

## **Fertile City Council Minutes June 10, 2013**

The Fertile City Council held its regular meeting on Monday, June 10, 2013 at 6:30 p.m. at the Community Center. Present were: Mayor Brian Nephew and Council members Dennis Hasler, Tanner Lehmann, Linda Widrig and Todd Wise.

The meeting was called to order by Mayor Nephew. Mayor Nephew added a permit request for the 5K walk/run to the agenda and clarified that item F. should be changed to ownership verification.

The meeting began with Barry Robertson, Fair Meadow Nursing Home Administrator making his report to the Council. Barry reported that they began the month of May with 42 residents and ended with 41, operating at 84.64% capacity. There had been three admits, three discharges and one resident passed away. During the month they also served 168 home delivered meals and provided 15 days of adult day care.

Robertson then gave a brief update on the assisted living project and noted that they were behind schedule on construction and it would not be completed by July 1. He reported that they would be starting work on the parking lot soon and that they were still sheet rocking. Barry also reported that he had sent out the license applications for the facility last week.

Mayor Nephew then asked about the accounting for the assisted living and whether it would be handled through the nursing home. Robertson explained that the assisted living would use the same tax ID number but that separate financial statements would be generated for the facility.

The next item reported on was the ECPN Program that Barry was interested in the City applying for. He explained that he had provided the Council a brief outline for them to review. He stated that there was a lot of information to review and that perhaps it would be best to hold a special Council meeting to review the program. Robertson also invited Council members to meet with him individually if they had any questions. After a brief discussion about Council members' availability later in the month, Mayor Nephew called for a special meeting at 6:30 p.m. on June 24<sup>th</sup>.

Mayor Nephew then introduced Derek Flanagan from Eide Bailly. Mr. Flanagan then went over the Executive Summary for the Council. He explained that this summary was created five years ago to provide the audit information in a more easily understood format. In going over the report, Flanagan noted that there was a large upward spike in the City's long term debt which was due to the bonds that had been issued for the Assisted Living project. It was also noted that the General Fund balance was sufficient for the City to operate for 13.4 months without any inflow of funding. In reviewing the operating information for the water and sewer funds, it was noted that both funds had operated at a loss for the past five years.

Mayor Nephew then asked Derek if he had any concerns with one person being in the office currently. Flanagan stated that Council diligence would be more necessary in reviewing the financial information they were given. This wasn't necessarily because of concerns of impropriety but more for watching for errors.

Mayor Nephew then asked if it would be necessary to have a mid-year audit with the change in administration. Flanagan stated that he felt this would not be necessary.

Kevin Nephew, Public Works Supervisor, then gave his report to the Council. He reported that they had been working on fixing some issues at the airport and were almost all done. Council member Hasler then referred to a letter in their packets from MnDOT about the issues that needed to be addressed. He questioned why the Council was just now made aware of the problems. Mayor Nephew then went on to give a short history of the airport including the funding issues with the arrival departure building a few years ago. Many of the issues that MnDOT had listed in the letter would have been solved had the arrival departure building been built.

This was followed by a discussion of having a portable toilet installed at the airport. Administrator Liden reported that she had done some research on whether it would be less expensive to rent or buy. Since it would cost \$100 per month to rent with monthly service and a new unit could be purchased for \$600 to \$700, Liden stated that it would be more cost effective to purchase one. Liden also explained that Regional Sanitation could provide service as needed for \$35 per call.

The next item up for discussion was the Industrial Park project. Liden stated that she had spoken with both Kevin Nephew and Steve Emery and they all felt that we should proceed on the elevations and grading work this year. Once that was done, Wiseth Smith and Nolting could work on the plans and specifications for the water and sewer work which could be done next year. For the elevations and grading work, Nephew stated that once he had the elevations that he could hire Engelstads to do the work again.

Council member Lehmann then asked Kevin about the hydrant flushing schedule for the summer. Nephew explained that they had been flushed a couple of weeks earlier and that they planned on flushing them again after the fair. This was followed by a discussion of the continued problems with the water being yellow on occasion and where this was coming from. Nephew explained that the treatment plan was working fine and that the problem was with the water mains and service lines. He stated that he would be trying a new chemical this fall that would hopefully work to clear the lines.

The next agenda item up for discussion was Reid Jensrud's petition to vacate the alley located on the west side of his property. Kevin Nephew stated that his only concern was with any future changes in property ownership along that alley if the new owners wished to have access to their property. Jensrud stated that he has been maintaining the alley by mowing in the summer and snow removal in the winter. He would like to gravel it and use it for a driveway when he builds a garage behind his house.

After further discussion on the possible vacation, Council member Hasler made the motion to accept the petition to vacate and hold a Public Hearing at the next regular meeting. The motion was seconded by Council member Wise and was carried.

Kevin Nephew then reported that all the sewer lines were in on the Peterson project and that they were still waiting for the pumps and control panels for the lift station.

Nephew reported that he would be attending the preconstruction meeting for the Summit Avenue road and bridge projects the following morning. This was followed by a discussion on the possible uses for the dirt that would be removed from the north side of the road. Nephew reported that he would like to use the fill to build up the trail located on the west side of JD Mason Park. Daniel Wilkens questioned whether some of the fill could be used to build up the road into the Nature Center.

Nephew also reported that summer mowing help would be working two to three days a week and that he might have that person help with curb painting. He also reported that some of the gravel work had

been done in the alleys and that Darin Rice had provided that gravel. Mark Lindberg would be hauling the gravel for the streets in Peterson Subdivision. Nephew ended his report by informing the Council that the water to the Community Garden would be installed shortly and that he would be putting in a four inch line to the edge of the property line.

Libby Eid then gave her report on volunteer activities at the Nature Center. She reported that in the month of May seventeen volunteers had worked a total of 55 hours.

Upon review of the minutes of the May 13, 2013 meeting, Council Wise made the motion to accept the minutes as presented. The motion was seconded by Council member Lehmann and was carried.

The Treasurer's Report and Bills were then reviewed. Interim Administrator Liden explained a new report that was included with the Council packets and also gave information on a few of the checks that had been written. The Treasurer's Report and Bills were approved on a motion by Council member Widrig that was seconded by Council member Hasler and was carried.

Adoption of a Post Issuance Debt Compliance Policy was the next item up for discussion. Liden reported that this policy was recognizing the necessity of the proper accounting for bond funds and other future reporting obligations relating to bond funds. After further discussion, Council member Wise made the motion to approve the Post Issuance Debt Compliance Policy. The motion was seconded by Council member Hasler and was carried.

The Council then reviewed two amendments to the EDA Bylaws that were being proposed. The first amendment was to designate the Secretary of the EDA to preside at meetings when both the President and Vice President are absent. The second amendment would allow the Treasurer to designate some of their duties to the Assistant Treasurer. After reviewing the amendments, Council member Hasler made the motion to approve the amendments to the EDA Bylaws. The motion was seconded by Council member Widrig and was carried.

With the passing of Administrator Frohrip, the bank needed the Council to approve an updated Certificate of Authority designating who has the power and authority to sign checks for the City. A motion was made by Council member Wise, seconded by Council member Lehmann, to approve the new Certificate of Authority for First State Bank designating Mayor Nephew and Interim Administrator Liden as having the authority to perform banking duties for the City. The motion was carried.

A request for a street closure was the next agenda item that was addressed. St. Joseph's was requesting the closure of Jefferson Avenue SE from the corner of Elm Street to Ash Street for July 27<sup>th</sup> for their fish fry. Council member Hasler made the motion to approve the closure and was seconded by Council member Wise. The motion carried.

A 5K permit was then up for Council approval. The 5K would be held on July 13<sup>th</sup> and would follow the same route as last year. Council member Widrig made the motion to approve the permit. The motion was seconded by Council member Hasler and was carried.

A request had been made by Dwight Christian to clarify ownership of a two acre parcel of land that the City currently owns on the northwest side of town. The issue was tabled until the matter could be further researched.

This was followed by a discussion of hiring a part-time office person for doing the water billing. Liden provided the Council with a job description for the position and told the Council that the position would be for about 15 hours per week. After further discussion, Council member Hasler made the motion to approve advertising and hiring for the position at \$12 per hour. The motion was seconded by Council member Widrig and was carried.

Mayor Nephew then recognized Harold and Justin Ash as they had asked to address the Council with a complaint. Harold Ash was angry and stated that his property had been singled out by the Council when it was no worse than some others in town. He also objected to Liden's statement that the property had been a problem for years. He stated that he had cleaned it all up to the City's satisfaction two years earlier. Harold became quite angry and cursed at the Council and he was asked to leave.

Justin Ash then asked to approach the Council to show them pictures of another property that he had taken pictures of. Justin stated that the pictures showed a "junk yard" on Washington Ave. NW and asked how the Council could say his property was worse than this one. He also commented that he did not appreciate a Sheriff's Deputy coming to his house to tell him to clean up his yard.

After a prolonged discussion regarding the Ash property issue, Mayor Nephew told Justin that he had made some progress on cleaning up his yard but that he would have to continue to work on getting it totally cleaned.

Then Daniel Wilkens approached the Council with a request regarding the airport. He explained that he had been paying \$100 per year for the last three years to hay at the airport, but that the ground was so rough that he was unable to get in there with his equipment to hay it. Wilkens explained that other people had paid for haying at the airport years ago, but that three years ago no one had been interested so he started to do it. He explained that three years ago the property had been cultivated, but it should have been cultivated one more time.

Wilkens stated that he would like to do some more work at the airport, including cultivating, leveling and ditching that would make it better for haying. He said that he would do the work if the City would provide the fuel for his equipment. In exchange for his doing the work he would like to have the haying contract for ten years so that he could recoup his expenses.

There was further discussion on ditching work at the airport as well as State reimbursement for airport maintenance. There was no motion made on Wilken's request and the matter was tabled.

There being no further business, the meeting was adjourned.

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Brian Nephew, Mayor

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Lisa J. Liden, City Administrator

