

Fertile City Council Minutes

April 8, 2024

The Fertile City Council held its regular meeting Monday, April 8, 2024, at 7:00 p.m. at the Community Center. Present were Mayor Daniel Wilkens and Council members Mary Kiefert, Matthew Massmann, Amanda Bosman, and Todd Wise. Staff present were City Administrator Lisa Liden, Deputy City Administrator Stacy Erickson, Public Works Director Kevin Nephew, and Public Works assistant Chris Zimmel. Attorney Kendra Olson from Pemberton Law and Derrick Schluck from the League of Minnesota Cities Insurance Trust (LMCIT) were also present. The audience included Joe Lancello of KRJB and Connie Hamernik of The Fertile Journal and several community members and staff from Fair Meadow Nursing Home.

The meeting was called to order by Mayor Wilkens at 7:00 p.m. and began with those present reciting the Pledge of Allegiance.

The agenda was amended to remove New Business item b, withdrawal of excess bond reserve funds, the Small Cities Development Program resolution was added to the Engineer report, and under Public Works there was an addition of selling the old street sweeper and IPS purchase. A motion was made by Council member Massmann and seconded by Council member Kiefert to approve the agenda as amended. Motion carried.

Attorney Kendra Olson then addressed Mayor Wilkens and Council and asked to meet with the council in closed session pursuant to MN Statute 13D.05, to discuss pending litigation under attorney-client privilege.

Council member Kiefert made the motion to close the session, Council member Wise seconded the motion. Motion carried. The room was cleared of all audience members, guests, and their belongings. Mayor Wilkens, Council Members, City Administrator Liden and Deputy Administrator Erickson then met with Attorney Kendra Olson and Derrick Schluck of LMCIT in closed session.

Council member Massmann made a motion to re-open the meeting, seconded by Council member Bosman. Motion carried. The room was opened for the audience to return.

Mayor Wilkens invited the public to give a public comment, allowing for a five-minute period. April Swenby presented her prepared speech for the Council and the audience.

The minutes of the March 11, 2024, meeting were reviewed, and Council member Massmann made a motion to approve the minutes, seconded by Council member Wise. Motion carried.

City Administrator Liden gave the Treasurer's Report. Liden noted that there were no out of the ordinary checks or deposits for the month of March. The total deposits were \$39,022.93. Total disbursements were \$84,587.66, and in that total was a check to League of Minnesota Cities Insurance Trust for \$35,243.00. The balance sheet and profit and loss reports were reviewed. Liden shared that with the budget to actual reports that some numbers that looked skewed were not out of range given the timing of the transactions such as insurance that has an annual payment and no further expenditures for the rest of the year.

Council member Massmann motioned to approve the Treasurer's Report, Council member Kiefert seconded. Motion carried.

Department reports were announced, there was nothing to report for the airport. Under the Engineer report, a resolution was needed to proceed with the Small Cities Development Program.

Council member Kiefert made a motion to approve resolution 4-1-24, authorizing the application for the grant funding and to proceed as necessary. Motion was seconded by Council member Wise and motion was carried.

The Fair Meadow Nursing Home report included no financial report. A statement was shared by Liden on behalf of the Interim Administrator explaining her absence from meetings was due to the ongoing matters within the community and a number of inappropriate conversations and comments directed towards that office. It was stated that the job of the

interim administrator was to oversee daily operations and not to participate in public matters. Liden went on to further clarify on behalf of the interim administrator that the Professional Boundaries Policy that had been implemented the previous month was within the scope of daily operations and did not require legal approval or City Council involvement because it did not relate to financial matters and was solely about conduct of employees of Fair Meadow and the affect it has on the facility and all people associated with the facility. It was asked of council to reinforce that setting policy was within the scope of the position. Council member Massmann expressed that the policy was a standard document that is required in professional settings and something he had experience with as an employee in his own work life and that he saw nothing out of the ordinary with said policy. Several community members disputed the process and authority used for the implementation of the policy.

Liden shared that the interim administrator wanted to remind the public and employees that the chain of command included going to the immediate supervisor within the facility and then to the administrator on staff if there were questions or concerns and that public forums were not the place to discuss internal matters. Community members again spoke up against this statement, arguing that employees feared for their jobs if they upset the interim and then questioned the authority held by an interim when they are not a permanent employee. Council reinforced that the interim is hired specifically to do that job and all that it entails and that if there were concerns, council meetings were not the place for such discussions.

The Public Works report started with the update on the Integrated Process Solutions (IPS) equipment update and that the company had sent a representative to Fertile that day and that the public works employees had met with him and recommended proceeding with the transition. It was noted that there would be an annual fee for cellular communication of approximately \$1,000. The discussion continued and it was noted that there are already fees paid to Garden Valley for the phone line communication, so there would not be new costs, just a different provider and pricing. The upgrade would remove Garden Valley from the process and streamline communications and reduce the number of steps and entities involved to repair systems if there were problems.

Council member Massmann motioned to approve the upgrade to the monitoring equipment using IPS and Council member Wise seconded. Motion carried.

Public Works staff then addressed the street sweeper that had been recently retired and how to dispose of it. They had attempted to contact multiple auction houses to sell the sweeper but were finding it required a number of fees which made the process prohibitive. Discussion continued with the best way to sell the sweeper and it was determined that there would be some research done to determine if a price could be set or if it needed to be listed for bidding with a reserve.

Public Works Director Kevin Nephew then brought up paving projects around the City and mentioned various projects that he had in mind and that he would seek out estimates for those projects. The sweeper discussion was restarted and Council member Massmann made a motion to put the sweeper up on bids with a reserve, Council member Bosman seconded.

City Administrator Liden shared the Administrator report that she had been at the nursing home more in the recent weeks. She was busy with quarterly reports for both the City and Fair Meadow. Work continued with the City Attorney and Pemberton Law.

No report was given for the Agassiz Environmental Learning Center.

The Fire Department had no calls for March. The new truck had arrived and the old one had gone to Winger.

Under old business, the food shelf transition was waiting on a lease agreement from the City Attorney. There were questions about liability insurance and why the Food Shelf needed insurance. Liden explained that it was not for the entire building, but for the risk of injury within the Food Shelf space itself. She went on to explain that the same is required for the library and for the clinic.

The Community Center Project update was given that the contractors were ready to place the new HVAC units and were working with the schedules within the building as much as possible.

Under new business, a proposal for a legal services agreement with Pemberton Law was introduced by Administrator Liden. The first part was to designate a point of contact for the communications involving the potential transaction with Cornerstone. It was clarified that the point of contact would be the City Office, specifically Administrator Liden and Deputy Administrator Erickson. The second part was to engage attorneys at Pemberton who would work specifically with potential property transactions in the consideration of a potential sale of the nursing home and assisted living. It was asked why the City Attorney couldn't handle the process and Liden clarified that it was discussed and that the process is beyond the scope of the normal practice for a City Attorney and is a specialized practice. The cost was discussed and it was explained that the price was representative of the work required.

The meeting was then diverted from the agenda to a lengthy discussion between council members and the community members present that addressed a number of concerns, rumors, and accusations. It was asked why Council wanted to sell the nursing home. Mayor Wilkens deferred to Council member Massmann to explain. Massmann shared that the viability of stand-alone healthcare entities is extremely difficult at best and that in order to keep the nursing home open, the Council has to entertain all possible remedies for the stability of the residents, the employees, and the community. A number of critical comments from the meeting guests were made and they asked about meeting with potential buyers. It was explained that there were no formal offers or any kind of deal in the works and that meetings of that sort were extremely premature. It was stated that a meeting would be appropriate only if a formal offer were to be made and that Cornerstone representatives had already agreed to meet with Fair Meadow staff and community members if they were to proceed with a purchase agreement. There were criticisms directed at staff and council about how some believed questions from the public should be answered. Specific financial details were questioned; however, the council was unable to answer due to not having the records immediately available in council chambers and it was acknowledged that those covered several years and was not an answer that could be given instantly. Council members expressed frustration that they were unable to give those answers at council meetings.

Council members then diverted back to the agenda while the audience continued to have conversations amongst themselves, disregarding the business of the council.

Council member Kiefert motioned to add Administrator Liden and Deputy Administrator Erickson as points of contact and to authorize the contract for services from Pemberton for the purpose of evaluating the value of the property and the business of Fair Meadow Nursing Home and Assisted Living and for the Pemberton representatives to handle all legal matters pertaining to potential sale of the business and/or property. Council member Massmann seconded. Motion carried.

Lastly, the invoices for Health Dimensions Group were brought to Council by Administrator Liden for consideration of payment. The members of the public then interrupted with a number of questions about the interim administration.

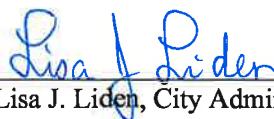
Liden recommended that the City loan the money to FMNH for the amount of \$24,862.63 to cover the cost of the invoice, anticipating repayment if/when the Nursing Home is awarded a loan under the distressed nursing home loan program through the State of Minnesota. Council member Wise made that motion, Council member Bosman seconded after a number of interruptions from the public. Motion carried.

Mayor Wilkens asked if there were any other items or announcements. None were presented.

There being no further business, Council member Massmann motioned to adjourn, seconded by Council member Wise. The meeting was adjourned at 9 pm.



Daniel Wilkens, Mayor



Lisa J. Liden, City Administrator