

City of Winsted  
City Council Meeting  
Council Chambers  
Tuesday, April 20, 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  
Ms. Paige Vick, Police Officer

**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**

- City Council Work Session – March 2, 2021
- City Council Regular Meeting – March 2, 2021
- Economic Development Authority (EDA) Meeting – February 25, 2021
- Park Commission Meeting – March 8, 2021
- Planning Commission Meeting – March 8, 2021

**b) Resolution R-21-11 – One Watershed Planning**

Adopted Resolution R-21-11, a resolution expressing an intent to participate in One Watershed Planning and supporting a Planning Grant Application.

**c) Land Lease Agreement – Barfnecht Farm LLC**

Authorized the City Administrator to execute a land lease with Barfnecht Farm LLC to farm approximately six (6) acres of land adjacent to the Wastewater Treatment Facility (WWTF) in the amount of \$1,200.00 and expiring December 31, 2021.

**d) Emergency Generator Purchase and Installation – City Hall**

Authorized the City Administrator to execute quotes with Advanced Power Services, Incorporated and Tim Purcell Plumbing and Heating for the installation of an emergency generator at City Hall, for a total project cost not to exceed \$55,000.

**e) Dance Permit – The Blue Note**

Approved a Dance Permit for the Blue Note Ballroom, 320-3rd Street South, for the Winstock Rumble event on Saturday, April 24, 2021.

**f) Road Closure Request – Winsted Elementary School**

Authorized the Winsted Police Chief to close a portion of 2<sup>nd</sup> Street North to through traffic between Albert Avenue and Fairlawn Avenue, on Friday, May 21, 2021 between the hours of 1:00 p.m. and 2:00 p.m. to conduct a car-side Grandparent's Day event.

**g) Resolution R-21-12 – Winsted Holding Activities That Unite People (WHAT UP) Contribution**

Adopted Resolution R-21-12 accepting a contribution from the Winsted Area Chamber of Commerce, in the amount of \$300.00, to be dedicated toward the Winsted Holding Activities that Unite People (WHAT UP) organization.

**h) 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 March, 2021.

**i) Building Permit Report – March, 2021**

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

**j) Financial Report – February, 2021**

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

**k) Claims**

Approved the claims list for April 20, 2021.

**Council Member Ollig motioned to approve the Consent Agenda. Council Member Stotko seconded the motion. Council Member Ollig abstained from voting on Item “h) Security Bank & Trust Company – Pledged Securities”. Council Member Henrich abstained from voting on Item “g) Resolution R-12-12-Winsted Holding Activities that Unite People (WHAT UP) Contribution.” Motion carried 5-0.**

**3) No Public Hearings**

**4) No Old Business**

**5) New Business**

**a) Ordinance O-21-05 – Zoning Map Amendment**

Mr. Adam Birkholz, City Administrator, stated that as part of the recent settlement agreement with Winsted Investment LLC, the City of Winsted agreed to proceed with rezoning two (2) parcels owned by Winsted Investment LLC, currently zoned R-1A Single Family Residential District, to AG Agriculture. The parcels will be rezoned, since there are no immediate plans for municipal services to be extended to the parcels. The properties are currently both agricultural in nature and the owner has indicated that the intent is to continue farming those parcels in the future. Both parcels total approximately ninety-two (92) acres in size. The property is surrounded with Winsted Township property; property not annexed into the City of Winsted.

A Public Hearing was held at the April 12, 2021 Planning Commission Meeting; after which, the Planning Commission unanimously voted to recommend approval of the rezoning request. A few attendees of the Public Hearing asked questions related to the technicalities of rezoning, but did not show opposition or support for the rezoning.

Mr. Birkholz displayed the map, which included the parcels to be rezoned, and explained the areas of the map and what they were guided for.

Mr. Birkholz stated that Ordinance O-21-05, which will rezone the two (2) parcels from R1A to Ag, is being considered because previously, the City received a request from the owner, Winsted Investment LLC, to detach the property from the City of Winsted due to the lack of services provided by the City. Water and sewer utilities are currently not provided to the parcels. The City Council felt it was in the best interest of the City to retain the properties within city limits, and the zoning over the properties, so an AG Agriculture district was negotiated.

**Council Member Stotko motioned to adopt Ordinance O-21-05, an ordinance amending the Official Zoning Map of the City of Winsted, Minnesota, as referenced in Chapter 15, Section 1501.034 Letter B of the Winsted Municipal Code by rezoning property from R-1A Single Family Residential District to AG Agricultural District. Council Member Henrich seconded the motion. Motion carried 5-0.**

**b) Phase II Environmental Site Assessment – Main Avenue Redevelopment**

Mr. Birkholz stated that, as part of the 2021 City Council Goal Setting Retreat, the City Council directed City staff to consider programs and strategies to encourage the development of senior housing within the City of Winsted. On April 13, 2021, the EDA reviewed a letter of interest regarding a proposed redevelopment project including mixed use residential and commercial development on Main Avenue.

Previously, the City Council authorized American Engineering Testing Inc. to complete a Phase I Environmental Analysis (ESA) on the site of interest. The Phase I ESA determined the site has indications of recognized environmental concerns (REC). If the City is interested in purchasing the site for redevelopment, further due diligence evaluation through a Phase II Analysis is warranted. The purpose of the Phase II ESA is to evaluate whether the RECs identified in the Phase I report have impacted the subsurface at the site. The information found will assist with future development of the site.

In addition to the Phase II analysis, an Asbestos and Regulated Waste Inspection is required to assist in analyzing future redevelopment costs. The inspection will identify, sample and quantify suspected asbestos containing materials. Additionally, the inspection will identify regulated wastes as referenced by the Minnesota Pollution Control Agency.

American Engineering provided the following proposals:

1. Phase II Environmental Site Assessment	\$13,950
Optional Phase II Services, if required	\$ 5,370
2. Asbestos and Regulated Waste Inspection	\$ 7,200

The Minnesota Department of Employment and Economic Development (DEED) administers a grant program to reduce costs associated with redevelopment where contamination is a concern. The program may refund up to 75% of the project environmental analysis costs. City staff anticipates the submission of an application to the grant program with a deadline of November 1, 2021.

After reviewing the proposals, the EDA recommended that the City Council authorize the City Administrator to execute an agreement with American Engineering Testing, Inc. to complete a Phase II ESA and Asbestos and Regulated Waste Inspection. The EDA believes the information provided from the assessment will assist in future decisions associated with site acquisition.

American Engineering Testing, Inc. proposes to perform the ESA at a lump sum cost of \$26,520. The EDA recommended for the City Council to use the Revolving Loan Funds made available through the one-time exception offered by the Minnesota Department of Employment and Economic Development (MN DEED) for the expense. The Fund has a balance of approximately \$45,000.

Mr. Birkholz stated that as part of the developer's prior interest, the City of Winsted was tasked with incentivizing the redevelopment. This could mean that the City of Winsted would acquire the properties and complete the demolition work to provide a green space for future development. The City would benefit from the downtown development by the hope of spurring additional development, attracting more foot traffic in the downtown area, and essentially changing the face of the downtown area. Additionally, the City would receive tax revenue from the project, in the long term.

**Council Member Quast motioned to authorize the City Administrator to execute an agreement with American Engineering Testing, Inc. to complete a Phase II Environmental Site Assessment and Asbestos and regulated Waste Inspection, at a cost not to exceed \$26,520, and authorize the City Administrator to execute a Memorandum of Understanding with the property owner to conduct work at the property. Council Member Ollig seconded the motion. Motion carried 5-0.**

**c) Sanitary Sewer Rehabilitation Project**

Mr. Birkholz stated that the City Engineer recently reviewed the data collected from the Sanitary Sewer televising project completed in the recent past. The recommendation from the data is a 2021 Cured in Place Pipe (CIPP) lining project, that includes completing sections of pipe on McLeod Avenue, Rosalie Avenue, and from Linden Avenue south to Lake Street. These three (3) areas have been identified as problem areas. During the McLeod Avenue Improvements Project, it was known that there was a section of the pipe that was in need of repair; and decided to repair it through the CIPP process versus completing full reconstruction.

Mr. Birkholz stated that the CIPP process includes a foam material that is injected into the pipe that expands and collapses the old pipe, and creates a new pipe inside of the old pipe. The process is more cost effective than digging up the pipe and replacing it.

From a budgeting standpoint, the City has been planning for this project over the last two (2) years; and as part of the Streets Capital Improvement Plan (CIP) budget, the City has budgeted \$115,000 for the 2021 CIPP project. The City will likely budget over upcoming years to complete CIPP projects for all future needs, estimated at three (3) to four (4) future projects.

**Council Member Henrich motioned to authorize Bolton and Menk, Incorporated, to prepare plans and specifications for the 2021 Sanitary Sewer Cured-in-Place Pipe (CIPP) Lining Project in the City of Winsted. Council Member Stotko seconded the motion. Motion carried 5-0.**

**d) 2021 City Council Priorities, First (1<sup>st</sup>) Quarter Update**

Mr. Birkholz provided a 2021 City Council Priorities, first (1<sup>st</sup>) quarter update.

**6) Organization Report**

**a) McLeod County Commissioner**

Mr. Nathan Schmalz, McLeod County Commissioner-District 1 provided the following information regarding McLeod County.

- A summary of McLeod County roads that will be seal coated in 2021.
- A summary of the five (5) year plan for McLeod County roads to include:
  - Roundabout construction at Hwy 7 and CR1 planned for the year 2023.
  - CR 5 extension planned for the year 2023. Funding has been applied for.
  - Concrete overlay plan from Hwy 7 north to the Wright County line.
- McLeod County is expected to receive \$6.9 Million dollars in federal funding from the American Rescue Plan, related to the COVID-19 pandemic.
- McLeod County will be hiring an Economic Development Director.
- The move of certain McLeod County services into the government center is complete. The vacated properties will be marketed for sale.
- A summary of McLeod County Commissioners duties that he is learning as a new commissioner.
- Discussion regarding solar farms in McLeod County.

Mr. Birkholz stated that McLeod County needs to be careful regarding the continued expansion of solar farms and how they will affect land use planning; in particular around communities, as growth needs for work force housing and commercial development exist. If cities are saddled with numerous solar farms adjacent to city lines, how do the cities grow around them. Mr. Birkholz requested McLeod County to keep these needs in consideration as it formulates ordinances regarding solar farms.

**7) No Open Forum**

**8) City Administrator Updates and Announcements**

Mr. Birkholz provided the following announcements:


- Hydrant flushing will occur April 21-23, 2021.

- The Winsted Lake Association will host a lakeshore clean-up day on May 8, 2021. Volunteers are needed for this event.
- Spring Clean-Up Day for City of Winsted residents will be held on June 12, 2021 at Waste Management, 490 Industrial Blvd. Residents are limited to five (5) items per household.
- Applications are available on the City's website for a part-time, seasonal position with the Public Works Department.

**9) Adjourn**

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

The meeting adjourned at 6:57 p.m.

  
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George Schulenberg  
Mayor  
City of Winsted

ATTEST:

  
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Raquel Kirchoff, CMC  
City Clerk-Treasurer  
City of Winsted