

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

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

Staff Present: Brent Mareck, City Administrator
Deb Boelter, City Clerk-Treasurer
Fran Eggert, City Attorney

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 – September 15, 2009

Accepted the minutes of the City Council Work Session of September 15, 2009.

b) Minutes – Regular City Council Meeting – September 15, 2009

Accepted the minutes of the Regular City Council Meeting of September 15, 2009.

c) Salary Step Increase – Jamie Stotko – Public Works Department

Approved a Salary Step increase for Jamie Stotko, Public Works Department Maintenance Lead.

d) Truth-in-Taxation Hearing Public Hearing

Scheduled a Truth-in-Taxation Public Hearing for Tuesday, December 1, 2009 at 6:00 p.m. in the City Hall Council Chambers.

e) Resolution R-09-19 – 141 Lewis Avenue East

Approved Resolution R-09-19 certifying blighting conditions at 141 Lewis Avenue East and ordering their immediate abatement.

f) Flagship Bank of Winsted – Pledged Securities

Approved the Pledged Securities that Flagship Bank of Winsted has purchased for the City of Winsted for the month of September, 2009 in the amount of \$1,500,000 and the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000.

g) Claims

Approved the Claims List for October 6, 2009 in the amount of \$235,607.45, check numbers 842E-856E, 7929-7949, 500381E, 500391E and 15783-15840.

3) Public Hearings

a) Landscape Escrow – Ordinance O-09-09

Mareck stated that recently the City has dealt with an increase in property owners, of newly constructed houses, failing to landscape their yards, per the City's requirements, within one (1) year of the issuance of the Certificate of Occupancy. The only enforcement mechanism currently available to the City is through the Public Nuisance Ordinance; however, the authority and follow-up maintenance required to "keep" the landscaping through the nuisance abatement process can be very difficult.

Mareck continued by stating that a landscape escrow payment provides an alternative method to ensure landscaping occurs on new construction projects in the City. An escrow payment of cash, certified check, letter of credit, etcetera of an approved dollar amount is presented to the City at the time a building permit is applied for and then subsequently released upon the required landscaping being finished. The escrow serves as an incentive to the property owner and/or builder to construct the landscaping or risk forfeiting the escrow payment to the City. Requiring an escrow for landscaping will not totally eliminate the problem, but will most likely decrease the amount of time the City spends working to enforce landscaping requirements under the current system. The current language has no other enforcement procedures beyond the forfeiture of the escrow to the City.

Mareck presented the proposed language:

Landscaping Required. In all zoning districts, the lot area remaining after providing for buildings, parking areas, driveways, loading areas, sidewalks or other structures must be planted and maintained in grass, shrubs or other acceptable vegetation or landscaping techniques.

Residential – New residential construction building permit applicants shall submit a cash, certified check, or credit escrow payment of \$1,500 to secure installation of required landscaping.

Commercial and Industrial – Shall submit a cash, certified check, or credit escrow payment in the amount of 125% of the estimated landscape costs for the site to secure installation of required landscaping..

Refunding of Escrow – The escrow shall be returned in full to the applicant upon the building or zoning official certifying that the landscaping improvements have been made and fully established on the property. Escrow funds will be forfeited to the City of Winsted in the event the required landscaping is not completed within twelve (12) months of the issuance of the Certificate of Occupancy.

Mareck presented the amount of the landscape escrow in the ordinance of three (3) local cities:

Annandale:	\$2,000
Montrose:	\$1,500
Mayer:	\$1,500

The proposed language would require \$1,500 for residential projects and \$125% for commercial and industrial projects. Other cities contacted use "developer's agreements" to enforce landscaping requirements for commercial and industrial properties.

Ollig asked Mareck if he had received any citizen comments on the proposed Landscape Escrow Ordinance. Mareck stated no.

Don Guggemos, 137 Fairlawn Avenue East, asked if the Landscape Escrow would be used to finish the landscaping on a property or would it be forfeited to the City. Mareck stated that it would be forfeited to the City.

Quast motioned to adopt Ordinance O-09-09 setting minimum landscaping standards and requiring an escrow payment for new construction. Wiemiller seconded. Motion carried 5-0.

Ollig motioned to close the Public Hearing. Mochinski seconded. Motion carried 5-0.

4) **Old Business**

a) **Skydiving Proposal – Joe Johnson**

Mareck stated that Joe Johnson has requested to appear before the City Council to address issues relating to his background. Personal references submitted by Johnson have been supportive of his character and his background in skydiving. The City has also received one (1) letter of recommendation on behalf of Johnson.

Mareck continued by stating that the City also received one (1) unsolicited telephone call regarding Johnson's background; however, the allegations submitted by the individual have not been substantiated.

Mareck stated that the City has discovered articles relating to Johnson's "base jumping" activities, which were forwarded to the City Council for their review.

The City is still in the process of performing a criminal background and reference check on Johnson. In addition, Mareck stated that the City Attorney, Fran Eggert, is still in the process of drafting the proposed Skydiving Operation agreement to be presented at the Winsted Municipal Airport Commission meeting on October 20, 2009 and to the City Council at one (1) of their November, 2009 Regular City Council meetings.

Johnson addressed the City Council regarding items that have been discovered during the City's background investigation.

Ollig stated that he was impressed with some of the charitable jumps that Johnson has completed. Johnson stated that it is his intention to continue to do fundraising events in the Community for cancer and other organizations. Johnson stated that it is important to him that he gives back to the Community.

Quast asked Johnson if he continues to "base jump." Johnson stated that he only "base jumps" in places where it is legal to do "base jumps." Johnson stated that he does not do "base jumping" where it is not allowed because he does not want to put himself or his proposed future Skydiving Operation in jeopardy.

b) **McLeod County Road 1 Safety Issues – Letter From McLeod County Highway Engineer**

Mareck presented a letter from McLeod County Highway Engineer, John Brunkhorst. Brunkhorst's letter was in response to a letter from the City of Winsted requesting the lowering of the speed limit on McLeod County Road 1 and the four (4)-way stop installation at the intersection of McLeod County Road 1 and Main Avenue.

Mareck stated that Brunkhorst replies in his letter that McLeod County Road 1 still requires the speed limit to be established by the Minnesota Department of Transportation's (MN DOT) Commissioner of Transportation. Brunkhorst continues by stating that he does not believe conditions have changed enough to justify asking MN DOT to do another speed limit study on the McLeod County Road 1 corridor at this time. He also stated that requirements are not met for a four (4)-way stop installation at the intersection of McLeod County Road 1 and Main Avenue.

Ollig asked Eggert if the City can impose rule on McLeod County Road 1 and/or if the City has any recourse over the McLeod County Highway Department and MN DOT's decisions regarding the speed limit on McLeod County Road 1 and the proposed four (4)-way stop at the intersection of McLeod County Road 1 and Main Avenue. Eggert stated that he does not believe that the City can impose rule and/or has any other recourse.

Lenora Kubasch, 210-6th Street North, addressed the City Council. She asked what governing body authorized the thirty (30) mile per hour signs on McLeod County Road 1. Eggert stated that they are cautionary signs to inform vehicle drivers that if there is someone using the crosswalk at the intersection of McLeod County Road 1 and Main Avenue, they must slow down and/or stop.

Mareck stated that the next step would be to ask to be put on the agenda for the McLeod County Board of Commissioners' meeting to discuss the speed limit on McLeod County Road 1. Ollig stated that he would be willing to attend the McLeod County Board of Commissioners' meeting.

Don Guggemos, 137 Fairlawn Avenue East, stated that at a past City Council meeting, Brunkhorst told the City Council that the speed limit is forty-five (45) miles per hour on McLeod County Road 1 to keep the speed limit on McLeod County Roads consistent. Ollig reiterated what Guggemos stated. Guggemos reminded Kubasch, that any resident and/or City staff member can ask to be on the agenda for a McLeod County Board of Commissioners' meeting.

Mareck stated that Brunkhorst did receive public comment from some Winsted residents regarding reducing the speed limit on McLeod County Road 1 and they requested that the speed limit remain at forty-five (45) miles per hour.

Mareck stated that the proposed 2010 Citizen Survey asks for input on whether the speed limit should be reduced on McLeod County Road 1 and if a four (4)-way stop should be installed at the intersection of McLeod County Road 1 and Main Avenue.

City Engineer, Jake Saulsbury, Bolton and Menk, Incorporated, addressed the City Council. He stated that MN DOT has to be involved in changing the speed limit. A speed and traffic study would need to be completed by MN DOT. The installation of a four (4)-way stop would be decided by the McLeod County Highway Engineer.

The City Council discussed the issue and decided to wait for the survey results of the 2010 Citizen Survey regarding the questions about the speed limit reduction and the installation of a four (4)-way stop. They will act accordingly to the survey results.

c) Fairlawn Circle – Amended Engineer's Report

Saulsbury addressed the City Council regarding the general street integrity concerns on Fairlawn Circle. Saulsbury provided additional options and costs as a follow-up to the August 18, 2009 City Council meeting. He also reviewed storm sewer recommendations from October of 2008 at the intersection of Fairlawn Avenue and Fairlawn Circle.

Findings:

Saulsbury stated that the sewer and water facilities are in fair condition. The sewer line requires regular cleaning and jetting. This issue can be addressed at any time in the future using pipe lining that will not affect the street section. There is no storm sewer or drain tile located along Fairlawn Circle. The storm sewer at the intersection of Fairlawn Avenue and Fairlawn Circle is undersized and frequently floods.

The existing street is forth (40) feet wide and has a seventy-five (75) feet diameter cul-de-sac located at the west termini of the street. This street currently has B618 style concrete curb and gutter. The existing street pavement is in poor condition with settlements, cracked and broken bituminous surfacing, and broken curb segments.

Recommendations:

Saulsbury stated that the recommended method of street rehabilitation is complete reconstruction with improvements to the storm sewer infrastructure. The recommended street improvements include construction of a new street with 4.5 inches of bituminous pavement, nine (9) inches of aggregate base, geo-textile fabric, B618 concrete curb and gutter, and subsurface edge drains. Saulsbury presented the following options with varying scopes to complete this work:

Option #1 – Partial Street and Intersection Storm Sewer:

- Complete reconstruction of the majority of the street which would be the eastern three hundred (300) feet.
- Mill and overlay of cul-de-sac.
- Storm sewer improvements only at the intersection of Fairlawn Avenue and Fairlawn Circle.
- Total estimated project cost would be \$132,000.

Option #2 – Complete Street, Intersection Storm Sewer, and West Storm Sewer:

- Complete reconstruction of the entire street and cul-de-sac.
- Storm sewer improvements at the intersection of Fairlawn Avenue and Fairlawn Circle.
- Storm sewer improvements to the west on Fairlawn Avenue.
- Total estimated project cost would be \$172,000.

Option #3 – Complete Street, Intersection Storm Sewer, West Storm Sewer, and Fairlawn Circle Storm Sewer:

- Complete street reconstruction of the entire street and cul-de-sac.
- Storm sewer improvements at the intersection of Fairlawn Avenue and Fairlawn Circle.
- Storm sewer improvements to the west on Fairlawn Avenue.
- Storm sewer added to Fairlawn Circle.
- Total estimated project cost would be \$185,000.

Saulsbury stated that the storm sewer improvements at the intersection of Fairlawn Avenue and Fairlawn Circle will increase the capacity of the system by more than four (4) times. The proposed improvements would increase the system capacity to convey a two (2)-year storm event.

Saulsbury asked the City Council to consider including this project as a year one (1) project on the Pavement Management Plan. This would likely result in assessing a portion of the project and would reduce the City's cost. If this project were to proceed in 2010, the assessments to property owners would then be due starting in 2011.

Wiemiller asked how many property owners would be assessed if the aforementioned project proceeds. Saulsbury stated approximately ten (10) properties would be assessed.

Mochinski asked if soil borings have been taken to determine if there is the need for a new base. Saulsbury stated no. Mochinski asked Saulsbury how they determined that the street needs a new base. Saulsbury stated that the engineers can make that determination from the evaluation of area soils, the level of the deterioration in the street, and past history from anyone who has done work on the street. Saulsbury stated that the Public Works Department informed him that they found issues with the base on that area of the street when they were doing some work there.

Ollig asked how the street reconstruction and storm sewer installation would be funded. Mareck stated that the City would identify other street projects that need to be completed and then obtain a General Obligation Bond.

Don Guggemos, 137 Fairlawn Avenue East, addressed the City Council and stated that without testing the base he believes that the engineer is making some very large assumptions that the base is bad. Guggemos recommended that the base be tested. Guggemos also disputed the location of the storm sewer lines.

Ollig asked if a spillway could be installed on Fairlawn Avenue on the property that is owned by the City and currently leased by the resident at 141 Fairlawn Avenue East. Jake stated that it is possible.

Quast asked Saulsbury if the City only repairs the section of the street that needs it and not the entire Fairlawn Circle, will the street still deteriorate. Saulsbury stated yes but at a slower pace.

The City Council directed Mareck and Saulsbury to have soil borings taken of the street in Fairlawn Circle to determine the condition of the street's base.

5) **New Business**

a) **Alcohol Consumption and Display Permit – Roadhouse Coffee Shop**

Mareck stated that Debra Olson, Roadhouse Coffee Shop, is seeking approval from the City Council for an Alcohol Consumption and Display Permit. The permit would allow customers to

bring in their own wine and consume it at the Roadhouse Coffee Shop. No alcoholic beverages would be sold on site and the hours would be from 5:00 p.m. to 9:00 p.m., two (2) days a week.

The State allows "Consumption and Display" permits, granted they are approved by the City Council, without the applicant having to go through a formal liquor license process. Specifically, the applicant is not required to carry liquor liability insurance; however, they are not permitted to sell alcohol in the establishment.

Mareck stated that the permit application is \$250 and payable to the Minnesota Department of Public Safety/Alcohol Enforcement.

Mareck stated that Chief Henrich has reviewed the application and has no objections.

Debra Olson was available for questions.

Olson stated that the Roadhouse Coffee Shop will start with a couple of hours on Friday night to determine how much participation they have.

Ollig asked Eggert how they are going to regulate and enforce that customers do not bring in beer and/or other alcohol beverages.

Olson stated that she contacted Chief Henrich and they agreed that if someone does not finish their bottle of wine, it will be emptied at the store and they will not be allowed to take it with them. Olson also stated that they will not allow other alcoholic type beverages into the store.

Quast motioned to grant an Alcohol Consumption and Display Permit to Debra Olson, Roadhouse Coffee Shop. Wiemiller seconded. Motion carried 5-0.

b) Winsted Municipal Airport – Capital Improvement Plan

Mareck stated that the City must annually submit a "Capital Improvement Plan" (CIP) for the Winsted Municipal Airport to the Minnesota Department of Transportation/Office of Aeronautics (MN DOT/OA) and the Federal Aviation Administration (FAA) to be eligible for state and federal funding. In 2009, the City completed a taxi-lane and apron reconstruction project, which involved drainage improvements and bituminous resurfacing.

A major component of the City's future CIP for the Airport is paving the existing grass runway by adjusting the runway to the north as approved in the Airport Master Plan. Under the current plan, the runway is set to be paved as soon as 2013; however, several steps must be completed in 2010, 2011 and 2012 to facilitate this project. Beginning in 2010, the City must complete an "Environment Assessment" (EA), which will eventually lead into land acquisition, including the Winsted Farmer's Cooperative, to be completed in 2012 before construction.

Mareck stated that the City will also be planning a reimbursement request for engineering services that were provided for a runway project that was not completed by the City in 2007.

2010 Projects	Cost	Federal Aid	City Match
2007 Engineering	\$27,800	\$26,410	\$1,390
Environmental Assessment	\$100,000	\$95,000	\$5,000
Total	\$127,800	\$121,410	\$6,390

The CIP has been reviewed and recommended by the Winsted Municipal Airport Commission at their last meeting. MN DOT/OA and FAA have also seen a draft of the City's proposed CIP and supports the plan.

Airport Engineer, Marcus Watson, Bolton and Menk, Incorporated, addressed the City Council. Watson stated that on September 16, 2009 Brent Mareck and Airport Engineers from Bolton and Menk, Incorporated, met with officials from the FAA and MN DOT/OA to discuss the upcoming

Airport Capital Improvement Program (CIP) update for the Winsted Municipal Airport. The focus of the discussion was on the development plans for the Winsted Municipal Airport. The conclusions of the Airport Master Plan were discussed including the plan to shift Runway 9-27 approximately 150 feet to the north to accommodate a paved 3,200 feet by 75 feet surface with non-precision approaches meeting FAA and MN DOT/OA standards. Officials from both agencies agreed that the conclusion of the Master Plan was a good Airport plan, meeting basic FAA expandability requirements benefiting the Federal Airport System. The Airport Layout Plan (ALP) is expected to be ready for submittal to MN DOT/OA for review in October, 2009. Skydiving operations were also discussed and input was received from the FAA.

Airport Environmental Assessment:

Watson stated that the Winsted Municipal Airport Master Plan provided the framework for future Airport development. It evaluated airport development alternatives that would satisfy the long-term needs for the Airport. Shifting the primary runway to the north allows the current and future Airport needs to be met with the least impacts, compatible with FAA and MN DOT/OA requirements. The City of Winsted approved this alignment as the conclusion of the Airport Master Plan.

The next step in the development process is to begin a federal Environmental Assessment (EA) to evaluate the impacts of developing the new runway utilizing Federal funding, and evaluate trail alignments for the Luce Line Trail that are compatible with the future Airport configuration. The EA process develops justification for the project with state and federal agencies. It also evaluates project alternatives and the impacts of each alternative within the local environment. A Finding of No Significant Impact (FONSI) statement is prepared by FAA if the preferred alternative impacts are not considered to be substantial. The typical EA process lasts between twelve (12) and eighteen (18) months, depending on agency comments and approvals. Primary issues to be addressed in the Winsted Municipal Airport EA include the Luce Line State Trail alignment near the Airport, surrounding Airport land use, and land acquisition & business relocation. Acquisition and relocation of Winsted Farmer's Cooperative is ultimately required to complete the overall runway project. The Airport Master Plan has provided the framework for the project justification and alternative analysis required for this EA document.

Watson continued by stating that the preparation and completion of the EA allows runway design, construction, and land acquisition of the Airport and the Luce Line Trail to become eligible for Federal Airport Improvement Program (AIP) funding. The Luce Line State Trail would require relocation as a part of this project. The EA review will evaluate and negotiate the best recommended alternative to realign the trail from just north of the Airport to east of McLeod County Road 1. The trail must be compatible with FAA and MN DOT/OA Airport land use requirements near the Airport, especially within and/or near the approach zone for Runway 27. Once a FONSI is issued, the project remains eligible for funding for up to five (5) years.

An approved EA document will allow the runway project to become eligible, determine a trail alignment most compatible with the Airport, and complete the required agency approvals to proceed ahead with land acquisition and design. FAA and MN DOT/OA see this document as a first step toward starting the overall project within five (5) years. EA project funding is eligible for a Federal Entitlement grant in Fiscal Year (FY) 2010, contingent upon appropriation of FAA funds. FAA is expected to start writing grants in April, pending approval of the FAA funding bill. Starting an EA environmental review is not a definite funding commitment to the overall airport project, but FAA sees this as a first step to completing the project in the near-future.

Watson presented the preliminary timeline and cost estimate for completion of the overall airport improvements:

Project Name	Estimated Start Date	Estimated Completion Date	Estimated Total Cost	Estimated Local Share (1)
Airport Environmental Assessment	FY 2010	FY 2011	\$100,000	\$5,000
Update Airport Zoning Ordinance	FY 2011	FY 2012	\$50,000	\$15,000
Land Acquisition and Business Relocation	FY 2012	FY 2013	\$800,000	\$40,000
Engineering Design	FY 2012	FY 2013	\$250,000	\$12,500

Watson stated that overall funding for the land, engineering, and construction is eligible for Federal funding. Funding beyond Federal Entitlement allowances, \$600,000 maximum, must be programmed on the Federal Discretionary or State Apportionment funding list typically at least three (3) years in advance. The project has not yet been identified for this type of funding as the request can be forwarded to FAA and MN DOT/OA at the direction of the City Council. Once on the list, Federal Discretionary and State Apportionment projects must compete with other airport projects. This project is likely to compete well for funding once an EA is complete and the City is committed with moving forward.

Watson stated that the EA is valid for five (5) years. The City would have to complete the runway paving project within the five (5) years or they would have to have a new EA done. Completing the EA is public acknowledgement that the City is committed to the runway paving project.

Watson commented on the proposed Skydiving Operation at the Winsted Municipal Airport. Watson stated that the City of Winsted is continuing to develop a lease agreement for use of the drop zone south of the hangar area. FAA has the final review authority for approving an operational agreement with the proposed skydive operator at Winsted. FAA indicated that the City cannot discriminate against skydiving activities; however, the type of airport operations and the expected growth of the hangar area may negate the requirement of the City to allow a skydiving drop zone on-airport. FAA staff said they would follow-up and forward those parameters to the City. FAA also recommended that any safety qualifications of the skydiving proponent can be reason to disqualify allowing that individual from operating on the airport. FAA makes the final determination of what is safe on an airport.

Ollig asked if the phasing timeline of the runway paving project be can be extended into the future. Watson stated yes.

Mareck stated that the EA being completed would mean that discussions would begin with the property owners for land acquisition. Watson stated yes.

Ollig stated that he is uncertain that the City Council is going to go through the entire process to pave the runway. Quast and Mayor Stotko agreed with Ollig.

Wiemiller stated that the loss of the FAA entitlement grant funding may be an issue in the future but he does believe that the City should continue with the process to pave the runway.

Mochinski stated that he believes that the City should continue with the process to keep the funding available for the City of Winsted.

Mareck stated that if the City Council does not adopt the CIP the City would not be reimbursed for the \$26,410 from the 2007 engineering costs; however, Mareck stated that the City Council should consider whether they want to spend \$100,000 for the EA study if they are not going to pave the runway.

Mochinski motioned to adopt the Winsted Municipal Airport's Capital Improvement Plan. Wiemiller seconded. Motion carried 3-2. Stotko and Ollig opposed.

6) **Department Report**

a) **City Clerk-Treasurer**

Deb Boelter, City Clerk-Treasurer, reported on the following:

- 2009 Blight.
- Raquel Kirchoff, Administrative Assistant, completed the first (1st) year of the three (3) year program to become a Minnesota Certified Municipal Clerk (MCMC).
- Amanda Zeidler, Utility Billing and Payroll Clerk, attended a three (3) day orientation class sponsored by the League of Minnesota Cities (LMC) that provided her with information that would enhance her skills and knowledge as the Utility Billing and Payroll Clerk.
- Implementation of an *"Information Request Form"* for processing information requests.
- Banyon Data Systems' Dog Licensing Software.
- Payment Agreement Form.
- Water and Sewer Ordinance review.
- Liquor Ordinance review.
- Kirchoff is obtaining bids to have an actuary complete the *"Other Post Employment Benefits (OPEB)"* statement; a requirement of the Governmental Accounting Standards Board (GASB) and recommendation in the City's 2008 audit.
- Website.

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