

## **Fertile City Council Minutes October 14, 2013**

The Fertile City Council held its regular meeting on Monday, October 14, 2013 at 6:30 p.m. at the Community Center. Present were: Mayor Brian Nephew and Council members Linda Widrig, Tanner Lehmann, Dennis Hasler and Todd Wise.

The meeting began with Fair Meadow Administrator Barry Robertson giving his report. The month of September began and ended with 44 residents, operating at 85.2% capacity. A total of 155 home delivered meals had been served in addition to 13 days of adult day care.

Robertson then reported that seven units in the Assisted Living were rented out. He explained that eight had been rented out but one person had ended up in the Nursing Home before they could move in.

He then went on to report that the Nursing Home audit would be starting the following week. Eide Bailly had recommended that Fair Meadow enter into a capital lease agreement with the EDA specifying the Nursing Home's obligation to make the principal and interest payments.

Robertson explained that the financials that he had given to the Council were done before the adjusting entries. He then went on to state that this year had been the worst year ever financially. He stated that he had taken out \$33,000 in warrants earlier in the month and that matters would have been worse except that a large accounts receivable had come in.

Robertson then reported that the budget for next year was showing an increase in revenue due to the participation in the ECPN program and that they should end the year in the black. Council member Hasler then questioned whether the capital lease needed to be formalized and Mayor Nephew stated that it was best to get the details in writing.

Council member Hasler then asked about the rate increases that the Nursing Home had gotten from the State. Robertson reported that there had been two increases. One had been a very small one from the State and the other much larger due to participation in the ECPN program.

Kevin Nephew, Director of Public Works, then gave his report to the Council. He stated that the projects they had been working on were wrapping up for the summer and that they were starting to get ready for winter. The Nature Center road paving was done and the shoulders would be graveled in the next week.

Mayor Nephew then asked about the water tower repairs. Nephew reported that the repair had gone very well and that they had also flushed hydrants before the repair was done in order to empty the water tower. He then went on to state that there were some fire hydrants that would need to be repaired before winter since they were dripping.

Nephew went on to discuss the installation of water and sewer in the Industrial Park. Administrator Lisa Liden explained that Widseth Smith and Nolting had asked for authorization to proceed on the plans and specifications on the water and sewer, since they would like to get the survey work done prior to winter. Nephew outlined where the lines would need to go to bring in some of the other properties on the north end of town.

This was followed by a discussion of bringing water and sewer to the new TDS shop. Council member Hasler questioned whether the City should have to pay for it. Nephew stated that since the new line

would only benefit them that the City could have them pay the cost to hook up to the main. Nephew then stated that the City might want to look at getting a right of way east of the water tower to accommodate possible water and sewer to the new fertilizer plant.

Council member Hasler then asked why NP Drive had never been paved. Nephew stated that several years ago he had obtained estimates on having the street paved and that there had been a public meeting about the project. The City would have paid half the cost of the paving and the residents would pay the other half. At that time the residents weren't interested in paying half, so the project wasn't done.

Mayor Nephew then adjourned the regular Council meeting and opened the Public Hearing for a zoning variance for Luke Piatkoff to build an addition to his house and also a detached garage. Administrator Liden explained that a variance was needed on both the side yard as well as the rear yard alley. She explained further that all neighbors had been notified and that no one had contacted the City to express any concern over granting the variances. Kevin Nephew stated that he had no problem with either variance. After a brief discussion, the Public Hearing was closed.

Mayor Nephew then reopened the City Council meeting. Council member Hasler made a motion to grant the variances to Luke Piatkoff as he had applied for. The motion was seconded by Council member Lehmann and was carried.

This was followed by further discussion on the water and sewer project for the Industrial Park. Kevin Nephew explained that for now we would only need to install water and sewer down the first road on the west since those were the only lots that were ready. Also discussed was extending the sewer west of the Industrial Park and the possible routes to take for that.

Council member Wise then made the motion to move ahead on getting water and sewer installed in the Industrial Park. The motion was seconded by Council member Widrig and was carried.

Kevin Nephew then went on to explain further about the need for a right of way by the water tower. Otter Tail is currently running power down the right of way by the water tower to bring power to the site of the new fertilizer plant. He explained that TDS had inquired about getting water to the fertilizer plant so there could at least be a fire hydrant there for fire protection. This was followed by a discussion on the possible places to run water and possibly sewer in the future.

Libby Eid then reported on the Learning Center. Libby said that the paving project was done and that the new road and bridge were fantastic.

The Personnel Committee had nothing to report. Council member Hasler stated that they still had some work to do on the Personnel Manual and that they would report on that at a later meeting.

After a review of the minutes of the September 9, 2013 regular meeting minutes and the September 25, 2013 special meeting minutes, Council member Hasler made the motion to approve. The motion was seconded by Council member Widrig and was carried.

The Treasurer's Report and Bills were then reviewed. Administrator Liden briefly reviewed some of the items on the disbursements report and answered Council member Widrig's questions on a few of the expense items listed. After a brief discussion, Council member Wise made the motion to approve the Treasurer's Report and Bills as presented. The motion was seconded by Council member Widrig and was carried.

The next item discussed on the agenda was a request by the Conservation Club to rent the auditorium on Sunday evenings for about 12 weeks in the winter for an archery league. Les Krogstad, a member of the Conservation Club was present to answer any questions the Council had. Krogstad explained that the auditorium would be used every Sunday night for 12 weeks from January through March and that about 20 people would be regularly involved. Council member Hasler inquired about the regular rental rate and Administrator Liden responded that the regular rate was \$50 per day but that other groups had used the auditorium and senior room for a reduced rate for other regular events. She explained that there was a group of women, for example, that used the auditorium two mornings every week for exercise and that they were using it for free.

Les Krogstad then explained that the Club would buy or build backstops that would stop errant shots and prevent damage to the walls. He also requested that the Club be able to store the backstops on site if there was room available. This was followed by a discussion on where they could be stored. Council member Hasler then asked Krogstad what he thought would be a reasonable rental rate and Krogstad replied that \$25 per night would be reasonable since they could collect that from the people who were participating.

After further discussion, Council member Lehmann made a motion to allow the Conservation Club to use the auditorium on Sunday nights for \$150 for 12 weeks. The motion was seconded by Council member Hasler and was carried.

Industrial Park lot prices were the next item up for discussion. Council member Hasler stated that he did not like the idea of lots being given up for free. This was followed by a discussion of incentives that could be used for pricing the lots. Mayor Nephew explained that money could be paid up front for the lots and another payment due in two years. Administrator Liden then went on to explain that she had checked with other cities on their lot prices and all of them priced the lots according to what was going to be built. Liden then went on to state that she was not comfortable with that concept because when people inquired about lots they wanted more information than "it depends." Liden then went on to explain an idea she had where a fourth of the lot price would be paid up front, another fourth due in one year and the final half due at the end of two years. If certain benchmarks relating to property value and job creation were met, however, those final payments could be eliminated.

This was followed by further discussion on incentives and the question was raised about whether the City would have a lien on the property for the first two years and whether this would inhibit potential borrowing by the purchaser. It was decided that Liden would inquire at the bank to see if there would be any borrowing restrictions if the City were to be a lien holder on the property. The Council decided to discuss the matter further at the November meeting once they had that information.

The next item up for discussion was the request by TDS to acquire a two acre plot of land located on the northwest edge of the City. This plot of land was surrounded on all sides by TDS property and Christians were interested in purchasing the land. This was followed by a discussion on how much to sell the property for and what a fair value would be. Administrator Liden also explained that the City would be asking TDS for a permanent sign easement to put up a new City sign on their property along Highway 32 North and that could be considered in the pricing of the two acre lot.

After further discussion Council member Widrig made a motion to offer the two acres to TDS for \$750 an acre and ask about an easement for the City sign. The motion was seconded by Council member Wise and was carried.

Liquor licenses for 2014 was the next item discussed. Liden explained that all of the licenses were the same as the previous year with the possible exception of The Other Place. She explained that the Sunday

license was only available to restaurants and that the limited menu at The Other Place would not qualify as a restaurant under both State Statute and City Code.

Council member Hasler then made a motion to approve the renewal of the liquor licenses with the Sunday license for The Other Place being contingent upon whether it still qualified as a restaurant. The motion was seconded by Council member Lehmann and was carried.

The annual update of the Airport Capital Improvement Plan was then discussed. The current CIP was reviewed and Administrator Liden explained that since the first project on the list still had not been done, that the CIP could be updated by bumping all of the projects listed out one year further.

Council member Hasler made the motion to update the Airport Capital Improvement Plan by extending all of the dates out one year further. The motion was seconded by Council member Wise and was carried.

The reappointment of Todd Christian to the EDA for another five-year term was the next item addressed. After a brief discussion, Council member Lehmann made the motion, seconded by Council member Hasler, to reappoint Todd Christian to the EDA for a five year term. The motion as carried.

The next agenda item that was discussed was the removal of diseased elm trees. Administrator Liden explained that she had researched how other Cities had handled the bid process and had drawn up an advertisement and also a bid specifications sheet for the City to advertise for bids on the tree removal. Liden stated that the bid opening would be at the November Council meeting and that some or all of them could maybe be removed yet this fall. Liden also explained that the bid specifications allowed for the property owner to still remove any trees prior to the hired contractor removing them.

Upon further discussion, Council member Wise made the motion to advertise for bids to remove the diseased elms as listed. The motion was seconded by Council member Widrig and was carried.

Dan Wilkens then reported to the Council that he had attended a Hazard Mitigation Planning meeting in Crookston and that there had been no City representative at the meeting. He stated that he would be glad to attend the meeting on behalf of the City since he was already attending for the Watershed. Mayor Nephew told Wilkens that it would be great if he could do that and then report to the Council on the matter.

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