

Pipestone, Minnesota
May 16, 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 16th 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, Kyle Caskey and Rodger Smidt. Absent: None. Others present: Geronimo Energy Representative Lee Bjerk, Pipestone Area Community Foundation President Tim Haubrich, VAST Representative Brett Ritter, SWIF Real Estate Holdings, LLC Representative Scott Marquardt, Deb Fitzgerald, City Engineer Travis Winter, Cable Access Coordinator Steve Moffitt, City Administrator/City Attorney Jeff Jones and City Clerk Deb Nelson.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

APPROVE AGENDA – ADDITIONS, CHANGES OR DELETIONS

City Administrator/City Attorney Jones stated he had received a Donation Agreement from SWIF Real Estate Holdings, LLC to accept the Hiawatha Lodge and he would like to amend New Business Item D to make this an action item as the Council will need to approve the Agreement. He also requested the agenda be amended to add Item L under New Business – A Request for the City to be Fiscal Agent for a SWIF Grant.

Motion was made by Caskey, seconded by Smidt and unanimously carried to amend the agenda to make Item D under New Business an action item to approve the Donation Agreement and to add Item L under New Business – A Request for the City to be Fiscal Agent for a SWIF Grant.

CONSENT AGENDA

Mayor Ness stated the Consent Agenda contains the May 2, 2016 Regular Meeting Minutes; Payment of Claims-Listing of Bills; April 2016 Financial Reports; and Informational Reports 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: May 2, 2016 Regular Meeting Minutes; Payment of Claims-Listing of Bills in the amount of \$326,958.29 for warrants #050862 to #050991 to be issued in payment thereof; April 2016 Financial Reports; and Informational Reports.

COMMUNITY CONCERNS

None.

LEGAL

Ordinance 89, Fourth Series

City Administrator/City Attorney Jones stated this ordinance was introduced at the May 2nd meeting and would grant a franchise to Clarity Telecom, LLC with a term of ten years and a franchise fee of 5%.

Motion was made by Koets and seconded by Smidt to approve 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. Upon roll call vote taken; Ayes: Ness, Koets, Smidt, Stout, Caskey; Nays: none, motion carried 5-0.

Ordinance 90, Fourth Series

City Administrator/City Attorney Jones stated this ordinance was introduced at the May 2nd meeting and would vacate Winnebago Road in the Industrial Park in the City of Pipestone but would reserve a drainage easement for the city to maintain the storm water drainage ditch.

Motion was made by Smidt and seconded by Stout to approve 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. Upon roll call vote taken; Ayes: Ness, Koets, Stout, Smidt; Nays: none; Abstain: Caskey, motion carried 4-0-1.

OLD BUSINESS

Geronimo Agreement

City Administrator/City Attorney Jones informed the Council that Lee Bjerck of Geronimo Energy had made a presentation to the Council in February proposing that the City enter into a subscription agreement for a solar energy garden. Savings to the city are estimated to be \$336,178.75 over 25 years. He stated the County approved entering into the same agreement during their board meeting last week.

Jones also stated that he and Mayor Ness were on a conference call with a representative from the Clean Energy Resource Team and they had stated that there is no easy way for the City to develop a solar energy garden on their own. With this subscription there is no up-front financial obligation by the City.

Councilmember Caskey inquired as to the parameters for terminating the agreement with Jones stating a 60-day written notice is required.

Lee Bjerk, Geronimo Energy representative, stated it would also require having a new subscriber ready to replace the city. He said the program was intended to make it financially feasible for cities and counties to be able to participate in renewable energy programs. He stated the city would be giving up their tax credits to participate in this program.

Motion was made by Koets, seconded by Stout and unanimously carried to enter into the subscription agreement as proposed by Geronimo Energy.

NEW BUSINESS

Assignment of Lease – North Hiawatha Property

City Administrator/City Attorney Jones stated in November, Mark and Paul Zebe were awarded the lease to farm 70 acres along North Hiawatha. They now wish to assign the Lease to their father Richard. The Lease states that assignment of the Lease is permitted with the consent of the City.

Motion was made by Smidt, seconded by Caskey and unanimously carried to approve the Assignment of Lease for the 70 acres along North Hiawatha from Mark and Paul Zebe to Richard Zebe.

Dynamic Health Loan Application

City Administrator/City Attorney Jones informed the Council that an application for the Historic Property Improvement program has been received from Angie and Dan Miller to repair the leaking roof on property they own at 220 West Main. Total cost of the project is \$14,787.00. Owner equity is \$4,436.10 with the loan amount of \$5,175.45 and a grant amount of \$5,175.45.

Motion was made by Stout, seconded by Smidt and unanimously carried to approve the Historic Property Improvement Loan/Grant application to Angie and Dan Miller contingent upon getting approval from the Heritage Preservation Commission.

Consider Rental Agreement Hours at Hiawatha Lodge

City Administrator/City Attorney Jones explained that the current rental agreement states that rental hours end at 10:00 p.m. A later closing hour has been suggested. He said that it is a 10:00 p.m. closing time to keep the closing time consistent with the rest of the city parks. It was suggested to add language that if the renter would like to use the Lodge later than 10:00 p.m., a waiver can be received from the city.

Tim Haubrich, Chairperson of the Pipestone Area Community Foundation, suggested several changes to the rental agreement to make it more consistent.

It was the consensus of the Council to make the suggested revisions.

Accept Transfer of Hiawatha Lodge and Approve the Donation Agreement

Scott Marquardt from the SWIF Real Estate Holdings, LLC, informed the Council that the Hiawatha Lodge is now complete and SWIF Real Estate Holdings, LLC and the Pipestone Area Community Foundation are ready to hand over the Lodge and items in the Lodge to the City on May 25th.

Motion was made by Smidt, seconded by Stout and unanimously carried to approve the Donation Agreement and accept the Hiawatha Lodge from SWIF Real Estate Holdings, LLC and the Pipestone Area Community Foundation.

Consider Approval of Officers for Fire Department

City Administrator/City Attorney Jones stated that at a previous meeting, the Council approved Corey Popma as Fire Chief. He said the Fire Department is recommending approval of the following officers: Mike Bloemendaal – 1st Asst. Chief; Tom Priester – 2nd Asst. Chief; Bill VanderPlaats – Secretary; Tom Priester – Treasurer; Bill VanderPlaats – Fire Marshall; Bill VanderPlaats – Engine Captain; Ben Karels – Hose Captain; Terry Smith – Hook & Ladder Captain; and Don Ehlers – Custodian.

Motion was made by Smidt, seconded by Stout and unanimously carried to approve the officers for the Fire Department as recommended.

Consider Approval of Easement Agreement – Winnebago Road

Earlier in the meeting, the Council had approved vacating Winnebago Road. This Easement Agreement would allow the City access to maintain the stormwater drainage ditch.

Motion was made by Smidt and seconded by Koets to approve the Easement Agreement. Upon vote taken; Ayes: Ness, Koets, Stout, Smidt; Nays: none; Abstain: Caskey, motion carried 4-0-1.

Resolution 2016-24

A donation has been received from the Lois Stueven family to assist the city with the care and maintenance of the city cemeteries. This resolution accepts that donation.

Motion was made by Stout, seconded by Caskey and unanimously carried to approve Resolution 2016-24: A RESOLUTION ACCEPTING DONATION.

Resolution 2016-25

City Administrator/City Attorney Jones explained that earlier in the meeting, the Council had adopted the ordinance granting a franchise to Clarity Telecom, LLC. Minnesota State Statute 412.91, Subd. 4 requires publication of all ordinances but allows only the title and summary to

be published in cases where the ordinance is deemed lengthy. This ordinance is a lengthy ordinance and this resolution would allow for the publication of the title and summary.

Motion was made by Smidt, seconded by Caskey and unanimously carried to approve Resolution 2016-25: A RESOLUTION AUTHORIZING THE PUBLICATION OF A SUMMARY FOR ORDINANCE 89, FOURTH SERIES: AN ORDINANCE GRANTING A FRANCHISE TO CLARITY TELECOM, LLC (“CLARITY”) TO CONSTRUCT, OPERATE AND MAINTAIN A CABLE SYSTEM IN THE CITY OF PIPESTONE, MINNESOTA; SETTING FORTH CONDITIONS ACCOMPANYING THE GRANT OF THE FRANCHISE; PROVIDING FOR REGULATION AND USE OF THE SYSTEM AND THE PUBLIC RIGHTS-OF-WAY; AND PRESCRIBING PENALTIES FOR THE VIOLATION OF THE PROVISIONS HEREIN.

Resolution 2016-26

On February 16th, the Council approved signing a Purchase Agreement to acquire 4.68 acres from E. Delos and Mary Lou Nelson RLT for \$85,000.00. This is the site of the proposed water treatment facility.

Motion was made by Stout, seconded by Koets and unanimously carried to approve Resolution 2016-26: A RESOLUTION AUTHORIZING THE ACQUISITION OF LAND FROM E. DELOS, JR AND MARY LOU NELSON RLT.

Resolution 2016-27

City Administrator/City Attorney Jones stated that this resolution would approve the Minnesota Department of Transportation Grant Agreement between MnDOT and the City of Pipestone for the Highway 30 Project.

City Engineer Travis Winter explained that the Agreement provides for the payment by the State to the City in the amount of \$900,000. He said \$500,000 of this amount is to bring sidewalks into compliance with the Americans with Disability Act and \$400,000 to be used towards the storm sewer repairs.

Jones asked for clarification from Winter on how the city would fund the rest of the project with Winter stating from PFA funds and bonding dollars.

Motion was made by Stout, seconded by Koets and unanimously carried to approve Resolution 2016-27: A RESOLUTION FOR AUTHORIZATION TO EXECUTE MINNESOTA DEPARTMENT OF TRANSPORTATION GRANT AGREEMENT FOR TRUNK HIGHWAY 30 PROJECT FROM 8TH AVENUE SOUTHWEST TO 4TH AVENUE SOUTHEAST WITHIN THE CORPORATE CITY LIMITS.

Resolution 2016-28

City Administrator/City Attorney Jones explained this resolution would approve plans and specifications and order advertisement for bids for the proposed street, sanitary sewer, watermain and storm sewer improvements on Highway 30 from 3rd Avenue SE to 8th Avenue SW.

Motion was made by Stout, seconded by Caskey and unanimously carried to approve Resolution 2016-28: A RESOLUTION APPROVING PLANS AND SPECIFICATIONS AND ORDERING ADVERTISEMENT FOR BIDS.

Approve Request to Act as Fiscal Agent for SWIF Grant

City Administrator/City Attorney Jones stated the agenda was amended to include this request of the City to act as fiscal agent for a grant from the Southwest Initiative Foundation. The funds would be used to develop a Community Asset Catalog and related website.

Motion was made by Koets and seconded by Stout to approve the City to act as fiscal agent for a SWIF grant to develop a Community Asset Catalog and related website. Upon vote taken; Ayes: Koets, Smidt, Stout, Caskey; Nays: none; Abstain: Ness, motion carried 4-0-1.

COUNCIL LIAISON REPORTS

Hiawatha Pageant Park Committee Liaison Koets reported he was not able to attend the meeting.

Woodlawn Tree Board Committee Liaison Stout reported that Committee members met on April 27th at 6:30 p.m. to wrap trees for the Arbor Day program which was held at Hill School on April 29th at 10:00 a.m.; Public Works Director Swanson is replacing 20 wooden flower boxes that are damaged with new metal ones; all but four flower boxes have been spoken for; permission was granted for a request to place a plaque on a gravestone; MnDOT is removing Ash trees at Harmon Park and will replace with new ones.

Park & Rec Board Liaison Koets reported he was unable to attend the meeting.

Economic Development Authority Boardmember Caskey reported that Prairie Winds is full; Mayor Ness reported that she had received a Minnesota Economic Prosperity Report when she attended the Mayor's conference and Minnesota is rated among the highest in the state for Fortune 500 companies.

Heritage Preservation Commission Liaison Smidt reported Kuehl Chiropractic's permit was approved; the Monk's Secondhand store permit was tabled; the Keepers are still working on the assessment of their building; and the Civil War Days Committee received a grant for American Flags to hang on the buildings on Main Street.

CLOSING COMMENTS

Councilmember Stout thanked City crews for a job well done with clean up days.

City Administrator/City Attorney Jones stated Hocking International Laboratories has closed on the Suzlon property and were awarded funding from the Minnesota Investment Fund and the Job Creation Fund through the state.

Jones said the legislature continues to struggle with reaching middle ground with the bonding bill.

City Clerk Nelson shared that she had presented to the Pipestone Soil and Water Conservation District Board a layout and quote for a butterfly garden at Tianna Park. The Board voted unanimously to fund this project 100%.

Nelson also shared that the city is the recipient of a CenterPoint Energy Community Partnership Grant to purchase a portable Armer radio and charger for City Hall. The grant will pay for 50% of the radio and charger.

ADJOURNMENT

Motion was made by Stout, seconded by Smidt and unanimously carried to adjourn the meeting at 7:28 p.m.

Laurie K Ness
Mayor

ATTEST:

Deb Nelson
City Clerk