

FAIRMONT CITY COUNCIL AGENDA

1. CALL TO ORDER -

- Regular meeting of the Fairmont City Council held on

MONDAY, SEPTEMBER 12, 2016

at **5:30 p.m.** in the City Hall Council Chambers

- 1.1 Swearing in of appointed Mayor Robert Wallace.

(01-02)

2. ROLL CALL -

Mayor Wallace
Councilors: Anderson
Askeland
Clerc
Peters
Zarling

3. DETERMINATION OF QUORUM -

4. PLEDGE OF ALLEGIANCE

5. READINGS OF MINUTES -

- 5.1 Minutes of Regular Meeting, August 22, 2016

(03-04)

6. OPEN DISCUSSION -

- 6.1 Open Discussion

(05)

7. RECOGNITIONS/PRESENTATIONS -

8. SCHEDULED HEARINGS –
9. ADMINISTRATIVE APPEALS –
10. FINANCIAL REPORTS –
11. REPORTS OF BOARDS, COMMITTEES, AND DEPARTMENT HEADS –
12. LICENSES AND PERMITS –
13. OLD BUSINESS –
 - 13.1 Hall Lake Cabin Association (06)
14. NEW BUSINESS –
 - 14.1 2017 Proposed Budget and Tax Levy (07)
 - 14.1a Resolution 2016-34 (08)
 - 14.1b Resolution 2016-35 (09)
 - 14.1c Proposed Budget for 2017 (10-21)
 - 14.2 Signature Authorization (22)
 - 14.2a Resolution 2016-36 (23)
 - 14.3 MNDOT Intent to Participate (24)
 - 14.3a Resolution 2016-32 (25)
 - 14.3b MNDOT Cost Participation summary (26-32)
15. REGULAR AND LIQUOR DISPENSARY BILLS –
16. STATUS REPORTS/ORAL
17. ADJOURNMENT –

CITY OF FAIRMONT----AGENDA CONTROL SHEET----AGENDA ITEM NO. 1.1

MEETING DATE: September 12, 2016

SUBJECT: Administration of Oath of Office

REVIEWED BY: Mike Humpal, CEcD, City Administrator

SUBJECT INITIATION BY:

<input type="checkbox"/>	Petition	<input type="checkbox"/>	Board	<input checked="" type="checkbox"/>	Staff	<input type="checkbox"/>	Council	<input type="checkbox"/>	Commission	<input type="checkbox"/>	Committee
--------------------------	----------	--------------------------	-------	-------------------------------------	-------	--------------------------	---------	--------------------------	------------	--------------------------	-----------

SUBJECT BACKGROUND: Mike Humpal, CEcD, City Administrator

INTRODUCED BY: Mike Humpal, CEcD, City Administrator

COUNCIL LIAISON:

TYPE OF ACTION:

<input type="checkbox"/>	Motion (Voice Vote)	<input type="checkbox"/>	Resolution (Roll Call)	<input type="checkbox"/>	Discussion
<input type="checkbox"/>	Ordinance 1 st Reading (Introduction only)	<input type="checkbox"/>	Set Public Hearing (Motion)	<input checked="" type="checkbox"/>	Information Only
<input type="checkbox"/>	Ordinance 2 nd Reading (Roll call)	<input type="checkbox"/>	Hold Public Hearing (Motion to close)	<input type="checkbox"/>	

RECOMMENED ACTION BY:

<input type="checkbox"/>	City Staff	<input type="checkbox"/>	Board	<input type="checkbox"/>	Commission	<input type="checkbox"/>	Committee
--------------------------	------------	--------------------------	-------	--------------------------	------------	--------------------------	-----------

<input type="checkbox"/>	Issuance	<input type="checkbox"/>	Approval	<input type="checkbox"/>	Authorization	<input type="checkbox"/>	No recommendation
<input type="checkbox"/>	Denial	<input type="checkbox"/>	Rejection	<input checked="" type="checkbox"/>	No action needed	<input type="checkbox"/>	

STATEMENT: Mayor Robert Wallace will need to be sworn in prior to roll call.

MOTION: No Council action needed

VOTE REQUIRED:

ATTACHMENTS:

1. Oath of Office

2. _____

3. _____

Council Action: _____ Date: _____

State of Minnesota

County of Martin

City of Fairmont

s. s.

I, Robert Wallace do solemnly swear
that I will support the Constitution of the United States and of the State of Minnesota, and faithfully
perform and _____ discharge the duties of the office of
Mayor _____ of the City of Fairmont, in the County of Martin
and State of Minnesota, to the best of my judgement and ability. So help me God.

X

Robert Wallace

Subscribed and sworn to before me this 12th day of September, 2016

Patricia J. Monsen, City Clerk

The minutes of the Fairmont City Council meeting held on Monday, August 22, 2016 at the City Hall Council Chambers.

Mayor Pro-tem Clerc called the meeting to order at 5:30 p.m.

Council Members Terry Anderson, Chad Askeland, Bruce Peters and Jim Zarling were present. Also in attendance: City Administrator Mike Humpal, Public Works Director/City Engineer Troy Nemmers, Finance Director Paul Hoyer, Police Chief Greg Broelsma and City Clerk Patricia Monsen.

It was moved by Council Member Anderson, seconded by Council Member Askeland and carried to approve the minutes of the regular City Council meeting of August 8, 2016.

There was no open discussion.

Humpal recognized City of Fairmont employees for their years of service: ten years – Luke Schultz; fifteen years – Wade Williams, Shannon Bass and Bryan Boltjes; and thirty years – Greg Broelsma, Ricky Pierce and Bruce Eversman.

Mayor Pro-tem Clerc opened the public hearing on proposed **Ordinance 2016-05** amending the Rural and Urban Service Districts for the City of Fairmont. No comments were received during the public hearing. Council Member Peters made a motion to close the public hearing. Council Member Askeland seconded the motion and the motion passed. Council Member Askeland made a motion to approve **Ordinance 2016-05**, amending the Rural and Urban Service Districts for the City of Fairmont. Council Member Peters seconded the motion. On roll call: Council Members Zarling, Anderson, Askeland, Clerc and Peters all voted aye. No one voted nay. Mayor Pro-tem Clerc declared said motion carried.

Mayor Pro-tem Clerc opened the public hearing on proposed **Resolution 2016-31**, adopting a Tax Increment Financing District No. 27 agreement with Fairmont Realty Group, LLC. Matt Traetow, Project Manager for Fairmont Realty Group, LLC spoke about the project. No public comment was received. Council Member Peters made a motion to close the public hearing. Council Member Askeland seconded the motion and the motion passed. Council Member Askeland made a motion to approve **Resolution 2016-31**. Council Member Peters seconded the motion. On roll call: Council Members Anderson, Askeland, Clerc, Peters and Zarling all voted aye. No one voted nay. Mayor Pro-tem Clerc declared said motion carried.

Council Member Peters made a motion to approve an Event Permit for St. Paul Lutheran Church on September 11, 2016. Council Member Askeland seconded the motion and the motion carried.

Council Member Zarling made a motion to approve an Event Permit for Grace Lutheran Church on September 11, 2016. Council Member Askeland seconded the motion and the motion carried.

Council Member Askeland made a motion to appoint Bob Wallace as Mayor until December 31, 2016. Council Member Zarling seconded the motion and the motion carried. Council Member Anderson abstained from the vote.

Council Member Anderson made a motion to adopt **Resolution 2016-30**, authorizing the Mayor Pro-tem and the City Clerk to execute Amendment No. 1 to the SMMPA Agency Agreement.

Council Member Peters seconded the motion. On roll call: Council Members Zarling, Anderson, Askeland, Clerc and Peters all voted aye. No one voted nay. Mayor Pro-tem Clerc declared said motion passed.

Council Member Peters made a motion to approve the appointment of Daron Johnson to the Police Commission. Council Member Askeland seconded the motion and the motion carried.

Council Member Anderson made a motion to authorize city staff to gather preliminary information to determine the scope and size of a project to dredge or dig out sediment at the mouth of Dutch Creek. Council Member Askeland seconded the motion and the motion carried.

Council Member Askeland made a motion to adopt **Resolution 2016-33**, approving the State of Minnesota Joint Powers Agreement for E-Charging. Council Member Peters seconded the motion. On roll call: Council Members Clerc, Peters, Zarling, Anderson and Askeland all voted aye. No one voted nay. Mayor Pro-tem Clerc declared said motion passed.

Council Member Peters made a motion to approve the payment of the August, 2016 bills in the amount of \$737,921.89. Council Member Askeland seconded the motion and the motion carried.

A motion was made by Council Member Askeland, seconded by Council Member Zarling and carried to adjourn the meeting at 6:10 p.m.

ATTEST:


Robert Wallace
Mayor

Patricia J. Monsen, City Clerk

CITY OF FAIRMONT----AGENDA CONTROL SHEET----AGENDA ITEM NO. 6.1

MEETING DATE: September 12, 2016

SUBJECT: Open Discussion

REVIEWED BY: Mike Humpal, CECd, City Administrator 

SUBJECT INITIATION BY:

<input type="checkbox"/>	Petition	<input type="checkbox"/>	Board	<input checked="" type="checkbox"/>	Staff	<input type="checkbox"/>	Council	<input type="checkbox"/>	Commission	<input type="checkbox"/>	Committee
--------------------------	----------	--------------------------	-------	-------------------------------------	-------	--------------------------	---------	--------------------------	------------	--------------------------	-----------

SUBJECT BACKGROUND:

INTRODUCED BY: Mayor Pro-tem Wes Clerc

COUNCIL LIAISON:

TYPE OF ACTION:

<input type="checkbox"/>	Motion (Voice Vote)	<input type="checkbox"/>	Resolution (Roll Call)	<input type="checkbox"/>	Discussion
<input type="checkbox"/>	Ordinance 1 st Reading (Introduction only)	<input type="checkbox"/>	Set Public Hearing (Motion)	<input checked="" type="checkbox"/>	Information Only
<input type="checkbox"/>	Ordinance 2 nd Reading (Roll call)	<input type="checkbox"/>	Hold Public Hearing (Motion to close)	<input type="checkbox"/>	

RECOMMENED ACTION BY:

<input type="checkbox"/>	City Staff	<input type="checkbox"/>	Board	<input type="checkbox"/>	Commission	<input type="checkbox"/>	Committee
--------------------------	------------	--------------------------	-------	--------------------------	------------	--------------------------	-----------

<input type="checkbox"/>	Issuance	<input type="checkbox"/>	Approval	<input type="checkbox"/>	Authorization	<input type="checkbox"/>	No recommendation
<input type="checkbox"/>	Denial	<input type="checkbox"/>	Rejection	<input checked="" type="checkbox"/>	No action needed	<input type="checkbox"/>	

STATEMENT: Prior to regular business, is there any open discussion?

MOTION: None

VOTE REQUIRED:

ATTACHMENTS:


1. _____
2. _____
3. _____

Council Action: _____ Date: _____

CITY OF FAIRMONT----AGENDA CONTROL SHEET----AGENDA ITEM NO. 13.1

MEETING DATE: September 12, 2016

SUBJECT: Hall Lake Cabin Association

REVIEWED BY: Mike Humpal, CEcD, City Administrator 

SUBJECT INITIATION BY:

<input type="checkbox"/>	Petition	<input type="checkbox"/>	Board	<input type="checkbox"/>	Staff	<input type="checkbox"/>	Council	<input checked="" type="checkbox"/>	Commission	<input type="checkbox"/>	Committee
--------------------------	----------	--------------------------	-------	--------------------------	-------	--------------------------	---------	-------------------------------------	------------	--------------------------	-----------

SUBJECT BACKGROUND: Mike Humpal, CEcD, City Administrator

INTRODUCED BY: Mike Humpal, CEcD, City Administrator

COUNCIL LIAISON:

TYPE OF ACTION:

<input checked="" type="checkbox"/>	Motion (Voice Vote)	<input type="checkbox"/>	Resolution (Roll Call)	<input type="checkbox"/>	Discussion
<input type="checkbox"/>	Ordinance 1 st Reading (Introduction only)	<input type="checkbox"/>	Set Public Hearing (Motion)	<input type="checkbox"/>	Information Only
<input type="checkbox"/>	Ordinance 2 nd Reading (Roll call)	<input type="checkbox"/>	Hold Public Hearing (Motion to close)	<input type="checkbox"/>	

RECOMMENED ACTION BY:

<input checked="" type="checkbox"/>	City Staff	<input type="checkbox"/>	Board	<input type="checkbox"/>	Commission	<input type="checkbox"/>	Committee
<input type="checkbox"/>	Issuance	<input type="checkbox"/>	Approval	<input checked="" type="checkbox"/>	Authorization	<input type="checkbox"/>	No recommendation
<input type="checkbox"/>	Denial	<input type="checkbox"/>	Rejection	<input type="checkbox"/>	No action needed	<input type="checkbox"/>	

STATEMENT: On June 7th the Planning commission unanimously recommended approval of a Conditional Use Permit to create a planned unit development for a home owners association for Hall Lake Cabins, contingent on approval of the Homeowners Association Agreement. That recommendation was sent to the city council for their approval June 13th. The city council approved the Conditional Use Permit, contingent on the council and staff approving the Homeowners Association Agreement when complete. The Agreement is complete and filed with the city.

MOTION: To approve the Hall Lake Cabin Association Agreement creating a Common Interest Community.

VOTE REQUIRED: Simple majority

ATTACHMENTS:

- 1.
 2. _____
- *****

Council Action: _____ Date: _____

CITY OF FAIRMONT----AGENDA CONTROL SHEET----AGENDA ITEM NO. 14.1

MEETING DATE: September 12, 2016

SUBJECT: 2017 Proposed Budget and Tax Levy

REVIEWED BY: Mike Humpal, CEcD, City Administrator

SUBJECT INITIATION BY:

<input type="checkbox"/>	Petition	<input type="checkbox"/>	Board	<input checked="" type="checkbox"/>	Staff	<input type="checkbox"/>	Council	<input type="checkbox"/>	Commission	<input type="checkbox"/>	Committee
--------------------------	----------	--------------------------	-------	-------------------------------------	-------	--------------------------	---------	--------------------------	------------	--------------------------	-----------

SUBJECT BACKGROUND: Paul Hoyer, Finance Director

INTRODUCED BY: Mike Humpal, CEcD, City Administrator

COUNCIL LIAISON:

TYPE OF ACTION:

<input type="checkbox"/>	Motion (Voice Vote)	<input checked="" type="checkbox"/>	Resolution (Roll Call)	<input type="checkbox"/>	Discussion
<input type="checkbox"/>	Ordinance 1 st Reading (Introduction only)	<input type="checkbox"/>	Set Public Hearing (Motion)	<input type="checkbox"/>	Information Only
<input type="checkbox"/>	Ordinance 2 nd Reading (Roll call)	<input type="checkbox"/>	Hold Public Hearing (Motion to close)	<input type="checkbox"/>	

RECOMMENDED ACTION BY:

<input checked="" type="checkbox"/>	City Staff	<input type="checkbox"/>	Board	<input type="checkbox"/>	Commission	<input type="checkbox"/>	Committee
-------------------------------------	------------	--------------------------	-------	--------------------------	------------	--------------------------	-----------

<input type="checkbox"/>	Issuance	<input checked="" type="checkbox"/>	Approval	<input type="checkbox"/>	Authorization	<input type="checkbox"/>	No recommendation
<input type="checkbox"/>	Denial	<input type="checkbox"/>	Rejection	<input type="checkbox"/>	No action needed	<input type="checkbox"/>	

STATEMENT: Information on the proposed budget and tax levy for 2017 will be discussed. The Council is required to establish the proposed tax levy and budget and submit the information to the County Auditor by September 30, 2016.

MOTION #1: To adopt Resolution 2016-34, Adopting the Proposed Tax Levy for 2017

MOTION #2: To adopt Resolution 2016-35, Adopting the Proposed Budget for 2017

VOTE REQUIRED: Simple majority – roll call

ATTACHMENTS:

1. Resolution 2016-34
2. Resolution 2016-35
3. Proposed Budget for 2017

Council Action: _____ Date: _____

RESOLUTION NO. 2016-34

STATE OF MINNESOTA)

SS:

COUNTY OF MARTIN)

**A RESOLUTION ADOPTING THE 2017 PROPOSED PROPERTY TAX LEVY
AND ORDERING ITS CERTIFICATION TO THE MARTIN COUNTY AUDITOR**

WHEREAS, Minnesota State Statutes require that the proposed property tax levy for the coming year be certified to the County Auditor by September 30.

NOW THEREFORE, BE IT RESOLVED, that the following proposed property tax levy be certified to the Martin County Auditor:

Non-Debt Levy	\$3,031,535
Debt Service Levy	<u>1,017,495</u>
Total <u>Proposed</u> Property Tax Levy	<u>\$4,049,030</u>

BE IT FURTHER RESOLVED, that the above named mentioned total tax levy be established in the following breakdown:

1. General Operations	\$3,031,535
2. Special Assessment Debt	<u>1,017,495</u>
TOTAL <u>PROPOSED</u> TAX LEVY	<u>\$4,049,030</u>

Motion by:
Seconded by:
All in Favor:
Opposed:
Abstained:
Absent:

PASSED, APPROVED AND ADOPTED this 12th day of September, 2016.

Robert Wallace, Mayor

ATTEST:

Patricia J. Monsen, City Clerk

RESOLUTION NO. 2016-35

STATE OF MINNESOTA)

SS:

COUNTY OF MARTIN)

A RESOLUTION ADOPTING THE PROPOSED 2017 BUDGET

WHEREAS, State statutes require cities to adopt a proposed budget to be submitted to the County Auditor with the proposed 2017 tax levy;

NOW, THEREFORE, BE IT RESOLVED that the following budget be adopted and approved this 12th day of September, 2016, in a regular meeting of the Fairmont City Council:

FUND	REVENUES AND TRANSFERS IN	EXPENDITURES AND TRANSFERS OUT
General	\$8,403,801	\$8,697,448
Economic Development	230,500	230,500
SMEC	86,150	86,019
Aeronautics	625,600	623,275
Lake Restoration	67,500	29,020
Debt Service	1,613,797	1,833,924
Capital Improvements	<u>4,500,000</u>	<u>4,500,000</u>
	<u>\$15,527,348</u>	<u>\$16,000,186</u>

Motion by:

Seconded by:

All in favor:

Opposed:

Abstained:

Absent:

PASSED, APPROVED, AND ADOPTED this 12th day of September, 2016.

Robert Wallace
Mayor

ATTEST:

Patricia J. Monsen, City Clerk



Proposed Budget 2017

September 12, 2016

Adopted Budget Overview 2017

Revenue

State Aid	5,303,784	34%
Federal Aid	1,000,000	6%
Taxes	4,206,332	27%
Assessments	404,000	3%
GO Bonds	2,000,000	13%
All Other	1,391,100	9%
Transfers	1,222,132	8%
Total Revenue	15,527,348	100%

Expenditures

General Government	1,255,194	8%
Public Safety	3,550,980	22%
Public Works	1,920,388	12%
Parks & Recreation	1,935,886	12%
Economic Development	230,500	1%
SMEC	86,019	1%
Airport	623,275	4%
Lake Restoration	29,020	0.2%
Debt Service	1,833,924	11%
Capital Improvements	4,500,000	28%
Transfers	35,000	0%
Total Expenditures	16,000,186	100%

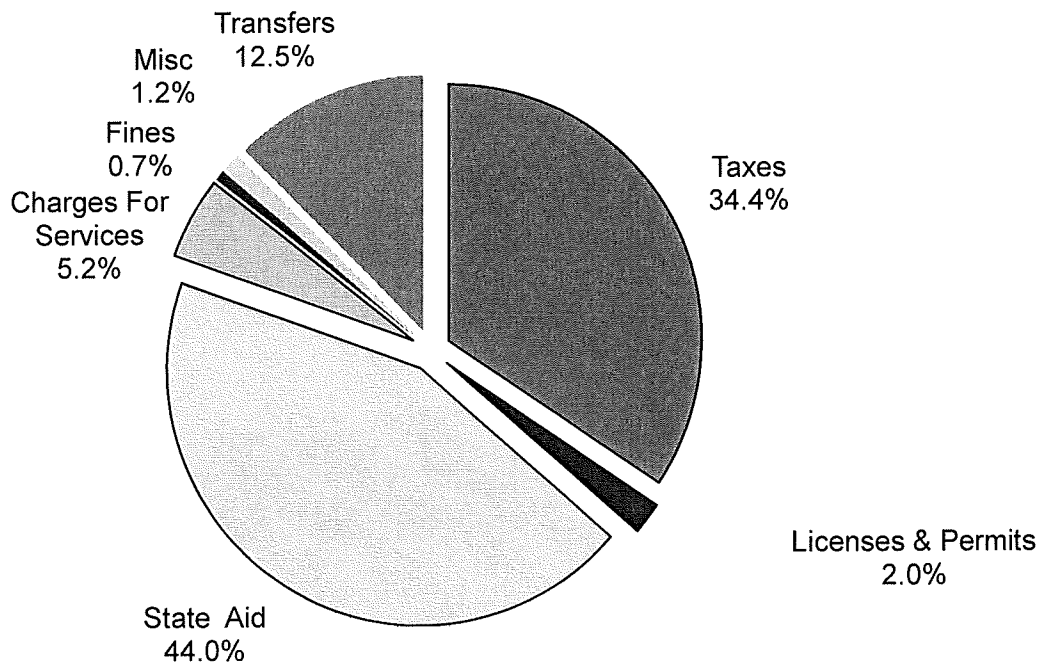
* \$220,000 Debt Service Reserves for Debt Service

* \$275,000 Debt Service Reserves for Fire Truck

General Fund Revenue Source

	<u>2016</u>	<u>2017</u>
Taxes	2,502,996	2,893,535
Licenses & Permits	163,375	169,875
State Aid	4,143,016	3,698,784
Charges For Services	434,421	434,175
Fines	65,000	59,000
Misc	113,800	101,300
Transfers	1,519,632	1,047,132
Total Sources	8,942,240	8,403,801

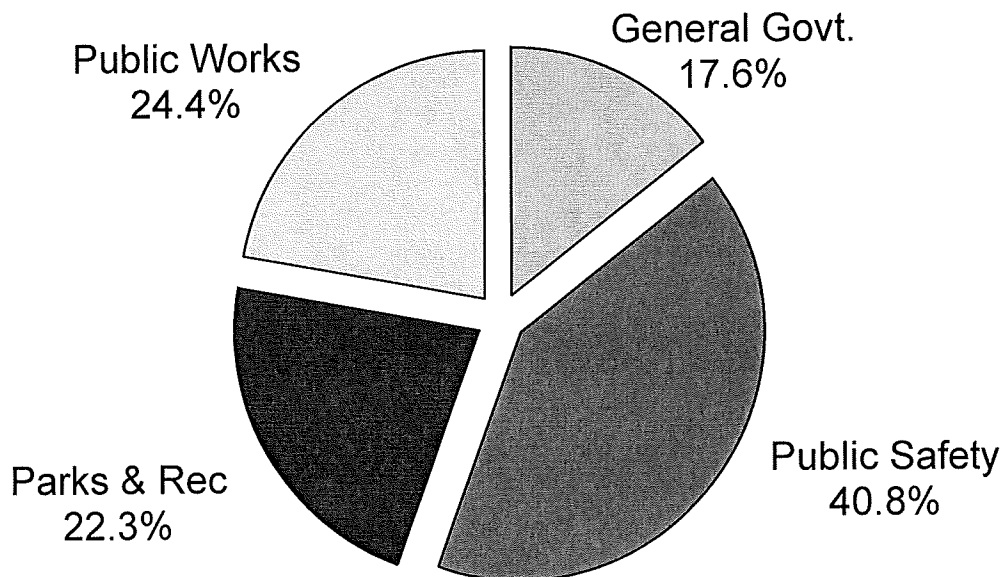
2017 Budget



General Fund Expenditures

	<u>2016</u>	<u>2017</u>
General Gov't	1,275,599	1,255,194
Public Safety	3,665,416	3,550,980
Public Works	1,941,213	1,920,388
Parks & Rec	2,035,012	1,935,886
Transfers	25,000	35,000
Total Expenditures	8,942,240	8,697,448

2017 Budget



General Fund Expenditure Detail

	<u>2016</u>	<u>2017</u>
Mayor and Council	34,755	34,759
City Administrator	115,133	119,687
City Clerk	102,330	89,109
Finance	295,467	303,297
Capital	3,000	-
City Attorney	163,023	168,073
Planning & Zoning	136,198	139,605
Gen. Govt. Bldgs.	136,583	137,354
Capital	30,000	22,500
Library	65,860	71,060
Capital	34,500	9,000
Other General Govt.	158,750	160,750
Total General Govt.	1,208,099	1,223,694
Capital	67,500	31,500
Police Department	2,315,613	2,405,190
Capital	70,000	67,400
Fire Department	435,368	461,132
Capital	515,000	275,000
Inspection Depts.	200,675	212,494
Capital	-	-
Civil Defense	950	950
Capital	-	-
Animal Control	127,810	128,814
Total Public Safety	3,080,416	3,208,580
Capital	585,000	342,400

General Fund Expenditure Detail

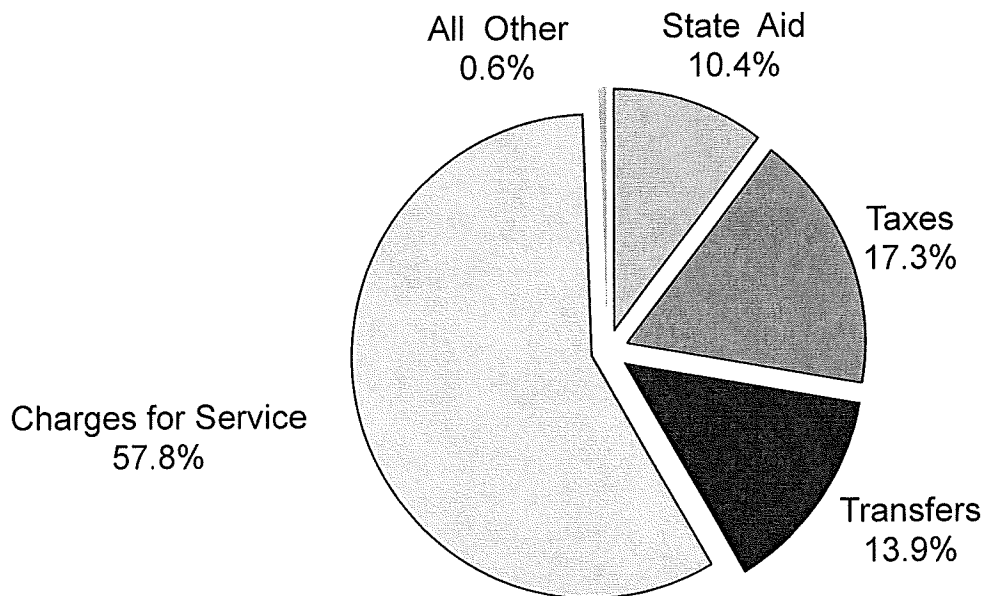
	<u>2016</u>	<u>2017</u>
Streets	1,197,251	1,167,360
Capital	247,000	233,000
Engineering	339,911	349,999
Capital	17,000	47,500
Health & Sanitation	140,051	122,529
Total Public Works	1,677,213	1,639,888
Capital	264,000	280,500
Parks	972,021	984,717
Capital	621,000	500,000
Aquatic Park	395,991	417,669
Capital	46,000	33,500
Total Parks & Recreation	1,368,012	1,402,386
Capital	667,000	533,500
Operations	7,333,740	7,474,548
Capital	1,583,500	1,187,900
Transfers	25,000	35,000
Total General Fund	8,942,240	8,697,448

Special Revenue Funds

Revenue Sources

	<u>2016</u>	<u>2017</u>
State Aid	85,000	105,000
Taxes	175,000	175,000
Transfers	155,000	140,000
Charges for Service	529,375	584,000
All Other	5,500	5,750
Total Sources	949,875	1,009,750

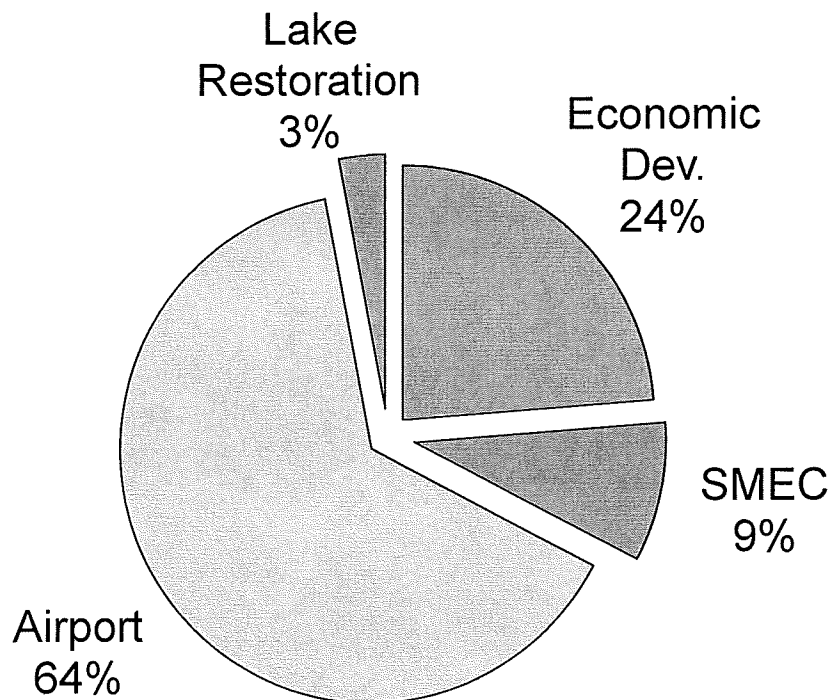
2017 Budget



Special Revenue Funds Expenditures

	<u>2016</u>	<u>2017</u>
Economic Dev.	228,700	230,500
SMEC	90,819	86,019
Airport	533,774	623,275
Lake Restoration	63,870	29,020
Total	917,163	968,814

2017 Budget



Debt Service Budget

Revenues

	<u>2016</u>	<u>2017</u>
Taxes - General	1,071,710	1,017,495
Taxes - Tax Increment	67,000	120,302
Assessments	455,000	404,000
Transfers In	25,000	35,000
Other	81,700	37,000
Total	1,700,410	1,613,797

Expenditures

	<u>2015</u>	<u>2016</u>
Improvement Proj.	1,593,625	1,713,622
Tax Increment Proj.	67,000	120,302
G.O. Proj.	-	-
Transfers Out	550,000	-
Total	2,210,625	1,833,924

2017 Capital Expenditures

Departmental Capital

Finance	-
General Gov't Buildings	22,500
Library	9,000
Police	67,400
Fire	275,000
Streets	233,000
Engineering	47,500
Parks & Rec.	533,500
Airport	67,000
Lake Restoration	15,000
	<hr/>
	1,269,900

Improvement Projects

2017 Street Improvements	4,500,000
	<hr/>
	4,500,000

Improvement Project Revenue Sources

Federal Aid - 2017 Street Improvements	1,000,000
State Aid - 2017 Street Improvements	1,500,000
GO Bonds	2,000,000
	<hr/>
	4,500,000

Liquor Store Project Funding

Net Income Before Transfers	456,325
SMEC	(40,000)
Housing Demo	(42,500)
Trail Improvements	(167,500)
Cedar Park Disc Golf Course	(20,000)
Pioneer Bridge Demo	(40,000)
Set Aside	(140,000)
	<hr/>
	6,325

2016 Departmental Capital Project List

General Gov't Bldg

HVAC/Mold	\$22,500
-----------	----------

Library

Sidewalk repair	\$2,000
Furniture	\$2,000
Phone system	\$5,000
	\$9,000

Police

Tasers	\$5,000
Squad Video System	\$20,000
Lightbars	\$8,400
Squad 10 Equipment	\$15,000
Phones	\$5,000
K-9 Dog	\$10,000
Radars	\$4,000
	\$67,400

Fire

Rescue Truck	\$275,000
	\$275,000

Streets

1 Ton Truck	\$50,000
Skid Loader with attachments	\$90,000
Loader Scale	\$8,000
Mobile Radios	\$15,000
Downtown Paver Repairs	\$50,000
Contingency	\$20,000
	\$233,000

Engineering

Survey Equipment	\$2,500
Total Station Survey Instrument	\$45,000
	\$47,500

Parks

Jeep	\$32,000
1 Ton Truck	\$50,000
Lincoln Park Shelter House Roof	\$15,000
Gomsrud Park grill pad replacement	\$5,000
Veterans Park memorial upgrade	\$5,000
Cedar Park garage siding	\$8,000
Cedar Park disc golf course	\$25,000
Cedar Park trail connection	\$300,000
Pioneer Bridge demo	\$40,000
AP interior painting	\$7,500
AP pool pump	\$6,000
AP deck chairs	\$8,000
AP cabinet doors	\$5,000
AP duramax vacuum	\$4,000
AP paint for skimmers	\$1,500
AP refrigerator and freezer	\$1,500
Contingency	\$20,000
	\$533,500

Airport

Maintenance utility vehicle	\$50,000
Terminal Building	\$15,000
Laptop	\$2,000
	\$67,000

Lake Restoration

Floating dock	15,000
---------------	--------

Proposed Property Tax Levy Increase

2016 Levy	Debt Service	1,071,710
	Operations	<u>2,642,996</u>
	Total	3,714,706
2017 Levy	Debt Service	1,017,495
	Operations	<u>3,031,535</u>
	Total	4,049,030
Levy Increase:	\$334,324	9.0%

2017 Property Tax Impact - 6.4% Increase

	Residential Property		
	\$95,000	\$150,000	\$250,000
2017 City Tax	492.85	778.18	1,296.97
2016 City Tax	<u>463.02</u>	<u>731.08</u>	<u>1,218.47</u>
	29.83	47.10	78.50
	Commercial/Industrial Property		
	\$500,000	\$1,000,000	\$2,000,000
2017 City Tax	5,187.90	10,375.80	20,751.60
2016 City Tax	<u>4,873.90</u>	<u>9,747.80</u>	<u>19,495.60</u>
	314.00	628.00	1,256.00

CITY OF FAIRMONT----AGENDA CONTROL SHEET----AGENDA ITEM NO. 14.2

MEETING DATE: September 12, 2016

SUBJECT: Signature Authorization

REVIEWED BY: Mike Humpal, CEcD, City Administrator

SUBJECT INITIATION BY:

<input type="checkbox"/>	Petition	<input type="checkbox"/>	Board	<input checked="" type="checkbox"/>	Staff	<input type="checkbox"/>	Council	<input type="checkbox"/>	Commission	<input type="checkbox"/>	Committee
--------------------------	----------	--------------------------	-------	-------------------------------------	-------	--------------------------	---------	--------------------------	------------	--------------------------	-----------

SUBJECT BACKGROUND: Paul Hoyer, Finance Director

INTRODUCED BY: Mike Humpal, CEcD, City Administrator

COUNCIL LIAISON:

TYPE OF ACTION:

<input type="checkbox"/>	Motion (Voice Vote)	<input checked="" type="checkbox"/>	Resolution (Roll Call)	<input type="checkbox"/>	Discussion
<input type="checkbox"/>	Ordinance 1 st Reading (Introduction only)	<input type="checkbox"/>	Set Public Hearing (Motion)	<input type="checkbox"/>	Information Only
<input type="checkbox"/>	Ordinance 2 nd Reading (Roll call)	<input type="checkbox"/>	Hold Public Hearing (Motion to close)	<input type="checkbox"/>	

RECOMMENDED ACTION BY:

<input checked="" type="checkbox"/>	City Staff	<input type="checkbox"/>	Board	<input type="checkbox"/>	Commission	<input type="checkbox"/>	Committee
-------------------------------------	------------	--------------------------	-------	--------------------------	------------	--------------------------	-----------

<input type="checkbox"/>	Issuance	<input checked="" type="checkbox"/>	Approval	<input type="checkbox"/>	Authorization	<input type="checkbox"/>	No recommendation
<input type="checkbox"/>	Denial	<input type="checkbox"/>	Rejection	<input type="checkbox"/>	No action needed	<input type="checkbox"/>	

STATEMENT: On August 22, 2016, Robert Wallace was appointed Mayor for the City of Fairmont until December 31, 2016. Robert Wallace needs to be authorized by the City Council to co-sign checks with the Finance Director, City Clerk and Deputy City Clerk.

MOTION: To authorize Robert Wallace, Mayor, to co-sign checks with the Finance Director, City Clerk, and Deputy City Clerk.

VOTE REQUIRED: Simple majority – roll call

ATTACHMENTS:

1. Resolution 2016-36
- 2.

Council Action: _____ Date: _____

RESOLUTION NO. 2016-36

**STATE OF MINNESOTA)
COUNTY OF MARTIN)SS
CITY OF FAIRMONT)**

SIGNATURE AUTHORIZATION

WHEREAS, the City of Fairmont uses Bank Midwest as a Financial Institution for financial transaction on behalf of the City, and;

WHEREAS, authorization needs to be granted for agents of the City of Fairmont to exercise financial transactions, and;

WHEREAS, a vacancy on the City Council was officially declared on August 8, 2016 due to the death of Randy J. Quiring; and,

WHEREAS, Robert Wallace has been appointed Mayor and should be authorized to co-sign checks with the Finance Director, City Clerk and Deputy City Clerk.

NOW THEREFORE, BE IT RESOLVED by the Fairmont City Council that Robert Wallace, as Mayor, is authorized to co-sign checks with the Finance Director, City Clerk and Deputy City Clerk.


Motion by:
Seconded by:
All in favor:
Opposed:
Abstained:

PASSED, APPROVED AND ADOPTED this 12th day of September, 2016.

Robert Wallace, Mayor

ATTEST:

Patricia J. Monsen, City Clerk

CITY OF FAIRMONT----AGENDA CONTROL SHEET----AGENDA ITEM NO. 14.3**MEETING DATE:** September 12, 2016**SUBJECT:** MNDOT Intent to Participate**REVIEWED BY:** Mike Humpal, CEcD, City Administrator **SUBJECT INITIATION BY:**

<input type="checkbox"/>	Petition	<input type="checkbox"/>	Board	<input checked="" type="checkbox"/>	Staff	<input type="checkbox"/>	Council	<input type="checkbox"/>	Commission	<input type="checkbox"/>	Committee
--------------------------	----------	--------------------------	-------	-------------------------------------	-------	--------------------------	---------	--------------------------	------------	--------------------------	-----------

SUBJECT BACKGROUND: Troy Nemmers, PE, Director of Public Works/City Engineer**INTRODUCED BY:** Mike Humpal, CEcD, City Administrator**COUNCIL LIAISON:****TYPE OF ACTION:**

<input type="checkbox"/>	Motion (Voice Vote)	<input checked="" type="checkbox"/>	Resolution (Roll Call)	<input type="checkbox"/>	Discussion
<input type="checkbox"/>	Ordinance 1 st Reading (Introduction only)	<input type="checkbox"/>	Set Public Hearing (Motion)	<input type="checkbox"/>	Information Only
<input type="checkbox"/>	Ordinance 2 nd Reading (Roll call)	<input type="checkbox"/>	Hold Public Hearing (Motion to close)	<input type="checkbox"/>	

RECOMMENDED ACTION BY:

<input checked="" type="checkbox"/>	City Staff	<input type="checkbox"/>	Board	<input type="checkbox"/>	Commission	<input type="checkbox"/>	Committee
<input type="checkbox"/>	Issuance	<input checked="" type="checkbox"/>	Approval	<input type="checkbox"/>	Authorization	<input type="checkbox"/>	No recommendation
<input type="checkbox"/>	Denial	<input type="checkbox"/>	Rejection	<input type="checkbox"/>	No action needed	<input type="checkbox"/>	

STATEMENT: The attached resolution states the City of Fairmont's intent to participate in the MNDOT rehabilitation of TH 15. The rehabilitation project is scheduled for 2017 and the City cost is estimated at \$640,000.

MOTION: To adopt Resolution 2016-32.**VOTE REQUIRED:** Simple majority – roll call**ATTACHMENTS:**

1. Resolution 2016-32
2. MNDOT Cost Participation summary
- 3.

Council Action: _____ Date: _____

RESOLUTION 2016-32

STATE OF MINNESOTA)
COUNTY OF MARTIN) SS:
CITY OF FAIRMONT)

RESOLUTION OF INTENT TO PARTICIPATE

WHEREAS, the Minnesota Department of Transportation (Mn\DOT) proposes to make certain improvements on a portion of T.H. 15 located in Martin County in the City of Fairmont under State Project (S.P.) 4603-45; and,

WHEREAS, it is the City's desire that the State include, in this project letting, certain improvements on T.H. 15 and on intersecting City streets located between Johnson Street and Goemann Road; and,

WHEREAS, pursuant to the Minnesota Department of Transportation's Policy and Procedures for Cooperative Construction Projects with Local Units of Government, the City will have a participation in the cost for this work and the City's share for this work is estimated to be \$640,000.00; and,

WHEREAS, Mn\DOT has requested that the City formally indicate its intent to participate in the costs of sidewalk, utilities, and signal systems on T.H. 15 between Johnson Street and Goemann Road along with other improvements requested by the City and in accordance with Mn\DOT's "Cost Participation and Maintenance Responsibilities with Local Units of Government" dated January 19, 2016.

NOW THEREFORE BE IT RESOLVED that, following approval by the Minnesota Department of Transportation of plans and specifications for the improvement of said trunk highway and City Streets, before a contract is awarded for the construction of said improvements, the City shall enter into an agreement with the State which shall provide that the City shall pay its share of the cost of the requested improvements as determined by the State in accordance with the latest "Policies and Procedures for Cooperative Construction Projects with Local Units of Government" (a copy of which has been received by the City).

Motion by:
Seconded by:
All in favor:
Opposed:
Abstained:
Absent:

ADOPTED by the Council this 12nd day of September, 2016.

ATTEST:

Robert Wallace, Mayor

Patricia J. Monsen, City Clerk

COST PARTICIPATION

FOR COOPERATIVE CONSTRUCTION PROJECTS AND MAINTENANCE RESPONSIBILITIES BETWEEN MNDOT AND LOCAL UNITS OF GOVERNMENT

Minnesota Department of Transportation Policy FM011
Effective Date as Signed by Responsible Senior Officer

POLICY STATEMENT

The policy provides a framework to determine the potential expenditure of trunk highway funds on elements of cooperative construction projects and maintenance. The basis of this policy is that Minnesota Department of Transportation (MnDOT) participation is limited to trunk highway purposes.

This policy is for internal MnDOT purposes only, and does not provide any claim or expectation of legal entitlement to financial participation, except where MnDOT has specifically contracted at its sole discretion for such participation. MnDOT retains the final authority to determine whether it will participate in the cost of any project.

Use this policy in conjunction with the *Cost Participation and Maintenance with Local Units of Government Manual*.

REASON FOR POLICY

Where a mutual benefit and a demonstrated transportation need exist, MnDOT endorses cooperative construction projects with local units of government. MnDOT developed this policy in accordance with Minnesota statutes and rules and in coordination with applicable MnDOT policies. The Related Information section of this policy lists relevant references.

Principal Points

- MnDOT participation in cooperative construction projects and subsequent maintenance with local governments is limited to trunk highway purposes.
- Cooperative construction projects may be initiated by MnDOT requesting local participation in a trunk highway project, or by a local unit of government either:
 - Requesting improvements or otherwise indicating its willingness to share the cost of a MnDOT project; or
 - Requesting MnDOT cost participation in a locally initiated project.
- This policy is for internal MnDOT purposes only. It does not provide any claim or expectation of legal entitlement to financial participation, except where MnDOT has specifically contracted at its sole discretion for such participation. MnDOT retains the final

RESPONSIBLE SENIOR OFFICER

Tracy Hatch

Deputy Commissioner/CFO/COO
tracy.hatch@state.mn.us
651-366-4811

POLICY OWNERS

Mark Gieseke, P.E.

*Director, Transportation System
Management*
mark.gieseke@state.mn.us
651-366-3770

Thomas Styrbicki, P.E.

*Director, Project Management &
Technical Support*
tom.styrbicki@state.mn.us
651-366-4210

POLICY CONTACTS

Maryanne Kelly-Sonnek, P.E.

*Municipal Agreements Engineer
Office of Project Management &
Technical Support*
maryanne.kellysonnek@state.mn.us
651-366-4634

ADMINISTRATIVE POLICY MANAGER

Nancy Melvin

Office of Chief Counsel
nancy.melvin@state.mn.us
651-366-3060

MnDOT Policy Website

authority to determine whether it will participate in the cost of any project.

Application of Policy

- This policy applies to all trunk highway funds, and in particular, funds in the State Road Construction (SRC) account. The SRC account is comprised of federal aid funds made available to MnDOT and state funds dedicated to the trunk highway fund. All funds allocated to the State Road Construction account are subject to requirements and restrictions of the account, specifically that funds are for trunk highway purposes only, regardless of the original source of the funds.
- This policy applies to the determination of:
 - Extent to which a local unit of government funding participation is necessary for portions of a MnDOT initiated trunk highway construction project;
 - Extent to which MnDOT may participate in a locally initiated project that affects the trunk highway system;
 - Maintenance responsibilities resulting from the cooperative construction project

Scope of Policy

- MnDOT participation, in accordance with this policy, is limited to the project scope necessary to address the trunk highway purposes as determined by the district and approved as required. Costs for items requested by local units of government, beyond those determined as necessary by the district, will be the responsibility of the local unit of government.
- This policy is for application to MnDOT participation in locally initiated projects. Further clarification of cost participation for MnDOT special funding programs are a part of the program criteria.

WHO NEEDS TO KNOW THIS POLICY?

- MnDOT personnel and local agency representatives involved in determining funding sources, planning, and executing agreements for cooperative construction projects between MnDOT and local units of government.
- Anyone involved in planning, designing, constructing or maintaining a MnDOT or local federal-aid project, including but not limited to: MnDOT personnel, local agency representatives, and consultants.

PROCEDURES

Application of Policy and Procedures

Application and procedures related to this policy are in the Manual. The Manual includes details for applying the policy to projects for cost participation and maintenance responsibilities, methods for computing cost shares, and relevant agreement procedures. To understand the policy, the procedures, and to avoid misinterpretation, use the Policy and Manual documents together.

Exceptions to Policy

Districts must document exceptions to this policy. The district engineer will submit that justification to the Cooperative Agreements Unit, which forwards the request to the Assistant Commissioner for Engineering Services Division and the Assistant Commissioner for Operations Division for concurrence, then to the Chief Financial Officer for approval. The merits of such requests will be determined on a case-by-case basis. Exceptions will be granted for project work that meets trunk highway purposes and is eligible for trunk highway expenditures.

Enforcement of Policy

- MnDOT districts work with the MnDOT Cooperative Agreements Unit to apply this policy to projects.
- The MnDOT Cooperative Agreements Unit makes the final determination of cost participation responsibilities, in cooperation with the district, during the agreement development process.
- Final cost participation and maintenance responsibilities appear in cooperative agreements between MnDOT and local units of government, for each project.

DEFINITIONS

Cooperative Construction Agreement

A cooperative construction agreement is an agreement between MnDOT and a local unit of government pursuant to Minnesota Statutes §161.20 General Powers of Commissioner, Minnesota Statutes §161.38 Special Agreements for Highways in Municipalities, Minnesota Statutes §161.45 Utility on Highway Right-of-Way; Relocation, concerning construction or maintenance in which both parties have an interest.

Cooperative Construction Project

A cooperative construction project that includes trunk highway and local road improvements in which costs or maintenance responsibilities are shared between MnDOT and local units of government.

Locally initiated Project

A local initiated transportation project is a project in which the need, scope, or means to accomplish the project is predominantly a determination of and priority for the local unit of government.

MnDOT initiated Project

A MnDOT initiated transportation project is a project in which the need, scope, or means to accomplish the project is predominantly a determination of and priority for MnDOT.

State Road Construction

State road construction is the actual construction, reconstruction, and improvement of trunk highways, including right-of-way.

State Road Construction Account (SRC)

The State Road Construction Account is the biennial appropriation of funds by the legislature for trunk highway purposes only. This appropriation is comprised of federal aid funds made available to MnDOT and state funds dedicated to the trunk highway fund. All funds allocated to the SRC are subject to requirements and restrictions of the account, specifically that funds are for trunk highway purposes only, regardless of the original source of the funds.

State Transportation Improvement Program (STIP)

The STIP is a federally required document that provides a list of transportation projects that are expected to be funded with federal transportation dollars within a four-year window. This list of projects includes state and local transportation projects funded with federal highway or federal transit funds. Minnesota also includes most projects on the state trunk highway system regardless of funding source (federal or state). Rail, port, and aeronautic projects are included for information purposes. Refer to the website for details, State Transportation Improvement Program.

Trunk Highway Fund

This fund is the principal operating fund for MnDOT and to some extent for the Minnesota State Patrol at the Department of Public Safety. It is a governmental fund that accounts for public monies used to construct, improve, and maintain annual transfers of funds to Minnesota Management & Budget (MMB) for Trunk Highway-related debt service are from this fund.

Trunk Highway System

All roads established or to be established under the provisions of Constitution of the State of Minnesota, Article XIV, section 2. This system includes highways that are constructed, improved, and maintained as public highways under the jurisdiction of the Commissioner of Transportation, including highways on the Interstate system.

RESPONSIBILITIES

Office of Transportation System Management (Central Office)

- **Funding Program Coordinator** as a liaison and assures compliance and oversight for application of this policy.

- **STIP Coordinator** - Works with districts to ensure that cost estimates for MnDOT and local shares of projects are correctly identified in the State Transportation Improvement Program (STIP) and that appropriate anticipated funding sources are identified for each participating agency share.

Chief Financial Officer and the Office of Financial Management (Central Office)

- The Office of Financial Management provides financial oversight and makes determinations on trunk highway purpose where there is no precedence or clarity.
- The Chief Financial Officer is ultimately responsible for interpreting trunk highway purpose as stated in the Constitution and state law and assuring MnDOT is compliant.

Office of Project Management and Technical Support (Central Office)

- The Municipal Agreements Engineer serves as a liaison and assures compliance and oversight for application of this policy. The Municipal Agreements Engineer also ensures that construction plan information and cooperative agreement documents are consistent with the STIP, with the cost participation responsibilities developed during project development, and with this policy.
- The Cooperative Agreements Unit provides assistance with application of this policy during project development as requested by the districts. They review documentation of project cost responsibilities and notify the districts of cost participation responsibilities that may be inconsistent with this policy. They also facilitate the review and approval of requests for exceptions to the application of this policy.

FREQUENTLY ASKED QUESTIONS

Q. *To what funds does this policy apply?*

A: This policy applies to all trunk highway funds, and in particular, State Road Construction (SRC) account funds, including funds that have been carved out of the SRC budget for MnDOT special funding programs, such as Transportation Economic Development (TED), Safety and Mobility Interchange (SAM), and Corridor Investment Management Strategy (CIMS). The SRC account is comprised of federal aid funds made available to MnDOT and state funds dedicated to the trunk highway fund. All funds allocated to the SRC account are subject to requirements and restrictions of the account, specifically that funds may only be expended for Trunk Highway purposes, regardless of the original source of the funds. Further clarification of cost participation for MnDOT special funding programs such as TED, SAM, or CIMS are part of the program criteria.

Q. *Where are specific construction costs and maintenance responsibilities explained?*

Manual contains guidance for determining construction cost participation and maintenance responsibilities between MnDOT and local units of government. The Manual also includes methods for computing cost shares, information about agreements, and other relevant procedures.

Q. *How are trunk highway purposes defined?*

A. Minnesota Statutes §161.20, subdivision 3

Trunk highway purposes are those that are necessary to construct, improve, and maintain the trunk highway system. Engineering due diligence and justification is required to define elements of projects that meet the constitutional and statutory definitions of trunk highway purposes. The Manual provides direction regarding the MnDOT cost participation in elements that meet trunk highway purposes.

Q. *When should Project Managers begin determining construction cost participation and maintenance responsibilities between MnDOT and local units of government?*

A. Project Managers should determine construction cost participation and maintenance responsibilities early in the project development process, as the project scope and trunk highway purposes are determined. It is important to consider the immediate costs for construction as well as the ongoing maintenance impacts, and then document responsibilities in municipal agreements to avoid misunderstandings between MnDOT and local units of government.

Q. *When should Project Managers involve the Municipal Agreements Engineer?*

A. Project Managers should confer with the Municipal Agreements Engineer as cost participation amounts are being estimated, before discussing cost shares with local units of government. This initial communication should occur early

in the project development process as the project scope is being determined. The Municipal Agreements Engineer will work with Project Managers to ensure that construction plan information and cooperative agreement documents are consistent with the STIP, with the cost participation responsibilities developed during project development, and with this Policy.

Q. How does cost participation apply to Complete Streets design features?

- A. The MnDOT Complete Streets Policy requires that the principles of Complete Streets be considered by MnDOT at all phases of planning and project development in the establishment, development, operation, and maintenance of a comprehensive, integrated, and connected multimodal transportation system. As such, the inclusion of Complete Streets design features such as sidewalks, bikeways, shared use paths, and transit facilities will be determined early in the project development process. Cost participation and maintenance responsibilities for these items are in the respective sections of the Manual.

Q. How do this policy and the companion Manual determine responsibilities for ongoing snow and ice control/removal?

- A. Responsibilities for snow and ice control/removal as well as other maintenance responsibilities on trunk highway rights-of-way, including sidewalks, will be documented in cooperative construction agreements or in separate maintenance agreements. These responsibilities are determined by Districts and local units of government, in consultation with the Municipal Agreements Engineer.

Q. If the local unit of government share of a project is less than \$5000, what is the process to apply for an exception?

- A. The MnDOT Cooperative Agreements Unit has implemented an administrative process to address these instances. If the local cost share is less than \$5000, this administrative process will allow MnDOT to pay for additional trunk highway eligible expenses without going through a formal exception process. This administrative exception process will only allow MnDOT to participate in costs for project elements that meet trunk highway purposes; local units of government will be responsible for all elements that do not meet trunk highway purposes. If the local cost share is \$5000 or greater, a cooperative construction agreement will be written.

Q. Does a maintenance agreement need to be written if MnDOT is solely responsible for the costs of a trunk highway improvement project that affects local units of government?

- A. When MnDOT and a local unit of government share maintenance responsibilities as the result of a cooperative construction project, those responsibilities can be written into the cooperative construction agreement or documented in a separate maintenance agreement. If MnDOT maintains sole responsibility for all maintenance costs resulting from a cooperative construction project, a maintenance agreement will not be written.

RELATED INFORMATION

Manual provides details for applying this policy to projects, methods for computing cost shares, and relevant procedures including agreements and permits.

developed in accordance with the following:

- As defined in 2013 Minnesota Laws, Chapter 117, Article 1, Section 3, subdivision (c) (2), the biennial appropriation for trunk highway construction, reconstruction, and improvement of trunk highways, including design-build contracts and consultant usage to support these activities. This includes the cost of actual payment to landowners for lands acquired for highway right-of-way, payment to lessees, interest subject to change with each appropriation but remains substantially constant over time.
- For trunk highway construction projects is limited by the Constitution of the State of Minnesota, Article XIV, section 2 and section 6 and by Minnesota Statute §161.20.
- Constitution of the State of Minnesota, Article XIV, section 2 constructed, improved and maintained Minnesota, Article XIV, section 6 Constitution of the State of

- Minnesota Administrative Rules §8810.3100 - 8810.3600
- Minnesota Administrative Rules §8820,
- Minnesota Statutes §161.20
- Minnesota Statutes §161.20, subdivision 2,
- Minnesota Statutes 161.20, subdivision 3,
- Minnesota Statutes §161.21,
- Minnesota Statutes §161.24,
- Minnesota Statutes §161.25,
- Minnesota Statutes §161.38, subdivision 1,
- Minnesota Statutes §161.38, subdivision 3,
- Minnesota Statutes §161.38, subdivision 5,
- Minnesota Statutes §161.38,
- Minnesota Statutes §161.39,
- Minnesota Statutes §161.45,
- Minnesota Statutes §161.46
- Minnesota Statutes §162,
- Minnesota Statutes §169.04,
- Minnesota Statutes §169.35, "Parking"
- MnDOT Complete Streets Policy
- MnDOT Contract Management Policy
- MnDOT Minnesota Tribal Nations Government-to-Government Relationship with MnDOT Policy
- MnDOT Partnership Agreements Policy
- MnDOT Utility Accommodation on Highway Right-of-Way Policy

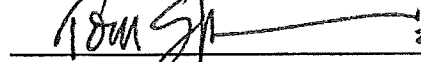
POLICY OWNERSHIP AND AUTHORIZATION

Policy Owner

Mark Gleseke, P.E., Director, Office of Transportation System Management


 2-22-16
Signature and Date Signed

Thomas Styrbicki, P.E., Acting Director, Office of Project Management & Technical Support

 2/22/2016
Signature and Date Signed


Governance Council

Sue Stein, Assistant Commissioner, Corporate Services

 2-23-16
Signature and Date Signed

Responsible Senior Officer

Tracy Hatch, Deputy Commissioner/CFO/COO

 2/24/2016
Signature and Date Signed