

City of Winsted  
City Council Meeting  
Council Chambers  
Tuesday, November 19, 2013  
6:00 p.m.

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

Staff Present: Mr. Clay Wilfahrt, City Administrator  
Ms. Deborah R. Boelter, City Clerk-Treasurer  
Mr. Mike Henrich, Winsted Police Department Chief  
Mr. Justin Heldt, Winsted Police Department Officer

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

a) **Minutes – Downtown Vibrancy Commission – October 8, 2013**

Accepted the minutes of the October 8, 2013 Downtown Vibrancy Commission Meeting.

b) **Road Closure Request – Lewis Avenue West – Saturday, December 7, 2013**

Approved a request for road closure on Lewis Avenue West, north of Third Street South from 8:30 a.m. - 3:30 p.m. on Saturday, December 7, 2013 for the Winsted Vintage Snowmobile Show.

c) **Assessment Certification of Abated Blight Properties - Resolution R-13-25**

Adopted Resolution R-13-25 certifying the charges for the abatement of blighting conditions and levying it as a special assessment to certain Winsted properties.

d) **Winsted Police Department - Interview Room Equipment**

Approved the purchase of Interview Room equipment for the Winsted Police Department from Technical Solutions in the amount of \$2,391.96.

e) **August, 2013 Financial Report**

Approved the August, 2013 Financial Report.

f) **September, 2013 Financial Report**

Approved the September, 2013 Financial Report.

g) **October, 2013 Building Permit Report**

Approved the October, 2013 Building Permit Report.

**h) Claims**

Approved the Claims List for November 19, 2013.

**3) No Public Hearings.**

**4) No Old Business.**

**5) New Business**

**a) Wastewater Treatment Facility Project**

Mr. Wilfahrt stated that according to the findings of the City's Engineer, Bolton and Menk, Incorporated, the City of Winsted's Wastewater Treatment Facility (WWTF) has a number of urgent repairs that are limiting the effectiveness of the Facility. Furthermore, Bolton and Menk, Incorporated, suggests that without the recommended improvements, the City's potential for growth may be limited, particularly for large industrial users.

Mr. Wilfahrt stated that at the November 6, 2013 City Council Work Session, the City Council directed Mr. Jake Saulsbury of Bolton and Menk, Incorporated, to provide the Council with two (2) options to consider at their November 19, 2013 Regular City Council meeting to repair and improve the WWTF. One (1) option would be to undertake recommended repairs that are mandated to occur in the next one (1) to three (3) years. The second (2<sup>nd</sup>) option would also include the aforementioned repairs, plus expenses to comply with new phosphorus discharge regulations set by the Minnesota Pollution Control Agency (MPCA).

Mr. Wilfahrt stated that in September of 2013, the City was awarded a \$1.08 million Point Source Implementation Grant for the phosphorus reduction project. Bolton and Menk, Incorporated has estimated that without the phosphorus improvements, the project will cost approximately \$2.7 million; and with the phosphorus improvements, the project will cost approximately \$3.32 million in addition to the Grant. If the City would bond for the WWTF Improvement project, it would result in an annual debt service of approximately \$186,553 to \$229,391 or a monthly increase of approximately \$18 to \$22 per sewer connection customer. This increase could be phased in over a three (3) year period to minimize impact.

Mr. Wilfahrt stated that the phasing in would look like the following:

<b>Project With Phosphorus Improvements</b>							
	<u>Year 2011</u>	<u>Year 2012</u>	<u>Year 2013</u>	<u>Year 2014</u>	<u>Year 2015</u>	<u>Year 2016</u>	<u>Year 2017</u>
<b>Sewer Rate (per 1000 Gallons)</b>	\$6.89	\$7.23	\$7.81	\$8.94	\$10.23	\$11.71	\$11.96
<b>Percent Increase</b>		5%	8%	14%	14%	14%	2%
<b>Minimum Connect Fee</b>	\$5.27	\$5.53	\$5.64	\$6.45	\$7.37	\$8.43	\$8.60
<b>Percent Increase</b>		5%	2%	14%	14%	14%	2%

<b>Full Project Without Phosphorus Improvements</b>							
	<u>Year 2011</u>	<u>Year 2012</u>	<u>Year 2013</u>	<u>Year 2014</u>	<u>Year 2015</u>	<u>Year 2016</u>	<u>Year 2017</u>
<b>Sewer Rate (per 1000 Gallons)</b>	\$6.89	\$7.23	\$7.81	\$8.75	\$9.81	\$11.00	\$11.24
<b>Percent Increase</b>		5%	8%	12%	12%	12%	3%
<b>Minimum Connect Fee</b>	\$5.27	\$5.53	\$5.64	\$6.31	\$7.05	\$7.90	\$8.10
<b>Percent Increase</b>		5%	2%	12%	12%	12%	3%

Mr. Wilfahrt stated that he did a comparison of the City of Winsted's sewer rates to those of twelve (12) surrounding cities and after the aforementioned increase would be put into effect in the year 2017, the City's sewer rates would be relatively toward the middle of the twelve (12) surrounding cities. He continued by stating that the average cost for sewer for the City's customers would be exactly average of the surrounding twelve (12) cities.

Mr. Wilfahrt presented a letter from Mr. Shannon Sweeney of David Drown Associates regarding the proposed WWTF Improvement project. Mr. Sweeney determined that the project could be considered because the Grant is not guaranteed to be available in the future because more communities will be applying for the Grant to meet the MPCA's mandated phosphorus discharge regulations, the project would have an immediate positive environmental impact, and that inflation rates in construction costs could rise.

However, Mr. Sweeney also noted several reasons to wait to complete the WWTF Improvement project:

1. The City has ten (10) years until the project is mandated and sewer rates would not have to be increased as drastically to accommodate for the expense ten (10) years from now.
2. Population growth in the City over the next ten (10) years could help spread out the cost, and that other opportunities exist to help fund the project such as Public Facility Authority (PFA) loans and Rural Development Grants which have not been explored.
3. Phosphorus regulations could change between now and the year 2023 which would make the improvements obsolete.

Mr. Wilfahrt stated that when he conferred with Mr. Saulsbury he indicated that it may be just the opposite and that if the City waits to do the WWTF Improvement project, they may not be able to complete the project in the manner that they are proposing today and this could result in increased costs.

Mr. Wilfahrt discussed Mr. Saulsbury's aforementioned observations with Mr. Sweeney, and Mr. Sweeney stated that financially he could see the pros and cons of doing the WWTF Improvement project either way and there could be justification to move forward with the project immediately.

Mr. Wilfahrt stated that Mr. Saulsbury responded to the aforementioned determinations by Mr. Sweeney and indicated that only \$620,000 of the City's share of the costs is related to the phosphorus improvements. This means that only \$620,000 of the total project cost can be put off until the year 2023. The City would still have to incur approximately \$2.7 million even without the phosphorus improvements. Mr. Wilfahrt referred to Mr. Saulsbury's detailed reports of the equipment that is needed to complete both projects.

Mr. Wilfahrt stated that in order to stay on track to be awarded the Grant, the City Council will need to make a decision at tonight's meeting on whether or not to authorize Bolton and Menk, Incorporated to begin planning the WWTF Improvement project.

Mr. Wilfahrt stated that staff's recommendation would be to direct Bolton and Menk, Incorporated to commence planning for repairs and improvements to the Wastewater Treatment Facility as detailed in Option Two (2) Facility Upgrade/Repair Project plus Phosphorus Improvements in the memo dated November 14, 2013 received from Bolton and Menk, Incorporated.

Mr. Wilfahrt stated that the project will be funded partially through contributions from the City's Sewer Fund reserves which currently has a balance of \$923,000. Mr. Wilfahrt stated that the City's Auditor recommends that the City maintain six (6) months of reserves in its Sewer Fund for operating costs which would be approximately \$400,000. He continued by stating that the rest of the WWTF Improvement project would be financed through the Grant and General Obligation Bonds.

Mr. Saulsbury was in attendance at the meeting and addressed the City Council.

Mr. Saulsbury stated that the City's WWTF is approximately twenty-eight (28) years old and minimal repairs and/or improvements have been completed on the WWTF in those twenty-eight (28) years. He continued by stating that the WWTF's managing company, People Service, Incorporated, has done a good job of mixing and matching some of the parts from the equipment to keep the WWTF maintained and working.

Mr. Saulsbury stated that the WWTF has reached a point where the mixing and matching of parts is limited and the equipment repairs and/or improvements that he has indicated will need to be done.

Council Member Fasching asked what the standard lifespan is of a WWTF similar to the City of Winsted's. Mr. Saulsbury stated approximately fifteen (15) to twenty (20) years and Winsted's WWTF has exceeded this timeframe; however, the pumps are not all running at the same time. As a result, the City's WWTF has been able to extend the life of its parts.

Council Member Ollig stated he and Council Member Fasching discussed the proposed WWTF Improvement project and they agree that the City would be foolish not to proceed with the project and risk losing the \$1 million dollar Point Source Implementation Grant. He continued by stating that he does not believe the MPCA's phosphorus discharge regulations are going to change and then the City may not have the opportunity for the \$1 million dollar Grant.

Council Member Quast stated that she believes that the City should seriously consider completing the entire WWTF Improvement project now while the Grant funding is available.

Council Member Schulenberg stated that the longer the City postpones the WWTF Improvement project, the more it will cost to complete.

Mayor Stotko stated that in one (1) of Mr. Saulsbury's reports, he indicated that there were some alternative improvements that could be removed from the WWTF Improvement project to reduce costs. Mr. Saulsbury listed those items included:

- The portable generator.
- Connecting to the City's water service so the WWTF has a cleaner water supply. The well water that is used is hard and can damage the equipment.

Mayor Stotko stated that he believes that the aforementioned alternatives should be included in the proposed WWTF Improvement project. He continued by stating that if the City waits to do the alternative improvements and/or equipment, it will be more costly in the future and difficult to present to Winsted residents.

Mr. Wilfahrt stated that Mr. Saulsbury could provide alternate bids for the portable generator and the connection to the City's water service.

Council Member Fasching stated that the City Council realizes that this is a large project and they are trying to do the project in the best way possible; and in the most financially and fiscally prudent way as possible.

Mayor Stotko stated that it is his understanding that the City Council would like to proceed with option two (2) Facility Upgrade/Repair Project plus Phosphorus Improvements. The City Council discussed and agreed.

Mr. Wilfahrt asked the City Council if they would like Mr. Saulsbury to include the portable generator and the connection to the City's water service as alternate bids. The City Council discussed and directed Mr. Saulsbury to put the portable generator and the connection to the City's water service as alternate bids.

Mr. Saulsbury stated that the Kingsley Lift Station force main replacement is another item that the City Council could include with the WWTF Improvement project. Mr. Saulsbury stated that it would cost approximately \$400,000.

Mayor Stotko stated that Kingsley Street is scheduled to be improved in the next three (3) years. Mr. Saulsbury stated yes. Mr. Saulsbury continued by recommending that the force main to Kingsley Lift Station be replaced from Southview Park to the south side of the City; and the force main section located under the street would be replaced when the future improvements are being made to Kingsley Street. Mr. Saulsbury stated that it would be approximately 4,000 feet of force main excluding the section under the street.

Mr. Greg Stang and Mr. Phil Robinson, People Service, Incorporated, were in attendance at the meeting.

The City Council discussed and directed Mr. Saulsbury to include the replacement of the Kingsley Lift Station force main as an alternate bid.

**Council Member Ollig motioned to direct Bolton and Menk, Incorporated to commence planning for repairs and improvements to the Wastewater Treatment Facility as detailed in Option Two (2) Facility Upgrade/Repair Project plus Phosphorus Improvements in the memo dated November 14, 2013 received from Bolton and Menk, Incorporated; including the portable generator, connection to the City's water service and the replacement of the Kingsley Lift Station force main as alternate bids. Council Member Quast seconded the motion. Motion carried 5-0.**

**b) Winsted Police Department Part-Time Police Officer – Mr. Benjamin Jarvi**

Mr. Mike Henrich, Winsted Police Department Chief addressed the City Council.

Mr. Henrich stated that the City Council approved the hiring process for a part-time Police Officer for the Winsted Police Department. He continued by giving a brief overview of the hiring process.

Mr. Henrich stated that the final candidate chosen for the part-time Police Officer position is Mr. Benjamin Jarvi. He continued by stating that Mr. Jarvi graduated from Rockford High School, has a two (2) year law enforcement degree from Alexandria Technical College, and has passed the background check and the psychological and physical tests. He currently serves on the Rockford Fire Department and is a Reserve Officer for the Big Lake Police Department.

Mr. Henrich stated that the hiring process is conducted according to the standards of the Minnesota Peace Officer Standard and Training (P.O.S.T.) Board.

Mr. Henrich recommended that the City Council approve the hiring of Mr. Jarvi as a part-time Police Officer with the Winsted Police Department.

Council Member Fasching stated that he discussed the part-time Police Officer position with Mr. Wilfahrt and he was surprised to learn that the part-time Officers work an average of seventy-seven (77) hours per part-time Officer per year. He continued by stating that it is important to the Winsted Police Department to have a list of part-time Police Officers to help cover Police Department work shifts when needed.

**Council Member Quast motioned to hire Mr. Benjamin Jarvi as a part-time Police Officer for the City of Winsted at minimum wage during his Field Officer Training process and a wage of \$14.50 per hour upon completion of his field training requirements. Council Member Schulenberg seconded the motion. Motion carried 5-0.**

**6) Department Report**

**a) Building Inspector**

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

- Introduced the new Building Inspector, Mr. Scott Jandro. He will be working more for the City of Winsted. Mr. Beckfeld stated that he will bring Mr. Jandro to a future City Council meeting to introduce him to the City Council and the Public.
- The Rental Housing Permits are being completed. Mr. Beckfeld stated that Ms. Zeidler and Ms. Kirchoff have been instrumental in helping with the process and do a good job.
- The City did receive one (1) new construction House Permit. There have been some issues with the soils located on the property where the house is proposed to be built and they have been able to remediate the issue.
- Gave a brief overview of the number of new construction House Permits being issued in other surrounding cities. Contractors have been able to purchase the foreclosed lots at a discount.
- Commercial Building Permits have slowed down. Mr. Beckfeld stated that he has been contacted by various contractors to obtain information on new construction Commercial Building Permits, improvement projects, expansions, code issues and etcetera.
- The majority of Building Permits that have been issued in the City of Winsted have been for re-roofing, residing, garages and basement finishes.

**7) Open Forum**

**a) Howard Lake-Waverly-Winsted School District**

Ms. Felicia Votava, Howard Lake-Waverly-Winsted (HLWW) High School Student, reported on the following:

- The HLWW High School Football team played in the Section Championships for the first time.
- In Cross Country, High School Sophomore, Mr. Connor Schank, placed twenty-sixth (26<sup>th</sup>) in the State of Minnesota meet.
- The December 3, 2013, High School Boys Basketball Game has been designated as ~~%~~Shave It to Save It+. After ~~%~~No Shave November+, men can come to the Basketball Game and have their mustaches, goatees and beards shaved at the HLWW High School and get into the game for free. It is being done to focus on men's health awareness.
- Thursday, November 21, 2013 through Saturday, November 23, 2013 the High School Drama will be performing the musical *Joseph and the Amazing Technicolor Dreamcoat*.
- At the National Convention, the HLWW's Future Farmers of America Parliamentary Procedure team took fifth (5<sup>th</sup>) in the United States. The team will come and present at area meetings if asked to do so.
- On Veteran's Day, November 11, 2013, the HLWW School District held a program. The new Howard Lake Police Department Chief attended the ceremony.
- The HLWW High School's National Honor Society will be conducting a ~~%~~Boys for Tots+ campaign and a ~~%~~Feeding My Starving Children+campaign.

The City Council thanked Ms. Votava for her report.

**8) No Announcements.**

**9) Adjournment**

**Council Member Quast motioned to adjourn the meeting. Council Member Fasching 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