

**COUNCIL MEETING**

**DATE:** March 11, 2014

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

**TIME ENDED:** 7:45 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 with the addition of Fire Dept. Gambling license approval. Motion carried.

**UNFINISHED BUSINESS:** None.

**PUBLIC HEARING:** None

**PRESENTATIONS**

**BID OPENING & QUOTES:** None

**Consent Agenda:** Motion by Cindy Fahey, second by Todd Kiecker to approve the consent agenda. Motion carried.

- Approval of minutes dated February 11, 2014.
- Claims for payment

A&B Business Equipment	copier maint. contract	90.54
ACT Services LLC	AMBULANCE EXPENSE	330.00
ASCAP	LICENSE FEE - BAR	485.43
Ameripride Linen Services	LAUNDRY - BAR	678.24
Amsterdam	OFFICE SUPPLIES	250.69
Arneson Distributing Inc	BEER & JUICE	655.05
Arnold's of Glencoe	bobcat reparis	101.08
Beauty Boutique	2014 CIP REBATE	60.00
Bernicks Pepsi Cola	ICE MACHINE RENT & POP	836.03
Bernie Wenner	building inspections	90.25
Bolton & Menk	2014 ALLEY PROJECT	1,115.00
Brian Buboltz	clothes washer rebate	25.00
CLIA Laboratory Program	AMBULANCE FEE	150.00
Capital One, F.S.B.	registration & Red Cross Regis	540.00
Casey's	gas	519.77
Central Minnesota Municip	NC2 ENERGY REVISED INVOICE	42,763.39
CenturyLink	phone service	1,234.95
Chip Steak & Provision Com	SUPPLIES FOR RESALE	851.90
City of Fairfax	utility bill	16,372.80
City of Winthrop	RESOURCE OFFICER EXPENSE	151.86
Clobes Sanitation	GARBAGE FD, LIB, SHOP	3,318.83
Craig Marti	JACKETS - STREET CREW	685.56
Dave's Full Service	GAS	644.10
Davis Typewriter Co Inc	OFFICE SUPPLIES	121.41
Delta Dental	Delta Dental-correction	46.00
Denny Adamski	MILEAGE EMT TRAINING	50.85
Department of Energy-WAPA	POWER PURCHASED	24,783.33
Ecolab Pest Elimination	PEST CONTROL	150.16
Eide Bailly LLP	2013 AUDIT FEE	8,500.00
Elaine Grosklags	cleaning supplies	18.15
Electric Almighty in HD LL	band for Fireman's Dance	1,000.00
Fairfax Medical Clinic	IMMUNIZATION - FD	75.00

Fairfax Postmaster	POSTAGE - UTILITY BILLS	348.72
Fairfax TV & Appliance	COOLER REPAIR - BAR	3,902.33
Fallen Kingz	BAND EXPENSE - BAR	800.00
First Systems Technology I	LIFT STATION FLOW METER	6,656.40
Frontier Bar	SUPPLIES	114.53
Gall's Inc.	mini digital video camera	73.60
General Code Publishers	CITY CODE BOOK UPDATE	453.60
Gopher State One Call	LOCATES	8.80
Harry's Frozen Food	SUPPLIES FOR RESALE	143.00
Hawkins Water Treatment	CHEMICALS	2,711.63
Heggies Pizza	SUPPLIES FOR RESALE	451.90
Hermel Wholesale	SUPPLIES FOR RESALE	1,022.98
Jahnke Water Inc.	WATER - LIBRARY	11.84
Jandi Cabinets &	Police Station cabinets	831.00
Johnson Bros. Wholesale	LIQUOR	1,292.70
KEEPRS Inc/Cy's Uniforms	uniforms-PD	155.98
KNUJ AM	ADVERTISING - PD	97.05
Kathy Clobes	EMBROIDER JACKETS	60.00
Kohls Weelborg	AMBULANCE #2 REPAIR	546.24
League of MN Cities	CLERK TRAINING	20.00
Locher Bros. Inc.	BEER	3,376.12
MES - MIDAM	EQUIPMENT REPAIR - FD	6,384.97
MII Life -VEBA	Larry & Steve Linsmeier VEBA	200.00
MN Department of Revenue	JAN SALES TAX	11,892.00
MN Dept. of Health	STATE WATER FEE JAN-MAR	891.00
MN Pollution Control	WW exam fee Grejtak, Fahey	755.00
MN Valley Testing Lab.	WATER SAMPLE TESTING	25.50
Marcia Seibert-Volz	clothes washer rebate	25.00
Marlowe Garage	REPAIRS FORD 99 F350	50.00
Martin Trucking, LLC	FREIGHT	0.00
Matheson Tri-Gas Inc	BEER GAS	332.99
Maynard's of Fairfax	SUPPLIES FOR RESALE	293.57
Mediacom	CABLE & INTERNET - BAR	441.24
Mikes Auto Parts	EQUIPMENT REPAIR	372.20
New Ulm Public Utilities	FEB GAS PURCHASED	226,616.69
North Ambulance	INTERCEPT 2-16-14	225.00
North Star Pump Service	NW lift pump repair	549.00
Northern Lights Dist.	SUPPLIES FOR RESALE	2,072.11
Odor-Tech LLC	EQUIPMENT MAINT - GAS	3,035.38
Office Ally	ambulance expense	19.95
Olivia Machine Shop Inc	THAW WATER LINE AUDITORIUM	197.50
Palmer Company	SNOW REMOVAL	2,925.00
Paul Henle Installation	INSTALL FLOORING PD	1,188.46
Petrea Miketey	AMBULANCE TRAINING REIMBURSEME	129.02
Premium Waters Inc	WATER - PD	15.95
RVS Shredding	RVS Shredding	30.00
Red Feather	SUPPLIES	68.90
Renville County	Landfill tipping fees	1,859.50
Renville County Auditor-Tr	SPECIAL ASSESSMENT ADDS	60.00
Ridgewater College	EMT Training	3,616.54
SW/WC Service Cooperatives	SW/WC Service Cooperatives	996.00
Schultz Plumbing, Heating	SEWER MAINT - CITY HALL	402.75
Schweiss Welding	EQUIPMENT REPAIR	91.75
SelectAccount	INSURANCE FEE	278.52
South Central College	OSHA TRAINING FD	450.00
Southern Wine & Spirits of	LIQUOR	2,527.19
Standard-Gazette & Messeng	ADVERTISING - FD	85.68
Star & Tribune	SUBSCRIPTION - BAR	100.75
Steve's Bakery	SUPPLIES FOR RESALE	214.42
Tapper's Beer Line Servic	CLEAN BEER TAPS	32.50
Tow Distributing Corp.	BEER	2,333.69
Treats Home Center	FLOORING PD	2,575.23
Tyler Technologies	MAINTENANCE CONTRACT	694.76
UPS	POSTAGE - ELECT DEPT	14.51
United Farmers Cooperative	bobcat repairs	346.81
Verizon Wireless	cell phons	306.77
Viking Coca-Cola Bo. Co.	POP	150.00
Weis Oil	GAS	2,007.05
Xcel Energy	TM1 TRANSMISSION	293.16
Younger & Walton PLLC	ATTORNEY FEES	2,000.00

**FEASIBILITY STUDY FOR 2014 ALLEY PROJECT:** Motion by Brad Augustin, second by Lois Gilles to accept the Engineers Report. Motion carried.

**RESOLUTION 2014-03:** Street Improvement Hearing March 25, 2014. Motion by Cindy Fahey, second by Todd Kiecker to adopt Resolution 2014-03. Motion carried.

**RESOLUTION 2014-03**

**RESOLUTION RECEIVING REPORT, CALLING HEARING ON IMPROVEMENT AND ADVERTISING FOR BIDS.**

**WHEREAS**, pursuant to resolution of the council a report has been prepared by **Bolton & Menk** with reference to the improvement of Alley Block 1, and Alley Block 2, Original Plat. This report was received by the council on February 11, 2014.

**WHEREAS**, The Council has been advised by the consulting engineers that said Street Improvement of 2014 are necessary, cost-effective, and feasible and should be made as proposed, and the consulting engineers' report to this effect has heretofore been received by the Council, and filed with the Clerk-Treasurer Administrator.

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

1. Bolton & Menk is hereby designated as the engineer for this improvement. The engineer shall prepare plans and specifications for the making of such improvement.
2. The council will consider the improvement of such street in accordance with the report and the assessment of abutting property for all or a portion of the cost of the improvement pursuant to Minnesota Statutes, Chapter 429 at an estimated total cost of the improvement of **\$ 317,073.26.**
3. A public hearing shall be held on such proposed improvement on the **25th** day of **March** 2014, at **7:00 p.m.** and the clerk shall give mailed and published notice of such hearing and improvement as required by law.
4. The City Council shall advertise for bids. The Clerk Treasurer Administrator shall cause to be inserted in the official paper and in the Finance and Commerce an advertisement for bids upon the making of such improvement under such approved plans and specifications. The advertisement shall be published for **3 weeks**, shall specify the work to be done shall state that bids will be opened on **March 13<sup>th</sup>, 2014** at **10:00 a.m.** in the council chambers and will be considered by the council on **Tuesday, March 25th, 2014** at **7:00 p.m.** and that no bids will be considered unless sealed and filed with the clerk and accompanied by a cash deposit, cashier's check, bid bond, or certified check payable to the city for **5** % of the amount of each bid.

**RESOLUTION 2014-04:** St. Francis Health Services Public Hearing April 8, 2014. Motion by Lois Gilles, second by Cindy Fahey to adopt Resolution 0214-04 Motion carried.

**RESOLUTION NO. 2014-04**

**RESOLUTION CALLING FOR A PUBLIC HEARING ON A PROJECT BY ST.  
FRANCIS HEALTH SERVICES OF MORRIS, INC.**

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, 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. 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 location and for the purpose 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 to Tax Exemption.

a. At the request of the Borrower, the governing bodies of the City of Browerville, Minnesota and the City of Browns Valley, 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 (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. Public Hearing. The City Council agrees to hold the public hearing as requested by the Borrower. Bond Counsel is authorized and directed to publish the notice substantially in the form attached hereto as Exhibit A, in the official newspaper of the City and a newspaper of general circulation in the City not less than 14 days nor more than 30 days prior to the date set for the public hearing; provided that if the official newspaper of the City is a newspaper of general circulation in the City, the notice may be published only once.
5. City Costs. The Borrower has agreed that it will pay or, upon demand, reimburse the City for payment of, any and all costs incurred by the City in connection with the Project and the issuance of the Obligations, whether or not the Project is carried to completion, or the Obligations are issued.

## EXHIBIT A

### NOTICE OF PUBLIC HEARING ON PROPOSED PROJECT AND THE ISSUANCE OF PRIVATE ACTIVITY BONDS

#### CITY OF FAIRFAX, MINNESOTA

Notice is hereby given that the City Council of the City of Fairfax, Minnesota (the "City") will meet on Tuesday, April 8, 2014, at 7:00 p.m., or as soon thereafter as reasonably possible in the City Hall, 18 SE First Street, Fairfax, Minnesota, for the purpose of conducting a public hearing to take comments on giving host approval to the issuance by the City of Browerville, Minnesota and the City of Browns Valley, Minnesota (together, the "Issuers"), of revenue obligations, in one or more series, under Minnesota Statutes, Sections 469.152 through 469.165, in order to refinance, on a tax-exempt basis, the cost of capital improvements to a 4-bed facility for the developmentally disabled located at 103 Second Street NW, Fairfax, MN (the "Project").

The Project will be owned and operated by St. Francis Health Services of Morris, Inc. (the "Borrower") or its affiliate, Prairie Community Services, a Minnesota nonprofit corporation and organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The refinancing of the Project will be combined with refinancing other capital projects of the Borrower and financing a portion of the costs associated with the refinancing, in the maximum aggregate amount of \$10,100,000 to be issued by the Issuers for all projects. The obligations and

interest thereon shall not be payable from nor charged against any funds of the City or the Issuers (together, the "Municipalities") other than revenue pledged for the payment thereof, nor shall the Municipalities be subject to any liability thereon. No holders of the obligations shall ever have the right to compel any exercise of the taxing power of the Municipalities to pay the obligations or the interest thereon, nor to enforce payment against any property of the Municipalities. Such obligations shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the Municipalities, nor shall the same constitute a debt of the Municipalities within the meaning of any constitutional or statutory limitations.

All persons interested may appear and be heard at the time and place set forth above or may submit written comments to the Administrator in advance of the hearing.

**Renville/Sibley Joint Powers Agreement:** The RS Fiber Project will be owned and managed by the Cooperative. Action tabled on approving the agreement until the April meeting.

**Legion Auxiliary Gambling Permit:** Motion by Cindy Fahey, second by Brad Augustin to approve Gambling Permit for Legion Auxiliary to hold bingo on April 27, 2014. Motion carried.

**Staff Reports:** Marcia Seibert-Volz - City Administrator

Building Permit: Weis Oil Build wall & sheetrock \$ 750.00

Kaitlyn Frederickson, MLS Manager

Request hiring Mike Harding and Greg Johnson as Part time bartenders

Utilize Central Park for Frontier Bar activities.

Increase beer tap lines

Consideration of Manager to have exempt status changed to non-exempt status.

Motion to hire Matt Harding and Greg Johnson as Part time bartenders at step I \$ 11.00/hr.

Craig Marti – Natural Gas meeting with New Ulm will be scheduled to discuss Transportation and Rural taps.

**Fire Dept. Gambling License:** Fire Dept. Gambling Manager and CEO need to attend the certification program on April 9 & 10<sup>th</sup>. General consensus of the Council was to pay wage the two days.

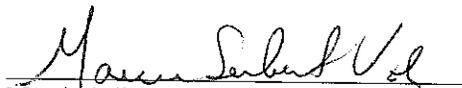
**Committee Reports:** Liquor Committee minutes  
Police Committee minutes  
Street Committee minutes  
Personnel Committee minutes  
EDA minutes 2-11-2014, 3-17-14.

**Correspondence:** none

Motion by Cindy Fahey, second by Todd Kiecker to adjourn. Motion carried. Meeting adjourned at 7:45 p.m.

  
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Mayor Doug Pomplun

ATTEST:

  
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Marcia Seibert-Volz, City Administrator