

City of Winsted  
City Council Work Session  
Lewis Room  
Tuesday, March 21, 2017  
5:00 p.m.

Present: Mayor Steve Stotko  
Council Member Mike Henrich  
Council Member Tom Ollig  
Council Member Patty Fitzgerald  
Council Member George Schulenberg

Staff Present: Mr. Daniel Tienter, City Administrator  
Ms. Raquel Kirchoff, City Clerk-Treasurer  
Mr. Anthony Hammes, Assistant to the City Administrator

Also Present by  
Conference Call: Ms. Melissa Underwood, Bolton and Menk, Incorporated

## **I. Call to Order**

Mayor Stotko called the meeting to order at 5:00 p.m.

## **II. Purchasing Policy Amendment**

Mr. Tienter stated that on May 3, 2011 and October 15, 2013, the City Council adopted and amended, respectively, the Purchasing Policy for the City of Winsted that establishes the approval process for various types of City purchases and the various payment methods used to effectuate them.

Mr. Tienter stated that in 2014 and 2015, the State of Minnesota amended the Uniform Municipal Contracting Law (Minnesota Statute Section 471.345) modifying certain sections, such as those for cooperative purchasing ventures and energy efficient projects. Given these changes, the City Attorney recommended a review of the Purchasing Policy to maintain compliance with State law.

Mr. Tienter stated that in early 2017, the City received a series of donations to procure, install and maintain an illuminated fountain for Winsted Lake at an approximate cost of \$15,000. During the procurement process, City staff attempted to solicit quotes for the project, but struggled due in part to the unique nature of the equipment and the restrictive nature of the Policy. Mr. Tienter stated that presently Minnesota State law allows a local government to purchase items at a cost of \$25,000 or less in the open market, whereas the current Purchasing Policy allows the same for items below \$5,000.

Mr. Tienter stated that the City's more restrictive Purchasing Policy limits the ability of City staff to successfully procure unique or unusual items at the request of the City Council and the effort to secure quotes for such items may add weeks or even months to the procurement process. City staff explored various options, most notably revisions to the Purchasing Policy, to improve the efficiency of the purchasing process while maintaining the level of oversight acceptable to the City Council and community at-large.

Mr. Tienter stated that the Recommended Purchasing Policy generally maintains the more restrictive limits of the current policy, but otherwise authorizes the City Administrator to procure or enter into contracts estimated to be \$25,000 or less, if the purchase in question was either included in the annual budget or authorized by the City Council. The Recommended Purchasing Policy would allow the City to purchase unique or unusual goods or services in a manner consistent with, but not more restrictive than, Minnesota State law on a case-by-case basis. City staff would still attempt to solicit three quotes for all other items or projects.

The City Council Members asked questions regarding the new threshold of \$25,000 and what items would be brought to the City Council for approval. Council Member Henrich asked if the City Council would still approve items that are budgeted for, like the Police Department body cameras, if the expense is below the \$25,000 threshold. Mr. Tienter stated that the City Council would approve items that are over \$5,000, as is the practice with the current Purchasing Policy. He continued by stating that the Recommended Policy allows the City to not have to go through the quote process for items under \$25,000. The City could purchase these items on the open market if it is not having

success soliciting quotes. This would only be in unique circumstances and the fountain is a good example of that.

Council Member Henrich stated that he wants to ensure that if there are questions about items during the budget process, that the City Council has final approval before the items are purchased. Mr. Tienter stated that the budget provides financial authorization but the City Council would be consulted for large or one time purchases.

### **III. Liquor Ordinance Amendment, Sunday Off-Sale**

Mr. Tienter stated that on March 7, 2017, the State of Minnesota amended Minnesota Statute Section 340A.504, Subdivision 4 "permitting the off-sale of intoxicating liquor on Sundays" between the hours of 11:00 a.m. and 6:00 p.m., effective July 1, 2017. The amendment also prohibits the delivery, solicitation or merchandising of any alcohol to an off-sale establishment by a wholesaler or distributor on Sundays.

Mr. Tienter stated that Section 1201.016.D of the Winsted Municipal Code prohibits the off-sale of intoxicating liquor on Sundays. Additionally, it does not limit the delivery, solicitation or merchandising of alcohol on Sundays.

Mr. Tienter stated that according to the League of Minnesota Cities (LMC), the City Council cannot maintain the prohibition against off-sale intoxicating liquor sales on Sundays. In the case of A/AL, Inc. v. City of Faribault, the Minnesota Court of Appeals held that a city shall not prohibit the sale of intoxicating liquors on a day otherwise authorized under State law. In other words, the City cannot be so restrictive to eliminate the sale of alcohol on a day otherwise authorized under Minnesota State law, but it may limit the hours of operation on any such day.

Mr. Tienter stated that the LMC advises that since municipalities are "more likely than the State of Minnesota to detect...noncompliance" regarding the prohibition against the delivery, solicitation or merchandising of alcohol, they should modify their ordinances to reflect State law.

Mr. Tienter stated that given the incapability of the City to limit any Sunday off-sale activities, the limited hours of operations authorized under State law, and the past practice of the City Council to modify existing ordinances to generally reflect Minnesota State law, City staff recommend the amendment of Section 1201.016.D to authorize the off-sale of intoxicating liquor on Sundays, effective July 1, 2017.

Mr. Tienter continued by stating that City staff also recommend amending the ordinance to prohibit the delivery, solicitation or merchandising of any alcohol on Sundays, effective on the same date.

Mr. Tienter stated that City staff would speak with the liquor licensee's regarding the ordinance amendment at the City's Annual Liquor Forum; and after this occurs, the City Council will consider this ordinance amendment at a future City Council Meeting.

### **IV. Other**

#### **a) Assistant to the City Administrator – Mr. Anthony Hammes**

Mr. Tienter stated that Mr. Anthony Hammes, Assistant to the City Administrator, started working for the City of Winsted on March 20, 2017. Mr. Hammes introduced himself to the City Council Members.

#### **b) Winsted Area Chamber of Commerce**

Mr. Tienter stated that he attended a Winsted Area Chamber of Commerce meeting on March 16, 2017, where he provided an update of City activities and encouraged those present to contact the City if they know of interested candidates to fill vacancies on the Economic Development Authority (EDA).

#### **c) McLeod for Tomorrow Leadership Program**

Mr. Tienter stated that he will be a panel member to speak to the McLeod for Tomorrow Leadership Program about City of Winsted activities and its economic development strategies.

#### **d) Administrative Intern**

Mr. Tienter stated that the City will hire an Administrative Intern for the summer of year 2017.

#### **e) Street Lights - Light Emitting Diode (LED)**

Mr. Tienter stated that Xcel Energy has begun and will continue to convert their street lights in the City of Winsted to LED street lights.

## V. Winsted Municipal Airport – Environmental Assessment

Mayor Stotko stated that Council Member Fitzgerald requested that the City Council discuss the Winsted Municipal Airport runway project at this City Council Work Session.

Council Member Fitzgerald asked Ms. Melissa Underwood, Bolton and Menk, Incorporated for clarification regarding the height of the buildings at the Winsted Farmer's Co-op location, 23343 Babcock Avenue, Winsted, Minnesota, 55395 in regards to the Winsted Municipal Airport.

Ms. Underwood stated that during the most recent conversation she had with the Federal Aviation Association (FAA), the FAA determined that the height of the buildings at the Winsted Farmer's Co-op location are not an issue. The FAA also thought that the City may only need to purchase the portion of the property at this location that affects the Runway Protection Zone, and not the entire property, if they proceeded with a paved runway project. This would result in only one building that would be required to be moved, which is the building that farthest from McLeod County Road 1.

Mr. Tienter and Mayor Stotko provided background information regarding the Winsted Municipal Airport Runway project and explained that the runway is at a point where repair is needed. The City Council will need to move forward with either a turf restoration project or a paved runway project to keep the runway operable. Mr. Tienter stated that City staff is anticipating the City Council to make a decision on which project to move forward with as soon as the Environmental Assessment is finalized.

Mr. Tienter stated that he was working with the City's financial advisor, Mr. Shannon Sweeney, David Drown Associates, to determine funding options regarding how the City would intend to carry the cost of financing future hangar expansion at the Winsted Municipal Airport. He continued by stating that currently, the most likely option would be some type of Tax Abatement Bond, where the City would pay itself back when the future hangars are built.

The City Council Members discussed their concerns of a paved runway project in regards to how it would affect Cable Avenue, how it would affect the Winsted Farmer's Co-op, and that it could result in acquiring property by eminent domain. Mr. Tienter stated that land acquisition would be required only in the paved runway option.

Mr. Tienter stated that the City is currently in a holding pattern while it is waiting for the FAA to release the Environmental Assessment. He continued by stating that the City Council Members will have additional opportunities to discuss the project which will include conducting a public hearing regarding the project.

## VI. Adjourn

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

The meeting was adjourned at 5:58 p.m.

*Steve Stotko*

Steve Stotko  
Mayor  
City of Winsted

ATTEST:

*Raquel Kirchoff*

Raquel Kirchoff, CMC  
City Clerk-Treasurer  
City of Winsted