

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL  
OF THE CITY OF FOSSTON, POLK COUNTY MINNESOTA  
OCTOBER 9, 2017

The regular meeting of the Council of the City of Fosston, Polk County Minnesota was held in council chambers on Monday, October 9, 2017 at 7:00 p.m.

The meeting was called to order by Mayor Offerdahl with the following members present: Veum, and Hoialmen, Dufault and Anderson Also present was: Charles Lucken, Cassie Heide, Lee Cariveau, Zach Folkert, Barb Erdman, Amelia Linehan, Karen Graham, Casey Holland, Cheryl Winkelman, and Keith Kinnen.

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

- Consider Adopting Ordinance Annexing City Land (former Aspen property)
- Consider Resolution Supporting Local Decision-Making Authority
- Consider final disciplinary action against City employee for violation of City Personnel Policy.
- Consider recommendation from FEDA for tentative approval of loan to Park Core LLP/West End Mobile Court for proposed 2018 housing project.

Motion carried by unanimous vote.

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

- A) To approve the minutes of the regular meeting held September 11, 2017 regular meeting minutes and the September 25, 2017 special meeting minutes.
- B) To approve Accounts Payable Bill Listing #17-10 in the amount of \$84,300.08 and AP Bill Listing #17-10A in the amount of \$107,108.39.

COMMITTEES/BOARDS/COMMISSION:

Law Enforcement: Zach Folkert and Barb Erdman were present to discuss matters pertaining to their department.

- Sheriff Erdman reported that the Polk County Sheriff's office for Fosston is now completely moved in to their new location on Omland Ave N. Matt Bellamy and Zach Folkert will continue to work out of the City Hall office Monday-Friday, 8am to 4:30p.m.
- Folkert reported that September was busy in Fosston. Deputies are working with schools on school patrol and keeping things safe.
- Veum asked if the stop sign at Mark Ave South and 3<sup>rd</sup> St SE should be replaced. Lucken reported that a stop sign was previously there and can be put back up.

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

- The State health inspector came in last Friday and all inspected passed.
- Regarding the handicap chair lift that was requested last month, Graham did look for grant money and the only monies available at this time are tax credits. Since the city is already tax exempt, the grants would not be useful.  
Dufault suggested asking Essentia or other community service groups to partner with the city in the purchase of the equipment. Graham will check into this.
- Faith Hill Academy in Bagley has been using the pool each week for swimming lessons and are pleased with the partnership with the city.
- Floors and benches were installed at the warming house last week.

Community/Economic Development:

- Heide reported that Darren Laesh from MNDOT informed her of construction on highway 2 from Erskine to Fosston that will be done in 2021 and the possibility of a multi use/bike path in conjunction with the project. The City needs to express the interest level, sketch out a proposed route and uses for the path.  
Offerdahl and council agreed that Heide should go ahead with expressing interest, and creating a proposed path from A&W to Golf course.
- FEDA board met at noon today. Offerdahl reported that Park Core LLP, owners of the West End Mobile Court in Fosston are working on a two-phase project to upgrade the existing mobile home court. The owners have contacted Ultima Bank for financing the project. Their plan includes removing a number of the substandard mobile homes in the park and to install twelve new single wide mobile homes in the next two years. They have contacted Homark Homes to build six homes in 2018 and six in 2019. The cost of the six homes in 2018 is estimated to be \$400,000. Ultima Bank is considering financing 65% of the project with Park Core contributing 15%. The HRA has tentatively approved financing 10% of the project costs to a maximum loan of \$40,000 at 0% interest for ten years and the FEDA board has recommended that the City tentatively approve financing 10% of the project costs to a maximum loan of \$40,000 at 3% interest over a ten year term.

A motion was made by Dufault, seconded by Veum to approve a loan to Park Core/LLP/West End Mobile Court for proposed 2018 housing project contingent upon final approval of Ultima Bank and Park Core LLP submitting an IRP Loan Fund application to the City. Motion carried by unanimous vote.

- The Daycare task force met and reviewed a draft of the Fosston Daycare Center Plan that was prepared by Michelle Landsverk. Landsverk has conducted research on the

demographics of the area and childcare in Minnesota. Landsverk has set up two tours of childcare facilities in Detroit Lakes and Frazee. The task force will meet in November and is continuing to work towards providing a daycare center or facility in the City of Fosston. Hopes are to get the facility up and running in 2018.

- Park Core/LLP/West End Mobile Court has also expressed interest in paving the cul-de-sacs and Northwood Avenue of its mobile park. Cariveau will work up some plans. This is a private property project and owners would be assessed.

Airport:

- Lucken reported that the airport is closed until October 17<sup>th</sup> for work that is being done on the apron and taxiway areas. Paving should be done on the 16<sup>th</sup> or 17<sup>th</sup>.
- Hangar owners will be meeting to discuss paint options for their hangars and this will be a priority to complete in the Spring.

Star Committee:

- Heide reported that Julie Dahle of Fosston and Marketing Director at Garden Valley has attended a meeting and will possibly join the committee.
- The committee is planning an every other year Business/Industrial/Farmers appreciation.

Council Considered Adopting Ordinance Annexing City Land (former Aspen property). Lucken reported that this is for city owned former Aspen property. Cheryl Winkelman was present on behalf of Rosebud Township to express her concerns with the annexation. Winkelman did not feel properly informed regarding the annexation. Lucken reported that a letter was sent back in January regarding the annexation. Offerdahl explained that the land that is being annexed is city owned, and/or completely surrounded by city owned land. Owners of property that is being annexed have signed a petition approving the annexation. These homeowners are provided city utilities. Winkelman expressed her concern that the property will sit as farmland. Offerdahl assured Winkelman that the city has plans to develop the former Aspen property and will in fact do so.

Member Anderson introduced the following ordinance and moved its adoption:

**ORDINANCE NUMBER 4.29**

**AN ORDINANCE OF THE CITY OF FOSSTON, MINNESOTA  
ANNEXING LAND LOCATED IN ROSEBUD TOWNSHIP,  
POLK COUNTY, MINNESOTA  
PURSUANT TO MINNESOTA STATUTES § 414.033 SUBDIVISION 2(1),  
PERMITTING ANNEXATION BY ORDINANCE**

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An ordinance annexing land into the City of Fosston:

Section 1. RECITALS.

A. WHEREAS, the City of Fosston owns the following described unincorporated real property abutting in part on said City's northerly boundary and abutting in part on said City's easterly boundary.

**See attached Exhibit A.**

B. WHEREAS, the City of Fosston acquired said parcel in 2014.

C. WHEREAS, the total area of land is unplatted and contains 30.75 acres.

D. WHEREAS, the property will be platted and used for residential purposes.

E. WHEREAS, the City of Fosston, pursuant to Minnesota Statute § 414.036, shall reimburse property taxes to said Township in which the annexed property is located the sum of \$116.54, payable in equal annual installments of \$58.27 per year for 2 years, commencing with and including the year 2017, the first installment of which shall be paid on or before December 31, 2017.

F. WHEREAS, the City of Fosston, pursuant to Minnesota Statute § 414.036, shall reimburse special assessments to said Township in which the annexed property is located the sum of \$160.00 payable in equal annual installments of \$80.00 per year for 2 years, commencing with and including the year 2017, the first installment of which shall be paid on or before December 31, 2017.

G. WHEREAS, no part of said tract is included in another boundary adjustment proceeding pending before the Municipal Boundary Adjustments Unit and no other municipality borders said property.

H. WHEREAS, members of the Fosston City Council have determined that annexation of the above described real property will be in the best interests of the City of Fosston, Minnesota, and any territory that may be affected.

Section 2. THEREFORE, upon motion duly made, seconded and carried,

**IT IS RESOLVED, and the City Council of the City of Fosston, Minnesota, hereby ordains and declares that the afore-described tract be and is hereby annexed and incorporated within the City of Fosston, Minnesota**

Section 3. This ordinance shall be final and shall take effect and be in full force from and after the date on which it is passed, published, recorded and approved by the Municipal Boundary Adjustments Unit.

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

and the following voted against same: None.

Whereupon said resolution was declared passed and adopted by the City Council of the City of Fosston, Minnesota, on this 9th day of October, 2017.

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James Offerdahl, Mayor

Attest:

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Charles Lucken, City Administrator

Council considered adopting a Resolution Supporting Local Decision Making Authority, per the advice of League of Minnesota Cities.

Member Hoialmen introduced the following resolution and moved its adoption:

**RESOLUTION NO. 17-21**

**A RESOLUTION SUPPORTING LOCAL DECISION-MAKING AUTHORITY**

**WHEREAS**, local elected decision-makers are in the best position to determine what health, safety and welfare regulations best serve their constituents; and

**WHEREAS**, just like state legislative leaders, local elected officials are held accountable through Minnesota's robust elections process; and

**WHEREAS**, ordinances at the local level are enacted only after a comprehensive, legal and open process; and

**WHEREAS**, local units of government are required to publish notices about meetings where policies will be discussed and decisions will be made; and

**WHEREAS**, under the state's Open Meeting Law, public policy discussions and decisions must occur in meetings that are accessible to members of the public; and

**WHEREAS**, cities are often laboratories for determining public policy approaches to the challenges that face residents and businesses; and

**WHEREAS**, preservation of local control in Minnesota has yielded statewide benefits such as the 2007 Freedom to Breathe Act, an amendment to the Minnesota Clean Indoor Air Act; and

**WHEREAS**, more than two dozen bills that restrict local decision-making have been introduced in 2017 to date.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF**

**FOSSTON**, that this Council supports local decision-making authority and opposes legislation that removes the ability for local elected officials to respond to the needs of their businesses and constituents.

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

and the following voted against same: None.

Whereupon said resolution was declared passed and adopted this 9<sup>th</sup> day of October, 2017.

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James Offerdahl, Mayor

Attest:

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Charles Lucken, City Administrator

Council considered final disciplinary action against City employee for violation of City Personnel Policy. The City Council held a special closed meeting at 8:00 p.m. on Monday, September 25, 2017 to conduct a performance evaluation of Ryan Handyside and to consider disciplinary action against Ryan Handyside for violation of the City Personnel Policy. The Council considered the following facts in its evaluation:

- **Personnel Policy Provision Violated: Attendance** – The operations and standards of service in the City of Fosston require that employees be at work unless valid reasons warrant absence. In order for a team to function efficiently and effectively, employees must be on the job. Attendance is an essential function of every City position. As of November 15, 2016, Mr. Handyside had been absent from work 314 hours beyond his accrued vacation, sick time and comp time hours. His absence has compromised the efficiency and effectiveness of city services to residents and businesses in Fosston.
- It is the employee's responsibility to notify management each and every day of an absence according to the Personnel Policy guidelines. Failure to contact his supervisor will result in an unauthorized absence. Mr. Handyside failed to keep his supervisor informed of his excessive absences from work.

**Written Warning**

Employees who are absent for three (3) days or more and who do not report the absence in accordance with City policy, will be considered to have voluntarily resigned, not in good standing. Mr. Handyside failed to keep his supervisor informed in a number of instances of the reason for his absences and failed to provide a physicians statement for absences in excess of three (3) days. **Corrective Action Required:**

Because Mr. Handyside's position is classified as full-time and is an essential position to the City, he is required to maintain good attendance. Failure to maintain good attendance cannot be tolerated and will result in suspension or termination.

After Mr. Handyside's written reprimand in November, he was required to notify his supervisor of any future absence at least 60 minutes prior to the start of his scheduled work-shift. He was also notified that further violations of the Personnel Policy would not be tolerated and may result in suspension or termination.

Employee was directed to provide a physician's statement for absences in excess of three (3) days. Failure to provide physician's statement would not be tolerated and may result in suspension or termination.

#### **Consequences of Further Violation:**

Violations of the provisions of the City's Personnel Policy in the future will result in a suspension or may result in immediate termination of your employment with the City of Fosston.

Director of Public Works David Larson reported that Mr. Handyside continued to violate the City Personnel Policy with respect to excessive absences and tardiness as well as absences without leave. Larson recommended to Council that Mr. Handyside's employment with the City of Fosston be terminated.

A motion was made by Anderson, seconded by Hoialmen to terminate employment of Ryan Handyside effective immediately. Motion carried by unanimous vote.

Council considered approval of Partial Payment Estimate No. 4 from Hagen Construction and Trucking in the amount of \$58,527.63 for the 2017 Street and Utility Improvement Project. Cariveau reported that the retainage is for \$5,100.14 to ensure turf establishment. A motion was made by Anderson, seconded by Dufault to approve Partial Payment Estimate No. 4 from Hagen Construction and Trucking in the amount of \$58,527.63 for the 2017 Street and Utility Improvement Project. Motion carried by unanimous vote.

Council considered approval of Change Order No. 2 from Hagen Construction and Trucking in the amount of \$26,450.00 per recommendation from Widseth Smith Nolting for the 2017 Street and Utility Improvement Project. Offerdahl inquired regarding who approved the changes. Widseth reported that items were approved by Dave Larson and Chuck Lucken. Cariveau will set

October 31<sup>st</sup> as a completion date for items that are not finished. The overall project is under the original contract price to date.

A motion was made by Anderson, seconded by Hoialmen to approve Change Order No. 2 from Hagen Construction and Trucking in the amount of \$26,450.00 per recommendation from Widseth Smith Nolting for the 2017 Street and Utility Improvement Project. Motion carried by unanimous vote.

Council considered approval of Application for Payment from Hagen Construction and Trucking in the amount of \$45,969.00 for the Sports Complex Project. Kinnen reported that the project has been completed for a month. Turf establishment and maintenance issues will be covered with the 2.5% retainage.

A motion was made by Anderson, seconded by Dufault to approve Application for Payment from Hagen Construction and Trucking in the amount of \$45,969.00 for the Sports Complex Project. Motion carried by unanimous vote.

Council considered approval of Jump for Joy Bounce Houses rental agreement for 2018 All-School Reunion. Dufault expressed interest in the use of the money to promote the All-School Reunion. Other members were in favor of supporting the reunion in this capacity, as they feel the council would be asked for support in another capacity if this were not approved. The All-School reunion brings a large amount of people to the City for the event. The All-School reunion committee is responsible for having volunteers with the equipment during run times for the equipment.

A motion was made by Anderson, seconded by Hoialmen to approve the rental agreement for the 2018 All-School reunion with Jump for Joy Bounce Houses. Motion carried by unanimous vote.

Council considered approving a Resolution approving the Classification and Sale of Tax Forfeited Parcels in the City of Fosston. Lucken reported that the homes have been removed on properties that had homes. Offerdahl would like the City to express interest to Polk County in parcel number 87.00406.00 as it would be a great use for a park. Dufault suggested retaining of this parcel for the purpose of future FIT trail connections. Lucken will contact the County regarding this parcel and informed the council that the City has first chance at these forfeited properties.

Member Hoialmen introduced the following resolution and moved for its adoption:

**RESOLUTION NO. 17-22**

**RESOLUTION APPROVING THE CLASSIFICATION AND SALE OF A TAX FORFEITED PARCELS IN THE CITY OF FOSSTON**

**WHEREAS**, the City of Fosston has received notification from the Polk County Board of Commissioners that the following parcels have been classified as tax forfeited land;

Parcel No. 87.00138.00	306 Brandt Ave. North
Parcel No. 87.00403.00	611 8 <sup>th</sup> St. NE
Parcel No. 87.00406.00	8 <sup>th</sup> St. NE
Parcel No. 87.00584.00	Inderlee Ave. South

**WHEREAS**, classification and sale of any tax forfeited land lying within the bounds of any incorporated municipality must be approved by the governing body of such municipality; and

**WHEREAS**, the City has identified a public purpose for the Parcel No. 87.00406.00, and

**WHEREAS**, the City has not identified a public purpose for the remainder of the parcels on the above-mentioned list.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FOSSTON, POLK COUNTY, STATE OF MINNESTOA, as follows:**

- 1) That the City of Fosston has identified a public purpose for Parcel No. 87.00406.00
- 2) That the City of Fosston has not identified a public purpose for Parcel No. 87.00138.00, 87.00403.00 and 87.00584.00.
- 3) That the City of Fosston hereby approves the classification of the parcels forfeited to the State as non-conservation and the sale of these tax forfeit parcels in item number 2.
- 3) That the City Clerk is hereby authorized to submit a copy of this resolution to Polk County for their records.

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

and the following voted against the same: None.

Whereupon said resolution was declared duly passed and adopted by the Fosston City Council this the 9<sup>th</sup> day of October, 2017.

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James Offerdahl, Mayor

Attest:

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Charles Lucken, City Administrator

Council considered approving a Resolution Acknowledging Department of Natural Resources Outdoor Recreation Grant OR16-002 Fosston Sports Complex/Melland Park Deed Requirements.

Member Anderson introduced the following resolution and moved its adoption:

RESOLUTION ACKNOWLEDGING DEPARTMENT OF  
NATURAL RESOURCES OUTDOOR RECREATION GRANT OR16-002  
FOSSTON SPORTS COMPLEX/MELLAND PARK DEED REQUIREMENTS

RESOLUTION 17-23

WHEREAS, the City of Fosston was awarded an Outdoor Recreation Grant sponsored through the Minnesota Department of Natural Resources; and

WHEREAS, the grant agreement requires that the City of Fosston shall record with the deed to all lands within the Fosston Sports Complex/Melland Park specific language; and.

WHEREAS, in order to comply with the Department of Natural Resources Project agreement with the City of Fosston, certain restrictions will be imposed on the property.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FOSSTON, STATE OF MINNESOTA, to record with the deed that all lands within the Fosston Sports Complex/Melland Park as legally described in exhibit A, as attached, are imposed the following restrictions as specified in State Grant Contract OR16-002 between the Minnesota Department of Natural Resources and the City of Fosston

1. The property shall be permanently managed and maintained for outdoor recreation purposes consistent with the approved grant agreement OR16-002.
2. The City of Fosston shall not at any time convert any portion of the park area to uses other than public outdoor recreation uses specified in the grant agreement without the prior written approval of the State.

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

And the following voted against the same: None.

Whereupon said resolution was declared passed and adopted this 9th day of October, 2017.

\_\_\_\_\_  
James Offerdahl, Mayor

ATTEST:

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Charles Lucken, City Administrator

Council considered a request from East Polk Heritage Center for funding support in 2018. The East Polk Heritage Center Board is requesting a \$4,000 donation that will assist with the necessary maintenance and upgrades to the Moen School Building and restoration of the soon to be acquired historic cabin. Lucken reported that this amount has been built into the 2018 budget.

A motion was made by Hoialmen, seconded by Anderson to approve the request from East Polk Heritage Center for funding support in 2018 in the amount of \$4,000. Motion carried by unanimous vote.

Council considered approving a proposal from American Federal Bank for lease/purchase financing for the City equipment purchases in 2017. Lucken reported that Dan Paulson of American Federal Bank contacted him regarding providing a proposal. We have a proposal from Choice Financial for just two tenths of a percentage higher that Lucken can rescind. Offerdahl feels this is a good deal to make as American Federal Bank is local and pays local taxes.

A motion was made by Hoialmen, seconded by Anderson to approve the proposal from American Bank for lease/purchase financing for the City equipment purchases in 2017.

Council considered approving a Resolution Declaring Cost to be Assessed and Ordering Preparation of Proposed Assessment for 2017 Street and Utility Improvement Project.

Member Veum introduced the following resolution and moved its adoption:

**RESOLUTION DECLARING COST TO BE ASSESSED  
AND ORDERING PREPARATION OF PROPOSED ASSESSMENT  
RESOLUTION NO. 17-24**

**WHEREAS**, a contract has been let (costs have been determined) for the improvement of North Mark Avenue from Second Street NW to Stephens Blvd and South Mark Avenue from U.S. Highway #2 to Second Street SW and the contract price for such improvement is \$281,457, and the expenses incurred or to be incurred in making such improvement amount to \$47,000 so that the total cost of the improvement will be \$328,457.

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

1. The portion of the cost of such improvement to be paid by the City and State is hereby declared to be \$328,457 and the portion of the cost to be assessed against benefited property owners is declared to be \$30,991.
- 2.

3. Assessments shall be payable in equal annual installments extending over a period of ten years, the first of the installments to be payable on or before the first Monday in January, 2017 and shall bear interest at the rate of 6 percent per annum from the date of adoption of the assessment resolution.
4. The City Administrator, with the assistance of the city consulting engineer, shall forthwith calculate the proper amount to be specially assessed for such improvement against every assessable lot, piece or parcel of land within the district affected, without regard to cash valuation, as provided by law, and he shall file a copy of such proposed assessment in the office for public inspection.
5. The City Administrator shall upon the completion of such proposed assessment, notify the Council thereof.

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: Veum, Dufault, Anderson, Hoialmen, and Offerdahl.

and the following voted against same: None.

Whereupon said resolution was declared passed and adopted this 9<sup>th</sup> day of October, 2017.

\_\_\_\_\_  
James Offerdahl, Mayor

Attest:

\_\_\_\_\_  
Charles Lucken, City Administrator

Council considered approving a Resolution for Hearing on Proposed Assesment for 2017 Street and Utility Improvement Project.

Member Hoialmen introduced the following resolution and moved its adoption:

**RESOLUTION FOR HEARING ON  
PROPOSED ASSESSMENT  
RESOLUTION NO. 17-25**

**WHEREAS**, by a resolution passed by the council on October 9, 2017, the City Administrator was directed to prepare a proposed assessment of the cost of improving the following streets by bituminous overlay:

North Mark Avenue from Second Street NW to Stephens Boulevard

South Mark Avenue from U.S. Highway #2 to Second Street SW

**AND WHEREAS,** The City Administrator has notified the council that such proposed assessment has been completed and filed in his office for public inspection,

**NOW THEREFORE, BIT IT RESOLVED BY THE CITY COUNCIL OF FOSTON, MINNESOTA:**

1. A hearing shall be held on the 13<sup>th</sup> day of November, 2017, in city hall at 7:00 p.m. to pass upon such proposed assessment and at such time and place all persons owning property affected by such improvement will be given an opportunity to be heard with reference to such assessment.
2. The City Administrator is hereby directed to cause a notice of the hearing on the proposed assessment to be published once in the official newspaper at least two weeks prior to the hearing, and he shall state in the notice the total cost of the improvement. He shall also cause mailed notice to be given to the owner of each parcel described in the assessment roll not less than two weeks prior to the hearings.
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 such payment is made. Such payment must be made before December 15 or interest will be charged through December 31 of the succeeding year.

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

and the following voted against same: None.

Whereupon said resolution was declared passed and adopted this 9<sup>th</sup> day of October, 2017.

\_\_\_\_\_  
James Offerdahl, Mayor

Attest:

\_\_\_\_\_  
Charles Lucken, City Administrator

Council considered approving applications for Exempt Permit from Fosston Area Sportsmen Club and First Care Medical Services Foundation. A motion was made by Veum, seconded by Dufault to approve applications for Exempt Permit from Fosston Area Sportsmen Club and First Care Medical Services Foundation. Motion carried by unanimous vote.

Council considered approving a Purchase Agreement with Charles & Millicent Balstad for Parcel No. 87-00016 and 87-00019. Lucken reported the purchase agreement is for \$11,000 and the purpose of the purchase is to protect the utilities that are at the property underground. Veum expressed his disinterest in the purchase of the property. Offerdahl reported that Dave Larson, Director of Public Works has informed the council of the utilities that are underground at this property and the costs could be more than the purchase price if those utilities needed to be moved in the future. Without Larson present to advise on the utilities underground it was the consensus of the council to table this item until the next meeting when more information from Larson can be gathered.

Council considered approving payment to Lenex Sand & Gravel for site preparation work on NAPA/Grocery Store project with TIF funds. Lucken reported that we have these funds from the bond sale. Dufault expressed his concern with how late this bill is and what the possibility of another late bill coming up requesting payment. Lucken reported that we have known about this bill from the beginning of its existence, but because we did not know what the assessors value for the properties would come in at. Offerdahl reminded the council that these are funds that we have set aside for this project specifically.

A motion was made by Dufault, seconded by Anderson to approve payment to Lenex Sand & Gravel for site preparation work on NAPA/Grocery Store project with TIF funds. Motion carried by unanimous vote.

Council discussed a Conditional Use Application from Mark Nohre for the Bob Overmoe property. Offerdahl reported that the sale the Nohre has fell through and a new purchase agreement is signed. For these reasons, a motion was made by Dufault, seconded by Veum to deny the Condition Use Application from Mark Nohre. Motion carried by unanimous vote.

Council reviewed Requests for Proposal for insurance consulting services and consider selection of Insurance Agent of Record services. Two request for proposals were received. One from Casey Holland of Vaaler Insurance and one from Lindfors Insurance Agency. Lucken reported that the agent of record handles claims, meets with the City Administrator prior to renewals, and handles all other things pertaining to the City's insurance plan. The proposals received cover the 2018-2020 coverage period. The total cost from Casey Holland, Vaaler Insurance is \$7,000 per year. The total cost from Lindfors Insurance Agency was 5% of the insurance premium, which equates to about \$3,700 annually.

A motion was made by Anderson, seconded by Veum, to select Lindfors Insurance Agency as Insurance Agent of Record for the City of Fosston. Motion carried by unanimous vote.

Lee Cariveau, Widseth, Smith, Nolting addressed the council regarding possible 2018 street and/or Utility projects. Offerdahl reported that Park Core/LLP/West End Mobile Court is interested in paving the cul-de-sacs and Northwood Avenue in its West End Mobile Court. This should be a possible 2018 project. Cariveau discussed some areas of town that still include cast iron water lines that would be good candidates for street and utility improvements. Cariveau will

put together a list of all streets with cast iron water lines in them and will present to council in priority level. 11<sup>th</sup> St. NW in the industrial park will also be considered for improvements.

Council received a letter from Kingo Lutheran Church regarding a water issue that causes flooding in its foyer. The letter was sent to this council and to Polk County. Cariveau reported that the road that since the county overlaid the road, there is a crown in the center that is higher than the height of the curb which causes the water to go over the curb. Council advised Cariveau to speak with the necessary person(s) at the county to get the situation rectified.

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

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Charles Lucken, City Administrator