

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL
OF THE CITY OF FOSSTON, POLK COUNTY MINNESOTA
September 10, 2018

The regular meeting of the Council of the City of Fosston, Polk County Minnesota was held in council chambers on Monday, September 10, 2018 at 7:00 p.m.

The meeting was called to order by Mayor Offerdahl with the following members present: Dufault, Hoialmen, Veum and Anderson. Members absent: none. Also present was: Charles Lucken, Cassie Heide, Lee Cariveau, David Larson, Steven Lyseng, Keith Kinnen, Ed Lavelle, Barb Erdman, Chett Carlson, Amelia Linehan, Mark Hagen, Karen Graham, Jim Noyes, and Guy Huus.

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

- Consider Approval of Subordination Agreement Between Joel and Wanda Manecke and the City of Fosston
- Consider Sale Price of Parcels 87.00016.00 and 87.00019.00 to Fosston Tri Co-op.

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

- A) To approve the minutes of the regular meeting held July 9, 2018.
- B) To approve Accounts Payable Bill Listing #18-09 in the amount of \$104,262.74 and AP Bill Listing #18-09A in the amount of \$409,724.92.
- C) To approve Accounts Payable Bill Listing – West End Mobile Home Park \$4980.67.

COMMITTEES/BOARDS/COMMISSION:

Law Enforcement: Sheriff Barb Erdman was present to discuss matters pertaining to her department.

- Department budget is only preliminary and should have final budget numbers for contract approval soon.
- Vandalism at the Berge-Stafford Park bathrooms was reported. Deputy Chet Carlson has a lead and will work to solve this case.
Mayor Offerdahl would like to consider putting in security cameras. Heide will check with Garden Valley and get a quote for the next meeting.
- August was a busy month, but, nothing too major.

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

- Crews are continuing to mow, sweep and maintain city property.

- Crews will be prepping spot repairs for asphalt. Reit Rock would like to get spot repairs done this week.
- There are 12 natural gas line installations so far and possibly another at IPS. Seven installs have been completed and the remaining 5 should be completed by the end of the week.
- Larson spoke with Noyes at MDV regarding his development and what impacts it will have on the city.
IPF cover had warranty work done and MDV is still shut down, but starting back up soon.
- Fall pond discharge is underway with testing currently being performed.
- Aspen addition project is continuing to go well. Crews have some terminating of electric to be done and staking in street lights.
- Heide reported that Larson, Lyseng and Heide interviewed two candidates for the open solid waste handler position. Heide, along with Larson and Lyseng recommend hiring Adam Sterry for the position as he fits the current needs of the City well and will be a good addition to the staff.

A motion was made by Anderson, seconded by Veum to offer the open position to Adam Sterry. Motion carried by unanimous vote.

Civic Center: Karen Graham was present to discuss matters pertaining to her department.

- Graham has an opportunity to purchase a 2005 model zamboni for \$41,000 from Becker Sports. The current zamboni has been used for nearly twenty years and has a gas leak and a tank that does not work. This zamboni will not perform for the upcoming ice season. Graham will work with Becker to trade in the current zamboni.
Lucken reported that Graham has \$26,000 in equipment budget currently and the remaining balance can be structured as an interfund loan to pay the remaining balance back from the recreation equipment budget in 2019.
Council members previously approved a zamboni purchase up to \$45,000 and are in favor of the purchase of this model.

Bus:

- Heide reported that applications have been accepted and the state will review and make their final approval in the next couple of months.

Community Development

- The FEDA board met at noon today and discussed the subordination agreement between Joel and Wanda Manecke and the City of Fosston. The need for subordination is for Maneckes to purchase the former legion building on loan. This places our second position on the current loan to the new loan.

A motion was made by Anderson, seconded by Hoailmen to approve subordination agreement between Joel and Wanda Manecke and the City of Fosston. Motion carried by unanimous vote.

- Lucken reported that the Fosston Tri Co-op is interested in purchasing the two lots that the City owns and recently purchased from Charles Balstad. These lots are parcel number 87.00016.00 and 87.00019.00. With the purchase price and closing expenses the City has \$12,726.00 invested in these parcels. Larson reported that we have a sewer line that runs through the middle of the property and the City should have a utility easement on the property if it is sold.

A motion was made by Anderson, seconded by Veum to sell parcel 87.00016.00 and 87.00019.00 to Fosston Tri Co-op contingent upon the obtainment of a utility easement. Motion carried by unanimous vote.

Star Committee:

- Heide reported the committee held a first annual event during Heritage Days. A chalk walk was held at the Kingo Lutheran Church parking lot with age categories with winners in each category winning Fosston bucks. It was well attended for a first year event with over 30 children and adults participating.

Council considered approving Partial Pay Estimate No. 2 in the amount of \$200,355.68 from Davidson Construction, Inc for 2018 street and utility improvements. Cariveau recommends payment as all work has been satisfactorily performed.

A motion was made by Veum, seconded by Anderson to approve Partial Pay Estimate No. 2 in the amount of \$200,355.68 from Davidson Construction, Inc for 2018 street and utility improvements. Motion carried by unanimous vote.

Council considered approving Change Order No. 2 for additional wetland insulation and culvert from Davidson Construction Inc in the amount of \$2,250. Cariveau reported that this price was negotiated between Davidson Construction, himself, and city staff and is necessary as the drainage ditch needs more fill and insulation.

A motion was made by Dufault, seconded by Anderson to approve Change Order No. 2 for additional wetland insulation and culvert from Davidson Construction Inc in the amount of \$2,250. Motion carried by unanimous vote.

Council considered approving a development agreement between the City of Fosston and MDV, Inc. Jim Noyes, General Manager at MDV was present to discuss what this development agreement includes. Noyes reported that a facility were packaging can be done will be constructed with the addition of 12 new jobs. By next year, MDV hopes to have another dryer in operation and to double production. Offerdahl went on record to inform Noyes that the City will not be ready by that time to be able to accept anymore wastewater. Offerdahl noted the success the IPF has had the last couple of years, but reminded Noyes of the issues that have occurred in

the past when the facility has not properly handled the wastewater. Noyes informed the council that he will have new equipment that can filter out this water and make it more pure and reduce the phosphorus.

Larson informed Noyes that the City needs hard numbers on estimated discharge so that the City can properly prepare. The City is working with an engineer on the construction of a new pond and the needs the City currently has and will have in the future. This will need to be known as soon as possible to build appropriately for this expansion.

Offerdahl informed Noyes that our current natural gas line cannot handle another dryer and the City needs time to look at expanding our line. Realistically, Offerdahl sees this taking three to four years, if not five. Offerdahl is pleased with the expansion MDV is doing and pleased to have this industry in our community and the City will continue to work with MDV to assist in the expansion.

Noyes reported that when the final expansion is complete the labor force will be increased by two thirds and with that the salaries will be increased to be able to obtain higher quality employees.

A motion was made by Dufault, seconded by Veum to approve development agreement between the City of Fosston and MDV, Inc. Motion carried by unanimous vote.

Council tabled the sale of a lot in the Aspen Addition for further information from the MMCDC on cost estimates for a spec home. Heide reported that Midwest Minnesota Community Development Council is a nonprofit organization that performed a survey of employees at Essentia, MDV and school to determine what price home is obtainable. They have used these results to find that there is a need in Fosston that can be met. They are interested in building one spec home this fall and if all goes well they would like to build another in the Spring.

Keith Kinnen of Karvacko Engineers was present to discuss the 2019 TAP grant for the east side multi use path. Kinnen presented three options to council to maximize the grant dollars. Kinnen reported that the TAP grant is for \$165,000 and MN/DOT has a twenty percent match on the trunk highway portion of the trail in the amount of \$27,000 for a total amount of \$192,000 for construction of a 10 foot bituminous multi use path. Offerdahl would like to see concrete sidewalk, curb and gutter from the Dairy Queen to Sollie Realty. Kinnen reported that concrete is about \$68,000 more than asphalt for that portion, not including curb and gutter. With curb and gutter, storm drainage would be needed and would increase the price even higher. Kinnen reported that he has spoken with Lou Tasa at MN/DOT and in the future grant funding that was received for the west side multi use path may be available in the future. With this grant we could possibly construct concrete in the desired area. For now, we need to consider approving task order 010 from Karvacko Engineering for design services for the east side multi use path. Option two presented by Kinnen includes estimated construction of a ten foot bituminous multi use path that will begin at the end of Dairy queen sidewalk and end on Amber Avenue for the amount of \$192,397. Engineering costs is \$69,525, for a total cost of \$69,922 to the City of Fosston.

A motion was made by Anderson, seconded by Dufault to approve Task Order No. 010 from Karvakko Engineering. Motion carried by unanimous vote.

Lee Cariveau of Widseth, Smith and Nolting reported the 2018 street and utility improvement project is going well. Asphalt on Eaton Avenue is projected to be completed the week of September 24th. Spot repairs that are being done by Reit Rock Paving company will be done later this week. Cariveau has ordered the seeding to be done. Home owners affected by the project are pleased overall.

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

Charles Lucken, City Administrator