

**COUNCIL MEETING**

**DATE:** April 8, 2014

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

**TIME ENDED:** 8:50 p.m..

**MEMBERS PRESENT:** Mayor Doug Pomplun, Cindy Fahey, Lois Gilles, Todd Kiecker, Brad Augustin

**MEMBERS ABSENT:** none

Staff members present: Clerk Treasurer Administrator Marcia Seibert-Volz, Craig Marti, Supt. St. & Utilities, City Attorney Aaron Walton.

Meeting was called to order by Mayor Doug Pomplun.

**APPROVAL OF THE AGENDA:** Motion by Lois Gilles, second by Cindy Fahey to approve the agenda. Motion carried.

**UNFINISHED BUSINESS:** None.

**PUBLIC HEARING:** Mayor opened the public hearing in regard to St. Francis Health Services bond issuance. Steven Felon presented the reason for issuance of the bonds was reducing the interest rate and restructuring of debt. Motion by Brad Augustin, second by Cindy Fahey to adopt Resolution 2014-06. Motion carried.

**RESOLUTION NO. 2014-06**

**RESOLUTION APPROVING A PROJECT BY ST. FRANCIS HEALTH SERVICES OF MORRIS, INC. AND CONSENTING TO THE ISSUANCE OF OBLIGATIONS BY THE CITIES OF BROWNS VALLEY AND BROWERVILLE, MINNESOTA**

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

1. **Authority.** Fryberger, Buchanan, Smith & Frederick, P.A., bond counsel ("Bond Counsel") has advised the City that Minnesota Statutes, Sections 469.152 through 469.165, as amended (the "Act"), authorize the issuance of revenue obligations to refinance indebtedness incurred by an organization engaged in providing health care services, health care related activities, activities for mentally or physically disabled persons and social services (together, the "Qualified Services and Activities").
2. **Description of the Project.**
  - a. Representatives of St. Francis Health Services of Morris, Inc. (the "Borrower") have represented to the City that the Borrower is a Minnesota nonprofit corporation and organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, engaged directly or through one or more of its affiliated organizations in providing Qualified Services and Activities. The Borrower's affiliated organization involved with the operation of the Project (hereinafter defined) is Prairie Community Services, a Minnesota nonprofit corporation ("PCS").
  - b. Representatives of the Borrower have further advised the City that the Borrower desires to refinance, on a tax-exempt basis, indebtedness incurred at the locations and for the purposes listed below (the "Project"):

Location of Expenditures	Purpose of Original Indebtedness
Applewood (PCS) 103 Second Street NW Fairfax, MN 55332	capital improvements to a 4-bed facility for the developmentally disabled

3. Refinancing; Conditions.
  - a. At the request of the Borrower, the governing bodies of the City of Browns Valley, Minnesota and the City of Browerville, Minnesota (together, the "Issuers"), have expressed their intent to refinance the Project and other capital projects of the Borrower and finance certain costs associated with the refinancing through the issuance of tax-exempt revenue obligations in an amount not to exceed \$10,100,000 (the "Obligations").
  - b. Bond Counsel has informed representatives of the Borrower that in order for the Obligations to be issued on a tax-exempt basis, and in order to comply with Minnesota laws restricting the issuance of obligations by one municipality for a project in another municipality, the City must (i) conduct a public hearing on the proposal of the Borrower to undertake and refinance the Project and (ii) consent to the issuance of the Obligations by the Issuers.
  - c. The Obligations, when, as and if issued, shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the City, and the Obligations, when, as and if issued, shall recite in substance that the Obligations, including interest thereon, are payable solely from the revenues received from the Borrower and the property pledged to the payment thereof, and shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation.
4. Recital of Representations Made by the Borrower. The City has been advised by representatives of the Borrower that: (i) conventional refinancing is available only on a limited basis and at such high costs of borrowing that the economic feasibility of operating the Project would be significantly reduced; (ii) on the basis of information submitted to this Council by the Borrower and their discussions with representatives of area financial institutions and potential buyers of tax-exempt bonds, the Obligations can be issued and sold upon favorable rates and terms to refinance the Project; (iii) the Borrower will experience a significant debt service cost savings as a result of the Project; and (iv) the Project would not be undertaken in its present form but for the availability of refinancing under the Act.
5. Public Hearing.
  - a. An initial resolution was adopted by the City Council on March 11, 2014, scheduling a public hearing on the issuance of the Obligations and the proposal to undertake and refinance the Project.
  - b. A Notice of Public Hearing was published in the *Standard-Gazette*, the City's official newspaper and a newspaper of general circulation, calling a public hearing on the proposed issuance of the Obligations and the proposal to undertake and refinance the Project.
  - c. The City Council has, on April 8, 2014, held a public hearing on the proposal to undertake and refinance the Project, through the issuance of the Obligations by the Issuers, at which all those appearing who desired to speak were heard and written comments were accepted, if submitted.
6. Approvals; Preconditions.
  - a. The proposal of the Borrower and its affiliates to undertake and refinance the Project and the issuance of the Obligations by the Issuers are approved.
  - b. The Mayor and the Clerk Treasurer Administrator of the City (the "Authorized Officers"), or the designee of any of the Authorized Officers, are authorized and directed to execute and deliver such documents or certificates needed from the City for the issuance of the Obligations.

The Mayor closed the public hearing.

**BID & QUOTES:** Bid quotes were reviewed from Titan and ABM Equipment in regard to repairs of the street sweeper. ABM Equipment (all repairs including seals, radiator, head, curtains) \$ 7,554.28

Titan No installation just sell new head for sweeper and ship \$ \$5,275.23.  
 Craig recommended accepting the quote from ABM Equipment for all repairs needed to sweeper. Motion by Brad Augustin, second by Todd Kiecker to award the contract to ABM Equipment. Motion carried.

**PRESENTATIONS:** Dave Nieman, MRWA, presented Part I of the City of Fairfax Wellhead Protection Plan for council approval. Motion by Lois Gilles, second by Cindy Fahey to approve the Part I of the WHP. Motion carried. Part II, Management Strategies, will require the city hire a consultant. The deadline to develop Plan II is November 1, 2015. A committee for the WHP needs to be appointed for Plan II.

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

Approval of the minutes from the regular meeting March 11, 2014 and Special meeting dated March 25, 2014.

Claims for payment:

10 Cent Pistol	band expense	650.00
4-Square Builders	WATER PLANT REPAIRS	93.55
A&B Business Equipment	COPIER MAINT CONTRACT	139.45
Ameripride Linen Services	LAUNDRY - LIQUOR STORE	416.89
Ameriprise Financial	J Weinzetl-Youth Baseball donation	20,000.00
Arctic Glacier	ICE	32.58
Arneson Distributing Inc	BEER & POP	1,396.90
Bernicks Pepsi Cola	ICE MACHINE RENT & POP	984.98
Bernie Wenner	BUILDING INSPECTOR	60.00
Bolton & Menk	2014 ALLEY PROJECT	2,532.00
Border States	ELECTRIC SUPPLIES	173.83
Bound Tree Medical, LLC	AMBULANCE SUPPLIES	1,462.90
Casey's	GAS	655.83
Central Minnesota Municip	CIP MONTHLY ASSESSMENT	281.00
CenturyLink	TELEPHONE	1,224.04
Chip Steak & Provision Com	SUPPLIES FOR RESALE	823.04
Chuck Hellendrung	SNOW HAULING	3,050.00
Clarence Wendinger	2014 CIP REBATE	25.00
Clarke Environmental Mosqu	2014 contract (3% discount)	3,928.50
Clobes Sanitation	GARBAGE contract & PD, LIB, SHOP	3,117.00
Dave's Full Service	GAS	1,304.15
Dave's Refrigeration	COOLER REPAIR - BAR	222.13
Davis Typewriter Co Inc	OFFICE SUPPLIES	42.50
Delores Tuchtenhagen	2014 CIP REBATE	35.00
Denise Peterson	NEW GAS FURNACE REBATE	300.00
Denny Adamski	MILEAGE EXPENSE	50.85
Department of Energy-WAPA	POWER PURCHASED	23,730.80
Derk's Windows	WINDOW WASHING LIB & CITY HALL	210.00
Doug's Lawn & Landscaping	2014 LAWN CARE CONTRACT (baseball park)	3,286.92
Eric Fahey	MILEAGE - WASTEWATER TRAINING	113.00
Fairfax Medical Clinic	DRUG SCREEN	30.60
Farm Merchantile Inc.	SUPPLIES & repairs	3,476.88
Finance and Commerce	PUBLISHING FOR STREET BIDS	185.23
Frontier Bar	SUPPLIES - BAR	226.20
Gopher State One Call	LOCATES	2.90
Graham Tire Fairmont	TIRES	354.87
Harland	ANNUAL MAINTENACE AGREEMENT Computers	2,093.68
Harry's Frozen Food	SUPPLIES FOR RESALE	113.00
Hawkins Water Treatment	CHEMICALS	35.00
Heggies Pizza	SUPPLIES FOR RESALE	341.90
Hermel Wholesale	SUPPLIES FOR RESALE	985.02
Itron Inc	MAINT CONTRACT METER READ EQUI	1,377.32
Jahnke Water Inc.	WATER - LIBRARY	5.85
Jim Prax	EQUIPMENT REPAIRS - PARKS	190.59
Joel Grejtak	MILEAGE WASTEWATER TRAINING	142.76
Johnson Bros. Wholesale	LIQUOR	1,789.18
KEEPRS Inc/Cy's Uniforms	UNIFORM EXP PD	1,124.13
Katie Grams	AMBULANCE TRAINING & SUPPLIES	183.86
Kiecker Plumbing & Heating	SEWER MACHINE - CITY HALL	945.72
Kohls Weelborg	AMBULANCE MAINT	124.34
L.M.C.I.T.	Insurance CLAIM	13.50
Locher Bros. Inc.	BEER	6,710.20

MN DNR Waters	EWR Fee	240.68
MN Department of Commerce	ELECTRIC ASSESSMENT	258.69
MN Department of Revenue	FEB SALES TAX	11,423.00
MN Municipal Utilities As	SAFETY & GAS TRAINING-Annual	5,142.50
MN Pollution Control	ANNUAL AIR EMISSIONS FEE	25.00
MN Valley Testing Lab.	WATER SAMPLE TESTING	25.50
Martin Trucking, LLC	FREIGHT	91.40
Matheson Tri-Gas Inc	BEER GAS	109.90
Maynard's of Fairfax	SUPPLIES FOR RESALE	316.64
Mediacom	CABLE & INTERNET - BAR	518.69
Merchant Services	liquor credit card fees	577.23
Mikes Auto Parts	SHOP SUPPLIES	1,271.71
New Ulm Public Utilities	Natural gas purch. & transp. capacity	172,057.37
North Ambulance	INTERCEPT 3-27-14	225.00
North Memorial EMS Educati	CPR TRAINING - FD	1,080.00
North Star Pump Service	NW LIFT STATION REPAIR	1,546.00
NorthAmerican Bancard	liquor credit card fee	49.00
Northern Lights Dist.	SUPPLIES FOR RESALE	2,516.59
Office Ally	AMBULANCE FEE	19.95
Omega Rail Management Inc	MASTER LICENSE AGREEMENT - RAILROAD	1,493.92
Oxygen Service Company	AMBULANCE SUPPLIES	78.91
Phillips Wine & Spirits	WINE	385.00
Pitney Bowes Inc.	POSTAGE	640.99
RVS Shredding	SHREDDING SERVICE	30.00
Red Feather	SUPPLIES - BAR	68.90
Renville County	LANDFILL FEES	3,017.50
Renville County Auditor-Tr	DITCH ASSESSMENT CO	3,823.90
Revtrak Inc	REVTRAK FEES	2,522.48
Runnings	Runnings - Shop supplies	590.55
Southern Wine & Spirits of	LIQUOR	1,412.61
Standard-Gazette & Messeng	PUBLISHING	374.90
Steve's Bakery	SUPPLIES FOR RESALE	169.80
Streichers	POLICE EQUIPMENT	128.98
Tapper's Beer Line Servic	CLEAN BEER TAPS	32.50
Titan Machinery	TRUCK MAINT	172.89
Tony Case	2014 CIP REBATE	25.00
Tow Distributing Corp.	BEER	4,025.97
United Farmers Coop	BOBCAT REPAIRS	101.46
Verizon Wireless	TELEPHONE	306.07
WBM Wine & Spirits Inc.	LIQUOR	761.72
Weis Oil	GAS	4,273.98
Xcel Energy	MISO SCHEDULE 10	214.09
Younger & Walton PLLC	ATTORNEY FEES (2) months	4,011.08
Payroll Expense		46,374.58

**PURCHASE OF 25' lot South of Bowling Alley (Central Park):** Discussion took place on City purchasing the 25' lot and (2) lots abutting 2<sup>nd</sup> St. SE and alley behind the city garage. Karen and Larry Severt were directed to contact City Administrator before May meeting on a proposed purchase price.

**AMENDED & RESTATED JPA FOR THE RENVILLE-SIBLEY COUNTY FIBER JOINT POWERS AGENCY:** Subsequent to discussion, motion was made by Brad Augustin, second by Lois Gilles to approve amended JPA. Council polled: Lois-yes, Cindy-no, Brad-yes, Todd-yes, Doug-yes. Motion carried.

**FIRE PROTECTION AGREEMENT WITH RURAL:** Motion by Todd Kiecker, second by Cindy Fahey to approve the contract with Rural. Motion carried. Current annual payment increased by Rural to \$ 6,000.00.

**SANITARY SEWER REPORT:** Following recommendations were cited:  
 The clear well should be provided with sampling tap on the effluent water.  
 The floride tank should be provided with secondary containment.  
 The screening on vents and overflows should be checked for obstructions and integrity.  
 Less than 6 inch in diameter mains should be replaced as the opportunity presents itself.  
 Craig was directed to obtain quote for secondary containment for floride tank.

**CLARKE MOSQUITO CONTROL:** Clarke Mosquito Control contract for 2014 is \$3928.50 (3% discount). Motion by Lois Gilles, second by Cindy Fahey to approve the contract with Clarke Mosquito Control. Council polled: Lois-yes, Cindy-yes, Todd-no, Brad-yes, Doug-yes. Motion carried.

**SIGN RETROREFLECTIVITY POLICY:** The Street Committee was directed to meet prior to May meeting and present recommendation on policy. No action was taken.

**PERSONNEL POLICY AMENDMENTS:** The personnel policy committee made the following recommendations:  
Non-exempt CT maximum accrual return to maximum accrual 80 hours.

Administrator and Dept. heads-notification if not going to be at work for the day.

Change Sec 8.3 paragraph 5: Exempt employees of the City of Fairfax will be entitled to 40 hours of revolving comp time. (This instead of listing exempt positions)

Liquor Store Manager request to go to Non-exempt status. Committee recommends it be left at exempt.

Motion was made by Brad Augustin, second by Todd Kiecker to approve Administrator and department heads notification if not at work for the day and change Sec. 8.3 paragraph as stated above, Liquor Store Manager keeps exempt status. No action on non-exempt maximum accrual to 80 hours. Motion carried.

**STAFF REPORTS:** City Administrator queried whether the council wanted any kind of excavation permit fees required for burying fiber cable within city street right of ways. General consensus of the council was to have any contractors provide the city with mapping when burying cables.

Clean-up Day is scheduled for May 9<sup>th</sup> & 10<sup>th</sup> if council wants to sponsor it. General consensus of the council was to proceed with clean-up days but determine a new location for site.

Craig Marti shared with Council that the electricity for the City celebrations are not metered contrary to statements made at the March meeting. Craig informed council that bituminous overlay for the city garage approach is one-half the cost of concrete. General consensus of council was proceed with bituminous overlay.

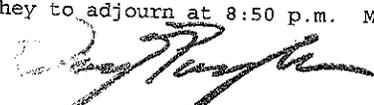
Police Chief asked Council to accept resignation of Jared Danielson as part time police officer due to him accepting a FT position out of area. Motion by Lois Gilles, second by Cindy Fahey to accept the resignation of Jared Danielson. Motion carried.

**ORDINANCE AMENDMENT TO CHAPTER 71-25:** First reading of amendment to Chapter 71-25. Public consumption of liquor is lawful at the Memorial Park baseball grandstand complex, Central Park and at City celebrations as approved by the City Council.

**PARK COMMITTEE RECOMMENDATIONS:** Park Committee recommended the following increases to the Pool fees for 2014. Single and family passes increase \$ 10.00 to \$75.00 and \$110.00 respectively. Wading Pool season pass to \$35.00, Lap Swim season pass to \$ 25.00 and lessons increasing \$ 5.00. Motion by Lois Gilles, second by Todd Kiecker to approve the recommendations. Motion carried.

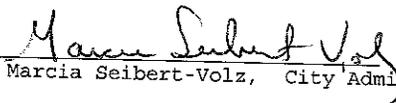
**COUNCIL CONCERNS:** None.

**ADJOURNMENT:** Motion by Lois Gilles, second by Cindy Fahey to adjourn at 8:50 p.m. Motion carried.



Doug Pompion, Mayor

ATTEST:

  
Marcia Seibert-Volz, City Administrator