

City of Winsted
City Council Work Session
Lewis Room
Tuesday, December 18, 2012
5:00 p.m.

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

Absent: Council Member Mochinski

Staff Present: Brad Martens, City Administrator
Deborah R. Boelter, City Clerk-Treasurer

I. Call to Order

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

II. Commercial Operation Agreement – Joe Johnson, Westside Skydivers

Mr. Martens stated that there is an update on the process of negotiations for a new agreement with Mr. Joe Johnson on the agenda for the City Council meeting. There is no action to be taken since there is not agreed upon language within the agreement at this time.

Mr. Martens stated that he has developed a resolution for the City Council to consider for approving how fees are calculated for Commercial Operators. The fees considered should be fair and consistent for all operators. Martens stated that a process to charge for wear and tear on the runway is unknown at this time.

Council Member Schulenberg asked if there is a way to pro-rate the use of the runway. If Westside Skydivers signs an agreement to stay at the Winsted Airport, they are using the runway a large percentage of the time and most of the wear and tear will be produced by Westside Skydivers.

Mr. Martens stated that the Winsted Municipal Airport is an uncontrolled airport, so there is no way of tracking the take offs and landings of aircraft. If the City would set a fee based on gross revenues of an operator, then the operator would have to provide the City with their financial records which would not be the most effective process for the City to implement.

Council Member Ollig asked if Mr. Martens was favoring the Federal Aviation Administration (FAA) fee structure that Martens had discussed previously. Mr. Martens stated that the fee structure has shifted toward actual direct cost that the City has spent within the last year in expenses due to the operation of Westside Skydivers. Mr. Martens reviewed the fees, including staff time.

Council Member Ollig asked what Mr. Johnson's main objections to the agreement are. Mr. Martens stated fees, hours of operation, and suspension and termination language in the agreement.

Council Member Quast asked if the parking lot is part of the negotiations with Mr. Johnson and also asked if the parking lot could be designated for the individual hangar owners. Mr. Martens stated no and that the FAA has informed the City that the parking lot has to be open to the general aviation public and is not for business operations.

Council Member Ollig stated that Mr. Johnson's business is good for the City but the Airport belongs to the City and the City creates the contract. If Mr. Johnson does not agree to the contract, then he cannot use the Airport. Mayor Stotko agreed and stated that he agrees with Council Member Schulenberg's comments regarding charging for wear and tear on the Airport.

Mayor Stotko continued by stating that the City cannot move backward with the contract and needs to make sure that the costs of the Airport from Mr. Johnson's business are being covered.

Mr. Martens stated that he has talked with the FAA and the City can charge anything fair and reasonable for fees. Mr. Martens stated that the Airport does need revenue and within the proposed 2013 budget, expenditures exceed revenue. Increasing the fees within the contract would eliminate this loss.

Mr. Martens stated that the City has heard comments from Winsted business owners that Westside Skydivers helps their businesses by bringing people into their businesses. Martens stated that Westside Skydivers puts Winsted on the map.

Mayor Stotko stated that Westside Skydivers does put Winsted on the map, but if you compare Westside Skydivers to other Winsted businesses with many employees coming to Winsted each day, they too are bringing a great amount of business to Winsted. The City is subsidizing Mr. Johnson's business and that is not a position the City should be in. The City wants Westside Skydivers in Winsted, but the City needs to be fair and consistent. The City knows there have been issues with the business in the past, and there will continue to be issues.

Council Member Schulenberg stated that the City has been fair to Mr. Johnson.

Mr. Martens stated that he feels the City is very fair and reasonable with the proposed agreement and explained the process of what would happen if an agreement was not made with Westside Skydivers. This included stating that a high priority for 2013 is developing Airport minimum standards stating what activities can take place at the Airport and why. Part of these standards would define operating a skydiving business and give requirements like minimum hangar size for that type of business, requiring a separate parking lot for the business, etcetera.

Council Member Ollig asked if Mr. Johnson would purchase land in Winsted Township for his business and use that land for his landing site, could the City still charge a fee for on and off use of the runway.

Mr. Martens stated yes depending on the circumstances; that it would be a through the fence agreement if he's driving from his property onto the Airport property.

Mayor Stotko asked those present at the Work Session if they had any comments that they would not be stating at the Council Meeting.

Mr. Glenn Ehrke, 3496 - 230th Street, Winsted stated that he spoke with the FAA because he is concerned about Mr. Johnson purchasing private property and a through the fence agreement will not be as easy as it appears to be. Mr. Ehrke stated his opinion that because the skydiving business is Airport related, the business should be on the Airport property. He also stated his opinion that a small airport like Winsted's is made for hobby and recreational flying, but Mr. Johnson's business has turned the Airport into a very commercially operated Airport.

Mr. Ehrke asked why the City could not develop a fee for Mr. Johnson's take offs and landings, because of his high usage. This would help to cover the costs that Mr. Johnson is creating for the Airport. He continued by stating that he realizes that the City would have to rely on Mr. Johnson's honesty for this, but that Mr. Johnson has to keep log records of flight times which he should have to share with the City to develop a fee.

Council Member Ollig stated that this idea makes sense; however, it would need to be researched to see if this option for a fee is possible.

Mr. James Baird, 24505 Grass Lake Road, Winsted stated that he owns property near the Airport and was not aware that skydivers were not always landing in the drop zone. Baird explained that a parachute from the skydivers on his land did extensive damage to a combine owned by a farmer that rents land from him. Mr. Johnson's insurance did not pay for this damage to the combine. Mr. Baird asked who would pay for the damage if something similar like this happens again; would the City's insurance pay for it? Council Member Ollig stated that this would be a civil matter between the two parties involved, and that the City would not have an insurance liability.

Mr. Baird described other instances where the skydivers were not landing in the drop zone and how he has had to call the McLeod County Sheriff because they have been on his property. He stated parachutes are large and can do damage to crops. He continued by asking if the actual money that the City is making on the skydiving business is worth the issues that the City is having from the business. Council Member Ollig stated that the City did not make money in 2012 and that is the reason that a new contract is being created so that the Airport has funds to cover the cost of the business.

Mr. Baird and Mr. Ehrke expressed their opinion on why they thought Mr. Johnson was considering purchasing Township land to avoid more strict regulations from the City. Council Member Ollig asked if the land is purchased by Mr. Johnson, does he need approval from the McLeod County planning and zoning department. Mr. Ehrke stated yes. Mr. Baird stated that Mr. Johnson does not follow regulations. He described an example of McLeod County issuing a warning for removal of trailers parked on Mr. Johnson's property, yet they are not moved.

Council Member Schulenberg stated that he appreciated the information given by Mr. Ehrke and Mr. Baird.

Mayor Stotko stated that the Airport is a public facility and the City is trying to create a contract with requirements that have to be followed.

Mr. Martens stated that the information shared is good information to have and continued by stating that the City could require an addendum to the minimum insurance requirements within the agreement to require coverage for the types of activities/damages that Mr. Baird referred to.

Council Member Schulenberg stated that even if Mr. Johnson would acquire this type of insurance, Mr. Ehrke and Mr. Baird would still have issues with Mr. Johnson.

Mr. Baird and Mr. Ehrke stated that Mr. Johnson does not ask for permission to be on property that does not belong to him and is not interested in attempting to do so. Mr. Ehrke stated that people are really getting fed up with Mr. Johnson.

Mr. Ehrke asked if the City gave Mr. Johnson permission to cut down trees next to the swamp, in the landing zone. The City Council stated no. Mr. Ehrke described how Mr. Johnson was cutting trees down in the early spring of 2012 and left the brush and other materials in the swamp, which affects farming of crops. Ehrke also stated that Johnson has thrown stones into fields, which also affects farming of crops.

Mr. Ehrke asked if Mr. Johnson or the City pays for the cutting of the landing zone. Mr. Martens stated that Mr. Johnson pays for the mowing. Mr. Ehrke stated that the area that is mowed has increased all the way up to swamp, increasing the landing zone in size.

Mr. Baird stated that farming is his livelihood and the skydivers landing in the fields adversely affects farming.

The City Council thanked Mr. Baird and Mr. Ehrke for the information they shared.

III. 2013 Appointments

Mr. Martens presented the year 2012 appointments and asked the City Council for direction on recommendations for 2013 Appointments. The City Council discussed appointment for the year 2013.

IV. Other

a) Snow Removal

Council Member Ollig stated that residents have contacted him asking if the Public Works Department could snow plow streets to the curb. Currently, pedestrians are walking on the street, three (3) feet from the curb. Ollig continued by stating that residents have requested that the sidewalk along Linden Avenue, between 1st Street North and St.

Mary's Care Center, be cleared of the snow that is currently on it because pedestrians cannot use it and are forced to walk on Linden Avenue, which is dangerous.

The City Council discussed the removal of snow from streets and sidewalks and directed Mr. Martens to have the Public Works Department work toward plowing the snow to the curb on City streets, and to clear the snow from the sidewalk on Linden Avenue between 1st Street North and St. Mary's Care Center. The City Council stated that the ordinance regarding the clearing of snow from sidewalks will need to be reviewed in the future.

b) Resignation – Council Member Mochinski

Mr. Martens stated that the City Council is able to appoint a new City Council member instead of holding a special election. Interested individuals will be directed to submit a letter of interest to the City by a certain date.

V. Adjourn

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

The meeting was adjourned at 5:50 p.m.

Steve Stotko

Steve Stotko
Mayor
City of Winsted

ATTEST:

Raquel Kirchoff

Raquel Kirchoff, MCMC
Administrative Assistant
City of Winsted