

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL
OF THE CITY OF FOSSTON, POLK COUNTY MINNESOTA
September 11, 2023

The regular meeting of the Council of the City of Fosston, Polk County Minnesota was held in council chambers on Monday, September 11, 2023, at 7:00 p.m.

The meeting was called to order by Mayor Offerdahl with the following members present: Anderson, LePier and Mulry. Members absent: Dufault. Also present was: Cassie Heide, Sarah Manecke, Dustin Manecke, Stephen Larson, Mary Olson, Amelia Linehan, Shane Linehan, Karen Graham, Keith Kinnen, Jarda Solc, Abby Pearson, Bonnie Stewart, Barb Johnson, and Heidi Danos.

Recited the Pledge of Allegiance.

Motion was made by Anderson, seconded by Mulry to approve the agenda. Motion carried by unanimous vote.

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

- A) To approve the minutes of the regular meeting held August 14, 2023, as presented.
- B) To approve Accounts Payable Bill Listing #23-09 in the amount of \$198,477.11 and Supplemental AP Bill Listing #23-09A in the amount of \$1,119,961.74.
- C) To approve Accounts Payable Bill Listing – Omland Court, \$3,181.35.

COMMITTEES/BOARDS/COMMISSION:

City Administration: Cassie Heide reported on matters pertaining to her department

- Heide informed council that the City of Fosston was awarded the 2023 Minnesota Small Cities Development Program Grant (SCDP) in the amount of \$597,713.00 from the Department of Housing and Urban Development (HUD). Residents who submitted a letter of intent will be invited to submit a full application and be considered for up to \$25,000, which must be used for rehabbing their home.
- Heide noted that the Arts & Culture Committee received a legacy grant from the Northwest Minnesota Arts Council. These funds will be used to update the Ta-cumba mural along Highway 2.
- The City of Fosston will be having an informal public meeting with Essentia on September 19th at 5:00p.m. at New Journey Church regarding the OB dispute resolution process.

Street/Utilities/Sanitation: Shane Linehan reported on matters pertaining to the street department

- The North Johnson boring/water services have been completed. They are hopeful to have the street opened again within the next week or two.
- The street department has been busy sweeping streets, picking up brush and trimming trees.
- Three (3) loads of alum were added to pond 2. They are waiting for samples to return from RMB but hoping to discharge this pond soon. Pond 3 will also need to be discharged before winter.
- The city has been collecting water service line data from homes for the Lead & Copper Rule Revision.
- AE2S completed a hydraulic study on September 7th.
- There have been ten (10) water breaks so far this year. Linehan is hopeful that the number of breaks decrease with the latest work done at the water plant by AE2S.
- The city received a case closing letter from the MPCA regarding our inspection this summer.
- EV charging station painting is complete.
- MDV started operating this month.
- There are eight (8) natural gas installations thus far.
- They have been noticing long lead times on gas materials.

Civic Center: Karen Graham reported on matters pertaining to her department

- The fifth graders have started swimming lessons.
- Graham indicated that there are already several birthday parties booked for this fall.

Police Department: Dustin Manecke reported on matters pertaining to his department.

- Manecke reported they had 162 calls for service in August, 23 reports were completed; and 77 calls for service thus far in September, 7 reports have been completed.
- The police department welcomed students back to the high school and elementary school. Manecke was pleased that vehicles slowed down in school zones and were extra cautious with children on the streets and sidewalks. There were no incidents to report.
- Manecke expressed concern regarding the number of mental health calls they have received as of late, and the number of hours spent by his staff at the hospital or transporting these individuals due to a lack of staffing at Essentia and lack of mental health resources. Manecke said it's very important that we get mental health resources in Fosston, which is why he's excited about the Firefly Center of Art & Wellbeing's mission.

Community Development:

- Heide informed the council that the EDA board met at noon today. The board continues to provide updates from the Childcare Center in regard to staffing and children. Housing continues to be an important topic of conversation. Heide met with a prospective housing developer of Northwood Avenue.

Hospital Board: No report.

Arts & Culture Commission:

- Bonnie Stewart reiterated that the Arts & Culture Commission received a legacy grant from the Northwest Minnesota Arts Council. These funds will be used to update the Tacomba mural along Highway 2. She also noted that they continue to work on their 3-year strategic plan which focuses on public art.

City Attorney: No report.

ISD 601 Superintendent: No report.

Barb Johnson, Bonnie Stewart and Heidi Danos were present to provide an update on the Firefly Center for Art & Wellbeing. Danos indicated that the Firefly Center is a 6,000 square foot space that will include mental health services, a welcoming community lounge & art gallery, space for creatives & community groups to lease and will include two rental units. Alluma, a mental health provider, will occupy a 1,200 square foot space in the building to provide their services. The Center will support individuals, groups, and community through various collaborative partnerships. They are a 501c3 non-profit with a 12-member board. Firefly has raised \$310,000 in grant funding (and continues to search for additional capital funding), but still needs the support of our community and surrounding area. Bid opening for renovation of the space is scheduled for September 14th with construction to begin in early October. They are hosting an event, “Breaking Down Barriers”, on September 23rd at 5:30 p.m.

Member Anderson introduced the following resolution and moved its adoption:

**RESOLUTION ADOPTING POLICY UPDATES TO CITY OF FOSSTON
FTA and FMCSA DRUG AND ALCOHOL PROGRAM POLICY**

RESOLUTION #23-32

WHEREAS, the City of Fosston has an obligation to ensure that its employees perform their jobs safely, and in a professional manner.

WHEREAS, the City of Fosston recognizes that alcoholism and other drug dependencies has a significant potential for causing safety hazards for transit system employees.

NOW THEREFORE, the purpose of this document is set forth the Fosston Transit System Policy along with the City of Fosston Public Works employees regarding urine drug testing and breath alcohol testing for safety-sensitive positions in accordance with the terms of 49 CFR Part 655. I further certify that the employee training conducted under this part meets the requirements of 49 CFR Part 655.

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

And the following voted against same: None.

Whereupon said resolution was declared passed and adopted this 11th day of September, 2023.

James Offerdahl, Mayor

ATTEST:

Cassie Heide, City Administrator

Council considered approval of employee step and cost of living adjustment for 2024 per recommendation of the personnel committee. A 5% cost of living adjustment was proposed in addition to the step increase. Heide indicated that the city has not done more than a 3% COLA in the last ten years. Many other cities are also considering 5% or more due to inflation.

Motion was made by Anderson, seconded by Mulry to approve the employee step and cost of living adjustment for 2024 per recommendation of the personnel committee. Motion carried by unanimous vote.

Council considered approval of employee health insurance renewal for 2024 per recommendation of the personnel committee. Health insurance will continue to be through Medica. The increase from 2023 to 2024 will be approximately \$12,500 for all city funds.

Motion was made by LePier, seconded by Anderson to approve the employee health insurance renewal for 2024 per recommendation of the personnel committee. Motion carried by unanimous vote.

City Administrator Heide reported on the preliminary 2024 general fund budget. Increases in the budget include salary increases for law enforcement & city administrator, staffing/salary increase for the Civic Center, and an increase to the street department for the Berge Park sidewalk & trail project in 2024. Heide reported that this is a 6.8% increase to the tax levy that results in a 2% decrease to property tax if the home value remained the same. The city gained tax capacity; thus, allowing the property tax to decrease from 2023. Enterprise funds are being transferred to keep the levy increase as minimal as possible. Heide noted that the city continues to build reserves in the enterprise funds as well.

Member Anderson introduced the following resolution and moved its adoption:

**RESOLUTION ADOPTING PROPOSED BUDGET
RESOLUTION NO. 23-33**

BE IT RESOLVED, that the Proposed 2024 Budget for the General Fund be set at \$2,179,408.

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

and the following members voted against the same: None.

Whereupon said resolution was declared passed and adopted this 11th day of September, 2023.

James Offerdahl, Mayor

Attest: _____
Cassie Heide, City Administrator

Member Anderson introduced the following resolution and moved its adoption:

**RESOLUTION SETTING PROPOSED
2024 TAX LEVY
RESOLUTION NO. 23-34**

RESOLVED, that the following sums are hereby proposed to be levied upon the taxable property in the City of Fosston, County of Polk, State of Minnesota, for the 2023 taxes collectable in 2024 for the following purposes to-wit:

PURPOSE	2023 FINAL	2024 PRELIMINARY	CHANGE
General Fund	\$ 172,000	\$ 190,000	\$ 18,000
2014 Downtown St. & Utility Note	\$ 37,717	\$ 37,717	\$ -0-
2015B St. Improvement Bonds	\$ 33,058	\$ 54,290	\$ 21,232
2016B St Improvement Bonds	\$ 23,098	\$ 22,319	\$ (779)
2017A St. & Utility Note	\$ 29,891	\$ 30,157	\$ 266
2018A St & Utility Improvement Bonds	\$ 76,120	\$ 77,040	\$920
2019 St. & Utility Note	\$ 22,362	\$ 22,362	\$ -0-
2020 St. & Utility Note	\$ 34,075	\$ 34,075	\$ -0-
2021A St & Utility Impr Bonds	\$ 27,733	\$ 27,296	\$(437)
2021 St & Utility Note	\$ 23,435	\$ 23,435	\$-0-
2022 SRTS Note	\$ 6,976	\$ 0	\$ (6,976)
2023A Utility & St Improvement Bonds	\$ -0-	\$6,062	\$6,062

Total Gross Levy	\$486,465	\$519,339	\$ 32,874
	=====	=====	=====

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

and the following voted against the same: None.

Whereupon said resolution was declared passed and adopted this 11th day of September, 2023.

James Offerdahl, Mayor

Attest: _____
Cassie Heide, City Administrator

Member Mulry introduced the following resolution and moved its adoption:

**RESOLUTION SETTING DATE FOR
PUBLIC BUDGET HEARING
RESOLUTION NO. 23-35**

WHEREAS, the City of Fosston is required by the State of Minnesota, Department of Revenue to hold a Public Budget Hearing between November 25, 2023 and December 28, 2023.

BE IT THEREFORE RESOLVED, that the Public Budget Hearing for the City of Fosston be held on Monday, December 11, 2023 at 7:30 p.m.

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: Anderson, LePier, Mulry and Offerdahl.

and the following voted against the same: None.

Whereupon said resolution was declared passed and adopted this 11th day of September, 2023.

James Offerdahl, Mayor

Attest: _____
Cassie Heide, City Administrator

Council considered approval of pay estimate No. 2 for the 2023 Utility & Street Improvement Project to Hagen Construction, Inc in the amount of \$230,090. Kinnen indicated that this is for work completed through August 31, 2023, less retainage.

Motion was made by Anderson, seconded by Mulry to approve pay estimate No. 2 for the 2023 Utility & Street Improvement Project to Hagen Construction, Inc in the amount of \$230,090. Motion carried by unanimous vote.

Council considered approval of pay estimate No. 1 for the 2023 Pickleball Courts to Lenex Sand & Gravel in the amount of \$24,320.95. Kinnen noted that one court has been poured and the second court will be poured tomorrow morning. There is a 28-day curing period during which the concrete is tested.

Motion was made by Anderson, seconded by Mulry to approve pay estimate No. 1 for the 2023 Pickleball Courts to Lenex Sand & Gravel in the amount of \$24,320.95. Motion carried by unanimous vote.

Council considered approval of Task Order No. 011 for the 2024 TAP Berge Sidewalk and Trail project from Karvakko in the amount of \$41,500. Kinnen stated this is for a project memorandum, design services and bidding related to the multi-use trail and sidewalk project in Berge-Stafford Park.

Motion was made by Mulry, seconded by LePier to approve Task Order No. 011 for the 2024 TAP Berge Sidewalk and Trail project from Karvakko in the amount of \$41,500. Motion carried by unanimous vote.

Council considered approval of pay estimate No. 2 for the 2023 Airport Runway Rehabilitation project to Davidson Construction in the amount of \$650,868.28.

Motion was made by Anderson, seconded by LePier to approve pay estimate No. 2 for the 2023 Airport Runway Rehabilitation project to Davidson Construction in the amount of \$650,868.28. Motion carried by unanimous vote.

Keith Kinnen, Karvakko was present to discuss the Airport, FIT Trail Expansion, 2023 Utility & Street Improvement project, and TAP/Berge Park Sidewalk project.

Airport – Kinnen noted that the Airport Reconstruction project is a couple weeks behind schedule. Approximately 90% of the subgrade work is complete and 75% of the good soil has been filled back in. Paving is planned for the second week of October, weather permitting. Kinnen indicated that liquidated damages may be assessed for each day the contractor is over the scheduled completion date.

FIT Trail Expansion (Calvary segment) – Kinnen is working through the 90% plans.

SRTS – Kinnen spoke with Superintendent Selk and it was agreed upon to replace the concrete in front of the Civic Center after school is out in June 2024.

2023 Utility & Street Improvement project – Kinnen noted that this project is a little behind, but he still believes paving will be completed by September 30th. The intersection by Kingo Church will only have the pavement removed and re-done due to increased prices from Hagen that

County Engineer, Rich Sanders, is unwilling to pay. Despite not being able to take care of the storm sewer, Kinnen is confident this will take care of the water problem and prevent it from coming into the church. A quantity change will be reflected on our contract, but these additional costs will be paid for by Polk County.

Jarda Solc, AE2S, was present to discuss the 2024 Industrial Park/Airport Utilities and Hangar project. Mead & Hunt met with the FAA. Solc noted that they have the geo tech report, wetland delineation report and hangar located decided so the project is moving forward. The hangar portion of this project should be bid within the next couple of months. The Industrial Park/Airport Utilities portion will likely include a base bid with a few alternates due to increased costs.

A forum for members of the public present to speak was held. No one from the public wished to speak during this forum.

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

Cassandra Heide, City Administrator