

City of Winsted
City Council Meeting
Council Chambers
Tuesday, January 16, 2018
6:00 p.m.

Present: Mayor Steve Stotko
Council Member Patty Fitzgerald
Council Member Mike Henrich
Council Member Tom Ollig
Council Member George Schulenberg

Staff Present: Mr. Daniel Tienter, City Administrator
Ms. Raquel Kirchoff, City Clerk-Treasurer
Mr. Justin Heldt, Winsted Police Department Chief
Mr. Tyler Bruns, Winsted Police Officer

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

a) The Pledge of Allegiance was taken.

b) Special Presentation: Don C. Guggemos Sr. Community Service Awards

Mayor Stotko recognized the following individuals and organization for their service and commitment to the Winsted Community and presented them with the *Don C. Guggemos, Senior Community Service Award*.

- Madison Campbell-Youth
- Dale Maus-Individual
- Littfin Lumber Company-Business

2) Consent Agenda

Mayor Stotko read the Consent Agenda.

a) Approval of Minutes

Approved the minutes of the following:

- City Council Work Session – November 21, 2017
- City Council Regular Meeting – November 21, 2017
- Planning Commission Meeting –December 11, 2017

b) Resolution R-18-01- Winsted Volunteer Fire Department Relief Association – Gambling Contribution

Adopted Resolution R-18-01 to accept a contribution from gambling proceeds from the Winsted Volunteer Fire Department Relief Association in the amount of \$21,000 to be dedicated toward the Winsted Volunteer Fire Department's Capital Improvement Plan.

c) Application for Exempt Gambling Permit – Ducks Unlimited

Approved an Application for Exempt Gambling permit submitted by Ducks Unlimited, with no waiting period, to hold a raffle on April 9, 2018, at the Blue Note Ballroom, 320 3rd Street South, Winsted, Minnesota, contingent upon Ducks Unlimited providing all necessary documentation to the State of Minnesota Gambling Control Board.

d) Application to Conduct Excluded Bingo – Lake Mary Homeowners Association

Approved an Application to conduct Excluded Bingo submitted by the Lake Mary Homeowners Association on Thursday, May 10, 2018 at the Blue Note Ballroom, 320 3rd Street South, Winsted, Minnesota, contingent upon the Lake Mary Homeowners Association providing all necessary documentation to the State of Minnesota Gambling Control Board.

e) Application to Conduct Off-Site Gambling – Church of the Holy Trinity – Winstock Country Music Festival

Approved an Application to Conduct Off-Site Gambling (pull-tabs) submitted by Church of the Holy Trinity, June 7th, 8th, and 9th, 2018, at the Winstock Country Music Festival Grounds, 230th Street, Winsted, Minnesota, contingent upon the Church of the Holy Trinity providing all necessary documentation to the State of Minnesota Gambling Control Board.

f) Temporary On-Sale Liquor License – Church of the Holy Trinity Spring Dinner Auction

Approved a one (1) to four (4) day Temporary On-Sale Liquor License for the Church of the Holy Trinity's Spring Dinner Auction on April 14, 2018 at the Holy Trinity School Gym, 111 Winsted Avenue West, Winsted, Minnesota.

g) Temporary On-Sale Liquor License – Holy Trinity – Winstock Country Music Festival

Approved a one (1) to four (4) day Temporary On-Sale Liquor License for the Church of the Holy Trinity's Winstock Country Music Festival on June 7th, 8th, and 9th, 2018 at the Winstock Grounds, 230th Street, Winsted Minnesota.

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 December, 2017.

i) Building Permit Report – December, 2017

Approved the Building Permit Report for the month of December, 2017.

j) Financial Report – November, 2017

Approved the financial report for the month of November, 2017.

k) Claims

Approved the claims list for January 16, 2018.

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

3) No Public Hearings

4) No Old Business

5) New Business

a) Resolution R-18-02 – Water Tower Rehabilitation Project, Public Facilities Authority Loan Application

Mr. Daniel Tienter, City Administrator, stated that the City of Winsted (City) maintains a 600,000-gallon water tower (Water Tower) to pressurize the water supply system and provide water storage for fire protection. Originally constructed in 1978, the Water Tower requires regular maintenance, including the replacement of internal and external coatings every 20 to 40 years. In 2014, the City Council authorized the City Engineer to perform an inspection and draft a preliminary evaluation report, which recommended the replacement of the aforementioned coatings. Based on this report and additional coating samplings conducted in 2015, the City Engineer estimated the cost of the Water Tower Rehabilitation Project (Project) at \$800,000.

Mr. Tienter stated that on January 28, 2016, the City Council directed City staff to explore funding options for the Project. Following a review of different financing alternatives, City staff identified the Drinking Water Revolving Fund (Fund). The Fund offers low interest loans to municipalities to support certain infrastructure projects. On April 19, 2016, the City Council submitted an application to the Minnesota Public Facilities Authority (PFA) and the Minnesota Department of Health (MDH), which administer the Fund, for Project scoring and funding eligibility.

Mr. Tienter stated that although the PFA and MDH selected the Project for funding in 2016, a legislative impasse prevented the State of Minnesota (State) from appropriating required monies to support Fund activities that year. The City Council resubmitted the application on May 2, 2017.

Prior to this resubmission, the MDH reduced the score for the Project, causing the PFA to remove it from the fundable range. The City and other municipalities in similar situations appealed this decision, citing the aforementioned legislative issues, which prompted MDH to restore the original score allowing the Project to return to the fundable range. However, MDH will only honor this adjustment for one year.

Mr. Tienter stated that given this timeline and the opportunity to use the Fund, the City Council reviewed possible Project timelines at their November 7, 2017 Work Session and guided City staff to begin project development activities. On November 21, 2017, the Council authorized the City Engineer to prepare preliminary and final design for the Project at a cost not to exceed \$70,000. City staff also began the process to prepare the formal loan application as required by the Fund, which requires approval by the City Council.

Mr. Tienter stated that given the considerable review and project development effort to date, as well as the opportunity to make use of low interest financing from the State, City staff recommend the City Council approve Resolution No. R-18-02 to submit a PFA loan application for the Project. Additionally, City staff recommend the City Council authorize the City Administrator to execute any agreements, forms or supporting documents to effectuate the same.

Mr. Tienter stated that based on the general lending terms of 1.00% interest and 15-year amortization, City staff estimate an average annual loan payment of approximately \$57,699.

Council Member Fitzgerald motioned to approve Resolution No. R-18-02 and authorized the City Administrator to execute the Public Facilities Authority Loan Application. Council Member Henrich seconded the motion. Motion carried 5-0.

b) 2017 City Council Priorities, Fourth (4th) Quarter Update

Mr. Tienter presented a fourth (4th) quarter update on the 2017 City Council Priorities.

- 6) No Organization Report**
- 7) No Open Forum**
- 8) City Administrator Updates and Announcements**
 - a) 2018 Dog Licenses Available**

Mr. Tienter stated that 2018 dog licenses are available at City Hall at a cost of \$10 per dog.

9) Adjournment

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

The meeting was adjourned at 6:31 p.m.

Steve Stotko

Steve Stotko
Mayor
City of Winsted

ATTEST:

Raquel Kirchoff

Raquel Kirchoff
City Clerk-Treasurer
City of Winsted