

City of Winsted
City Council Work Session
Vollmer Room
Wednesday, July 5, 2017
5:00 p.m.

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

Staff Present: Mr. Daniel Tienter, City Administrator
Ms. Raquel Kirchoff, City Clerk-Treasurer

I. Call to Order

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

II. Winsted Municipal Airport – Land Acquisition Process

Mr. Daniel Tienter, City Administrator, stated that at a Special City Council Meeting in June, 2017, the City Council decided to move forward with a paving project at the Winsted Municipal Airport and authorized a design and engineering grant. He further stated that the next step in the process for this paving project would be to work toward a land acquisition contract on two parcels, namely the Winsted Farmer's Co-op property and the Otto property.

Mr. Tienter stated that the cost for a land acquisition contract for these two parcels, which includes appraisals and review appraisals, referred to as a full narrative appraisal, under the guidance of the federal government, would be \$92,930. He further stated that to begin the land acquisition, the City would have to spend between \$40,000 and \$45,000, which would be approximately 43% to 48% of the overall land acquisition contract.

Council Member Fitzgerald asked if the City would get reimbursed for those costs.

Mr. Tienter stated that if the City was successful in obtaining purchase agreements on the parcels, the federal and state governments would reimburse for those costs. If not, the City would not be reimbursed and would be responsible for the entire cost.

Council Member Fitzgerald asked why the appraisals were so costly.

Mr. Tienter stated that they were not an appraisal that could be compared to a home appraisal, but were a full narrative appraisal that is standard in any federal land acquisition.

Council Member Ollig questioned if no purchase agreements were signed, would the City's next options be the use of eminent domain or move to the turf option for the Runway Project.

Mr. Tienter stated that was correct. He reminded the City Council that if they decided not to move forward with their condemnation authority, and to move forward with the turf restoration project instead, they would forfeit any right to reimbursement of the monies spent on appraisals.

Mr. Tienter explained other options that could be included as part of the land acquisition contract for these two parcels to not spend the entire amount of the contract initially. The City could move forward with a portion of the process and get to the point where the City has the appraisals. At this point, if the City finds that the property owner is unwilling to sell, it could stop the process.

Mr. Tienter stated that the City could also work on one parcel at a time instead of the two combined into one contract.

Council Member Fitzgerald asked if the City has had any informal conversations regarding land acquisition with the affected property owners. Mr. Tienter stated that City staff contacted all of the impacted property owners whose position regarding the land acquisition process were not known to the City. That was how it was found that the Winsted Farmer's Co-op and the Otto's were not necessarily interested in any acquisition effort.

Mr. Loren Kieser, Winsted Farmer's Co-op representative, was present at the Work Session and stated that if the Winsted Farmer's Co-op could acquire a piece of land on the other side of the Luce Line State Trail, they may consider the City's request for land acquisition.

Mr. Tienter stated that the City still needs to have conversations regarding land acquisition with all affected property owners. None of the land owners have agreed to sell at this point; some have indicated that they are open to conversations regarding selling their land.

The City Council Members asked if the City Administrator and a City Council Member could meet with the Winsted Farmer's Co-op and the Ottos regarding if these land owners would sell their property under any circumstance, to save time and money.

Mr. Tienter stated that he would need to forward that question to the City Attorney and City Engineer, Bolton and Menk, Incorporated because of the Federal Acquisitions Act.

Mr. Tienter stated that a typical practice for this type of land acquisition, to ensure that the City does not end up owning odd parcels of land around the airport, is to make all of the purchase agreements contingent upon the execution of all of the other purchase agreements. This means that the City buys all of the land, or none of it, and any one property owner that is unwilling to sell will end the process.

Mayor Stotko asked what happens if the City Administrator and Council Member cannot have conversations with the property owners. The City Council Members stated that \$45,000 - \$90,000 was a lot of money to spend if it is uncertain that all property owners will sell. The City Council Members stated that they are not in favor of eminent domain.

The City Council Members directed Mr. Tienter to ask the City Attorney and Bolton and Menk, Incorporated if they could have a discussion with the Winsted Farmer's Co-op and the Ottos. Mr. Tienter asked if the City Council would like to schedule a Special City Council Meeting once the answer to this question is known. This would be in the interest of providing the maximum amount of time for completing the appraisals and negotiations regarding land acquisition if that is able to move forward. The City Council Members stated yes.

Council Member Ollig addressed Mr. Kieser and stated that as of today's date, the City Council is not in favor of eminent domain if there is a landowner that is not willing to sell land to the City. He continued by stating that as of today's date, it is the opinion of the City Council that if a land owner is unwilling to sell, the City Council will consider the turf runway project.

Mayor Stotko asked Mr. Tienter if the cost of \$92,000 for this Land Acquisition Contract was only for the Winsted Farmer's Co-op and Otto parcels. Mr. Tienter stated yes; however, that amount would cover some title work for all of the properties. Mr. Tienter stated that the City would need to enter into additional Land Acquisition Contracts for the other parcels if the City moved forward.

Council Member Ollig stated that Mr. Otto did talk with him and he stated that he does not want the runway any closer to his house; his position on the matter is not about the money.

III. Other

a) Amended Agenda - Community Solar Garden

Mr. Tienter stated that the City Council Meeting Consent Agenda has been amended for tonight's meeting to include "Item s. Security Deposit Agreement - Minnesota Solar, LLC", authorizing the

City Administrator to execute an agreement with Minnesota Solar, LLC, providing funds for decommissioning a Community Solar Energy System, pursuant to their Interim Use Permit (IUP).

b) Winsted Lake Water Quality

Mr. Tienter stated that he and Mayor Stotko attended a meeting with the Department of Natural Resources (DNR), the Winsted Lake Watershed Association and interested property owners to discuss water quality improvement initiatives.

c) State of Minnesota Aid

Mr. Tienter stated that for the years 2017 through 2019, the City would be receiving an additional \$17,581 from the State of Minnesota from the Small Cities Assistance Aid. The City will also receive an additional \$9,469 in Local Government Aid.

d) Improvements at City Ball Fields

Mr. Tienter stated that the Winsted Youth Baseball and Softball Association have completed improvements at ball fields within the City, to include the installation of dugouts, a new storage shed, and a new scoreboard. These items will be donated to the City so they may be placed under the City's umbrella for insurance purposes.

IV. Adjourn

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

The meeting was adjourned at 5:35 p.m.

Steve Stotko
Mayor
City of Winsted

ATTEST:

Raquel Kirchoff, CMC
City Clerk-Treasurer
City of Winsted