

May 10, 2016

The regular meeting of the City Council of the City of Sleepy Eye was held in the Council Chamber, 200 Main Street East, Sleepy Eye, MN at 7 pm on the 10th day of May, 2016 per due call and notice. Mayor James Broich and Councilors Zinniel, Schmidt, Stevermer, Schieffert and Hirschboeck were present. Also present were City Manager Kober, City Attorney Fischer, Bob Elston, PUC Director, City Engineer Palm, City Clerk Tiedeken and Police Chief Andres.

Councilor Schmidt moved to approve the minutes of the April 10, 2016 regular meeting and the April 29, 2016 special meeting. Zinniel seconded the motion and the motion carried.

City Engineer Palm reported that no petition was received from the property owners along 2nd Avenue NW and had ordered change order #1 of M.R. Paving and Excavating Inc. original bid of \$729,133.15. The Street and Utility Project Preliminary hearing was not held because no petition was received for the area on 8th Avenue and Birch Street NE. Price per lot for street and services would have ranged from \$17,172.00 to \$54,978.00 for the area on 8th Avenue and Birch Street NE. City Manager Kober has received a letter from Tim Schieffert withdrawing his petition for the improvements on 8th Avenue NE and Birch NE making it muted to have the hearing. M.R. Paving and Excavating Inc. may not be able to honor the unit prices in their original bid without the 8th Avenue NE and Birch Street NE portion of the project and will have to renegotiate the bid. If the project cannot be renegotiated it will have to be rebid. Manager Kober did receive a petition from Ralph Hillesheim for services which would extend the lines 120 feet to the north along Hwy 4. Councilor Schmidt moved to renegotiation the downsized project with M.R. Paving and Excavating Inc. or rebid the project and to included Ralph Hillesheim's petition for services into the project. Discussion followed on the easement between Ralph Hillesheim property and Divine Providence for electrical services to Sportsman Park and provides an easement for future services to 2nd Avenue NW. Councilor Schieffert seconded the motion and the motion carried.

City Engineer Palm reported on the following items:

- a. Airport Maintenance building. Electric and water lines are in and the building pad is ready. Work on the building will begin as soon as the weather permits.
- b. Sleepy Eye Lake Trail Phase 2. Contractor plans to start in 2 to 3 weeks. A post will be installed to stop vehicles from using the trail to turn onto the Hwy 4.
- c. The Hwy 14 project plans are 99% complete along with an updated traffic control plan. Maximum time of the Walnut Street detour would be 5 weeks and there will be no parking on either side of Walnut Street during the detour. A \$1200.00 per day penalty will be imposed if not completed within 35 days. Councilor Schmidt moved to approve the projects plans and specs and authorized advising for bids in Finance and Commerce, SE Herald Dispatch and on Bolton and Menk's website for bids with the bid opening on Thursday June 9. Councilor Schieffert seconded the motion and the motion carried.

Councilor Schmidt moved to approve and grant the following annual liquor license renewals and annual plumbing license renewals effective July 1, 2016, pending all paperwork.

On Sale Liquor & On Sale Sunday Liquor- Scott Meyer dba Joe Meyers' Inc., Servicemen's Club, Inc., Daniel and Susan Helget dba Railway Bar & Grill, LLC, Dale and Robin Schottle dba City Limits of Sleepy Eye, Inc. and Orchid Inn & Motor Lodge.

On Sale Beer-Lydell Sik, dba Sleepy Eye Lanes

On Sale Beer- Seasonal- Sleepy Eye Baseball Association

Off Sale Beer –JANU-4 Freedom, Schutz Family Foods, Scott Meyers dba Joe Meyers Inc.

Chief Andres stated he had no problem with any of the renewals.

Plumbers: Ron Berdan dba Berdan's Plumbing & Heating, Calvin & Roland Buddensick dba B & B Plumbing & Heating, Phleg Mechanical, Inc. dba Feder Plumbing & Heating, James Hensel dba JP Plumbing & Heating, Mark Hansen dba Hansen Bros. Plumbing & Heating, Inc., Paul R. Schanus dba Schanus Plumbing & Heating, Inc., Philip Kirschstein dba Schultz Plumbing & Heating & Drain Cleaning Inc., Jeff Javens dba Javens Mechanical Contracting Co., Wayne V. Klassen dba Klassen Mechanical Inc., Lawrence Allen dba LA Plumbing & Heating LLC, Troy Huiras dba TMH Plumbing & Heating, LLC., Kiecker Plumbing & Heating LLC, Kerkoff Plumbing & Heating, Inc., IsaksonGag Plumbing, Inc. dba Schanus- Gag Plumbing and Gary Welter dba Welter Plumbing & Heating.

Councilor Stevermer seconded the motion and the motion carried.

Stevermer moved to approve the following one day beer permits: Knight of Columbus on July 4, 2016 at Allison's Park and Sleepy Eye Chamber of Commerce on Corn Days, August 19, 2016 at Allison's Park. Councilor Zinniel seconded the motion and the motion carried.

Sleepy Eye Fire Chief Ron Zinniel reported five applicants were interviewed for the two openings on the fire department and presented Cal Mertz and Jesse Como to fill the openings pending background checks and physicals. Date of hire would be June 6, 2016. Motion by Councilor Zinniel to approve the new hires pending background checks and physicals. Councilor Stevermer seconded the motion and the motion carried.

Councilor Stevermer moved to approve the Mutual Aid Agreement with Southwest Minnesota Emergency Fire Coalition which would include the Cities of Redwood Falls and Morgan. Councilor Schmidt seconded the motion and the motion carried.

Jeff Ruhr of Ruhr Development Inc. presented a proposal for a joint partnership of 49% and 51% between the City and RuhrCo to purchase the Inn of Seven Gables Hotel and the management of the future event center. The city would purchase the hotel and RuhrCo would make improvements of approximately \$800,000, \$1.2 million total value invested. RuhrCo would manage the hotel for a management fee of 5% of sales and secure an AmericInn franchise. RuhrCo will do the booking of functions at the event center and the city would manage all food and beverage arrangements for the functions. The city would collect all the fees for these events. RuhrCo would purchase the hotel from the city within 5 years or as soon as possible for the original purchased price and in the partnership agreement it should be added that if RuhrCo sold the hotel that the first \$400,000 would be paid to the city. The north 70 feet of the hotel property would be transferred to the city at the time of the purchase. City Manager Kober stated the city

has the funds for this purchase and with this agreement the city would be in first position for repayment. The hotel property could be purchased for \$400,000 cash. Councilor Zinniel questioned where the money would come from and if the city has money to purchase the hotel why has the City not purchase new turnout gear for the firemen. Councilor Schmidt explained that the council has not turned down requests from various city departments for equipment and that the Fire Department is in the process of applying for a grant for the turnout gear. Councilor Schieffert and Stevermer agreed that the City has no other options on the table. Councilor Schmidt moved to move forward to purchase the motel property and negotiated the partnership agreement between the City and RuhrCo. Voting in favor were Councilor's Hirschboeck, Schieffert, Schmidt, and Stevermer; against was Zinniel, the motion carried.

Ashley Schieffert presented a petition and proposals for new playground equipment at Kiefer Park. The existing equipment is not toddler friendly and does not meet current safety requirements. Kiefer Park has seven daycares within walking distance of the park and a baseball field and tennis courts that are used by city residents. The equipment proposals were for age ranges of 2 to 5 years and 5 to 12 years old. Residents have shown an interest in a community built project, which would be about a 30% cost savings. M.R. Paving would donate the site prep. A company representative would be on site during the build. Park and Recreation Director Steve Lingen was directed to have a proposal ready to present at the next regular council meeting and to put together a plan for donations of money, labor or materials.

The following application to the MN Gambling Control Board for an exempt permit to conduct a raffle was presented for the Chamber of Commerce at Allison's Park on August 19, 2016, Corn Days. Councilor Stevermer moved to not object to the foregoing application to conduct the raffles. Councilor Schieffert seconded the motion and the motion carried.

City Manager Kober reported on the following items:

Reviewed the following carryovers:

Financial	5,000.00
Deputy Registrar	4,000.00
Legal	1,000.00
Auditorium/Community Ctr/Museum	30,000.00
Police	0.00
Fire	110,000.00
Street Improvements	125,000.00
Storm Sewer	56,000.00
Sanitary Sewer	79,000.00
Sanitary Sewer (Equipment, trucks, Vacuum)	98,000.00
Park and Recreation	250,000.00
Downtown Rehab /EDA	
EDA Demo	100,000.00

Councilor Stevermer moved to approve the carryovers. Councilor Zinniel seconded the motion and the motion carried.

Reschedule the June regular city council meeting to Monday June 13, 2016 at 7 pm. Councilor Stevermer moved to approve the June 13, 2016 meeting date and Councilor Schmidt seconded the motion and the motion carried.

Councilor Schmidt moved to approve the annual request of \$3000 from Let's Go Fishing organization. Councilor Schieffert seconded the motion and the motion carried.

Councilor Zinniel moved to approve the permit to sell fireworks to JANU4 LLC dba Freedom Valu Center. Councilor Schieffert seconded the motion and the motion carried.

City Manager Kober also reported on phone calls received from Medicom customers about their billing. Medicom contract will expire in 2018.

An update on the cleanup at the house located at 829 Walnut Street SW was given.

There was no miscellaneous correspondence. Councilor Schmidt moved to approve the Cash Fund Balance and the Police Report. Councilor Stevermer seconded the motion and the motion carried

Police Chief Andres presented quotes for new tasers. Current tasers are 10 years old and are not recycling properly. The quote of \$6,807.00 from Taser International Inc. would be a savings of \$770 if purchased by the end of June. The quote includes seven tasers, batteries and holster. Chief Andres would like to devise a schedule to replace a taser every a 2 or 3 years. Councilor Schmidt moved to approve the purchase of seven tasers at \$6,807.00. Councilor Stevermer seconded the motion and the motion carried.

Councilor Schmidt moved to approve and allow the payment of the monthly bills in the amount of \$391,033.75 as presented. Councilor Schieffert seconded the motion and the motion carried.

There was no other business.

The meeting was properly adjourned at 9:31 p.m.

/s/ James J. Broich
James J. Broich, Mayor

ATTEST:/s/ Linda Tiedeken
Linda Tiedeken, City Clerk