

CITY OF FOLEY, MINNESOTA  
REGULAR CITY COUNCIL MEETING – June 5, 2018

The Foley City Council held a regular meeting on June 5, 2018, at 5:30 p.m. at the Foley City Hall.

Members Present: Mayor Gerard Bettendorf, Councilmembers Jeff Gondeck, Kris du'Monceaux, Mike Kasner and Gary Swanson.

Members Absent: None

The pledge of allegiance was recited.

Motion by Swanson, seconded by du'Monceaux, to approve the agenda. Motion carried, unanimous.

**Consent Agenda**

Motion by Gondeck, seconded by du'Monceaux, to approve the consent agenda which includes the following:

- Approve minutes of May 1, 2018.
- Approve Encroachment Agreement with CFR, LLC.
- Adopt Resolution #2018-16 Accepting Donation.
- Approve payment of bills paid for by checks #50503 - #50583.

Motion carried, unanimous.

**2017 Audit Report – Schlenner & Wenner**

Jon Archer & Ashley Meagher representing Schlenner & Wenner were at the meeting to present the 2017 Audit Report. A summary of the report was presented. Archer gave an overview the audit process and what was reviewed. The firm reported no issues with management and working with staff. Material adjustments were discussed and have been reduced significantly over the past two years. Lack of internal controls were discussed and is quite common for a city of the size of Foley. There is also a material finding as Schlenner & Wenner prepares the city's financial statements. Meagher gave an overview of the general fund revenues and expenditures and fund balance. The general fund balance is well above the required 65% fund balance requirement. The remaining governmental funds were reviewed and include the fire, debt service and capital improvement funds. The enterprise funds were discussed and have healthy fund balances and net position. Archer indicated that despite healthy cash balances the cost of infrastructure is quite expensive and can reduce the cash quickly if the city moves forward with improvements. Overall liabilities have been decreasing over the past five years as debt has been paid down. However, the issuance of debt in 2018 will increase overall liabilities and debt. Archer also reviewed some ratios and how Foley compares to other cities. Kasner asked about the city's overall liabilities. Motion by du'Monceaux, seconded by Gondeck, to accept the 2017 Audit Report. Motion carried, unanimous.

**Public Hearing – Annual Liquor License Renewals/Temporary Events**

Mayor Bettendorf recessed the regular city council meeting at 5:52 p.m. to conduct the public hearing on the liquor license annual renewals/temporary events as presented:

- On Sale Liquor: Mr. Jim's, Foley American Legion, and Stone Creek.
- Sunday On Sale Liquor: Mr. Jim's, Foley American Legion, and Stone Creek.

- Off Sale Liquor: Coborn's Liquor., Foley American Legion, and SuperSpirits.
- Non-enclosed Premises On Sale Liquor: Foley American Legion and Mr. Jim's.
- Mr. Jim's – New Applicant/Transfer - Marguerite DeMarais
- Temporary 3.2 percent malt liquor licenses:
  - Foley Lion's Club - June 18-20, 2018 for Foley Fun Days.
  - St. John's Church, 621 Dewey Street - July 22, 2018.
  - Foley Area Chamber – Oktoberfest – Lion's Park– September 22, 2018

No one spoke. Mayor Bettendorf reconvened the regular city council meeting at 5:53 p.m. Motion by Swanson, seconded by Kasner, to approve the annual liquor license renewals/temporary events. Motion carried, unanimous.

### **Annual Tobacco License Renewals**

The city council was presented with the annual tobacco license renewals of the following establishments:

- Brenny Oil
- Casey's General Store
- Coborn's
- Coborn's Liquor
- Little Dukes
- Family Dollar
- SuperAmerica
- Super Spirits
- Dollar General

Motion by Gondeck, seconded by du'Monceaux, to approve the annual tobacco renewals. Motion carried, unanimous.

### **Larry Nadeau – Foley Area Smoke Alarm Campaign**

Larry Nadeau, 161 4<sup>th</sup> Avenue N, was at the meeting to fill in for his son Kenny Nadeau. Nadeau gave an overview of a service project for smoke alarm installations which includes the ability to sign up for smoke alarm installations and receive some education. Nadeau requested assistance from city staff to help coordinate the installations. The city council agreed to support the project and designate staff to support. Swanson questioned the reason most smoke detectors fail. The council approved the moving forward of the project.

### **2018A Bond Sale for Dewey, 2<sup>nd</sup>, 3<sup>rd</sup>, Gopher, Broadway Project – George Eilertson, Northland Securities**

George Eilertson, Northland Securities was at the meeting to give an overview of the next steps in the process for obtaining a bond rating and moving forward with the issuance of debt. Eilertson stressed the debt is wrapped around the existing city debt. Gondeck questioned how we look overall. Eilertson gave an overview of the rating process. Swanson asked about the stability of the rates until our issuance. The council was presented a municipal advisor agreement which must be addressed prior to the consideration and sale of bonds. Motion by Swanson, seconded by Gondeck, to approve the municipal advisor agreement. Motion carried, unanimous.

The council was then presented with a financing plan and resolution to call for the sale of bonds to fund the 2018 project. The financing plan is very similar to the plan outlined by the financial advisor a few months back. Motion by Gondeck, seconded Kasner, by to adopt Resolution #2018-17 Calling for Sale of 2018A Improvement Bond. Motion carried, unanimous.

## **Mayor's Comments & Open Forum**

No one spoke.

## **Department Reports**

Interim Police Chief Josh Lindgren was called out to an emergency and not available at the meeting. Mayor Bettendorf encouraged the council to reach out to the interim chief directly if there are questions on the monthly report.

City Engineer Jon Halter gave an update on the 2018 Improvements. Halter also reviewed the status on the service lateral work for those affected by the 2018 Improvements. Halter also indicated the downtown parking lot is substantially complete and open for use. Halter presented a change order for the larger construction project on the repair for the 300 block of Birch Drive of \$53,909. Staff also presented an option to repair the 2<sup>nd</sup> Avenue alley from Dewey to Main of \$16,407. Swanson questioned what caused the issue on Birch Drive and if this investment would prevent any water issues. Halter indicated the Birch repair is only to the surface, not what is underneath. Gondeck questioned if any assessments would occur. Staff indicated this is not an assessable portion, simply a maintenance/repair item. Halter did elaborate that when the road is reclaimed staff can review for soft spots and try to repair any poor soils. Halter indicated the hope is that this repair could get it through 10 years or so until a complete reconstruction of Birch Drive occurs. Kasner asked about cost savings with doing it during this year's project. Motion by Swanson seconded by Kasner to approve the change order and direct staff to proceed with both the Birch Drive and 2<sup>nd</sup> Avenue alley repairs for a total of \$70,316.75. Motion carried, unanimous.

Jon Halter gave an overview of the process and options for installing Highway 23 safety improvements. Halter indicated there could be additional costs. Kasner asked the approximate cost to relocate the radar feedback signs. Halter indicated it depends on if they are solar or hard-wired. There was discussion on costs of improvements. Kasner indicated the city needs to move forward to install safety improvements and the costs would be a good investment. Kasner would like to see the radar feedback signs installed sooner. Halter reviewed the process needed to install improvements early. Staff can do more research on the item and bring quotes back to the next meeting.

Public Works Director Mark Pappenfus updated the council on the pool and staffing. Pappenfus also presented a state bid quote on the purchase of a small loader. After trade-in the total would be \$79,750. Swanson asked how soon the equipment is needed with Pappenfus indicating a desire to purchase as soon as possible. Pappenfus also indicated equipment money being allocated in this year's capital improvement plan to fund the purchase. Motion by Swanson, seconded by Gondeck, to move forward with the purchase. Motion carried, unanimous.

City Administrator Sarah Brunn updated the council on a request for an alley vacation near 610 Norman Avenue N. City staff recommends proceeding with this request and presented a map and further details. The council would need to schedule a public hearing before approving the request. Motion by Gondeck, seconded by Swanson, to set a public hearing for July 10, 2018. Motion carried, unanimous.

Brunn also presented a map on the drainage for Kampa Meadows. Staff reviewed the history of the drainage ditch and how the city has no responsibility as the ditch is on private property.

Swanson suggested assisting getting it back in order and then turning it back over to the private property owners. Kasner expressed concerns with flooding the school road and property. Karen Grow, 10 Green Meadow Street, complained about the weeds and how it does not drain and does not add to their property value. Motion by Swanson, seconded by Gondeck, to have city staff work with the county to do a one-time only mowing. Moving forward it would be the responsibility of the private property owners. Motion carried, unanimous.

Brunn presented a map on the outlot in Kampa Meadows and questioned the council on if they had any interest in purchasing the property for a very minimal amount. Council directed staff to proceed with contacting the owner to see if there was any interesting in them giving it to the city.

Brunn presented an update on Foley Fun Days. No contract with the carnival has been received. City staff made numerous attempts through the civic group and directly with the carnival reps on obtaining contract language preventing the pounding of stakes into the new roadway. The council directed staff to contact the civic group directly and indicate the carnival will not be allowed in town until contract language is received and approved by the city.

### **Old Business**

Brunn provided an update on the wastewater facility plan. Revised limits have been received from the MPCA which may now eliminate the need to further the antidegradation process. Staff will be bringing forward a more detailed update at the next meeting.

Staff also requested direction on the golf court lighting. The developer has agreed to pay half the costs associated with it. Motion by du'Monceaux, seconded by Swanson, to proceed with the project and bill the developer for half of the costs. Motion carried, unanimous.

Motion by Gondeck, seconded by Swanson, to adjourn. Motion carried, unanimous.

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Sarah A. Brunn, Administrator