

Pipestone, Minnesota
April 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 of April 2016. Mayor Laurie Ness called the meeting to order. Roll call was taken and a quorum was declared. Members present: Laurie Ness, Myron Koets, Jim Stout, Rodger Smidt and Kyle Caskey. Absent: None. Others present: Deb Fitzgerald, Airport Manager Rob Dykstra, Public Works Foreman Mike Bloemendaal, Liquor Store Manager Jim Biever, Water/Wastewater Supervisor Joel Adelman, Sheriff Keith Vreeman, Recreation Director Stacy Claussen, Cable Access Coordinator Steve Moffitt, City Engineer Travis Winter, City Administrator/City Attorney Jeff Jones, and City Clerk Deb Nelson.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

AMEND AGENDA

City Administrator/City Attorney Jones requested that the Council amend the agenda to include under New Business, Item D – 1: Resolution 2016-18 and D – 2: Schedule a Public Hearing to Consider a Minnesota Investment Fund Application for Hocking International Laboratories, LLC.

Motion was made by Koets, seconded by Stout and unanimously carried to amend the agenda to include under New Business, Item D – 1: Resolution 2016-18 and D: – 2 Schedule a Public Hearing to Consider a Minnesota Investment Fund Application for Hocking International Laboratories, LLC.

CONSENT AGENDA

Mayor Ness stated the Consent Agenda contains the March 21, 2016 Regular Meeting Minutes; March 28, 2016 Special 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 Stout and unanimously carried to approve the Consent Agenda which consisted of the following: March 21, 2016 Regular Meeting Minutes; March 28, 2016 Special Meeting Minutes and Payment of Claims-Listing of Bills in the amount of \$360,531.04 for warrants #050518 to #050608 to be issued in payment thereof.

REPORTS OF STAFF PERSONNEL

Water/Wastewater Supervisor Adelman reported wastewater flows are up because of sump pumps and extra ground water – he asked that everyone please put their sump pump hoses outside; they are jetting sewers and doing maintenance; they have discharged the ponds three times in the last month which totaled 70M gallons of water; they have hooked up sewer at Westview Park and he is working on the water plant design and the Highway 30 project.

Airport Manager Dykstra reported there were 350 landings this last quarter which is down for the quarter due to the weather; all the hangars are full; they are still experiencing minor problems with the card machine; and the PAPI lights for runway 18 are out of order and the rotating beacon won't rotate.

Liquor Store Manager Biever reported that two of the three months in the last quarter were up in sales; the new cooler project is coming along nicely – they should be up and running by Friday; and he thanked the Public Works Department for their help with the project.

Sheriff Vreeman reported they are staying quite busy; they will be working on the inappropriate use of 4-wheelers that has been happening; and the Board approved a new full-time position.

Building and Zoning Official Fortune was unavailable with City Administrator/City Attorney Jones reporting that Doug is continuing with rental inspections and blight enforcement.

Public Works Foreman Bloemendaal reported that they have been helping at the liquor store quite a bit; they are getting the parks ready; plowing snow every once in a while; street sweeping; patching potholes and doing maintenance on some of the alleys.

Mayor Ness mentioned there was garbage in the pond at Hiawatha Pageant Park.

Councilmember Caskey asked when clean up days were in May. City Clerk Nelson stated May 10-11, 2016.

Cable Access Coordinator Moffitt reported that he is waiting for spring sports to start; he has hired Mataya Douty to help with taping; he will be finishing the A/V hook up tomorrow at the Lodge; and cable franchises are going down due to people using dish tv, Netflix, etc.

Recreation Director Claussen reported they have started summer registrations today and their computers were hit by a virus and they are hoping they can get everything back.

Mayor Ness asked if there were any new programs with Claussen stating there is a new Red Cross program for three and four year olds.

Councilmember Caskey inquired if everything was ready at the pool. Claussen stated she has sent out letters to her returning staff and is waiting to hear back from them.

Caskey asked if registration hours could be extended until 5:30 p.m. to allow people that work to be able to register for summer programs. Claussen reported that registration hours begin at 5:30 a.m. and end at 5:00 p.m. as her part-time staff after 5:00 are not able to answer questions that come up during registration.

Councilmember Koets asked if on-line registration would help with Claussen stating no.

Caskey then asked if the Rec Center has developed any FAQs or talking points that could help part-time staff with registration.

ENGINEERING

Robson Building Demolition – Pay Request No. 2

A & C Excavating LLC has submitted Pay Request No. 2 in the amount of \$48,925.00 for work completed to date on the Robson Building Demolition project. The pay request has been reviewed by City Engineer Travis Winter and he is recommending Council approve the pay request.

City Administrator/City Attorney Jones stated this pay request would exhaust the Small Cities funds but blight enforcement funds will cover the remaining costs of this project.

Motion was made by Koets, seconded by Caskey and unanimously carried to approve Pay Request No. 2 in the amount of \$48,925.00 to A & C Excavating for the Robson Building Demolition project.

OLD BUSINESS

Alcohol Service at the Hiawatha Lodge

City Administrator/City Attorney Jones explained that March 21st was the date that Council had selected to open and review alcohol vendor bids for alcohol service at the Hiawatha Lodge but no bids had been received. On March 30th, the City had received a bid from the Calumet Inn to serve alcohol at the Lodge. He asked if the Council would like to do a second round of bidding or what their wishes were regarding the Calumet Inn bid.

Councilmember Koets explained that the Calumet had a couple of issues to finish up regarding the purchase of the Inn and that was why they hadn't submitted a bid by the due date and was told by a member of the Hiawatha Pageant Park Committee to go ahead and submit a bid.

Councilmember Caskey suggested going out for a second round of bids and revising the contract language.

Councilmember Smidt stated he was always for having a business perform alcohol services instead of the City.

Mayor Ness suggested re-opening the bidding process for one week and give City staff the authority to open and accept bids.

Councilmember Koets stated the City is having a special meeting on Tuesday, April 12th to conduct the Board of Appeals and Equalization meeting and felt the Council could hold a special meeting prior to the Board of Equalization meeting to open and review bids.

Motion was made by Koets and seconded by Smidt to accept sealed bids until 5:00 p.m. on April 12th and schedule a special meeting for 6:45 p.m. to open and review bids. Upon vote taken; Ayes: Ness, Koets, Caskey, Smidt; Nays: Stout, motion carried 4-1.

Soccer Field at Hiawatha Pageant Park

City Administrator/City Attorney Jones informed the Council that this item was tabled from the March 21st Council meeting in order to have representatives available to answer questions that were asked at the previous council meeting. He said Recreation Director Claussen was available to answer any questions the Council had.

Recreation Director Claussen informed the Council that the soccer league has previously used the open space at Hill School but there is not enough room for a regulation soccer field. The League was interested in using the upper parking lot at Hiawatha Pageant Park. It is a prime location for the League to play as they bring their families to the games and with bathrooms, the shelter, parking space and playground right next to it make it an ideal location. It is also within walking distance to downtown and would have a positive financial impact on the City as there are seven traveling teams that would play each weekend.

Mayor Ness asked if the League was willing to work around events that are scheduled at the Lodge and on the grounds by the Lodge. Claussen stated that would not be an issue.

Motion was made by Koets, seconded by Stout and unanimously carried to allow the soccer league to establish a soccer field in the upper parking area of Hiawatha Pageant Park and to approve \$1,400 out of the liquor store fund to purchase soccer nets.

Recreation Director Claussen stated she would like to clarify that the soccer field isn't just for league use but for the entire city as well.

Credit Card Payment for City Fees and Utilities

City Administrator/City Attorney Jones explained this item was tabled at the March 21st meeting to allow staff more time to gather quotes and information. He said that the City has received a quote but after the article in the newspaper regarding this issue, other entities have come forward and are interested in offering quotes as well. He asked to table this matter until the April 18th Council meeting.

Motion was made by Koets, seconded by Caskey to table this matter until the April 18th meeting.

NEW BUSINESS

New Street Lights

Public Works Director Scott Swanson would like to install LED lights in the street lights in the downtown district for a cost of \$6,240. City crews would do the installation and Swanson estimates that the cost of the LEDs would be recouped in four months.

City Administrator/City Attorney Jones said money from the Main Street Fund could be used. He had contacted companies to see if there were any programs available to assist with this purchase and was told that there are programs for larger projects only. This project was considered to be too small for funding.

Councilmember Smidt asked if the money that is recouped from using the LED lights would repay the Main Street fund.

Motion was made by Smidt, seconded by Stout and unanimously carried to approve installing LED lights in streetlights in the downtown district using Main Street Funds to pay for costs for the LED lights and installation.

An amendment to the motion was made to repay the Main Street Fund from the savings realized by using the LED lights.

Motion was made by Smidt, seconded by Caskey and unanimously carried to approve installing LED lights in the streetlights in the downtown district using Main Street Funds and repay the Main Street Fund from savings realized by using the LED lights.

Schedule Public Hearing to Vacate Winnebago Road

City Administrator/City Attorney Jones explained one of the conditions to the sale of the lots in the Skyway Industrial Park to the Vet Clinic was the City would vacate Winnebago Road so the Vet Clinic could install driveway access into the lots. A public hearing will be necessary to take public comment regarding vacating Winnebago Road. Due to publication requirements, staff is recommending scheduling May 2nd at approximately 6:30 p.m. for the public hearing.

Motion was made by Smidt, seconded by Koets and unanimously carried to schedule a public hearing for May 2nd at approximately 6:30 p.m. to take public comment to vacate Winnebago Road.

Pipestone Master Gardeners Request for Council Action

City Administrator/City Attorney Jones stated this is an annual request made by the Pipestone Master Gardeners to use the lower level parking lot next to the Municipal Building to conduct their annual plant sale beginning at 8:00 a.m. on Saturday, May 14th.

Motion was made by Koets, seconded by Stout and unanimously carried to approve the request of the Pipestone Master Gardeners to use the lower level parking next to the Municipal Building beginning at 8:00 a.m. on Saturday, May 14th to conduct their annual plant sale.

Resolution 2016-18

City Administrator/City Attorney Jones informed the Council of the possible sale of the Suzlon Rotor Corporation building to Hocking International Laboratories, LLC. Hocking International has been in business for 40 years and would manufacture fertilizer at the Pipestone facility.

The state has two programs to offer new businesses with one being the Job Creation Fund Program which replaced the JOBZ program and offers a rebate type of program up to \$350,000. It is a state program with no match by the City. Hocking International would have to create a total of 36 jobs with the Pipestone facility being the first facility in the Midwest.

Motion was made by Koets, seconded by Stout and unanimously carried to approve Resolution 2016-18: A RESOLUTION REGARDING THE SUPPORT OF A JOB CREATION FUND APPLICATION IN CONNECTION WITH HOCKING INTERNATIONAL LABORATORIES, LLC.

Schedule Public Hearing for Minnesota Investment Fund Application

City Administrator/City Attorney Jones explained this is another state funded program that assists businesses to pay for capital improvements and equipment up to \$360,000. Hocking International will need to make improvements and purchase equipment at the Suzlon building for their fertilizer manufacturing. It is a zero percent loan for up to seven (7) years. Thirty-six jobs will need to be created at a minimum wage of \$12.85 per hour. This public hearing can be held on April 18th at approximately 6:30 p.m. to take comment on the submittal of the application.

Motion was made by Smidt, seconded by Stout and unanimously carried to schedule a public hearing for April 18th at approximately 6:30 p.m. concerning the submittal of an application to the Minnesota Department of Employment and Economic Development for a grant under the Minnesota Investment Fund (MIF) program.

CLOSING COMMENTS

City Administrator/City Attorney Jones stated that the Pipestone Area Community Foundation will be at the May 16th Council meeting to officially transfer the Hiawatha Lodge to the City.

City Clerk Nelson informed the Council that an application has successfully been submitted to the Minnesota Department of Natural Resources (DNR) Local Trails Connection Grant Program on March 31st. She stated that at the last minute, it was determined that the scope of the project had to be reduced in order to comply with DNR requirements. Therefore, Phase III of the project would end at 12th St NE instead of 9th St NE.

ADJOURNMENT

Motion was made by Stout, seconded by Smidt and unanimously carried to adjourn the meeting at 7:38 p.m.

Laurie K Ness
Mayor

ATTEST:

Deb Nelson
City Clerk