

**COUNCIL MEETING**

**DATE:** September 13, 2016

**TIME STARTED:** 7:00 p.m.

**TIME ENDED:** 8:30 p.m.

**MEMBERS PRESENT:** Mayor Lois Gilles, Ross Nachreiner, Cindy Fahey, Jenny Hazelton

**MEMBERS ABSENT:** Josh Bunkers

Meeting was called to order by Mayor Lois Gilles.

**PLEDGE OF ALLEGIANCE**

**ROLL CALL:** Members present: Mayor Lois Gilles, Ross Nachreiner, Cindy Fahey, Jenny Hazelton. Absent: Josh Bunkers. Staff present: City Administrator Marcia Seibert-Volz; Supt. of Sts. & Utilities Joel Grejtak; City Attorney Aaron Walton.

**APPROVAL OF THE AGENDA:** Motion by Cindy Fahey, second by Ross Nachreiner to approve the agenda. Motion carried unanimously.

**UNFINISHED BUSINESS:** Fire Dept. Mutual Aid Agreement with Bird Island. Motion by Jenny Hazelton, second by Ross Nachreiner to approve the Fire Department Mutual Aid Agreement with Bird Island. Motion carried.

**PUBLIC HEARING:** none

**BID & QUOTES:** . Magney Construction bids for check valves at the Water Treatment Plant were submitted:

One (1) check valve \$ 7,309.87. Purchase two (2) check valves \$ \$12,250.86

Joel Grejtak informed council that only one well has been operating due to the check valve not operational and the other well that is being operated has the same age valve in need of replacing, too. Motion by Ross Nachreiner, second by Cindy Fahey to approve purchasing two check valves and the installation of the valves from Magney Construction for \$ 12,250.86. Motion carried.

**PRESENTATIONS:** 2017 Street Project. Andy Kehren, Bolton & Menk Engineer. Presented the proposed project cost estimates and exhibits for the work that is being considered on 2<sup>nd</sup> Ave. SE and 2<sup>nd</sup> St. SE.

2<sup>nd</sup> St. SE \$ 249,000.00

2<sup>nd</sup> Ave. SE \$ 576,700.00

TOTAL \$ 826,000.00

Schedule: November Council meeting: Council approves Engineering report and calls for hearing

December Council meeting: Hold Hearing on Improvement

February Council meeting: Approve final plans & authorize advertisement of bids

April Council Meeting: Consider Bids and award the work.

May Begin construction

Motion by Jenny Hazelton, second by Ross Nachreiner to proceed with the Street Project. Motion carried.

**CONSENT AGENDA:** Motion by Cindy Fahey, second by Ross Nachreiner to approve consent agenda. Motion carried.

- Approval of the minutes dated August 9, 2016 & special meeting August 29, 2016.
- Application for Bingo permit from American Legion Auxiliary for 10-30-16.
- 2017 Mutual Aid Agreement for Law Enforcement Personnel & Equipment with County (TZD)
- Building Permits for August

Ben Grosam	shingle	9,800.00
Josh Bunkers	window replacement	1,000.00
Laura Kiecker	furnace installation	
Kelly Crooks	window replacement	800.00
Leroy Black	shingle	6,000.00

- Following claims for payment

4-Square Builders	COMMUNITY CENTER MAINT.	33.30
A&B Business Equipment	COPIER MAINT CONTRACT	64.65
Alden Pool & Municipal Su	CHEMICALS	641.50
Ameripride Linen Services	LAUNDRY - BAR	259.14
Arctic Glacier USA Inc	ICE	147.88
Arneson Distributing Inc	BEER & POP	1,690.75
Arnold's of Glencoe	EQUIPMENT REPAIRS	312.76
BNG Technologies LLC	SOFTWARE SUPPORT - BAR	200.00
Bellboy Corporation	WINE	658.00
Bernicks Pepsi Cola	ICE MACHINE RENT & POP	740.34

Bernie Wenner	BUILDING INSPECTOR	260.00
Bolton & Menk	2016 SEAL COAT PROJECT	522.50
Border States	SHOP SUPPLIES	367.46
Bound Tree Medical, LLC	AMBULANCE SUPPLIES	2,212.02
Breakthru Beverage Minneso	LIQUOR	3,886.83
Capital One, F.S.B.	EMPLOYMENT POSTERS	251.18
Casey's	GAS	807.91
Central MN Municipal Power	POWER PURCHASED	35,241.31
CenturyLink	TELEPHONE	1,536.39
Chankaska Creek	WINE	408.24
Chip Steak & Provision Com	SUPPLIES FOR RESALE	1,136.58
City of Fairfax	POSTAGE	12,183.93
Clobes Sanitation	GARBAGE CONTRACT	3,435.48
Country Enterprises Inc	FREIGHT	96.18
Dakota Supply Group	GAS ERTS	1,375.12
Data Flow	TAX FORMS	79.58
Dave's Full Service	GAS	389.95
Department of Energy-WAPA	August billing	26,700.48
Doug's Lawn & Landscaping	INSECTICIDE BASEBALL FIELD	1,086.28
Early Bird Bakery	ELECTION EXPENSE	8.90
Ecolab Pest Elimination	PEST CONTROL	162.61
Fairfax Body Shop	paint community center doors	300.00
Fairfax Postmaster	postage - utility bills	351.65
Fairfax TV & Appliance	MAINT - BAR	369.40
Farm Merchantile Inc.	REPAIRS - BAR	171.47
Ferguson Waterworks #2516	STORM SEWER SUPPLIES	94.94
Frontier Bar	BAR SUPPLIES	685.22
G&K Services	UNIFORM CONTRACT	456.55
GFW Community Ed	SUMMER REC CONTRIBUTION	7,000.00
Gag Sheet Metal, Inc.	COMMUNITY CENTER MAINT	600.00
Gerald Jandl	2016 CIP REBATE	185.00
Gislason & Hunter LLP	ATTORNEY FEES	165.00
Groebner & Associates	GAS SUPPLIES	3,416.90
Ground Zero	BIKE TRAIL MAINTENANCE	1,677.60
Harry's Frozen Food	SUPPLIES FOR RESALE	84.50
Hawkins Water Treatment	CHEMICALS	955.86
Heggies Pizza	SUPPLIES FOR RESALE	757.00
Hermel Wholesale	SUPPLIES FOR RESALE	2,418.28
Inclusion Solutions, LLC	ELECTION SUPPLIES	167.72
J.T. Services	OUTLETS FOR STREET LIGHTS	570.79
Jahnke Water Inc.	WATER - LIBRARY	20.35
Jim Prax	paint door frames and posts CC	460.00
Johnson Bros. Wholesale	LIQUOR	2,272.22
KEPRs Inc/Cy's Uniforms	UNIFORM EXPENSE - PD	176.43
Larry Donner	band expense	300.00
League of MN Cities	MEMBERSHIP DUES	1,377.00
Lindsay Grunst	DJ - BAR	350.00
Locher Bros. Inc.	BEER	7,793.20
MN Department of Commerce	CIP ASSESSMENT	240.43
MN Department of Revenue	SALES TAX PMT	20,103.00
MN Dept Labor & Industry	BOILER - POOL	30.00
MN Dept of Health	Remodel application - bar	0.00
MN Dept. of Health	STATE WATER FEE JULY-SEPT	896.00
MN Valley Testing Lab.	WASTE WATER TESTING	334.50
Matheson Tri-Gas Inc	BEER GAS	288.80
Maynard's of Fairfax	SUPPLIES FOR RESALE - BAR	217.08
Mediacom	INTERNET - PD	1,009.61
Mikes Auto Parts	SHOP SUPPLIES	456.84
Modern Marketing	OFFICE EXPENSE - PD	573.35
New Ulm Public Utilities	ANNUAL LEAK SURVEY - GAS	53,855.35
North Ambulance	INTERCEPT 8-10-16	675.00
North Memorial EMS Educati	AMBULANCE TRAINING	950.00
Northern Lights Dist.	SUPPLIES FOR RESALE	3,253.97
O & S Construction	BORE GAS LINES	1,117.50
Office Ally	AMBULANCE FEE	19.95
One Office Solution	OFFICE SUPPLIES	311.77
Paape Distributing Co.	SMALL POOL HEATER REPAIR	363.00
Phillips Wine & Spirits	LIQUOR	172.78
Pioneerland Library Sys.	3RD QTR REQUEST	8,775.00
Pitney Bowes Inc.	POSTAGE	640.99
ProAction Safety & Sales	REPAIRS ENGINE #2 - FD	363.50
RVS Shredding	SHREDDING SERVICE	60.00
Red Feather	SUPPLIES	72.40
Renville County	LANDFILL FEES	3,327.34
Renville County Auditor-Tr	92561 CO 141	1,944.13
Revtrak Inc	AUGUST REVTRAK FEES	788.52
Schwaab Inc.	OFFICE SUPPLIES	114.87
South Central Grain & Ener	ROUNDUP	280.87
Southern Glazer's of MN	LIQUOR	632.50

Standard-Gazette & Messeng	PUBLISHING	171.98
Star & Tribune	SUBSCRIPTION - BAR	113.10
Stuart C Irby Co.	ELECTRIC EQUIPMENT	403.45
Sweet Home Bakery LLC	SUPPLIES FOR RESALE	222.47
T&R Service	EQUIPMENT DISPOSAL - ELECT	2,093.00
Tactical Solutions	RADAR CERTIFICATION - PD	62.00
The Journal	SUBSCRIPTION - BAR	205.40
Thermastor Inc	WATER EQUIPMENT	53.71
Tow Distributing Corp.	BEER	4,429.69
USA Blue Book	EYE WASH STATIONS	517.21
Vantiv Integrated Payments	CREDIT CARD FEES - BAR	950.54
Verizon Wireless	TELEPHONE	329.47
Viking Coca-Cola Bo. Co.	POP	198.50
Volz & Frank	REPLACE CURB	450.00
Walton Law Group PLLC	ATTORNEY FEES	2,200.00
Weis Oil	FEDERAL DIESEL TAX CREDIT	546.07
Payroll Expense		76,179.29

**Northland Securities:** George Eilertson, Northland Securities, presented refunding Bonds information, Res. 2016-15, and engagement of Northland Securities as underwriter. 2011 bonds are currently callable the 2012 is callable February 1, 2018 which would be an advanced refunding. The total estimated savings based on current rates is 185,000.00. Motion by Jenny Hazelton, second by Cindy Fahey to adopt Resolution 2016-15 authorizing the Mayor and Administrator to execute the bond purchase agreement and insert minimum net saving at 185,000.00 in order to do the refunding. Motion carried.

### **RESOLUTION # 2016-15 APPROVING THE ISSUANCE OF GENERAL OBLIGATION CROSSOVER REFUNDING BONDS, SERIES 2016A**

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

1. The City Council hereby finds and declares that it is necessary and expedient for the City to sell and issue its fully registered general obligation crossover refunding bonds in the total aggregate principal amount not to exceed \$4,100,000 (herein, the "Bonds"). The proceeds of the Bonds will be used, together with any additional funds of the City which might be required for:
  - (i) a current refunding of all or a portion of the February 1, 2017 through 2027 maturities, aggregating up to \$370,000 in principal amount, of the City's General Obligation Capital Improvement Plan Note, Series 2011A, dated December 12, 2011 as date of original issue;
  - (ii) a crossover refunding of all or a portion of the February 1, 2019 through 2033 maturities, aggregating up to \$3,490,000 in principal amount, of the City's General Obligation Utility Revenue and Improvement Bonds, Series 2012A, dated May 1, 2012 as date of original issue; and
  - (iii) to pay the costs associated with issuing the Bonds.
2. The City Council desires to proceed with the sale of the Bonds by direct negotiation with Northland Securities, Inc. ("NSI"). NSI will purchase the Bonds in an arm's-length commercial transaction with the City.
3. The Mayor and the Administrator are hereby authorized to approve the sale of the Bonds in an aggregate principal amount not to exceed \$4,100,000 and to execute a bond purchase agreement for the purchase of the Bonds with NSI, provided the total net savings is at least \$ 185,000.00 and the savings meet the 3% savings test as set forth in Minnesota Statutes 475.67, subdivision 12.
4. Upon approval of the sale of the Bonds by the Mayor and the Administrator, the City Council will take action at its next regularly scheduled or special meeting thereafter to adopt the necessary approving resolutions as prepared by the City's bond counsel.
5. NSI is authorized to prepare an Official Statement related to the sale of the Bonds.
6. If the Mayor and Administrator have not approved the sale of the bonds to NSI and executed the related bond purchase agreement by January 31, 2017, this resolution shall expire.

**2017 Budget Review:** Additions

- Lift station roof replacement
- Street Project 2017

**Resolution 2016-13:** Proposed tax levy for 2016 collectible in 2017. Motion made by Ross Nachreiner, second by Cindy Fahey to adopt Resolution 2016-13 approving proposed tax levy. Motion carried unanimously.

**RESOLUTION #2016-13**

**RESOLUTION APPROVING THE 2016 PROPOSED LEVY, COLLECTIBLE IN 2017.**

**BE IT RESOLVED**, by the City Council of the City of Fairfax, County of Renville, State of Minnesota, that the following sums of money be levied for current year, collectible in 2017, upon the taxable property in the City of Fairfax for the following purpose:

<b>Amount levied for General Fund</b>	<b>\$</b>	<b>336,780.00</b>
<b>Amount levied for Debt Service</b>		<b><u>163,220.00</u></b>
<b>TOTAL</b>	<b>\$</b>	<b>500,000.00</b>

**BE IT FURTHER RESOLVED**, that a public hearing be called for the purpose of hearing comments from the public on the 2016 proposed tax levy (payable in 2016). Said hearing to be set at 7:00 p.m. on the 13th of December, 2016.

**MMUA:** Mutual Aid Agreement with MMUA  
Resolution 2016-14 Executing Mutual Aid Agreement  
Approval of Safety Management Program.

Motion was made by Jenny Hazelton, second by Cindy Fahey to adopt Res. 2016-14. Motion carried unanimously.

**RESOLUTION 2016-14**

**RESOLUTION APPROVING MUTUAL AID AGREEMENT BETWEEN CITY AND MINNESOTA MUNICIPAL UTILITIES ASSOCIATION.**

**WHEREAS**, the City of Fairfax, Minnesota (“City”), operates and maintains a municipal electric, natural gas and water utility;  
**WHEREAS**, City wishes to cooperate with other cities which own and operate utility systems and other publicly owned utility organization (“Publicly Owned Utilities”);  
**WHEREAS**, City is a member of the Minnesota Municipal Utilities Association (“MMUA”) and MMUA has developed a program to encourage and foster mutual aid between and among Publicly Owned Utilities in the event of disasters and emergencies;  
**WHEREAS**, the Federal Emergency Management Agency (“FEMA”) has established a rule which provides that FEMA will reimburse mutual aid costs for a particular disaster or emergency only if mutual aid participants have signed a written agreement prior to that disaster or emergency;  
**WHEREAS**, prudent and appropriate charges should be established from time to time which may be paid to City for its provision of mutual aid services and which may be paid to other Publicly Owned Utilities which may provide mutual aid assistance to City;  
**NOW THEREFORE BE IT RESOLVED BY FAIRFAX CITY COUNCIL:**

1. The Mayor and City Administrator are hereby authorized and directed to execute and deliver the MMUA Mutual Aid Agreement and such other documents and agreements as may be necessary to implement City’s participation in the MMUA Mutual Aid Program and to qualify for FEMA reimbursement of mutual aid costs.
2. The managing staff of the City’s utility system(s) shall establish reasonable rates for reimbursement of its labor and equipment costs as contemplated in FEMA rules, and periodically revise such rates as necessary.
3. City will provide mutual aid assistance to other Publicly Owned Utilities if management determines (a) that the reliability and performance of City’s utility system(s) and the public health and safety of City residents and customers will not be materially and adversely affected, (b) the other Publicly Owned Utility has executed the MMUA Mutual Aid Agreement (or an agreement substantially similar in form and content) and (c) the other Publicly Owned Utility has established rates for reimbursement of City’s labor and equipment costs which are reasonably comparable to those established by City.

Motion by Ross Nachreiner, second by Cindy Fahey to approve the Safety Management Program with MMUA. Quarterly payments are \$ 3,625.00. Motion carried unanimously.

**Resolution 2016-16 Gambling:** Permit for Fire Dept. to conduct Gambling at Squirrels. Motion by Jenny Hazelton, second by Ross Nachreiner to approve Resolution 2016-16. Motion carried.

**RESOLUTION 2016-16**

**RESOLUTION APPROVING THE FAIRFAX FIRE RELIEF ASSOCIATION LICENSE APPLICATION TO CONDUCT CHARITABLE GAMBLING ACTIVITIES WITHIN THE CITY OF FAIRFAX.**

**WHEREAS**, The Fairfax Fire Relief Association has made application to the City for approval of a charitable gambling license.

**THEREFORE BE IT RESOLVED:** THE Fairfax City Council approves the charitable gambling license for the Fairfax Fire Relief Association for the purpose of conducting charitable gambling within the City of Fairfax at Squirrels.

**Resolution 2016-17:** Resolution designating new board member for CMPAS. Motion by Cindy Fahey, second by Jenny Hazelton to approve Res. 2016-17. Motion carried.

**CITY COUNCIL RESOLUTION  
RESOLUTION 2016-17**

**RESOLUTION MAKING CITY APPOINTMENT TO CENTRAL MINNESOTA MUNICIPAL POWER AGENCY  
(CMMPA) and CENTRAL MUNICIPAL POWER AGENCY/SERVICES (CMPAS) BOARD OF DIRECTORS**

Member Cindy Fahey moved the adoption of the following resolution. Member Jenny Hazelton seconded the motion.

**BE IT RESOLVED** by the City Council of the City of Fairfax, Minnesota (hereinafter referred to as "City") as follows:

**Section 1:** Joel Grejtak is hereby appointed as the City of Fairfax's representative on the Central Minnesota Municipal Power Agency's (CMMPA) and Central Municipal Power Agency/Services (CMPAS) Board of Directors.

**Section 2:** Craig Marti is hereby appointed as the City of Fairfax's alternate representative on the Central Minnesota Municipal Power Agency's (CMMPA) and Central Municipal Power Agency/Services (CMPAS) Board of Directors.

Motion by Ross Nachreiner, second by Jenny Hazelton and approved unanimously the following Police Department Policies:

- Allegations of Misconduct Policy
- Avoiding Racial Profiling
- Criminal Conduct on School Buses
- Domestic Abuse Response & Arrest Policy
- Lighting exemption of law enforcement Vehicles Policy
- Police Pursuit Policy
- Predatory Offender Registration & Community Notification Policy
- Procession of Property seized for Administrative Forfeiture
- Response to reports of missing and endangered persons Policy
- Supervision of Part-time Peace Officers Policy
- Use of Force and Deadly Force Policy

**Staff reports:**

**City Administrator, Marcia Seibert-Volz**

- Advertisement for Supt. of Sts. & Utilities  
Council tabled action pending work comp employee evaluation
- BCBS insurance – SWWC Cooperative contract. General Consensus of council was to continue with current coverage.
- Hazardous building issue for 25 1<sup>st</sup> St. NE- Inspection scheduled for Sept. 22<sup>nd</sup>.
- On call time – Joel requests the 7 days per week be reinstated. Motion by Jenny Hazelton, second by Ross Nachreiner to approve reinstating the 7 day per week on call time at \$ 140.00 per week. Motion carried.

**Supt. of Street & Utilities Joel Grejtak:** Supt. gave update on the following:

- Main lift station pumps have been repaired
- FairRidge trail patched and ATA will be moving in to seal coat
- Ground Zero is scheduled for tennis courts. Dependent on weather.
- Fence around wells. Low bidder not returning calls. Obtaining additional bids.

**Liquor Manager:**

- Remodeling/expansion of Liquor Store kitchen quotes.

Appliances	Fairfax TV	\$11,200.00
Materials	4 Square	17,856.00
Plumbing	Mike Kiecker	9,545.00
Flooring	Bergmans	5,128.00
Construction	Volz & Frank	9,300.00
Electrical	no quote	

