

Fertile City Council Minutes February 9, 2015

The Fertile City Council held its regular meeting on Monday, February 9, 2015 at 6:30 p.m. at the Community Center. Present were: Mayor Brian Nephew and Council members Todd Wise, Linda Widrig and Dennis Hasler. Tanner Lehmann arrived after the meeting began. Also present were Administrator Lisa Liden, Public Works Director Kevin Nephew, Steve Emery, Barry Robertson, Angie Leiting, Peggy Erickson, Vern Anderson, Mark Berhow, Travis Jensrud, Dan Wilkens, and Twylla Altepeter.

Fair Meadow Nursing Home Administrator Barry Robertson was the first to report to the Council. He introduced Angie Leiting and Peggy Erickson and explained that they would be speaking about a proposed capital improvement project for the nursing home.

Robertson reported that Fair Meadow had begun the month of January with 46 and had ended the month with 41 residents, operating at 85.61% capacity. In addition they had served 151 home delivered meals and provided 11 days of adult day care.

Robertson then turned the floor over to Angie Leiting to present information on a proposed capital improvement project at the nursing home. Leiting explained that currently private rooms share a common bathroom between two rooms and that the current bathroom layout didn't allow for lifts to be used to provide assistance to residents. Those residents needing assistance had to quite often wait to use the common bathroom down the hall and that often the wait was long if there was a resident having a bath in that room. Under the proposed project, the bathroom area and sink areas in the private rooms would be reconfigured to allow for each room to have a private bath with the sink in the bathroom area. The layout of the new bathrooms would allow the use of a lift to assist residents.

Leiting then went on to explain that another phase of the project involved repurposing three areas at the nursing home to provide for more office space as well as a meeting room. The current lounge located just off the entrance was largely underutilized and under the proposed plan would be converted to an activity room with a charting and desk area for staff. The current activity room would be used for five offices and a meeting/conference room. The offices would provide space for the Administrator, Office Manager, Human Resources and the Social Worker. The current administrative office space towards the front of the building would be made into three separate nursing offices that will be more central to the residents and each other. The area would also provide physicians with a private exam area.

Peggy Erickson, Head RN for the nursing home, explained that the new private baths would provide for better infection control since there would be less use of the common area bathrooms in each wing. She also stated that there were quite often long wait times, particularly before and after meals, and that presented difficulties for residents and staff.

Barry Robertson then presented information on how the project would result in a property rate increase that would ultimately result in higher rates from the State. He explained that the home had already spent \$160,000 in capital improvements in 2014 but that the State had a threshold of \$250,000 that had to be spent over a 24 month period in order for those costs to be calculated into the property rate. If nothing further is done in 2015, that original \$160,000 would not be applied to the property rate and would effectively be wasted. The increase in the property rate would lead to an increase in income that would help to cover the financing costs for the project.

This was followed by a discussion of the project as well as possible financing sources. Administrator Liden explained that she and Robertson had also discussed expanding the project to include replacing flooring and wall coverings in certain areas of the home. Liden and Robertson felt that it would be easier to include those projects now rather than try to secure further financing a few years down the road.

After further discussion of the matter, Council member Wise made the motion to proceed on exploring financing options for the project. The motion was seconded by Council member Hasler and was carried.

Robertson concluded by reporting that the Fair Meadow Board had approved the Capital Lease for the Assisted Living after making one minor change in Section 5.6. Also reported was the approval of a scholarship request for Kimberly Carlson in the amount of \$2,500.

Kevin Nephew, Director of Public Works, appeared before the Council. He reported that snow removal had not really been an issue this winter but that icy roads had required sanding and salting. Nephew also reported that there had been two water main breaks. The one on west Washington had been at a shut off and hadn't presented many problems. The water main break on Garfield Avenue had required removal of curb, gutter and sidewalk to get at the break. He also stated that the break was quite unusual in that the pipe had several pinholes in a one foot section that had to be replaced. Normally breaks were due to one small hole or crack and that he hadn't seen one like this before. He hoped that the break was due to some flaw in the pipe in that area and that it wasn't a problem with the entire line. The line would have to be monitored and if the problem arose again, the City would have to consider replacing that entire line.

The next item on the agenda was a request from the Fertile Fire Dept. Relief Association. Vern Anderson, Travis Jensrud and Mark Berhow appeared before the Council to make the request. Jensrud explained that the current retirement amount was \$800 and had been in place since early 2001. The Association was proposing that the amount be increased to \$1,200. Since the Fire Department operates under the City, Council approval was needed to increase the pension amount since the City would be ultimately liable for financing pensions if the current fund was ever depleted.

Mark Berhow explained that the retirement amount is based on a formula in the State of Minnesota that uses the number of "active years" in the department as well as the amount of funds in the pension account. Based on this formula the pension could be increased to \$1,700 but the department wanted to take a conservative approach and increase to only \$1,200.

Vern Anderson explained that the increase in the pension would serve as a good incentive for the younger people in the department to stay on for 20 years. The department has already invested in the required training of their current personnel and would like to be able to retain them over the long term.

Mayor Nephew then stated that he would like to see the pension amount increased even further to \$1,500 rather than \$1,200. He stated that Fertile has an excellent department with well trained personnel and that those firefighters should get a decent pension when they retire. Berhow responded that an increase to \$1,200 was sufficient at this time and that they didn't want to risk depleting the account if interest rates decreased in the future to a level that wouldn't support the fund. He stated also that the fire department had been able to operate independently without financial help from the City and that they would like to continue to do so.

Council member Wise then made the motion to approve increasing the Fire Department pension amount to \$1,200. The motion was seconded by Council member Lehmann and was carried.

The next agenda item that was addressed was the airport project. Steve Emery from Widseth Smith Nolting was in attendance to present the bids on the project. Emery reported that the bids had been opened on January 29th and that 13 bids had been received. Of these, only eleven had been opened since two were missing necessary bid documents. The bids ranged in amount from \$116,758 to \$353,484 for the base bid plus alternate bid. Emery explained that the base bid was for the ditching and grading work and that the alternate bid was for the installation of a culvert at the north end of the runway, rather than an open ditch.

Emery stated that the low bid had been submitted by H & S Contracting out of Moorhead and, since he was unfamiliar with the company, that he had requested that they send him a list of other projects they had worked on. Emery had then contacted some other engineer firms that had worked with H & S and learned that they were a dependable firm and they had provided good work on previous projects and had completed them on time.

This was followed by a discussion on whether or not a culvert on the north end of the runway was necessary. Emery reminded the Council that MNDOT did not see the benefit of a culvert in that location so they would share

the costs of a culvert. Installation of a culvert at a later date was also discussed as well as what size culvert would be required. Emery then recommended that the Council accept the base bid submitted by H & S in the amount of \$102,358.

Council member Hasler then made the motion to accept the bid by H & S Contracting in the amount of \$102,358. The motion was seconded by Council member Wise and was carried.

The next item addressed in regard to the airport project was the contract with WSN for engineer services. Emery explained that MNDOT required a contract be in place in order for the City to be reimbursed for engineer costs.

After a brief discussion, Council member Wise made the motion to approve the project contract with WSN that was presented. The motion was seconded by Council member Widrig and was carried.

Steve Emery then addressed the annual owner/engineer contract that WSN would like the City to sign. Emery explained that this is a pretty standard contract that WSN has with all of the cities they provide engineer services to. Mayor Nephew then commented that the City had a similar contract with Floan Sanders in prior years but that one had not yet been signed with WSN. Council member Hasler then inquired whether there was a retainer fee in relation to the contract and Emery assured him that there was not.

After a brief discussion, Council member Hasler made the motion to approve the standard owner/engineer agreement with Widseth Smith Nolting for 2015. The motion was seconded by Council member Lehmann and was carried.

Mayor Nephew then asked Steve Emery about the sewer project along north Highway 32 that had been discussed last summer and fall and what the current status of the project was. Emery stated that they had looked at several options last summer and fall but it had not yet been determined which option would be the most cost effective. Emery asked Liden to have Kevin Nephew contact him in regards to the project.

The next item on the agenda was a 2 a.m. closing liquor license request. Mayor Nephew stated that Elizabeth Valdez had requested that the item be taken off the agenda for the meeting since she was unable to attend.

Liden gave a brief report on the Learning Center stating that there still was no Education Director in place and also that the sewer had frozen over the weekend. Maintenance staff had installed a tank heater in the septic and hopefully that would thaw out any frozen lines. This was followed by a discussion of the still persistent yet sporadic issue of discolored water in town.

The minutes of the January 12, 2015 meeting were approved on a motion by Council member Widrig that was seconded by Council member Hasler and was carried.

The Treasurer's Report and Bills were then presented by Administrator Liden. Liden gave a brief overview of the receipts and disbursements for the month of January as well as the balance sheet and budget to actual reports. A brief explanation was also given on the various investment accounts that the City has funds in.

Council member Widrig made the motion to approve the Treasurer's Report and Bills as presented. The motion was seconded by Council member Lehmann and was carried.

There being no further business the meeting was adjourned.

Brian Nephew, Mayor

Lisa J. Liden, City Administrator