

Present: Mayor Steve Stotko
Council Member Tom Ollig
Council Member Bonnie Quast
Council Member George Schulenberg
Council Member Max Fasching

Staff Present: Brad Martens, City Administrator
Deborah R. Boelter, City Clerk-Treasurer
Dave Meyer, Public Works Maintenance Supervisor
Dan Pohl, Winsted Police Department Officer

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

2) **Consent Agenda**

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

a) **Minutes – City Council – Work Session – April 16, 2013**

Accepted the minutes of the City Council Work Session of April 16, 2013.

b) **Minutes – City Council – Regular Meeting – April 16, 2013**

Accepted the minutes of the City Council Regular Meeting of April 16, 2013.

c) **Minutes – City Council – Special Work Session – April 30, 2013**

Accepted the minutes of the City Council Special Work Session of April 30, 2013.

d) **Compensatory Time Allocation – Raquel Kirchoff**

Allocated twenty-six and one-quarter (26.25) hours of Compensatory Time to Raquel Kirchoff for additional duties completed during the absence of the City Clerk-Treasurer.

e) **Compensatory Time Allocation – Amanda Zeidler**

Allocated twenty-eight (28) hours of Compensatory Time to Amanda Zeidler for additional duties completed during the absence of the City Clerk-Treasurer.

f) **Vacation Allocation – Deb Boelter**

Allocated eleven and one-half (11.5) hours of Vacation Time to Deb Boelter for duties completed during an unpaid leave of absence.

g) **Public Hearing - Liquor Ordinance Amendment**

Scheduled a Public Hearing on Tuesday, June 4, 2013 at 6:00 p.m. in the Council Chambers at Winsted City Hall, 201 – 1st Street North, to consider amendments to Winsted's Liquor Ordinance.

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 April, 2013.

i) **Claims**

Approved the Claims List for May 7, 2013.

Council Member Ollig informed City administration that he is no longer a member of the Board of Directors for the Security Bank & Trust Company.

3) **No Public Hearings.**

4) **No Old Business.**

5) **New Business**

a) **Letter to McLeod County Commissioners – Brush Site Funding**

Mr. Martens stated that in the year 2012, the City of Winsted was informed that McLeod County will be reducing funds towards city operated brush sites located throughout McLeod County. Funding was cut to fifty percent (50%) of actual costs for the year 2013 and no funding will be provided for the year 2014.

Mr. Martens stated that in the year 2013, the City has chosen to budget funds to cover the gap due to the fifty percent (50%) reduction in funding from McLeod County in order to continue brush site operations as they have existed in the past.

Mr. Martens stated that recently, cities in McLeod County have met to discuss the funding issue and to consider a collaborative effort to request continued funding from McLeod County. The cities have discussed possible options moving forward and the ultimate consensus was to request that McLeod County maintain fifty percent (50%) funding to the program by adopting a resolution or sending a letter to the McLeod County Board of Commissioners.

Mr. Martens stated that although the consensus of the group was to request that funding be restored at fifty percent (50%) of actual costs, this would still require the City to pay for the remainder of the costs and provide brush site services to non-residents. He continued by stating that staff opinion, after further consideration, is that if McLeod County expects brush site services to be available to non-residents, then one hundred percent (100%) of the costs should be covered.

Mr. Martens stated that as part of that discussion, it was agreed upon that the Creekside Facility operated by the City of Hutchinson, Minnesota will take care of brush grinding for the cities at no cost in the year 2013. This will save the City of Winsted approximately \$1,500.

Mr. Martens stated that the Winsted Brush Site has an average annual cost of over \$6,000.

Mr. Martens stated that this item was discussed at the April 16, 2013 City Council Work Session and staff was directed to draft a letter for review at the May 7, 2013 Regular City Council meeting, Mr. Martens presented the letter.

Council Member Ollig asked if all the cities in McLeod County are in agreement with the proposal that McLeod County continue to fund fifty percent (50%) of expenditures incurred by the brush sites located in various cities. Mr. Martens stated that the majority of cities in McLeod County are in agreement with the proposal of fifty percent (50%) funding from McLeod County. He continued by stating that he did receive a telephone call from Brownton, Minnesota and their City has decided to request that funding by McLeod County for their Brush Site be restored to one hundred percent (100%). Mr. Martens stated that the City of Winsted was in agreement.

Council Member Quast asked what will happen if McLeod County denies the request to fund the brush sites fifty percent (50%). Mr. Martens stated that the City Council will have to decide if they want to keep the Brush Site open and if it does, will it only be available to Winsted residents since taxpayer money is funding its operation. Another option would be to have Winsted Township pay for a portion of the operation costs since it is used by Township residents.

Council Member Quast stated that she is in favor of McLeod County funding the City's Brush Site one hundred percent (100%) and she is not in favor of closing it.

Council Member Ollig motioned to submit a letter to McLeod County Board of Commissioners requesting funding to be restored for brush site operations. Council Member Schulenberg seconded the motion. Motion carried 5-0.

b) Boiler Maintenance Agreement – Johnson Controls

Mr. Martens stated that preventative maintenance and repairs to City Hall boilers must be done by a properly licensed and experienced individual. The City has contracted this service out since Winsted City Hall was built in the year 2008; and continues to require these services annually.

Mr. Martens stated that Johnson Controls has provided these services in the past in the form of an Annual Service Agreement which is approved by the City Council. Johnson Controls has submitted an Agreement for the City to review for a two (2) year term at the same rate as the existing Service Agreement. The Service Agreement is in the amount of \$2,070 per year. This amount is included in the City's General Government Budget.

Council Member Schulenberg motioned to approve a two (2) year Boiler Maintenance Agreement with Johnson Controls. Council Member Fasching seconded the motion. Motion carried 5-0.

c) Intern Appointment – Ms. Meagan Donahue

Mr. Martens stated that the City has been contacted by Ms. Meagan Donahue who is interested in interning with the City of Winsted. Ms. Donahue is a student at Minnesota State University, Mankato and is majoring in Urban and Regional Studies.

Mr. Martens stated that he and Ms. Donahue met to discuss the possible opportunity and found that there are several projects that the City is working on that could use assistance and match the experience she is looking for; specifically the following:

- ✓ Assist in researching and drafting the Sign Ordinance.
- ✓ Assist in researching information for the Downtown Vibrancy Commission.
- ✓ Assist in planning a bike route connecting the Luce Line State Trail to downtown Winsted.
- ✓ Assist in planning and design work for the lighted skating rink.
- ✓ Additional opportunities may exist to assist other City departments as well.

Mr. Martens stated that the requirements for the Internship are 70-100 hours per credit. He continued by stating that as Ms. Donahue's Internship Supervisor, he would be required to provide orientation and training as needed, provide work direction, complete an Internship Agreement Form, and provide a mid-term and final assessment.

Mr. Martens stated that he feels that appointing Ms. Donahue as an intern for the City would provide assistance in completing the year 2013 goals established by the City Council.

Ms. Donahue addressed the City Council. She discussed and presented her interest in working on some of the items that are taking place in the City of Winsted.

Mr. Martens stated that Ms. Donahue is not requesting any compensation for the work she would do as an intern. He continued by recommending that the City Council review the work being completed at some time in the future and possibly consider issuing a small stipend based on the quality of work completed. There may be some costs associated with mileage reimbursements, etcetera.

Council Member Quast welcomed Ms. Donahue to the City of Winsted.

Council Member Fasching stated that it is important that the younger generation get involved in their community. He continued by asking Ms. Donahue what made her decide to pursue an education in Urban and Regional Studies. Ms. Donahue stated that everyone needs to be a part of their city and her degree will provide her with the opportunity to get involved in the city she grew up in.

Council Member Schulenberg welcomed Ms. Donahue to the City of Winsted. He encouraged Ms. Donahue to contact him if she has any questions.

Council Member Quast motioned to appoint Ms. Meagan Donahue as an intern for the City of Winsted. Council Member Ollig seconded the motion. Motion carried 5-0.

d) Financial Institution Agreement – Security Bank & Trust Company

Ms. Boelter stated that as you may know, Flagship Bank of Winsted was acquired by Security Bank & Trust Company on Friday, April 26, 2013. As a result of this acquisition, Security Bank & Trust Company has forwarded a *Financial Institution Agreement* to the City of Winsted for review and approval.

Ms. Boelter stated that the *Agreement* addresses future Automated Clearing House (ACH) transactions forwarded from the City of Winsted to Security Bank & Trust Company. The City of Winsted has been forwarding ACH transactions to Flagship Bank of Winsted one (1) time per month for water and sewer billing payments; and twenty-six (26) times per year for employee payroll. The ACH transactions forwarded to Security Bank & Trust will remain the same for water and sewer billing and payroll. The proposed *Agreement* addresses the transfer of these ACH transactions.

Ms. Boelter stated that the *Financial Institution Agreement* was reviewed by the City Attorney, Mr. Fran Eggert and initially Mr. Eggert recommended that the language in one (1) paragraph be amended, and deleted in another paragraph. Staff presented the proposed amendments to a representative from Security Bank & Trust Company and they were unwilling to amend any portion of the *Agreement*.

Ms. Boelter stated that she discussed Security Bank & Trust Company's position on the *Agreement* with Mr. Eggert and he wrote the following:

"I realize the bank will not amend their terms and conditions concerning ACH transactions, for any one (1) customer. I am certain that this is the language that the bank requires for each customer desiring to use ACH transactions. Therefore, while I do not like the language, any bank which the City would use would most likely require the same limitation/elimination, of liability on the part of the bank. Therefore, it is not unreasonable for the City to agree to the language contained in the proposed agreement."

Ms. Boelter stated that Security Bank & Trust Company has indicated that the City will not be allowed to conduct any ACH transactions until the *Agreement* is signed. As a result, the next pay period cannot be transferred through ACH. The employees will be given a manual check. The City has approximately one hundred forty (140) residents who pay their utility bill through an ACH transfer on the tenth (10th) day of each month; therefore, staff would like to recommend approval of the *Agreement* before May 10, 2013.

Ms. Boelter stated that the *Financial Institution Agreement* only needs to be approved one (1) time and remains in effect for the length of time that the City of Winsted maintains a business relationship with Security Bank & Trust Company.

Council Member Ollig asked if the amount of the fees can be changed and/or increased arbitrarily by Security Bank & Trust Company. Ms. Boelter stated that she was uncertain and would provide the information to the City Council at a later date.

Ms. Boelter stated that when Flagship Bank of Winsted completed ACH transactions for the City of Winsted, the City was not charged any processing fees. Security Bank & Trust Company does charge processing fees for any ACH transactions. The charge for each line item in the file will be \$.08 and the file fee is \$5.00.

Ms. Boelter provided a brief overview of what the approximate cost of the ACH fees would be for the City of Winsted:

The City of Winsted has approximately one hundred forty (140) water and sewer billing ACH transactions each month.

140 ACH transactions X \$.08 per transaction = \$11.20
\$11.20 + \$5.00 file fee = \$16.20 monthly

The total annual cost for water and sewer billing ACH transactions will be approximately \$194.40.
*(These fees have not been budgeted in the year 2013.
They will be paid equally from the Water and Sewer Funds.)*

The City of Winsted has approximately ten (10) to twelve (12) ACH transactions per pay period and there are twenty-six (26) pay periods per year.

12 ACH transactions X \$.08 per transaction = \$0.96
\$0.96 + \$5.00 file fee = \$5.96 per pay period
\$5.96 X 26 pay periods = \$154.96

The total annual cost for employee payroll ACH transactions will be approximately \$154.96.
(These fees have not been budgeted in the year 2013. The fees will be paid out of the General Fund, Water and Sewer Funds and Airport Fund.)

The approximate cost for ACH transactions for the City of Winsted annually will be \$349.36.

Ms. Boelter stated that staff surveyed area banking institutions and the banks that were able to process ACH transactions did have processing fees comparable to the aforementioned fees by Security Bank & Trust Company.

Ms. Boelter recommended approval of the *Financial Institution Agreement*.

Mr. Martens stated that under Section 13. **Fees** of the *Agreement* it states, "*The Company agrees to pay the Financial Institution for services provided under this Agreement in accordance with the schedule of charges attached to this Agreement as Attachment three (3). The Financial Institution may change its fees from time to time upon notice to the Company.*"

Council Member Fasching motioned to approve a Financial Institution Agreement with Security Bank & Trust Company. Council Member Schulenberg seconded the motion. Motion carried 5-0.

6) Department Report

a) Winsted Public Works Department

Mr. Dave Meyer, Winsted Public Works Department Maintenance Supervisor, reported on the following:

- Removed holiday decorations and banners.
- Hauled disposed Christmas trees to the City's Brush Site.
- Snow plowed an area on Winsted Lake for a skating rink and opened the Warming House in Mill Reserve Park.
- Snow plowed and sanded City streets; and broomed the snow off of the sidewalks in the downtown area.
- Obtained bids for a new Snow Plow Truck.
- Completed the annual Storm Water report for the Winsted Municipal Airport.
- Brought a wrestling mat from Holy Trinity Catholic School to Winsted City Hall to be used in training for the Winsted Police Department and area law enforcement agencies.
- Continue to post *Water Shut-Off Notices* monthly on houses and/or businesses that have not paid their water and sewer utility bill.
- Did repair work on the City's big snow blower.
- Complete State of Minnesota mandated water testing.
- Took the City's wood chipper to Shakopee, Minnesota for a recall repair.
- Researched gas prices for welding supplies and changed companies that offer supplies at a reduced rate.

- Participate in monthly Safety meetings.
- Have been patching pot holes on City streets.
- Serviced and changed the oil on the City's street sweepers to prepare for spring, 2013 street sweeping.
- Completed the sign inventory of the City's traffic signs to determine their retro-reflectivity.
- Assisted on preparing the bid for the placement of gutters on the Winsted Volunteer Fire Department station.
- Annual well house inspections were completed by the Minnesota Department of Health.
- Repaired three (3) water main breaks throughout the winter months.
- Flushed the City's fire hydrants.
- Opened the bathroom facilities at both Campbell Baseball Field and Barrett Park.
- Hauled unused salt and sand back to Hutchinson, Minnesota.
- Started to sweep the City streets.
- Recertified in Tree School in March, 2013.

Council Member Ollig asked Mr. Meyer for a list of some of the items that the Public Works Department finds in the City's sewer system that residents should not be depositing in the sewer system. Mr. Meyer listed the following items:

- ✓ Personal and baby wipes.
- ✓ Money coins.
- ✓ Brake line.
- ✓ Dog food.

Council Member Ollig asked if the Public Works Department is evaluating the City of Winsted's trees to determine if they are infected with the Emerald Ash Bore. Mr. Meyer stated that he is evaluating trees on a regular basis and the Public Works Department has not found any infected trees. He continued by stating that it will likely infect some of the trees in Winsted; but, in Tree School he has learned techniques to deal with an infestation.

Council Member Quast asked Ms. Boelter if the City of Winsted has a large amount of delinquent water and sewer utility billing accounts. Ms. Boelter and Mr. Meyer both stated no.

Council Member Schulenberg asked if the gutter project for the Winsted Volunteer Fire Department's (WVFD) was moving forward. Mr. Meyer stated that he is in the process of obtaining bids for the installation of gutters at the WVFD. Mr. Martens stated that the WVFD Fire Board approved the completion of the gutter installation project.

Council Member Fasching asked how much time the Public Works Department spends completing regulatory paper work and/or reporting. Mr. Meyer stated approximately four (4) hours per week. He continued by stating the majority of reporting has to do with the water tests and other information from the City's water wells.

The City Council thanked Mr. Meyer for all the Public Works Department does for the City of Winsted.

7) Open Forum

8) Announcements

a) City of Winsted Park Commission

Mr. Martens stated that the City of Winsted's Park Commission still has vacant positions and encouraged Winsted residents to apply.

9) Adjournment

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

The meeting was adjourned at 6:27 p.m.

Steve Stotko

Steve Stotko
Mayor
City of Winsted

ATTEST:

Deborah R. Boelter

Deborah R. Boelter, MCMC
City Clerk-Treasurer
City of Winsted