

Pipestone, Minnesota
January 4, 2016

Pursuant to due call and notice thereof, a regular meeting of the Pipestone City Council was duly held in the Municipal Building at 6:30 p.m. on the 4th day January 2016. Mayor Laurie Ness called the meeting to order. Roll call was taken and a quorum was declared. Members present: Laurie Ness, Myron Koets, Kyle Caskey, Jim Stout, and Rodger Smidt. Absent: None. Others present: Rhonda VanDeBrake, City Engineer Travis Winter, Water/Wastewater Supervisor Joel Adelman, Liquor Store Manager Jim Biever, Building and Zoning Official Doug Fortune, Recreation Director Stacy Claussen, Public Works Director Scott Swanson, Airport Manager Rob Dykstra, Cable Access Coordinator Steve Moffitt, Deb Fitzgerald, City Administrator//City Attorney Jeff Jones and City Clerk Deb Nelson.

ADJOURN 2015 COUNCIL SINE DIE

Motion was made by Koets, seconded by Stout and unanimously carried to adjourn the 2015 Council Sine Die.

CONVENE 2016 CITY COUNCIL

Motion was made by Smidt, seconded by Stout and unanimously carried to convene the 2016 City Council.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

APPROVE AGENDA – ADDITIONS, CHANGES OR DELETIONS

The agenda was approved as presented.

COMMUNITY CONCERNS

REPORTS OF STAFF PERSONNEL

Recreation Center Director Stacy Claussen reported that there were over 100 individuals at the Rec Center today; the steam room is now complete; she is researching new security cameras; looking into the possibility of adding a new bathroom upstairs; looking for a place for a soccer program; looking at new activities for the Free Range Kids program and welcomes any ideas.

Water/Wastewater Supervisor Joel Adelman reported he is working on year end totals; his department assisted with snow removal; they are clearing snow away from fire hydrants; he has visited area water treatment facilities and will be visiting the Eagan and Brookings SD facilities on Wednesday and invited any Council members to join him in the visits.

Airport Manager Rob Dykstra reported flying is down with eight landings today; snow banks are gone and commended the Public Works Department for removing them; the computer for the card machine is not working and he is waiting for more information from the FAA on the operation of drones.

Liquor Store Manager Jim Biever reported he had a successful year with December having a 2% increase over last year with a 3.2% increase for the quarter for a total of a 4% increase for the year; the holidays and inventory went well.

Pipestone County Sheriff Keith Vreeman reported total numbers for various assaults and crimes for 2015 and he is doing training with the 4-wheeler ordinance and his deputies.

Building and Zoning Official Doug Fortune reported there were 206 permits issued in 2015 for total valuation of \$14m with the city collecting \$85,000 in fees; he has scheduled an educational meeting for Wednesday, January 6th with rental property owners; and other cities are requiring owners of rental properties that are vacant be registered with the city and pay a fee since the city becomes the custodians of these vacant buildings.

Public Works Director Scott Swanson reported they are picking up Christmas trees; will be tagging sidewalks next week; working on snow removal; there were 46 grave openings for 2015 and they will be hooking up electricity at the Hiawatha Lodge the beginning of February.

Cable Access Coordinator Steve Moffitt reported there are quite a few things to tape and show; he is helping Chuck Sendelbach with the audio/visual installation at the Hiawatha Lodge which should service the audio/visual needs for 10-20 years.

PRESENTATION

Conflict of Interest Policy

City Administrator/City Attorney Jones read into the minutes the City of Pipestone Administrative Policy #6 "Conflicts of Interest".

CITY OF PIPESTONE ADMINISTRATIVE POLICY #6 CONFLICTS OF INTEREST

WHEREAS, the following policy of conflicts of interest is hereby adopted:

1. A disclosure and description of the nature of any conflict of interest or possible conflict of interest on the part of any City Council member should be disclosed to the other City Council members and made a matter of record when the interest becomes a matter of City Council actions.
2. Any City Council member having a conflict of interest or possible conflict of interest on any matter should not vote or use his/her personal influence on the matter, and he/she

should not be counted in determining the quorum for the meeting, even where permitted by law. The minutes of the meeting should reflect that a disclosure and description of the nature of the conflict was made, the abstention from voting and the quorum situation.

3. Federal Regulations, 24 CFR, Part 570, Uniform Administration Requirements and Minnesota Statutes 412.311 and 471.87-471.89 address conflict of interest. Under these regulations, recipients may not:

- Obtain personal or financial interest or benefits, including money, favors, gratuities, entertainment or anything of value that may be interpreted as conflict of interest.
- Obtain a direct or indirect interest in any contract, subcontract or agreement for any activity. This prohibition extends to contracts in which recipients' spouse, minor child, dependent or business associate may have personal or financial interest.
- Obtain a direct or indirect interest in a contract, subcontract or agreement, include: elected, employed, appointed or contracted individuals; or their firms, of State, County, City or Township; or Grant Administrator.

BE IT FURTHER RESOLVED, that this policy be reviewed annually for the information and guidance of City Council members, and that any new City Council member be advised of the policy upon entering on the duties of his/her office. The Mayor and City Administrator are authorized and directed to see that the foregoing policy is effectuated.

Adopted: January 9, 1995

ENGINEERING

5th Avenue SW Street & Utility Improvements – 2015 - Change Order No. 1

City Engineer Travis Winter explained the change order included two additional work items resulting in additional costs of \$11,867.20 that was not included in the bid amount. The itemized costs of other bid items came in below the bid quantities resulting in the final contract being lower than the amount actually bid. Final contract price for the project is \$622,642.00.

Motion was made by Stout and seconded by Koets to approve Change Order No. 1 for the 5th Avenue SW Street & Utility Improvements – 2015 project. Upon vote taken; Ayes: Ness, Koets, Smidt, Stout; Nays: Caskey; motion carried 4-1.

5th Avenue SW Street & Utility Improvements – 2015 – Pay Request No. 6/Final

City Administrator/City Attorney Jones stated Thorstad Companies has submitted Pay Request No. 6/Final in the amount of \$104,177.12 for the 5th Avenue SW Street & Utility Improvements – 2015 project.

The question was asked if this dollar amount reflected the liquidated damages with Jones responding yes.

Motion was made by Koets and seconded by Stout to approve Pay Request No. 6/Final for the 5th Avenue SW Street & Utility Improvements – 2015 project. Upon vote taken; Ayes: Ness, Koets, Smidt, Stout; Nays: Caskey, motion carried 4-1.

CONSENT AGENDA

City Clerk Deb Nelson explained to the Council that she had inadvertently forgot to put the Consent Agenda on the agenda but in order to pay bills, it would need to be approved.

Mayor Ness stated the Consent Agenda contains the December 21, 2015 Regular Meeting Minutes and Payment of Claims-Listing of Bills and asked if there was any discussion regarding these items.

Motion was made by Smidt, seconded by Koets and unanimously carried to approve the Consent Agenda which consisted of the following: December 21, 2015 Regular Meeting Minutes and Payment of Claims-Listing of Bills in the of \$233,912.23 for warrants #049794 to #049896 to be issued in payment thereof.

NEW BUSINESS

Approve Two New Firefighters

City Administrator/City Attorney Jones informed the Council that Fire Chief Corey Popma is requesting the approval of two new firefighters, Blake Jasper and Eder Vargas, pending the results of their medical physicals. He also mentioned that there would be additional vacancies in March.

Motion was made by Smidt, seconded by Stout and unanimously carried to approve Blake Jasper and Eder Vargas as new firefighters for the Pipestone Fire Department pending the results of their medical physicals.

Resolution 2016-1

Motion was made by Stout, seconded by Smidt and unanimously carried to approve Resolution 2011-1: A RESOLUTION ADOPTING RULES OF ORDER AND PROCEDURE FOR THE CITY COUNCIL IN ACCORDANCE WITH THE CITY CODE CHAPTER 2, SECTON 2.03.

Resolution 2016-2

Motion was made by Koets, seconded by Smidt and unanimously carried to approve Resolution 2016-2: A RESOLUTION DESIGNATING THE PIPESTONE COUNTY STAR AS THE OFFICIAL NEWSPAPER FOR THE CITY OF PIPESTONE.

Resolution 2016-3

Motion was made by Smidt, seconded by Koets and unanimously carried to adopt Resolution 2016-3: A RESOLUTION DESIGNATING THE FIRST FARMERS AND MERCHANTS NATIONAL BANK AS AN OFFICIAL DEPOSITORY OF CITY FUNDS.

Resolution 2016-4

Motion was made by Koets, seconded by Caskey and unanimously carried to adopt Resolution 2016-4: A RESOLUTION DESIGNATING THE FIRST BANK AND TRUST AS AN OFFICIAL DEPOSITORY OF CITY FUNDS.

Resolution 2016-5

Motion was made by Stout, seconded by Smidt and unanimously carried to adopt Resolution 2016-5: A RESOLUTION DESIGNATING THE FIRST STATE BANK SOUTHWEST AS AN OFFICIAL DEPOSITORY OF CITY FUNDS.

Resolution 2016-6

The Pipestone County Pheasants Forever is requesting exemption from lawful gambling license for their annual Pheasants Forever Banquet to be held March 29, 2016 at the National Guard Armory. They intend to sponsor raffles during the banquet.

Motion was made by Stout, seconded by Smidt and unanimously carried to adopt Resolution 2016-6: A RESOLUTION REGARDING AN APPLICATION FOR AUTHORIZATION FOR EXEMPTION FROM LAWFUL GAMBLING LICENSE.

Resolution 2016-7

City Administrator/City Attorney Jones informed the Council that at the previous Council meeting held December 21st, it was mentioned to have a resolution prepared supporting a moratorium on new Minnesota Pollution Control Agency's water and wastewater standards. He has prepared this resolution for Council review.

Mayor Ness asked if the resolution should state the number of years for the moratorium.

Councilmember Caskey felt it should 20-30 years, same as the length of the debt.

Councilmember Koets felt we could ask for an open moratorium that would last the length of the debt.

Water/Wastewater Supervisor Adelman suggested five to ten years.

Councilmember Stout suggested tabling the resolution until the next meeting on January 19th,

Mayor Ness likes the resolution but felt some language changes could be made.

Motion was made by Caskey, seconded by Stout and unanimously carried to table the resolution until the January 19th meeting to allow for language changes.

Change Meeting Date from Monday, January 18, 2016 at 6:30 p.m. to Tuesday, January 19, 2016 at 6:30 p.m.

Due to the Dr. Martin Luther King Jr. holiday on Monday, January 18th, Council will need to change the meeting to Tuesday, January 19th.

Motion was made by Koets, seconded by Caskey and unanimously carried to change the regular City Council meeting of Monday, January 18, 2016 at 6:30 p.m. to Tuesday, January 19, 2016 at 6:30 p.m.

Schedule Planning Session

City Administrator/City Attorney Jones asked the Council if they would like to schedule a planning session to review the five and ten year plan.

Councilmember Stout suggested a Saturday morning in January with Smidt responding that Saturday mornings don't work for him.

Motion was made by Koets, seconded Caskey and unanimously carried to schedule a planning session for Saturday, January 30th at 3:00 p.m. at City Hall.

Cost of Living Adjustment

City Administrator/City Attorney Jones explained to the Council that in past years, Council has given a Cost of Living Adjustment (COLA) to employees. Typically the city uses the Federal Social Security increase but this year the COLA is zero. He said the city budgeted a 2.25% COLA for employees in the 2016 budget which was approved at the December 21st Council meeting. He mentioned the County's COLA was 2% and the City of Luverne's was 2.25%.

Councilmember Caskey inquired as to why would the city give the COLA to employees when it is zero for Social Security.

Motion was made by Stout and seconded by Koets to approve a 2.25% cost of living adjustment to city employees. Upon vote taken; Ayes: Ness, Koets, Stout, Smidt; Nays: Caskey, motion carried 4-1.

CLOSING COMMENTS

City Administrator/City Attorney Jones summarized a hand out from the Coalition of Greater Minnesota Cities letting people know their goals for the 2016 legislative session. He stated that

the city has applied for funding for the proposed new water treatment facility and stressed that local residents need to contact our legislators and voice their opinions.

Jones also mentioned that hard copies of the budget were available for Council members.

EXECUTIVE SESSION

Consider Sale of Lots 1 and 2, Block 2, Industrial Park, First Addition

Motion was made by Smidt, seconded by Stout and unanimously carried to close regular session.

Motion was made by Koets, seconded by Smidt and unanimously carried to enter into Executive Session.

Motion was made by Stout, seconded by Smidt and unanimously carried to close Executive Session.

Motion was made by Stout, seconded by Caskey and unanimously carried to enter back into Regular Session.

Mayor Ness stated that City Administrator/City Attorney Jones was authorized to continue negotiation of the possible sale of Lots 1 and 2, Block 2, Industrial Park, First Addition.

ADJOURNMENT

Motion was made by Stout, seconded by Caskey and unanimously carried to adjourn the meeting at 7:50 p.m.

Laurie K Ness
Mayor

ATTEST:

Deb Nelson
City Clerk