

## **Fertile City Council Minutes December 12, 2022**

The Fertile City Council held its regular meeting on Monday, December 12, 2022 at 6:30 p.m. at the Community Center. Present were Mayor Daniel Wilkens, and Council members Mary Kiefert, Matthew Massmann, Amanda Bosman, and Todd Wise. Also present was City Administrator Lisa Liden, Public Works Director Kevin Nephew, Fair Meadow Nursing Home Administrator Angie Leiting, and Nicole Rivera with the Fertile Journal.

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

The agenda was approved as presented on a motion by Council member Massmann that was seconded by Council member Kiefert and was carried.

There were no public comments.

Under approval of the minutes, a small change was made to the paragraph on page two addressing the Learning Center's safari van being signed over to the City. Mayor Wilkens asked that an addition be made to the end of the paragraph stating that the Learning Center could still use the van as needed for tours.

A motion was made by Council member Bosman to approve the minutes as amended. The motion was seconded by Council member Massmann and was carried.

City Administrator Lisa Liden gave the Treasurer's Report. Liden went over the out of the ordinary deposits and checks for the month of November. Under the deposits Liden noted that the only out of the ordinary deposit was \$34,310 from the fire department and that it was a pass through. Under the check listing Liden noted the check to Mutchler Bartram Architects for \$2,500 for the original planning work for the Community Center project, the check to Reitrock Paving for \$4,800 for street patching where the street had been dug up for three different sewer repairs, the check for \$10,887 to Swenby Construction for the concrete for the Nature Center shop addition, two checks written on behalf of the fire department and two checks written to Chris Zimmer to reimburse him for Christmas lights that he had purchased. The balance sheet, profit and loss, and budget to actual reports were also reviewed.

The Treasurer's Report and Bills were approved on a motion by Council member Kiefert that was seconded by Council member Bosman and was carried.

Fair Meadow Administrator Angie Leiting gave the report for Fair Meadow Nursing Home. The month of November began with 42 residents and ended with 39, operating at 94.52% capacity. They had also served 174 home delivered meals. Leiting noted that Eide Bailly had done an estimate of their rate increase for 2023 and they believed it would be a little over 5%. Leiting noted that the budget was based on an 8% increase but she felt revenues could increase 8% with improved occupancy.

The profit and loss for the month of November showed a combined profit of a little over \$4,000 with the nursing home showing a profit of over \$17,000 and the assisted living a loss of \$13,000. Council member Massmann inquired about the assisted living loss and Angie Leiting stated it was due to the added costs associated with new State regulations. She noted there were currently three empty units. The year-to-date profit and loss showed a combined profit of just over \$130,000 with the nursing home showing a profit of \$132,000 and the assisted living a loss of just over \$2,000.

A review of the budget to actual report showed that both revenues and expenses are close to being on budget. Council member Massmann asked about the new fuel tank for the generator and Leiting stated that the tank was installed and that the cost had come in a little higher than the estimate.

There was nothing to report for the City Engineer or for the Airport.

Kevin Nephew, Public Works Director, gave his report next. Nephew reported that all the Christmas lights were up and that the ceiling project in the shop had been started that day. He estimated that the ceiling would take about three days and that Kurt Larson and Tom Oftedahl had been hired to help. Nephew reported also that Northern Foam had gotten the bid for insulating the walls.

Nephew went on to report that the sewer ponds were set for winter after a discharge. He also noted that the media bed at the water treatment plant had been tested but that the results were not available yet. The media bed has an average useful life of 20 years and that we're getting close to that mark with the treatment plant. The media can be replaced at any time, but if it just needs to be cleaned, that should be done in winter since it requires the plant to be shut down for three days.

City Administrator Lisa Liden was next to give her report. She reported that she had worked with two applicants on EDA loans and that the commercial loan had been approved but the housing rehab loan did not meet the requirements. Liden had also continued her work with the fire department, municipal leasing company, and the City Attorney on finalizing the paperwork for the financing of the new fire truck. She had also met with a property owner who was contemplating subdividing a property on the east side of town. Substantial work had also been done on finalizing the budget and working out various water rate increase scenarios.

Under the Learning Center, Mayor Wilkens noted that that AELC board had approved the transfer of the safari van to the City.

There was nothing to report under the Fire Department or the City Personnel Committee.

The contract with Mutchler Bartram Architects (MBA) for the community center project was up for consideration under old business. Administrator Liden explained that the contract was pretty standard and that the City Attorney had reviewed it and a couple of small changes had been made based on his recommendations. The financial aspects of the contract were the same as what had been originally proposed with \$2,500 for planning up front and 8% of the project cost as their fee.

A motion was made by Council member Massmann to approve the contract with MBA. The motion was seconded by Council member Bosman and was carried.

The first item to be addressed under new business was the need for a slight increase of the water and sewer rates. Administrator Liden explained that the current rates had been in place since August of 2019 and that operating costs had risen since that time so it was time for an increase in rates. Liden then reviewed the information she had provided in a spreadsheet regarding possible rate increase scenarios and the effect that each would have on the budget.

After much discussion of the matter, a motion was made by Council member Massmann to raise the water availability rate by \$2 per month and the usage rate by 75 cents per 1,000 gallons. The sewer rates would be increased at 50% of the water increase. The motion was seconded by Council member Wise and was carried.

The next item up for discussion was the levy for 2023 and the final budget. Council member Massmann asked if the levy amount could be lowered from the preliminary amount that had been approved in September. Administrator Liden stated that the amount could be lowered. The preliminary levy had been set at \$240,000 which was a 4.8% increase over the previous year. Massmann asked if the increase could be lowered to 2% to

lessen the effect of the water rate increase. Liden calculated that setting the levy at \$233,500 would be roughly a 2% increase.

After further discussion, a motion was made by Council member Wise to set the levy at \$233,500. The motion was seconded by Council member Massmann and was carried.

The budget for 2023 was then reviewed and Administrator Liden noted the changes that would be made under water and sewer revenue as well as the change to the levy and the impact that those changes would have on the bottom line.

The final budget for 2023 was approved on a motion by Councilmember Wise that was seconded by Council member Kiefert and was carried.

A motion was made by Council member Massmann to approve Resolution #12-1-22 City Clerk's Certificate of Final Tax Levy setting the levy at \$233,500. The motion was seconded by Council member Wise and was carried.

The next item up under new business was winter staffing at the Learning Center for ski rentals. Administrator Liden reminded Council that last year they had approved paying the costs for the Center to be staffed on Saturday and Sunday through the ski season last year. That had worked out well with a total cost to the City of less than \$1,200 for the season. The Learning Center had requested that the City pay for the staffing again this winter if possible.

After a brief discussion of the matter, a motion was made by Council member Massmann to approve the City paying for weekend staff at the Learning Center during the ski season this year. The motion was seconded by Council member Wise and was carried.

The required annual deposit to the Water Infrastructure Reserve Fund (WIF) was next on the agenda. Administrator Liden explained that according to the terms for the grant funds that were received for the 2019 water project, the City had to deposit 50 cents per 1,000 gallons pumped each year into a reserve fund for future improvements. Liden had not yet gotten the information on the gallons pumped for the year, but the amount should be similar to last year and that deposit was almost \$15,000. She added that Council could approve making the deposit to meet the time requirement without having the exact dollar figure for 2022.

A motion was made by Council member Wise to make the 2022 WIF Fund deposit in the amount that is required by State statute. The motion was seconded by Council member Bosman and was carried.

The donation of the Mayor's salary for 2021 and 2022 was the next item up for discussion. Accounting for the special meetings that had been held over the past two years, the amount of the Mayor's salary would have been \$3,810. Liden reminded Council that the Mayor couldn't make the recommendation of where he wanted his salary to go, so Liden had looked at the previous donations as well as what the current needs were.

Liden felt \$1,000 could be designated for equipment at the skating rink, \$1,000 could be donated to the Learning Center for recreational equipment such as skis or kayaks, and the remainder could go to the Community Club to fund their annual activities. Liden explained that the Community Club puts on many events and activities through the year that benefitted the community and that there were fairly substantial costs for putting on those activities.

After a brief discussion, a motion was made by Council member Kiefert to donate \$1,000 for rink equipment, \$1,000 to the Learning Center for recreational equipment, and \$1,810 to the Community Club in support of their community activities and events. The motion was seconded by Council member Bosman and was carried. Mayor Wilkens abstained from the discussion and voting.

The next item on the agenda to be addressed was Resolution #12-2-22 Designating Polling Places for 2023. Liden explained that this was an annual requirement by State statute and that the community center would be the polling place for the City of Fertile for any elections in 2023.

A motion was made by Council member Massmann to approve Resolution #12-2-22 designating the community center as the official polling place for the City of Fertile. The motion was seconded by Council member Kiefert and was carried.

Tobacco licenses for 2023 were the next item up for review. There were currently four establishments in Fertile that carried tobacco licenses and those same four would like to be licensed again in 2023.

A motion was made by Council member Kiefert to approve tobacco licenses for JT's Station, Northdale Oil, The Other Place, and Aaron's Grocery. The motion was seconded by Council member Wise and was carried.

The final item to be addressed on the agenda was the appointment of Stacy Erickson to the position of Deputy City Administrator. Administrator Liden explained that Stacy currently worked as Billing Clerk and her primary responsibility was the water billing processes. With Erickson's current work schedule, however, there was time in her schedule to take on more duties and responsibilities in the front office so Liden would like to see her promoted to the Deputy Administrator position so that Erickson would have more authority to take care of day-to-day operations in Liden's absence. Liden and Erickson would also work together on training so that Erickson would learn more about the accounting aspects of the Administrator's position so that she could take care of those matters as well should Liden need to be absent unexpectedly.

Administrator Liden explained that she had been in contact with Baker Tilly since they had updated all of the City job descriptions and had developed the wage scale. She had asked if they could "grade" the position for where it would fit on the wage scale. Baker Tilly could also update the position description so that it was done similarly to the other positions within the City. Liden noted that once she had the needed information from Baker Tilly that the Personnel Committee would have to meet to approve the pay grade for the position as well as the job description. Liden asked that the position be approved at this time with possible pay changes in the future as recommended by the Personnel Committee.

A motion was made by Council member Bosman to approve appointing Stacy Erickson to the position of Deputy City Administrator. The motion was seconded by Council member Massmann and was carried.

There being no further business, the meeting was adjourned at 7:39 p.m. on a motion by Council member Kiefert.

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Daniel Wilkens, Mayor

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Lisa J. Liden, City Administrator