

## **Fertile City Council Minutes September 9, 2013**

The Fertile City Council held its regular meeting on Monday, September 9, 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 began with Fair Meadow Administrator Barry Robertson giving his report. The month of August began and ended with 44 residents, operating at 89.67% capacity. A total of 198 home delivered meals had been served in addition to 15 days of adult day care.

Robertson then reported that the first clients were scheduled to move into the assisted living on Friday, September 13<sup>th</sup> and that the facility would be staffed around the clock from that time on.

It was also reported that there had been a Life Safety Code inspection by a Federal Fire Marshall out of Chicago. Robertson stated that this was the first time ever Fair Meadow had such an inspection at the federal level. There were 15 minor deficiencies found and Fair Meadow was given 10 days from the date of notice to submit a plan of correction. They then would have three months to correct the deficiencies.

On the ECPN Program, Robertson reported that he still had not been given the final rates but that he expected those in the next two weeks.

Libby Eid then reported on the Agassiz Environmental Learning Center. She commented that the new wider road and bridge into the Center were very nice. There were no volunteer numbers to report on since the Center was remaining closed until the road paving project was complete.

Kevin Nephew, Director of Public Works, appeared before the Council to give his report. Nephew reported that he had an additional quote for paving on Summit Avenue which he had obtained just that day. Dave Strem had asked him to get a quote on how much it would cost to finish paving Summit Avenue from the point where the current project would stop through to his driveway at the end of the road. Nephew explained that the current quote was for \$80 per ton and would cost a total of \$40,400, and that Dave Strem would pay for about half of the cost of the additional paving. He then went on to explain that he had been trying to get in touch with Knife River to see about getting a lower per ton rate on the project since the Summit Avenue project had been bid at \$48.50 per ton.

This was followed by a discussion on what the total cost would be to the City and whether or not there would be any benefit to the City. This led to a brief discussion on the budgeted amounts for street projects in 2014 and the need to have work done on the streets in town. After the discussion, the Council thanked Dave Strem for his offer to pay for part of the cost of extending the paving project but stated that the City was not interested in the project given the high cost with little or no benefit.

Council member Hasler then asked Kevin about the progress on the Industrial Park leveling and the hiring out for additional dirt work on the project. Nephew explained that he had hired Kevin Chisholm to finish out leveling the block of lots that had been discussed at the August Council meeting. He stated that Chisholm's rate was \$40 an hour less than Engelstad but that his scraper was smaller. He further explained that when he had asked Chisholm how many hours he would work for \$10,000 that Chisholm had agreed to work 80 hours. Nephew stated that he had finished with his allotted hours and that more than 80 hours had been put in. Nephew also reported that he would be having Chisholm move some of

the gravel in for the Peterson's Subdivision road project since it would be less expensive to have him move it in rather than paying for gravel to be hauled in.

Council member Hasler then asked what percentage of the Industrial Park project is done and Nephew responded that it was about 75% done as far as the leveling and that all three roads were in. This led to a discussion on how much had been spent on the project compared to the cost that had initially been estimated and whether or not the project should have been bid out. Nephew stated that he hadn't played favorites in choosing who would work on the project and that he had used the people that had the needed equipment available and the time to work on it. He added that if the City had bid the job out and had gotten a similar rate to what the dirt work on the Summit Avenue project had cost, that the Industrial Park leveling would have cost substantially more.

Council member Hasler then asked Council member Widrig to give Kevin Nephew a copy of the MN Clean Air Act from the MN Statutes. While Nephew reviewed his copy Council members Hasler and Widrig explained that there would be no smoking allowed in the City shop and the City pickup since both of those areas were places of employment and smoking was prohibited in places of employment.

Council member Wise then inquired about the condition of the street light poles since he had noticed that some of them had been welded and repainted. Nephew explained that the poles get thin and corroded at the bottom due to exposure to snow and salt so he had hired Steve's Welding to come and weld plates on the bottom to provide more strength. He stated that Steve had done all the poles in town and that they were now all repainted and should be good for several more years.

Council member Widrig then asked about the repair that was needed at the water tower. Nephew explained that he had obtained two bids for replacing the compression joint and that he was waiting for the company that got the low bid to get it on his schedule. He anticipated that it would be done in a couple of weeks or so. He added that a notice would have to be put in the paper letting the public know when the repair was going to be made since the water tower would be out of commission during the repair process.

Council members Hasler and Widrig then reported on Personnel Committee activities. The committee had met to review the employee evaluations that had been recently completed. Council member Hasler commented that all the evaluations had been turned in on time and that the process had gone very smoothly. They also reported that they were recommending to the Council that the full time employees be given 3.5% salary increases and the part-time billing clerk be given a 6% raise. It was explained that the employees could meet with the Committee if they wished to discuss getting a larger raise.

After a review of the minutes of the August 12, 2013 minutes, Council member Hasler made the motion to approve, seconded by Council member Widrig. The motion was carried.

The Treasurer's Report and Bills were then reviewed. Administrator Lisa Liden briefly reviewed some of the items on the disbursement report and also explained the TD Ameritrade investment report. After a brief discussion, Council member Widrig made the motion to approve the Treasurer's Report and Bills. The motion was seconded by Council member Lehmann and was carried.

The next item on the agenda was the subject of business subsidies. Mayor Nephew and Administrator Liden gave a brief overview of the business expansion and construction project being undertaken by TDS and that the City had been approached about whether they would be willing to provide some incentives for the new fertilizer plant to be located in City limits. Nephew explained that the Christians had land available on the northwest corner of town and that some of the land was in City limits and some of it was

outside the City in Garfield Township. There was a substantial difference in the property tax rate between the City and Township and Christians were wondering if the City would be willing to abate some of the property tax if they were to locate within the City.

Council member Hasler then inquired about the timing of the project and why the Council was just learning about it. He also wanted to know what the benefit would be for the plant to be located in the City. Mayor Nephew explained that he had been approached by Dwight Christian only two weeks earlier and that he and Liden had been looking into what possible business subsidies could be offered to TDS.

Administrator Liden then explained that the biggest benefit to the City would be the increase in the property tax base and that any abatement would be temporary, but that that property would be present and taxed long after the abatements expired. Liden also gave the Council a brief overview of the JOBZ program that was currently available to provide some further incentives. She also reported that there was a new subsidy program that had been approved by the legislature last year but that the State did not have all of the program materials out at this time.

All those present agreed that the City should work with the Christians to see what could be offered to keep the expansion within the City. All agreed that they would be willing to offer incentives, including property tax abatement so that building within the City would be more attractive than building outside the City. It was also decided that a special meeting should be called as soon as necessary to meet with Dwight Christian and make arrangements for what the City could offer.

The next item on the agenda was the budget proposal and the proposed tax levy for 2014. After a brief discussion, Council member Hasler made the motion to approve Resolution #9-1-13 – Certificate of Proposed Tax Levy. Council member Widrig seconded the motion and it was carried.

The airport maintenance agreement for State fiscal years 2014 and 2015 was the final agenda item addressed. Administrator Liden explained that the agreement was basically identical to the previous agreement signed for 2012 and 2013 and that four paragraphs had been added to the agreement that addressed “normal” legal matters such as legal venue and equal employment language.

Council member Widrig made the motion to approve Resolution #9-2-13 Grant Agreement for Airport Maintenance and Operation. The motion was seconded by Council member Lehmann and was carried.

Council member Widrig then inquired whether anyone else on the Council had received any calls concerning the number of trucks that were parked in Cannon Park. Council member Hasler then inquired whether anyone had asked permission of the City for parking trucks in the park. Administrator Liden stated that no one had asked at the office, but that she would also check with Kevin Nephew to see if Al Larson had talked to him about it. This was followed by a discussion on better locations for these trucks to park. Mayor Nephew then asked Liden to speak with Al Larson about the parking and to ask him what his plans were for the future.

There being no further business, the meeting was adjourned.

---

Brian Nephew, Mayor

---

Lisa J. Liden, City Administrator

