

City of Winsted
City Council Meeting
Council Chambers
February 16, 2010
6:00 p.m.

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

Staff Present: Brent Mareck, City Administrator
Deborah R. Boelter, City Clerk-Treasurer
Fran Eggert, City Attorney
Dave Meyer, Maintenance Lead

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

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

2) **Consent Agenda**

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

a) **Minutes - City Council – Work Session – February 3, 2010**

Accepted the minutes of the City Council Work Session of February 3, 2010.

b) **Minutes – Regular City Council Meeting – February 3, 2010**

Accepted the minutes of the Regular City Council Meeting of February 3, 2010.

c) **Schedule Public Hearing – Wastewater Facilities Plan**

Scheduled a Public Hearing for Tuesday, March 16, 2010 at 6:00 p.m. to consider the adoption of a Facilities Plan for wastewater operations at the City of Winsted's Wastewater Treatment Facility (WWTF).

d) **Business Subsidy Agreement Amendment (JOBZ) – AZZ Galvanizing**

Approved an amendment to a Business Subsidy Agreement with AZZ Galvanizing reducing their job creation requirement from fifty (50) employees to thirty-two (32) employees and reducing their participation in the program from December 31, 2015 to December 31, 2012.

e) **Re-Plat – Winsted Industrial Park III**

Approved the Winsted Industrial Park III plat as recommended for approval by the Winsted Planning Commission.

f) **Winsted Municipal Airport Land Lease – Winstock Country Music Festival**

Leased the land between McLeod County Road 5 and the private hangars at Winsted Municipal Airport to the Winstock Country Music Festival for 2010 for \$1,000.

g) 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 January, 2010.

h) Gambling Permit – Crow River Chapter 108 Ducks Unlimited

Approved a gambling permit for Crow River Chapter 108 Ducks Unlimited, with no waiting period, to hold a raffle at The Blue Note Ballroom on April 13, 2010.

i) Small Cities Grant / Loan Agreement – Bryan’s Service

Authorized the Mayor and Clerk to execute a Small Cities Grant / Loan Agreement with Bryan’s Service, 250 Main Avenue West.

j) Appointment – Winsted Volunteer Fire Department

Appointed Kyle Thompson to the position of Firefighter in the Winsted Volunteer Fire Department.

k) January, 2010 Financial Report

Approved the January, 2010 Financial Report as presented.

l) January, 2010 Building Permit Report

Approved the January, 2010 Building Permit Report as presented.

m) Claims

Approved the Claims List for February 16, 2010.

3) No Public Hearings.

4) No Old Business.

5) New Business

a) Winsted Municipal Airport Purchase Inquiry – Joe Johnson

Mareck stated that during the negotiations for the Skydiving Agreement, the City had learned that Joe Johnson expressed interest in purchasing the Winsted Municipal Airport. The City followed up on this information with Mr. Johnson and he confirmed his interest and inquired what the required process would be to initiate a formal request to the City Council.

Mr. Johnson’s inquiry is purely a request to determine whether or not the City Council has any interest in pursuing a formal process. Consequently, Mr. Johnson’s inquiry does not contain any financial terms or arrangements.

Mareck presented the City Council with the following options to consider:

1. Motion to declare that the City of Winsted will not accept proposals to sell Winsted Municipal Airport.
2. Schedule a public comment period at a future City Council meeting to obtain

feedback from the general public and hangar owner community on the potential sale of the airport. At that meeting, the City Council would have two options:

- a. Direct staff, via a motion, to prepare a cost benefit analysis on the sale of the Winsted Municipal Airport, which would include an appraisal, Federal Aviation Administration requirements, legal ramifications, and all other information deemed necessary.
- b. Motion to declare that the City of Winsted will not accept proposals to sell the Winsted Municipal Airport.

Kevin Weinzierl, owner of Hangar Number Twenty (#20), addressed the City Council and recommended that the City Council leave the Winsted Municipal Airport as a City owned property. Weinzierl asked what the advantage would be to the City if they would sell it. Wiemiller stated that the airport has lost money for the City of Winsted in the past. Wiemiller continued by stating that he is not in favor of selling the airport at this time. He would like to see Johnson operate his Skydiving business at the airport for two (2) years and then discuss the sale of the airport with him at the end of the two (2) years.

There were several Hangar Owners in attendance at the City Council meeting and Quast asked for their opinion on the sale of the Winsted Municipal Airport.

Dave Millerbernd, owner of Hangar Numbers Thirteen (13), Twenty-Four (24) and Thirty-Three (33) addressed the City Council. Millerbernd stated that he would like the Winsted Municipal Airport to remain a City airport. He stated that there have been many Mayors and City Council members in the past who worked diligently to get the airport so he would like to see it remain as a public airport. Millerbernd continued by stating that there are several hangar owners at the Winsted Municipal Airport who have made a large investment in the airport. If you sell it to a private owner, they may charge exorbitant land leasing and other fees, which may create a hardship for existing hangar owners. Millerbernd asked the City Council to please give the existing hangar owners consideration because they have a big investment at the airport. Millerbernd stated that he believes that the Winsted Municipal Airport is an asset to the City. He also stated that if the runway is blacktopped in the future, area Winsted companies will use it more frequently and it may draw other companies to the City of Winsted.

Mochinski stated that he does not feel good about selling the airport. He stated that the City does not know a lot about Johnson. He believes that the City should let Johnson operate his Skydiving business at the Winsted Municipal Airport and then revisit his inquiry to purchase the airport in the future.

Ollig stated he would not be in favor of entertaining the sale of the airport.

Quast stated that she would not be in favor of selling the airport. She believes that it is an asset to the City.

Mayor Stotko stated that he would like to obtain an appraisal on the value of the Winsted Municipal Airport, and other pertinent information, before making any decisions on the sale of the airport.

Wiemiller motioned not to accept any proposals to sell the Winsted Municipal Airport. Quast seconded. Motion carried 4-1. Mayor Stotko opposed.

Johnson was not in attendance at the City Council meeting until after the aforementioned motion was made and approved. Mareck reviewed the City Council's action regarding the sale of the Winsted Municipal Airport with Johnson when he arrived at the meeting. He asked Johnson if he would like to discuss the City Council's decision.

Johnson stated that he accepted their decision and would be willing to revisit the proposal to purchase the airport in the future.

b) Skydiving Operations Agreement – Winsted Municipal Airport – Joe Johnson

Mareck stated that in 2009, the City received a request from Joe Johnson to conduct a Skydiving business out of the Winsted Municipal Airport. The City Council requested that a draft operations agreement be prepared to address legal, liability, and Federal Aviation Administration (FAA) and local issues pertaining to the operation at the Winsted Municipal Airport.

Mareck presented the following particulars of the agreement:

1. Three (3) year agreement, with an option for a fourth (4th) year.
2. Insurance coverage as recommended by the League of Minnesota Cities.
3. No jumps during Winstock Country Music Festival (Winstock) and Higher Ground, and limited jumps during the Winsted Municipal Airport's Annual Fly-In.
4. Jumps to occur not before thirty (30) minutes after sunrise or after thirty (30) minutes before sunset.
5. Jumps are made in accordance with FAA regulations.
6. Annual \$4,500 charge for the use of the drop zone area located south of the hangars.
7. City has the option to terminate agreement for non-compliance upon sixty (60) days notice.

Mareck presented a series of proposed amendments to the agreement, which Johnson requested and include:

1. Four (4) year agreement, with an option for a fifth (5th).
2. Tandem jumps would be allowed at all times of the year, including Winstock and Higher Ground.
3. Jumps can occur between 8:00 am and sunset.
4. Annual \$1,000 charge for the drop zone.
5. Ninety (90) day notice of agreement termination.

Mareck stated that the Winsted Municipal Airport Commission is opposed to Skydiving operations occurring at the Winsted Airport, based on safety concerns and size of the proposed drop zone. In addition, the Airport Commission, although it does not support the general concept, recommended approval of the proposed agreement and rejected the proposed amendments made by Joe Johnson.

Quast shared her concerns with safety should Johnson conduct Skydiving operations during Winstock.

Ollig stated that it is the City's airport so the City Council can dictate what they want in the agreement with Johnson. Ollig stated that he believes the City should approve the agreement with the conditions as stated by the City.

Mochinski stated that the City Council should approve the agreement with the conditions as stated by the City or table it until a future City Council meeting when Joe Johnson is in attendance at the meeting.

Wiemiller stated that he would also like to table the discussion of the Skydiving agreement to a future City Council meeting when Johnson is in attendance at the meeting.

Joe Johnson entered the Council Chambers at this point of the discussion. Mareck again gave an overview of the particulars of the agreement and Johnson's proposed amendments to the agreement.

Johnson addressed the City Council and gave an explanation for his proposed amendments. Johnson stated that he has concerns about not being able to run his Skydiving operations during Winstock and Higher Ground. He contacted the United States Parachute Association (USPA) and the FAA, and he stated that they had some concerns regarding the City's restriction of allowing him to conduct Skydiving operations during Winstock and Higher Ground because it is a public airport so the City cannot restrict aeronautical activities.

Johnson stated that he has an issue with the \$4,500 annual drop zone fee. He believes that it is a large sum for the small drop zone area that he will be using.

Ollig stated that he believes that the \$4,500 annual drop zone fee is not out of line. Johnson stated that he contacted other municipal airports that have Skydiving operations and they do not charge a drop zone fee.

Ollig asked Johnson where the drop zone would be if he conducts his Skydiving operations during Winstock and Higher Ground. Johnson stated that he would use the area west of the Winsted Municipal Airport's Administration building and he would restrict the jumps to tandem jumping only.

Quast stated that she does not believe that Johnson's main concern is the safety of others.

Mochinski asked Johnson if the drop zone he would be using during Winstock and Higher Ground would be screened off. Johnson stated that it would not but there would be monitors on the ground to communicate with the pilots and jumpers to insure safety.

Ollig motioned to authorize the execution of a Skydiving agreement with Joe Johnson with the modification that he be allowed to operate during Winstock Country Music Festival and Higher Ground but limited to experienced jumpers and tandem jumping only, and that the modification be in effect for one (1) year and reviewed after one (1) year. Mochinski seconded. Motion carried 4-1. Quast opposed.

Paul Gatz, 22711 County Road 1, Winsted, asked Johnson how many jumps he would be conducting. Johnson stated that there could be potentially five hundred (500) to four thousand (4,000) jumps per year. Gatz expressed his concern regarding the amount of noise the increased take-offs and landings may cause.

Mochinski asked Johnson if he can modify his flight path so they are not flying over the same house every time. Johnson stated yes.

Ollig reminded Gatz that the City can terminate the agreement in sixty (60) days if there are issues with noise.

c) Special Assessment Policy

Mareck presented the proposed Special Assessment Policy.

Ollig asked how the public is informed if a project is proposed to be completed and assessed to their property. Saulsbury stated that all property owners in the project area would be notified by the City and the project and associated costs would be presented to

them. They would also be invited to a public meeting to discuss the proposed project with the City Council.

Ollig motioned to schedule a “Public Information Hearing” for March 16, 2010 for the purpose of gathering input on a proposed Special Assessment Policy. Quast seconded. Motion carried 5-0.

d) 2010 Citizens Survey

Mareck presented the results of the 2010 Citizens Survey completed by City of Winsted residents.

Mareck stated that the City will take the information from the 2010 Citizens Survey and do the following:

1. Post the results on the City's website.
2. Present the results to the Winsted Area Chamber of Commerce.
3. The City Council and staff will use the survey results to formulate their goals and action plan for the year 2010.

6) Department Report

a) City Engineer

Jake Saulsbury, City Engineer, reported on the following:

1. Winsted Municipal Airport Improvements:

- 2009 Construction Project for Taxi Lane Reconstruction and Drainage Improvements:
 - Final pay request was submitted.
 - Close-out paperwork will be sent to the Federal Aviation Administration.
- Airport Master Plan and Airport Layout Plan (ALP):
 - Draft Master Plan and ALP have been completed based on the Option Two (2) alignment which shifts the runway to the north.
 - Draft Master Plan and ALP to be sent to the City and Minnesota Department of Transportation/Office of Aeronautics (MN DOT/OA).
- Environmental Assessment (EA):
 - Project identified for MN DOT/OA Entitlement Funding in 2010 with a five percent (5%) local match from the City. This grant application is anticipated to be completed in April or May, 2010 and also includes the reimbursement for the 2007 design.
 - The Airport Layout Plan will need to be reviewed and commented on prior to proceeding with the EA.
 - EA will evaluate any environmental impacts for the runway shift, land acquisition, and possible Luce Line Trail realignment.

2. Pavement Management Plan:

The purpose of a Pavement Management Plan (PMP) is to maintain serviceable street and utility infrastructure capable of meeting the needs of the citizens of Winsted in a reliable and cost effective manner. The following has been completed recently:

- Calculated the present cost of recommended street and utility work.
- Met with City staff to identify trouble spots and to discuss priorities.
- Created a draft Special Assessment Policy.
- Created figures showing the conditions and ages of the roads and utilities.

3. Wastewater System Facility Plan:

The primary goal in developing the Wastewater System Facility Plan is to develop a working plan for meeting the current and future wastewater conveyance and treatment needs for the City of Winsted. The following has been completed recently:

- Calculated the projected flow and loading data.
- Requested and received effluent permit limits from the Minnesota Pollution Control Agency (MPCA).
- Determined options and associated costs to meet the required effluent limits.
- Completed an inventory of the existing collection system and lift station components.
- Final submittal due to the MPCA on March 5th, 2010.

4. Miscellaneous Items:

- Industrial Park - Provided information to and have had discussions with M&N Structures and their engineer. Existing sanitary sewer line will need to be relocated to the west in the spring to accommodate the development of this site.
- Wind Energy – Forwarded a proposal containing options for further evaluation related to a City owned wind turbine.
- McLeod County – Met with and provided costs for a potential turn back project of County Road 116, which includes Third Street, Albert Avenue, and Fourth Street. The County Engineer plans to have a workshop with the County Board to discuss this project in the near future.

7) **No Open Forum.**

8) **No Announcements.**

9) **Adjournment**

Quast motioned to adjourn. Wiemiller seconded. Motion carried 5-0.

Respectfully submitted,

Deborah R. Boelter
City Clerk-Treasurer