

City of Winsted  
City Council Meeting  
Council Chambers  
November 1, 2011  
6:00 p.m.

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  
Raquel Kirchoff, Administrative Assistant

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

2) **Consent Agenda**

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

a) **Minutes – City Council Work Session – October 18, 2011**

Accepted the minutes of the City Council Work Session of October 18, 2011.

b) **Minutes – City Council Regular Meeting – October 18, 2011**

Accepted the minutes of the City Council Regular Meeting of October 18, 2011.

c) **Truth & Taxation Hearing – Public Hearing Date and Time\***

Scheduled a Truth-in-Taxation Public Hearing for Tuesday, December 6, 2011 at 6:00 p.m. in the City Hall Council Chambers.

d) **Resolution R-11-36- Winsted Volunteer Fire Department Relief Association – Gambling Contribution**

Adopted Resolution R-11-36 to accept a contribution from gambling proceeds from the Winsted Volunteer Fire Department Relief Association in the amount of \$1,000 to be dedicated toward a memorial site, located at the Minnesota State Capital, in honor of fallen firefighters from across the state.

e) **Resolution R-11-37 - Winsted Volunteer Fire Department Relief Association – Gambling Contribution**

Adopted Resolution R-11-37 to accept a contribution from gambling proceeds from the Winsted Volunteer Fire Department Relief Association in the amount not to exceed \$2,700 to be dedicated toward the purchase of training room sound system equipment and a projector at the Winsted Volunteer Fire Department building.

f) **Resolution R-11-38 - Abatement of Public Nuisance Conditions at 171 McLeod Avenue West**

Adopted Resolution R-11-38 to certify that the conditions of 171 McLeod Avenue West were a public nuisance and order all fees and charges associated with the abatement of the conditions as a special assessment against the property.

g) **Road Closure Request – Third Street South – Saturday, December 3, 2011**

Approved a request for road closure on Third Street South from 9:00 a.m. - 3:00 p.m. on Saturday, December 3, 2011 for the Fourth Annual Winsted Vintage Snowmobile Show.

**h) Special Closed Meeting – November 15, 2011 – City Administrator**

Scheduled a special closed meeting for Tuesday, November 15, 2011, immediately following the regular City Council meeting, to conduct the six (6) month review of the City Administrator.

**i) Winsted Senior Dining – Site Use Agreement**

Authorized the City of Winsted to enter into a Site Use Agreement in 2012 with Lutheran Social Services [LSS] of Minnesota for the use of the Vollmer Room for the Winsted Senior Dining program.

**j) 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 October, 2011.

**k) Claims**

Approved the claims list for November 1, 2011.

**3) No Public Hearings.**

**4) Old Business**

**a) Resolution R-11-35 - Site Plan Review – Casey’s General Store**

City Administrator Martens stated that Casey’s General Store is requesting a Site Plan approval in order to construct a new Casey’s General Store at the existing site located at 240 - 6<sup>th</sup> Street North. The project is a reconstruction of the building and the relocation of gas pumps and the canopy.

The current timeline for the reconstruction is to get approvals this fall and possibly to pour footings. The majority of the work would follow in the spring. Casey’s General Store wishes to maintain the operations of the current store while construction is taking place, as long as possible. Martens stated that a full review of the application was done by Municipal Development Group, Incorporated and was provided to the City Council.

Martens stated that property owners within 350 feet of the proposed expansion were provided with a ten (10) day notice of the Planning Commission’s Site Plan Review, which took place on September 14, 2011. Martens stated that there were residents of Winsted in attendance at the meeting providing good discussion.

Martens stated that representatives from Casey’s General Store were present at the Site Plan Review and fielded questions regarding parking, lighting, property lines, security, setbacks, and drainage.

Martens stated that the Planning Commission voted unanimously to approve the Site Plan with twelve (12) conditions as follows:

1. Zoning Ordinance Requirements. The site plan shall meet all the requirements within section 1501.014.E of the Zoning Ordinance.
2. Rear Yard Setback. The applicant shall receive a variance for a reduction in the rear yard setback from thirty feet to twenty-three feet three inches (23’ 3”) prior to the issuance of a building permit by the City of Winsted.
3. Electrical Power Systems, Telephone and other Wire Communication Systems and Gas Systems.

Services for all electrical, telephone and other wire communication systems and gas lines shall be located underground. All maintenance and service shall be the responsibility of the supplier or its designated agent. Any and all meters or metering devices shall be attached to the main structure located on the premises.

4. Exterior Lighting. Any exterior lighting plans shall be reviewed and approved by the City Engineer prior to issuance of a building permit by the City of Winsted.
5. Parking. That all off-street parking stalls meet the required depth of twenty (20) feet and width of nine (9) feet as required within the Zoning Ordinance.
6. Striping. All parking stalls shall be marked with white or yellow painted lines not less than four (4) inches wide.
7. County Road Access. Any access revisions to county roads will require a permit to be issued by McLeod County and will be the responsibility of the applicant. All required permits shall be approved and delivered to the City prior to construction and issuance of a building permit by the City of Winsted.
8. City Engineer Approval. That the site plan meets all requirements and addresses all concerns of the City Engineer prior to the issuance of a building permit by the City of Winsted.
9. Landscaping. That all landscaping is installed according to the approved landscaping plan.
10. Signage. All signs shall meet the requirements of section 1501.023 of the Zoning Ordinance and no signs shall be replaced, installed or constructed until the appropriate sign permits have been issued by the City of Winsted.
11. Building Permit. That all appropriate building permits are issued before construction begins. No building or structure shall hereafter be erected nor construction on the existing structure shall be started until the Building Inspector or the designated representative has issued a lawful building permit from the City of Winsted.
12. Time Limit from Site Plan Approval until Building Permit is Issued. From the time the applicant receives site plan approval from the City Council, the applicant must be issued a building permit within twelve (12) months from the site plan approval date. Failure to do so will require the applicant to obtain a new site plan approval, with appropriate fees, to receive a building permit. The applicant may apply for one six (6) month extension before the expiration date. Application for an extension is an administrative process.

Martens explained that the Site Plan was originally scheduled to be reviewed at the October 18, 2011 City Council Meeting. On that date, Casey's General Store submitted an updated plan and the City Council tabled the approval to allow staff appropriate time to review the changes. After additional review, it was found that only minor changes in the grading plan and the layout of the sewer and water services existed. The changes are found to be acceptable and no updated reviews are needed.

Council Member Mochinski asked if there were concerns from the people in attendance at the meetings about drainage issues.

Council Member Ollig stated that Gordon and Lenora Kubasch, 210 – 6<sup>th</sup> Street North, were present and had questions regarding the lot line and also questions on the fence that Casey's was going to install on the south side of the property. The engineer that represented Casey's General Store was able to visit the Kubasch property, after the meeting, to answer the questions that they had.

Council Member Ollig also stated that another property owner asked questions about the intercom system for the new store because they could hear the current system at their house. It is thought that because the direction of the pumps will change with the new store, this problem should be resolved.

Council Member Mochinski asked if there will be drainage issues to McLeod County Road One (1) or the city street along the property. Martens stated that as long as the project follows the grading plan, which it is required to do, there should not be.

**Council Member Ollig motioned to adopt Resolution R-11-35 approving a Site Plan for the Casey's General Store construction at 240 - 6<sup>th</sup> Street North. Council Member Quast seconded. Motion carried 5-0.**

**b) Variance – Casey's General Store**

Martens stated that Casey's General Store is requesting a variance to accommodate the construction of a new Casey's General Store at the existing site located at 240 - 6<sup>th</sup> Street North. Martens reviewed that the project is a reconstruction of the building and the relocation of gas pumps and the canopy. The proposed plan is to build the new store behind the current store in order to stay open as long as possible.

Martens reviewed that at the September 14, 2011 Planning Commission meeting, a Site Plan was approved for Casey's General Store with twelve (12) conditions; one of which was the following: "The applicant shall receive a variance for a reduction in the rear yard setback from thirty feet (30') to twenty-three feet, three inches (23' 3") prior to the issuance of a building permit by the City of Winsted." An application for a variance was received on September 28, 2011 for a rear yard setback of 23'3".

Martens explained that an application for a variance was received by the applicant on September 28, 2011 and that a notice of a Public Hearing was mailed to property owners within 350 feet of the affected parcel on Friday, September 30, 2011. The Public Hearing was held at the October 12, 2011 Planning Commission Meeting.

Martens explained that the criteria for granting a variance are as follows:

1. Evidence of ownership or enforceable option on the property.
2. The variance is consistent with the City of Winsted's Comprehensive Plan.
3. The variance is in harmony with the general purposes and intent of the ordinance.
4. The Applicant establishes that there are "practical difficulties" in complying with the Zoning Ordinance. Practical difficulties as used in connection with the granting of a variance, means that:
  - a. The property owner proposes to use the property in a reasonable manner not permitted by the Zoning Ordinance;
  - b. The plight of the landowner is due to circumstances unique to the property not created by the landowner; and
  - c. The variance, if granted, will not alter the essential character of the locality.
5. Economic considerations alone do not constitute practical difficulties. Practical difficulties include, but are not limited to, inadequate access to direct sunlight for solar energy systems.

Martens explained that the primary reason for the variance request is to change the pump direction from north/south to east/west. This will allow for increased access to pumps that would not be able to be completed without the variance.

A secondary reason for the variance request is that closing the existing store during construction would be a hindrance to business. The variance would also allow for the sales of gasoline during the construction of the replacement store.

Martens stated that the Planning Commission reviewed the request at the Public Hearing, on October 12, 2011 and unanimously voted in favor of the approving the variance.

**Council Member Quast motioned to grant a variance to Casey's General Store, 240 - 6<sup>th</sup> Street North, to encroach six feet, three inches (6'3") into the rear yard setback. Council Member Schulenberg seconded. Motion carried 5-0.**

**c) Phosphorous Reduction Grant**

Martens reviewed that at the October 18, 2011 City Council meeting, Bolton and Menk, Incorporated presented an option to approve a phosphorous reduction grant in the amount of \$500,000 towards the improvement of the Waste Water Treatment Facility. The entire scope of the project will be between \$3.9 to \$4.4 million dollars. The grant funds were applied for in combination with a request for low interest financing of the future improvements which was not received. Bolton and Menk, Incorporated presented a scenario that if the City accepted the grant and moved forward with the project, without the low interest financing, it would result in extreme increases in sewer rates to meet the annual debt service payments.

Martens stated that the City Council directed staff to review the options and determine if the grant funds would be available in the following years. Martens stated that he spoke with the Minnesota Pollution Control Agency (MPCA) staff who stated that the total amount of grant funds available for 2011 had not been used and they would be rolled over to future years, which means the likelihood of receiving the grant again in the future is high. The MPCA also does not factor in negative points for turning down the grant.

Martens recommended that the grant be turned down and applied for again in the future, and that water and sewer rates be increased incrementally for enough cash on hand to reduce the impact of debt service payments in the future.

**Council Member Schulenberg motioned to authorize City staff to deny the agreement from the Public Facilities Authority for phosphorous reduction. Council Member Ollig seconded. Motion carried 5-0.**

**5) New Business**

**a) Water Tower Tank Inspection and Maintenance Agreement**

Martens stated that the Winsted water tower requires an annual inspection and cleaning to ensure it meets required standards and to remove sediment from the tank. The Public Works Department has requested quotes, shown below, and found a company who can provide the service at a lower cost to the City. City staff recommends approving the agreement with Liquid Engineering Corporation.

Liquid Engineering Corporation:	\$2,940 annually
LiquiVision Technology Diving Services:	\$4,925 annually

Martens stated that the City of Winsted paid \$5,533 for the work to be completed in 2011. A contract with Liquid Engineering Corporation will save the City over \$2,500 annually.

Council Member Quast asked why there was such a significant price difference. Martens stated that a three (3) year agreement helped to lower the annual cost and that there is competition between providers. He also stated that it could be due to not obtaining quotes each year because the service that a company has been providing is satisfactory.

Council Member Mochinski stated that the City should obtain quotes for other services more frequently.

**Council Member Ollig motioned to approve a three (3) year agreement with Liquid Engineering Corporation for water tower tank inspection and maintenance. Council Member Schulenberg seconded. Motion carried 5-0.**

**b) Winsted Volunteer Fire Department – Lighting Retrofit**

Martens stated that the 2011 Fire Department budget included a plan to update the lighting at the Winsted Volunteer Fire Department Fire Hall. Fire Chief Chad Engel has worked with Xcel Energy to put together a lighting retrofit plan that includes a rebate from Xcel Energy. The plan includes replacing forty-eight (48) lights with high efficiency bulbs and ballasts.

The cost to complete the lighting retrofit is \$6,174.20. Once the work is completed, a rebate in the amount of \$3,739.68 will be received from Xcel Energy lowering the actual cost to \$2,434.52.

The installation of the high efficiency lighting will result in an annual savings of \$689.03 in utility costs, which is a 3.5 year payback on the project.

Mayor Stotko asked if there was a similar option available to implement with street lights to become more energy efficient. Martens stated that Chief Engel had looked into if options were available for exterior parking lights but there was not significant savings available. Martens stated that he would look into if it was a possibility and report back to the City Council on the answer.

**Council Member Mochinski motioned to approve an agreement with CR Electric, Incorporated and Xcel Energy for lighting improvements at the Winsted Volunteer Fire Department Fire Hall in the amount of \$6,174.20. Council Member Quast seconded. Motion carried 5-0.**

## 6) Department Report

### a) People Service

Dan Wroge and Phil Robinson, People Service, were present at the meeting. Wroge reported on the following items:

- Draft National Pollutant Discharge Elimination System (NPDES) Permit
  - Wroge explained the process of a new permit and the thirty (30) day public notice period.
  - Wroge stated that he has worked with Seth Peterson, of Bolton and Menk, Incorporated, to form a solution to meet the one (1) mg/l limit that will be required within 180 days of the issuance of the permit. They plan to accomplish with chemicals and tanks. Wroge stated that the chemical cost will be significant and that the City wants to make sure that the average stays around the .6 range so that if the City has a month where it goes over the limit, due to a large phosphorous event, it balances out.
  - Wroge explained that it was requested to have fifteen (15) years to complete the process of the re-route to Crane Creek to avoid having to comply with the very stringent phosphorous limits of 0.06 milligram per liter (mg/l) if the discharge continued to go to South Lake. He stated that this would not happen and a more likely number of years to complete this that would be given would be ten (10) years. Martens stated that he received notice that the permit was on public notice and that the City received a twelve (12) year timeframe to become fully compliant.

Council Member Mochinski asked why, in both September of 2010 and 2011, was the phosphorous level lower according to the reports that Wroge provided. Wroge stated that it was due to dilution and the amount of rainfall that happened in those time frames.

Council Member Mochinski asked if there was a list of businesses that could trigger a high load of phosphorous. Wroge stated that there was, and that in the recent past a business had discharged a high load of phosphorous. Council Member Mochinski asked if the City knew what company was responsible for this. Wroge stated no. Council Member Mochinski asked how we can correct that if the City does not know who is dumping at those levels. How does People Service adjust for these situations? Wroge responded that they are able to run phosphorous tests but when situations like this happen infrequently, it is not easy to determine when to run these tests. The best option is to avoid the high loads of phosphorous coming in. The City has sent letters to the businesses and talked with them.

Council Member Mochinski asked if there will have to be more testing completed because of the classification changing at the plant. Wroge responded yes, it would require weekly testing. Council Member Mochinski asked if all of the results had to be sent to the state. Wroge responded yes, that the MPCA can request all certified lab results.

Council Member Schulenberg asked if it would be appropriate to provide information regarding the phosphorous levels to the companies within Winsted. Wroge stated that the City has done this several times. Martens also stated that he had visited with various businesses recently, and they stated that the

City of Winsted had handled the information notifications that there was a high level of phosphorous in the past professionally.

Wroge stated that he could look into sending an update annually to the business owners to let them know that they are staying within acceptable levels too.

Wroge asked if the new contract with People Service should be written for a three (3) year period and Martens reviewed with the City Council that they would be reviewing a new contract in the future because of the new requirements as a Class B plant.

Council Member Schulenberg asked about the hauled waste water that is now allowed to be received at the plant. Wroge stated that some had been brought to the plant, but not as much as if there would be heavy rain.

Wroge asked about the contract regarding Spruce Ridge. Martens stated that City Attorney Eggert had reviewed it and asked for some language edits.

**7) No Open Forum.**

**8) Announcements.**

Council Member Ollig asked that if when the lighting project was done at the Fire Department, a quote could be obtained to find the cost of lighting the water tower from the south side. Martens stated that he would look into obtaining a quote.

**9) Adjournment**

**Council Member Quast motioned to adjourn. Council Member Schulenberg seconded. Motion carried 5-0.**

The meeting was adjourned at 6:35 p.m.

*Steve Stotko*

Steve Stotko  
Mayor  
City of Winsted

ATTEST:

*Raquel Kirchoff*

Raquel Kirchoff  
Administrative Assistant  
City of Winsted