

City of Winsted
City Council Meeting
Council Chambers
Tuesday, August 16, 2016
6:00 p.m.

Present: Mayor Steve Stotko
Council Member Bonita Quast
Council Member George Schulenberg
Council Member Patty Fitzgerald
Council Member Tom Ollig

Staff Present: Mr. Dan Tienter, City Administrator
Ms. Raquel Kirchoff, City Clerk-Treasurer
Mr. Justin Heldt, Winsted Police Department Chief

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

a) The Pledge of Allegiance was taken.

2) Consent Agenda

Mayor Stotko read the Consent Agenda.

a) Minutes – City Council Regular Meeting – August 2, 2016

Approved the minutes of the City Council Regular Meeting on August 2, 2016.

b) Minutes – Park Commission Meeting – June 16, 2016

Accepted the minutes of the Park Commission Meeting on June 16, 2016.

c) Minutes – Planning Commission Meeting – July 11, 2016

Accepted the minutes of the Planning Commission Meeting on July 11, 2016.

d) Safety Program Contract – SafeAssure Consultants, Incorporated

Authorized the City Administrator to execute a contract with SafeAssure Consultants, Incorporated, to provide a safety program for the City of Winsted in the amount of \$2,958.

e) Ordinance O-16-04 – Temporary Family Health Care Dwellings

Adopted Ordinance O-16-04, opting out of the temporary family health care dwellings law.

f) Resolution R-16-34 – Bureau of Criminal Apprehension - Joint Powers Agreement

Adopted Resolution R-16-34, a Joint Powers Agreement between the State of Minnesota, acting through its Department of Public Safety, Bureau of Criminal Apprehension (BCA) and the City of Winsted on behalf of its Prosecuting Attorney.

g) Resolution R-16-35 – Donations – Winsted Area Chamber of Commerce and Target Corporation

Adopted Resolution R-16-35 to accept a \$50 donation of Winsted Bucks from the Winsted Area Chamber of Commerce and a \$50 gift card donation from Target Corporation to be dedicated to the Winsted Police Department for the 2016 Winsted Night Out event.

h) Emergency Purchasing Authority - Storm Damage Tree Removal

Per the City's Purchasing Policy, accepted the report of the City Administrator for the emergency purchase of storm clean-up services in an amount not to exceed \$10,000, related to the severe thunderstorm in Winsted on Thursday, August 4, 2016.

i) Land Lease Agreement – Dale and Elizabeth Barfknecht

Authorized the City Administrator to execute a land lease with Dale and Elizabeth Barfknecht to farm approximately six (6) acres of land adjacent to the Wastewater Treatment Facility in the amount of \$1,200 and expiring December 31, 2016.

j) Purchasing Authority – Park System Master Plan

Authorized the City Administrator to expend up to \$3,000 for Park System Master Planning.

k) Security Bank & Trust Company – Pledged Securities

Approved the Pledged Securities that Security Bank & Trust Company has purchased for the City of Winsted for the month of July, 2016.

l) July, 2016 Building Permit Report

Accepted the July, 2016 Building Permit Report

m) Claims

Approved the claims list for August 16, 2016.

Council Member Tom Ollig motioned to adopt the Consent Agenda as presented. Council Member George Schulenberg seconded the motion. Motion carried 5-0.

3) Public Hearings

a) Downtown Vibrancy Commission Transition

Mayor Stotko opened the public hearing.

Mr. Tienter presented information regarding the Downtown Vibrancy Commission transition (Commission) to the City Council, stating that the City Council should consider adoption of a resolution to revise the enabling resolution for the Economic Development Authority (EDA). Per Minnesota State Statute, in order to revise any enabling legislation for an EDA, the City has to go through a 30 day notice and a public hearing process.

Mr. Tienter stated that as part of the 2016 City Council Goal Setting Retreat, the City Council directed City staff to explore reconstituting the EDA; and by doing so, sunset the Downtown Vibrancy Commission. Mr. Tienter stated that an EDA is established, but is only called together from time to time to accomplish very specific purposes. City staff is now proposing to make the EDA a regular and active advisory commission to the City Council to adopt and pursue a proactive EDA consistent with the City Council's directions.

Mr. Tienter stated that the amended enabling resolution mirrors the initial enabling resolution, but that membership would shift from five (5) Council Members and two (2) at-large commissioners to two (2) and five (5), respectively, which is a more typical arrangement. It also takes advantage of the fact that the City currently has very active and interested residents that would like to advise the City Council on Economic Development Initiatives on the Downtown Vibrancy Commission and on the current EDA. By shifting the membership, it is an opportunity to take advantage of their enthusiasm, interest, and expertise in regards to economic development for the City.

Mr. Tienter briefly referred to the recommended EDA Bylaws included in the City Council meeting packet. He stated that the Bylaws would require the City Council to reappoint the entire EDA membership and that City staff could start the process if the resolution is passed.

Mr. Tienter stated that another resolution considered for adoption is to sunset the Downtown Vibrancy Commission. Mr. Tienter stated that the Downtown Vibrancy Commission was started a few years ago to focus on economic development and re-development in the downtown area. That group has been very active, but recently, the Downtown Vibrancy Commission has started to consider larger projects outside of the downtown area, making it appropriate to sunset the Downtown Vibrancy Commission and transition possible members from that Commission to an EDA to take advantage of their enthusiasm and to make use of the broad powers that the EDA has to accomplish the City Council's EDA vision.

Council Member Ollig asked if any members of the current Downtown Vibrancy Commission have expressed interest in applying for an EDA position. Mr. Tienter replied that several members have expressed interest in serving on the EDA.

Council Member Ollig motioned to close the public hearing. Council Member Quast seconded. Motion carried 5-0.

Council Member Quast motioned to adopt Resolution R-16-36 to revise the enabling resolution for the Economic Development Authority. Council Member Fitzgerald seconded the motion. Motion carried 5-0.

Council Member Ollig motioned to adopt Resolution No. R-16-37 to sunset the Downtown Vibrancy Commission. Council Member Schulenberg seconded the motion. Motion carried 5-0.

4) No Old Business

5) New Business

a) Resolution R-16-38 – Sale of General Obligation Bonds

Mr. David Drown, David Drown Associates, reviewed the sale of General Obligation Bonds with the City Council members, stating that the apparent low bid was received by United Bakers Bank. Mr. Drown reviewed the results of the bid as follow.

<u>Banking Institute</u>	<u>Bid Percentage</u>
United Bakers Bank	2.0445%
Northland Securities	2.1231%
RW Barrett	2.145%
Stifle	2.2803%

Mr. Drown stated that initial interest estimates were approximately 2.2%; and the apparent low bid is lower than this initial estimate, which means that payments over time will be reduced by approximately \$30,000 - \$40,000. Also included in this sale of General Obligation Bonds is a re-funding of 2008 B bonds which funded the building of the City Hall.

Mr. Drown recommended that the City proceed with the low bidder, United Bakers Bank. He continued by stating that the sale will close on September 1, 2016 and the City will have the funds thereafter.

Mr. Tienter reviewed Resolution R-16-38 and the process for completing the bond issuance.

Council Member Fitzgerald motioned to adopt Resolution R-16-38, providing for the issuance and sale of \$1,675,000 General Obligation Bonds, series 2016a, pledging for the security thereof special assessments and net revenues and levying a tax for the payment thereof. Council Member Quast seconded the motion. Motion carried 5-0.

b) Winsted Volunteer Fire Department – Vehicle Purchase

Mr. Tienter stated that information regarding the purchase of a new fire rescue vehicle was included in the meeting materials for tonight's meeting. This vehicle was reviewed with the City Council members at a previous City Council Work Session.

Mr. Troy Scherping, Captain 3 and Mr. Todd Koch, Captain 2, Winsted Volunteer Fire Department, were present at the meeting and also reviewed information regarding the proposed vehicle with the City Council members and stated that the Winsted Fire Board supports the purchase of the vehicle.

Council Member Schulenberg asked where repairs could be done on the new truck. Mr. Scherping replied that the truck will be purchased through North Central Fire Rescue, which is Jerry's Transmission in Lester Prairie, who should be able to repair the truck either at the Winsted Fire Hall or at Jerry's Transmission.

Council Member Quast motioned to authorize the City Administrator to purchase a Spartan Fire Truck and associated equipment in an amount not to exceed \$600,000 through the Houston-Galveston Area Council Cooperative Purchasing Venture and also authorize the City Administrator to begin the General Obligation Equipment Certificate process. Council Member Schulenberg seconded the motion. Motion carried 5-0.

c) Resolution R-16-39 – Community Solar Energy System Interim Use Permit (IUP)

Mr. Tienter stated that on April 19, 2016, Minnesota Solar, LLC filed an application for an Interim Use Permit and Site Plan Review with the City of Winsted for a community solar garden. A community solar garden is a solar energy system that, under Minnesota state law, is one (1) megawatt or more. This particular solar garden will produce three (3) megawatts. The site is located on 40 acres just east of the Winsted Municipal Airport off of McLeod County Road 1.

Mr. Tienter stated that an IUP is essentially a conditional use permit. It is called an IUP because it expires after a certain number of years; this IUP would expire after 30 years. Mr. Tienter stated that a variety of zoning and other stipulations and requirements are included in the IUP and described a few as follow.

- There is a screening requirement from the major road ways (McLeod County Road 5 and McLeod County Road 1).
 - There will be 100% screening using a mixture of White Cedar Evergreen and Black Hills Spruce with Dogwood Hedges. The screening will grow and it is expected to reach maturity over a couple of years. Eventually the site would not be visible from the street.
- There will be a seven foot high fence (a variance was requested and approved from the Planning Commission).

Mr. Tienter stated that the developer will still have to complete the traditional building permit process. Before the site is constructed, the City will complete its regular inspection process consistent with the building permit. The site will be required to have an interconnection agreement with Xcel Energy. The power that is generated from this facility is wheeled onto the Xcel Energy network and then Minnesota Solar, LLC sells subscriptions to interested parties who then get credits from Xcel Energy to reduce their overall electrical bill.

Mr. Tienter stated that before the site can operate, the developer will be required to provide a detailed emergency shut down plan to allow emergency services access to the site as well as a disconnect on site in case of malfunction, damage, etcetera. According to Minnesota Solar, LLC, the site is monitored by both Xcel Energy and Minnesota Solar, LLC and is capable of being shut down remotely.

Mr. Tienter stated that a decommissioning plan is required as part of an Interim Use Permit. The plan includes everything the developer needs to complete, to remove the development from the site. As part of the plan, the City would require a letter of credit, a bond, or something of that nature to ensure funds are available to decommission the site if needed. The site must adhere to all standards of the Minnesota National Electric Code and in the event of abandonment (not being used for 12 successive months) the City would deem it abandoned and it would be removed.

Mr. Tienter stated that there is also an annual audit of all the IUP and site plan requirements. Every year the City has the opportunity to inspect the site to ensure that it is complying with all IUP and site plan requirements and bring any enforcement action necessary to ensure compliance under the terms of the permit.

Council Member Ollig commented that the Planning Commission has held numerous meetings on this project and asked many questions. They have been very diligently working through something that is foreign to the City.

The City Council Members asked questions about the wetlands and about how many trees would be removed. Mr. John O'Donnell, Acting Project Manager of Minnesota Solar, LLC stated that appropriate setbacks have been designated and Mr. Tienter added that, according to the review, not many trees would be removed. Mr. Tienter continued by stating that the City consulted with McLeod County's wetland coordinator about the wetland and there were some modifications to the site to set them back further than the wetlands and a drainage plan was also put in place to mitigate any impact to wetlands.

Council Member Quast asked if the site only benefits Xcel Energy customers. Mr. O'Donnell confirmed that was correct.

Council Member Ollig motioned to adopt Resolution R-16-39, approving an Interim Use Permit (IUP) with conditions for a Community Solar Energy System (Solar Garden) in the I-1 Industrial District. Council Member Fitzgerald seconded the motion. Motion carried 5-0.

d) Resolution R-16-40 – Community Solar Energy System Site Plan Approval

Council Member Ollig motioned to adopt Resolution R-16-40, approving the site plan for a Community Solar Energy System (Solar Garden) in the I-1 Industrial District. Council Member Schulenberg seconded the motion. Motion carried 5-0.

6) Organization Report

a) Winstock Country Music Festival (Winstock)

Mr. Mike Henrich, Winstock Country Music Festival committee member, presented the following information regarding the festival.

- Began in 1993 and has grown to be one of the Upper Midwest's premiere outdoor country music and camping festivals organized entirely by volunteers.
- All proceeds are used to help fund education for students at Holy Trinity School in Winsted. More than 800 people from surrounding communities, schools and churches, volunteer their time to help bring world class entertainment to our community in support of Holy Trinity School.
- In 1993, attendance was 1,200 with 97 campsites. In 2016, attendance was 18,000 with 3,800 campsites. During Winstock weekend Winsted grows from a population of 2,500 to a population of over 20,000.
- Winstock owns and rents approximately 240 acres that are used for the entertainment venue, general parking and campgrounds.
- Winstock has donated just under \$6 Million dollars since 1993 to support Holy Trinity School. This money is used to advance technology for its students, support maintenance of the buildings, pay teacher salaries and supplement tuition cost. Without Winstock it is safe to say Holy Trinity High School could not continue operation.
- Holy Trinity School employs approximately 50 individuals; most who live in Winsted, pay taxes, and volunteer their time on many City and Civic organizations. Losing any business in Winsted that employs 50 people would have a great impact to Winsted.
- Winstock supports the Winsted Summer Festival by donating ticket booths, electrical cords and much more at no cost to the City. The Winsted Volunteer Fire Department holds its annual fundraiser Spaghetti dinner on the Winstock grounds during the Festival and uses the Holy Trinity kitchen, with no charge.
- Winstock donates General Admission tickets to many organizations, including the Winsted Library, and these tickets are auctioned off to raise funds to support those local organizations.
- There is a large economic impact to Winsted businesses from Winstock attendees and they rely on the revenues generated from festival attendees.
- In 2016, the Winsted Police Department reported that Winstock experienced very few problems. Security at Winstock comes from Police Departments in Winsted, Glencoe, and Silver Lake, the McLeod County Sheriff's Department, the McLeod County Posse, Carver, Meeker and Sibley Counties, and the Minnesota Highway Patrol. Medical support comes from Winsted Fire and Rescue, Ridgeview Hospital in Waconia, and hospitals from Glencoe, Hutchinson, and Buffalo are on call and available if needed.
- 34 medicals occurred in 2016, mostly heat related.
- Winstock thanks the City of Winsted and citizens for their support.

7) No Open Forum

8) Announcements

Winsted Police Chief Justin Heldt thanked the citizens of Winsted that attended Winsted Night Out on Thursday, August 11, 2016 and stated that the event was very well attended.

9) Adjournment

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

The meeting was adjourned at 6:43 p.m.

Steve Stotka

Steve Stotka
Mayor
City of Winsted

ATTEST:

Raquel Kirchoff

Raquel Kirchoff, CMC
City Clerk-Treasurer
City of Winsted