

BE IT FURTHER RESOLVED that the City of Fosston has the legal authority to apply for the loan and the financial, technical, and managerial capacity to repay the loan and ensure proper construction, operation and maintenance of the project for its design life.

BE IT FURTHER RESOLVED that the City of Fosston hereby expresses its official intent to use proceeds of this loan to reimburse construction expenditures made prior to the issuance of its general obligation bond to the Public Facilities Authority.

The motion for the foregoing resolution was duly seconded by member Dufault and upon vote being taken thereon the following members voted in favor thereof: Carlson, Dufault, Lambert and Offerdahl

and the following voted against same: None

Whereupon said resolution was declared passed and adopted this 14<sup>th</sup> day of October, 2013.

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James Offerdahl, Mayor

ATTEST:

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Charles Lucken, City Administrator

Member Lambert introduced the following resolution and moved its adoption:

**RESOLUTION ADOPTING ASSESSMENT  
FOR DEMOLITION OF BLIGHTED AND  
SUBSTANDARD STRUCTURE  
RESOLUTION NO. 13-28**

**WHEREAS**, pursuant to an agreement with Michael and Patrick Wynne, the council met and approved the proposed assessment for the demolition of the following blighted and substandard structure:

House owned by Wynnes at 414 3<sup>rd</sup> Street NE, Parcel No. 87.00346.00

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

1. Such proposed assessment, a copy of which is attached hereto and made a part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein.
2. Such assessment shall be payable in equal annual installments extending over a period of ten (10) years, the first of the installments to be payable on or before the first Monday in January, 2014, and shall bear interest at the rate of three (3) percent per annum from the date of the adoption of this assessment resolution. To the first installment shall be added interest on the entire assessment from the date of this resolution until December 31, 2014. To each subsequent installment when due shall be added interest for one year on all unpaid installments.
3. The owner of any property so assessed may, at any time prior to certification of the assessment to the county auditor, pay the whole of the assessment on such property, with interest accrued to the date of payment, to the City Administrator, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of the assessment. He may at any time thereafter, pay to the City Administrator the entire amount of the assessment remaining unpaid, with interest accrued to December 31, of the year in which said payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year.
4. The City Administrator shall forthwith transmit a certified duplicate of this assessment to the County Auditor-Treasurer to be extended on the property tax lists of the County. Such assessments shall be collected and paid over in the same manner as other municipal taxes.

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

And the following voted against same: None

Whereupon said resolution was declared passed and adopted this 14<sup>th</sup> day of October, 2013.

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James Offerdahl, Mayor

ATTEST:

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Charles Lucken, City Administrator

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

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Charles Lucken, City Administrator