

City of Winsted  
City Council Meeting  
Council Chambers  
December 7, 2010  
6:00 p.m.

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

Staff Present: Andrew Elbert, City Administrator  
Deborah R. Boelter, City Clerk-Treasurer  
Fran Eggert, City Attorney  
Mike Henrich, Chief of Police  
Dan Pohl, Police Officer

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

**a) The Pledge of Allegiance was taken.**

**2) Consent Agenda**

Ollig asked if the City of Winsted receives any revenue from Lutheran Social Services (LSS) of Minnesota for the use of the Vollmer Room. Boelter stated no, the City does not receive any revenue from LSS of Minnesota.

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

**a) Minutes - City Council Work Session – November 16, 2010**

Accepted the minutes of the City Council Work Session of November 16, 2010.

**b) Minutes – City Council Regular Meeting – November 16, 2010**

Accepted the minutes of the City Council Regular Meeting of November 16, 2010.

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

Authorized the City of Winsted to enter into a Site Use Agreement in 2011 with Lutheran Social Services [LSS] of Minnesota for the use of the Vollmer Room for the Winsted Senior Dining program.

**d) 4M Funds – Notification To Broker and Certification by Broker**

Authorized RBC Global Asset Management (U.S.) Incorporated to invest the City of Winsted's 4M Fund in those investments pursuant to Minnesota State Statutes for the year 2011.

**e) 4M Funds – Notification To Broker and Certification by Broker**

Authorized RBC Capital Markets to invest the City of Winsted's 4M Fund in those investments pursuant to Minnesota State Statutes for the year 2011.

**f) Northland Securities, Incorporated – Notification To Broker and Certification by Broker**

Authorized Northland Securities, Incorporated to invest the City of Winsted's funds in those investments pursuant to Minnesota State Statutes for the year 2011.

**g) Northland Securities, Incorporated – Notification To Broker and Certification by Broker**

Authorized Northland Securities, Incorporated to invest the City of Winsted Economic Development Authority's (EDA) funds in those investments pursuant to Minnesota State Statutes for the year 2011.

**h) 2011 Property and Casualty Insurance Renewal Contract: Liability Insurance Coverage – Waiver Form**

Authorized the City of Winsted to not waive the monetary limits on municipal tort liability established by Minnesota State Statutes 466.04 for the 2011 Property and Casualty insurance contract.

**i) 2011 Property and Casualty Insurance Renewal Contract: No-Fault Sewer Back-Up Insurance Coverage**

Authorized the City of Winsted not to purchase No-Fault Sewer Back-Up insurance coverage for the 2011 Property and Casualty insurance contract.

**j) 2011 Property and Casualty Insurance Renewal Contract: Medical Payment Insurance Coverage**

Authorized the City of Winsted not to purchase medical payment coverage for the 2011 Property and Casualty insurance contract.

**k) 2011 Property and Casualty Insurance Renewal Contract: Excess Liability Insurance**

Authorized the City of Winsted to purchase \$1,000,000 in excess liability coverage for the 2011 Property and Casualty insurance contract.

**l) 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 November, 2010.

**m) Winsted Volunteer Fire Department Relief Association – Gambling Contribution**

Accepted a contribution from gambling proceeds from the Winsted Volunteer Fire Department Relief Association in the amount of \$12,500 to be dedicated to the bond payment for the Fire Hall.

**n) Replacement of Sander for 1999 Ford Sterling**

Approved the purchase and installation of a replacement sander [state bid price] for the City of Winsted 1999 Ford Sterling vehicle from Towmaster Truck Equipment of Litchfield, Minnesota in an amount not to exceed \$5,333.31.

**o) City of Winsted – McLeod County Road 116 and Third [3rd] Street South Improvement Project – Payment Request Number Three (3)**

Approved Payment Request Number Three (3) to William Mueller and Son, Incorporated of Hamburg, Minnesota in an amount not to exceed \$25,047.57 for associated work on the McLeod County Road 116 and Third [3rd] Street South Improvement Project for the dates from Monday, October 25, 2010 to Thursday, November 25, 2010.

**p) Claims**

Approved the Claims List for December 7, 2010.

**3) Public Hearings**

**a) Downtown Redevelopment – Adoption of Spending Plan**

Sweeney presented the City of Winsted's proposed Downtown Beautification Program.

Mochinski asked Sweeney what would happen if a project application did get approved and the grant recipient did not start by July 1, 2011. Sweeney stated that the property owner would not receive funding due to incompliance with Minnesota State Statute. Mochinski asked when the project has to be completed. Sweeney stated that substantial completion has to be done by December 31, 2011 to be in compliance with Minnesota State Statute.

Ollig asked if the Downtown Beautification grant is available in the designated downtown area because that is where the money was collected by past property taxes. Sweeney stated yes. Ollig asked if the funding is not utilized by the businesses in the downtown area can it be opened to other businesses in Winsted. Sweeney stated yes.

Mochinski asked if larger projects can be funded. Sweeney stated yes; but, the grant is limited to \$5,000 per property and/or business owner.

Mayor Stotko asked for public comment. No public comment was received.

Mayor Stotko stated that he is going to oppose the Downtown Beautification's Spending Plan because he believes that the loan should not be forgivable and that recipients should be required to reimburse the City for the grant so there is funding available for future projects presented by property and/or business owners.

**Ollig motioned to approve Resolution R-10-31 adopting a Spending Plan for Tax Increment Financing District 2-6 in accordance with Minnesota State Statutes. Quast seconded. Motion carried 4-1. Mayor Stotko opposed.**

**Mochinski motioned to close the Public Hearing. Wiemiller seconded. Motion carried 5-0.**

**b) Fee Schedule – Ordinance O-10-11**

Elbert presented the proposed 2011 Fee Schedule.

Quast stated that she has a difficult time increasing the water and sewer rates two percent (2%); but, the City's auditor has recommended that the City continue to increase water and sewer rates incrementally each year to increase the Water and Sewer Funds.

Quast encouraged residents to contact the City staff if they have any questions regarding the increase.

Mochinski stated that the Minnesota Pollution Control Agency's (MPCA) mandated improvements to the Waste Water Treatment Facility (WWTF) are going to cost approximately three (\$3) to four (\$4) million dollars so the City needs to continue to increase water and sewer rates incrementally to increase the Water and Sewer Funds.

Ollig stated that residents need to know that there is nothing wrong with the existing WWTF; but, the MPCA has changed the allowable phosphorus limits being emitted from the plant, so the City will need to make improvements to the WWTF to accommodate these limits. Ollig stated that the City Council needs to be fiscally responsible and that means increasing the Water and Sewer Funds to fund the future improvement project.

Wiemiller stated that the City Council needs to be fiscally responsible and the proposed two percent (2%) increase to water and sewer rates will increase the Water and Sewer Fund balances.

Mayor Stotko stated that the increase to water and sewer rates is thinking long range and preparing for any future projects.

Mayor Stotko asked for public comment. No public comment was received.

**Quast motioned to adopt Ordinance O-10-11, Exhibit Two (2) establishing the Fiscal Year 2011 Fee Schedule for the City of Winsted, with an increase to water and sewer rates. Wiemiller seconded. Motion carried 5-0.**

**Quast motioned to close the Public Hearing. Ollig seconded. Motion carried 5-0.**

**c) Truth-In-Taxation – 2011 Tax Levy**

Elbert presented the proposed 2011 Tax Levy and Budget.

Mayor Stotko asked for public comment. No public comment was received.

Quast stated that the City Council is proposing to freeze employee wages in 2011.

**Quast motioned to close the Public Hearing. Wiemiller seconded. Motion carried 5-0.**

**4) Department Report**

**a) City of Winsted Police Department**

Mike Henrich, Chief of Police, reported on the following:

- 2010 Annual Liquor Licensure seminar.
- Proposed schedule for the 2011 Annual Liquor Licensure seminar.
- Winsted Liquor Establishments compliance checks.
- Drug disposal drop boxes.
- Drug Abuse Resistance Education (D.A.R.E.) program at Holy Trinity Grade School.
- Drug case.
- Domestic assault case.
- Winter parking citations.
- Officer Heldt and Officer Pohl have been with the Winsted Police Department for three (3) years.

Ollig asked where the drug disposal drop box is proposed to be installed at City Hall. He stated that he is concerned about possible vandalism to City Hall if a drug addict would try to remove the drug disposal drop box. Henrich stated that it will be installed in the entrance of City Hall.

Ollig asked what happens to vehicles forfeited to the Winsted Police Department. Henrich stated that the vehicle is sold and seventy percent (70%) of the sale profits are deposited into the Winsted Police Department's Forfeiture Fund.

Mayor Stotko asked Henrich if the new City Council member, George Schulenberg, would be required to take the National Incident Management System (NIMS) test. Henrich stated that the test can be taken on the internet. Elbert stated that it may be more prudent to review the City's Emergency Management Plan at a future City Council Work Session.

Lenora Kubasch, 210 6<sup>th</sup> Street North, asked Henrich where semi-drivers can park in the City of Winsted overnight. Henrich stated that the City would refer them to K-Way Express, Incorporated, 323 Main Avenue North.

5) **No Old Business.**

6) **No New Business.**

7) **Open Forum**

a) **Robert Wacker, 591 Fairlawn Avenue West – Blight Charge**

Robert Wacker, 591 Fairlawn Avenue West, addressed the City Council regarding a blight notice and charges that he received from the City of Winsted for blighting conditions on his property.

Elbert stated that the case was being prosecuted by the City's Prosecuting Attorney, Jody Winters and Wacker should contact Ms. Winters with any questions and/or concerns.

Wacker stated that his original blight letter from the City gave him ten (10) days to remove the blighting conditions from his property at 591 Fairlawn Avenue West and he was unable to do so within the ten (10) days. Mayor Stotko referenced the letter sent to Wacker and stated that the letter directs Wacker to contact the City of Winsted if he is unable to remove the blighting conditions within ten (10) days.

Wacker requested that the City include more specific information in their blight letters that directs offenders to contact the City if they are unable to remove the blighting conditions in the timeframe stated. The City Council directed staff to include language in their blight letters that directs offenders to contact the City if they are unable to rectify their blighting conditions within the time specified.

8) **No Announcements.**

9) **Adjournment**

**Quast motioned to adjourn. Mochinski seconded. Motion carried 5-0.**

Respectfully submitted,

Deborah R. Boelter  
City Clerk-Treasurer