

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

Staff Present: Brad Martens, City Administrator
Deborah R. Boelter, City Clerk-Treasurer

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

2) **Consent Agenda**

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

a) **Minutes – City Council – Work Session – May 7, 2013**

Accepted the minutes of the City Council Work Session of May 7, 2013.

b) **Minutes – City Council – Regular Meeting – May 7, 2013**

Accepted the minutes of the City Council Regular Meeting of May 7, 2013.

c) **Winsted Volunteer Fire Department Resignation – Mr. Wayne Schumann**

Accepted the resignation of Mr. Wayne Schumann from the Winsted Volunteer Fire Department.

d) **Liquor Licenses**

Approved the Off Sale, On Sale, and Sunday Liquor Licenses from July 1, 2013 through June 30, 2014 for the following:

J and N Schlagel Enterprises II
The Blue Note
320 – 3rd Street North
Winsted, Minnesota

The Corner Bar and Grill of Winsted
111 – 1st Street North
Winsted, Minnesota

The Woods Group
Keg's Bar
121 – 1st Street North
Winsted, Minnesota

Hussong's Liquor – **Off Sale Only**
132 – 6th Street North
Winsted, Minnesota

Approved the On Sale Club and Sunday Liquor Licenses from July 1, 2013 through June 30, 2014 for the following:

American Legion Post #407
161 – 1st Street North
Winsted, Minnesota

Approved the Liquor, Wine, Club or 3.2% License from July 1, 2013 through June 30, 2014 and waive the fee for said license for the following:

Winsted Baseball Club, Incorporated
Campbell Baseball Field
Winsted, Minnesota

Approved the 3.2% Off Sale Liquor License from July 1, 2013 through June 30, 2014 for the following:

Casey's General Store #1673
240-6th Street North
Winsted, Minnesota

e) Dance Permit

Approved a Dance Permit for the Blue Note Ballroom, 320 – 3rd Street South, Winsted, Minnesota, for the period of July 1, 2013 through June 30, 2014.

f) Licenses to Sell Tobacco Products and Tobacco Related Devices

Approved licenses to sell Tobacco Products and Tobacco Related Devices from July 1, 2013 through June 30, 2014 for the following:

Casey's General Store #1673
240 – 6th Street North
Winsted, Minnesota

G and J Foods, Incorporated
491 Main Avenue West
Winsted, Minnesota

Hussong's Liquor
132 – 6th Street North
Winsted, Minnesota

J and N Schlagel Enterprises II
The Blue Note Ballroom
320 – 3rd Street South
Winsted, Minnesota

The Woods Group
Keg's Bar
121 – 1st Street North
Winsted, Minnesota

g) April, 2013 Financial Report

Approved the April, 2013 Financial Report.

h) April, 2013 Building Permit Report

Approved the April, 2013 Building Permit Report.

i) Claims

Approved the Claims List for May 21, 2013.

3) No Public Hearings.

4) No Old Business.

5) New Business

a) City Administrator Employment Agreement – Mr. Brad Martens

Mr. Martens stated that on May 3, 2011, the City Council approved a City Administrator Employment Agreement for Mr. Brad Martens with a term of twenty-four (24) months. The term began on May 25, 2011 and will end May 24, 2013. The City Council and City Administrator have discussed terms for a new Employment Agreement.

Mr. Martens presented the major terms in the Agreement:

- ✓ A three (3) year term of employment from May 25, 2013 to May 24, 2016.
- ✓ Adherence to the International City/County Management Association (ICMA) Code of Ethics.
- ✓ The establishment of a salary scale for the position of City Administrator with placement on Step Five (5) of Grade Eight (8) as outlined in the Agreement. This would place the City Administrator on the same Salary Scale as the rest of the employees.

- ✓ A reduction in employer paid insurance benefits from the previous employment agreement.
- ✓ Severance of payment if terminated without cause.

Mr. Martens stated that nothing in the Agreement changes the “at will” nature of the employment in which the City Council can terminate employment at any time for any reason with a majority vote of the City Council. Additionally, there is no guaranteed pay or benefits as the City Council has full authority to amend the City’s compensation plan and employee benefits as they see fit.

Mr. Martens stated that the City Administrator Employment Agreement includes placing the City Administrator on the Compensation Plan at Step Five (5) of Grade Eight (8) which is an increase of \$0.72 per hour or approximately a two (2) percent salary increase. Mr. Martens continued by stating that the Agreement also decreases employer paid insurance benefits. The overall result is an increase of approximately \$475 for the year 2013.

Council Member Ollig motioned to approve an Employment Agreement with Mr. Brad Martens as City Administrator for the City of Winsted. Council Member Schulenberg seconded the motion. Motion carried 3-2. Council Member Quast opposed. Council Member Fasching opposed.

b) Appointments – Downtown Vibrancy Commission

Mr. Martens stated that the first strategy in the *Downtown Vibrancy Report* was to establish a group to carry out the recommendations of the Downtown Vibrancy Task Force and on April 2, 2013, the City Council adopted a Resolution establishing the Downtown Vibrancy Commission. The City solicited applicants for the Downtown Vibrancy Commission and received correspondence from eight (8) individuals interested in serving on the Commission. At the May 7, 2013 City Council Work Session, the City Council discussed the applicants and who may be the best fit for the new Commission.

Mr. Martens stated that the next step in the process is to appoint the members to the Downtown Vibrancy Commission who will then select a Chairperson and Vice-Chairperson and establish a regular meeting schedule as well as begin working towards the implementation of the strategies in the *Downtown Vibrancy Report*.

Mr. Martens presented the individuals recommended for appointment to the Downtown Vibrancy Commission:

- Mr. Don (Chip) Guggemos, Junior
- Ms. Nancy Fasching
- Mr. Joe Swanson
- Ms. Ann Schulenberg
- Ms. Mary Wiemiller

Mr. Martens stated that the Commission members’ terms are varied as required by City Code. The Downtown Vibrancy Commission members with longer terms are able to resign at any time if they can no longer fulfill their duties as a Commission member.

Mr. Martens stated that there are no costs associated with appointing members to the Downtown Vibrancy Commission.

Council Member Fasching motioned to appoint Mr. Don (Chip) Guggemos, Junior; Ms. Nancy Fasching; Mr. Joe Swanson; Ms. Ann Schulenberg; and Ms. Mary Wiemiller to the Downtown Vibrancy Commission. Council Member Quast seconded the motion. Motion carried 5-0.

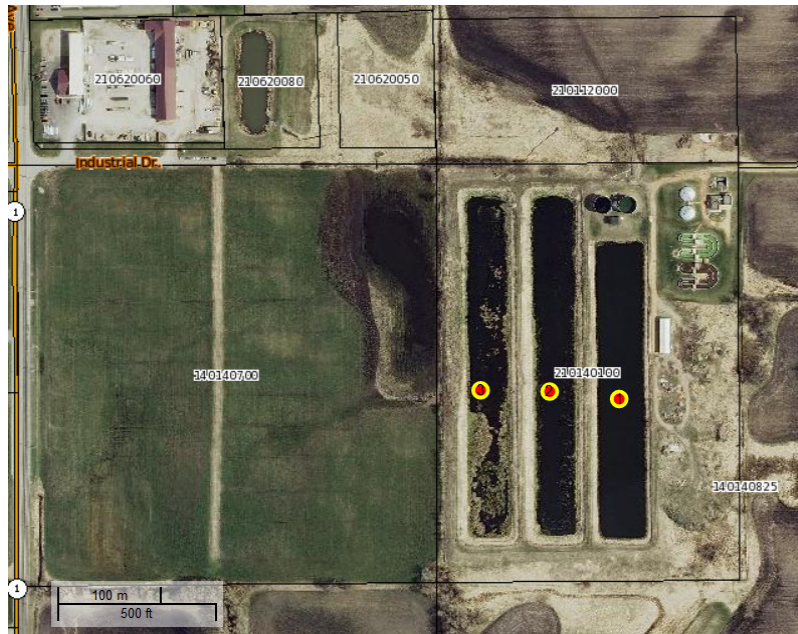
c) Contractor Selection – Wastewater Treatment Facility Pond Decommissioning

Mr. Martens stated that in the year 2011, the City of Winsted’s Wastewater Treatment Facility (WWTF) was reissued a National Pollutant Discharge Elimination System/State Disposal System (NPDES) Permit by the Minnesota Pollution Control Agency (MPCA). This new Permit requires significant improvements related to the WWTF. Mr. Martens presented a list of key dates for improvements:

- June 8, 2012 – comply with the one (1) milligrams per liter (mg/l) phosphorous limit.

- Completed with the installation of new lines and chemical treatment.
- December 1, 2012 – submit a preliminary assessment of the stabilization ponds.
 - Completed.
- December 8, 2012 – submit annual progress report for reducing and/or eliminating phosphorous. Submit the same report annually every year after the year 2012.
 - Completed for the year 2012.
- June 1, 2013 – submit a plan for approval by the MPCA for the use or disposal of bio-solids from the stabilization ponds.
 - Completed.
- July 31, 2015 – submit a City Council endorsed Facility Plan addressing how the City will meet the 0.06 mg/l phosphorous limit.
- July 31, 2015 – submit a mercury minimization plan to the MPCA.
- January 31, 2016 – removal and disposal of bio-solids from the stabilization ponds must be complete.
- December 1, 2023 – City must attain compliance with the 0.06 mg/l phosphorous limit.

Mr. Martens presented a picture of the ponds at the WWTF:



Mr. Martens stated that Winsted's NPDES permit requires our ponds to be decommissioned by January, 2016; therefore, land application of the bio-solids will need to occur in either the year 2014 or the year 2015. In order to land apply the bio-solids in the year 2014; the City would need to adhere to the following schedule:

- Spring, 2013 – Remove the water from the ponds.
- Summer, 2013 – Remove the aeration equipment from the ponds.
- Summer and Fall, 2013 – Dry and/or stockpile the bio-solids.
- Spring or Fall, 2014 – Land apply the bio-solids.

Mr. Martens stated that at the April 16, 2013 Regular City Council meeting, Hydro Engineering was selected to assist with the dewatering of the ponds. Once that work is completed, work must be done to pile the dried bio-solids and remove remaining aeration equipment in the ponds.

Mr. Martens stated that since the City does not have the equipment or time necessary for this work to be completed, staff has solicited quotes from three (3) excavation companies:

1. Henning Excavating
2. Litzau Excavating, Incorporated
3. Kubasch Excavating

Mr. Martens stated that since it is uncertain how much time it will take to complete the aforementioned project, the quotes were solicited based upon an hourly rate applied to equipment to be used during the excavation work. In reviewing the quotes, staff has found that

Kubasch Excavating has provided the lowest overall quote and it is recommended to select them as the contractor for the project.

Mr. Martens stated that the Wastewater Treatment Ponds Decommissioning Plan estimates the cost to be \$32,000; the actual amount will be determined by the time it takes to complete the project. Costs associated with this project will be paid out of the Sewer Fund.

Council Member Schulenberg asked if Phil Robinson, People Service, Incorporated, will be overseeing the entire project. Mr. Martens stated yes.

Council Member Fasching asked if any of the three (3) aforementioned contractors that provided the City with a quote were able to estimate the amount of time that it will take to pile the dried bio-solids and remove the aeration equipment. Mr. Martens stated that the contractors were uncertain about the amount of time that it will take.

Council Member Schulenberg motioned to select Kubasch Excavating as the contractor to perform work necessary for the decommissioning of the Wastewater Treatment Facility Ponds. Council Member Fasching seconded the motion. Motion carried 5-0.

d) Appointment – Ms. Meagan Donahue– Temporary Administrative Assistant

Mr. Martens stated that on May 7, 2013 the City Council appointed Ms. Meagan Donahue as an intern for the City of Winsted. Ms. Donahue's work will almost entirely be related to the internship; however, staff is requesting that Ms. Donahue also be appointed as a part-time temporary Administrative Assistant for sporadic work in which assistance is needed to cover the main desk to answer questions both in person and over the telephone when other staff are not available. There are no new costs associated with the appointment; the year 2013 budget includes funds for occasional part-time work to cover the front desk.

Council Member Ollig motioned to hire and appoint Ms. Meagan Donahue to part-time temporary Administrative Assistant at \$10 per hour. Council Member Quast seconded the motion. Motion carried 5-0.

Mr. Martens complimented Ms. Donahue on the work she has completed during her internship with the City.

Council Member Ollig stated that Ms. Boelter introduced Ms. Donahue at the Winsted Area Chamber of Commerce's General Meeting on May 16, 2013 and informed businesses that Ms. Donahue is working on the City's Sign Ordinance.

e) Annual Compensation Adjustment – Wastewater Treatment Facility Operation and Maintenance Agreement

Mr. Martens stated that on April 17, 2012, the City of Winsted approved a five (5) year Wastewater Treatment Facility Operation and Maintenance Agreement with People Service, Incorporated to maintain and operate the City's WWTF. The Agreement includes language that provides for an annual adjustment of compensation tied to the Consumer Price Index for All Urban Consumers (CPI-U) from January to January. The change of the CPI-U during this time was 1.6% and it is requested that the City Council approve the adjustment as provided for in the Agreement.

Mr. Martens stated that an increase of 1.6% will result in slightly higher fees payable to People Service, Incorporated. He continued by stating that the approved year 2013 budget includes funds sufficient for a three percent (3%) increase so the actual result is lower costs than anticipated.

Council Member Quast motioned to approve the annual compensation adjustment to the Wastewater Treatment Facility Operation and Maintenance Agreement. Council Member Schulenberg seconded the motion. Motion carried 5-0.

6) Department Report

a) City Engineer

Mr. Josh Eckstein, Project Engineer for Bolton and Menk, Incorporated, reported on the following:

- Airport Improvements:
 1. Luce Line Trail Alignment
The current Luce Line Trail alignment conflicts with the existing Runway Protection Zone and the Minnesota Department of Transportation/Office of Aeronautics' (MN DOT/OA) Clear Zone. The City is working with the Federal Aviation Administration (FAA), MN DOT/OA, and area property owners to relocate the trail to remove these conflicts.
 2. Year 2013 Airport Improvements
The proposed year 2013 project for FAA funding is the Turf Runway Reconstruction Engineering Design. A meeting was held with the FAA in late January, 2013 to discuss the project and funding. This project is on hold pending the Luce Line Trail alignment issue.
- Wastewater Treatment Facility (WWTF):
 1. The next requirement of the recently updated discharge permit from the Minnesota Pollution Control Agency (MPCA) is related to pond decommissioning. A report was submitted to the MPCA and the next steps include dewatering and then sludge removal. The due date for the ultimate decommissioning of the ponds is January 31, 2016.
 2. The plant upgrade project is still on the Public Facilities Authority Project Priority List. A request for scoring and placement on the Intended Use Plan is due in June, 2013 and will be submitted in the near future. The Phosphorus Reduction Grant will likely be available again this year. This grant application is anticipated to be due in July, 2013 but details have not yet been released.
- Westgate Neighborhood Improvements:

The Westgate Neighborhood Improvement Project includes street, storm sewer, and lift station rehabilitation items in the Westgate neighborhood.

 1. The total contract amount is \$589,000. Four (4) pay requests were processed last year, 2012 with the total amount paid to date of \$527,000. Approximately \$30,000 remains in retainage and there are minor remaining work items.
 2. A final site walk-through and completion of a final punch list will occur next month, June, 2013. Final payment will be made and the project will be closed out upon completion of these items. Mr. Eckstein presented a list of items that still need to be completed by the contractor.
 3. Mr. Eckstein stated that the assessments to property owners were reduced by approximately ten percent (10%) as a result of the reduction in the total overall project costs.
- Industrial Park Feasibility Study:
 1. A Feasibility Study is underway for the development of a forty (40) acre Industrial Park near the existing Industrial Park on the south side of Winsted.
 2. Two (2) sites are being compared and layouts for lots, ponding, and utilities are being developed for these sites. One is the Montgomery site located to the northwest of McLeod County Road One (1) and McLeod County Road Five (5) which is located east of the airport hangars. The other is the Entinger site located to the southeast of McLeod County Road One (1) and Industrial Drive which is located west of the WWTF.
 3. The presentation of this study along with potential next steps for the City Council to consider is anticipated to occur in July, 2013.
- Miscellaneous Items:
 1. Winsted Volunteer Fire Department Station Improvements – Plans were completed and pricing was obtained for minor storm sewer work to connect the proposed roof drains to the existing storm sewer located along McLeod County Road One (1).
 2. Proposed Skating Rink – A preliminary layout for a rink as well as an open skating area was completed for Westgate Park.
 3. Federal Emergency Management Agency (FEMA) mapping – A cursory review was completed for FEMA floodplain mapping updates. There are no recommended changes at this time.

Council Member asked Mr. Eckstein how many acres are in the two (2) proposed Industrial Park sites. Mr. Eckstein stated approximately forty (40) acres for the Montgomery property and also

for the Entinger property. Mr. Martens stated that there are approximately twenty-nine (29) buildable acres for the Montgomery property.

Council Member Ollig stated that the City did have a Preliminary Plat for the Montgomery property and asked if it could be used again. Mr. Martens stated yes.

Council Member Ollig asked if the City has discussed the cost of the two (2) proposed sites with the property owners. Mr. Eckstein stated that the cost of the two (2) properties will be included in the Feasibility Study being completed by Bolton and Menk, Incorporated.

Before closing out the Westgate Neighborhood Improvement Project, Mayor Stotko asked if staff members from the City and Bolton and Menk, Incorporated should talk to all the property owners in the Westgate Neighborhood regarding any issues that they may have since the Improvement Project was completed. Mr. Martens stated that the City and Bolton and Menk, Incorporated has kept a list of the issues that property owners have contacted them about. All of the issues will be addressed before the final closeout of the Project.

Council Member Schulenberg asked about the status of the improvements to the Campbell Baseball Field. Mr. Martens stated that he and Mr. Chris Schultz will be meeting with representatives from RAM Building, Incorporated to review and discuss the proposed improvements.

7) Open Forum

8) Announcements

a) City of Winsted Park Commission

Mr. Martens stated that the City of Winsted's Park Commission has one (1) resident that has indicated an interest in serving on the Commission. He continued by stating that there is still one (1) vacant position and encouraged Winsted residents to apply.

b) Howard Lake-Waverly-Winsted School District Referendum

Mayor Stotko reminded Winsted residents to vote on May 23, 2013 regarding the Howard Lake-Waverly-Winsted (HLWW) School District Referendum at the HLWW High School polling place.

9) 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:

Deborah R. Boelter

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