

Fertile City Council Minutes November 12, 2013

The Fertile City Council held its regular meeting on Tuesday, November 12, 2013 at 6:30 p.m. at the Community Center. Present were: Mayor Brian Nephew and Council members Linda Widrig, Dennis Hasler, Todd Wise and Tanner Lehmann.

Barry Robertson, Fair Meadow Nursing Home Administrator, was unable to attend the meeting but had provided a brief written report. Robertson's report showed that the month of October began and ended with 44 residents and had operated at 88.45% capacity. The nursing home had also provided 14 days of adult day care and had delivered 154 home meals. A financial report had not been prepared or presented since Robertson was waiting for the beginning of the year ledger balance amounts to open the books for the new year.

Kevin Nephew, Public Works Director, then gave his report to the Council. He reported that the pumps for the lift station would be arriving the second week of December and would be installed at that time. Nephew also reported that he hadn't heard from WSN on the survey work for the water and sewer in the Industrial Park.

Nephew then went on to report that a few fire hydrants had been repaired in October. The fire hydrants were either difficult to shut off or had leak issues. All of the problematic hydrants had been repaired with the exception of one by the nursing home. That hydrant couldn't be taken apart so they determined it was best to leave that one alone. The hydrant was still functional but was just difficult to turn off. Nephew concluded his report by informing the Council that the Christmas lights would be put up the following week so they were up in time for the Holiday Open House.

Libby Eid then gave her report on the Learning Center. Libby explained that she was in the process of reviewing the RSVP contract for the volunteers who work at the Center. She stated that the Nature Center was currently closed since it was deer hunting season and she felt it was not safe to have her volunteers there.

After a review of the minutes of the October 14, 2013 minutes Council member Widrig made the motion to approve. The motion was seconded by Council member Hasler and was carried.

The Treasurer's Report and Bills were then reviewed. Administrator Lisa Liden briefly went over the out of the ordinary disbursements as well as the report on investments with TD Ameritrade. After a couple of questions regarding the report, Council member Hasler made a motion to approve the Treasurer's Report and Bills as presented. The motion was seconded by Council member Wise and was carried.

The next agenda item up for discussion was the pricing of Industrial Park lots. Administrator Liden explained that she had spoken with Larry Erdahl about the City being a lien holder on the lots if they are sold under a payment plan. Erdahl had stated that the City should include a loan subordination phrase in the purchase agreement so that the purchaser would have no issues borrowing more funds for development.

Council member Hasler then asked how the lot pricing would proceed if the matter were turned over to the EDA. Liden explained that under the EDA Bylaws the Council would have to approve the lot prices that were set. After a short discussion, it was decided that the matter of lot pricing should be turned over to the EDA. Mayor Nephew requested that Liden give the EDA the information that had been provided to the Council and to also share with them the ideas that the Council had in regard to pricing.

Elm tree removal bids was the next item addressed. The two sealed bids that had been received were given to Mayor Nephew to open. The first bid, by Christensen Tree Removal was for \$6,350 and the second bid was by KB Tree Service for \$5,100. Copies of the bids were made for each Council member and a brief discussion was held regarding the bid process as well as stump height and timeframes for the tree removal.

Council member Wise then made the motion to approve the low bid made by KB Tree Service in the amount of \$5,100. The motion was seconded by Council member Hasler and was carried.

The next item on the agenda was the replacement of light fixtures in the Community Center. Administrator Liden explained that all of the fixtures currently used the T12 fluorescent bulbs and that those bulbs were being phased out. She went on to explain that Otter Tail Power was currently offering rebates for the replacement of fixtures using the T12 bulbs to ones that would use the more energy efficient T8 bulbs. Brian Downs and Liden had both been in contact with Otter Tail regarding the rebate program and learned that the program would be expiring at the end of the year. To qualify for the rebate, the work would have to be invoiced by year end and the project at least started.

Liden then went on to explain that the current four bulb fixtures would be replaced with fixtures that would use only three bulbs. Based on the energy savings, the rebate would be about \$51 per fixture. Downs and Nowacki had submitted pricing on both the two bulb and four bulb fixtures, but were unable to get an estimate on labor given the fact that some wiring upgrades could be needed once the project gets underway. Downs had said, however, that the rebate amount should definitely cover the labor portion.

This was followed by a discussion on how many and which lights to do at this time. Liden explained that there was about \$10,600 in the budget under the Community Center maintenance line item and that other funds were available in the capital improvements part of the budget.

After further discussion, Council member Widrig made the motion to replace all of the ceiling mount fixtures with four T12 bulbs. The motion was seconded by Council member Wise and was carried.

A water rate increase was the next agenda item open for discussion. Administrator Liden explained that the water fund had been operating at a loss for the past five years. She also explained that part of that loss could be alleviated by changing how labor costs were apportioned among the four City funds. This was followed by a review of the information the Council had been given in their packets showing the past losses as well as an analysis of the current water

accounts with four scenarios of rate increases. Liden also shared a spreadsheet that showed the water and sewer rates of over 40 other towns in Northwest Minnesota and according to this information, Fertile's water rates were on the low side by comparison.

This was followed by a discussion on the rate structure and whether or not to lower the number of gallons covered by the minimum to 2000. The four rate scenarios were also discussed in comparison to what the shortfall had been in past years.

Following this discussion, Council member Hasler made the motion to raise the water and sewer rates on January 1, 2014 to \$20 for water, \$10 for sewer for the minimum charge and to \$3.50 per 1,000 gallons for consumption over 2,500 gallons. The motion was seconded by Council member Widrig and was carried.

Mayor Nephew then explained to the Council that Twylla Altepeter had asked him if the Council would be interested in recognizing Leah Burke for her recent selection as the 9th District representative for the VFW National Citizenship Education Teacher Awards. Nephew explained that this was the first time that a teacher from Fertile-Beltrami had been selected for this honor since previous winners had been selected from larger schools.

After a brief discussion and review of the Certificate of Recognition that Liden had typed up, Council member Wise made the motion for the Council to recognize Leah Burke for her accomplishment. The motion was seconded by Council member Hasler and was carried.

There being no further business, the meeting was adjourned.

Brian Nephew, Mayor

Lisa J. Liden, City Administrator