

City of Winsted
City Council Meeting
Council Chambers
Tuesday, September 1, 2015
6:00 p.m.

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

Staff Present: Mr. Dan Tienter, City Administer
Ms. Deborah R. Boelter, City Clerk-Treasurer
Mr. Justin Heldt, Winsted Police Department Chief

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

a) The Pledge of Allegiance was taken.

2) Consent Agenda

Mayor Stotko read the Consent Agenda.

a) Safety Program Contract – SafeAssure Consultants, Incorporated

Approved a contract with SafeAssure Consultants, Incorporated to provide a safety program for the City of Winsted in the amount of \$2,900.

b) Kingsley Street Area Improvements – Open House

Scheduled an Open House in the Vollmer Room at City Hall on Tuesday, September 22, 2015, from 4:30 p.m. to 7:00 p.m., to discuss the Kingsley Street Area Improvements project, and provide a notice that a quorum of the City Council may be present at this Open House.

c) Pond Decommissioning – Waste Water Treatment Facility - Final Payment

Approved the final payment of \$4,382.72 to Fergus Power Pump, Incorporated, for the Pond Decommissioning Project at the Waste Water Treatment Facility.

d) Remediation/Abatement – 121 Baker Avenue East

Approved a quote and authorize the City Administrator to execute an agreement with Kubasch Excavating in an amount not to exceed \$6,530.00 to abate the nuisance (abandoned and dilapidated structures) at 121 Baker Avenue East by the remediation plan provided in Resolution R-15-24 adopted by the City Council on July 7, 2015.

e) Emergency Medical Services Drill – October 19, 2015

Approved an Emergency Services (EMS) Drill to occur at City Hall on Monday evening, October 19, 2015, and provide notice that there may be a quorum of the City Council present at the EMS Drill.

f) Ribbon Cutting Ceremony – Luce Line State Trail - September 26, 2015

Approved a \$500 payment for the ribbon cutting ceremony for the Luce Line State Trail to be paid out of the General Fund-Park Improvements.

g) Winsted Police Department Rifles Purchase

Approved the purchase of three (3) Colt LE Commando .223/5.56 Model LE6933 rifles and equipment for the Winsted Police Department in an amount not to exceed \$7,000.

h) Claims

Approved the Claims List for September 1, 2015.

i) Vollmer Room Use – Ridgeview Medical Center and Saint Mary's Care Center

Allowed Ridgeview Medical Center and Saint Mary's Care Center to use the Vollmer Room at Winsted City Hall for no charge on Tuesday, September 29, 2015, for an Advanced Care Planning Seminar.

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

3) Public Hearings

a) Annexation Ordinance – Tetra Pak

Mr. Dan Tienter stated before the City Council is a request to discuss the annexation by ordinance of a parcel located to the south of the City of Winsted obtained from McLeod County. The annexation will allow Tetra Pak, which is located just north of the parcel, to expand. Tetra-Pak is tentatively planning to add a loading dock and some additional parking.

The City Council is required by state statute to conduct a public hearing after providing the affected property owners 30 days notice to appear before the Council to discuss the annexation. That requirement has been satisfied. The hearing tonight is to provide interested parties with the opportunity to discuss the annexation.

Dan Green, Manager of Tetra Pak, and John Schultz, Maintenance and Facilities Coordinator were in attendance at the meeting.

Mr. Green stated they are here to address any questions the Council may have.

Council Member Ollig noted the annexation will provide Tetra Pak with some expansion opportunities that were not available previously.

Mr. Green stated the acquisition of the parcel will allow them to expand in the future and at the present time they are tentatively planning to add a loading dock and additional parking on the south side of their property. Mr. Green stated they are looking at completing that project next year.

Council Member Ollig asked if they will be conducting some engineering in conjunction with that project to ensure there is no water runoff onto the neighboring property.

Mr. Green stated on their other expansion projects they have utilized the services of an engineer and that they are planning on doing that in this case. Mr. Green indicated they

should be able to control the water runoff on their site and is something they take seriously.

Council Member Ollig recommended Tetra Pak discuss their plans with the neighbor prior to any plans being submitted to the City.

Chuck Gutzmann, 2213 . 235th Street, Winsted, addressed the City Council regarding his concerns about drainage issues. Mr. Gutzmann noted this is a 15-acre parcel and that perhaps they should consider a stormwater pond. Mr. Gutzmann stated the drainage should go to the north and not east onto his property, which consists of 2.8 acres and three buildings. Mr. Gutzmann stated he understands the City has different requirements than the county for drainage and that he is concerned the runoff is directed properly. Mr. Gutzmann stated he currently does not experience any runoff but that if they are going to add additional blacktop, there may be issues.

Mr. Green stated currently the property has a limited amount of tile and the project would be designed so there is curb and gutter incorporated and the runoff is properly managed.

Mr. Gutzmann asked if they are planning on using the entire ten acres down the road. Mr. Gutzmann indicated he would be willing to put a 30-foot strip of CRP along the property line and that Tetra Pak could put a strip of wild flowers or something along the same property line.

Mr. Green stated they are not anticipating using the entire 10-acre parcel but that they would also be required to have proper setbacks. Mr. Green stated the additional parking would be along the south side of the building and that he would be happy to show Mr. Gutzmann the conceptual plan. Mr. Green stated they currently do not have the business to use the entire property and that it would cost millions to develop it.

Mr. Tienter noted the City would also be reviewing any plans for expansion prior to the project occurring and that Staff would look at the required setbacks and any drainage issues in addition to any other concerns Mr. Gutzmann may have.

Council Member Ollig noted the City at this point is merely discussing the annexation and not any formal expansion plans.

There were no additional public comments.

Council Member Fasching motioned to close the Public Hearing. Council Member Ollig seconded the motion. Motion carried 5-0.

Council Member Quast commented she is happy they will be able to expand.

Council Member Ollig stated Tetra Pak has been a good asset to the City.

Council Member Quast motioned to adopt Ordinance No. O-15-06 annexing land located in Winsted Township, McLeod County, Minnesota, pursuant to Minnesota Statute § 414.033, subdivision 2(3), which permits annexation by ordinance, and waive the Annexation Fee as listed in the 2015 Fee Schedule. Council Member Schulenberg seconded the motion. Motion carried 5-0.

4) **No Old Business.**

5) **New Business**

a) **Resolution No. R-15-35 - Public Hearing – Tax Increment Financing District**

Mr. Tienter noted earlier today at the work session the Council heard from Mr. Shannon Sweeney with David Drown Associates, who are the City's finance advisors. At that time details on how a tax increment financing district should be set up were provided with respect to DiMax Corporation as well as the City's newly created industrial park.

Mr. Sweeney stated in the Council's packet tonight is a resolution that would initiate the process for creating a tax increment financing district. It is an economic development tool that enables the City to capture some of the new property tax that would be generated from the new project for a period of up to nine years. This action has been initiated as a result of a request from DiMax, who is currently located in the City's industrial park. DiMax would like to expand their business and have previously acquired an adjoining parcel of land.

Mr. Sweeney stated a new tax increment financing district is suggested to be created covering the DiMax parcel, the new industrial park, and possibly some other parcels. It is recommended that a public hearing be held on October 20. As part of the new district, a tax increment plan would be required that declares the City's intent to do this, with a copy of the plan being provided to the School District and McLeod County. Both entities would be invited to the public hearing as well. There will also likely be a development agreement drafted that will be discussed at the public hearing. The agreement would provide the specific terms of the assistance and the requirements of DiMax with regarding to job creation and the proposed expansion.

Mr. Sweeney recommended the City Council adopt the resolution calling for a public hearing. Mr. Sweeney noted the resolution does not require the City Council to do anything other than that at this time. Following the public hearing, the Council will be asked to approve a resolution that adopts the tax increment plan and then authorize execution of the development agreement.

Council Member Ollig asked if the City was approached by DiMax.

Mr. Sweeney stated they were and that DiMax indicated they were interested in expanding. Discussions concerning the proposed expansion resulted in this request.

Council Member Ollig asked if the property they are thinking of expanding on is north of the current facility.

Mr. Tienter indicated it is.

Council Member Ollig motioned to adopt Resolution No. R-15-35 calling for a Public Hearing on Tuesday, October 20, 2015, in the City Council Chambers of City Hall, at 6:00 p.m. regarding the establishment of a Tax Increment Financing (TIF) District. Council Member Fasching seconded the motion. Motion carried 5-0.

6) Department Report

a) City Clerk-Treasurer

Ms. Deb Boelter, City Clerk-Treasurer, reported on the following:

➤ Year 2014 Audit

- The year 2014 Audit was conducted at Winsted City Hall the week of April 27, 2015.
- There were four (4) auditors from Conway, Deuth and Schmiesing at City Hall for three (3) days.

- Everything went smoothly and was completed in a timely manner. As a result of the shorter time, the total cost of the year 2014 Audit was reduced by approximately \$2,000.

➤ **Administrative Assistant Intern – Ms. Leigha Felder**

- Ms. Felder was an Administrative Assistant intern during the summer months of the year 2015.
- Having her available to support all City staff and departments was both beneficial, useful and helpful.
- Ms. Felder allowed Ms. Kirchoff and Ms. Zeidler to spend time reviewing the City's records and bringing them into compliance with the City's Data Retention Schedule.

➤ **Winsted Police Department Officer Interviews**

Ms. Kirchoff, Ms. Zeidler, Ms. Boelter and Ms. Felder assisted with the Winsted Police Department's hiring process for one (1) Part-Time Police Officer and two (2) Full-Time Police Officers.

➤ **Winsted Municipal Airport**

1. Annual Maintenance Reimbursement

Ms. Zeidler completed the forms for the Winsted Municipal Airport's annual maintenance reimbursement from the Minnesota Department of Transportation/Office of Aeronautics (MN DOT/OA).

- The City receives a percentage of the expenses incurred at the Winsted Municipal Airport from July 1st through June 30th of each year.
- The qualifying expenses include such things as electricity, gas, telephone, and et cetera. The City is only allowed to receive a percentage and typically receives approximately \$5,800.

2. Hangar Transfers

- There has been four (4) hangar transfers since the last report at the April 7, 2015 Regular City Council Meeting.
- Ms. Kirchoff completes the necessary documentation to transfer the hangar ownership and enter into a Land Lease with the new hangar owner.

3. Land Lease, Policy and Procedures Application and Airport Policy

- Ms. Boelter and Ms. Kirchoff are currently working with the City Attorney, Mr. Fran Eggert, to update the Winsted Municipal Airport's *Land Lease and Policy and Procedures Application* to ensure that their language and requirements coincide with the recently adopted Airport Policy.

➤ **City Administrator Resignation and Hiring Process**

- Ms. Boelter, Ms. Kirchoff and Ms. Zeidler assisted Mayor Stotko with the duties and responsibilities of the City Administrator position while he was temporary acting City Administrator.

- Having Mayor Stotko at City Hall as temporary acting City Administrator helped keep projects and/or City business moving forward during the absence of a City Administrator.
- Ms. Boelter, Ms. Kirchoff, Ms. Zeidler and Ms. Felder provided support to Mr. Gary Weiers of David Drown Associates during the hiring process of the new City Administrator.

➤ **Blight and/or Public Nuisances**

- Ms. Kirchoff and Ms. Boelter continue to address the blighting properties within the City of Winsted.
- The majority of blight issues in the year 2015 have been tall grass and/or weeds.
- Some of the blighted and/or public nuisance properties were on a larger scale this year and consumed more City staff time and required more extensive processes.
- The Winsted Police Department has been instrumental in keeping Ms. Kirchoff and Ms. Boelter informed of blighting properties. They have taken pictures, posted notices and/or assisted with re-inspection of the properties cited.

➤ **Rental Housing**

- Ms. Boelter, Ms. Kirchoff and Ms. Zeidler have been working with the City Building Inspector, Mr. Rob Beckfeld of Metro West Inspection Services, Incorporated and the City Attorney, Mr. Fran Eggert, to address issues regarding various rental housing properties in the City of Winsted.

➤ **Minnesota Clerks and Finance Officers Association (MCFOA) – Advanced Academy**

- Ms. Kirchoff and Ms. Boelter will be attending the MCFOA Advanced Academy.
- Ms. Kirchoff received a scholarship of \$150 to assist with expenses related to the MCFOA Advanced Academy. The registration fee is \$195 and the scholarship reduces the registration fee to \$45. Only one (1) person per City is allowed to obtain a scholarship.
- This two (2) day training will be held in Bemidji, Minnesota on Thursday, September 10, 2015, and Friday, September 11, 2015.
- The training session on Thursday, September 10, 2015, will be about *Theory and Practice of Project Management in Public Administration*.
- The training session on Friday, September 11, 2015, will be about *Keeping Chaos at Bay: Managing Resources Efficiently Using Neurolinguistics Programming*.
- Ms. Kirchoff and Ms. Boelter will be participating in an optional tour of the *Bemidji Woolen Mills*.

➤ **Staff Support**

Ms. Boelter, Ms. Kirchoff and Ms. Zeidler continue to provide support and assistance for other City departments, Winsted Summer Festival, Winsted Holding Activities That Unite People (WHAT UP), Winsted Area Chamber of Commerce, Winstock Country Music Festival, et cetera.

Mr. Tienter stated Staff has been quite helpful as he has transitioned into the position of City Administrator and that he appreciates their professionalism and hard work.

- 7) **No Open Forum.**
- 8) **No Announcements.**
- 9) **Closed City Council Hearing – 141 Sherman Avenue East**

Council Member Fasching motioned to recess the Regular City Council Meeting at 6:35 p.m. Council Member Schulenberg seconded the motion. Motion carried 5-0.

Council Member Fasching motioned to reconvene the Regular City Council Meeting at 6:45 p.m. Council Member Schulenberg seconded the motion. Motion carried 5-0.

Council Member Fasching motioned to close the Regular City Council Meeting. Council Member Ollig seconded the motion. Motion carried 5-0.

Mr. Tienter provided the City Council with a timeline of events for the property located at 141 Sherman Avenue East.

The property owner of 141 Sherman Avenue East was in attendance at the Meeting.

Council Member Ollig motioned to allow the City Administrator to determine in consultation with the Property Owner of 141 Sherman Avenue, Winsted, Minnesota an appropriate timetable and plan for abatement of the current issues identified in City Council Resolution No. R-15-29 and supporting documentation; and permit the City Administrator, at his or her discretion to schedule an additional City Council Closed Hearing to include the possibility of summary enforcement provided that at least ten (10) day notice is provided to the Property Owner consistent with Municipal Code § 1603.006 if the Property Owner does not comply with the construction timetable or plan; and permit the Property Owner to maintain a non-conforming fence under Municipal Code §1402.005 until the completion of construction activities as determined by the City Administrator. Council Member Schulenberg seconded the motion. Motion carried 5-0.

Council Member Ollig motioned to open the Regular City Council Meeting. Council Member Fasching seconded the motion. Motion carried 5-0.

- 10) **Adjournment**

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

The meeting was adjourned at 7:35 p.m.

Steve Stotko

Steve Stotko
Mayor
City of Winsted

ATTEST:

Deborah R. Boelter

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