

## **Fertile City Council Minutes**

### **June 8, 2015**

The Fertile City Council held its regular meeting on Monday, June 8, 2015 at 6:30 p.m. at the Community Center. Present were: Council members Tanner Lehmann, Todd Wise and Dennis Hasler. Also present were Administrator Lisa Liden, Public Works Director Kevin Nephew, Fair Meadow Administrator Angela Leiting, AELC Education Director Danielle Meunier, and Twylla Altepeter.

In the absence of Mayor Nephew, the meeting was called to order by Vice-Mayor Hasler and there were no additions to the agenda.

Council member Lehmann began the meeting by informing the Council that there was a pending sale on his house and that, if the house was sold, he would need to resign from Council at the July meeting.

The first item up on the agenda was the consent agenda which included the minutes of the May 11, 2015 meeting, Fair Board requests for a parade permit, 5K permit and 3.2 license, and the payment request from Downs and Nowacki for the new LED lights.

The consent agenda was approved on a motion by Council member Wise that was seconded by Council member Lehmann. The motion was carried.

Fair Meadow Nursing Home Administrator Angie Leiting then reported to the Council. The month of May began with 41 residents and ended at 42, operating at 83.48% capacity. A total of 113 home delivered meals were served and two days of adult day care were provided.

Leiting reported that the State Department of Health was currently reviewing the remodeling plans and that they were currently waiting for their approval to begin the next stage of the project. It was also reported that Brian Grunhovd had rescinded his prior bid for the lots that were up for sale east of the nursing home and that he had submitted another bid for \$10,000 for all three lots. After a brief discussion, it was decided to not sell the lots at this time.

The next item up for discussion under new business was a loan to Fair Meadow to cover anticipated operating deficits for 2015. Leiting explained that the operating deficit the nursing home had been experiencing was due in part to the raises that had been given to staff in 2014 and also due to the low census since early in the year. She explained further that the raises that had been given were to protect their ECPN increase for next year and also to get Fair Meadow's pay scale up to the level of other area facilities. Leiting then went on to report that the reimbursement rate structure would change dramatically on January 1, 2016 and that Fair Meadow would see an increase large enough to not only cover operating expenses but also enough to pay back any funds loaned by the City. A discussion was then held on how much financial assistance would be required through year end as well as the interest rate that would be charged and the term of the loan.

A motion was made by Council member Lehmann to approve Resolution #6-1-15, A Resolution Approving an Interfund Loan from the General Fund to Fair Meadow Nursing Home and that the loan would be for a period of two years at 1% interest. The motion was seconded by Council member Wise and was carried.

Kevin Nephew, Public Works Director, then gave his report to the Council. Nephew reported that they were busy getting everything ready for the fair and also that the construction group for the airport project were in town and had started their work. He also reported that he had been in contact with Airborne Custom Spraying and had scheduled spraying for mosquitoes for two different days before the fair.

After Nephew reported that the streets would be swept one more time before the fair, Council member Hasler inquired about horse waste that was left on the streets by the Amish horses when they came into town. This was followed by a discussion of whether or not this would be covered under the current City Code that addresses animal waste that was written with dogs in mind. Administrator Liden would check with other cities in the area to see if they had any ordinances in regard to horse waste cleanup.

The next item up for discussion was the health benefit plan that the City offered its employees. Liden explained that during the audit it had come to light that there was new legislation regarding employers paying for individual employee health plans. Under the Affordable Care Act, these individual employee plans were no longer allowed as part of a cafeteria plan and that employers would be subject to fines if those plans were continued past June 1. Liden went on to explain that she had checked into getting an employer plan that would cover City employees but that the plans were much more expensive than the individual plans that employees currently had. She ended by explaining that she had been in touch with the League of Minnesota Cities and that the best way to avoid problems with ACA compliance at this point was to roll over the benefit amount to salaries.

After further discussion of the matter, a motion was made by Council member Hasler to discontinue the City's current benefit package in order to be in compliance with ACA guidelines and to add the benefit amount to employees' compensation package. The motion was seconded by Council member Wise and was carried.

Danielle Meunier, the new Education Director for Agassiz Environmental Learning Center was then introduced to the Council. Meunier reported that the month of May had been the busiest month ever for the AELC and that there were school groups at the Center every weekday except for four days during the month. She then went on to explain that she was working on a rather lengthy application with the State of Minnesota for the AELC to get the designation as a "Park of Regional Significance." That designation would make the AELC eligible for State Legacy funding that could be used for various projects such as trail paving and signage. She reported also that she was working on updating the education program curriculum since the current programming was written 12 years ago and was no longer meeting the state education standards.

Administrator Liden then explained to the Council that in order for Ms. Meunier to continue working on the state application and curriculum update that the AELC Board had requested

additional funding for this year. Normally the Learning Center would receive a cash allowance of \$2,500 in both June and December for an annual total of \$5,000. The Board had requested an increase to \$5,000 for the month of June in order to have adequate funding for Meunier's summer employment to work on her current projects.

Council member Wise then made the motion to increase the AELC's funding for June to \$5,000. The motion was seconded by Council member Hasler and was carried.

The Treasurer's Report and Bills were then presented by Administrator Liden. After a brief overview of the receipts, disbursements and financial reports for the month of May, Council member Wise made the motion to approve the Treasurer's Report and Bills as presented. The motion was seconded by Council member Lehmann and was carried.

The final agenda item addressed by the Council was a lease amendment request by Northwest Minnesota Multi-County Housing for Summerfield Apartments. A lease extension had been requested for the purpose of securing lower interest bond funds to pay off the current bonds plus additional funds for doing rehab work on some of the Summerfield buildings. Liden explained that by the terms of the original lease, the NWMNMCH lease with the City would expire in 2028. A first amendment to that lease had been signed in 2005 which extended the original lease to the year 2039. The second amendment that was currently being requested would extend the lease out through 2050.

A discussion of the current amendment request followed and included many questions regarding current operations and upkeep of the local facility. Another question was whether or not the bond funds that NWMNMCH was securing would be used at the Fertile facility to take care of much needed maintenance concerns. Given the questions that the Council had regarding whether or not the lease extension would be beneficial to the City of Fertile, the Council declined passing the requested resolution until they had more information. Administrator Liden was asked to contact Lee Meier to see if he would be willing to meet with the Council at the July meeting to address their questions and concerns.

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