

## COUNCIL MEETING

**DATE:** March 10, 2015

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

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

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

**MEMBERS ABSENT:**

Staff members present: Clerk Treasurer Administrator Marcia Seibert-Volz, Eric Nelson, Supt. St. & Utilities, City Attorney Justin Alderman.

Meeting was called to order by Mayor Lois Gilles...

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

**UNFINISHED BUSINESS:** Contribution to security cameras to GFW was discussed. Motion by Cindy Fahey, second by Josh Bunkers to not contribute to the cameras as requested by GFW at the February meeting. Council polled: Cindy-yes, Ross Nachreiner-yes, Josh Bunkers-yes, Jenny Hazelton-no. Motion carried.

GFW land exchange agreement was discussed. Motion by Ross Nachreiner, second by Cindy Fahey to approve land exchange agreement. Motion carried.

**PUBLIC HEARING:** Motion by Jenny Hazelton, second by Ross Nachreiner to call a special meeting and public hearing on property tax abatement related to phase I of Fiber Optic Broadband Communications on March 16, 2015 at 7:00 p.m. at the Berdan Center in Winthrop. This is a joint meeting including all member cities of the RS Fiber Joint Powers Board. Motion carried.

**BID & QUOTES:** None

**PRESENTATIONS:** Joel Stencil from Eidebailly presented the 2014 Financial Audit. Motion by Ross Nachreiner, second by Cindy Fahey to accept the 2014 Audit. Motion carried.

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

- Approval of the minutes from the regular meeting dated February 10, 2015
- American Legion Aux. 4/12/15 Bingo Permit
- Claims for payment:

2nd Notion	BAND EXPENSE	700.00
4-Square Builders	WATER PLANT- CAP OUTLAY	91.00
5th Street Auto Body	BUCKET TRUCK REPAIR	120.91
A&B Business Equipment	COPIER MAINT CONTRACT	99.60
American Engineering Test	SOIL TESTING	7,135.16
Ameripride Linen Services	LAUNDRY - BAR	430.65
Arneson Distributing Inc	BEER	1,260.35
Bernicks Pepsi Cola	ICE MACHINE RENT & POP	807.78
Bernie Wenner	BUILDING INSPECTOR	365.95
Bolton & Menk	2015 STREET PROJECT-ENGINEERING	13,045.50
Bound Tree Medical, LLC	AMBULANCE SUPPLIES	27.03
Buffalo Lake Liquor Store	LIQUOR PURCHASED	7,316.34
C & N Sales	DART LEAGUE SPONSORSHIP - BAR	100.00
Capital One, F.S.B.	Red Cross CERT.& WW Conf. exp.	1,023.00
Casey's	GAS	303.35
Central Minnesota Municip	Power purchased	27,243.30
CenturyLink	TELEPHONE	1,211.97
Chip Steak & Provision Com	SUPPLIES FOR RESALE	810.74
City of Fairfax	utility bills	12,381.98
Clobes Sanitation	GARBAGE CONTRACT	3,435.48
Craig Marti	MILEAGE - WASTEWATER TRAINING	110.40

Dave's Full Service	GAS	646.20
Dave's Refrigeration	FREEZER REPAIR - BAR	109.55
Davis Typewriter Co Inc	OFFICE SUPPLIES	594.21
Delta Dental	February premium	185.50
Department of Energy-WAPA	POWER PURCHASED	24,783.33
Design Home Center Inc	FLOOR TILE - BAR	725.68
Diversified Inspections	TRUCK INSPECTIONS	883.05
Early Bird Bakery	SUPPLIES FOR RESALE	73.28
Ecolab Pest Elimination	PEST CONTROL	157.11
Eide Bailly LLP	2014 FINANCIAL AUDIT	12,000.00
Elaine Grosklags	MOP - CITY HALL	11.97
Eric Fahey	MILEAGE - WASTEWATER TRAINING	110.40
Eric Nelson	MILEAGE CMMPA MTG	92.00
Fairfax Postmaster	postage - utility bills	356.06
Farm Merchantile Inc.	SUPPLIES	1,345.23
Frontier Bar	SUPPLIES FOR RESALE	242.04
Gary Kerkhoff Construction	PUMP SAND OUT OF MAN HOLES	340.00
Gopher State One Call	LOCATES	10.15
Groebner & Associates	GAS METERS	19,276.07
Hach Company	CHEMICALS	134.09
Harry's Frozen Food	SUPPLIES FOR RESALE	102.00
Hawkins Water Treatment	CHEMICALS	2,301.86
Heggies Pizza	SUPPLIES FOR RESALE	346.30
Hermel Wholesale	SUPPLIES	1,214.51
Isakson's Plumbing & Htg.	FURNACE REPAIR - LIBRARY	187.50
J.T. Services	STREET LIGHTING	12,316.38
Jahnke Water Inc.	WATER - LIBRARY	5.85
Jill Pelzel	LED LIGHT BULB REBATE	140.00
Jim Schroeder	MILEAGE - EMT TRAINING	38.85
Johnson Bros. Wholesale	LIQUOR	2,354.98
Jon Wilson	COMEDIAN - BAR	550.00
KHC Construction Inc	water filter repairs	9,249.15
KNUJ AM	ADVERTISING - BAR	50.00
Kiecker Plumbing & Heating	REPAIRS - PD	634.58
Locher Bros. Inc.	BEER	5,887.62
MES - MIDAM	EQUIPMENT - FD	501.98
MN Department of Commerce	CIP ASSESSMENT	264.01
MN Department of Revenue	JAN SALES TAX	9,556.00
MN Dept. of Health	STATE WATER FEE JAN-MAR	870.00
MN Municipal Utilities As	2015 METER SCHOOL	555.00
MN Pollution Control	WASTEWATER TRAINING MANUALS	1,638.00
MN Valley Testing Lab.	WATER SAMPLE TESTING	25.50
Matheson Tri-Gas Inc	SHOP SUPPLIES	354.76
Maynard's of Fairfax	SUPPLIES FOR RESALE	653.56
Mediacom	INTERNET - PD	609.44
Mikes Auto Parts	LIGHT BAR DIGGER DERREK	442.59
New Security Technologies	CAMERA -PD	280.10
New Ulm Public Utilities	NATURAL GAS PURCHASE & TRANSP.	135,699.52
North Ambulance	INTERCEPT 2-11-15	450.00
North Memorial EMS Educati	CONTINUING ED - AMBULANCE	950.00
NorthAmerican Bancard	FEB CREDIT CARD FEES	438.22
Northern Lights Dist.	SUPPLIES FOR RESALE	2,529.30
Oxygen Service Company	AMBULANCE SUPPLIES	59.33
Palmer Company	SNOW REMOVAL	487.50
Paradigm Liaison Services	2015 MNCAER PROGRAM FEES	1,220.00
Phillips Wine & Spirits	WINE	78.78
Pioneerland Library Sys.	1ST QUARTER PAYMENT	8,688.25
Premium Waters Inc	WATER - PD	9.95
RVS Shredding	SHREDDING SERVICE	30.00
Randy's Family Drug & Gift	AMBULANCE SUPPLIES	30.00
Renville County Court Adm	ELECTION EXPENSE	351.60
Revtrak Inc	FEB REVTRAK FEES	1,096.22
Rob's Flooring Installatio	INSTALL FLOOR IN OFF SALE	1,005.00
Schweiss Bi-Fold Doors	TRASH PUMP	407.94
Seton	FIRE EXTINGUISHER DECALS	61.85
Sewer Services Inc.	PUMP SAND FROM LINES	1,380.00
Standard-Gazette & Messeng	ADVERTISING - BAR	543.28
Star & Tribune	SUBSCRIPTION - BAR	106.34
State of MN Dept of Public	Hazardous chemical Invent. fee	200.00
Tapper's Beer Line Servic	CLEAN BEER TAPS	52.00
Tow Distributing Corp.	BEER	1,740.73

Tyler Technologies	ANNUAL MAINT AGREEMENT	748.43
USA Blue Book	SHOP SUPPLIES	703.00
United Farmers Cooperative	EQUIPMENT REPAIRS	69.48
Verizon Wireless	TELEPHONE	548.06
Viking Coca-Cola Bo. Co.	POP	239.00
Weis Oil	GAS	984.39
Younger & Walton PLLC	ATTORNEY FEES	2,200.00
Payroll Expense		45,482.19

**2015 STREET PROJECT:** Duane Hansel presented the 2015 Street Improvement Project and feasibility report to the City Council. Motion by Jenny Hazelton, second by Ross Nachreiner to adopt Resolution 2015-07. Motion carried unanimously.

#### RESOLUTION 2015-07

#### 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 2015 Street Improvement. This includes 3<sup>rd</sup> Ave. SE between Park and 1<sup>st</sup> St. (segment 1) 1<sup>st</sup> Ave. NW between Park and the middle of 1<sup>st</sup> Ave. NW between 1<sup>st</sup> St. NW and 2<sup>nd</sup> St. NW (segment 17 & 1/2 of 18) adding a sanitary sewer line flowing South to manhole behind 15 1<sup>st</sup> St. NW, 4<sup>th</sup> St. SE from T.H. 19 to City Shed (segment 6B).

**WHEREAS,** The Council has been advised by the consulting engineers that said Street Improvement of 2015 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. 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 \$ 741,649.50.
2. A public hearing shall be held on such proposed improvement on the 14th day of April 2015, at 7:00 p.m. and the clerk shall give mailed and published notice of such hearing and improvement as required by law.
3. 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 April 8<sup>th</sup>, 2015 at 10:00 a.m. in the council chambers and will be considered by the council on Tuesday, April 14th, 2015 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.

**RURAL SERVICE DISTRICT:** Tom Palmer and Wade Gronau were present to request the council take under consideration establishing a Rural Service District for tillable land not platted within the City limits. The reason being the parcels are not benefited to the same degree as other lands by municipal services financed by general taxation. The request was made to establish a 33% benefit. The debt service levy would remain in place for the parcels within the city limits in their entirety and the benefit would be determined from the general rate tax levy. Following discussion the Mayor directed the City Administrator to investigate the tax shift if the Rural Service District was established. Action was tabled until the April meeting pending the additional information.

**Moss & Barnetts Engagement Letter:** Discussion took place on the fees. Council desires to have a maximum not to exceed statement in the agreement in regard to fees. The estimated cost is \$ 3,000-\$5,000. Motion by Ross Nachreiner, second by Josh Bunkers to accept engagement letter with Moss & Barnett for review of the Mediacom Franchise Agreement. Motion carried.

**RESOLUTION 2015-04-** Extension of Mediacom Franchise Agreement. Motion by Cindy Fahey, second by Jenny Hazelton to adopt Resolution 2015-04. Motion carried unanimously.

RESOLUTION NO. 2015-04

**GRANTING MEDIACOM MINNESOTA LLC  
A FRANCHISE EXTENSION TO SEPTEMBER 30, 2015**

**WHEREAS**, on or about February 9, 2010, the City of Fairfax, Minnesota (“City”) passed and adopted a Cable Television Franchise Ordinance granting a five (5) year franchise (“Franchise”) to Mediacom Minnesota LLC (“Mediacom”); and

**WHEREAS**, the initial term of the Franchise expired on or about March 1, 2015; and

**WHEREAS**, both the City and Mediacom desire to extend the term of the Franchise to facilitate renewal negotiations under state and federal law.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Fairfax, Minnesota hereby resolves as follows:

1. The Franchise is hereby amended by extending the term of the Franchise from March 2, 2015 through and including September 30, 2015 unless earlier renewed by the parties.

2. Except as specifically modified hereby, the Franchise shall remain in full force and effect.

3. The City and Mediacom hereby agree that neither waives any rights either may have under the Franchise or applicable law.

4. This Resolution shall become effective upon the occurrence of both of the following conditions: (1) the Resolution being passed and adopted by the Fairfax City Council; and (2) Mediacom’s acceptance of this Resolution.

**LIQUOR COMMITTEE RECOMMENDATION:** The Liquor Committee recommended paying the liquor store manager Kaitlyn Frederickson for comp-time over the maximum accrual of 40 hours due to part time staff not available to fill shifts. The manager has had to fill in some double shifts and has met the maximum accrual for comp time. The manager felt that it would be remedied with a part time bartender coming back for the summer and hopefully having needed positions filled by the end of summer. Motion by Josh Bunkers, second by Cindy Fahey to pay out comp time over the maximum accrual at straight time until June 1, 2015 to the Manager. Motion carried unanimously.

**RS Fiber lead issuer for bonds:** Motion by Ross Nachreiner, second by Josh Bunkers to inform the RS Fiber Joint Powers Board of interest by the City of Fairfax to be considered for the lead issuer of debt. Motion carried.

**David Drown Associates Engagement letter:** Motion by Ross Nachreiner, second by Jenny Hazelton to approve the engagement letter with David Drown Associates to be the City of Fairfax’s Municipal Advisor on the RS Fiber Joint Powers Agency Bond issue. Motion carried.

**Staff Reports:**

**City Administrator**

Board of Review is April 6, 2015 at 10:00 a.m. Need quorum and certified council member to be present.

**Water tower lease agreement with RS Fiber Cooperative** was discussed. Lease amounts charged by other cities were presented. It was decided to have Toby Brummer, RS Fiber, attend next meeting. Action on lease was tabled until next meeting. General consensus of the council was not to sell land to RS Fiber but rather lease land to them to construct a storage building for the equipment hub.

Resolution supporting State funding for Streets in communities with a population less than 5,000 was presented. Motion by Cindy Fahey, second by Josh Bunkers to adopt Resolution 2015-09. Motion carried unanimously.

**RESOLUTION 2015-09**

**A RESOLUTION SUPPORTING DEDICATED STATE FUNDING FOR CITY STREETS**

**WHEREAS**, Minnesota contains over 141,000 miles of roadway, and over 19,000 miles –or 13 percent are owned and maintained by Minnesota’s 852 cities, and

**WHEREAS**, over 80 percent of municipal streets are ineligible for dedicated Highway User Tax Distribution Fund dollars; and

**WHEREAS**, the more than 700 Minnesota cities with populations below 5,000 are ineligible for dedicated Highway User Tax Distribution Fund dollars; and

**WHEREAS**, existing funding mechanisms, such as Municipal State Aid (MSA), property taxes and special assessments, have limited applications, leaving cities under-equipped to address growing needs; and

**WHEREAS**, city cost participation in state and county highway projects diverts resources from city-owned streets; and

**WHEREAS**, maintenance costs increase as road systems age, and no city—large or small—is spending enough on roadway capital improvements to maintain a 50 year lifecycle; and

**WHEREAS**, for every one dollar spent on maintenance, a road authority—and therefore taxpayers—save seven dollars in repairs; and

**WHEREAS**, cities need greater resources, including an additional dedicated state funding source for transportation, and flexible policies in order to meet growing demands for street improvements and maintenance.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF FAIRFAX** that the City of Fairfax supports an omnibus transportation funding bill that provides dedicated state funds for non-MSA cities under 5,000 in population for street maintenance, construction and reconstruction.

**Supt. of Sts. & Utilities:**

Eric showed the uniforms that the Utility employees are now wearing to comply with arc flash requirements.

6" trash pump is scheduled to be delivered March 11<sup>th</sup>. The carrier for it has been built.

Proposal for the Water Treatment Plant from KHC was presented. Motion by Jenny Hazelton, second by Ross Nachreiner to approve proposal for repairs and media replacement in the amount of \$ 14, 333.31. Motion carried unanimously.

**Police Chief:** Scott Froelich, Police Chief, reported 122 incidents for the month of February.

**Fire Department:** Joel Grejtak, Fire Chief, requested approval of Chad Klages and Jeff Marlowe for Fire Department and First Responder positions. Motion by Josh Bunkers, second by Cindy Fahey to hire Chad & Jeff for Fire Department. Motion carried unanimously.

**Correspondence:** Mayor of Olivia requested the council consider attending the Renville County 10 meeting on Monday, March 30<sup>th</sup> at the lower level Renville County Courthouse Annex building. No council members committed to attending.

**Committee Report:**

Committee Reports reviewed: Liquor Committee minutes 3-3-15  
Police Committee minutes 3-2-15  
Personnel Committee minutes 2-25-15  
EDA minutes 2-5-15

**Council concerns:** None

**Adjournment:** Motion by Jenny Hazelton, second by Ross Nachreiner to adjourn. Motion carried. Meeting adjourned at 8:30 p.m.

\_\_\_\_\_  
Mayor Lois Gilles

ATTEST: \_\_\_\_\_  
Marcia Seibert-Volz, City Administrator

