

Pipestone, Minnesota
December 1, 2025

Pursuant to due call and notice thereof, a regular meeting of the Pipestone City Council was duly held in-person and via Zoom in the Council Chambers at City Hall at 6:30 p.m. on the 1st day of December, 2025. Mayor Dan Delaney called the meeting to order. Roll call was taken and a quorum was declared. Members present: Dan Delaney, Rodger Smidt, Scott Swanson, Danielle Thompson, and Verdeen Colbeck. Absent: None. Others present: Kyle Kuphal, Cable Access Coordinator Steve Moffitt, City Attorney Jason Hill via Zoom, Derek Behrens via Zoom, City Treasurer Jodie Jensen, Administrative Assistant Megan DeWitte, Community Development Director Justin Schroyer, Public Works Director Mike Bloemendaahl, and City Volunteer Firefighters: Chris Hoss, Blake Jasper, Dave Bucher, Brian Terry, Mason Musch, Tylan Vanderwal, Rick Whipple, Terry Smith, Billy Quist, Collin Moeller, Jeff Arndt, Austin Carpenter and Jordan Hess.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

APPROVE AGENDA – ADDITIONS, CHANGES OR DELETIONS

Motion was made by Smidt, seconded by Colbeck and unanimously carried to approve the agenda with the addition of New Business Item M that will consider authorizing staff to proceed with hiring a new public works operator.

CONSENT AGENDA

Mayor Delaney stated the consent agenda contains the November 17, 2025 Regular Meeting Minutes, Payment of Claims-Listing of Bills, Approval of 2026 Liquor License Renewals, Approval of Tally Ho Koffie, LLC Hiawatha Lodge Alcohol and Beverage Dispenser Agreement, and the Approval of the American Legion Post 6 2026 Annual Dance Permit. Delaney asked if there was any further discussion needed regarding these items. No further discussion was held.

Motion was made by Thompson, seconded by Colbeck and unanimously carried to approve the consent agenda which consisted of the November 17, 2025 Regular Meeting Minutes, Payment of Claims-Listing of Bills in the amount of \$734,981.48 for warrants 076313 to 076412, approval of Tally Ho Koffie, LLC Hiawatha Lodge Alcohol and Beverage Dispenser Agreement, approval of American Legion Post 6 2026 Annual Dance Permit, and approval of 2026 Liquor License Renewals:

Off Sale 3.2% Beer License(s)

- Casey's Retail Co. #2998
- Casey's Retail Co. #1006
- Cid's Latin Grocery
- Kwik Trip #1719

On Sale and Sunday Liquor License(s)

- American Legion 6
- Pipestone Country Club
- Pipestone Los Tulipanes

- Bole-Mor Lanes
 - Utopian Paradise, LLC
- On Sale Wine License
- Dar's Pizza
- On Sale 3.2% Beer License
- Dar's Pizza

COMMUNITY CONCERNS

None.

BID OPENING

Delaney stated, sealed bids were accepted at Pipestone City Hall until 1:00 P.M. on December 1st, 2025, for the lease of approximately 227 acres of Ag Land surrounding the municipal airport. Acting Administrator Stephanie LaBrune stated that the city had received 9 bids total and she opened a read them aloud. The term of the land lease will be from January 1, 2026 to December 31, 2028, or whenever the 2028 crop is harvested, whichever comes first.

Bidder's and the bid price per acre:

- | | |
|-----------------------------|---------------------------------|
| • Devin Hulstein | \$307.50 |
| • Rogen Smidt | \$317.50 |
| • Wade Newgaard | \$244.00 |
| • Brian Crammer | \$238.00 |
| • Pater Dairy (Randy Pater) | \$241.00 |
| • Mason Musch | \$275.00 |
| • Ryan Byenhoff | \$295.00 |
| • Richard Zeebee Trust | \$316.62 (Current Lease Holder) |
| • Chad McBeth | \$250.00 |

Motion was made by Swanson, seconded by Thompson, to accept the highest bid of \$317.50 per acre from Rogen Smidt. Motion passed 4-0 with council member Smidt abstaining.

PUBLIC HEARING

Public Hearing of Truth in Taxation.

Mayor Delaney shared that City Staff will share a presentation to discuss the proposed costs, budget and financial transparency for the upcoming 2026 levy and then the public will be allowed to share any comments or concerns.

Motion made by Thompson, seconded by Colbeck and unanimously carried to open the public hearing at 6:40p.m.

LaBrune shared a presentation on the proposed city budget for 2026 and covered how the tax payer's money will be distributed within that budget. She also shared preliminary levy comparisons from other local neighboring cities and showed that the city of Pipestone was one of the lowest rate increases.

Delaney opened discussion for input on the 2026 budget to the public and then to the council. There were no comments made. Delaney then said he believes the 5.43% increase is very reasonable and that he supports the proposed budget amounts.

Motion was made by Smidt, seconded by Swanson and unanimously carried to close the public hearing at 6:53 p.m.

PUBLIC HEARING

Public Hearing to consider a New Home Tax Abatement- Alison Douty

Delaney shared with those in attendance that Alison Douty has made an application for tax abatement on a new home planned to be constructed on Lot Three (3), Block Two (2), Third Addition in Southwest Acres Subdivision. A public hearing is required to be held on the proposed tax abatement request pursuant to Minnesota Statutes, Section 469.1813, subdivision 5. He said the Tax Abatement Request will be considered at the December 15th City Council meeting.

Motion was made by Swanson, seconded by Thompson and unanimously carried to open the public hearing at 6:54 p.m.

Delaney said it is good to have this type of residential advancement and infrastructure increase in our city and being able to encourage and support this type of development in our community is very important.

No public comments were received.

Motion was made by Thompson, seconded by Colbeck and unanimously carried to close the public hearing at 6:55 p.m.

LEGAL

Introduction of Ordinance 169, Fourth Series: An Ordinance Establishing Fees, Charges and Compensation as Allowed by City Code

Delaney introduced the ordinance stating that staff is recommending the following increases in city fees be made. This Ordinance will be on the December 15th Council Agenda for consideration and adoption.

| | <u>OLD FEE</u> | <u>NEW FEE</u> |
|---|--|--------------------|
| Copies | .25/copy | .10/copy |
| State Water Surcharge Fee | .81/mo. | 1.27/mo. |
| Water Base Fee | 36.30/mo. | 39.93/mo. |
| Water Usage Fees | 1.03/100gal. | 1.13/100gal |
| Sewer Base Fee | 22.20/mo. | 28.08/mo. |
| Sewer Usage Fees | 1.23/100gal. water | 1.36/100gal. water |
| Storm Water REF (Residential Equivalency Factor) | 10.60 | 11.24 |
| Commercial Garbage | *Overall 2.00 per yard increase | |
| Building Permit Fees | *Updated with SAFEbuilt recommendation | |

NEW BUSINESS

Fire Relief Association Request to Increase Retirement Benefit – Rick Whipple with the Pipestone Fire Relief Association Board made a request to increase the Fire Department Member’s retirement benefits from \$3,500 annually to \$4,500. He stated that the reports show the funds to be strong and asked that the increase take effect in 2026. Delaney believes this request is very reasonable and within the budget to support the increase.

Motion made by Smidt, seconded by Swanson and unanimously carried to approve the requested retirement benefit increase of \$3,500 to \$4,500 annually for the Fire Department’s retirement fund.

Resolution 2025-73: Resolution Accepting Donation(s)

Delaney said, this resolution accepts the following donations:

- **Hartquist Funeral Homes, Inc.** \$100.00 Lights at the Lodge
- **Pipestone County Medical Center** \$1,000.00 Lights at the Lodge
- **Plum Creek Library System** \$194.91 To purchase craft supplies for the Meinder’s Library Holiday Hospitality Retreat

Motion made by Swanson, seconded by Thompson and unanimously carried to accept Resolution 2025-73: Resolution Accepting Donation(s).

Resolution 2025-74: Resolution Adopting the 2026 Budget

Delaney said the 2026 budget has been presented tonight and reviewed by the council during a special work session held at 5:30 this evening and said to formally adopt the 2026 budget a motion is needed to approve resolution 2025-74.

Motion made by Thompson, seconded by Colbeck and unanimously carried to approve Resolution 2025-74: Resolution Adopting the 2026 Budget.

Resolution 2025-75: Resolution Establishing the Final Tax Levy payable 2026

Delaney called for a motion to approve resolution 2025-75.

Motion made by Swanson, seconded by Colbeck and unanimously carried to approve Resolution 2025-75: Resolution Establishing the Final Tax Levy payable 2026, in the amount levied for General Purpose expenses as \$1,777,549 and the amount levied for Bonded Indebtedness as \$1,185,096. The total tax levy is \$2,962,645.

Consider Approval of Quote to Stabilize the East Wall of the Carnegie Library

Delaney said following council direction, staff has received two quotes for the stabilization of the East wall of the Carnegie Library building. He said, the first quote is from Jesse Derouin Masonry, LLC in the amount of \$36,120 and the second quote is from CB Masonry in the amount of \$41,160.

Motion made by Swanson, seconded by Thompson and unanimously carried to approve the quote from Jesse Derouin Masonry, LLC in the amount of \$36,120 and move forward with the Carnegie Library Project.

Continuation of City Home Initiative Abatement Program

Delaney said the purpose of Pipestone City Home Initiative is to provide incentives to encourage the construction of new single-family homes and to encourage replacement of dilapidated housing structures with newly constructed single-family homes, thereby increasing the tax capacity within Pipestone City. This is a three-year program was said to expire on 12/31/25 unless council agreed to continue the program for another three years. He said, the council is very much in support of the continuation of the Abatement Program.

Motion was made by Colbeck, seconded by Thompson and unanimously carried to continue the Home Initiative Abatement Program for another 3-year term until 12/31/2028.

Consider Approval of New Resident Liquor Manager for the Pipestone Country Club

Delaney said the Pipestone Country Club is requesting the council approve Michael Biever as their new resident manager with regard to their liquor license. All background checks have been completed and staff is recommending council approval.

Motion was made by Swanson, seconded by Thompson and unanimously carried to approve Michael Biever as the new resident manager with regard to their liquor license for the Pipestone Country Club.

City Administrator Appointment

Delaney shared, on November 21st, the Personnel Committee interviewed four applicants for the City Administrator position. Mayor Delaney and Council member Swanson presented their recommendation as appointing Stephanie LaBrune to the City Administrator position.

Motion was made by Smidt, seconded by Colbeck and unanimously carried to accept Stephanie LaBrune as City Administrator for the City of Pipestone.

City Administrator Employment Agreement

Delaney said, with the appointment of the new City Administrator, the Personnel Committee is also recommended the approval of an employment agreement between the City and the City Administrator. Attorney Hill has reviewed the agreement.

Motion made by Swanson, seconded by Thompson and unanimously carried to accept the Employment Agreement with the City Administrator.

Consider Authorizing Staff to Proceed with Hiring a New Public Works Operator

Delaney said, Public Works Director, Michael Bloemendaal is requesting council approval to start the process of hiring a new employee to work in the Public Works Department. They have been operating with one less employee for quite some time now and with a retirement coming soon, this would be a good time to train a new employee under experienced staff.

Motion was made by Colbeck, seconded by Thompson and unanimously carried to allow Public Works to proceed in the hiring process for a new Public Works Employee.

CLOSING COMMENTS

Delaney announces, winter is here! Please remember to find off street parking during snowfall events to allow plows to clear the roads. He also shared that the City has been informed that it is the recipient of a Federal Lands Access Program (FLAP) Grant. The Grant funds are planned to be used to construct a shared use trail at the Hiawatha Pageant Park. The funding of approximately \$941,000 will be available in 2028.

Thompson, shared the Merry and Bright Parade will be this Saturday, December 6th and Santa will also be visiting at City Hall that day.

ADJOURNMENT

Motion made Smidt, seconded by Colbeck and unanimously carried to adjourn the meeting at 7:12 p.m.

Dan Delaney, Mayor

Attest:

Stephanie LaBrune, City Administrator/Clerk