

Fertile City Council Minutes
Special Meeting
December 17, 2018

The Fertile City Council held a special meeting on Monday, December 17, 2018 at 8 p.m. at the Community Center. Present were: Mayor Daniel Wilkens and Council members Linda Widrig and Reid Jensrud. Also present was City Administrator Lisa Liden.

The meeting was called to order at 8 p.m. by Mayor Wilkens and the meeting was closed on a motion by Council member Jensrud to discuss a personnel matter. The motion was seconded by Council member Widrig and was carried.

The closed portion of the meeting was ended and the public portion reopened on a motion by Council member Widrig, seconded by Council member Jensrud and was carried.

A motion was then made by Council member Widrig to go with the Personnel Committee's recommendation as to Administrator Liden's salary increase for 2019. The motion was seconded by Council member Jensrud and was carried.

Council member Wang then joined the meeting.

A motion was then made by Council member Jensrud and seconded by Council member Widrig to approve the budget as it was presented at the December 10th regular meeting. The motion was carried.

The snow removal policy was then reviewed. Mayor Wilkens recommended that under paragraph three that the policy simply state that streets will be cleaned curb to curb rather than specifying the number of passes that would be made. Administrator Liden then commented that she was hesitant about including specific times and deadlines pertaining to snow removal and salting of streets. There were so many variables that come into play with snow removal that she felt putting hard deadlines in writing should be avoided.

It was determined to remove paragraph 13 from the policy since that paragraph was not necessary and was an addition made from the League Model Policy. It was decided to also add a section pertaining to the City's clearing of the ends of driveways and to add another section on parking. Finally, it was decided to add the final paragraph of the City's current policy to the complaint section of the document.

A motion was then made by Council member Widrig and seconded by Council member Wang to approve the snow policy as amended. The motion was carried.

The next item up for discussion was a rate study for water and sewer. Administrator Liden explained that Minnesota Rural Water had free worksheets available to do an informal rate study but that those worksheets followed the same procedure that she currently followed when evaluating rates. Rural Water also offered a more formal study for \$1,500 and given the increase

that would be needed to pay for the upcoming water project, Liden recommended that the formal study be done.

A motion was then made by Council member Jensrud to approve having MN Rural Water do a formal rate study for \$1,500. The motion was seconded by Council member Widrig and was carried.

Discussion was then held on whether or not the City should offer a Section 125 Cafeteria Plan to employees. Administrator Liden explained that a Section 125 plan would allow employees to choose how to spend their benefit dollars and that adopting such a plan would be the only way an employee could choose having the City contribute to a Health Savings Account instead of paying for a health insurance policy. Liden explained further that under a Section 125 Plan that the City would have to offer both taxable and nontaxable options to employees. The nontaxable options could be health insurance, health savings contribution, and/or dental insurance. The taxable option that is typically offered under Section 125 Plans is cash instead of benefits.

Mayor Wilkens then asked if there would be any added costs to setting up such a plan and if it would have to be administered by an outside party. Liden explained that the plan could be administered by the City but that the City should have outside assistance in drafting the plan documents just to make sure they would be in compliance with IRS regulations.

Council member Widrig then asked if having such a plan would result in added work with running payroll and Administrator Liden said that it wouldn't result in much added work at all since likely only one employee would choose a Health Savings contribution rather than insurance.

After further discussion of the matter, a motion was made by Council member Jensrud to not proceed with offering a Section 125 Cafeteria Plan. The motion was seconded by Council member Wang and was carried with Wilkens, Wang, and Jensrud voting yes and Council member Widrig voting no.

The meeting was adjourned at 9:20 on a motion by Council member Jensrud.

Daniel Wilkens, Mayor

Lisa J. Liden, City Administrator