

## **Fertile City Council Minutes September 9, 2019**

The Fertile City Council held its regular meeting on Monday, September 9, 2019 at 6:30 p.m. at the Community Center. Present were: Mayor Daniel Wilkens, and Council members Todd Wise, Linda Widrig, Stanton Wang, and Reid Jensrud. Also present were City Administrator Lisa Liden, Public Works Director Kevin Nephew, Fair Meadow Administrator Angie Leiting, City Engineer Alex Ranz, Twylla Altepeter from the Fertile Journal, David Lehmann, Shawn Theis, and Dean Johnson.

The meeting was called to order by Mayor Wilkens at 6:30 and began with those present reciting the Pledge of Allegiance.

The agenda was approved on a motion by Council member Jensrud that was seconded by Council member Widrig and was carried.

There were no public comments.

The minutes of the August 12, 2019 were amended to include the time of adjournment. The amended minutes were approved on a motion by Council member Widrig that was seconded by Council member Wang and was carried.

City Administrator Lisa Liden next gave a brief overview of the financial statements and the out of the ordinary bills paid in August. The Treasurer's Report and Bills were approved on a motion by Council member Widrig that was seconded by Council member Wang and was carried.

The next item addressed was under new business and was moved ahead on the agenda to accommodate guests at the meeting. The matter was in regard to whether the City should pay a gopher bounty for trapping at the airport and Learning Center. David Lehmann who currently holds the lease for airport haying was present and explained that gophers were a big problem and that he had to rework some of the acres that he hays due to all the gopher mounds. Mayor Wilkens explained that Garfield Township offers a gopher bounty and recently they had stopped paying the bounty for gophers trapped at the airport and Learning Center since those areas were in City limits. Administrator Liden explained that the gopher feet could be turned in at the shop and a receipt issued by Kevin Nephew to be turned in at the office for payment of the bounty.

After further discussion of the matter, a motion was made by Council member Jensrud to pay a gopher bounty of \$3 for gophers trapped at the airport and Learning Center. The bounty would be paid for all gophers trapped starting the beginning of this year. The motion was seconded by Council member Wang and was carried.

Alex Ranz from Ulteig then gave the Engineers Report. He reported that the water project was 95% complete and that all underground work was done. In a week or so a walkthrough would be scheduled to look over the project areas and make a list of the items that need to be addressed. The final payment would not be made to Sellin until the items on the list were completed to the City's satisfaction. Council member Jensrud inquired about the final paving on Jefferson Avenue and when that would be done. Ranz explained that it would be done next summer due to settling issues. Council member Widrig asked whether the list would include the drainage issue at the corner of the school parking lot. Ranz explained that the catch basin at that location would not be open until the final lift was put on the pavement in the intersection. Since the paving on Jefferson would not be done until next year, Ranz said he would look at what could be done in the interim to solve the drainage issue. One possible solution would be to put the final lift on just the intersection of Jefferson and Second Street.

Ranz then presented pay application #6 for \$310,298.53 which covered the work done in August for the water project. A motion was made by Council member Wang to pay Sellin for the amount shown on the pay application. The motion was seconded by Council member Widrig and was carried.

The matter of change order #4 which was tabled in August was then discussed. Administrator Liden explained that when the plans for the project were completed it was not known that the sidewalk heat in front of the west doors of

the church extended out into the sidewalk that runs along the street. When that portion of sidewalk and heating system was removed, it became necessary to redo the sidewalk and heating system for the walkway that leads up to the church as well.

A motion was made by Council member Jensrud to approve change order #4. The motion was seconded by Council member Wang and was carried.

The time extension requested by Sellin was the next item up for consideration. A motion was made by Council member Wise to approve the time extension request. The motion was seconded by Council member Jensrud and was carried.

The next item up for discussion was the replacement of three valves that were not in the project areas but were leaking. Sellin had submitted a cost estimate totaling \$21,960 for all three valves. It was noted that the estimate did not include the costs of repairing the pavement in those areas. Ranz reported that there was about \$27,000 remaining in the contingency fund and about \$400,000 left in construction costs. It looked like when the project was complete, there would be about \$50,000 left in the construction funds so funds were available to fix those three valves as part of the water project.

A motion was made by Council member Jensrud to have Sellin replace the three valves that were not working properly. The motion was seconded by Council member Wang and was carried.

Mayor Wilkens then inquired about a resident complaint about discolored water. Wilkens had asked some other residents in that area and no one else had any issues with discolored water. Administrator Liden stated that there had been no other complaints made to the office either, so it must have been something to do with just that residence. This led to a discussion on flushing hydrants. Due to the water project, hydrants had not yet been flushed this summer. Discussion was also held on getting new hydrant flow rates when the hydrants were flushed in order to determine if those rates were improved as a result of the project.

Fair Meadow Nursing Home Administrator Angie Leiting gave her report to Council. Fair Meadow began the month of August with 37 residents and ended the month with 41, operating at 90.47% occupancy. They had also served 266 home delivered meals.

Leiting went over the financials for August and noted that the home and assisted living together showed a profit for the month of \$58,319 with home showing a profit of \$52,689 and the assisted living a profit of \$5,630. The year to date profit and loss showed a combined profit of \$192,769 with the nursing home showing a profit of \$266,130 and the assisted living a loss of \$73,361. Leiting then went over the budget to actual report for the year to date noting that both income and expenses were slightly higher than the budgeted amounts.

There were three memo items for the nursing home that were up for consideration. The first was a request to increase the pay scale by 1.5% and changes to the pay scale for the Director of Nursing and the Administrator. Leiting explained that the changes would put the wage scale more in line with other nursing homes and that the Personnel Committee had reviewed the information and given their approval.

A motion was made by Council member Wise to approve the wages scale increase and changes. The motion was seconded by Council member Jensrud and was carried.

The budget for the upcoming fiscal year was the next memo item up for consideration. Leiting noted that the income figures were based on a 6% increase for the nursing home and that the assisted living income was based on 95% occupancy. After a brief review of the budget, a motion was made by Council member Wang to approve the budget. The motion was seconded by Council member Widrig and was carried.

The final memo item involved adding a "Wellness Package" fee to the assisted living rates. Leiting explained that currently there were eight apartments that were not receiving any service package and were only paying rent. The Wellness Package would reflect that nursing staff is available 24 hours a day. Staff would also do wellness checks

on all residents twice per day. The budget committee had reviewed the matter and had recommended charging \$400 per month for the package. All new rent-only tenants would be charged for the package and current tenants would be required to have at least the wellness package by October 1<sup>st</sup> of 2020.

A motion was made by Council member Jensrud to approve the new Wellness Package for the assisted living. The motion was seconded by Council member Wang and was carried.

Kevin Nephew, Public Works Director, gave his report to Council. He reported that the paving of the skating rink lot was currently underway and that the cost would be slightly higher than the estimate that was given. About six inches of black dirt had to be dug out and gravel hauled in to make a good base for the asphalt.

He reported that the boring had been done for the light poles on the south end of town and also for the entrance sign lighting. Nick Aakhus was working on the brackets for the lighting so that they would be off the ground and Mid Valley Electric would be trenching in the wire for the south side sign. For the new street lights, Kevin Nephew reported that he would need to line up separate contractors for further boring, putting in the concrete base, setting the poles, and the installation of the lights. Strata could take care of all aspects of the installation, but they would not be available to do it this year, so it was necessary to get contractors lined up for each phase.

Moving the crossing by the golf course was the next item up for discussion. Kevin Nephew questioned whether it was necessary to move the crossing and if it was, why the City was paying for it since it was for the snowmobile trail? Mayor Wilkens stated that the current location of the crossing posed a safety hazard and that he would talk to the Sand Hill Snowcruisers to see if they would be willing to share in the cost of moving the crossing.

Flushing hydrants was then up for discussion. Flushing was scheduled for the final week in September and would take three days to complete. Council member Jensrud asked about the hydrants that need to be pumped out and where those were located. Nephew said that he has those marked on a map.

Next, Kevin Nephew brought up the matter of health insurance. He stated that he would rather have the City contribute to a Health Savings Account instead since he already had insurance coverage available through his wife's policy at the nursing home. Mayor Wilkens asked the Personnel Committee to look into the matter.

Discussion was held on the graveling that had been done and the condition of the alleys in town. Mayor Wilkens noted that the alleys were looking greatly improved. Also discussed was the large pile of dirt and clay at the yard waste site from the water project and what was going to be done with it. Kevin Nephew stated that he had no use for it and that it could be made available to residents that could use it.

After discussion of the dirt that was available at the yard waste site, a motion was made by Council member Wise that the dirt could be used by residents of the City after getting permission. The motion was seconded by Council member Wang and was carried.

The City Administrator's Report was next. Administrator Liden reported that the audit was finally completed. She reported also that the items needed for completing the dasher boards at the park had been ordered. Council member Jensrud asked about getting the concrete footings for the dasher boards painted or sealed to help with the ice melting. Discussion was held on getting the edges of the boards sealed so they wouldn't need to be taped again this year.

Liden also reported that the water bills that went out in September were the first ones to reflect the rate increase. Some residents had questions about the increase, but so far there had been relatively few complaints. Council member Widrig asked about the Administrator's overtime hours and working on Saturday. Administrator Liden explained that the prior week had been a short one with the Monday holiday which left insufficient time to get all the information ready for the Council meeting.

Under the Learning Center Mayor Wilkens reported that the Education Director Search Committee had met and that the job description and advertisement for the position had been updated. Mayor Wilkens would like to meet

with Superintendent Clarke to have him review the description and advertisement before the ad is put in the paper. Wilkens reported also that the AELC Board and Executive Committee had met with the Haunted Trails group to discuss plans for the 2019 Trails. There was nothing new to report in regard to the Master Plan.

Under the Fire Department Council member Wang reported that there was only one call in August for a garage fire and that it was extinguished before they got there.

For the Airport, the progress report for the lighting project was reviewed. Pay application #1 for the lighting project was also presented in the amount of \$78,579.25. A motion was made by Council member Jensrud to approve pay application #1 for the lighting project. The motion was seconded by Council member Widrig and was carried.

Under the Personnel Committee, the appointment of additional people to the committee was again up for discussion. Mayor Wilkens stated that he had spoken with April Grunhovd about her education and experience and based on Grunhovd's background that he would like to appoint her to the committee. He stated also that he would still like for Michelle Cote to be appointed to the committee. Wilkens felt that Cote had worked well with the Fair Meadow Personnel Committee and with her government experience she could provide assistance to the City Personnel Committee also.

Council members Widrig and Jensrud expressed again that they had concerns about Cote serving on the City Personnel Committee and Council member Widrig added that the City doesn't have the Personnel issues that Fair Meadow had so she felt outside assistance wasn't necessary. Mayor Wilkens disagreed and stated that the City does have Personnel issues to deal with such as starting a step program for City employees similar to what they have at the nursing home. Administrator Liden also commented that Mayor Wilkens had her contact the City Attorney regarding any potential conflict of interest with Michelle Cote serving on the committee and that the attorney had said there was no conflict.

After further discussion of the matter, a motion was made by Council member Jensrud to accept the appointment of April Grunhovd to the Personnel Committee. The motion was seconded by Council member Widrig and was carried.

Council member Wise made a motion, seconded by Mayor Wilkens to accept the appointment of Michelle Cote to the Personnel Committee. Council member Wang then asked if he was allowed to vote on the matter since Michelle Cote is his mother-in-law. Administrator Liden explained that the City Attorney had been consulted on that as well and that it was no conflict for him to vote since the Personnel Committee does not make decisions on Council compensation. The motion to appoint Cote was then voted upon with Council members Wang and Wise voting yes and Council members Widrig and Jensrud voting no. The tie vote was broken with Mayor Wilkens voting yes and the motion was carried.

Resolution #9-1-19 and Grant Agreement #1035107 were the next items up for consideration. Administrator Liden explained that the Resolution and grant agreement were the same as they always were for the completion of airport projects eligible for state funding. A motion was made by Council member Jensrud to approve Resolution #9-1-19 and the grant agreement for Land Acquisition Pre-Work and Runway Final Design. The motion was seconded by Council member Wang and was carried.

Health insurance premiums for 2020 were the next item up on the agenda. Administrator Liden went over the premium information for 2019 and 2020 and reported that the 2020 rates reflected a 7.5% increase. Liden also explained that currently the City pays 100% of the single policy and the value of the single policy plus \$300 towards a family policy for all full time employees.

Council member Wang made the motion to approve the 2020 health insurance coverage to continue at the new rates. The motion was seconded by Council member Wise and was carried.

The preliminary budget for 2020 was briefly reviewed. The levy amount in the budget was increased \$10,000 over 2019 which reflected a 5% increase. Administrator Liden reminded Council that the levy amount could be decreased before the final budget is approved, but the preliminary levy couldn't be increased. Liden also noted that the revenue numbers for water and sewer reflected the new rates that became effective on August 1<sup>st</sup>. Also noted were the airport grant amounts and the airport expense items that reflected the airport projects for the next year. Council member Jensrud noted that the numbers for part-time help at the rink need to be looked at and that snow removal at the rink should be budgeted for as well.

Resolution #9-02-19 City Clerk's Certificate of Proposed Tax Levy was approved on a motion by Council member Jensrud that was seconded by Council member Wang and was carried.

The final item up for discussion was Resolution #9-3-19 which is a resolution supporting City sponsorship of the Highway 32 roadside partnership program. Mayor Wilkens gave a brief review of his visit with MnDOT and what they will and will not cover under the program along with what he would like to see done to beautify the north and south entrances into town.

A motion was made by Council member Wise, seconded by Council member Widrig to approve Resolution #9-3-19.

Under announcements Administrator Liden informed Council that the November meeting would need to be held on Tuesday, November 12<sup>th</sup> since November 11<sup>th</sup> was Veteran's Day.

The meeting was adjourned on a motion by Council member Jensrud at 8:59.

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Daniel Wilkens, Mayor

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Lisa J. Liden, City Administrator