

City of Winsted
City Council Work Session
Lewis Room
Tuesday, June 17, 2014
5:00 p.m.

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

Staff Present: Mr. Clay Wilfahrt, City Administrator
Ms. Deborah R. Boelter, City Clerk-Treasurer

I. Call to Order

Mayor Stotko called the meeting to order at 5:00 p.m.

II. Main Avenue – Utility Extension Plan

Mr. Chris Schultz, Herald Journal Publishing, addressed the City Council in regards to installing water and sewer main lines to the vacant lot located west of the Herald Journal Publishing original building located on McLeod County Road One (1). He continued by stating that the Herald Journal would like to bring water and sewer services to their secondary building; which is located behind (west) of their main building.

Mr. Schultz also stated that Herald Journal Publishing is considering a building expansion within one (1) or two (2) years and would need the availability of the City water and sewer services.

The City Engineer, Mr. Jake Saulsbury, Bolton and Menk, Incorporated, was in attendance at the Work Session and commented on the possible scope of the project to install water and sewer main lines in the area of the Herald Journal Publishing property.

The City Council discussed and directed Mr. Wilfahrt to prepare a Development Agreement for the installation of water and sewer main lines to the Herald Journal Publishing property and present it at a future City Council Work Session. The City Council wanted the following items included in the Development Agreement:

1. The City of Winsted will pay the cost to install the water and sewer main lines in accordance to the City Engineer's project plans and specifications.
2. The City Engineer will be directed to prepare the plans and specifications for the installation of water and sewer main lines to the Herald Journal Publishing property after the City of Winsted receives a formal, written letter from Herald Journal Publishing requesting City water and sewer services.
3. Once the City of Winsted receives the formal, written letter from Herald Journal Publishing requesting City water and sewer services, they will have twelve (12) months to complete their expansion project and tap into the City water and sewer main lines.
4. Herald Journal Publishing will be responsible for the cost to run water and sewer lines from the City mains to their building.

III. Waste Water Treatment Facility

Mr. Saulsbury stated that the Minnesota Pollution Control Agency (MPCA) has been working on River standards and the level of phosphorus that can be discharged by Waste Water Treatment Facilities (WWTF) into rivers and/or their tributaries.

Mr. Saulsbury stated that the City had revised their WWTF Improvement Plan to discharge into a water tributary of the Crow River instead of South Lake; because, the MPCA had decreased the level of allowable discharge into lakes and it was more cost effective to discharge into the Crow River tributary, Crane Creek, than into South Lake. The MPCA has now decreased the level of

allowable WWTF discharge into rivers and their tributaries. He continued by stating that it would still be more cost effective for the WWTF to discharge into Crane Creek; however, the decreased levels of phosphorus will require another level of treatment equipment to be installed at the WWTF. Therefore, the plans and specifications for the current WWTF Improvement Plan will need to be amended to include the additional treatment equipment.

Mr. Saulsbury stated that unfortunately, the MPCA did not communicate the decreased level of phosphorus discharge into rivers and/or their tributaries until one (1) week ago.

Mr. Saulsbury presented two (2) options for the City Council to consider:

Option One (1):

- Reject the bids that the City recently received for the WWTF Improvement Project.
- Amend the current WWTF Improvement Project plans and specifications to include the additional equipment to meet the MPCA's decreased level of phosphorus discharge.
- The new Project would still include discharging into Crane Creek.
- The Engineer would start the permitting process with the MPCA immediately; so, the Project would be ready to re-bid in the fall, 2014.
- The Engineer would complete the design work for the additional treatment equipment immediately.
- Re-bid the Improvement Project in the fall, 2014 when the new MPCA phosphorus levels are officially adopted.
- Re-apply for the Point Source Implementation Grant (PSIG) in July, 2014. (The PSIG program does have grant dollars available for the next funding cycle.)
- The revised Project will be more expensive; however, the additional costs would be fully PSIG eligible and the City would likely receive a larger grant.
- The Engineer's preliminary design process will determine the added cost implications.

Pros to Option One (1):

1. There will be more time to obtain the property easement from adjacent property owner to run the piping to discharge into Crane Creek.
2. There will likely be more grant dollars available through the PSIG.
3. The additional time will aid in meeting the deadline for the pond decommissioning.
4. There will be additional time to adjust sewer rates.

Cons to Option One (1):

1. Delays the necessary improvements to the WWTF.
2. The cost of the WWTF Improvement Project will be higher.

Option Two (2):

- Award the Improvement Project bid that the City recently received to Gridor Construction.
- Remove the effluent force main and lift station from the Project.
- Waste water would continue to be discharged into South Lake.
- The PSIG dollars available for the Project would be reduced significantly.
- Improvements to the WWTF's equipment would be completed immediately without a six (6) month delay.
- The City would still need to do a significant WWTF Improvement Project in the future to deal with the MPCA's stringent decrease to phosphorus levels.
- The MPCA would need to provide final approval of Option Two (2); but, have indicated that it is likely that they would.

Pros to Option Two (2):

1. There would be lower Project costs.
2. Would meet the pond decommissioning deadline.

Cons to Option Two (2):

1. The City would need to complete another WWTF Improvement Project in the future.
2. There would be reduced PSIG dollars.
3. There may not be any PSIG dollars available for the additional Improvement Project that will need to be completed in the future.

The City Council discussed the two (2) options presented by Mr. Saulsbury and directed Mr. Wilfahrt and Mr. Saulsbury to proceed with Option One (1).

IV. Other

a) Residential Apartments – 181-1st Street North

Mr. Wilfahrt presented a proposal from a business owner to construct residential apartments in the street level of the downtown building located at 181-1st Street North.

Mr. Wilfahrt stated that the City's current Zoning Ordinance does not allow downtown buildings to have residential apartments on street level.

The City Council discussed and agreed that they did not want residential apartments in the street level of the building located at 181-1st Street North.

V. Purchase or Sale of Real or Personal Property

Mayor Stotko stated that the City Council was now closing the Work Session to discuss developing an offer to purchase land with the property identification (PID) of 14.014.0700.

Mayor Stotko asked the members of the public to please excuse themselves. He continued by thanking the public for their cooperation.

Council Member Fasching motioned to close the Work Session. Council Member Schulenberg seconded the motion. Motion carried 5-0.

The Work Session was closed.

VI. Adjourn

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

The meeting was adjourned at 5:55 p.m.

Steve Stotko

Steve Stotko
Mayor
City of Winsted

ATTEST:

Deborah R. Boelter

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