

Pipestone, Minnesota
May 2, 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 2nd day of May, 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 and Rodger Smidt. Absent: Kyle Caskey. Excused: City Administrator Jeff Jones. Others present: Deb Fitzgerald, Receptionist Kasi Pantekoek, Rhonda Van DeBrake, Airport Manager Rob Dykstra, Building and Zoning Official Doug Fortune, Moss & Barnett Attorney Brian Grogan, Public Works Director Scott Swanson, Water/Wastewater Supervisor Joel Adelman, City Engineer Travis Winter, Cable Access Coordinator Steve Moffitt, Assistant City Attorney Ben Denton and City Clerk Deb Nelson.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

APPROVE AGENDA – ADDITIONS, CHANGES OR DELETIONS

Mayor Ness asked if there were any additions, changes or deletions to the agenda.

There being none, the agenda will stand as presented.

CONSENT AGENDA

Mayor Ness stated the Consent Agenda contains the April 18, 2016 Regular Meeting Minutes and the Payment of Claims-Listing of Bills and asked if there was any discussion regarding these items.

Motion was made by Koets, seconded by Stout and unanimously carried to approve the Consent Agenda which consisted of the following items: April 18, 2016 Regular Meeting Minutes and Payment of Claims-Listing of Bills in the amount of \$377,461.12 for warrants #050743 to #050861 to be issued in payment thereof.

PUBLIC HEARING

Proposed Vacation of Winnebago Road

Motion was made by Smidt, seconded by Koets and unanimously carried to open the public hearing.

No public comment was received and no phone calls or letters were received.

Motion was made by Stout, seconded by Smidt and unanimously carried to close the public hearing at 6:32 p.m.

Councilmember Caskey arrived at 6:32 p.m.

PRESENTATION

Website Presentation

Receptionist Kasi Pantekoek then presented the rollout of the City's website. She shared various features with the site.

LEGAL

Ordinance 89, Fourth Series

Mayor Ness explained that Brian Grogan, Attorney with Moss & Barnett, was present to share a PowerPoint presentation regarding the Cable Television Franchise Renewal.

Mr. Grogan then shared that this franchise ordinance is for VAST d/b/a Clarity Telecom, LLC but later in the meeting, the Council would consider a resolution extending the expiration date of the franchise for Mediacom. He said that the franchise fee is 5% of gross revenues on cable service only. It does not include telephone or broadband. There is also a \$.25/subscriber/month PEG fee which provides funds to purchase equipment to help keep programming moving forward.

He then summarized a few key terms of the new franchise such as the term remains the same at ten years, the franchise fee remains the same at 5% - the maximum allowed by the federal government and the \$.25/subscriber/month fee remains the same with the ability of the City to increase this annually not to exceed \$.50.

Councilmember Smidt introduced Ordinance 89, Fourth Series: AN ORDINANCE GRANTING A FRANCHISE TO CLARITY TELECOM, LLC, TO CONSTRUCT, OPERATE AND MAINTAIN A CABLE TELEVISION SYSTEM IN THE CITY OF PIPESTONE; SETTING FORTH CONDITIONS ACCOMPANYING THE GRANT OF THE FRANCHISE; PROVIDING FOR REGULATION AND USE OF THE SYSTEM; AND PRESCRIBING LIQUIDATED DAMAGES FOR THE VIOLATION OF ITS PROVISIONS.

Assistant City Attorney Denton requested the Council go to New Business Item A and approve Resolution 2016-23 so that Mr. Grogan can leave due to his drive back to the Minneapolis.

NEW BUSINESS

Resolution 2016-23

Motion was made by Koets, seconded by Stout and unanimously carried to approve Resolution 2016-23: A RESOLUTION GRANTING MEDIACOM MINNESOTA LLC A FRANCHISE EXTENSION TO DECEMBER 31, 2016.

LEGAL (CONTINUED)

Ordinance 90, Fourth Series

Mayor Ness stated earlier in the meeting a public hearing was held to vacate Winnebago Road. No public comment was received.

Councilmember Smidt introduced Ordinance 90, Fourth Series: AN ORDINANCE OF THE CITY OF PIPESTONE VACATING WINNEBAGO ROAD IN THE CITY OF PIPESTONE BUT RESERVING AND MAINTAINING A DRAINAGE EASEMENT IN FAVOR OF THE CITY OF PIPESTONE.

ENGINEERING

5th Ave Project – Clinic/Hospital Sewer

Water/Wastewater Supervisor Adelman explained the hospital has asked the city to install the storm sewer for their parking lot. His recommendation is to have the hospital install the storm sewer, at their expense, using the contractors already in place.

Motion was made by Smidt, seconded by Caskey and unanimously carried to give the hospital permission to proceed with installation of the storm sewer at their expense and have the project contracted by July 1st, completed by October 15, 2016 making sure everything is back to its original condition.

7th Ave SW Project

Water/Wastewater Supervisor Adelman stated that this project would consist of infrastructure and street resurface work on 7th Ave SW between 9th Street and 11th Street. Estimated cost of the project is \$322,000. He said he had \$100,000 in his budget and the remaining costs could be added to the bond for the Highway 30 project.

City Engineer Winter mentioned that the street resurfacing could be assessed against the abutting property owners which include Hill School and approximately 12 residences.

Lengthy discussion followed. It was the consensus of the Council to have City Engineer Winter move forward with the assessment process.

Airport Runway 18/36 mill and Overlay Project

City Engineer Winter explained to the Council that he has prepared an estimate for a mill and overlay of runway 18/36 at the airport. He said there is one more year of 5% extra money from the state to help fund the project. Estimated cost of the project is \$666,276.74 with the City's share at \$33,313.84.

Airport Manager Rob Dykstra stated he felt the mill and overlay was not necessary and that Public Works Director Scott Swanson was waiting to receive a cost estimate to fill the cracks on the runway. He felt this was a cheaper alternative and recommended the Council wait until they received the estimate from Borgen before proceeding with the mill and overlay.

Winter asked the Council for approval to advertise for bids for the mill and overlay. He said receiving bids does not obligate the City to accept the bids.

Motion was made by Koets, seconded by Smidt and unanimously carried to proceed with the bidding process.

NEW BUSINESS (CONTINUED)

Consider Approval of Shopko’s Fireworks License

Motion was made by Koets, seconded by Caskey and unanimously carried to approve the Shopko Fireworks License.

Hiawatha Pageant Park Parking Lot

Mayor Ness stated that two quotes had been received to install a hard surface parking lot at the Hiawatha Lodge. She said there are 51 parking spaces which meets the Lodge’s parking lot needs.

Public Works Director Scott Swanson informed the Council that the quotes did not include prepping the site. Gravel and excavation would be done by Double D Gravel and the City in the amount of \$9,000. That dollar amount will need to be added to the cost of the concrete. He then opened the quotes with the following two received:

<u>Company</u>	<u>Quote</u>
Musch Construction, Inc 1262 90 th Ave Pipestone MN 56164	\$63,729.60
Jered Smith Concrete 1127 State Hwy 30 Pipestone MN 56164	\$59,996.40

Councilmember Stout suggested accepting the low bid from Jered Smith and take the funds out of the liquor fund and replace it with money from the 2017 budget.

Councilmember Koets felt the funds should be taken out of reserves.

Assistant City Attorney Denton stated that half the funds could be taken from the liquor fund and half from reserves.

Mayor Ness stated she would like two motions. The first motion would be to proceed with installation of the hard surface and the second motion would be to award the low bid and identify which funds to use to pay for the project.

Motion was made by Koets and seconded by Stout to install the hard surface parking lot at the Hiawatha Lodge. Upon vote taken; Ayes: Koets, Stout, Smidt; Nays: Ness; Abstain: Caskey, motion carried 3-1-1.

Motion was made by Stout, seconded by Koets and unanimously carried to award the bid to Jered Smith Concrete in the amount of \$59,996.40 and use half the funds from the liquor fund and half the funds from reserves to pay for the project.

Consider Approval of Storage of Alcohol at Hiawatha Lodge

City Clerk Nelson stated that when no bids were received for alcohol service at the Hiawatha Lodge, the City was looking into getting a liquor license to cover alcohol service at the Lodge. Since the City will own the building, they would be able to store liquor at the Lodge in a locked cabinet. Since that time, the Calumet Inn was awarded the bid for alcohol service and according to Minnesota Statute, no off premises storage of liquor is allowed. Nelson checked with the state and was informed that since the city will own the building, the Calumet could store liquor at the Lodge with Council approval.

Motion was made by Stout, seconded by Koets and unanimously carried to allow the Calumet Inn to store liquor at the Lodge in a locked cabinet.

Consider Approval of Debra Hilgeman Conditional Use Permit

Building and Zoning Administrator Doug Fortune informed the Council that a public hearing was held April 27th to consider the conditional use permit application of Marv and Debra Hilgeman. The Hilgeman's would like to construct a garage that exceeds the size and height limits set forth in the code book. The Planning Commission is recommending Council approve the conditional use permit for the Hilgeman's.

Motion was made by Smidt, seconded by Stout and unanimously carried to approve the Conditional Use Permit for Marv and Debra Hilgeman.

CLOSING COMMENTS

City Clerk Nelson reminded residents that clean up days were Tuesday and Wednesday, May 10th and 11th. All city residents need to set out their extra items along with their regular garbage on their normal garbage day. The west side of town will be done Tuesday and the east side on Wednesday. Tires will need to be prepaid at City Hall no later than Monday, May 9th.

ADJOURNMENT

Motion was made by Stout, seconded by Koets and unanimously carried to adjourn the meeting at 8:06 p.m.

Laurie K Ness
Mayor

ATTEST:

Deb Nelson
City Clerk