

A regular meeting of the City Council for the City of Fairfax, Minnesota was held on March 9<sup>th</sup>, 2021 at 7:00pm in the Community Center at 300 Park Street South.

Members: Brad Augustin, Steve Schmidt, Josh Bunkers, Brad Bastian, Jared Firle

Absent: None

Visitors: Nicholas Johnson, City Administrator  
Joel Grejtak, Utilities Superintendent  
Scott Froehlich, Chief of Police  
Aaron Walton, City Attorney  
Denise Bonsack, Standard Gazette & Messenger  
Jim Cuff

The meeting was called to order.

The Pledge of Allegiance was recited.

The agenda was reviewed. Staff requested an addition to the agenda to revisit the natural gas wholesale price increase situation. A motion was made by Schmidt and seconded by Bunkers to approve the agenda with the addition. All voted in favor. None voted against. The motion was carried.

The consent agenda was reviewed. A motion was made by Bastian and seconded by Schmidt to approve the consent agenda. All voted in favor. None voted against. The motion was carried.

Consent Agenda:

1. Approval of Consent Agenda
2. Consider Approval of Minutes
  - a. February 9<sup>th</sup>, 2021 Council Meeting Minutes
  - b. February 25<sup>th</sup>, 2021 Special Council Meeting Minutes
3. Consider Approval of Claims for Payment
4. Consider Approval of Southwest West Central Wellness Agreement
5. Consider Approval of Lawful Gambling License for Fairfax Baseball Association at Squirrel's

Nicholas Johnson updated the Council on the wholesale natural gas price increase. Final figures were received and the impact was less than anticipated. Originally, the natural gas invoice to the City was predicted to be approximately \$525,000. New Ulm Public Utilities utilized contracted price hedging to bring the cost down to \$423,000. The final impact to customers was also far lower than expected with natural gas portions of utility bills being three-and-a-half to four times their normal cost. The City Council discussed the matter and whether to alter the previous decision to normalize the cost for February 2021 and increasing rates by 25% to recover the cost over an approximate 2 year period. A motion was made by Firle and seconded by Bunkers to implement the following:

1. Rescind and void the February artificial \$5 wholesale cost and 25% rate increase for 2 years
2. Send out utility bills in full with allowances for residential and commercial/industrial customers:
  - a. Residential customers may choose to spread out payments until October 1<sup>st</sup>, 2021 by making arrangements with City Hall. No late fees or penalties will be added.
  - b. Commercial/industrial customers may choose to spread out payments with no deadline restriction. No late fees or penalties will be added.

All voted in favor. None voted against. The motion was carried.

Council reviewed Resolution 2021-5, a resolution for Council appointments. Jared Firlle would replace John Schaefer on the Personnel and Infrastructure Committees. A motion was made by Bunkers and seconded by Bastian to adopt the resolution. All voted in favor. None voted against. The motion was carried.

**City of Fairfax  
Resolution 2021-5**

**Resolution for Official Designations**

Designation:

Acting Mayor/Mayor Pro-Tem  
Emergency Management Director  
Official Newspaper  
Attorney

Name:

Josh Bunkers  
Scott Froehlich  
Standard-Gazette & Messenger  
Aaron Walton – Civil & Criminal

Council Committees:

Infrastructure  
City Facilities & Recreation  
Law Enforcement  
Personnel

Name:

Jared Firlle & Steve Schmidt  
Josh Bunkers & Steve Schmidt  
Brad Augustin & Brad Bastian  
Josh Bunkers & Jared Firlle

Council Liaison to Boards:

HRA/EDA  
RS Fiber Joint Powers Board

Name:

Brad Augustin  
Steve Schmidt

Adopted by the City Council on this 9<sup>th</sup> day of March, 2021.

Attest:

\_\_\_\_\_

Mayor

\_\_\_\_\_

City Administrator

The Council reviewed Ordinance 430, an ordinance amending zoning regulations for accessory structures. A motion was made by Bunkers and seconded by Bastian to introduce the ordinance. All voted in favor. None voted against. The motion was carried.

The Council reviewed Resolution 2021-6, a resolution setting a public hearing on the proposed adoption of Ordinance 430. A motion was made by Bunkers and seconded by Firlle to adopt the resolution. All voted in favor. None voted against. The motion was carried.

**City of Fairfax**

**Resolution 2021-6**

**A Resolution Setting a Public Hearing on the Proposed Amendment of the Zoning Ordinance**

WHEREAS, the City Council of the City of Fairfax is required to hold a public hearing to consider an amendment of the City's Zoning Ordinance, and;

WHEREAS, the City Council wishes to amend the City's Zoning Ordinance by altering regulations related to accessory structures on residential lots.

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

The City Council will hold a public hearing on the proposed zoning ordinance amendment described above on the 13<sup>th</sup> day of April, 2021, in the Community Center located at 300 Park Street South at 7:00 p.m., and thereafter the City Council will consider the ordinance.

BE IT FURTHER RESOLVED that the City Administrator is hereby directed to give published, posted, and mailed notice of such hearing as required by law.

Passed by the City Council of Fairfax, Minnesota this 9<sup>th</sup> day of March, 2021.

Attest:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Administrator

Nicholas Johnson discussed an updated natural gas service agreement with New Ulm Public Utilities. The new services agreement, proposed by New Ulm Public Utilities, removes some services under the existing agreement. Those include:

- Inspection of emergency valves and regulator stations annually
- Inspection and fill of TBS by-pass odorizer annually
- Respond to routine duty service calls when Fairfax is not available for such purpose

Johnson explained he and Joel Grejtak had been in discussions with Hutchinson Public Utilities to cover those services which New Ulm Public Utilities is removing. A motion was made by Bunkers and seconded by Schmidt to approve the contract. All voted in favor. None voted against. The motion was carried.

Nicholas Johnson discussed a proposed natural gas services contract with Hutchinson Public Utilities. The contract would cover the services proposed to be removed with the new New Ulm Public Utilities contract. A motion was made by Bunkers and seconded by Bastian to approve the contract. All voted in favor. None voted against. The motion was carried.

Nicholas Johnson discussed the discovery of a situation where the City was overcharging the Rural Fire Association for shared expenses. The City and the Rural Fire Association have an agreement wherein half of the eligible expenses are reimbursed by the Association. Beginning in 2009, the City began receiving full reimbursement from the State of Minnesota for certain training expenses. These were reimbursed from both the State grant program and the Rural Fire Association. The total expenses submitted to the Rural Fire Association which were also reimbursed by the State was \$23,076. The result is \$11,538 (half) of over-reimbursement by the Association. Johnson conferred with the City's auditing firm and agreed the proper course of action would be to refund the \$11,538 to the Rural Fire Association. A motion was made by Schmidt and seconded by Bunkers to approve the refund. All voted in favor. None voted against. The motion was carried.

The Council reviewed quotes for playground equipment to be installed at Lions Park. A motion was made by Schmidt and seconded by Bastian to award Flagship Display in the amount of \$33,367.00. All voted in favor. None voted against. The motion was carried.

<u>Company:</u>	<u>Amount:</u>
MN-WI Playground	\$40,488.00
Flagship Display	\$33,367.00

The Council reviewed the 2021 mosquito spraying contract with Clarke Mosquito. The price for 2021 is the same as 2020. A motion was made by Bunkers and seconded by Bastian to approve the contract. All voted in favor. None voted against. The motion was carried.

The Dayz of Thunder Committee requested the use of Memorial Park for the annual Easter Egg Hunt on April 3<sup>rd</sup>, 2021. A motion was made by Bunkers and seconded by Bastian to approve the request. All voted in favor. None voted against. The motion was carried.

Nicholas Johnson discussed an inquiry by the Legion and Auxiliary to potentially install benches in places along the Fair Ridge Trail. The consensus of the Council was openness to the idea but they will need formal plans before a final decision.

Staff reports and financial information was received.

A motion was made by Bastian and seconded by Bunkers to adjourn the meeting. All voted in favor. None voted against. The motion was carried.

Attest:

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Mayor

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City Administrator