

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.

a) The Pledge of Allegiance was taken.

2) Consent Agenda

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

a) Minutes – City Council – Work Session – June 4, 2013

Accepted the minutes of the City Council Work Session of June 4, 2013.

b) Minutes – City Council – Regular Meeting – June 4, 2013

Accepted the minutes of the City Council Regular Meeting of June 4, 2013.

c) Park Commission Appointments

Appointed Mr. Jordan Wolfe and Mr. Tim Fury to the Park Commission, each with terms expiring December 31, 2016.

d) Downtown Vibrancy Commission Chairperson Appointment – Mr. Don (Chip) Guggemos, Junior

Appointed Mr. Don (Chip) Guggemos, Junior as Chairperson of the Downtown Vibrancy Commission for the year 2013.

e) Downtown Vibrancy Commission Vice-Chairperson Appointment – Mr. Joe Swanson

Appointed Mr. Joe Swanson as Vice-Chairperson of the Downtown Vibrancy Commission for the year 2013.

f) Resignation Notice – City Administrator

Accepted the thirty (30) day resignation notice of Mr. Brad Martens, City Administrator.

g) Appointment – Dan Brossard– Temporary Brush Site Attendant

Appointed Mr. Dan Brossard to part-time temporary Brush Site Attendant.

h) Resolution R-13-10 - Winsted Volunteer Fire Department Donation

Adopted Resolution R-13-10 to accept a donation from CR Electric, Incorporated in the amount of \$480.00 to be dedicated to the Winsted Volunteer Fire Department for an Office Improvement Project.

i) Security Bank and Trust Company – Pledged Securities

Approved the Pledged Securities that Security Bank and Trust Company has purchased for the City of Winsted for the month of May, 2013.

j) May, 2013 Financial Report

Approved the May, 2013 Financial Report.

k) May, 2013 Building Permit Report

Approved the May, 2013 Building Permit Report.

l) Claims

Approved the Claims List for June 18, 2013.

3) No Public Hearings.

4) No Old Business.

5) New Business

a) Tax Exempt Bond Conduit Issuance – Ridgeview Medical Center

Mr. Martens stated that in May, 2013 the City was approached by Mr. Tom Mayfield, National Healthcare Capital, Limited Liability Company (LLC) to inquire about assistance from the City of Winsted in financing several improvement projects being proposed by the Ridgeview Medical Center system.

Mr. Martens stated that the City Council was informed at their May 7, 2013 Work Session of Mr. Mayfield's request and received the following information:

- The City of Winsted is able to act as a conduit in order to assist some entities in obtaining tax exempt bonds.
- The City of Winsted is able to finance up to \$10 million in tax exempt bonds annually and does not have any plans to issue any bonds in the year 2013. Mr. Martens stated that he did contact Saint Mary's Care Center to inquire about whether they have any proposed projects that they may need to use the City of Winsted as a conduit for tax exempt bonds in the year 2013, and they do not have any projects proposed for the year 2013.
- There is zero (0) risk associated with acting as a conduit for tax exempt bonds because it does not place any additional liability on the City. Mr. Martens stated that he has confirmed this with Mr. Shannon Sweeney of David Drown Associates.

Mr. Martens stated that he was directed to begin the work necessary to provide assistance to the Ridgeview Medical Center system.

Mr. Martens presented a letter he received from Mr. Mayfield on June 7, 2013, outlining the request from the Ridgeview Medical Center system asking the City of Winsted to serve as a conduit for tax exempt bonds. He continued by stating that the City of Winsted is being asked to issue approximately \$8.57 million in tax exempt bonds.

Mr. Martens presented the following timeline:

- June 18, 2013 – Initial presentation to the City Council at their Regular City Council meeting and possible scheduling of a Public Hearing.
- July 16, 2013 – Hold the Public Hearing and consider a Resolution allowing the Ridgeview Medical Center system to use the City of Winsted as a conduit for tax exempt bonds.

Mr. Martens stated that there are limited costs involved with the approval process, most of which are staff and/or consultant time and publishing of documents. The City of Winsted will receive compensation from the Ridgeview Medical Center system in the amount of \$5,000 for any expenses incurred by the City of Winsted during the process of agreeing to serve as a conduit for tax exempt bonds.

Mr. Mayfield addressed the City Council. Mr. Mayfield stated that the City of Winsted has served as a conduit for tax exempt bonds for the Ridgeview Medical Center system in the past. He continued by stating that this type of bonding that is available to non-profit organizations is regulated by federal law and requires that the bonds be issued through city governments, counties and/or other governmental bodies.

Mr. Mayfield stated that the Bond Law Firm that will be administering the tax exempt bond issuance for the Ridgeview Medical Center system will be the same one (1) the City of Winsted has used in the past, Briggs and Morgan.

Mr. Mayfield stated that the Ridgeview Medical Center system is taking advantage of the low interest rates and completing some improvement projects; but, are also refinancing some of their existing bonds.

Mr. Mayfield stated that he has contacted cities that have a Ridgeview Medical Clinic to ask them if they would serve as a conduit for tax exempt bonds. He continued by stating that the cities of Winsted, Hamburg, Minnesota and Howard Lake, Minnesota have indicated that they have the capacity to serve as a conduit for the issuance of tax exempt bonds for the Ridgeview Medical Center system.

Council Member Ollig stated that the Ridgeview Medical Center system has made a substantial investment in the Winsted Community and if the City has the ability to assist them, we should.

Council Member Fasching motioned to schedule a Public Hearing for Tuesday, July 16, 2013 to consider a Resolution allowing Ridgeview Medical Center to use the City of Winsted as a conduit for tax exempt bonds. Council Member Ollig seconded the motion. Motion carried 5-0.

b) Year 2012 Audit report

Mr. Paul Harvego and Ms. Christina Wordes of Conway, Deuth and Schmiesing presented the year 2012 audit.

Council Member Ollig motioned to approve the Year 2012 Audit Report as presented. Council Member Quast seconded the motion. Motion carried 5-0.

c) City Council Goal – Increase Communication Between the City of Winsted and Residents and/or Business Owners on City Issues

Mr. Martens stated that at the February 15, 2013 City Council Goal Setting Session, the City Council set a goal to increase communication between the City and its residents and business owners. The first (1st) step in increasing communication has taken place by the introduction of a City Council Update in the monthly Utility Billing Insert. The next step has been to research online opportunities for increased communication.

Mr. Martens stated that the City has received a quote from Herald Journal Publishing to assist with this goal. Their proposal includes setting up content management tools on the City's website to assist staff in establishing a news feed related to City business.

Mr. Martens stated that staff has met with Herald Journal Publishing to learn about the abilities of a new system and would like the City Council to discuss moving forward with a portion of their proposal.

Mr. Martens presented the three (3) options that were provided by Herald Journal Publishing to increase communication:

1. There is a one-time set-up cost of \$625 to \$675 in order to get the website ready for staff to manage the site and to provide one (1) hour of staff training.

Mr. Martens presented a picture of the City's website "Home" page and stated that this option would allow the City to make changes to the items placed under the tab titled, "City

News.” This would result in a lower cost to the City because the Herald Journal Publishing staff would not be implementing the changes and/or updates to the City’s website.



2. A link could be created so that all information the City posts on its website page also post on the Herald Journal website. This would cost \$189 per month and the link would be <http://www.herald-journal.com/>.
3. The option of resuming the publishing of City Council minutes in the Herald Journal newspaper was offered for \$1.46 per line not to exceed \$75 per meeting.
 - Mr. Martens stated that this option was not requested for a quote by staff but was included by Herald Journal Publishing.

Mr. Martens stated that the year 2013 Budget does not include funds for the increased communication activities; however, staff does recommend that the City Council approve a portion of the quote from Herald Journal Publishing to allow for the one-time set-up fees and staff training to establish a City news feed. This would allow for an increase in communication with minimal costs for the year 2013 as the monthly bill from the Herald Journal would be lower due to staff taking over a majority of the work. Additional options could be budgeted for in the year 2014 Budget.

Mayor Stotko asked what City employees would be trained by Herald Journal Publishing to manage the City’s website. Mr. Martens stated that Ms. Amanda Zeidler, Ms. Raquel Kirchoff and Ms. Deb Boelter would be trained to manage the City’s website. Ms. Zeidler would be the primary staff member to manage the information placed on the City’s website.

Council Member Ollig stated that this communication goal was identified by the City Council and as the public becomes more and more internet savvy, option one (1) is an important step in improving communication with the general public.

Council Member Quast stated that she believes communication with the general public is important and this will help residents know that there is an open line of communication between them and the City Council and/or staff.

Council Member Schulenberg stated that his only concern is that not everyone has access to the internet; so, how does the City reach those people. Mr. Martens stated that the City relies on the utility billing insert and information provided in the Herald Journal newspaper for residents that do not have access to the internet. Council Member Quast stated that the public access television station is another important resource for information.

Council Member Fasching stated that he believes it is a great idea.

Mayor Stotko stated that he is in agreement with option one (1) of the Herald Journal Publishing quote; however, he does not believe that the City should approve option two (2) or three (3). He continued by stating that he does not believe that the City Council meeting minutes need to be

published in the newspaper. They are located on the City's website and available at City Hall for anyone who requests a copy.

Council Member Quast stated that she does not believe that the City Council meeting minutes need to be published in the Herald Journal newspaper. She continued by stating that the money saved from not publishing the minutes in the newspaper could be used for street and/or other improvements in the City.

Ms. Helen Guggemos, 137 Fairlawn Avenue East, addressed the City Council and stated that the City provides its residents with information in so many different forms of communication. She continued by stating that residents have a responsibility to take advantage of the different forms of communication.

Council Member Fasching stated that residents can come to City Hall and ask for a copy of the meeting minutes. He continued by stating that you can access the internet through the Winsted Public Library's computers.

Council Member Ollig motioned to approve option one (1) of the quote from Herald Journal Publishing to allow for a one-time set-up cost of \$625 to \$675 to get the City of Winsted's website ready for staff to manage the site and to provide one (1) hour of staff training time. Council Member Quast seconded the motion. Motion carried 5-0.

d) Truck Improvement – Public Works Department - Warning Lights

Mr. Martens stated that the Public Works Department's 1999 Sterling Single Axle Dump Truck will be taken in for repairs in June, 2013 for damage related to wear and tear during the winter snow removal season. Since the truck is being taken in for repairs already, the Public Works Department is requesting City Council approval to do additional work to improve the warning light system on the truck. The current warning light system on the Dump Truck is very limited compared to trucks purchased in more recent time and as a result, there are safety concerns.

Mr. Martens stated that the reason for the request at this time, is due to the efficiency of doing two (2) repairs at one (1) time, as well as a June, 2013 special offer at Towmaster, Incorporated in which labor is discounted to \$10 per hour.

Mr. Martens stated that repairs for wear and tear are budgeted for and do not require City Council approval; however, the warning light system improvements were not specifically budgeted for and require City Council approval. Staff did receive two (2) quotes on the lights:

COMPANY	COST
Towmaster, Incorporated	\$4,991.00 plus tax
Crysteel Truck Equipment	\$5,844.81

Mr. Martens presented pictures where the warning lights would be installed on the 1999 Sterling Single Axle Dump Truck.

Mr. Martens stated that if approved, the new warning lights would be placed on the front of the truck as well as additional lighting that currently does not exist on the sides, plow wing, and sander. This is important for the safety of those traveling around the truck.

Mr. Martens stated that funds are available in the following the year 2013 Budget categories to support the purchase of the warning lights:

- ✓ The Public Works Department's General Fund Budget – Line Item 101-43000-550 Vehicle Repairs/Supplies

- ✓ The Water Fund Budget – Line Item 601-49400-550 Vehicle Repairs/Supplies
 - ✓ The Sewer Fund Budget – Line Item 602-49450-550 Vehicle Repairs/Supplies
- The costs of the repairs would be split between the three (3) aforementioned funds because the truck is used for work done for all three (3) departments.

Council Member Quast motioned to approve a quote from Towmaster, Incorporated to install warning light improvements to the Public Works Department’s 1999 Sterling Single- Axle Dump Truck. Council Member Schulenberg seconded the motion. Motion carried 5-0.

e) Temporary Acting City Administrator

Mr. Martens stated that he has issued his thirty (30) day resignation notice as City Administrator for the City of Winsted and his last day in the office will be Friday, July 5, 2013. It is likely that it will take until August or September of 2013 to appoint a new City Administrator for the City.

Mr. Martens stated that in the absence, the City should appoint someone as acting City Administrator to ensure City business is taken care of in the interim. He requested that the City Council consider appointing a member of the staff or City Council as acting City Administrator during that time.

Mr. Martens stated that the acting City Administrator should be compensated for work completed. Any compensation will be offset by savings achieved by not having a City Administrator employed.

Mr. Martens presented the existing year 2013 City Administrator Salary Scale based on an hourly wage:

Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11
\$31.64	\$32.75	\$33.86	\$34.97	\$36.08	\$37.19	\$38.30	\$39.42	\$40.53	\$41.64	\$42.75

Mr. Martens stated that the City Attorney, Mr. Fran Eggert was in attendance at the City Council’s Work Session and he stated that Mr. Eggert did research the legalities of having a City Council Member serve as City Administrator. Mr. Eggert did confirm that it is legal to have a City Council Member serve as City Administrator; however, there are certain agenda items that they would have to abstain from voting on.

Mr. Martens stated that one (1) option would be to have the City Council direct staff to work with Mr. Eggert to prepare an Agreement for the temporary employment of a City Council Member as the City Administrator; and bring the final Agreement to the City Council for discussion and possible approval at the July 2, 2013 Regular City Council meeting.

Council Member Ollig stated that the City of Winsted is currently involved in a number of projects that need to continue to move forward; such as, the Industrial Park Feasibility Study, the proposed Skating Rink, the Revolving Loan Fund and the year 2014 Budget planning. He continued by stating that it would be easiest to have an individual serve as interim City Administrator who is already involved with the aforementioned projects and is trusted by the City Council. Council Member Ollig recommended that Mayor Steve Stotko consider serving as the temporary interim City Administrator.

Council Member Quast agreed with Council Member Ollig’s recommendation. She continued by stating that she believes that Mayor Stotko has the knowledge to complete the job as the temporary interim City Administrator.

Council Member Schulenberg stated that he agreed with Council Member Ollig's recommendation because he does not feel that the other administrative staff should be burdened with the extra duties and responsibilities during the absence of a City Administrator.

Council Member Fasching stated that he believes having Mayor Stotko serve as the temporary interim City Administrator is a great idea and he has one hundred percent (100%) trust in Mayor Stotko to do a good job.

Council Member Ollig stated that it is understood that if a conflict should arise as Mayor Stotko is serving as the temporary interim City Administrator, he would step down from the City Administrator position.

Mayor Stotko stated that his true passion is to serve as the Mayor of Winsted; so, if a conflict would arise, he would do the right thing and step down from the position of temporary interim City Administrator.

Council Member Ollig motioned to appoint Mayor Stotko as temporary acting City Administrator until the position is fully filled; and that Mr. Martens, Mr. Eggert and Mayor Stotko work together to prepare an Employment Agreement for the temporary interim City Administrator position. Mayor Stotko stated that he was going to recuse himself from voting on the above motion. Council Member Schulenberg seconded the motion. Motion carried 4-0. Mayor Stotko abstained.

6) Department Report

a) Waste Management

Mr. Mike Donnelly, Public Sector Representative of Waste Management, introduced himself to the City Council.

Council Member Ollig asked Mr. Donnelly where his office is located. Mr. Donnelly stated that his main office is located in Blaine, Minnesota. He continued by stating that he works one (1) day per week in the Winsted office.

Mr. Donnelly stated that the employees from the Winsted Waste Management facility have been a pleasure to work with. He continued by stating that his working relationship with the city staff and elected officials from the area communities has also been a positive experience.

7) Open Forum

a) Winsted Lake – Aerator Operation

Ms. Merrybeth Burkman, 135 Fairlawn Avenue East, addressed the City Council and asked if the aerator will be operating on Winsted Lake during the summer, 2013 months. She continued by stating that if the aerator does not operate over the summer months, the water turns green and has a bad odor due to increased algae.

The City Council discussed Ms. Burkman's request and directed Mr. Martens to contact the Winsted Lake Watershed Association to determine what their plan is for operating the aerator over the summer, 2013 months.

8) Announcements

a) City Administrator Search

Mr. Aaron Kubasch, 179 Westgate Drive, addressed the City Council and asked for an update on the process of hiring a new City Administrator.

Mr. Martens presented a brief overview of the process and schedule for hiring a new City

Administrator.

Mayor Stotko presented an overview of the schedule and the interview process for the finalists. Mayor Stotko stated that if the City Council determines that the candidates that have applied for the position are not adequate, the Search Firm will possibly start the process over again.

Mr. Kubasch asked what the total cost is for the Search Firm for the City Administrator position. Mayor Stotko stated that the cost for the Search Firm is \$8,000 and the background part of the hiring process will be an additional cost.

Council Member Ollig stated that the \$8,000 for the Search Firm will not be an additional expense for the City of Winsted. As a result of not paying for the salary and benefits of a City Administrator for approximately three (3) months, the City will have additional money in the year 2013 Budget.

Council Member Fasching stated that Mayor Stotko will be serving as the temporary interim City Administrator; which allows the City to take the time necessary to find a good candidate for the City Administrator position.

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 7:17 p.m.

Steve Stotko

Steve Stotko
Mayor
City of Winsted

ATTEST:

Deborah R. Boelter

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