

Fertile City Council Minutes January 14, 2019

The Fertile City Council held its regular meeting on Monday, January 14, 2019 at 6:30 p.m. at the Community Center. Present were: Mayor Daniel Wilkens, and Council members Stanton Wang, Linda Widrig, Todd Wise, and Reid Jensrud. Also present were City Administrator Lisa Liden, Fair Meadow Administrator Angie Leiting, Public Works Director Kevin Nephew, City Engineers Alex Ranz and Chris Hans from Ulteig, Aeronautic Engineer Dan Triller from Short Elliott Hendrickson, Jason Murray from David Drown Associates, and Twylla Altepeter from the Fertile Journal.

The meeting was called to order by Mayor Wilkens at 6:30. There were no additions made to the agenda. A motion was made by Council member Wang, seconded by Council member Wise to approve the agenda. Motion carried.

There were no public comments.

The next items up on the agenda were the minutes of the December 10, 2018 regular meeting and the December 17, 2018 special meeting. Mayor Wilkens pointed out that there was a typo in the last sentence in the fourth paragraph on page two of the December 14th minutes with the word "that" needing to be corrected to "than." A motion was then made by Council member Jensrud, seconded by Council member Widrig to approve the minutes as corrected. The motion carried.

City Administrator Lisa Liden then gave a brief overview of the financial statements and the out of the ordinary bills paid in December. Council member Widrig inquired about the wire transfer to CrazyLots.com and Liden explained that it was for the Olympia ice machine that had been purchased through an online auction. A motion was made by Council member Widrig to approve the Treasurer's Report and Bills as presented. The motion was seconded by Council member Wise and was carried.

Alex Ranz then gave the City Engineer report. He reported that there was nothing new with the water project except for needing to set a date for the public meeting about the project. Ranz said that it works best to have an open house rather than a formal meeting and that 4:30 to 7:30 p.m. would be a good time frame. He went on to explain that there would be three people present from Ulteig and they would start with a presentation and then open for questions and answers. After discussion of schedules and available dates, it was determined to hold the open house on February 6th from 4:30 to 7:30 and that a special meeting should be called for and posted.

Ranz then gave an update on the Safe Routes to School application. He explained that the application had been submitted and that we should hear from the State in February on which projects they had chosen. Mayor Wilkens then asked about where the funding from the program comes from and Ranz explained that the money comes from a special State fund.

Alex Ranz then introduced Chris Hans one of the Aeronautics Engineers from Ulteig. Mayor Wilkens then asked Ranz and Hans if they could wait and do their airport presentation under the Airport part of the agenda to which they agreed.

Fair Meadow Nursing Home Administrator Angie Leiting then gave her report to Council. She reported that they began and ended the month of December with 42 residents operating at 97.31% occupancy. They had also served 374 home delivered meals. She noted, however, that the assisted living was currently showing a loss due to the fact that three apartments were unoccupied. She noted also that they were offering a discount of half price rent for two months in order to spur on interest in renting those units out.

Leiting went on to say that she needed to have a Council member representative appointed to the Quality Assurance Committee that meets quarterly. Council member Widrig volunteered to serve on the committee.

When reviewing the financial statements for the nursing home Leiting noted that they had done better profit wise in the first three months of their fiscal year than they had done in the entire previous year. When reviewing the Budget Report for the home, she noted that the nursing salaries are a little higher than budgeted but only slightly so. She noted also that they had begun their direct deposit bi-weekly payroll in January and that the first payroll run had gone well. She explained also that moving to bi-weekly versus monthly will make monthly comparisons difficult as far as payroll amounts and the budget. She ended her report by noting that they had learned their rate increase from the State was actually 8% when the budget reflected only a 6% increase.

Kevin Nephew, Public Works Director, gave his report to Council stating that they had been busy moving snow in December and he then asked if anyone had any questions. Mayor Wilkens asked about the equipment and if it was all running well. Nephew explained that they were having trouble with the clutch on the Case tractor and that the repair estimate based on the same repair made a few years ago was about \$7,000. Council member Jensrud then asked how old the tractor was and Nephew explained that it was a 2010 model and that the previous repair done on the clutch had been covered under warranty. Jensrud then inquired when the tractor would be going in for repair and Nephew replied that it was supposed to be picked up the previous week but Titan didn't have a trailer to haul it at that time. While they were waiting for the repair to be done, they were currently using the Massey for snow removal.

Council member Jensrud then reported that he done some research on a new tractor for the City. He had called John Deere and that there were options for the City to buy a tractor or also to lease or even rent by the hour. He explained that under the rental, we would get a new tractor every eight months and that the charge would be \$20 per hour. Under the lease option, the payments would be \$21,000 per year for six years with a \$1 purchase of the unit at the end of the lease term. Jensrud then asked about how many hours the tractor was used each year and Nephew stated that a high estimate would be 300 hours per year. Nephew noted that if the City gets a different tractor that he would like one with better hydraulics. Council member Jensrud then went on to explain that he knows of someone with a used blower that they are willing to sell for \$1,500 and that it would work better than the one they are currently using.

Council member Jensrud then stated that he had also done some checking on a new pick up and plow to replace the camouflage truck. He understood that the camouflage truck would soon need a new front end and that it would be better to replace the vehicle while it was still operational. He had checked at Christian Ford in Crookston and they had a 2008 Ford F250 crew cab with a gas engine available for \$16,000 and that the City could pick up a Boss V-plow for \$5,800. Mayor Wilkens then asked if it was necessary to have a crew cab and Jensrud explained that it would be nice to have that extra space for hauling tools and other materials. Nephew then stated that he would prefer to keep the camouflage truck to use for the sand and salt and that it would be better to replace the blue Chevy instead.

Mayor Wilkens then recommended that an equipment committee be established to further research the City's needs and what was available to meet those needs. Council members Wang and Jensrud volunteered to serve on the committee along with Administrator Liden and Public Works Director Kevin Nephew.

Kevin Nephew went on to report that all the testing equipment for the treatment plant was in and that last week they had run tests on Tuesday, Wednesday, and Thursday and that all the results were in a good range. Council member Wise then inquired whether the new ice machine would fit in the treatment plant and Nephew responded that it wouldn't fit since it was too long. This was followed by a general discussion of the ice machine and the parts that would be needed to get it operational.

The next item up on the agenda under Public Works was three proposals from KLM for inspecting and cleaning the clearwell and the water tower. Administrator Liden explained that the proposal for the clearwell was for one cleaning and inspection for \$3,000. As for the water tower, there were two proposals with the first being a onetime inspection and cleaning for \$3,200 and the other for a 10 year service agreement which included service in 2019, 2024, and 2029. She noted that the cleaning for 2019 would result in savings since under the agreement that cost was only \$2,700. Liden recommended approval of the clearwell proposal and also approval of the service agreement rather than the one time cleaning of the water tower. Cleaning and inspection of the tower was recommended every five years and signing the service agreement would assure that it would be done and would also save the City money overall.

After discussion of the matter, a motion was made by Council member Widrig and seconded by Council member Jensrud to approve the contract for the clearwell and also the 10 year service agreement with KLM. The motion was carried. Mayor Wilkens then asked Kevin Nephew how often the clearwell should be cleaned and Nephew stated generally every five years but that it depended on the results of the inspection.

Administrator Liden then gave the Administrator's Report. Liden highlighted her work with Dan Triller of SEH on the airport projects and Ulteig on the testing at the treatment plant. Liden also explained that she had been in touch with the League regarding skating rink liability questions and signage as well as questions on the snow removal policy.

There was no Education Directors Report for the Learning Center but Administrator Liden reported that the Learning Center Annual Meeting would be held on Thursday January 24th. One of the items up for discussion at that meeting would be changes to the bylaws.

Council member Wang gave the Fire Department report and noted that they had worked with County EMS and the Polk County Sheriff's Office on a simulated bomb call at Fair Meadow Nursing Home. In addition, they had responded to one medical assist and provided mutual aid for a grain dryer fire. Wang went on to report that the brush rig was ready to be returned to the State, that Dan Lene was a new department member, and that they were currently waiting for the department pagers to get programmed so that they worked properly.

Under the Airport Committee it was reported that the Commission still has not met and that the County had not yet submitted two names for representatives for the Joint Airport Zoning Board. Liden reported that she had been in touch with the County a couple more times and had also given them a couple of names of people who she believed would be willing to serve.

The Personnel Committee had nothing to report.

The next item up under Old Business was the airport Capital Improvement Plan (CIP) and engineer services for the airport. Chris Hans, a Design Engineer from Ulteig introduced himself and handed out information packets on the services offered by the Aeronautics Division at Ulteig. He stated that he would like to meet with Council to discuss the services that Ulteig has to offer and to get up to date on what the airport needs are currently.

Dan Triller from Short Elliott Hendrickson (SEH) was next to address Council. He reported that he had been working with the State on getting the City's airport CIP in order and to see about funding that may still become available in the current State fiscal year. Administrator Liden then gave some background information on why there was some urgency with getting the runway rehabilitation project process started. Liden reported that the State had done a drop in inspection in August and that the runway was rather rough with loose gravel. She explained that the loose gravel has since been taken care of but that part of the problem with the roughness could be due to the materials used with the last crack sealing project. Liden explained that

the State would do another inspection this coming spring, but until the results of that were known, that the State was pushing hard to get the runway rehab work started as soon as possible.

Mayor Wilkens then reported that he had been down to talk with Airport Division at MNDOT two different times and that the State felt that more funding would be shaking loose during the current funding cycle and that to take advantage of it we needed to move fast. Mayor Wilkens then went on to say that more funding had indeed become available and that the City was approved for the lighting project to be started this upcoming summer. Dan Triller then added that basically projects one through seven on our CIP for 2019 had been approved. He added that the City would need to move fast on approving those projects in order to take advantage of the funding. With that in mind, he had prepared a contract for the City to sign with SEH to cover the lighting design and construction for 2019.

Council member Widrig then asked how Council can sell funding airport projects to City residents when so few people utilize it. This was followed by a discussion on both the direct and indirect economic impacts of the airport on the City. Administrator Liden noted that MnDOT has done extensive studies on the economic impacts that airports have on the State and local economies and that she would look to see if one had been completed for Fertile.

Mayor Wilkens then reminded Council that we would need to move fast on the projects that the State had already approved in order to secure the funding. Administrator Liden added that it was extremely unusual for so much funding to become available so late in the State fiscal year and that the City was fortunate that we were approved so quickly. Council member Jensrud then asked Council member Wang what his opinion on the matter was given the fact that he had sat in on some of the additional meetings regarding the airport and was on the Airport Commission. Council member Wang stated that he too was skeptical about spending a lot of money at the airport but after meeting to discuss what the airport needs are, he can see the importance of maintaining the airport since it is a City asset. He went on to explain that if it's not maintained that the City would lose funding. Administrator Liden added that the State covers 90% to 95% of all project costs and that the City needed to take advantage of that opportunity. Council member Jensrud then expressed concern that the approval of the contract with SEH would shut out Ulteig as far as the airport is concerned.

After further discussion of the matter a motion was made by Council member Wise to move forward and approve the contract with SEH for the lighting project. The motion was seconded by Council member Wang and was carried with Wise, Wang, and Mayor Wilkens voting in favor and Council members Widrig and Jensrud voting no.

Also under Old Business, some skating rink matters were then discussed. Administrator Liden explained that she had been in touch with the League to ask about the City's liability in the event of injuries that may occur at the rink. The League stated that as long as the City maintained the rink and ice to a suitable level that the City would not be liable for injuries. The League also recommended putting up "skate at your own risk" signs to remind people that skating can be a dangerous activity that could result in injury. Liden then went on to report that she had made up logs for employees to keep track of any accidents or incidents that happened. She had also made up a longer form to track serious or major injuries or incidents and that staff were told that they should use their judgment to determine if an incident or injury was serious and that any accident that required an ambulance or would likely result in further medical attention should be noted on the longer form.

This was followed by discussion on the open house for the rink. January 26th was the date that was chosen for the open house from 6:30 to 8:30 with a ribbon cutting at 7 p.m. The City would also provide light refreshments. This was followed by an update given by Council member Jensrud on the use of the rink so far. He reported that during the previous weekend 178 people had skated at the rink from Friday night through Sunday night. He had also made up equipment logs for skates, sticks, and pucks to be signed out. This would help to determine what the needs were as far as equipment. Council member Wise noted that the City should look at getting a new skate sharpener and Council member Jensrud said that he had been looking at some

options online and that the best one would run about \$900. Jensrud then also stated that some people had been bringing in their own skates to be sharpened and they had been doing that for free but the City should consider charging for the service. It was decided that \$3 per pair would be a reasonable charge for sharpening.

The next item up on the agenda was the MIDI loan for the sewer portion of the upcoming water project. Jason Murray from David Drown Associates was present to go over the MIDI loan process. He said that the loans are through MN Rural Water and that one advantage of the MIDI loan is the simplified loan process as compared to bonding for financing. That simplification also resulted in lower financing costs. Another advantage was that the City could pay off the loan early if they wish.

The loan that the City would be looking at would be a 15 year loan at the current market rate of 3.80% and the closing would take two to three weeks after the application was submitted. Mayor Wilkens then asked about the timing of the loan. Murray stated that the application should be done in March and that the rate would be locked in April and the funds would be in the bank about a month later.

After further discussion of the matter, a motion was made by Council member Wise to authorize the City Administrator to complete and submit the MIDI loan application. The motion was seconded by Council member Jensrud and was carried.

The next item on the agenda was Resolution #1-1-19 for annual appointments. Mayor Wilkens went through the various designations and there were no changes from the previous year. He appointed Council member Widrig as Vice Mayor, Council members Widrig and Jensrud as Nursing Home Liaisons and Council members Wise and Jensrud to the EDA Board. Council members Widrig and Jensrud were also appointed to the City Personnel Committee. Appointed for the FMNH Personnel Committee were Council members Widrig and Wang and Advisory Board Member Michelle Cote. Mayor Wilkens, Council member Wise and Michelle Cote were appointed to the FMNH Finance Committee.

After a brief review of the appointments, a motion was made by Council member Wise to approve Resolution #1-1-19 A Resolution of Annual Appointments and Designations for 2019. The motion was seconded by Council member Wang and was carried.

The next item up on the agenda was Ordinance #1-02-19 An Ordinance Adopting a Schedule of Fees and Charges for Various Services. Administrator Liden explained that many cities formally adopt a fee schedule each year and that she felt it was a good idea to do so as well since fees should be reviewed on an annual basis. Liden explained further that she was also recommending raising the rental rate for the Community Center since those rates had not been increased for many years. She also recommended lowering the rate for renting the auditorium for dances since the new flooring would not need refinishing after a dance.

After discussion of the matter, a motion was made by Council member Jensrud to pass Ordinance #1-02-19 with the recommended changes to the rental rates. The motion was seconded by Council member Widrig and was carried.

The annual decision on whether or not to waive the statutory limits for the City's liability insurance was the next item addressed. Administrator Liden briefly explained what it meant to waive the statutory limits. A motion was made by Council member Jensrud to not waive the statutory limits on liability insurance. The motion was seconded by Council member Wang and was carried.

The final item up for discussion was the donation of Mayor Wilkens' salary for 2017 and 2018. When Wilkens took office in January of 2017 he declined taking his monthly salary and expressed an interest in having Council donate that amount to a worthy cause. Administrator Liden noted that Wilkens pay for the past two years would have been \$3,975 after accounting for regular, special, and committee meetings. Liden

explained further that Council would have to make the decision on where to donate the funds and that for tax purposes Mayor Wilkens would have to abstain from the conversation and subsequent decision.

After a brief discussion on current needs at the skating rink, a motion was made by Council member Wise to donate the \$3,975 Mayor's salary for 2017 and 2018 to the skating rink with purchasing a new sharpener identified as the priority. The motion was seconded by Council member Widrig and carried with Mayor Wilkens abstaining from both the discussion and voting.

Council member Jensrud then inquired about putting up surveillance cameras at the Community Center and the City Shop. Mayor Wilkens asked Jensrud to check on both the upfront costs as well as the monthly costs of the cameras.

Council member Wang then noted that the City should look at getting a vending machine put in at the skating rink for next year so that more snack and food items could be offered. Council member Jensrud then reported on the donations that had been received so far and also on the sales of hot cocoa which provides a profit of \$.38 per cup. Jensrud noted that he would like to use donations and the profits from hot cocoa to purchase more skates and hockey sticks in addition to the \$1,000 that was budgeted for the year.

There being no further business, the meeting was adjourned at 9:12 p.m. on a motion by Council member Widrig.

Daniel Wilkens, Mayor

Lisa J. Liden, City Administrator