

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

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

**I. Call to Order**

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

**II. 2013 Budget**

Mr. Martens stated that at the May 22, 2012 Special City Council Work Session, the City Council directed staff to complete a survey comparing the salaries, wages and insurance benefits that employees receive from other Minnesota cities comparable to the demographics of the City of Winsted and also surrounding communities. Martens continued, stating that he has begun the process by starting the comparison with other cities and noted that there are differences in position titles between cities. He stated that he is comfortable with comparing those differences of positions between the cities, presenting the survey, and updating the City's job descriptions and asked for the City Council's opinion of him completing this. He stated that another option would be to hire an outside consultant to compare multi-sector data, both private and public, and update the City's job descriptions for a fee of approximately \$4,000.

The City Council discussed and agreed that Mr. Martens should complete this process instead of hiring an outside consultant and would like to see all of the data that Martens receives to complete the process.

Mr. Martens stated that he has received six (6) responses from the survey initially sent to the following cities; Arlington, Chatfield, Cokato, Dodge Center, Foley, Gaylord, Howard Lake, Janesville, Le Center, Lester Prairie, Montgomery, Montrose, Paynesville, Plainview, Watertown and Zumbrota.

Council Member Schulenberg asked if from the responses received, had Mr. Martens found any information that would be of benefit to the City. Martens stated that the responses received so far show that the salaries are comparable to Winsted but the benefits differ in a wide range. He continued by stating that the data would be presented in the future after more responses were received.

Mr. Martens stated that the responses received so far show that every City has a pay step system for their pay plan where employees may advance to the next step annually, based on a performance review; and in addition to that plan, the City Council has the authority to authorize a Cost of Living Adjustment (COLA) to the entire plan, if they desire, at the first of the year.

Martens presented an example of a ten (10) step pay plan for three (3) different job descriptions. He continued by demonstrating what pay for these three different employees would be in the following scenarios; the City Council freezing step increases and not approving a COLA, the City Council approving a step increase with no COLA, and the City Council freezing step increases but approving a three percent (3%) COLA.

Martens explained that all increases would solely be at the discretion of the City Council and that the City Council would be responsible for setting the pay ranges on the plan, based on information provided.

Mayor Stotko asked if the City has followed the steps that we have in our current plan. Mr. Martens stated not perfectly and that a new base would be needed. He continued by stating that there will be some difficulties with implementing a new step plan and the decisions of where to place employees on the plan.

The City Council discussed some of the current positions that the City has and how they would start with the new pay plan. Mr. Martens stated that any discussion of changes to the current positions would need to be a directive from the City Council.

Council Member Mochinski asked how the grades of the step pay plan are determined. Mr. Martens responded that grades are assigned by the difficulty of ones job and that positions are assigned to a grade. Martens further stated that our current step system has grades and any changes to a grade would be at the City Council's discretion.

Mr. Martens asked the City Council if the step plan that he described made sense and stated that in a year when there were not budget constraints, it is possible for employees to receive both a step increase and a COLA. This pay plan allows for that. He further stated that all pay increases are at the full discretion of the City Council.

Council Member Mochinski asked if ten (10) years was the norm for a step pay plan. He stated that in his opinion, it is too soon. Mayor Stotko responded that at his place of employment, they are based on a fifteen (15) year plan. The City Council discussed the pay step plan further and approved of its design to work off of for the creation of the City's plan.

Mr. Martens stated that the pay step plan is a proven plan; however, a disadvantage of the plan is that a satisfactory employee and an exceptional employee are rewarded with the same step increase. Martens further stated that there are other options to reward an exceptional employee besides pay. Martens also stated that a benefit of the plan is that it is public and everyone is treated the same way.

### **III. 171 McLeod Avenue West – Abatement Process**

Mr. Martens stated that Resolution R-12-12 was on the June 5, 2012 City Council meeting agenda and it sets the abatement in motion for 171 McLeod Avenue West by sending an abatement notice to the property owner and mortgage company, and also calling for a hearing on June 19, 2012 where the property owner is required to attend that hearing. Martens stated that if the property owner does not attend the hearing, the City is still able to take the action that they decide upon at that meeting. Options for action will be recommended at the June 19<sup>th</sup> meeting, and could either be to have all of the items required from the Building Inspector's list completed by a certain date, or demolition of the house if these are not met.

Council Member Quast asked what the property owner's insurance declared for the state of the property. Mr. Martens replied that the City does not know that information. Council Member Mochinski asked if the property owner had any idea of how the abatement process works. Mr. Martens replied that it is doubtful that they know.

### **IV. 125<sup>th</sup> Anniversary Open House**

Mr. Martens stated that the Winsted Area Chamber of Commerce is soliciting businesses within Winsted to have an open house during the 125<sup>th</sup> Anniversary Celebration during the Winsted Summer Festival, August 6<sup>th</sup> – 12<sup>th</sup>, 2012. The City Council discussed holding an open house on August 7, 2012 at City Hall and possibly the Fire Department, the new Arrival/Departure (A/D) Building at the Airport and the Public Works Building.

### **V. Other**

#### **a) Private Drain Issue – 410 Kingsley Street**

Mr. Martens stated that a private drain issue at 410 Kingsley Street would be discussed at the June 5, 2012 City Council meeting. Martens reviewed a brief history of the drainage issue, stating that what was initially believed not to be a City issue, is a City

issue. Martens continued by stating that the City is working with the contractor who completed the work for the Kingsley Lift Station and there is a possibility that the City could receive a small payment from the contractor to use towards the repair. Martens stated that the cost of the repair for the issue is approximately \$5,000 - \$10,000. It is hoped that the amount will be closer to the \$5,000 estimate if the City's Public Works Department is able to complete some of the preparatory work.

Mayor Stotko asked when Kingsley Street was scheduled for work according to the Pavement Management Plan. Mr. Martens thought that the timeframe for work on Kingsley Street was in the year 2016.

Council Member Schulenberg asked if there were any problems with the house at 410 Kingsley because of this drain issue. Mr. Martens stated that if a claim was submitted for the house, it would be forwarded to the League of Minnesota Cities.

Mayor Stotko asked if the City's insurance would cover any of the cost for the repair. Mr. Martens stated that he would check on that possibility.

**b) Time Off Without Pay**

Mr. Martens stated that a staff member is interested in taking time off without pay and explained that many cities have a furlough plan where employees take a week off without pay while retaining their health benefits. The employee would not accrue vacation or sick time while they were on the furlough. The benefit to the City would be the savings of the employee's compensation for that week, and asked the City Council if they would consider this option. The City Council stated that they would consider offering the option on a trial basis.

**c) Winsted Lake Aerator**

Council Member Mochinski asked if the City wanted the aerator running in Winsted Lake, explaining that he believes it will be a bad year regarding algae and the lake producing a bad odor. Mochinski asked if that odor will be wanted during the City's 125<sup>th</sup> Anniversary Celebration.

Council Member Quast asked what the cost to run the aerator was. Council Member Mochinski replied that the cost was \$500 per month. Mr. Martens stated that the City Council cut that expense from the 2012 Budget.

The City Council discussed the benefits versus the expense of running the aerator; and decided that because it is the City's 125 Anniversary Celebration, the aerator should run. Council Member Mochinski reminded the City Council that there is no guarantee that the lake or smell will clear, even with the aerator running.

**VI. Adjourn**

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

The meeting was adjourned at 5:57 p.m.

*Steve Stotko*

Steve Stotko  
Mayor  
City of Winsted

ATTEST:

*Raquel Kirchoff*

Raquel Kirchoff, MCMC  
Deputy City Clerk  
City of Winsted