

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

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.

b) Presentation of \$5,000 Donation from Winstock Country Music Festival for the Winsted Summer Festival Fireworks Display

On behalf of Winstock Country Music Festival, Father Tony Stubeda presented Mayor Stotko and Dale Maus, Winsted Summer Festival, with a \$5,000 donation for the Winsted Summer Festival's year 2012 fireworks display in appreciation for the support and assistance that the Winsted Community provides to Winstock Country Music Festival.

2) Consent Agenda

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

a) Minutes – City Council – Work Session – July 3, 2012

Accepted the minutes of the City Council Work Session of July 3, 2012.

b) Minutes – City Council – Regular Meeting – July 3, 2012

Accepted the minutes of the City Council Regular Meeting of July 3, 2012.

c) Minutes – May 14, 2012 Planning Commission Meeting

Accepted the minutes of the May 14, 2012 Planning Commission Meeting.

d) Minutes – May 29, 2012 Winsted Park Commission Meeting

Accepted the minutes of the May 29, 2012 Winsted Park Commission Meeting.

e) Minutes – June 12, 2012 Winsted Municipal Airport Commission Meeting

Accepted the minutes of the June 12, 2012 Winsted Municipal Airport Commission Meeting.

f) 3.2% Liquor License – Winsted American Legion

Approved a 3.2% Liquor License for the Winsted American Legion at Hainlin Park on Saturday, August 11, 2012 and Sunday, August 12, 2012 for the Winsted Summer Festival.

g) Winsted Summer Festival Committee

Appointed the following officers to the City of Winsted Summer Festival Committee: Dale Maus, Rose Heimerl, Lisa Baumann, Gerald Heinen, Gary Rathmanner, Steve Fiecke, Pam Fiecke, Amanda Alguire, Pat Gueningsman, and Monica Hertzog.

h) Fun Run – Winsted Summer Festival

Approved a Fun Run sponsored by the Winsted Summer Festival with a route approved by the Winsted Police Department on Saturday, August 11, 2012.

i) Animals in the Park – Winsted Summer Festival

Allowed animals that are used in Winsted Summer Festival games and activities in Hainlin Park on Friday, August 10, 2012.

j) Outdoor Music - Winsted Arts Council

Approved a permit allowing outdoor music in Mill Reserve Park on Saturday, July 21, 2012 for the Winsted Arts Council.

k) Outside Food Stands Permit – Winsted Arts Council

Approved a permit to allow an outside ice cream stand in Mill Reserve Park for the Winsted Arts Council Music in the Park event on Saturday, July 21, 2012.

l) Resolution R-12-17 - Donation for Winsted Holding Activities that Unite People (WHAT UP) Donation

Adopted Resolution R-12-17 to accept a \$1,000.00 donation from Bolton and Menk, Incorporated to be dedicated to the fund for the WHAT UP organization.

m) Resolution R-12-18 - Donation for Winsted Summer Festival Fund – Fireworks Display

Adopted Resolution R-12-18 to accept a \$5,000.00 donation from Winstock Country Music Festival to be dedicated to the Winsted Summer Festival Fund for the fireworks display during the the year 2012 Winsted Summer Festival.

n) Resolution R-12-19 Phosphorous Reduction Grant Application

Adopted Resolution R-12-19 to authorize the City of Winsted to submit a phosphorus reduction grant application to the Minnesota Public Facilities Authority (PFA) and to authorize City Officials to execute a grant agreement on behalf of the City of Winsted for the Wastewater Treatment Facility improvements.

o) Resolution R-12-20 – Stormwater Improvement Assessment

Adopted Resolution R-12-20 to assess \$3,489.20 for Stormwater Improvements to the property of 141 Fairlawn Avenue East, Winsted, Minnesota.

p) Salary Step Increase – Deb Boelter

Authorized a salary step increase for Deb Boelter, City Clerk – Treasurer, effective July 19, 2012.

q) June, 2012 Financial Report

Approved the June, 2012 Financial Report.

r) June, 2012 Building Permit Report

Approved the June, 2012 Building Permit Report.

s) Claims

Approved the Claims List for July 17, 2012.

t) Park Commission Meetings

Rescheduled the Winsted Park Commission meetings to be held on the second Monday of each month at 7:30 p.m. in the Council Chambers at Winsted City Hall, 201 – 1st Street North, Winsted, Minnesota.

3) **No Public Hearings.**

4) **No Old Business.**

5) **New Business**

a) **Resolution R-12-21 General Obligation Improvement Bonds – Westgate Neighborhood Improvements**

Mr. Martens stated that on July 3, 2012, the City Council awarded a bid to Mid Minnesota Hot Mix, Incorporated for the Westgate Neighborhood Improvement Project in the amount of \$588,047.05. To finance these improvements the City wishes to issue General Obligation Improvement Bonds for a term of fifteen (15) years.

Mr. Martens stated that Mr. Steve Mattson of Northland Securities, Incorporated has prepared an estimated payment schedule for the fifteen (15) year term. Mr. Martens continued by stating that annual payments are estimated to be \$47,500 in the year 2013 and increase annually until the last payment of \$55,000 in the year 2027. Actual payments will be determined based upon the interest rates from the bond sales. The annual payments will be levied with the City's Debt Levy.

Mr. Martens stated that an annual payment of \$94,000 expires in the year 2012 which is significantly lower than the annual amount needed for the new bond issuance. Additionally, a portion of the annual payment (approximately \$11,000) will be transferred from the Sewer Fund's Improvement budget to cover the costs of the Westgate Lift Station improvements.

Mr. Martens stated that to facilitate the bond process, Mr. Mattson has prepared a "trigger" resolution for the City Council to consider. He continued by stating that approval of the "trigger" resolution authorizes the City of Winsted's Mayor and Administrator to approve the issuance of bonds at the time of sale.

Mr. Mattson was in attendance at the City Council meeting and presented the estimated payment schedule that he prepared.

Council Member Ollig asked Mr. Mattson if the "estimated interest rates" on the schedule he presented is the final rate that the City will receive for the bonds they will be purchasing. Mr. Mattson stated no and that Northland Securities, Incorporated should know the actual interest rates by August 15, 2012. Mr. Mattson stated that currently interest rates are low and he does not anticipate any changes in the market that would result in interest rates increasing by August 15, 2012.

Council Member Ollig motioned to adopt Resolution R-12-21 approving the issuance of General Obligation Improvement Bonds, Series 2012B. Council Member Schulenberg seconded the motion. Motion carried 5-0.

b) **Downtown Vibrancy Task Force Presentation**

Mr. Martens introduced Ms. Angie Hertel, a member of the Downtown Vibrancy Task Force.

Ms. Hertel introduced the members of the Downtown Vibrancy Task Force: Mr. Jeff Campbell, Mr. Jim Fowler, Ms. Charlotte Laxen, Ms. Diane Remer, Mr. George Schulenberg and Mayor Steve Stotko.

Ms. Hertel presented *The Downtown Vibrancy Report*.

Council Member Mochinski stated that the Downtown Vibrancy Task Force did an exceptional job of evaluating the Winsted downtown area to establish goals and a vision for revitalizing the City's downtown area.

Council Member Ollig asked Ms. Hertel if her opinion of the downtown area changed from the time the Downtown Vibrancy Task Force started to the time they completed their evaluation of the downtown area and established goals and visions.

Ms. Hertel stated that for her it validated many of the things that she thinks are great about Winsted and why she lives here, why she loves Winsted and why she wants it to become better. She continued by stating that she thinks the Winsted Community does a lot of things really well and it is a Community that does not sit still. Ms. Hertel stated that a good example is the Winsted Holding Activities That Unite People (WHAT UP). They have grown to be a valuable organization that offers a great deal of fun activities and/or events for the Winsted Community.

Ms. Hertel stated that she does not believe that Winsted's downtown area is broken but she does believe that the Downtown Vibrancy Task Force was an important process to go through to determine where the City needs to go next.

Council Member Quast asked Ms. Hertel what the first (1st) strategy of the Downtown Vibrancy Task Force is for making the goals and vision that they identified come to life. Ms. Hertel stated it is now the responsibility of the City to carry on the next step of the process. She continued by stating that the recommendation of the Downtown Vibrancy Task Force is that a new association and/or committee be formed to carry out the goals and vision that they have established. She continued by stating that the Task Force believes that this new organization and/or committee should be established under the umbrella of the City of Winsted and then they could possibly become their own non-profit organization in the future.

Ms. Char Laxen addressed the City Council and stated that it is the heart of the Downtown Vibrancy Task Force to see that the process is continued by carrying out the goals and vision that they have established. Ms. Laxen continued by stating that she believes that the City has already started the next step by the different things she sees happening in the Community; such as, the Winsted Arts Council. She continued by stating that she believes that this is just the beginning and that the Task Force is hoping that with the City Council's support, they will bring in a new group of people to take the Task Force's recommendations to the next level.

Mayor Stotko stated that the work of the Downtown Vibrancy Task Force has been completed and asked the City Council what they would like to do next.

Council Member Quast stated that she believes that the City should take into consideration the "tools" that already exist in the City of Winsted and use that in the next step of the process. She continued by stating that the existing industries in the City of Winsted bring in a lot of people to the Community and that should be taken into consideration during the next step of the downtown revitalization planning.

Council Member Ollig stated that the City has to create a "want" for people to come to the City of Winsted's downtown. He continued by stating that strategic marketing is important. Council Member Ollig stated that it is the City Council's responsibility to take the goals and vision created by the Downtown Vibrancy Task Force and make them happen.

Mayor Stotko stated that the Task Force agreed that the next step should be promoted and carried out by the involvement and directives of the City Council.

Council Member Schulenberg stated that the Downtown Vibrancy Task Force has completed their job and now it is the responsibility of the City Council to continue with the process to improve the downtown area.

Council Member Ollig stated that the City of Winsted could have commissioned an outside organization to come to the City and complete the same exercise as the Downtown Vibrancy Task Force did; but, everyone who was on the Task Force was someone from Winsted and they value and love the Winsted Community. He continued by stating that an outside organization would not see Winsted the way the Task Force members did; and it is the people that live in Winsted and the people who want to make the Community better that conceived the goals and visions for the downtown area.

Mayor Stotko and the City Council members thanked the members of the Downtown Vibrancy Task Force and stated that they will continue with the process.

c) Parking Lot Expansion Request – Tetra Pak

Mr. Martens stated that Tetra Pak has approached the City requesting approval to expand their parking lot. City Ordinance allows for the approval of parking lots with City Engineer approval; however, Mr. Martens asked the City Council to review Tetra Pak's request because it would make changes to a previously approved Site Plan that has yet to be completed.

Mr. Martens stated that the proposal is to increase parking on the west and north sides of the property. On the west side, eleven (11) stalls would be added by eliminating the free standing sign and other grass area adjacent to the northerly entrance on McLeod County Road Nine (9). On the north side, ten (10) stalls would be added by developing the lot further north to allow for a wider drive aisle.

Mr. Martens stated that the previously approved Site Plan had the following conditions for approval that may be affected by approving the parking lot expansion.

- Parking: That all stalls meet the required depth of twenty (20) feet and a width of nine (9) feet as required within the Zoning Ordinance.
- Landscaping: That the landscaping is installed according to the approved Landscaping Plan and that the applicant shall add additional landscaping in the form of trees along the north boundary of the parking lot along 235th Street (McLeod County Road 85) east of the existing transformers to the entrance to 235th Street for noise mitigation.

Mr. Martens stated that the proposed Plan shows parking stalls on the west side of the property with a depth of eighteen (18) feet and a width of ten (10) feet; the parking stalls on the north side of the property are shown with a depth of twenty-one (21) feet and a width of ten (10) feet.

Mr. Martens stated that the proposed Plan shows sixteen (16) trees being planted east of the existing transformers for noise mitigation as originally planned. These trees were previously shown as Red Cedar and Acrocona Spruce and are now shown as Techny Arb which grow to approximately twelve (12) feet to fifteen (15) feet in height and six (6) feet to eight (8) feet in width.

Mr. Martens stated that the proposed Plan does show the removal of a total of eight (8) trees on the northwest corner of the property from the previously approved Landscape Plan.

Mr. Martens stated that the Planning Commission reviewed the parking lot expansion request at their July 9, 2012 meeting. The Planning Commission discussed the request in detail and felt that the proposed Plan sufficiently addressed the noise issues brought forward at the August, 2011 Site Plan Review. The Planning Commission voted to recommend approval of the parking lot expansion as presented.

Mr. Martens stated that the proposed Plan was forwarded to the Minnesota Department of Natural Resources (MN DNR) for review, since the property is partially located in a Shoreland Overlay District. The MN DNR deferred to the City of Winsted and does not have any specific comments on the proposed parking lot expansion.

Mr. Martens stated that the City staff agrees with the recommendation of the Planning Commission; however, recommends that the parking stalls should meet the required twenty (20) feet in length as required by the Zoning Ordinance.

Mr. Martens presented Tetra Pak's previously approved Site Plan and detailed the proposed changes that would take place for the aforementioned parking lot expansion request.

Mr. Martens introduced Mr. John Schultz from Tetra Pak and stated that he would be available for any questions that the City Council may have.

Council Member Ollig stated that the Planning Commission did conduct a great deal of discussion regarding the proposed parking lot expansion and they did agree that the new Plan did not compromise the previously approved Site Plan. He continued by stating that the Planning Commission did make it clear to Tetra Pak that the landscaping was important to mitigate the noise from their facility to the residential neighborhoods.

Council Member Mochinski asked if a survey was done on the effects to the watershed with the increase to the area of blacktopped surface and the excess water running in the ditch.

Mr. Martens stated that the MN DNR did review the proposed parking lot expansion and they did have some concerns regarding the increased amount of impervious surface and the way the water will travel through the parking lot; however, they have no authority over this district and can only provide comments on the proposed expansion.

Mr. Martens stated that the impervious surface of the Tetra Pak parking lot is extreme; however, the City's Zoning Ordinance does not allow any decisions to be made based on impervious surface. He continued by stating that the Planning Commission does want to review the Zoning Ordinance in regards to impervious surfaces.

Council Member Mochinski stated that water can do a lot of damage.

Mr. Martens stated that currently there is no curb and gutter at the Tetra Pak parking lot site and the water is running off in the ditch now.

Council Member Mochinski stated that with the amount of blacktop surface being proposed he could see a problem with erosion if there is an excessive rain event. If erosion would occur, he asked who would have to repair the damage. Mr. Martens stated that with the amount of vegetation that is in the existing ditch, he has not seen any issues with erosion after an excessive rain event since he has been employed with the City of Winsted.

Council Member Mochinski asked where the water run-off from the roof of Tetra Pak's building goes. Mr. Schultz stated that the water runs off the roof between the buildings and/or through a drain on the roof that goes directly to a drain tile. The drain tile then runs to the ditch.

Council Member Mochinski stated that he sees a potential problem with water run-off.

Council Member Ollig asked Mr. Schultz if the water drainage was taken into account when the new Plan for the parking lot expansion was prepared. Mr. Schultz stated that he was not involved in the preparation of the previously approved Site Plan. He continued by stating that the proposed parking lot expansion includes an additional eight (8) to ten (10) feet of blacktopped surface to the north.

Council Member Ollig asked if there was a Drainage Plan in the previously approved Site Plan.

Mr. Martens stated that the MN DNR did recommend that the drainage be reviewed; but, the drainage was not addressed in Tetra Pak's previously approved Site Plan.

Council Member Schulenberg asked if there would be an opportunity to detour the water to the main culvert without interruption to the ditch. He continued by asking if a curb and/or some type of barrier could be installed to direct run-off water to the culvert.

Mr. Schultz said he could check on whether some type of curb and/or barrier could be installed.

Council Member Mochinski stated that he would like to have an engineer review the drainage of Tetra Pak's parking lot. He continued by sharing his concerns about the erosion of the ditch and/or damage to the culvert, and who would be responsible for repairing the damage.

Mr. Schultz asked Council Member Schulenberg if he would like to see some type of drain tile that deposits the run-off water to the culvert. Council Member Schulenberg stated yes.

Council Member Schulenberg stated he is also concerned about the cars bringing in other materials unto the parking lot in the winter time and the City does not want those materials negatively impacting Winsted Lake.

Mayor Stotko asked if the proposed parking lot expansion should be tabled.

Council Member Ollig asked if the proposed expansion could be approved pending an engineer's Drainage Plan from Tetra Pak.

Mr. Martens presented a report from the City's engineer, Bolton and Menk, Incorporated on the previously approved Site Plan.

Council Member Ollig asked if the MN DNR was made aware of the previously approved Site Plan. Mr. Martens stated that the MN DNR was given the previously approved Site Plan and the proposed parking lot expansion. Council Member Ollig asked if they had any issues with either Plan. Mr. Martens stated that the MN DNR had no comments on the proposed parking lot expansion.

Council Member Ollig asked if the City would receive a Drainage Plan from Tetra Pak, who would review it. Mr. Martens stated the City's Zoning Ordinance reads that the City's engineer can make a decision on proposed parking lot expansions. Council Member Mochinski stated that he could visit Tetra Pak's parking lot with the City's engineer and share his concerns with him regarding water run-off from the parking lot.

Mr. Martens asked Council Member Mochinski what outcome he is trying to achieve.

Council Member Mochinski stated the outcome would be that the ditch located adjacent to the Tetra Pak parking lot could handle an excessive rain event.

Mr. Martens read the City engineer's comments on Tetra Pak's previously approved Site Plan and the comment was that the Tetra Pak improvements should be coordinated with the McLeod County Highway Department.

Council Member Ollig asked if Tetra Pak did coordinate with the McLeod County Highway Department. Mr. Martens stated no because Tetra Pak was not required to do so.

Council Member Quast asked if Council Member Mochinski's question about who would be responsible if there is damage to the ditch and/or culvert had been answered.

Mayor Stotko stated it would not be the McLeod County Highway Department's responsibility because the City did not consult them when the previous Site Plan was approved.

Council Member Ollig stated that the City needs a Drainage Plan from Tetra Pak's engineer to be reviewed by the City's engineer and McLeod County Highway Department's engineer.

Council Member Schulenberg stated that his concern is damage to the ditch and/or culvert due to excessive water run-off.

Mr. Schultz stated that he understands that the culvert is the property of the McLeod County Highway Department. He continued by stating that Tetra Pak owns the ditch and some of the property on the north side of 235th Street.

Mr. Martens presented the Grading Plan from the previously approved Site Plan.

Council Member Ollig motioned to approve a parking lot expansion at Tetra Pak – 801 Kingsley Street South pending approval from the City's Engineer and the McLeod County Highway Department of the Drainage Plan. Council Member Quast seconded the motion. Motion carried 5-0.

Council Member Ollig directed Mr. Schultz to submit a Drainage Plan to the City Administrator.

d) Schedule Public Hearing – Solid Waste Removal Ordinance

Mr. Martens asked for approval to schedule a Public Hearing to consider adopting amendments to the City's Solid Waste Removal Ordinance.

Mr. Martens stated that the City is looking into opening up the waste removal for the City's industrial, commercial and multi-family residential garbage services to multiple haulers.

Council Member Mochinski motioned to schedule a Public Hearing for Tuesday, August 7, 2012 at 6:00 p.m. to consider adopting amendments to the Solid Waste Removal Ordinance. Council Member Schulenberg seconded the motion. Motion carried 5-0.

6) Department Report

a) Metro West Inspection Services, Incorporated

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

- The City of Winsted has had thirty-four (34) building permits in the year, 2012. They include new roofs, new siding, new windows, deck construction, garage construction, Casey's General Store's new construction and expansion, and Tetra Pak's alterations in their existing building.
- There have been no building permits for new home construction.
- The City of Winsted may want to consider the limited number of empty, open lots available in the City for new home construction.
- Mr. Beckfeld stated that there has not been a lot of new home construction in the other area cities that he works for.
- Casey's General Store's new construction and expansion project has begun. They are required to complete some infrastructure before the new building can be constructed. The contractor is currently building a retaining wall. The contractor also has to remove some fill and bring in new soils before they can begin constructing the new building.
- Discussed Tetra Pak's unattached building on the south side of their existing facility. According to an agreement that Tetra Pak has with the City of Winsted, they are required to remove the building from the property by the year 2013. Mr. Beckfeld continued by stating that if they would remove the building, Tetra Pak would have room for expanding their existing facility.

Council Member Quast asked Mr. Beckfeld what the average prices of empty, residential lots are in the other cities he works for. Mr. Beckfeld stated that the foreclosed residential lots are selling for approximately \$10,000 to \$15,000.

Council Member Ollig asked about the abatement of the home located at 171 McLeod Avenue West. Mr. Martens stated that the City is in the process of obtaining quotes from contractors to remove the home and they will be presented to the City Council for approval at a future meeting.

7) Organization Report

a) Winsted Arts Council

Nancy Fasching, President of the Winsted Arts Council, presented the following:

- The Winsted Arts Council's Mission Statement, Purpose, Values and Visions.
- The Winsted Arts Council's priority focus areas in the year 2012.
- Gave a brief overview of the Winsted Arts Council's year 2012 to the year 2013 calendar of events.
- Introduced the members of the Winsted Arts Council.
- Offered Membership Registration forms to the City Council and the general public.

Mr. Martens stated that the Winsted Arts Council has a Facebook account and encouraged the City Council and residents to visit it.

8) Open Forum

a) Nathan Schmalz - McLeod County Commissioner District One (1) Candidate

Mr. Schmalz was in attendance at the City Council meeting and introduced himself as a candidate for McLeod County Commissioner for District One (1).

9) Announcements

a) The Downtown Vibrancy Report – Amanda Zeidler

Mr. Martens publically thanked City of Winsted Utility and Payroll Clerk, Amanda Zeidler, for the exceptional job she did in preparing *The Downtown Vibrancy Report*.

10) **Adjournment**

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

The meeting was adjourned at 7:26 p.m.

Steve Stotko

Steve Stotko
Mayor
City of Winsted

ATTEST:

Deborah R. Boelter

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