

Pipestone, Minnesota
December 5, 2022

Pursuant to due call and notice thereof, a regular meeting of the Pipestone City Council was duly held in the Municipal Building on the 5th day of December 2022. Mayor Myron Koets called the meeting to order. Roll call was taken and a quorum was declared. Members present: Myron Koets, Jim Stout, Rodger Smidt, Dan Delaney and Justin Schroyer. Absent: None. Others present: Kyle Kuphal, Ben Denton, 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

There being no additions, changes or deletions to the agenda, motion was made by Smidt, seconded by Stout and unanimously carried to approve the agenda as presented.

CONSENT AGENDA

Mayor Koets stated the Consent Agenda contains the November 21, 2022 Regular Meeting Minutes and Payment of Claims-Listing of Bills and asked if there was any discussion regarding these items.

Motion was made by Delaney, seconded by Schroyer and unanimously carried to approve the Consent Agenda which contains the November 21, 2022 Regular Meeting Minutes and Payment of Claims-Listing of Bills in the amount of \$1,118,774.61 for warrants #068227 to #068336 to be issued in payment thereof.

COMMUNITY CONCERNS

None.

PUBLIC HEARING

Truth in Taxation Public Meeting

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

City Administrator/City Attorney Jones then presented on the 2023 proposed budget. He outlined the budget process stating that Department Heads develop their proposed budgets in July and then meet with Jones, the City Treasurer, and the Mayor for review. Any revisions are made during these meetings. The council then reviewed the proposed budget in September, after holding several work sessions, and adopted the Preliminary Levy at \$2,702,003.00 which was a 13.5% increase

over 2022. Jones shared \$1,144,76.00 of this increase is Debt Service which pays for various infrastructure projects. The council cannot increase the levy at this point but can reduce it. Jones also shared that the city will receive an increase in Local Government Aid for 2023 of \$47,033.00 for a total of \$2,418,783.00.

Jones then shared the 2022 accomplishments as follows:

- Seal coated 30 streets and two municipal parking lots.
- 13 blocks were reconstructed which was the next phase of the 2nd Street SE project plus 10th Ave SW and 4th Street SE.
- Several blighted properties were addressed:
 - Two condemned buildings demolished.
 - Nine properties utilized the Loan/Grant program to replace roofs, repair a wall, replace windows and tuck pointing.
 - EDA/MN West/Pipestone Area School project at 622 3rd Ave SW started.
- Completed transition of Meinders Community Library to temporary location.
- Soccer field completed.

The city must certify the levy to the County by December 28th.

Motion was made by Schroyer, seconded by Smidt and unanimously carried to close the public meeting at 6:42 p.m.

ENGINEERING

2022 Street & Utility Improvement Project – Pay Request No. 6

City Engineer Travis Winter explained this pay request represents work up to November 25th. He stated winter conditions have abruptly ended this year's construction season but the city has fared better than other communities. The amount due on this estimate is \$126,928.55. Bolton & Menk has reviewed the pay request and is recommending council approval.

Councilmember Delaney asked if there was any retainage being held yet with Winter responding that there is \$178,000.00 retainage which the city is holding until Spring.

Motion was made by Delaney, seconded by Stout and unanimously carried to approve Pay Request No. 6 to Hulstein Excavating, Inc. in the amount of \$126,928.55 for work completed on the 2022 Street & Utility Improvements Project.

10th Street SW & 4th Street SE Improvements – 2022 – Pay Request No. 4

City Engineer Winter stated Duininck, Inc. has submitted Pay Request No. 4 in the amount of \$463,938.96 for work completed on the 10th street SW & 4th Street SE Improvements project. Streets and driveways are completed and most of the sidewalks are completed. There was some bituminous patching that was unable to be completed due to weather conditions but temporary gravel was put in place to patch those areas. Bolton & Menk has reviewed the pay request and is recommending council approval.

Councilmember Delaney asked how much retainage was being held with Winter responding approximately \$50,000.00.

Motion was made by Stout, seconded by Schroyer and unanimously carried to approve Pay Request No. 4 in the amount of \$463,938.96 to Duininck, Inc. for work completed on the 10th Street SW & 4th Street SE Improvements – 2022.

Winter stated that all construction has been completed for the year and it was a very successful construction season.

OLD BUSINESS

Consider Approval of Proposal for Professional Services for Automated Weather Observaton Station (AWOS) Installation Project

City Administrator/City Attorney Jones stated this item was tabled at the November 21st council meeting to allow staff time to research funding options. This project, if approved, would replace the current, outdated AWOS system at the airport. The city would be responsible for the civil site work to install the system and MnDOT would provide a State grant for the work at a 75% State, 25% local share. The city's share is \$23,750.00.

Jones informed the council that the project is not an eligible expense to use COVID funds received for the Airport but it is an eligible project for the county's \$30,000.00 American Rescue Funds allocation to the city.

Motion was made by Delaney, seconded by Stout and unanimously carried to approve using the \$30,000.00 county allocation funds for the AWOS installation project.

Reject Surplus Property Rural Fire Truck/ERV Bids

City Administrator/City Attorney Jones stated sealed bids were received for the 1995 International Rural Fire Truck and the 1999 International ERV that was declared surplus property. Bids were opened and then deferred to the Fire Department for their review and recommendation. Due to the low bids received, the Fire Department is recommending council reject all bids received.

Motion was made by Stout, seconded by Smidt and unanimously carried to reject all bids received.

NEW BUSINESS

2023 Budget

Mayor Koets stated that the council had met prior to the council meeting where they spent over an hour discussing the various mechanics of the budget.

Councilmember Delaney stated that the levy has been reduced from 13.5% to 11.8% and in his opinion, feels it can be reduced even further.

When asked by Mayor Koets how much further would Delaney like to see the levy reduced, Delaney responded “as much as possible.”

Councilmember Schroyer suggested removing the \$30,000.00 Senior Center allocation and \$20,000.00 from COLA for a savings of \$50,000.00.

Consider Approval of License Renewals

City Clerk Nelson stated all paperwork and fees have been received and investigations completed for renewal of licenses for 2023. Staff is recommending Council approve the following license renewals for 2023:

- Off Sale 3.2% Beer License
Casey’s Retail Co #2998
Casey’s Retail Co #1006
Cids Latin Grocery
- Annual Year-long Dance Permit
American Legion
- On Sale Liquor/Sunday Sale License
American Legion
Pipestone Country Club
Pipestone Los Tulipanes
Bole-Mor Lanes
Utopian Paradise, LLC d/b/a Stonehouse Supper Club/The Quarry Lounge
- On Sale Wine – Strong Beer
Dar’s Pizza
- On Sale 3.2% Beer License
Dar’s Pizza

Motion was made by Delaney, seconded by Smidt and unanimously carried to approve the 2023 license renewals listed above.

Resolution 2022-66

City Administrator/City Attorney Jones stated that this resolution, if approved, authorizes the city to purchase the property owned by Guo Ying Zheng, the China Inn, located at 211 2nd St NW for \$30,000.00.

Motion was made by Delaney, seconded by Smidt and unanimously carried to approve Resolution 2022-66: A RESOLUTION AUTHORIZING THE ACQUISITION OF REAL PROPERTY OWNED BY GUO YING ZHENG.

Resolution 2022-67

City Administrator/City Attorney Jones shared several donations have been received as follows:

- \$300.00 from Mary Ann Hustad to assist the city with “Lights at the Lodge”;
- \$3,000.00 from Southwest Initiative Foundation/Pipestone Area Community Foundation to assist the Aquatic Center to provide financial assistance for swim lessons and pool passes;
- \$5,000.00 from Pipestone Area Softball-Baseball to assist the city with the purchase of the scoreboard at A’s Field; and
- Shelving valued at \$500.00 from Southwest Minnesota State University to be used at Meinders Public Library at its new location.

Motion was made by Schroyer, seconded by Stout and unanimously carried to approve Resolution 2022-67: A RESOLUTION ACCEPTING DONATIONS.

Interim Building Official

City Administrator/City Attorney Jones informed the council that the city had until December 9th to inform the State that the city has hired an Interim Building Official. He stated he had spoken with Darrin Tinklenberg who is willing to serve as Interim Building Official for \$1,800.00 per week. Tinklenberg would be hired as in Independent Contractor providing plan review services, inspections and issue permits until the city hires a replacement.

Discussion then followed on applications received for the Building and Zoning Official position.

Motion was made by Smidt, seconded by Stout and unanimously carried to approve hiring Darrin Tinklenberg as the Interim Building Official.

Approve Joint Powers Agreement with Plum Creek Library System

City Administrator/City Attorney Jones stated this Agreement establishes the city’s responsibilities and benefits as a member of the Plum Creek Library System.

Jones then outlined the rights and responsibilities of member libraries sharing each member agrees to the use of its library materials in reciprocal borrowing and interlibrary loans. He stated the library must remain open to the public an average of 20 hours per week and members must employ a paid library director to work a minimum average of 20 hours per week.

Motion was made by Stout, seconded by Schroyer and unanimously carried to approve the Joint Powers Agreement with Plum Creek Library System.

Approve Law Enforcement Contract with Pipestone County

City Administrator/City Attorney Jones stated the 2022 Law Enforcement contract expires December 31st. He said the Law Enforcement budget has increased approximately \$50,000.00 over last year and that the Sheriff’s Department continues to provide 24/7 services to the city.

Motion was made by Delaney, seconded by Smidt and unanimously carried to approve the 2023 Law Enforcement Contract.

ADJOURNMENT

Motion was made by Smidt, seconded by Stout and unanimously carried to adjourn the meeting at 7:10 p.m.

Myron D. Koets
Mayor

ATTEST:

Deb Nelson
City Clerk