

## **Fertile City Council Meeting September 9, 2024**

The Fertile City Council held its regular meeting on Monday, September 9, 2024 at 7:00 pm at the Community Center. Present were Mayor Daniel Wilkens and Council members Mary Kiefert, Matthew Massmann, and Amanda Bosman. Also present were City Administrator Lisa Liden, Deputy City Administrator Stacy Erickson, Public Works Director Kevin Nephew, representatives from KRJB and The Fertile Journal and several members of the community.

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 revised to add the discussion of gopher bounty under new business. Motion was made by Council member Massmann and seconded by Council member Bosman to approve the agenda as amended. Motion carried.

Public comments were opened with a reminder from Mayor Wilkens that it was a comment period of ten minutes with no more than five minutes per participant. Questions were presented to Council and Wilkens and Council member Massmann reiterated that it was a comment period and not question and answer session.

Mayor Wilkens asked Council if they had reviewed the minutes of the August 12, 2024 meeting and if they had any additions or corrections. Hearing none, he asked for a motion to approve the minutes as presented. Council member Kiefert made the motion and it was seconded by Council member Bosman. Motion carried.

The Treasurer's Report was presented by City Administrator Liden. There were no out of the ordinary receipts for the month of August. The Fair Meadow lease payment of \$29,336.00 was made which took care of two months of past due payments. Cash balance at the end of August was \$161,679.39. Payments out of the ordinary included the bond payment for the water project for the amount of \$116,635.32 to Minnesota Public Facilities Authority, \$3,850.00 to Ehlers for the TIF reporting, and \$1,500.00 to Taft Stettinius & Hollister LLP for services relating to the nursing home bonds and the impact of a potential sale of the nursing home. The profit and loss budget versus actual was then reviewed and Liden noted that the target number was 58%. The general fund showed 89.89% of budget for income and 81.25% for expense. The water fund was at 60.08% of income and expenses were at 63.87%. The Sewer fund was 61.14% for income and 45.46% for expenses. The airport was 43.14% for income and 69.16% for expenses.

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

There was no airport report.

The written engineer's report from Jeff Ebsch of Moore Engineering was presented by Administrator Liden. It included an update on the Small Cities Development Program application for the intended water project that would include water, sewer, street on Blaine Street; Albert Avenue water main replacement and eliminate dead ends on Jefferson, Albert and Peterson Avenues. The application was for funding of \$600,000 from grant funding and \$910,000 in local share from a loan with hope of loan forgiveness. No action was needed from council.

Next on the report was the consideration of sidewalk replacement on 2<sup>nd</sup> Street on the west side of the school. There is potential funding through the Safe Routes to School (SRTS) program. The process was determined to have too short of a timeline to complete for the current grant cycle due to all of the requirements before the application deadline. It was suggested by Council that the process get started in preparation for the next cycle.

Lastly, the lead service line inventory results were shared. There were 121 surveys completed, and of those, eight were identified as lead, 13 were galvanized requiring replacement, 62 were non-lead and the remainder were unknown. The ones that were initially identified as lead needed follow-up verification. That was assigned to Public Works Director Nephew. Also in the project, the curb stops were identified via GPS and were added to the GIS map project.

City Administrator Liden gave the Fair Meadow report in place of Interim Fair Meadow Administrator Sandy Larson. She reported that there were 40 residents at the nursing home and 20 at the assisted living, citing that there was a double occupancy at the assisted living. That left two open beds at the nursing home at the time. She presented the financial reports for FMNH, showing a total cash balance as of the end of August of \$414,330.92. Of that, \$241,995.80 was designated funds for the facility grant and \$36,441.50 for the retention grant, leaving an available, unreserved balance of \$135,893.62. The profit and loss report for July 2024 showed a \$141,091.88 net income for the nursing home and \$5,059.72 for the assisted living. The facility wide net income for the fiscal year was \$181,069.88. That total was broken down to \$155,546.54 from the nursing home and \$25,523.34 for the assisted living.

Liden presented a request from Sandy Larson for the disposal of two lifts that were very old and determined to be beyond repair and unsafe for use. Larson requested Council approval to dispose of them at Spanky's Metal Recycling. Council member Massmann motioned to approve the request, seconded by Council member Kiefert. Motion carried.

Public Works Director Kevin Nephew shared that there was not much to report for public works for the month. The fall work and preparation for winter had begun. The street sweeper did not sell on auction, the bids were too low and did not meet the reserve. The maximum bids were below \$1,000 according to his report. He formally requested that as part of the budget discussion, Council consider offering an HSA to eligible City employees similar to what is offered to the nursing home.

City Administrator Liden gave her City Administrator report. She shared that she has continued working with the nursing home on finances, continued her work with attorneys for various City matters, had been working on the paperwork for the airport grant and fuel system project, had worked on a number of documents including the Master Service Agreement and more. She shared that there were no responses to the RFP for an auditor but that she had been having information exchanges with a firm that found the RFP after the deadline and that she hoped to make progress with that.

Agassiz Environmental Learning Center report was given by Deputy Administrator Erickson. She noted the upcoming events of the Star Party scheduled for September 12<sup>th</sup> and the preparation for the Haunted Trail had begun.

The Fire Department report was given by Council member Bosman. There were three false alarms and one medical call for the prior month.

Under old business, the community center project was still not quite done. The punch list had a few items left; the contractor hoped to be available in the coming week.

Water billing software quotes were presented from six different companies. The quotes ranged from \$1,450 to \$19,561 per year. Liden and Erickson shared what they had learned in the process of all the sales calls, emails, and product demos and shared the difficulty of finding an affordable package that fit all of the needs for both water customers and City staff. After short discussion and Council members sharing their opinions and concerns, it was recommended by Liden that due to cost, Council consider Banyon or gWorks as the two candidates. The various amenities of both were discussed and due to both cost and familiarity with the program, it was decided that Banyon would be the best fit. Council member Massmann motioned to approve Banyon as the next utility billing software for the City, and Council member Bosman seconded. Motion carried.

Under new business, a community member had approached City Staff to request a change to the gopher bounty. Garfield Township had raised their rate to \$5 per gopher and it was requested that the City do the same. Trapping was not uncommon at the airport or at the Agassiz Environmental Learning Center. Hearing the request, Council member Kiefert motioned to approve the increase to \$5 per gopher and Council member Bosman seconded. Motion carried.

Administrator Liden shared a request from community members for the use of the auditorium for pickleball several times a week. They reported that they currently set up and play at the school on the old tennis court and in the old gym but are limited to one night a week indoors in the winter and that can be pre-empted by school activities. They asked to be allowed to put tape on the floor and use the auditorium for no cost, working around schedules as other community-based groups do within the facility. The tape used would be tested first to be sure that it didn't leave a residue or damage the flooring. The tape would be replaced as needed and would be removed for special events.

Council member Massmann said that it was a phenomenal idea to make the community more active and promote healthy activities in the community. Discussion was held about liability insurance and if there were concerns with that. There was discussion of where equipment and supplies would be stored and it was noted that there was no available storage space in the community center. Therefore, equipment would need to be the responsibility of those who want to play and would need to be stored elsewhere, and they would be responsible for setup and take down for each session. Council member Massmann motioned to approve the use, pending approval from the City Attorney and insurance agent for the activity and that all their requirements were met first. Council member Bosman seconded the motion; motion carried.

Liden presented the quotes for health insurance for eligible City employees next. The cost increase was 2.04% for the two single plans and 2.54% for the family plan. The City covered the single plan completely and contributed the value of the single plan plus \$300 towards the family plan. She recommended that the City consider contributing \$400 to the family plan for 2025 as part of the budget planning process. The cost would be \$1,157 with the increase compared to the \$1,041.90 for 2024. She then asked Council to approve the two plans presented to offer to the employees. Council member Kiefert made the motion to approve the plans to offer to the eligible employees and Council member Massmann seconded. Motion carried.

The 2025 preliminary budget was presented by City Administrator Liden with a proposed 5% levy increase for initial consideration. She suggested a 3% cost of living increase for staff wages, an increase of \$100 towards the family health insurance plan. The 3% wage increase was based on an average of communities of similar size who shared that their increases ranged from 3% to 7%. She reminded Council that the preliminary levy must be set and that it can always be reduced but cannot be increased. After considerable discussion and skimming the numbers and looking at Liden's final numbers, Council member Massmann asked how much could be cut from the proposed budget to allow for more flexibility. Liden's proposed budget was closely balanced with a net income of only \$888.30 if all expenses and income went exactly as budgeted. In discussion, it was pointed out that there were a few months to sort

out the finer details and more meetings to work on the numbers. Council member Massmann motioned to adjust the preliminary levy to a 7% increase and work down from there as the Council fine tunes the budget more over the coming months. Council member Kiefert seconded and the motion carried.

Resolution #9-1-2024 was presented to formally set the preliminary levy to submit to Polk County. The levy was set at \$265,000 with \$16,000 of that designated to the fire fund, for a total of \$249,000 in the general fund. Motion was made by Council member Kiefert to adopt the resolution, seconded by Council member Bosman, and the motion carried.

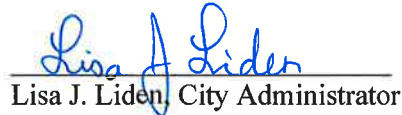
The Public Budget Meeting was set for December 9<sup>th</sup> at 7pm in the Council Chambers of the Duane Knutson Community Center at 101 S. Mill St. Fertile, MN on motion from Council member Massmann and seconded by Council member Kiefert. Motion carried.

Administrator Liden asked the council how they would like to proceed with the November City Council Meeting schedule. The regular date of the second Monday would fall on a federal holiday when no city business could be conducted. She proposed moving it to either the Tuesday immediately following that date or to the following Monday. After checking schedules quickly, the meeting was tentatively scheduled for Tuesday, November 12<sup>th</sup>.

Council member Massmann motioned to adjourn at 8:08pm, seconded by Council member Bosman.



Daniel Wilkens, Mayor



Lisa J. Liden, City Administrator