

City of Winsted  
City Council Meeting  
Council Chambers  
Tuesday, March 19, 2013  
6:00 p.m.

Present: Mayor Steve Stotko  
Council Member Max Fasching  
Council Member Tom Ollig  
Council Member Bonnie Quast  
Council Member George Schulenberg

Staff Present: Brad Martens, City Administrator  
Dave Meyer, Maintenance Supervisor

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

a) **Minutes – City Council – Goal Setting Session – February 15, 2013**

Accepted the minutes of the City Council Goal Setting Session of February 15, 2013.

b) **Minutes – City Council – Work Session – March 5, 2013**

Accepted the minutes of the City Council Work Session of March 5, 2013.

c) **Minutes – City Council – Regular Meeting – March 5, 2013**

Accepted the minutes of the City Council Regular Meeting of March 5, 2013.

d) **Minutes – Park Commission Meeting – December 10, 2012**

Accepted the minutes of the December 10, 2012 Park Commission meeting.

e) **Minutes – Airport Commission Meeting – February 12, 2013**

Accepted the minutes of the February 12, 2013 Airport Commission meeting.

f) **Minutes – Planning Commission Meeting – February 13, 2013**

Accepted the minutes of the February 13, 2013 Planning Commission meeting.

g) **Resolution R-13-05 – Winsted Volunteer Fire Department Relief Association Gambling Contribution**

Adopted Resolution R-13-05 to accept a contribution from gambling proceeds from the Winsted Volunteer Fire Department Relief Association in an amount not to exceed \$1,600 to be dedicated to the Winsted Volunteer Fire Department for ice rescue equipment.

h) **City Hall Closed – March 29, 2013**

Authorized the closing of City Hall on Friday, March 29, 2013 at 12:00 noon.

i) **Leave of Absence – John Schlechter**

Approved a two (2) week unpaid leave of absence for John Schlechter to be taken in May, 2013 and in October, 2013 as scheduled with Dave Meyer, Maintenance Supervisor.

**j) 2012 Audit**

Authorized the audit of the City of Winsted's financial statements for the year ending December 31, 2012 by Conway, Deuth and Schmiesing in an amount of \$31,500.

**k) Flagship Bank of Winsted – Pledged Securities**

Approved the Pledged Securities that Flagship Bank of Winsted has purchased for the City of Winsted for the month of February, 2013.

**l) February, 2013 Financial Report**

Approved the February, 2013 Financial Report.

**m) February, 2013 Building Permit Report**

Approved the February, 2013 Building Permit Report.

**n) Claims**

Approved the claims list for March 19, 2013.

**3) No Public Hearings**

**4) No Old Business**

**5) New Business**

**a) Capital Improvement Plan Purchase – Tandem Axle Dump Truck**

Mr. Martens stated that the Public Works Department has several vehicles in its fleet that are nearing their anticipated life expectancy. In order to ensure the Department has the quality of equipment necessary to continue providing the existing level of services in the future, there is a need to begin replacing equipment to avoid a failure of multiple pieces of equipment at the same time.

Mr. Martens stated that in 2013, the Public Works Department is requesting that the City Council approve the replacement of the 1992 Ford L9000 Tandem Axle Dump Truck. This vehicle is used for snowplowing, salt/sanding, hauling dirt/gravel/etcetera, and other miscellaneous maintenance. Mileage of this 1992 Ford L9000 vehicle as of March 1, 2013 was 152,676 miles.

Mr. Martens stated that Dave Meyer, Maintenance Supervisor, has received several bids for a new replacement and displayed a State Bid Comparison table as follows.

	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
<b>Truck</b>	2014 Mack Truck \$110,028.29	2014 International Truck \$108,611.85	2014 Freightliner Truck \$108,808.23	2014 Mack Truck \$110,028.29	2014 International Truck \$108,611.85	2014 Freightliner Truck \$108,808.23
<b>Equipment</b>	Towmaster Equip. \$101,024.66	Towmaster Equip. \$101,024.66	Towmaster Equip. \$101,024.66	Crysteel Equip. \$101,186.38	Crysteel Equip. \$101,186.38	Crysteel Equip. \$101,186.38
<b>Trade Value</b>	\$21,500.00	\$20,000.00	\$18,000.00	\$21,500.00	\$20,000.00	\$18,000.00
<b>Total</b>	\$189,552.95	\$189,636.51	\$191,832.89	\$189,714.67	\$189,798.23	\$191,994.61

Mr. Martens stated that the Public Works Department favors the truck and equipment in Option One (1), 2014 Mack truck with Towmaster equipment. This is also the lowest cost of the options. All

pricing is based upon approved State contracts and includes the trade-in of the 1992 Ford L9000 Tandem Axle Dump Truck.

Mr. Martens stated that staff has investigated the possible purchase of a used truck; however, has been unable to find a truck in acceptable condition. He continued by stating that it is common for departments to use trucks for twenty (20) plus years and then buy new, which is the case in Winsted.

Mr. Martens stated that the City's Purchasing Policy states the following:

"Where a purchase contract has been awarded by the State of Minnesota, another local government, a cooperative of local governments, or a federal agency in compliance with applicable State Statutes, and where it is legally permissible for the City of Winsted to participate, a purchase may be made through the vendor named in that contract without advertising for bids or obtaining quotes locally."

Mr. Martens stated that the price of the replacement truck is \$189,552.95, and that tax is an additional \$5,754.34, making the total replacement cost \$195,307.29. License fees of \$75 and door decals are not included.

Mr. Martens stated that the truck would be purchased by using the City's Capital Equipment Fund which has a balance of approximately \$204,000. An additional allocation of \$130,000 is budgeted in 2013 towards this fund.

Council Member Schulenberg asked Mr. Meyer about the trade-in of the old vehicle. Mr. Meyer stated that Option One (1) for the 2014 Mack Truck provides the best trade value for the City's current vehicle.

**Council Member Quast motioned to approve the purchase of a 2014 Mack truck with Towmaster equipment from Nuss Truck and Equipment and Towmaster Truck Equipment in the amount not to exceed \$196,000.00. Council Member Schulenberg seconded the motion. Motion carried 5-0.**

b) **Commercial Operation Agreement – Joe Johnson, Westside Skydivers**

Mr. Martens stated that Joe Johnson, Westside Skydivers, is requesting that the City Council consider amending the approved Commercial Operation Agreement between the City and himself to lower the insurance coverage requirements. Mr. Johnson is requesting the amendment to lower his insurance premium costs.

Mr. Martens displayed a table comparing the existing coverage requirements and the requested coverage requirements:

	Existing Coverage Requirements	Requested Coverage Requirements
Premises Liability	\$1,000,000 each occurrence \$2,000,000 aggregate	\$500,000 each occurrence \$1,000,000 aggregate
Contractual Liability	\$1,000,000 each occurrence	\$500,000 each occurrence
On-Premises Auto Liability	\$1,000,000 each occurrence	\$500,000 each occurrence
Premises Medical Payments	\$5,000 each person	\$5,000 each person
Aircraft Liability	\$500,000 each occurrence excluding passenger	\$300,000 each occurrence excluding passenger
Premium Total	\$9,338	\$8,100
Difference		-\$1,238

Mr. Martens stated that reducing insurance coverage will increase the financial risk to the City of Winsted if an unfortunate incident were to occur. He continued by stating that staff recommends not to reduce the insurance coverage requirements as they were recommended to the City from its own insurance provider to protect the City of Winsted.

Council Member Ollig stated that he is involved with insurance requirements for the Winstock Country Music Festival and stated that the insurance provider for Winstock Country Music Festival insists on

\$1,000,000 liability insurance requirements. He continued by stating that if some unfortunate accident would happen, Mr. Johnson would likely want to have at least the amounts the City is requiring and that \$1,238 is not a high premium increase compared to the amounts of jumps that are occurring at Westside Skydivers.

Mr. Johnson stated that the issue is not the additional \$1,238; the issue is that no other skydiving operation that he has researched is required to carry these limits for insurance. He continued by stating that only two (2) companies in the United States offer these limits to insure a skydiving operation.

Council Member Ollig stated that the City wants Mr. Johnson's business in Winsted. He continued by stating that protection for the City must be a priority. If insurance is available with the limits recommended by the City's insurance provider, the City should require that Mr. Johnson obtain the recommended insurance.

**c) Right of Entry Agreement – John and Dan Entinger**

Mr. Martens stated that at the February 15, 2013 City Council Goal Setting Session, the City Council set a goal of expanding the Industrial Park. As part of reaching that goal, the City is completing a feasibility study of two (2) properties for a possible Industrial Park expansion.

Mr. Martens stated that in order to determine the feasibility of the sites, it is necessary to take soil boring samples of the properties. He continued by stating that a Right of Entry Agreement has been drafted that would allow the City to take soil boring samples on the Entinger property.

Mr. Martens stated that there are no costs associated directly with the Right of Entry Agreement. Direct costs for the soil borings will be paid for as part of the feasibility study, which has already been approved.

**Council Member Ollig motioned to approve a Right of Entry Agreement with John and Daniel Entinger for the purpose of determining the suitability for future expansion of the Industrial Park. Council Member Quast seconded the motion. Motion carried 5-0.**

**d) Trail Plan – Connecting Downtown Winsted to the Luce Line State Trail**

Mr. Martens stated that at the December 4, 2012 City Council meeting, a cooperative agreement between the City of Winsted and the Department of Natural Resources (DNR) was approved, committing \$100,000 toward the paving of the Luce Line State Trail. The commitment of funds is part of an agreement between the DNR, City of Winsted, City of Hutchinson, City of Silver Lake, and McLeod County to fund \$1,860,000 toward the project in 2013. A commitment of approximately \$1,650,000 remains to complete the improvement.

Mr. Martens stated that the DNR has agreed to place the project at the top of their priority list for 2014 funding. He continued by stating that the Luce Line State Trail improvements will be maintained by the DNR. No additional funding will be required after the improvements have been made. If all goes as planned, the trail could be paved by the summer of 2014.

Mr. Martens stated that snowmobiles with studs will be allowed on the trail, and a parallel horse trail will be included.

Mr. Martens stated that the City Council has directed staff to ensure that the City is fully ready to take advantage of this recreational amenity and has tasked the Park Commission with recommending the best method of connecting trail users to downtown Winsted. The Park Commission held a Work Session on March 7, 2013 to draft a connection plan and then further reviewed the plan at their regular meeting on March 11, 2013. The Park Commission unanimously approved a motion to recommend that the City Council direct staff to begin working on the plan to connect Winsted to the Luce Line State Trail as presented.

Mr. Martens displayed and explained the plan that was recommended by the Park Commission and explained where signage would be.



Mr. Martens stated that if the City Council directs staff to move forward, staff would work with the DNR and McLeod County to begin implementing the plan as presented at the March 11, 2013 meeting of the Park Commission. Staff would bring an implementation plan back to the Park Commission and City Council prior to any funds being directed towards the project.

Council Member Fasching asked where drinking water is available in the City parks for trail users to use. Mr. Meyer stated that Barrett Field and Campbell Field have drinking water available in them, and continued by stating that each park has either a restroom or a porta potty available for use. The City Council Members discussed the possibility of installing a drinking water fountain outside of the City Hall area for trail users to use.

**Council Member Schulenberg motioned to direct staff to begin work necessary to develop a downtown connection from the Luce Line State Trail as recommended by the Park Commission. Council Member Quast seconded the motion. Motion carried 5-0.**

**e) Appraiser Services – Luce Line State Trail**

Mr. Martens stated that part of the process for paving the Luce Line State Trail requires that an adjustment be made to move the trail out of the Airport Runway Protection Zone.

Mr. Martens stated that one (1) option that exists to accomplish this is to purchase one (1) to three (3) acres of land in order to move the trail alignment slightly. In order to facilitate a land acquisition discussion, staff is requesting the City Council approve the hiring of an appraiser for land valuations services. Cost for appraisal services is estimated to be \$350 - \$400. Mr. Martens stated that authorization is requested of an amount not to exceed \$600 in case there are any additional needs that arise.

**Council Member Fasching motioned to authorize staff to hire an appraiser for land valuation purposes in an amount not to exceed \$600. Council Member Ollig seconded the motion. Motion carried 5-0.**

## Department Report

### a) **Building Inspector - Metro West Inspection Services**

Rob Beckfeld, of Metro West Inspections Services, Incorporated, reported on the following:

- During slow periods, follow-up of permits that have not been finalized has been completed.
- Update on the Millerbernd addition.
- Update on the K-Way addition to their truck repair garage.
- Update on the Ram addition to their lumber supply building.
- Rental Housing Permit renewals will begin in May, 2013.

### 7) **No Organization Report**

### 8) **No Open Forum**

### 9) **Announcements**

Mr. Martens stated that there are two (2) openings on the Park Commission and encouraged interested Winsted residents to contact him about these openings. He continued by stating that the Park Commission is currently working on two (2) exciting projects regarding the Luce Line State Trail and the creation of a permanent ice skating rink.

### 10) **Adjournment**

**Council Member Quast motioned to adjourn the meeting. Council Member Ollig seconded the motion. Motion carried 5-0.**

The meeting was adjourned at 6:30 p.m.

*Steve Stotko*

Steve Stotko  
Mayor  
City of Winsted

ATTEST:

*Raquel Kirchoff*

Raquel Kirchoff, MCMC  
Administrative Assistant  
City of Winsted