

Pipestone, Minnesota
January 4, 2010

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 January 2010. Mayor Ness called the meeting to order. Roll call was taken and a quorum was declared. Members present: Laurie Ness, Barbara Heyl, Harry Hansen, Jim Stout, and Fred Portz. Absent: None. Others present: Debra Fitzgerald, City Engineer Scot Leddy and City Administrator/City Attorney Jeff Jones.

ADJOURN 2009 COUNCIL SINE DIE

Motion was made by Heyl, seconded by Stout and unanimously carried to adjourn the 2009 Council Sine Die.

CONVENE 2010 CITY COUNCIL

Motion was made by Hansen, seconded by Portz and unanimously carried to convene the 2010 City Council.

The Pledge of Allegiance was recited.

CONSENT AGENDA

Motion was made by Heyl, seconded by Stout and unanimously carried to approve the Consent Agenda which consisted of the following: December 21, 2009 Regular Meeting Minutes and Payment of Claims-Listing of Bills with warrants #29726 - #29812 in the amount of \$449,644.31.

COMMUNITY CONCERNS

None.

PRESENTATION

Conflict of Interest Policy

Mayor Ness then read the Conflict of Interest Policy into record as required at the first business meeting of the year.

**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

Prepared by Terry J. Berg
December 29, 1994

Amended by Troy L. Strom
January 22, 2002

LEGAL

Ordinance 50, Fourth Series

Mayor Ness stated that this ordinance would establish fees and charges for 2010. City Administrator/City Attorney Jones stated the Council had reviewed the proposed changes in the preceding Work Session and briefly described some of the changes.

Councilmember Stout introduced Ordinance 50, Fourth Series: AN ORDINANCE ESTABLISHING FEES, CHARGES AND COMPENSATION AS ALLOWED BY CITY CODE.

Councilmember Heyl stated her objection to allowing city picnic tables to be used outside the city limits. City Administrator/City Attorney Jones pointed out that the Council would vote at its next meeting to approve the ordinance.

ENGINEERING

Fire Hall Expansion/Remodel Project – Change Order No. 5

The Council then considered Change Order No. 5 for the Fire Hall Project. City Engineer Scot Leddy explained the specifics of the Change Order which included 116 days of liquidated damages at \$200 per day totaling \$23,300. Change Order No. 5 added five days to construction time and gave a credit to the City of \$24,433.08. Leddy stated that Banner is holding back \$54,967.27 to insure Sunkota completes the remaining items. He also pointed out that Sunkota had signed Change Order No. 5 agreeing to the 116 days of liquidated damages.

Motion was made by Stout, seconded by Hansen and unanimously carried to approve Change Order No. 5 for the Fire Hall Expansion/Remodel Project.

NEW BUSINESS

Election of Acting Mayor

City Administrator/City Attorney Jones stated that the City Charter states that the election of an Acting Mayor is to take place at the first meeting in January after a city General Election. Councilmember Heyl was elected at the first meeting in January after the 2008 General Election and will continue as Acting Mayor until the first meeting in January after the 2010 General Election.

Resolution 2010-1

Mayor Ness stated that this resolution is adopted annually and determines the rules of order and procedures for the Council. City Administrator/City Attorney Jones briefly described some of the rules of procedure.

Councilmember Heyl noted that proposed Resolution 2010-1 uses the term "Aldermen" however the Charter uses the term "Councilmember". Jones noted that this language would be corrected.

Motion was made by Heyl, seconded by Hansen and unanimously carried to approve Resolution 2010-1: A RESOLUTION ADOPTING RULES OF ORDER AND PROCEDURE FOR THE CITY COUNCIL IN ACCORDANCE WITH THE CITY CODE CHAPTER 2, SECTION 2.03.

Resolution 2010-2

Mayor Ness stated that this resolution would name the Pipestone County Star as the official newspaper of the City.

Motion was made by Stout, seconded by Hansen and unanimously carried to approve Resolution 2010-2: A RESOLUTION DESIGNATING THE PIPESTONE COUNTY STAR AS THE OFFICIAL NEWSPAPER FOR THE CITY OF PIPESTONE.

Resolution 2010-3

Mayor Ness stated that this resolution would designate First Farmers & Merchants National Bank as an official depository of City funds.

Motion was made by Heyl, seconded by Stout and unanimously carried to approve Resolution 2010-3: A RESOLUTION DESIGNATING THE FIRST FARMERS AND MERCHANTS NATIONAL BANK AS AN OFFICIAL DEPOSITORY OF CITY FUNDS.

Resolution 2010-4

Mayor Ness stated that this resolution would designate First National Bank and Trust as an official depository of City funds.

Councilmember Stout questioned whether the resolution correctly stated the bank's new name. Information was provided that the bank's new name is First Bank and Trust.

Motion was made by Stout, seconded by Hansen and unanimously carried to approve Resolution 2010-4 naming First Bank and Trust as an official depository of City funds: A RESOLUTION DESIGNATING THE FIRST BANK AND TRUST AS AN OFFICIAL DEPOSITORY OF CITY FUNDS.

Resolution 2010-5

Mayor Ness stated that this resolution would name First State Bank Southwest as an official depository of the City's funds.

Motion was made by Stout, seconded by Hansen and unanimously carried to approve Resolution 2010-5: A RESOLUTION DESIGNATING THE FIRST STATE BANK SOUTHWEST AS AN OFFICIAL DEPOSITORY OF CITY FUNDS.

Change Meeting Date from Monday, January 18, 2010 at 6:30 p.m. to Tuesday, January 19, 2010 at 6:30 p.m.

Mayor Ness stated that the next regularly scheduled Council meeting is January 18th which is a national holiday – Martin Luther King Jr's Birthday. She also stated that January 19th is the annual Firemen's meeting which she would like to attend. Ness requested that the Council consider scheduling the January 19th Council meeting to start at 6:00 p.m. to allow her to attend the Firemen's annual meeting.

Motion was made by Stout, seconded by Hansen and unanimously carried to schedule the next regular Council meeting for January 19th at 6:00 p.m.

Authorize Mayor and City Administrator to Execute Loan Documents with First Farmers & Merchants Bank Regarding Loan #7601

City Administrator/City Attorney Jones stated that this loan at First Farmers & Merchants Bank is the loan used to acquire the old Mayfair property site for the new motel. He also stated that the City would use new tax revenue from the new motel to pay this loan. First Farmers & Merchants Bank had proposed a new loan agreement that would allow the City to make quarterly interest payments and make principal payments at times and in amounts selected by the City. First Farmers & Merchants Bank requested that the Council authorize the Mayor and City Administrator to execute the new loan documents.

Motion was made by Heyl, seconded by Portz and unanimously carried to authorize the Mayor and City Administrator to execute the new loan documents.

Approve Resignation of Linda Klein from the Law Enforcement Liaison Committee

City Administrator/City Attorney Jones stated that Linda Klein had submitted her resignation from the Law Enforcement Liaison Committee.

Motion was made by Stout, seconded by Hansen and unanimously carried to approve the resignation of Linda Klein from the Law Enforcement Liaison Committee.

The Council expressed its gratitude to Linda for serving on this Committee.

CLOSING COMMENTS

City Administrator/City Attorney Jones expressed his appreciation for the job done by City crews in removing the snow after the Christmas storm. Mayor Ness also stated her appreciation and addressed the misunderstanding by a resident as to the use of City equipment.

ADJOURNMENT

Motion was made by Heyl, seconded by Hansen and unanimously carried to adjourn the meeting at 7:04 p.m.

Laurie K Ness
Mayor

ATTEST:

Jeffrey R. Jones
City Administrator