

City of Winsted
City Council Meeting
Council Chambers
Tuesday, April 5, 2011
6:00 p.m.

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

Staff Present: Deborah R. Boelter, City Clerk-Treasurer
Fran Eggert, City Attorney
Amanda Zeidler, Utility Billing & Payroll Clerk
Dan Pohl, Police Officer

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

a) The Pledge of Allegiance was taken.

2) Consent Agenda

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

a) Minutes – Joint City Council and Winsted Municipal Airport Commission – Joint Work Session – March 7, 2011

Accepted the minutes of the Joint City Council and Winsted Municipal Airport Commission Work Session of March 7, 2011.

b) Minutes – City Council – Regular Meeting – March 7, 2011

Accepted the minutes of the City Council Regular Meeting of March 7, 2011.

c) Minutes – City Council – Work Session – March 22, 2011

Accepted the minutes of the City Council Work Session of March 22, 2011.

d) Special City Council Meeting – Tuesday, April 19, 2011

Scheduled a Special City Council Meeting for Tuesday, April 19, 2011 at 2:00 p.m. in the Council Chambers at City Hall to interview the finalists for the City Administrator position.

e) City Hall Closed – April 22, 2011

Authorized the closing of City Hall on Friday, April 22, 2011 at 12:00 p.m.

f) 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 18, 2011.

g) Resolution R-11-05 – Small Cities Grant Program Modification

Adopted Resolution R-11-05 authorizing a modification to the program guidelines for commercial rehabilitation for the Small Cities Development Program Grant.

h) Land Lease – Jim Hausladen

Approved a lease with Jim Hausladen to farm approximately six (6) acres adjacent to the Wastewater Treatment Facility for one (1) year for \$900.

i) Gambling Permit – American Legion

Approved a gambling permit for the American Legion, with no waiting period, to hold a raffle at the American Legion on Sunday, August 14, 2011.

j) Higher Ground Music Festival – August 4-7, 2011

Approved the McLeod County Large Assembly Permit for Higher Ground Music Festival, August 4-7, 2011.

Approved an agreement between the City of Winsted and Higher Ground Music Festival for Emergency Services on August 4-7, 2011.

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 March, 2011.

l) Resolution R-11-06 – Winsted Volunteer Fire Department Relief Association – Gambling Contribution

Approved Resolution R-11-06 to accept a contribution from gambling proceeds from the Winsted Volunteer Fire Department Relief Association in the amount of \$1,116 to be dedicated to the purchase of polo shirts for fundraising for the Winsted Volunteer Fire Department Relief Association.

m) Walk of Hope – St. Mary's Care Center

Approved the designated route for the St. Mary's Care Center's Walk of Hope, for Saturday, May 7, 2011, from 8:00 a.m. to 11:00 a.m. as submitted to the Winsted Police Department.

n) All Terrain Vehicle (ATV) Permit – St. Mary's Care Center

Approved a permit to operate ATV's on City of Winsted streets and property on Saturday, May 7, 2011, in conjunction with the St. Mary's Care Center Walk of Hope.

o) Crack Filling/Seal Coating – Specified Winsted City Streets

Authorized Barga, Incorporated to complete crack repair on specified Winsted city streets for \$9,999.99.

p) Claims

Approved the claims list for April 5, 2011.

3) No Public Hearings.

4) Old Business

a) Resolution R-11-07 – Pavement Management Plan – Year One (1) – Fairlawn Circle

Jake Saulsbury, Project Engineer for Bolton and Menk, Incorporated, gave a presentation on the proposed Year One project of the Pavement Management Plan, which includes improvements to Fairlawn Circle and the surrounding area. Saulsbury stated that this project has been discussed since 2008, but the City Council elected to proceed with the Pavement Management process first, so this project is Year One of the Pavement

Management Plan. Saulsbury stated that he would like the Council to accept the Feasibility Study and order a public hearing. He added that with notification, the public hearing would then be on May 3, 2011, where the public and affected residents would be allowed the opportunity to speak.

Saulsbury gave an overview of the project process, stating that the City Council approved an Assessment Policy, and the Pavement Management Plan, and authorized the preparation of a Feasibility Study.

Saulsbury stated that the project scope includes Fairlawn Circle street reconstruction, Fairlawn Circle storm sewer improvements, and Fairlawn Avenue storm sewer improvements. He added that there is some chronic flooding in this area, and the feasibility study includes recommendations to alleviate some of the flooding problems.

Street reconstruction includes the complete removal and replacement of pavement section, including the curb and gutter. The will match the existing width of forty (40) feet, and the existing cul-de-sac diameter of seventy-five (75) feet. Saulsbury stated that the typical section proposed consists of four and a half (4.5) inches of bituminous, a nine (9) inch aggregate base, twelve (12) inches of select granular borrow and geotextile fabric. Saulsbury stated that the sand is an additional section, due to the wet soils which was identified and recommended as part of the geotechnical evaluation that was done. Saulsbury stated that the total estimated project cost is \$143,059.

The storm sewer improvements include the replacement of two (2) catch basins at the low point of Fairlawn Circle, at the intersection of Fairlawn Avenue, as well as having drain tile extend to the west. Saulsbury also discussed the Fairlawn Avenue improvements and stated that the intersection with Fairlawn Circle seems to flood on an annual basis. He stated that the existing catch basin will be replaced, and a second catch basin will be installed to increase capacities in this area. Additional piping will be installed and also another set of catch basins will be installed to the southwest to catch additional water. Saulsbury stated that there is a separate outlet to the lake, so that will take a large portion of the drainage away from the troubled area at the intersection, and discharge it directly to the lake. Saulsbury stated that the total estimated project cost for all of the storm sewer work is \$46,364.

Saulsbury stated that the proposed project financing will be through the sale of a Minnesota Statute Chapter 429 Improvement Bond. The feasibility study proposed a fifteen (15) year bond term, and the bond requires a minimum of twenty percent (20%) of the overall project cost to be assessed. Saulsbury stated that project funding alternatives include special assessments levied against the benefiting properties, utility fund revenues, or property tax revenues.

Saulsbury stated that based on the City's Assessment Policy, the recommendation is to assess on a per-unit basis, because it is deemed to be the most fair. Fifty percent (50%) of the project cost will be assessed for the standard residential roadway section. The extra street section depth and width are one hundred percent (100%) the City's cost. The storm sewer repairs and maintenance costs are also one hundred percent (100%) the City's cost. Saulsbury stated that property owners with multiple fronted lots receive a credit, and there are two corner lots in this case, and they would be considered half of a unit, because sometime in the future, as the City upgrades all of the streets, those property owners will be assessed again on Fairlawn Avenue. By equating all of the assessments to a standard residential street, everybody will be assessed approximately the same amount, but some people will be assessed at two (2) different times.

Saulsbury stated that according to the Assessment Policy, all assessments can be pre-paid in full up to thirty (30) days after the Final Assessment Hearing, with no interest charges. He added that any assessments that are not paid in full will be paid through tax statements at the bond term of fifteen (15) years and at the bond interest rate plus one percent (1%). Saulsbury stated that all costs included in the feasibility study are estimates, and final assessments will be based on final project costs.

Saulsbury stated that the total assessment amount will be approximately \$53,725.50; the City's total cost is will be approximately \$135,697, with a total estimated project cost of \$189,422.50.

Saulsbury summarized the assessments stating that ten (10) parcels will be assessed. Eight (8) will be full units, and two (2) will be half units. The estimated assessment is \$5,970 per unit. The estimated annual assessment payments will be \$635 for full units and \$317 for half units. The percentage assessed will be approximately 28.4%. Saulsbury stated that the recommendation is for the City to obtain a \$200,000, Chapter 429 Improvement Bond. The estimated annual bond payment is \$18,871.

Saulsbury reported the potential project schedule. He stated that the public hearing would be the first meeting in May, 2011, and at that point, the City Council would have the option to proceed with the project and determine the improvements to be completed, that would allow about a month to complete the final design, another month to advertise and bid, which would make the bid award in late summer, 2011. Construction would most likely begin in August or September, 2011. Saulsbury added that the Final Assessment Hearing would probably be in November, 2011, and final construction and close-out would be in 2012.

Ollig stated that he is concerned about amount that is levied for the landowners. He added that the problem that the City is trying to fix is at the intersection of Fairlawn Circle and Fairlawn Avenue. Ollig asked if there might be another way for the City to address most of the problem without such an exuberant expense.

Saulsbury stated that the problem lies with the sub-surface soils, so an overlay or reclamation would not address the problem. He added that structurally, the surface is not what appears to be the problem, it is underneath, and that presents a problem.

Ollig asked Saulsbury if the City is required to assess the percentage of the total project cost. Saulsbury stated that in order to obtain the Chapter 429 Bond, the minimum the City would have to assess is twenty percent (20%). Quast asked if the bond could be obtained for a longer time period, so the payments are not so large. Saulsbury stated that it is the Council's discretion, but street projects typically have a ten (10) to twenty (20) year duration for a bond.

Stotko stated that residents were present at the Council Meeting, and it may be a good time to get some of their concerns out, so the Council can take them under advisement.

Mike Guggemos, 232 Fairlawn Circle, addressed the City Council, and stated that he had just recently heard about this project. He added that he owns two (2) properties on Fairlawn Circle, and believes that Fairlawn Circle, as well as the curb and gutter, seems to be in good condition. Guggemos, Mike, asked if the City Council could take another look at the project, and try to find ways to reduce the scope of the project, to make the assessments more practical for the property owners.

Don Guggemos, 137 Fairlawn Avenue East, discussed his concerns about the scope of the Fairlawn Circle project, as well as project costs with the City Council.

Ollig asked if there are other options for the City, in terms of financing, and the scope of the work. Mochinski asked if the City should postpone the public hearing, due to changes in the scope of the project. Saulsbury's recommendation is to hold the public hearing, because the scope of the work is typically being reduced, and that is not an issue.

Eggert stated that he agreed with the City Engineer. He added that this is a feasibility study and the City Engineer is telling the City that it is feasible for the council to move forward with a public hearing on this project. Eggert informed the City Council that they could approve Resolution R-11-07 at this meeting, and still discontinue the project after

the public hearing, because the resolution is simply accepting the feasibility study, and scheduling the public hearing.

Ollig motioned to adopt Resolution R-11-07, accepting the feasibility study for improvements to Fairlawn Circle and scheduling a public hearing for Tuesday, May 3, 2011, at 6:00 p.m. in the Winsted City Hall Council Chambers. Mochinski seconded. Motion carried 5-0.

b) Kingsley Lift Station – Jake Saulsbury

Saulsbury made a request for approval of the plans and specifications, and to receive authorization for the advertisement of bids for the Kingsley Street Lift Station project.

Saulsbury stated that the scope of work includes the following items:

- New duplex submersible pumping station with conversion of existing wetwell
- Two (2) new twenty (20) to thirty (30) horsepower pumps
- New valve manhole
- New control panel
- Reuse of existing generator
- Bypass pumping
- Other miscellaneous items

Saulsbury stated that if the project is authorized to proceed, the tentative project schedule would allow for the award of the project at the second Council Meeting in May, 2011. Construction would then commence in late summer, or early fall.

Quast asked if this project will place the Kingsley Lift Station in a fairly decent working condition. Saulsbury stated that the pumps will have a shorter life cycle than a street improvement, but it will still increase the capacity of the lift station significantly.

Quast made a motion to approve the plans and specifications for improvements to the Kingsley Lift Station and the authorization for the advertisement of bids for this project. Schulenberg seconded. Motion carried 5-0.

c) Winsted Municipal Airport – 2011 Airport Improvements

Saulsbury presented agreements for professional services for airport projects identified in the Fiscal Year 2011 Airport Capital Improvement Plan (ACIP). The projects include the replacement of the Arrival/Departure building, and Airport pavement crack fill and slurry seal treatments. Saulsbury stated that after a joint discussion with the Airport Commission, the Winsted City Council approved these projects to be included in the ACIP for federal funding in 2011. Project programming papers were submitted to the Federal Aviation Administration (FAA) indentifying these projects. The next step identified was to begin engineering, preparing project plans, specifications, and bidding so that the projects proceed on the FAA grant schedule. Saulsbury stated that bids must be received, approved, and a grant request submitted to the FAA no later than August, 2011, and it is necessary to receive authorization to begin design work to meet this schedule.

Saulsbury stated that the project professional services agreements include a Master Agreement for Aviation Services with Bolton and Menk, Incorporated, through January, 2013; Work Order One (1) for the Architectural Engineering of the Arrival/Departure Building; and Work Order Two (2) for Airport Pavement Improvement engineering.

Saulsbury stated that the Master Agreement with Bolton and Menk, Incorporated for airport planning, engineering, and construction services includes the contract language meeting federal requirements. This method reduces paperwork for project agreements. Individual projects from herein are proposed to be authorized by work order, referencing the Master Agreement. Saulsbury added that each work order includes all applicable project scoping, design engineering, and architectural services, bidding assistance,

construction services, and grant/environmental assistance tasks to meet FAA grant assurance requirements for the proposed projects.

The total cost of professional engineering services outlined in Work Order One (1) is \$82,500; and Work Order Two (2) is \$21,000. These professional services are eligible for ninety-five percent (95%) federal grant reimbursement, with an August, 2011 grant request for construction of the associated improvements. Saulsbury stated that the estimate is based on hourly fees.

Ollig stated that for clarification, the construction and engineering is eligible for ninety-five percent (95%) federal funding, with a five percent (5%) local cost share.

Saulsbury added that the City is required to cover all costs until the grant is closed out, and bills will not be issued until construction has been completed.

Mochinski made a motion to approve agreements for engineering services with Bolton and Menk, Incorporated, including a Master Agreement, Work Order Number One (1), for \$82,500 and Work Order Number Two (2), for \$21,000, to proceed with the 2011 Airport Improvement Projects. Quast seconded. Motion carried 5-0.

d) Waste Water Treatment Plant (WWTP) – Acceptance of Outside Waste

Mochinski stated that he and Dan Wroge, of People Service Incorporated met to discuss the agreement for the acceptance of outside waste at the City of Winsted Waste Water Treatment Plant (WWTP).

Mochinski stated that he thinks this a good idea, and it will earn a little extra revenue for the City. He added that the pumps at the WWTP will not be used, and maintenance will be little to nothing.

Wroge stated that the City's rate schedule has been separated, so it gives the City the flexibility to change fees at any time. Wroge stated that in all cases, the City can reject any sludge. Wroge stated that he has had two (2) septic haulers that have expressed interest. One hauler is in Lester Prairie, and the other is in Delano. Wroge added that neither hauler knows how much outside waste will be hauled, and that it is dependent on the weather. Wroge stated that he thinks more and more septic haulers will look at the ease of septic disposal through waste water plants, versus land application, due to the compliance issues of land application, and it is costly.

Wroge stated that a triplicate form would be used; one copy for the hauler, one for the treatment facility, and one for the City to bill hauler. Wroge added that the determination of how much is hauled to the plan will be a communication between the operator, Phil Robinson, and the hauler.

Boelter stated that she asked City Attorney, Fran Eggert to review the document. Eggert stated that he was not able to review the document prior to the meeting, and informed the Council that they could adopt the agreement, and make it subject to approval of the City Attorney and City staff. Boelter stated that the forms have been reviewed, and are sufficient. Wroge added that the form also shows what trucks are eligible to haul, and a copy of the form would be kept at the treatment plant, and at City Hall. Wroge also stated that the City has the ability to limit the number of firms that haul waste to the treatment plant.

Ollig motioned to approve the permit process as presented, given that the City Attorney and staff have no findings as to changing it, and the City of Winsted also agrees to take outside waste into the Waste Water Treatment Plant (WWTP). Schulenberg seconded. Motion carried 5-0

5) **New Business**

a) **City Hall Grounds Clean-Up – Cub Scouts Pack 399**

Dan Dickhausen, Cub Scouts Leader, addressed the City Council regarding the clean-up of Winsted City Hall grounds on Saturday, April 9, 2011. Dickhausen stated that the service project is an opportunity for the Cub Scouts to express gratitude for the use the Vollmer Room for monthly meetings. The Cub Scouts will clean-up at City Hall, the Promenade, and Mill Reserve Park.

The City Council stated that they appreciate the Cub Scouts' service, willingness to do the service project.

b) **Ordinance O-11-03 – Tobacco Sales Ordinance Amendment**

Boelter stated that in reviewing the City of Winsted's Tobacco Sales Ordinance, staff noted that Section 1203.001.B. states, *"The annual license fee for a retail tobacco license shall be \$30.00 per year."* The fee was increased to \$50.00 per year in 2008. Boelter added that the fee is listed annually in the City's Fee Ordinance so she asked the City Attorney to amend this section to read, *"The annual license fee for a retail tobacco license shall be determined annually by the Winsted City Council through a Fee Schedule Ordinance."* Boelter stated that the City will be able to avoid having to amend the Tobacco Sales Ordinance each time the license fee is increased.

Boelter also reminded the City Council that a public hearing is not required for ordinance amendments, and recommends that since the fee has been \$50 since 2008, that the City does not hold a public hearing, but adopt the ordinance amendment.

Mochinski made a motion to adopt Ordinance O-11-03 amending Section 1203.001 (Tobacco Sales) of the Municipal Code of the City of Winsted. Quast seconded. Motion carried 5-0.

c) **Ordinance O-11-04 – Fee Schedule Amendment – Animal Section**

Zeidler stated that the current fee schedule does not allow for the public to be cited with an administrative citation when it comes to violations relating to the dog portion of our Winsted City Ordinance, #803.05 (A). Currently a Police Officer may only issue a state citation for these offenses. Zeidler added that giving a police officer the option to issue administrative citations for these violations will help when dealing with the public and will assist the City in recouping more of their expenses incurred.

Mochinski asked if a citation is an option of the officer, or if it is mandatory. Zeidler stated that the citation is given at the discretion of the officer, and is based on the circumstances surrounding the situation. Mochinski asked what would happen if it is an accident that a dog got loose. Zeidler added that depending on the situation, the officer would be allowed to cite a dog owner for a first, second, or third offense, rather than a flat fee of \$60, or just issue a warning.

Boelter added that this amendment was prepared by Mr. Eggert, so it is codified.

Quast made a motion to amend the Animal Section of the Fee Schedule to add: Dog at Large, First Offense - \$60, Second Offense - \$100, Third Offense – Court Date. Mochinski seconded. Motion carried 5-0.

d) **Consultant Services – Municipal Development Group**

Boelter stated that she, Mayor Stotko, Council Member Ollig, and Marv Ebensperger, Planning Commission Chairperson, met with Cynthia Smith-Strack of Municipal Development Group (MDG) regarding an agreement for Consulting Planning Services and updates to the City's zoning and subdivision ordinances.

Boelter stated that the City budgeted to do more updates to the City's subdivision and zoning ordinances in 2011, which will have to be done to remain consistent with Minnesota statutes. There will be some amendments to the ordinance, and it will take approximately six (6) months to complete.

Boelter asked the City Council to consider adopting the proposed agreement with Municipal Development Group, so the City can begin to move forward with amending the ordinance at the Planning Commission Meeting on Wednesday, April 13, 2011. Boelter also stated that the amount budgeted for these services is greater than the amount requested by MDG.

Ollig stated that the six (6) month process will actually be done by the Planning Commission, and then they will make a recommendation to the City Council for approval.

Ollig made a motion to enter into a Consultant Services Agreement between the City of Winsted and Municipal Development Group to review and update the City's Zoning and Subdivision Ordinances. Schulenberg seconded. Motion carried 5-0.

6) Department Report

a) Winsted Volunteer Fire Department

Chad Engel, Fire Chief, reported on the following:

- 2011 Officers: Chad Engel, Fire Chief; Brian Langenfeld, First Assistant Chief; Jon Davidson, Second Assistant Chief; Tim Kosek, First Captain; Shaun Bush, Ladder Captain; Brent Mickolichuk, Second Captain; and Justin Hertzog, Secretary. All of the officers are in the second year of a two-year term.
- Currently twenty-seven (27) members on the department, two (2) of which are probationary members. In January, Kyle Thompson was accepted as a full-time firefighter after completing his probationary period.
- As of March 31, 2011, the Fire Department has responded to fifty-three (53) calls for the City of Winsted. Twenty-four (24) medicals, and nine (9) fire, or other calls. There were thirty-five (35) calls at this time in 2010.
- The Fire Department is preparing for the Spaghetti Dinner in June, 2011, as well as the Pancake Breakfast during the Winsted Summer Festival in August, 2011.
- Firefighters have attended various fire schools this year. Four (4) members took an Ice Rescue class to become Ice Rescue Technicians.
- The Fire Department Banquet will be Saturday, April 9, 2011, and also a joint dance with the Lester Prairie Fire Department on April 29, 2011 with the band, Blurred Vision. On April 16, 2011, there is a benefit for the son of Firefighter Kyle Thompson. Kyle's son is in need of a liver transplant.
- Fire trucks had some costly repairs.
- The Winsted Volunteer Fire Relief Association purchased four (4) ice water rescue suits with money from two (2) fundraisers. The Fire Department hopes to get some training before the ice is totally out on Winsted Lake. The Howard Lake Fire Department has also shown interest in doing some joint ice training.
- The Fire Department will conduct a joint training session with the Lester Prairie Fire Department during April and May, 2011. The training will be on liquefied petroleum (LP) gas emergencies and fires.
- Fire Department Parking Lot: There was a lot of lift in the cement pads at the Fire Station. Some have settled, and some have not. The parking area on the North side of the Fire Station is still sloped toward the doors, and there is a small amount of damage to the new cement pad in front of the Northeast service door.

Ollig asked if the Fire Department will be celebrating an important anniversary. Engel stated that 2014 will mark the 125th anniversary of the Winsted Volunteer Fire Department. Informal talks have started about hosting a dinner.

Ollig asked if anyone is going to review the problems with the cement at the Fire Station. Engel stated that Bolton and Menk presented some options for restoration. The Fire Hall

bond expires in 2012, and then a new bond will be issued to fix the concrete at the Fire Hall.

Ollig asked if the new lock and key system has been installed. Engel stated that the system has been installed, but he is still configuring the programming.

Mayor Stotko thanked Engel for his report.

7) No Open Forum.

8) Announcements

a) 2010 Audit

Boelter stated that the 2010 Audit for the City of Winsted will begin Monday, April 11, 2011.

b) Handicap Parking Space

Mochinski asked the handicap parking space that was designated at one time, in front of historic City Hall can be repainted by the Public Works Department when they begin painting crosswalks. Boelter stated that she would speak with Public Works regarding his request.

c) Waste Management Update

Quast asked if there are any updates regarding refuse rates for commercial accounts in the City of Winsted. Boelter stated that there were no updates.

d) City Administrator Interviews

Ollig stated that there were forty (40) applicants. The Interview Panel has completed seven (7) of ten (10) interviews for the City Administrator position. The Interview Panel will narrow the group down to two (2) or three (3) finalists. Those individuals will be invited to attend the City Council Meeting on April 19, 2011, and they will be interviewed by the full Council.

9) Adjournment

Quast motioned to adjourn. Mochinski seconded. Motion carried 5-0.

Respectfully submitted,

Amanda J. Zeidler

Amanda J. Zeidler
Utility Billing & Payroll Clerk