

City of Winsted
City Council Meeting
Council Chambers
May 19, 2009
6:00 p.m.

Present: Mayor Steve Stotko
Council Member Bonnie Quast
Council Member Tom Ollig
Council Member Dave Mochinski
Council Member Tom Wiemiller

Staff Present: Brent Mareck, City Administrator
Deb Boelter, City Clerk-Treasurer
Fran Eggert, City Attorney
Mike Henrich, Chief of Police
Mike Mensen, Police Officer

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

a) **The Pledge of Allegiance was taken.**

2) **Consent Agenda**

Ollig motioned to adopt the Consent Agenda as presented. Quast seconded. Motion carried 5-0.

a) **Minutes - City Council – Work Session – May 5, 2009**

Accepted the minutes of the City Council Work Session of May 5, 2009.

b) **Minutes – Regular City Council Meeting – May 5, 2009**

Accepted the minutes of the Regular City Council Meeting of May 5, 2009.

c) **Pest Control – Winsted City Hall**

Authorized a contract for pest control services with Plunkett's Pest Control Service for \$490.

d) **2008 LGA Unallotment – Resolution R-09-04**

Authorized the use of Construction Funds to make the lease payment of the lower level of the City Hall building and applying the 2009 levied amount to the 2008 General Fund.

e) **Winsted Volunteer Fire Department Relief Association – Gambling Contribution**

Accepted a contribution from gambling proceeds from the Winsted Volunteer Fire Department Relief Association in the amount of \$2,500 to be dedicated to the City of Winsted's Park Fund for 2009.

f) **Licenses to Sell Tobacco Products and Tobacco Related Devices**

Approved licenses to sell Tobacco Products and Tobacco Related Devices from July 1, 2009 through June 30, 2010 for the following:

Casey's General Store #1673
240 – 6th Street North

G & J Foods, Inc.
491 Main Avenue West

Hussong's Liquor
132 – 6th Street North

J & N Schlagel Enterprises II
The Blue Note Ballroom
320 – 3rd Street South

The Woods Group
Keg's Bar
121 – 1st Street North

Big Al's Bar and Grill
591 Main Avenue West

g) Liquor Licenses

Approved the Off Sale, On Sale, and Sunday Liquor Licenses from July 1, 2009 through June 30, 2010 for the following:

J & N Schlagel Enterprises II
The Blue Note
320 – 3rd Street North

Papa Tom's Bar & Grill
111 – 1st Street North

The Woods Group
Keg's Bar
121 – 1st Street North

Hussong's Liquor – Off Sale Only
132 – 6th Street North

Big Al's Bar and Grill
591 Main Avenue West

Approved the On Sale Club and Sunday Liquor Licenses from July 1, 2009 through June 30, 2010 for the following:

American Legion Post #407
161 – 1st Street North

Approved the Liquor, Wine, Club or 3.2% License from July 1, 2009 through June 30, 2010 for the following:

Winsted Baseball Club, Inc.
Campbell Baseball Field

h) Dance Permit

Approved a Dance Permit for the Blue Note Ballroom, 320 – 3rd Street South, for the period of July 1, 2009 through June 30, 2010.

i) April, 2009 Building Permit Report

Approved the April, 2009 Building Permit Report as presented.

j) April, 2009 Financial Report

Approved the April, 2009 Financial Report as presented.

k) Claims

Approved the Claims List for May 19, 2009 in the amount of \$115,246.49, check numbers 772E-775E, 7832-7844, 500298E and 15362-15405.

3) **No Public Hearings.**

4) **No Old Business.**

5) **New Business**

a) Youth and Family Council (What Up)

Mareck stated that a committee made up of Blandin Leadership graduates has formed a Youth and Family Council – “What Up” (*Winsted Holding Activities That Unite People*).

The committee is planning a variety of youth and family centered recreational and entertainment based opportunities in Winsted this summer.

Mareck stated that the committee is requesting that the City Council appoint their group as an official volunteer committee of the City of Winsted, in order to obtain necessary liability coverage and access to city equipment and facilities. There would be no additional premium cost to the City for this group to be added as a volunteer committee. The group is not planning to hold any events with alcoholic beverages, which would increase premiums and liability for the City.

The committee is requesting a \$500 donation in 2010, which could be addressed during the 2010 budget process.

Mareck stated that "What Up's" mission seems to fit perfectly with the City's mission of providing a "hometown atmosphere" and at this point there is not a financial cost to the City. Depending on the success of the program, the City could incorporate the group's donation request for next year into the 2010 budget process.

Erin Kutz, Jeff Campbell, and Mike Henrich, "What Up" committee members addressed the City Council. Henrich stated that the committee conducted a survey among the students at Holy Trinity School and Howard Lake-Waverly-Winsted (HLWW) Public School. The survey results were used by the committee to determine what type of activities "What Up" should provide to Winsted youth. Kutz stated that the committee has added four (4) youth representatives.

Kutz presented the goals and objectives of "What Up" and the future events the committee has planned.

Ollig asked if the "What Up" committee is going to ask for sponsorship from Winsted businesses for the family events that they will be offering. Kutz stated yes. Kutz also stated that one of the goals of the committee is to keep expenses at a minimum.

Ollig motioned creating a volunteer Youth and Family Council (What Up) in the City of Winsted, authorizing the necessary insurance coverage and granting permission to use available city facilities and equipment. Wiemiller seconded. Motion carried 5-0.

b) Liquor License Violation – Papa Tom's Bar and Grill

Henrich stated that on March 14, 2009, Officer Dan Pohl conducted alcohol compliance checks with most of the establishments that hold a liquor license in the City. A minor, working with the Police Department, was sent into Papa Tom's Bar and Grill, 111 – 1st Street North, to purchase liquor, as part of a compliance check. The minor purchased an eighteen (18) pack of Busch Light beer, for \$12.40, from a person working at the bar by the name of Jennifer Remer.

The minor in this case was nineteen (19) years of age, and was never asked to produce an identification during this liquor sale transaction.

Jennifer Remer was cited for Procuring Alcohol to a Minor, MN Statute, 340A.503, subdivision 1, a gross misdemeanor charge. On April 27, 2009 Jennifer Remer plead guilty to a misdemeanor charge of this liquor violation. Remer was sentenced by the court to do twelve (12) days of Sentence to Serve work and pay a \$75 surcharge.

Henrich stated that this is the second (2nd) liquor violation involving Papa Tom's Bar and Grill in three (3) years. The first liquor violation, involving Papa Tom's Bar and Grill, occurred on July 1, 2007.

On November 2, 2007 Jay Sudheimer, Papa Tom's Bar and Grill employee, plead guilty to the charge of After Hours Liquor Out for Consumption and After Hours Patrons Remaining in the Establishment. There was a Stay of Imposition placed on these

convictions, a \$272 fee was assessed, and one (1) year of unsupervised probation was placed on Jay Sudheimer.

Per City ordinance, the City Council may suspend or revoke a bar's liquor license for up to sixty (60) days. The Ordinance also states that a bar's liquor license can be suspended for a minimum of three (3) consecutive days. In addition, the Ordinance allows the City Council to impose a fine of \$1,000 (minimum) or up to a \$2,000 (maximum) fine for each liquor violation.

Mareck read the following options for the City Council to consider:

1. Three (3) day suspension of a liquor license, being on a Thursday, Friday and Saturday with a \$1,000 fine.
2. Three (3) day suspension of liquor license, one day being a Friday or Saturday, with a \$1,000 fine.
3. Three (3) day suspension of liquor license, one day being a Friday or Saturday, with a \$1,000 fine, with the suspension and fine held for a period of twenty-four (24) months pending an additional liquor license violation.

Henrich recommended that the liquor license of Papa Tom's Bar and Grill be suspended for three (3) consecutive days, in which one of those days shall be a Friday or a Saturday; and that Papa Tom's Bar and Grill pay a \$1,000 (minimum amount) civil penalty to the City by July 1st, 2009.

Jennifer Remer addressed the City Council to say that Papa Tom's Bar and Grill did not fail the alcohol compliance test; she did. She apologized to the City Council for her actions.

Tom Sudheimer, Papa Tom's Bar and Grill, addressed the City Council regarding the liquor violation. He apologized and asked the City Council to be lenient on their civil penalties in regards to his establishment's liquor violation.

Mochinski stated that considering the state of the economy and the impact it is having on businesses, he believes that the City Council should consider option three (3): a three (3) day suspension of liquor license, one day being a Friday or Saturday, with a \$1,000 fine, with the suspension and fine held for a period of twenty-four (24) months pending an additional liquor license violation.

Ollig stated that enforcing civil penalties is difficult for the City Council because it is our job to enforce the City's ordinances, but we also understand the negative impact that it may have on a business. Ollig recommended that the City Council consider option three (3).

Wiemiller stated that he will reluctantly approve option three (3). Wiemiller stated that the Winsted Police Department is committed to protecting the City's youth and to enforcing the City's ordinances; however, he does believe that Papa Tom's Bar and Grill is sorry for their liquor violation and will take efforts to follow the City's ordinance in the future.

Henrich stated that he wants the City Council to understand that his recommendations are made in accordance with the Ordinance.

Henrich also stated that the Winsted Police Department will be conducting compliance checks again in 2009.

Wiemiller asked Henrich for his opinion on the civil penalties enforced on Papa Tom's Bar and Grill. Henrich stated that he wants the City Council to enforce the violations as the Ordinance dictates. The Police Department is enforcing the ordinance for the protection of the youth and residents in Winsted, and it makes it easier and more effective for the Police Department if the City Council follows the Ordinance's requirements in regards to liquor violations.

Ollig motioned to suspend the Liquor License of Papa Tom's Bar and Grill for three (3) consecutive days, in which one of those days shall be a Friday or a Saturday; and that Papa Tom's Bar and Grill pay a \$1,000 (minimum amount) civil penalty to the City by July 1st, 2009. Quast seconded. Motion carried 5-0.

c) Water Main Looping – Grass Lake Farm

City Engineer, Jake Saulsbury, Bolton and Menk, Incorporated, presented the bids for the Grass Lake Farm's water main looping and summarized the scope of the project. Saulsbury stated that the bids for the above referenced project were received on Thursday May 14, 2009. Quotes were received from Juul Contracting Company, Litzau Excavating Incorporated, Machtemes Construction Incorporated, and Kubasch Excavating Incorporated. The low quote was submitted by Juul Contracting Company at \$41,557.60. Because the low quote was below the \$100,000 maximum, the quote process is legally acceptable.

Juul Contracting Company has successfully completed projects of this type in the past and thereby have shown themselves to be a responsible contractor.

Saulsbury stated that the necessary permits have been obtained.

Based on the items above, Saulsbury recommended that the City award a contract in the amount of **\$41,557.60** to Juul Contracting Company.

Mayor Stotko asked if the project was going to be started before the Winstock Country Music Festival. Saulsbury stated that if the project is being done during the Winstock Country Music Festival, the specifications stated that there cannot be any traffic control during the Winstock Country Music Festival.

Wiemiller asked what the longest amount time would be that any household may be without water. Saulsbury stated that there will be a temporary valve that will result in no disruptions in water service to any of the Grass Lake Farm residents.

Wiemiller motioned to authorize Juul Contracting Company to construct the Grass Lake Farm water main looping project for \$41,557.60. Quast seconded. Motion carried 5-0.

d) Storm Outlet Project – Lakefront Promenade

City Engineer, Jake Saulsbury, Bolton and Menk, Incorporated, presented the bids for the Lakefront Promenade storm outlet project and summarized the scope of the project. Saulsbury stated that the bids for the above referenced project were received on Thursday May 14, 2009. Quotes were received from Juul Contracting Company, Litzau Excavating Incorporated and Machtemes Construction Incorporated. The low quote was submitted by Machtemes Construction Incorporated at \$13,670.00. Because the low quote was below the \$100,000 maximum, the quote process is legally acceptable.

Machtemes Construction Incorporated has successfully completed projects of this type in the past and thereby have shown themselves to be a responsible contractor.

Based on the items above, Saulsbury recommended that the City award a contract in the amount of **\$13,670.00** to Machtemes Construction Incorporated.

Quast asked when the project will begin. Saulsbury stated that the contractor would like to begin on May 20, 2009 and the project will take one (1) day.

Mochinski presented his concerns regarding the size of the manhole. Saulsbury stated that the manhole has been designed in accordance to its use and location.

Quast motioned to authorize Machtemes Construction Incorporated to construct the Lakefront Promenade storm sewer project for \$13,670. Ollig seconded. Motion carried 5-0.

e) Concrete Projects

Mareck stated that the City recently solicited quotes to do a variety of concrete work. The projects include:

1. Removal and replacement of damaged city hall steps.
- Damaged during snow plowing.
2. The placement of a high back curb and sidewalk extension.
- Northwest corner of Main Avenue and County Road 1.
3. Linden Avenue sidewalk.
- Will connect new clinic sidewalk to 1st Street North.
4. Slab – Mill Reserve Park
- Will provide a slab for satellites in the park (will be screened).
- Slab would be placed off the north side of the parking lot adjacent to the electrical box.

Mareck stated that based on the project funds, the payment for these projects will be used from the City Hall construction fund, sidewalks and the trail improvement fund.

The city has received a commitment from St. Mary's to pay for twenty percent (20%) of the costs associated with the Linden Avenue sidewalk, which amounts to \$2,319. In addition, Herald Journal Publishing has committed to pay fifty percent (50%) of the project costs for the curb and sidewalk along County Road 1 and Main Avenue, which amounts to \$564.

The city obtained two quotes for the projects:

Birkholz Concrete: \$14,817
Joe Kelly Construction: \$22,813

Mareck stated that the Park Commission reviewed the Linden Avenue sidewalk and Mill Reserve dumpster screening projects at their last meeting and unanimously recommended their approval.

Wiemiller motioned to accept a quote from Birkholz Concrete to do various concrete projects for \$14,817. Mochinski seconded. Motion carried 5-0.

f) Water and Sewer Connection Fees

Mareck stated that a water and sewer connection fee is collected for new construction (single-family, commercial, etc...) projects in the City. As development has slowed, these connection fees have been counted on less and less as revenue generators for the water and sewer funds.

With the slowdown in development, some cities have developed incentive programs to encourage new development, which expands tax base in their respective communities; however, many of these incentives include coupons on goods and services. Mareck proposed that the City Council consider temporarily reducing water and sewer connection fees by fifty percent (50%) for building permit applications made through December 31, 2009 and which subsequently would provide a direct cash benefit to a builder and/or future homeowner.

2009 Fee Schedule:

Water Connection - \$2,500
Sewer Connection - \$3,300

Proposed Through December 31, 2009:

Water Connection - \$1,250
Sewer Connection - \$1,650

Mareck stated that although no action can guarantee housing development in the community, taking this type of action may provide the City with an advantage in the market over neighboring communities. In addition, with the temporary nature of the reduction, the financial impact to the City will not be significant.

Mareck presented Resolution R-09-05 temporarily reducing water and sewer connection fees through 2009.

Ollig motioned to adopt Resolution R-09-05 temporarily reducing water and sewer connection fees through 2009. Wiemiller seconded. Motion carried 5-0.

6) **Department Report**

a) **Winsted Police Department**

Mike Henrich, Winsted Police Department Chief reported on the following:

- Henrich presented the City Council with a copy of the 2008 Annual Report for the Police Department and highlighted some of the statistics in the report.
- Two of the Winsted Police Officers, Heldt and Pohl, are going to be certified Emergency Medical Technicians.
- Safety Talks made available to the Community.
- Bike Rodeo.
- The Winsted Police Department is teaming up with V's Grill, 220 Main Avenue West, to provide ice cream treat tickets for children who are doing things right – wearing bike helmets, etc.
- DARE Twins game.
- Center Point Energy will be presenting a grant to the City Council at a future meeting. The grant will be used to purchase a defibrillator.

7) **No Open Forum.**

8) **No Announcements.**

9) **Adjournment**

Quast motioned to adjourn. Mochinski seconded. Motion carried 5-0.

Respectfully submitted,

Deborah R. Boelter
City Clerk-Treasurer