

City of Winsted
City Council Meeting
Council Chambers
Tuesday December 21, 2021
6:00 p.m.

Present: Mayor George Schulenberg
Council Member Tom Ollig
Council Member Bonnie Quast
Council Member Mike Henrich
Council Member Steve Stotko

Staff Present: Mr. Adam Birkholz, City Administrator
Ms. Raquel Kirchoff, City Clerk-Treasurer
Mr. Justin Heldt, Police Chief

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

a) The Pledge of Allegiance was recited.

2) Consent Agenda

a) Approval of Minutes

Approved the minutes of the following:

- City Council Regular Meeting – November 2, 2021
- City Council Work Session – November 16, 2021
- City Council Regular Meeting – November 16, 2021
- Planning Commission Meeting – October 11, 2021

b) Agreement for Consulting Planner Services – Municipal Development Group LLC

Authorized the Mayor to execute an agreement for consulting planner services for the Year 2022 with Municipal Development Group LLC.

c) Winsted Volunteer Fire Department – Automatic Mutual Aid Agreement

Authorized the City Administrator to execute an Automatic Mutual Aid Agreement between the Winsted Volunteer Fire Department and the Lester Prairie Fire Department.

d) Resolution R-21-49 – Memorandum of Agreement – National Opioid Settlements

Adopted Resolution R-21-49, a resolution approving the Memorandum of Agreement (MOA) between the State of Minnesota and Local Governments and authorizing participation in national opioid settlements.

e) Resolution R-21-50 – Declaring Unclaimed Property

Adopted Resolution R-21-50, a resolution declaring certain property accumulated by the Winsted Police Department as unclaimed property.

f) Resolution R-21-51 – Reestablishing Unchanged Precinct and Polling Places

Adopted Resolution R-21-51, a resolution for reestablishing unchanged precinct and polling places.

g) Resolution R-21-52 - Accept ARPA Funds

Adopted Resolution R-21-52, a resolution authorizing the acceptance of the City of Winsted's allocation of unrequested, redistributed coronavirus local fiscal recovery funds established under The American Rescue Plan Act.

h) Resolution R-21-53 – Transfer of Funds

Adopted Resolution R-21-53, authorizing a transfer of funds from the General Fund to the Capital Improvement Fund.

i) Water Meter Replacement Project

Authorized the purchase of 150 additional water meter registers and endpoints from Metering and Technology Solutions, for a cost not to exceed \$34,000.00.

j) 4M Funds – Notification to Broker and Certification by Broker

Authorized PMA Financial/Securities and 4M Fund to invest the City of Winsted's 4M Fund in those investments pursuant to Minnesota State Statutes for the year 2022.

k) 4M Funds – Notification to Broker and Certification by Broker

Authorized RBC Wealth Management to invest the City of Winsted's 4M Fund in those investments pursuant to Minnesota State Statutes for the year 2022.

l) 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 2022.

m) Solid Waste Hauler License Application – Mumford Sanitation

Approved a Solid Waste Hauler License for Mumford Sanitation expiring December 31, 2022.

n) Solid Waste Hauler License Application – Randy's Sanitation, Incorporated

Approved a Solid Waste Hauler License for Randy's Sanitation, Incorporated expiring December 31, 2022.

o) Solid Waste Hauler License Application – Waste Management

Approved a Solid Waste Hauler License for Waste Management expiring December 31, 2022.

p) Schedule a City Council Goal Setting Session – January 19, 2022

Scheduled a City Council Goal Setting Session for Wednesday, January 19, 2022 at 9:00 a.m. in the Vollmer Room at Winsted City Hall.

q) 2022 Compensation Plan

Adopted the Recommended 2022 Compensation Plan.

r) Security Bank & Trust Company – Pledged Securities

Approved the Pledged Securities that Security Bank & Trust Company has purchased for the City of Winsted for the month of November, 2021.

s) Building Permit Report – November, 2021

Approved the Building Permit Report for the month of November, 2021.

t) Financial Report – October, 2021

Approved the financial report for the month of October, 2021.

u) Claims

Approved the claims list for December 21, 2021.

v) Bid Acceptance – Brush Chipper

Accepted a bid of \$41,000 plus applicable taxes or fees, from Solberg's Tree Service, for the purchase of a Vermeer BC 1500 brush chipper, from the City of Winsted

Council Member Ollig motioned to approve the Consent Agenda. Council Member Stotko seconded the motion. Council Member Ollig abstained from voting on Item r. "Security Bank & Trust Company – Pledged Securities". Motion carried 5-0.

3) No Public Hearings

4) **No Old Business**

5) **New Business**

a) **Agreement and Contract for Inspection Services and Municipal Delegation Application – MNSPECT LLC**

Mr. Adam Birkholz, City Administrator stated that as part of the 2021 Goal Setting Session, the City Council prioritized reviewing performance of and considering options for City consultants, including the Building Official. The City's current building official, since 2002, is Metro West Inspection Services.

City staff met with Metro West Inspection Services during quarter one (1), 2021 to discuss service related issues. Additionally, a proposal from a different consultant was obtained to compare against the current service agreement. Throughout 2021, City staff monitored the services provided by Metro West Inspection Services and detailed items needed for improvement. City staff noted minor improvements made during that time period, specifically related to rental housing inspections and code enforcement.

City staff recently reviewed the current contract with Metro West Inspection Services and found that the vendor may not be meeting all the terms of the contract. At a recent City Council Work Session, the City Council directed City staff to submit a ninety (90) day notice of termination letter to Metro West Inspection Services.

City staff has been working directly with MNSPECT LLC since it was determined that a Request for Proposal for a new contractor is not warranted in this situation.

Mr. Scott Qualle, General Manager of MNSPECT LLC stated that he purchased MNSPECT LLC in 2005 and has been the designated building official and owner of the company since that time. He continued by stating that MNSPECT LLC was recently sold to a company located in Colorado that wants to expand their footprint within Minnesota. Mr. Qualle stated that he intends to remain with MNSPECT LLC for at least two (2) years. He continued by stating that the same staff that has worked with MNSPECT LLC in the past, and that Mr. Birkholz is familiar with, will continue to work with MNSPECT LLC and the City of Winsted.

Mr. Qualle explained all the services provided by MNSPECT LLC that are an option for the City of Winsted.

Mr. Birkholz asked if MNSPECT LLC service would change with a new owner of the company. Mr. Qualle stated that the City of Winsted can expect the same type of service from MNSPECT LLC that has been provided in the past. He continued by stating that with the new owner comes a software solution called Community Core for building permits that he has been searching for, for many years.

Mr. Birkholz stated that he is confident in the ability of MNSPECT LLC's communication and organization.

Mr. Birkholz asked what Mr. Qualle's recommendation was for the current open permits the City of Winsted has. Mr. Qualle stated that those permits become a part of the MNSPECT LLC portfolio with the City.

Mr. Birkholz stated that the City Council will consider an ordinance amendment in the near future that will allow MNSPECT LLC to handle more of the plumbing review for the City.

Council Member Quast motioned to authorize the Mayor and City Administrator to execute an Agreement and Contract for Inspection Services with MNSPECT LLC, for Building Official, inspection and related services and authorize the City Administrator to execute a Municipal Delegation Agreement Application, authorizing MNSPECT LLC, to conduct Building Code Administration for Public Buildings and State Licensed Facilities in the City of Winsted. Council Member Henrich seconded the motion. Motion carried 5-0.

b) **Recommended 2022 Final Property Tax Levy – Resolution R-21-54**

Mr. Birkholz reviewed the discussions at the 2022 Budget Work Sessions leading the City Council to a 2022 Budget that decreases the debt service levy by 7.05% while increasing the General Levy by 6.61% for a total increase of 3.14% over 2021. He continued by stating that according to the McLeod County Assessor, the estimated net tax capacity in the City increased from

\$2,068,812 in 2021 to \$2,091,319 in 2022 or approximately 1.09%. The change in the levy compiled with the increase in net tax capacity results in an estimated increase in property taxes payable in 2022 for a median valued home in Winsted of approximately \$45 or \$3.75 per month.

City staff recommends the adoption of Resolution R-21-54 certifying the Final 2022 General Property Tax Levy of \$1,228,600 with a final Debt Service Levy of \$364,448 for a total final Levy of \$1,593,048; an increase of 3.14% from the adopted 2021 Levy.

Council Member Ollig motioned to adopt Resolution No. R-21-54 certifying the Final 2022 General Property Tax Levy of \$1,228,600 and a Final 2022 Debt Service Levy of \$364,448 for a total Final Property Tax Levy of \$1,593,048. Council Member Stotko seconded the motion. Motion carried 5-0.

c) Recommended 2022 Budget Adoption – Resolution R-21-55

Mr. Birkholz stated that annually, the City Council must approve a budget. The annual adopted budget provides the City with the funds necessary to provide for City services, and to accomplish its visions and goals established by the Council. During various Work Sessions, and at the December 7, 2021 City Council Meeting, the Council reviewed and provided guidance for the budgets of various funds managed by the City including the Airport Fund, Airport Improvement Fund, Capital Improvement Plan (CIP) Fund, Debt Service Fund, Operations Fund, General Fund, and the Water and Sewer Enterprise Funds.

The recommended 2022 budget reflects additional cost pressures in Street Maintenance and Utility Infrastructure, as well as a planned street maintenance project in Pheasant Run and Winsted on the Lake residential Developments. In addition, the proposed budget reduces the previous CIP funding strategies to recognize the economic pressures that residents currently face due to the pandemic.

The final recommended 2022 Budget authorizes revenues totaling \$5,990,831 and expenditures totaling \$5,785,024 in expenditures. Many of the increases from the 2021 budget are for planned street improvement projects scheduled for 2022.

Council Member Henrich motioned to adopt Resolution No. R-21-55 adopting the Recommended 2022 Budget for the City of Winsted, Minnesota. Council Member Quast seconded the motion. Motion carried 5-0.

6) No Organization Report

7) Open Forum

Mr. Glen Weibel, 540 1st Street North, Winsted, Minnesota stated that he was paid \$375 for his attendance at Airport Commission Meetings as an Airport Commission Member; however, he does not want to receive money for this. He provided a check for \$375 back to the City as a donation for Hainlin Park.

Mr. Birkholz stated that if the City Council wants to accept the donation to the Park Improvements Fund, it will need to be done through a motion at this meeting.

Council Member Quast motioned to accept a donation in the amount of \$375 from Mr. Glen Weibel, to be applied to the Park Improvement Fund for repairs and maintenance at Hainlin Park. Council Member Henrich seconded the motion. Motion carried 5-0.

8) City Administrator Updates and Announcements

Mr. Birkholz made the following announcements.

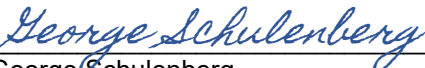
- City offices will be closed on December 23, 24 and 31, 2021.

- The City Council will recognize the retirement of Mr. Dave Meyer after twenty (20) years of service at the January 4, 2022 City Council Meeting. A reception to honor Mr. Meyer will follow the meeting.

9) Adjourn

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

The meeting adjourned at 6:38 p.m.



George Schulenberg
Mayor
City of Winsted

ATTEST:



Raquel Kirchoff, CMC
City Clerk-Treasurer
City of Winsted