

## **Fertile City Council Minutes March 13, 2017**

The Fertile City Council held its regular meeting on Monday, March 13, 2017 at 6:30 p.m. at the Community Center. Present were: Mayor Daniel Wilkens, and Council members Reid Jensrud, Linda Widrig, Stanton Wang, and Todd Wise. Also present were Public Works Director Kevin Nephew, City Administrator Lisa Liden, Fair Meadow Nursing Home Administrator Angie Leiting, Fair Meadow Office Manager Danielle Nelson, Brad DeJong from Eide Bailly and Ivan Nephew.

The meeting began with Brad DeJong from Eide Bailly presenting Fair Meadow's audit from the year ended September 30, 2016. He began by giving an overview on the receivables on page six of the draft audit and stated that it appeared as though Fair Meadow was doing a good job filing in a timely manner and that their level of uncollectible debts was reasonable.

The next item that was explained was the amounts shown for pension liability. This was followed by a long discussion of pension liabilities and what that amount really meant for Fair Meadow. The final item explained by DeJong was the drop in revenue due to the drop in resident days for the fiscal year. Much of the drop, however, was due to the renovation project limiting the number of available rooms.

The agenda for the meeting was then approved on a motion by Council member Jensrud that was seconded by Council member Wang and carried.

Fair Meadow Nursing Home Administrator Angie Leiting then gave her report to the Council. She reported that they began the month of February with 39 residents and ended with 39, operating at 90.98% capacity. The home had also served a total of 338 home delivered meals. Leiting also noted that the nursing home was now at full occupancy with 42 residents.

Leiting briefly reviewed the financial statements and noted that there was now a contractual adjustment that would be shown monthly on the statements rather than having a large adjustment done at the end of the year. Council member Widrig then inquired about the renovation project and Leiting reported that the project would be done in about three weeks.

The next item up for discussion in regard to Fair Meadow was Leiting's request to have the City participate in the ECPN program again. If the City were to agree, the monthly amount that the City would have to pay in to the State would be \$3,444 and in return, Fair Meadow would have an increase of \$7.71 per resident per day for a total increase in revenues of \$84,482.70 for April through December of 2017.

This was followed by a discussion on the City's participation in the ECPN program from 2013 through 2015. City Administrator Lisa Liden explained that the City had paid in a total of \$573,932 over that time period with the understanding that some of the revenue increases would be paid to the City in the form of revenue sharing. The only amount that was paid back to the City in revenue sharing was \$228,000 in December of 2014. This meant that it had cost the City over \$345,000 to participate in the program the last time. When Mayor Wilkens then pointed out that the \$345,000 was almost equal to two years of the City's property tax levy and then inquired whether those funds would ever come back to the City. Administrator Leiting responded that they wouldn't since those decisions were made under the prior Administration. After a long discussion on how participation would be handled this time as opposed to the last time, it was determined that Fair Meadow would pay the City either a monthly rental fee or payment in lieu of taxes.

A motion was then made by Council member Jensrud to enroll in the ECPN program from April through December at a monthly cost to the City of \$3,444. The motion was seconded by Council member Wise and was carried.

The next item up for discussion under old business was the 2 a.m. closing license request made by Liz Valdez for Side Street Bar and Grill. Valdez passed out copies of a letter written to Mayor Wilkens explaining why she was requesting the license. After everyone was through reading the letter, Council member Wise made the motion to approve the 2 a.m. closing license for Side Street Bar and Grill. The motion was seconded by Council member Wang and then voted upon. The motion passed with Council members Wise, Jensrud and Wang voting in favor of the license and Council member Widrig voting no.

Administrator Liden then explained that Council will need to decide on a license fee for the 2 am closing license. She explained that the cost for the Sunday license was \$100 and that she felt that would a reasonable amount for the 2 a.m. closing license as well.

After a brief discussion, Council member Jensrud made the motion to set the City license fee for a 2 a.m. closing license at \$100. The motion was seconded by Council member Wang and was carried.

Kevin Nephew, Director of Public Works, then gave his report to the Council. He began by presenting plans for the new bathroom and warming house building for JD Mason Park. He also showed a rough plan on where the splash park, warming house/bathroom building, and the new ice rink would be located in the park. He explained that he had measured everything out so that it all would fit. He explained further that the old rink was 70 ft. by 165 ft. and that the new rink as drawn on his sketch would be slightly smaller at 70 ft. by 120 ft. This was followed by a discussion on where the rink could be expanded so it was closer to the size of the current rink.

Marji Broden from ECI was also present at the meeting and she reported that the fundraising was going quite well and that they were ready to order the architectural plans for the splash park. This was followed by a discussion on the concrete work that would be needed for the splash park as well as the bathrooms and skating rink. The plans for the building were also reviewed with a few recommendations on changes to the plans. It was decided to have a committee meet to review the plans further and to work with Kevin Nephew during the project to make decisions and recommendations along the way. The committee would consist of Nephew, Liden, Mayor Wilkens and Council members Wang and Jensrud. If at any time all three from Council were to be present at a meeting, notice would be posted that it was a public meeting since a Council quorum would be present.

Administrator Liden then referred Council to the new draft of the Memorandum of Understanding that she had passed out prior to the meeting. The draft that was in the Council packets had been edited to reflect some recommended changes by City Attorney Stephen Larson.

After a review of the MOU and a modification to item 4D, a motion was made by Council member Jensrud, seconded by Council member Wise to approve the MOU as amended. The motion carried.

The next item up for discussion under Public Works was the RV dump station. Nephew reported that locating the dump station at the City shop on Garfield was not workable but that the Northside Express location would work well. Mayor Wilkens said that he would work with John and Kristi Lehmann to see if they would be willing to have the City located the RV dump station at Northside.

Up for discussion as the next agenda item was the code addition to add a definition to Chapter 152A. The addition would define the Planning Commission as the City Council until such time a Planning Commission is established. There was no public in attendance at the meeting so there was no need for a Public Hearing on the matter.

A motion was made by Council member Jensrud to approve Ordinance #2017-01 Amending Chapter 152A of the City Code to include a definition of the Planning Commission. The motion was seconded by Council member Wise and was carried.

Administrator Liden then gave the Administrator's report. The written report was presented to Council and was briefly reviewed by Liden.

Under the Learning Center report, Council member Jensrud reported that he was looking at purchasing a PA system for \$200 that could be used for Haunted Trails, Summerfest, and other events at the Learning Center. Administrator Liden pointed out that the system could also be used for other community events such as the car show.

Jensrud and Wang then gave the Fire Department report. They reported that there had been no calls during the month of February but that eight members of the department had attended classes in Moorhead. Jensrud explained that those in attendance had taken part in different classes so that many areas were covered and what was learned could be shared with the department.

Under the Airport, Mayor Wilkens explained that he had more people to recommend for the Airport Commission. Administrator Liden had passed out an amended Resolution of Annual Appointments to reflect the additions to the Airport Commission. Council member Jensrud made a motion to approve the amended Annual Appointments with the further amendment to add Council member Wang to the Commission. Council member Widrig then noted that she would like to further amend the appointments to include a member of EMS on the Commission. There was further discussion on the matter, and then Council member Wise seconded the motion to approve the Annual Appointments as amended. The motion was carried.

The minutes of the February 13, 2017 meeting were approved on a motion by Council member Widrig that was seconded by Council member Wise and was carried.

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

Under old Business, the RFP for City Engineer services was then up for discussion. There were five firms that had presented proposals and holding a special meeting to go over the proposals was discussed. It was also discussed that a second special meeting would be required if the Council were to grant interviews to two or three of the firms that had submitted proposals.

A motion was made by Council member Jensrud to hold a special meeting on Monday, March 27<sup>th</sup> to review the engineer proposals and to also discuss oversight of Fair Meadow Nursing Home.

The next item up for discussion under new business was the publication of draft minutes. Administrator Liden explained that it has been City policy to not publish minutes until they were officially approved at the next City Council meeting. She explained further that publication of draft minutes had been discussed at the Special Meeting held in February but that there had been no formal approval of that practice.

A motion was then made by Council member Widrig that was seconded by Council member Wang to approve the publication of draft minutes on the City website. The motion was carried.

City support for the Polk County Fair was then up for discussion. Liden explained that in previous years the City had provided \$2,500 in support for the fair. With the new members on Council she felt that it would be best to get formal approval from Council to continue providing the support. After a brief discussion, a motion was made by Council member Wise for the City to provide \$2,500 in support for the fair. The motion was seconded by Council member Jensrud and was carried.

Ordinance #2017-02 was the next item up for discussion. Liden explained that the Ordinance would make an addition to the City Code that would detail the duties and responsibilities of the Fair Meadow Advisory Board. Since the Ordinance would amend City Code, a Public Hearing with the requisite notice in the paper would be required. Liden recommended that Council and the Advisory Board review the ordinance prior to the April 10<sup>th</sup> meeting to make any necessary changes before a hearing was held for approval.

The next item up for discussion was the Industrial Park. Liden explained that there had been an inquiry into purchasing two highway 12 frontage lots on the eastern end of the park. Liden explained further that those lots were currently not leveled and also did not have water and sewer available to them. The original plan was to bring water and sewer from the south end of the park to provide service to the eastern block of lots when there were no lots available on the west side of the park. To make those water and sewer extensions at this time would be quite expensive and there were still lots available on the west that should be sold and developed before making further financial investments on the east lots. It was decided to not do any further utility extensions or leveling on the east lots until such time the west lots were sold and developed.

The City's water bill policy was then up for discussion. Administrator Liden explained that the current official policy in the City Code was that all unpaid water bills were subject to shut off when they remained unpaid 20 days after the due date. In practice, however, City staff had been working with customers who had past due accounts to get them on a payment plan so that shut off was not necessary. Quite often, people ran into difficulties staying current on their bill when they had other short term personal issues such as job lay-off or loss, family illness or other emergency expenses. Liden felt it would be rather cruel to further compound those short-term issues by shutting off water service and that it worked quite well to work with those customers to get a payment plan in place to become current on their water bill.

Liden then referred Council to the aged balances report for water and sewer and the analysis that she had done on the report highlighting the accounts that were for rental properties in the City. The report showed that the rental accounts that were problematic represented a much higher percentage of accounts than the non-rental property accounts. Liden explained that current City policy required landlords to get a copy of their tenants' water bill since ultimately, the landlord would be held responsible for any unpaid accounts. Liden explained further that she had researched how other cities handle rental properties and had learned that in many cities, the water account is always in the landlord's name and, therefore, their responsibility from day one. Council agreed to look into changing Fertile's policy in regard to landlord/rental accounts at a later date since it would require a change to the City Code.

Liden then directed Council to the policy that she had written up for publication on the City website. The policy explained when the bills were mailed out and when they were due as well as information on the importance of submitting regular meter readings. The payment policy was written as it was in the City Code with the accounts that are 20 days past due being subject to shut off.

After further discussion, the water bill policy was approved for publication on the City website on a motion by Council member Wise that was seconded by Council member Wang and carried.

There being no further business, the meeting was adjourned.