

Present: Mayor Steve Stotko
Council Member Bonnie Quast
Council Member Dave Mochinski
Council Member George Schulenberg

Absent: Council Member Tom Ollig

Staff Present: Brad Martens, City Administrator
Raquel Kirchoff, Administrative Assistant
Michael Henrich, Police Chief

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

a) The Pledge of Allegiance was taken.

2) Consent Agenda

Council Member Quast motioned to adopt the Consent Agenda as presented. Council Member Schulenberg seconded the motion. Motion carried 4-0.

a) Minutes – City Council Work Session – May 15, 2012

Accepted the minutes of the City Council Work Session of May 15, 2012.

b) Minutes – City Council – Regular Meeting – May 15, 2012

Accepted the minutes of the City Council Regular Meeting of May 15, 2012.

c) Minutes – City Council – Special Work Session – May 22, 2012

Accepted the minutes of the City Council Regular Meeting of May 15, 2012.

d) Flagship Bank of Winsted – Pledged Securities

Approved the Pledged Securities that Flagship Bank of Winsted has purchased for the City of Winsted for the month of May, 2012.

e) Claims

Approved the claims list for June 5, 2012.

3) Public Hearings

a) Ordinance O-12-06 - Liquor Ordinance Amendments – Definition of a Restaurant and Special Provisions for Licensed Caterers

Mayor Stotko opened the Public Hearing.

Mr. Martens stated that City staff recently attended a Liquor License training conducted by the Minnesota Department of Public Safety/Alcohol Enforcement, where it became apparent that some amendments may be needed to the City's Liquor Ordinance.

Martens stated that one of the sections within the ordinance where amendments are needed is the section regarding Sunday Liquor Licenses. Sunday Liquor Licenses may only be issued to restaurants. Mr. Martens displayed the existing restaurant definition within the ordinance as follows:

RESTAURANT. An eating facility, other than a hotel, under the control of a single proprietor or manager, where meals are regularly prepared on the premises, where full waitress/waiter table service is provided, where a customer orders food from printed menus and where the main food course is served and consumed while seated at a single location. To be a restaurant as defined by this section, an establishment shall have a license from the state as required by M.S.A. § 157.16, as it may be amended from time to time, and meet the definition of either a “small establishment,” “medium establishment” or “large establishment” as defined in M.S.A. § 157.16, Subd. 3d, as it may be amended from time to time. An establishment which serves prepackaged food that receives heat treatment and is served in the package or frozen pizza that is heated and served, shall not be considered to be a restaurant for purposes of this chapter unless it meets the definitions of a “small establishment”, “medium establishment” or “large establishment”.

Martens explained that the existing definition of “Restaurant” would not qualify Keg’s Bar, 121 - 1st Street North, for a Sunday Liquor License as it does not meet the definition of a “small establishment”. Keg’s Bar is classified as a “limited food establishment”, and in order for Keg’s Bar to receive a Sunday Liquor License the Ordinance, the language must change to allow this use.

Mr. Martens displayed the proposed ordinance language to include a “limited food” establishment as follows:

RESTAURANT. An eating facility, other than a hotel, under the control of a single proprietor or manager, where meals are regularly prepared on the premises, where full waitress/waiter table service is provided, where a customer orders food from printed menus and where the main food course is served and consumed while seated at a single location. To be a restaurant as defined by this section, an establishment shall have a license from the state as required by M.S.A. § 157.16, as it may be amended from time to time, and meet the definition of either a "limited food" establishment as licensed by the Minnesota Department of Health, or a "small establishment", "medium establishment" or "large establishment" as defined in M.S.A. § 157.16, subd. 3d as it may be amended from time to time. An establishment which serves pre-packaged food that receives heat treatment and is served in a package or frozen pizza that is heated and served, shall not be considered to be a restaurant unless it is licensed as a "limited food" establishment by the Minnesota Department of Health, or meets the definitions of a "small establishment", "medium establishment" or "large establishment".

Martens stated that the Minnesota Department of Public Safety/Alcohol Enforcement also recommended adding provisions regarding caterers at the training session that City Staff recently attended.

Mr. Martens explained that caterers are issued a license from the State of Minnesota which allows them to sell intoxicating liquor.

If cities do not require caterers to obtain permission from the city in advance, mobile food trucks may park on a property within the city and sell intoxicating liquor without approval of the city or without consequence.

Martens explained that the proposed amendment would require caterers to obtain permission from the City Council in advance without a Public Hearing.

Martens continued by reading the proposed ordinance language concerning caterers which is as follows:

CATERERS; SPECIAL PROVISIONS.

a. City Council findings. The City Council makes the following findings regarding the need to enact additional sale provisions governing persons selling or furnishing alcoholic beverages pursuant to a caterer’s permit issued pursuant to M.S. § 340A.404(12), as it may be amended from time to time. This statute authorizes the holder of such a permit to provide alcoholic beverages at unlicensed locations provided that the sale is incidental to a larger food service. This division is enacted in order to preserve the incidental nature of the caterer’s permit and to preserve the underlying state and local framework for permanent on-sale intoxicating liquor licenses. The issuance of a caterer’s permit does not allow a person to, in effect, operate a permanent on-sale intoxicating liquor establishment; rather it entitles the person to provide temporary alcoholic beverages as an incidental part of a food service that prepares meals at special locations apart from the licensee’s

permanent location. The location requirements in this section for the sale of alcoholic beverages at catered events are enacted to assure compliance with existing state and local provisions regarding on-sale licenses. Numerous events conducted at one location where alcoholic beverages are provided by caterers thwarts the licensing scheme for permanent on-sale intoxicating liquor establishments.

b. Regulations. Events that are catered in accordance with M.S. § 340A.404(12), as it may be amended from time to time, shall comply with the following additional sale provisions.

i. No one location shall have more than 48 days of catered events in one calendar year at which alcoholic beverages are served to the general public, and in no case shall any one event of this type be for more than four consecutive days.

ii. All such caterer's licenses shall be approved by the City Council, although no public hearing shall be required.

Martens stated that at this time a fee has not been established for such a permit, and that City Staff will make a recommendation for a fee when the 2013 Fee Schedule is recommended.

Mr. Martens further stated that the City Attorney has been consulted regarding these Liquor Ordinance amendments and is the author of the recommended ordinance changes.

Mr. Martens stated Ordinance O-12-06 was presented for consideration of City Council approval regarding the amendments reviewed.

Police Chief Michael Henrich asked if a caterer needs City Council approval for each of the 48 days that they can cater within one calendar year. Mr. Martens replied that each and every catered event would need approval from the City Council. Chief Henrich responded that he would appreciate Police Department notification of the catered events and the location of where liquor will be served to determine if added security would be needed for these events. Mr. Martens stated that when a caterer applied for a permit, a copy of the information will be given to the Police Chief so that the Police Department would know about each event.

Council Member Mochinski asked if the language provided covered that every catered event be treated as separate and needed City Council approval.

Mr. Martens stated yes, the language provides for each catered event to be treated as a separate event.

Council Member Schulenberg motioned to adopt Ordinance O-12-06 amending the Liquor Ordinance. Council Member Mochinski seconded. Motion carried 4-0.

Council Member Quast motioned to close the Public Hearing. Council Member Schulenberg seconded. Motion carried 4-0.

4) **No Old Business.**

5) **New Business**

a) **Squad Car Replacement**

Mr. Martens stated that the Winsted Police Department requires a fleet of vehicles to perform the duties assigned to the department. In the past, the department had two (2) vehicles which were replaced on a four (4) year rotation at approximately 100,000 miles.

Martens stated that in 2009, the City Council approved the Police Department to buy back the 2005 squad car with the use of drug forfeiture funds in the amount of \$4,000 which gave the department a fleet of three (3) vehicles. The reasons for this decision are as follows:

- The Police Department could regularly ensure that two (2) squad cars were available for Winstock, the Winsted Summer Festival, dance nights, and general scheduling of multiple officers.
- Reduce time spent by City Maintenance for the moving around of cars.
- On call officers could keep a squad at their place of residence to allow for a reduced response time.

Martens stated that the existing fleet of vehicles for the Police Department consists of the following vehicles:

- 2005 Ford Crown Victoria: Over 140,000 miles
- 2007 Ford Crown Victoria: Approximately 100,000 miles
- 2010 Ford Crown Victoria: Approximately 64,000 miles

Martens explained that in order to afford the additional squad car, the Police Department changed the replacement schedule to keep cars for six (6) years instead of four (4) which led to an approximate mileage of near 140,000. This meant that the 2005 Ford Crown Victoria was scheduled to be replaced in 2011. The replacement schedule was delayed due to uncertain budget conditions causing the oldest squad car to be now seven (7) years old.

Martens stated that the City Council approved the 2012 Work Plan which included the purchase of a new squad car in 2012. Martens continued by stating that Chief Henrich has researched available vehicles for the Police Department and has narrowed the search to a 2013 Ford Taurus, which is an all wheel drive interceptor, and a 2013 Ford Explorer, which is a four (4) door, four (4) wheel drive vehicle.

Martens stated that the Police Department is interested in the Ford Explorer due to its increased viewing ability because of its larger windows and better clearance for response during winter weather events.

Martens explained that pricing for both models after discounts and trade was requested from Waconia Ford, Holt Motors of Cokato, and Jay Malone Motors of Hutchinson.

	Explorer	Taurus
Waconia Ford	\$27,849.00	\$29,354.00
Holt Motors	\$27,808.50	\$28,907.50
Jay Malone Motors	Quote not received	Quote not received

Holt Motors of Cokato provided the lowest price for both vehicles with the Ford Explorer having the lowest price.

Martens stated that in addition to the price of the vehicle, other costs exist associated with the purchase of equipment. Both vehicles have the same equipment costs.

	Explorer	Taurus
Cage	\$1,800.00	\$1,800.00
Equipment	\$5,500.00	\$5,500.00
Camera	\$4,500.00	\$4,500.00
Graphics	\$650.00	\$650.00
Estimated Equipment Cost	\$12,450.00	\$12,450.00

Martens stated that the vehicles were compared for overall costs over five (5) years using the Holt Motors pricing and information obtained from the website for Kelley Blue Book, based on 2012 vehicles.

	Explorer	Taurus	Notes
Price after trade/available discount	\$27,808.50	\$28,907.50	Holt Motors
Estimated repairs over five (5) years	\$2,079.00	\$2,037.00	Extracted from Kelley Blue Book
Estimated maintenance over five (5) years	\$1,567.00	\$2,665.00	Extracted from Kelley Blue Book
Estimated Fuel cost over 90,000 miles	\$14,882.00	\$14,236.00	Extracted from Kelley Blue Book
Estimated Cost Over Five (5) Years	\$46,336.50	\$47,845.50	

Martens explained that both vehicles have the same warranty included in the purchase cost to include a three (3) year, 36,000 mile bumper to bumper warranty and a five year (5) 60,000 mile power train warranty. He further explained that there is an optional extended warranty, a five (5) year, 100,000 mile warranty at a cost of \$1,850, but it is not recommended for this purchase.

Martens stated that the Ford Taurus would provide slightly better fuel economy than the Ford Explorer and would have a higher top speed. The Ford Taurus, however, has smaller windows for viewing, lower clearance, and smaller storage capacity.

In comparison, the Ford Explorer is slightly less expensive, would provide better viewing due to larger windows, provide better clearance for response during winter weather events, and has more storage capacity. The Ford Explorer, however, is slightly less fuel efficient and has a slightly lower top speed.

Mr. Martens stated that after reviewing the information, City staff recommends purchasing the Ford Explorer for the following reasons:

- The initial purchase price is lower than the Ford Taurus.
- The five (5) year cost estimate is lower than the Ford Taurus.
- Increased clearance could provide better response during winter weather events.
- A larger viewing area is a higher priority to the department than achieving a slightly higher top speed. High speed chases/responses are rare.
- Staff has received comments from the following Police Departments who have a Sports Utility Vehicle (SUV) in their fleet and recommend having at least one (1) as part of their fleet for winter weather response: Hutchinson Police Department, Howard Lake Police Department, Lester Prairie Police Department, Glencoe Police Department, and the McLeod County Sheriff's Department.

If the purchase is approved, the Explorer would be used by the night shift which, per internal policy, uses the most recently purchased vehicle. During winter weather events, the Explorer would be used during all shifts.

Total Purchase Price:	
Vehicle Cost:	\$27,808.50
Estimated Equipment Cost:	\$11,964.19
Estimated Graphic Cost:	\$650.00
Estimated Total Cost:	\$40,422.69

Martens stated that the estimated total purchase cost of the Ford Explorer is \$40,422.69. He continued by explaining that because of some fluctuation in the purchase cost based upon the day the purchase takes place, staff is asking that the City Council approve a purchase in an amount up to \$42,000.

Martens explained that the cost will be paid out of the Capital Equipment Fund used for equipment in both the Public Works Department and Police Department. The fund balance at the end of 2011 was \$102,399.68 and an installment of \$150,000.00 is budgeted for 2012.

Martens displayed what the Ford Explorer looks like, stating that the vehicle is available in white or black with a white wrap. He continued by stating that he and the Police Department prefer the black vehicle.

Council Member Quast asked what was happening with the oldest vehicle. Chief Henrich replied that it would be traded in for a value of \$2,500.

Chief Henrich explained that Ford is the only company that offers the pre-wiring of squad cars which is included in their pricing to avoid the install cost for the wiring of lights.

Council Member Mochinski asked if the Ford Explorer was an all wheel drive vehicle. Chief Henrich responded that it was. Council Member Mochinski asked if there was an option to purchase it without the all wheel drive, as a four (4) wheel drive vehicle only. Mochinski stated that there will be added expenses for gas mileage and maintenance on an all wheel drive vehicle, compared to a vehicle where a driver only uses the four (4) wheel drive when needed. He continued by stating that most of the patrol driving within Winsted will not need all wheel drive. Chief Henrich stated that he would inquire to see if this was an option.

Council Member Mochinski asked if the insurance coverage price is different between the two different types of vehicles. Mr. Martens replied that the insurance is based on the value of the vehicle.

Council Member Mochinski asked if the Ford Taurus was the pursuit vehicle. Chief Henrich responded that both vehicles were pursuit rated; they both can travel at high speeds safely. The Taurus is lower to the ground and would be safer to drive at high speeds. Henrich continued by stating that the number of chases that the Winsted Police Department is involved in is limited and is hard to predict. The Police Department does not purchase a vehicle for the ability to drive at a top speed; however, high speed vehicles are necessary for the department when the need arises.

Council Member Mochinski asked if the Ford Taurus had a bigger engine than the Ford Explorer. Henrich responded that the Taurus had an Eco-boost, giving it more power and would be beneficial in the response time when traveling from one (1) mile per hour to 60 miles per hour; however, Eco-boost is not an option with the Ford Explorer and that is a disadvantage.

Henrich stated that the Police Department wants an SUV that can maneuver well in the winter because the current vehicles do get stuck in the winter; however, the department does not want an entire fleet of SUVs.

Council Member Mochinski stated that if the Ford Explorer was not available in a four (4) wheel drive only option, without the all wheel drive, he would support purchasing the Explorer as is; however, if the option was available, he believes that money would be saved on maintenance and gas mileage costs over the use of the vehicle.

Council Member Quast motioned to approve the purchase of a 2013 Ford Explorer squad and necessary equipment in an amount not to exceed \$42,000. Council Member Schulenberg seconded. Motion carried 4-0.

Chief Henrich asked the City Council which color they preferred for the Ford Explorer. The City Council preferred the white vehicle that is the same color as the department's current vehicles.

b) Park Entrance Signs

Mr. Martens stated that in December, 2011 the Park Commission requested that quotes be received to update the park signs located at Winsted Parks.

The Park Commission solicited a quote from the Herald Journal and provided feedback on sign design. A final design was presented to the Park Commission at the April, 2012 meeting with an overall cost of \$3,648 to update eight (8) signs.

As the Park Commission reviewed the proposal, it was suggested by Council Member Quast that the signs be made out of stainless steel, similar to the City entrance signs, to highlight the manufacturing community. The Park Commission was in favor of the idea.

Council Member Quast further stated that she would approach several businesses in and around the City of Winsted to see if they would sponsor a portion of the cost of the signs in which case their company logo would be shown on the sign.

Staff informed the Park Commission that the Commission could recommend approval of the design from the Herald Journal while knowing that Council Member Quast would be attempting to find a way to upgrade the signs to match the City entrance signs. This way if the upgrade was not feasible, the signs could still be approved in time to be installed for the 125th Anniversary.

The Park Commission recommended that the City Council approve the purchase of new park entrance signs, with design option number two.

Mr. Martens stated that since that time, Council Member Quast has been successful at working with the local businesses for donations of funds or in kind services. The Park Commission was updated on May 29, 2012 of the progress and was in favor of continuing with the stainless steel signs.

Martens stated that Millerbernd Lighting has agreed to design and build eight park signs at a cost of \$4,500. Additional costs will exist from the Herald Journal to overlay the park name on individual signs. Total cost is estimated to be no more than \$5,500.

Council Member Quast has secured donations from businesses in the amount of \$3,250.

The remainder estimated at \$2,250 will be funded out of the Park Improvement budget, 101-45200-403 which is lower than the original amount estimated for this project due to the incredible amount of work performed by Council Member Quast on the donations.

Martens displayed pictures of the existing signs and what the new signs will look like.

Council Member Quast stated that Winsted is a small town and has a tremendous amount of manufacturing and industry within it and that somehow by incorporating this manufacturing into the park signs, they may attract more people to Winsted and the downtown area.

The Council Members and Mr. Martens complimented and thanked Council Member Quast for the work that she performed for the City's park signs.

Council Member Schulenberg motioned to approve the purchase of new Park Entrance signs in an amount not to exceed \$5,500. Council Member Mochinski seconded. Motion carried 4-0.

Mayor Stotko thanked the businesses for their donations and Mr. Martens stated that those businesses would be recognized at a future meeting.

c) Private Drain Repair – 410 Kingsley Street South

Mr. Martens stated that on May 21, 2012, the property owner at 410 Kingsley Street South contacted City Staff about a private drain not working.

The reason the owner contacted the City is that the drain is located in the area affected by the work done on the Kingsley Lift Station and the drain has not worked since the Lift Station work was completed.

Staff investigated the issue and originally stated to the property owner that the pipe was not affected by the Lift Station work.

The owner then hired Litzau Excavating Incorporated to televise the line and found that in fact it was affected by the Lift Station work.

Staff is working to contact the contractor and is reviewing the contract for liability. It is believed that this process may take some time and staff wishes to take care of the issue as soon as possible for the property owner.

Staff is requesting that the Council approve hiring a contractor to dig into Kingsley Street South to fix the pipe and repair the pipe from curb to curb.

This cost is estimated to be between \$5,000 - \$10,000 and is not budgeted for. The goal is to keep this cost as low as possible with the City's Public Works Department completing as much work as possible for the project.

It is recommended to hire Litzau Excavating Incorporated to complete the work since they are knowledgeable of the existing conditions.

Staff will continue to seek reimbursement from the contractor who performed work at the Kingsley Lift Station.

Martens displayed an aerial photo of the property and explained the locations of the problem. He stated that there is a storm sewer in the area but unfortunately it is not accessible to connect to for this project.

Council Member Quast motioned to approve City Staff to contract with Litzau Excavating Incorporated to complete work related to a private drain located at 410 Kingsley Street South. Council Member Schulenberg seconded. Motion carried 4-0.

d) Resolution R-12-12 – Abatement Notice for 171 McLeod Avenue West

Mr. Martens stated that a house fire took place at 171 McLeod Avenue West on August 5, 2011 that resulted in the property being damaged.

Since that time, staff has attempted to contact and work with the owner to resolve the issue by setting deadlines for action needed. To date, all deadlines have been passed and the recommended action is to abate the nuisance through summary enforcement.

Resolution R-12-12 provides an abatement notice to the property owner and requires the owner to appear before the City Council at the June 19, 2012 Council meeting. At that meeting the Council may determine what action to take.

Martens stated that costs to abate the nuisance will exist through attorney fees and improvement/demolition costs on the property if not abated by owner. All costs may be assessed to the property by approval of the City Council at a future meeting.

Council Member Schulenberg asked what the costs might involve. Mr. Martens responded that it is uncertain at this time but estimates the cost will be in the thousands of dollars.

Council Member Mochinski motioned to adopt Resolution R-12-12 providing for an abatement notice given pursuant to section 3 of Chapter 16 of the Winsted Municipal Code; and scheduling a City Council hearing thereon, including the possibility of “Summary Enforcement”. Council Member Quast seconded. Motion carried 4-0.

- 6) **No Organization Report.**
- 7) **No Department Report.**
- 8) **No Open Forum.**
- 9) **No Announcements.**
- 10) **Adjournment**

Council Member Quast motioned to adjourn the meeting. Council Member Mochinski seconded the motion. Motion carried 4-0.

The meeting was adjourned at 6:45 p.m.

Steve Stotko

Steve Stotko
Mayor
City of Winsted

ATTEST:

Raquel Kirchoff

Raquel Kirchoff, MCMC
Deputy City Clerk
City of Winsted