

Present: Mayor Steve Stotko
Council Member Tom Ollig
Council Member Bonnie Quast
Council Member Dave Mochinski
Council Member George Schulenberg

Staff Present: Brad Martens, City Administrator
Deborah R. Boelter, City Clerk-Treasurer
Dave Meyer, Public Works Maintenance Lead

1) **Mayor Stotko called the meeting to order at 6:00 p.m.**

a) **The Pledge of Allegiance was taken.**

2) **Consent Agenda**

Council Member Ollig motioned to adopt the Consent Agenda as presented. Council Member Schulenberg seconded. Motion carried 5-0.

a) **Minutes – City Council - Work Session – February 6, 2012**

Accepted the minutes of the City Council Work Session of February 6, 2012.

b) **Minutes – City Council – Regular Meeting – February 6, 2012**

Accepted the minutes of the City Council Regular Meeting of February 6, 2012.

c) **Minutes – January 11, 2012 Planning Commission Meeting**

Accepted the minutes of the January 11, 2012 Planning Commission Meeting.

d) **Minutes – January 10, 2012 Winsted Municipal Airport Commission Meeting**

Accepted the minutes of the January 10, 2012 Winsted Municipal Airport Commission Meeting.

e) **Change Order - Winsted Municipal Airport Pavement Rehabilitation**

Authorized a Change Order to modify the contract documents for the Winsted Municipal Airport Pavement Rehabilitation to reflect a change in project completion dates.

f) **Resignation – Adam Hastings – Part Time Winsted Police Department Officer**

Accepted the resignation of employment by Adam Hastings, Part Time Winsted Police Department Officer effective February 14, 2012.

g) **Gambling Permit – Crow River Chapter 108 Ducks Unlimited**

Approved a gambling permit for Crow River Chapter 108 Ducks Unlimited, with no waiting period, to hold a raffle at The Blue Note Ballroom on April 16, 2012.

h) **January, 2012 Financial Report**

Approved the January, 2012 Financial Report.

i) January, 2012 Building Permit Report

Approved the January, 2012 Building Permit Report.

j) Claims

Approved the Claims List for February 21, 2012.

3) Public Hearings

a) Public Hearing – Improvements to Westgate Drive, Westgate Terrace, Westgate Circle, Westgate Lift Station, and the Winsted Volunteer Fire Department Parking Lot

Mayor Stotko gave a brief overview of how the Public Hearing was going to be conducted.

Mr. Martens stated that on September 21, 2010, the City Council approved a Pavement Management Plan which outlines proposed street improvements for the years 2011 – 2026. In the year 2012, the Plan calls for street reconstruction of Westgate Drive from Westgate Terrace to the north curve and a bituminous overlay of Westgate Drive from Main Avenue to Westgate Terrace and from the north curve to Sixth Street. The project also includes the updating of the storm sewer in this area.

In addition to the 2012 project in the Pavement Management Plan, the Winsted Volunteer Fire Department (WVFD) has requested that the City of Winsted reconstruct the parking lot at the Fire Hall. This item was originally brought forward in April, 2010.

Mr. Martens stated that the proposed project was discussed at the November 15, 2011 City Council meeting. As part of that discussion, it was requested that the project also look at Westgate Terrace and Westgate Circle. The City Council authorized Bolton and Menk, Incorporated to prepare a Feasibility Study for the 2012 Pavement Improvement Plan which includes the Westgate Neighborhood, Westgate Lift Station, and the Winsted Volunteer Fire Department's parking lot.

Mr. Martens stated that the completed Feasibility Study was presented and reviewed at the January 17, 2012 City Council meeting. The Study included a comprehensive review of the scope of the project and covered the proposed financing of the project. Considerable discussion took place regarding the scope and financing of the project. Afterwards, the City Council adopted Resolution R-12-02 accepting the Feasibility Study and scheduled a Public Hearing for February 21, 2012. Notice of the Public Hearing was mailed to each of the affected properties; three (3) notices were returned as undeliverable to the City.

The City's engineer, Jake Saulsbury, Bolton and Menk, Incorporated, presented information on the following:

- The general project process.
- The recommended project scope.
- Details of the street improvements.
- Details of the storm sewer improvements.
- Details of the Westgate Lift Station improvements.
- Details of the improvements to the WVFD parking lot.
- An overall cost summary of the proposed project.
- The financing and funding for the proposed project.
- The proposed assessments for this project in accordance with the City of Winsted's Assessment Policy.
- The potential project schedule.

Mr. Saulsbury stated that if the City Council would decide to move forward with the proposed project, Minnesota State Statute requires a 4/5 vote to approve the proposed Resolution R-12-05.

Mr. Martens addressed questions that have been asked by the City Council, staff and residents:

1. Why did the existing street last only approximately twenty (20) years?

Mr. Martens stated that the street has been damaged due to poor drainage.

2. How long is a typical street warranty?

Mr. Martens stated that typically a contractor will warranty new street construction for one (1) to two (2) years.

3. What is being done differently this time to insure that the new streets in the Westgate neighborhood will be constructed properly and hopefully last longer?

Mr. Martens stated that the City's engineer has designed the new streets with substantial improvements to drainage.

4. How long will this new street construction last?

Mr. Martens stated that the new street construction has been designed to last for twenty (20) years with no other life extending processes such as seal coating, crack sealing, etcetera.

5. Will the proposed improvements to the Westgate Lift Station accommodate future growth?

Mr. Martens stated that the improvements to the Westgate Lift Station have been planned to handle future capacity of twenty (20) years out.

6. Why has the WVFD's parking lot only lasted fourteen (14) years?

Mr. Martens stated that the WVFD's parking lot has poor drainage and was designed poorly for the weight of the trucks that travel on it.

7. What is being done differently this time in the design of the WVFD's parking lot?

Mr. Martens stated that the parking lot is being designed with much stronger pavement, reinforced steel and substantial improvements to drainage.

Mr. Martens stated that the next step in the process is to hold the Public Hearing and consider ordering the preparation of plans for the proposed improvements.

Mr. Martens stated that as of 12:00 p.m. Friday, February 17, 2012, staff had received two (2) comments on the project as follow:

1. In person verbal comments were given to a staff member expressing concern for using an assessment to pay for a portion of the project. This individual proposed a city wide, special tax to pay for all street improvements.
 - a) Staff has reviewed this request and has found that an approximate \$300 per unit annual tax, through year 2024, would need to be implemented to pay for the proposed projects in the Pavement Improvement Plan, funding \$264,000 annually. This would allow for the City to pay for the project using cash on hand and not borrowing.
2. In a telephone conversation, staff was asked for more detail about the proposed project and financing. The individual did not disagree with the project or financing.

Mr. Martens read a letter he received from a resident living at 260 Westgate Drive, expressing their opposition to the proposed project.

Mr. Martens stated that it appears that the financing of the project has received the most scrutiny. He recommended that the City Council adhere to the proposed financing structure as outlined in the City's Assessment Policy to allow for sufficient funds for future improvements to be completed.

Mr. Martens stated that if the City Council would approve a reduced assessment percentage, it will result in a decreased capacity to complete future projects without replacing the assessment revenue. This would mean that the quality of the streets in Winsted would be jeopardized. It may also result in a higher tax rate to pay for increased annual debt payments.

Aaron Kubasch, 179 Westgate Drive, addressed the City Council. Mr. Kubasch presented a petition to Mayor Stotko. Mr. Kubasch stated that he did visit residents in the Westgate neighborhood and asked them to sign a petition stating, "that the undersigned do not feel that the proposed improvements are necessary at this time." He continued by stating that he received fifty-one (51) signatures on the petition. Mr. Kubasch stated that he read the Feasibility Study and it states that, "the condition of the roads in Westgate is due to poor subsurface soils." He continued by asking why the "poor subsurface soils" were not identified by the engineers that designed the original streets. Mr. Kubasch stated that not only do the residents in the Westgate neighborhood drive on the streets in Westgate; but, other Winsted residents do as well, so they should also be assessed a portion of the project.

Council Member Mochinski stated that Mr. Kubasch said that he does not believe the street improvements need to be completed at this time. Council Member Mochinski asked Mr. Kubasch when he thinks the improvements should be done. Mr. Kubasch stated that he does believe that certain sections of the streets need to be repaired; but, not the entire street.

Council Member Mochinski asked Mr. Kubasch if he feels that the Westgate Lift Station should be upgraded and improvements made. Mr. Kubasch stated that the work proposed to be completed on the Westgate Lift Station should be done.

Rhonda Whitcomb, 283 Westgate Terrace, addressed the City Council. Ms. Whitcomb asked about the assessment. She stated that if the resident opted to pay their \$460 per year assessment over fifteen (15) years instead of the one (1) time payment of \$4,940 the resident would be paying approximately \$2,000 in interest over the fifteen (15) years; so, what does the City do with the extra \$2,000.

Ms. Whitcomb also asked what criteria the City of Winsted used to determine that the Westgate neighborhood has the worst streets in the City. She stated that she believes that there are other streets in Winsted that are in worse condition than the Westgate streets.

Ms. Whitcomb asked how the street construction would be completed because there are some residents in the Westgate neighborhood that may need the services of an emergency medical vehicle and it would not work to have both entrances to Westgate closed.

Mr. Martens stated that the City would have to bond for the project and the approximate \$2,000 would help to cover the cost of the bond's interest and also the City staff's time to maintain the assessments.

Mr. Saulsbury stated that all of the City's streets were evaluated by the City's engineers and staff to prepare the Pavement Management Plan. The streets in the Westgate neighborhood were deemed a "high priority" in the Plan.

Mr. Saulsbury stated that the engineers and the contractor will continually communicate with residents on access to the streets and/or their driveways. He continued by stating that emergency vehicles would have access to residents in the Westgate neighborhood.

Mr. Saulsbury also commented on the question about why Westgate residents are being assessed for the street improvements when other Winsted residents are using the streets too. Mr. Saulsbury stated that the residents in Westgate are being assessed for fifty percent (50%) of the improvement project because the streets are used by other residents.

Loren Johnson, 111 Westgate Drive, addressed the City Council. He stated that the street was redone in front of his house, and in front of 110 Westgate Drive, when the sewer was connected to the Grass Lake housing addition; so, he does not understand why the street needs to be improved in the aforementioned area. Mr. Saulsbury stated that the area in front of 110 and 111 Westgate Drive was patched in 2008 but, it would be more cost effective to have the contractors redo the area again instead trying to work around it.

Chuck Gutzmann, 509 Westgate Drive, addressed the City Council. Mr. Gutzmann stated that the engineers should have been aware of the subsurface conditions when the street was originally constructed twenty (20) years ago. He continued by stating that the Westgate housing development should not have been approved because it was built on a swamp. He asked what was being done differently this time in the planning for the street improvements.

Mr. Saulsbury stated that the plans and specifications include the installation of drain tile to remove the subsurface drainage.

Mr. Gutzmann asked the City Council if they would consider assessing residents each month through the water and sewer bills to help fund the City's twenty (20) or thirty (30) year Pavement Management Plan. Mayor Stotko stated that this type of funding was considered when the Plan was being established.

Mr. Gutzmann asked if the project could be postponed for five (5) years to allow the City time to save more funding for the project. Council Member Ollig stated that interest rates are low right now which would benefit the City when bonding for the project. He also stated that contractors are looking for work in this downed economy; so, their quotes to do the project tend to come in at a lower rate.

Mr. Martens stated that the City could afford to do this project and the 2014 Pavement Management Plan project with the debt service that will be eliminated. Mr. Martens stated that to fund the projects in the Pavement Management Plan through the year 2026, with the type of financing that Mr. Gutzmann is suggesting, would mean that each household would have to be assessed approximately \$300 annually on their water and sewer bill from the year 2012 through the year 2026. Mr. Martens stated that the financing established in the City's Assessment Policy allows the projects in the Pavement Management Plan to be done in a timely manner instead of completing them all at the same time.

Joe Fiecke, 233 Westgate Terrace, addressed the City Council. He stated that he has drainage issues in front of his property and would like to see something done to improve the situation.

Mayor Stotko asked the audience for a show of hands on if they feel the streets do not need to be improved in the Westgate neighborhood. The majority of the audience raised their hands. Mayor Stotko asked the audience to raise their hands if they have an issue with the cost of the project being assessed to their property. The majority of the audience raised their hands.

Mr. Kubash asked what the vote has to be from the City Council for the assessment to be approved. Mr. Saulsbury stated that Minnesota State Statute requires that the assessment be approved by a 4/5 vote of the City Council; meaning that there has to be four (4) out of the five (5) possible votes in favor of the assessment.

Sandy Lauzer, 140 Westgate Drive, addressed the City Council. Ms. Lauzer stated that there are some issues with some of the areas of the streets in the Westgate neighborhood. She stated that there are no issues with the street in front of her property. Ms. Lauzer continued by stating that the City should not have issued building permits that allowed people to dig a basement for their house in the Westgate housing development because the land in Westgate was a swamp. She stated that she does not believe that she should be assessed for attaching a sump pump to the City's storm sewer connection. She continued by stating that there are sections of the street that need to be repaired but she does not believe that their property should be assessed for it and their property taxes increased \$460 per year for the improvements. Ms. Lauzer stated that this type of assessment will be a burden on her and some of her neighbors.

Steve Luedke, 312 Westgate Drive, addressed the City Council. He asked for clarification on why the street has to be torn up to repair the Westgate Lift Station. Mr. Martens stated that it is opportunistic. He continued by stating that the Westgate Lift Station needs to be upgraded and since the streets are going to be reconstructed, it is the perfect time to make the necessary improvements to the Lift Station. Mr. Luedke asked if the streets in the Westgate neighborhood were classified as a high priority because the Lift Station needs to be

upgraded. Mr. Saulsbury stated that the streets were evaluated first and since the streets were classified as a high priority for reconstruction, the Westgate Lift Station was evaluated as well so both projects can be completed at the same time. Mr. Luedke stated that he has a corner lot so he asked if he will be assessed for two (2) units. Mr. Martens stated that each corner of his lot is a ½ unit; so, he would be assessed for a ½ unit for the corner of his lot where the street improvements are being made.

Lee Hertzog, 180 Westgate Drive, addressed the City Council. Mr. Hertzog asked how future streets that need repair in the City will be funded. Mr. Martens stated that any reclamation street projects will be funded through the City's Assessment Policy. He continued by stating that seal coating projects are paid from the City's General Fund levy.

Council Member Ollig stated that when the City bonds for a street improvement project, all residents are paying for the property tax levy established by the City Council to pay for the bonds.

Alison Dressel, 220 Westgate Drive, addressed the City Council. Ms. Dressel stated there are drainage issues located in the street in front of their property. Ms. Dressel asked about the establishment of the Assessment Policy. Mr. Saulsbury presented information on the establishment of the Assessment Policy. Ms. Dressel asked what the first street improvement project was in the Pavement Management Plan and did the City Council approve the project. Mayor Stotko stated that the first project was the reconstruction of Fairlawn Circle and the project was not approved by the City Council. He continued by stating that the City Council decided to complete the Fairlawn Circle project at the time that Fairlawn Avenue is scheduled to be reconstructed so the assessment will be distributed to all the properties on Fairlawn Circle and Fairlawn Avenue. Ms. Dressel stated that the Westgate residents would be assessed fifty percent (50%) for the street improvements and they also pay taxes to the City of Winsted for the portion that the City has to bond for and then levy; so, the residents in Westgate are being assessed for the entire project. Mr. Martens stated that a resident could argue that.

Steve Bising, 216 Westgate Terrace, addressed the City Council. Mr. Bising stated that he is in favor of what the majority of the residents in the Westgate neighborhood have said. He continued by stating that there are definitely areas of the streets in Westgate that need to be improved; but, the economy has put a financial strain on many people and he asked the City Council to take this into consideration when making their decision.

Mr. Kubasch stated that he talked to the City Administrator in Howard Lake, Minnesota and they fund their street projects through their Water and Sewer Funds. He continued by stating that he would not be opposed to paying \$300 per year through his water and sewer bill to help fund street improvement projects. Mr. Martens stated that the City of Howard Lake is paying for their street improvements through their Water and Sewer Funds because they are tearing up the streets to replace the water and sewer lines under the street. Mr. Martens continued by stating that a City can only pay for projects this way if they are replacing the water and sewer lines under the street. The City of Winsted is not doing this in Westgate. Mr. Saulsbury stated that the water and sewer rates in the City of Howard Lake are much higher than its surrounding communities because of this type of funding for their street reconstruction projects and the rates will continue to increase.

Council Member Mochinski asked Dave Meyer, Public Works Maintenance Lead, what streets he would classify as the worst in the City of Winsted. Mr. Meyer stated that Westgate Terrace is the worst. There are several ongoing drainage issues. He continued by stating that Fairlawn Circle would be the next worse.

Council Member Quast asked if we decide not to do the street improvements and put a "band-aid" on the drainage issues, how long would the "band-aid" last. Mr. Meyer stated that you could put a storm drain in. Mr. Saulsbury stated that it would be a partial cure to the drainage issues; but, there would be an ongoing problem because there would be no drain tile installed and the needed improvements done to the curb and gutter.

Council Member Mochinski motioned to close the Public Hearing. Council Member Quast seconded. Motion carried 5-0.

Council Member Mochinski stated that he had a lot more information on the plans and specifications, and financing for the project, than the residents did. As a result, he was in favor of the project. Council Member Mochinski continued by stating that as far as the economy goes, it is perfect timing to do this type of project because interest rates are low for bonding and contractors are looking for work so they provide low bids on these types of projects. He continued by stating that he does not believe that a "band-aid" fix is appropriate because it will only cost the City more money in the future.

Council Member Ollig stated that it is not the intention of the City Council to put a financial hardship on anyone; but, we are elected to take care of the Community. He stated that it would be easy to push the project off to a future City Council; but, then there will be an even bigger problem. Council Member Ollig stated that he is uncertain about whether he is for the project; but, as a City Council they have a reasonability to maintain the City's infrastructure. He stated that he agrees with Council Member Mochinski that this would be a good time to complete the project; but, maybe the City needs to evaluate other mechanisms for funding it.

Council Member Quast stated that the economy is tough right now; however, if the project is going to be done, she stated that she wants to do it right and not put a "band-aid" on the issues. She continued by stating that she does not want to put a financial hardship on the residents in Westgate. She continued by stating that she would like to find a solution that would be affordable to the residents in Westgate.

Council Member Schulenberg stated that he agrees with what the other City Council members are saying. He continued by stating that it is difficult for him to postpone the project for three (3) to five (5) years. It would likely cost more to do the project in the future. Council Member Schulenberg stated that it is difficult for the City Council to know that if we approve the project, the residents in Westgate will be paying for it; but, we have to protect the City's infrastructure.

Mayor Stotko stated that the Pavement Management Plan was developed to properly plan for the necessary street improvements in the City of Winsted. He continued by stating that the plan was to fund the street improvements as they were being completed and the City Council did amend the Assessment Policy to decrease the amount of funding that would be assessed to the property. Mayor Stotko stated that with oil prices increasing, he believes that the project should be done now to keep it affordable.

Council Member Quast asked if the assessment could be extended to twenty (20) years instead of fifteen (15) years and the payment for the residents would decrease to approximately \$300 per year, would the resident still have the option to pay the assessment in full at any time.

Mr. Martens stated that if the assessment would be extended for twenty (20) years, the approximate cost to the Westgate residents would be \$396 per year. Mr. Martens stated that it would depend on the interest rate of the bonds that are purchased. He continued by stating that they could pay the assessment in full at any time. He said that the amount of interest that the residents and City would be paying would be higher because you are extending the payments five (5) more years.

Mr. Martens asked Mr. Saulsbury if the project is approved tonight, can the scope of the project be changed. Mr. Saulsbury stated that the scope of the project could not be increased and the assessment portion could not be increased; but, they can be reduced.

Mr. Saulsbury stated that the City Council would have six (6) months to approve the design of the project without having to start the whole process over again. Mr. Saulsbury stated that the City Council should consider making a decision soon so the project can be completed before November, 2012.

Mayor Stotko stated that he believes that the City Council would like to further evaluate the improvements to the WVFD's parking lot and consider some other options. Mr. Saulsbury stated that the improvements to the WVFD's parking lot do not have to be finalized tonight.

Council Member Ollig asked if there are any other funding options for the street improvements. Mr. Saulsbury stated that the project is not eligible for funding from the City's Water and Sewer Funds. He continued by stating that the City could fund the project with a Street

Reconstruction Bond; however, Minnesota State Statute would require the City to do a five (5) year Feasibility Study.

Council Member Ollig stated that he cannot vote to go forth with the proposed project without exploring other financing options. He continued by stating that he would also like to know what it would cost to put a “band-aid” on the streets.

Mr. Martens stated that the option would be to table for further discussion. Mr. Martens reviewed the financing options and stated that anything that the City Council decides will set a precedence for future projects.

Council Member Ollig motioned to table the Improvements to Westgate Drive, Westgate Terrace, Westgate Circle, Westgate Lift Station, and the Winsted Volunteer Fire Department Parking Lot to explore other funding options, discuss at a future City Council Work Session and schedule another Public Hearing if necessary. Council Member Quast seconded. Motion carried 4-1. Mayor Stotko opposed.

4) **No Old Business.**

5) **New Business**

a) **Ordinance O-12-05 – Zoning Ordinance Amendments – Commercial Downtown Business District**

Mr. Martens stated that in the fall of 2011, the City of Winsted received a request to allow street level residences in the C-1 Commercial Downtown Business District. This use is currently prohibited under the Zoning Ordinance.

Permitting residences on street level would allow for an additional revenue source which could make the buildings more appealing. Additionally, many of the buildings in the C-1 Commercial Downtown Business District are deep enough where if a residence was located at the rear of the building, a significant space would still exist for commercial use. Conditions could require the residence to remain a certain distance from the street or limit the square footage of the residence.

Mr. Martens stated that the request was heard at the October 12, 2011 Planning Commission meeting and there was considerable discussion on what defined street level, parking requirements, and the amount of rental units in the City of Winsted. The Planning Commission directed staff to bring the item back to the Planning Commission in November, 2011 with information on the current vacancy level of apartments in the city, parking requirements, and draft ordinance language that could be reviewed.

Prior to the November, 2011 meeting, staff had discussions with owners of the following apartment complexes: Sawatzke Apartments, Junczewski Apartments, Shore Drive Apartments, Winsted Park Apartments, and Flagship Bank. In general, it was found that there are many rental vacancies in the City of Winsted and that there is a fear of further competition. There were also several comments that if it was only one (1) or two (2) units, it would not make much of an impact, and that if it were able to help the downtown area, it would be worth doing. In regards to the defining of street level, it is defined as “ground floor”.

Mr. Martens stated that current ordinance requirements for parking are defined in the Zoning Ordinance which is attached to this report.

Mr. Martens continued by stating that at the November 9, 2011 Planning Commission meeting, the request was further discussed in regards to what constituted the ground floor and if there should be a size limit for the space if allowed. The Commission agreed that if approved, the language should be placed under Conditional Uses so each approval could be looked at individually and so that conditions could be placed upon the approval.

The Planning Commission voted to schedule a Public Hearing to consider a language amendment number six (6) be added to the Winsted Zoning Ordinance Section 1501.008 – “C-1” Commercial Downtown Business District; Letter D – Conditional Uses; as follows: “A single

street level residence provided any such residence shall not occupy the front twenty-five (25) feet of the building on that street level”.

Mr. Martens stated that the Planning Commission held the Public Hearing on January 11, 2012 and the Commission voted to adopt Planning Commission Resolution PCR 12-01 to recommend that the City Council of the City of Winsted approve the proposed text amendments to the City’s Code Chapter 15, Section One (1), Zoning Ordinance Sections 1501.008, C-1 Commercial Downtown Business District by adding item number six (6.) to this section, “6. A single street level residence provided any such residence shall not occupy the front twenty-five (25) feet of the building on that street level.”

Mr. Martens recommended that the City Council approve the proposed text amendments to the City of Winsted’s Zoning Ordinance, Chapter Fifteen (15), Section 1501.008 regarding single street level residences in a Commercial Downtown Business District as recommended for approval by the City of Winsted Planning Commission on January 11, 2012.

Council Member Ollig motioned to approve the proposed text amendments to the City of Winsted’s Zoning Ordinance, Chapter Fifteen (15), Section 1501.008 regarding single street level residences in a Commercial Downtown Business District as recommended for approval by the City of Winsted Planning Commission on January 11, 2012. Council Member Mochinski seconded. Motion carried 5-0.

b) Waste Water Treatment Facility Improvements

Mr. Martens stated that in December, 2011, the City of Winsted was issued a new National Pollutant Discharge Elimination System/State Disposal System (NPDES/SDS) Permit from the Minnesota Pollution Control Agency (MPCA) for the Waste Water Treatment Facility (WWTF). The permit required the WWTF to comply with a new phosphorous limit effective June 8, 2012 and many more requirements for future years.

In order to meet the phosphorous limits effective June 8, 2012, new equipment will need to be installed to allow for the utilization of chemicals to reduce the phosphorous levels.

Mr. Martens presented the proposed improvements to the WWTF:

- Convert the existing chlorine room to a chemical storage room.
- Provide storage tanks with secondary containment for forty-five (45) to sixty (60) days worth of chemical storage.
- Add electric heaters to the new chemical storage room.
- Add chemical feed pumps to the new chemical storage room.
- Install a Poly Vinyl Chloride (PVC) carrier line from the chemical storage room to the clarifier splitter box.
- A core hole into the clarifier splitter box for the PVC carrier line.
- Run chemical feed tubing from the chemical feed pumps through the PVC carrier line.

Mr. Martens stated that the cost of materials and equipment required to meet the new limits is estimated at \$40,000.

The engineering, bidding, MPCA coordination, construction inspection, and construction administration will be completed by Bolton and Menk, Incorporated at their contracted hourly rates. This cost is estimated at \$10,000.

Mr. Martens presented the proposed schedule:

- February 21, 2012 City Council authorization to prepare plans and specifications and solicit quotes.
- February/March, 2012 Project design and coordination with People Service, Incorporated.
- March 6, 2012 Submit bid documents to the MPCA for approval.
- March 9, 2012 Send bid documents to the selected contractors.
- March 24, 2012 Open and review the contractor quotes.
- April/May, 2012 Construct the project.
- June 8, 2012 Complete the project and comply with the 1.0 milligrams per liter (1.0 mg/l) phosphorus limit.

Mr. Martens requested that the City Council approve Bolton and Menk, Incorporated to prepare plans and specifications, as well as solicit quotes, for the work to complete improvements necessary to upgrade the WWTF. He further requested that the Council authorize the City Administrator to approve the quotes in order to expedite the process.

Mr. Saulsbury stated that this is an interim improvement project to the WWTF and a larger project will still be required in the future.

Council Member Mochinski motioned to authorize Bolton and Menk, Incorporated to prepare plans and specifications and to solicit quotes for improvements necessary to upgrade the Waste Water Treatment Facility, and authorize the City Administrator to approve the quotes. Council Member Schulenberg seconded. Motion carried 5-0.

6) No Organization Report.

7) Department Report

a) Waste Management

Greg Revering, Waste Management District Manager, reported on the following:

- There are forty-seven (47) employees that work out of the Waste Management Facility in Winsted.
- Kenny Radtke has serviced the Winsted Community for twenty-five (25) years by picking up the residential garbage.
- Presented the names of the other employees who pick-up the recycling and commercial garbage.
- In 2011, 576.2 tons of residential garbage was collected in Winsted.
- In 2011, 66.6 tons of recycling material was collected in Winsted.
- In 2010, 521.7 tons of residential garbage was collected in Winsted.
- In 2010, 92.3 tons of recycling material was collected in Winsted.
- In 2011, 747 tons of commercial garbage was collected in Winsted. The amount was about the same in 2010.
- In 2011, 25.54 tons of cardboard was collected in Winsted.
- The concerns on commercial pricing for garbage pick-up in Winsted. Waste Management evaluated all the commercial accounts and prepared a pricing matrix and some of the accounts were adjusted according to the pricing matrix. Council Member Quast asked if he has received any complaints from the commercial accounts since the pricing matrix was implemented. Mr. Revering stated no. Council Member Mochinski asked Mr. Revering if someone from Waste Management has contacted the commercial accounts in Winsted who were upset with the pricing for garbage removal before the pricing matrix was created. Mr. Revering stated no. Council Member Mochinski recommended that it may be good customer service to contact each of the commercial accounts and present the new pricing matrix.
- Mr. Revering stated that the hauling of the leachate to the City of Winsted's WWTF is going well. He stated that the City has the potential to generate \$45,000 in revenue by the end of 2012.
- Trying to change all the residential garbage carts in Winsted a green color. If a resident is adamant about keeping their brown garbage cart, Waste Management will return their brown cart.
- The City's contract with Waste Management will be expiring and discussion should begin in 2012. Mayor Stotko asked Mr. Martens when the contract will be reviewed by the City Council. Mr. Martens stated that the Waste Management contract is on the 2012 Work Plan and is scheduled to be reviewed during the second (2nd) quarter of the year.
- Mr. Revering stated that the reason why the residential garbage rates are higher in Winsted is because Waste Management is investing in resources to better the environment by going green.
- The Organics program.

8) No Open Forum.

9) No Announcements.

10) Adjournment

Council Member Quast motioned to adjourn. Council Member Schulenberg seconded. Motion carried 5-0.

The meeting was adjourned at 7:37 p.m.

Steve Stotko

Steve Stotko
Mayor
City of Winsted

ATTEST:

Deborah R. Boelter

Deborah R. Boelter, MCMC
City Clerk-Treasurer
City of Winsted