

City of Winsted
City Council Meeting
Council Chambers
Tuesday, December 4, 2012
6:00 p.m.

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

Staff Present: Brad Martens, City Administrator
Deborah R. Boelter, City Clerk-Treasurer
Dan Pohl, Police Officer
Krystal Fosdick, 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**

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

a) **Minutes – City Council – Work Session – November 20, 2012**

Accepted the minutes of the City Council Work Session of November 20, 2012.

b) **2013 Property and Casualty Insurance Renewal Contract: Liability Insurance Coverage – Waiver Form**

Authorized the City of Winsted to not waive the monetary limits on municipal tort liability established by Minnesota State Statutes 466.04 for the 2013 Property and Casualty insurance contract.

c) **2013 Property and Casualty Insurance Renewal Contract: No-Fault Sewer Back-Up Insurance Coverage**

Authorized the City of Winsted not to purchase No-Fault Sewer Back-Up insurance coverage for the 2013 Property and Casualty insurance contract.

d) **2013 Property and Casualty Insurance Renewal Contract: Medical Payment Insurance Coverage**

Authorized the City of Winsted not to purchase medical payment coverage for the 2013 Property and Casualty insurance contract.

e) **2013 Property and Casualty Insurance Renewal Contract: Excess Liability Insurance**

Authorized the City of Winsted to purchase \$1,000,000 in excess liability coverage for the 2013 Property and Casualty insurance contract.

f) **Janitorial Contract – Notice of Termination**

Accepted a notice of termination from Kim Brandenburg of her Janitorial Contract with the City of Winsted effective November 18, 2012.

g) **3.2% Off Sale Malt Liquor License – Casey’s General Store**

Approved a 3.2% Off Sale Malt Liquor License for Casey's General Store, 240 – 6th Street North, from December 1, 2012 through June 30, 2013.

h) 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 November, 2012.

i) Claims

Approved the Claims List for December 4, 2012.

3) Public Hearings

a) Truth-in-Taxation – 2013 Tax Levy

Mr. Martens presented the schedule for establishing the year 2013 Tax Levy:

- **May, 2012** The City Council outlined goals & priorities for the year 2013 budget and levy.
- **July, 2012** City staff prepared a draft budget which included the City Council's goals and priorities.
- **August 7, 2012** In the City Council Work Session, the City Council reviewed an updated draft year 2013 budget.
- **August 21, 2012** In the City Council Work Session, the City Council reviewed a revised year 2013 budget.
- **September 4, 2012** The City certified its Preliminary Levy to the McLeod County Auditor-Treasurer.
- **October, 2012** The City received updated property values and tax capacity information from the McLeod County Auditor-Treasurer.
- **October 16, 2012** In the City Council Work Session, the City Council reviewed the year 2013 budget with the updated data from the McLeod County Auditor-Treasurer.
- **November 20, 2012** In the City Council Work Session, the City Council reviewed the year 2013 Preliminary Budget, prior to the Truth-in-Taxation Public Hearing.
- **December 4, 2012** The Truth-in-Taxation Public Hearing
- **December 18, 2012** The City Council adopts the year 2013 Final Budget and Levy.

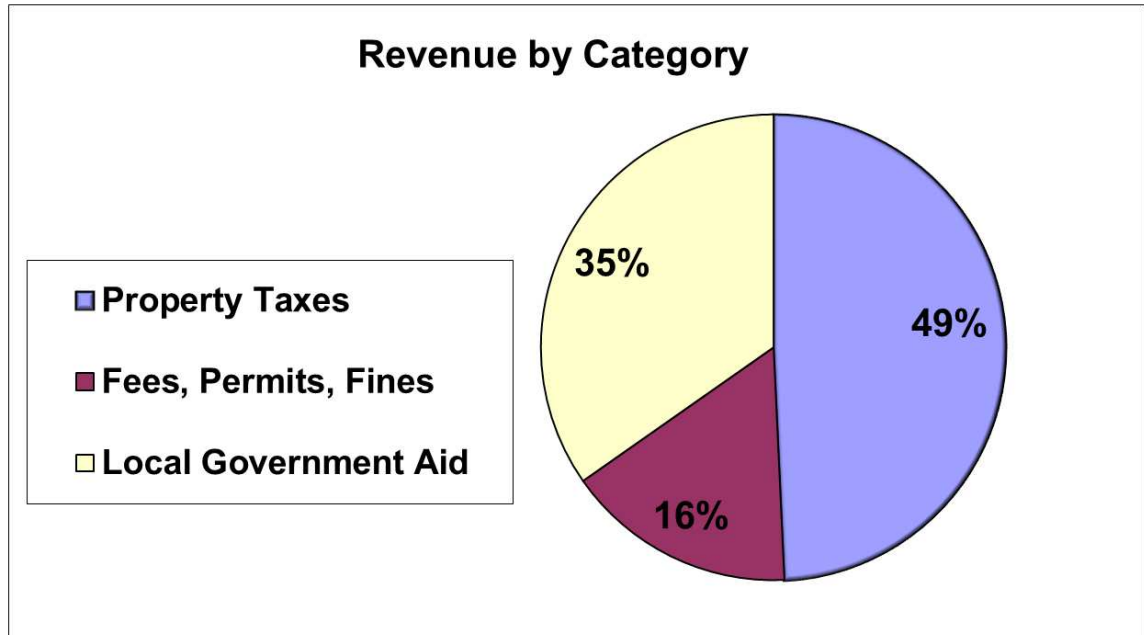
Mr. Martens presented the following definitions:

- **Revenue:** The money received by the City from taxes, fees, charges for services, permits, fines, and etcetera.
- **Expenditure:** The money spent towards the operation of City Government; which includes services, supplies, repairs, improvements, salaries, utilities, and etcetera.
- **General Levy:** The property tax dollars needed to fund the operations of the City otherwise known as the General Fund: Council, Commissions, Administration, Public Works, Police, Fire, Parks, Library, Building Inspections, Legal, Engineering. The Revenues minus the Expenditures equals the General Levy. (Revenues – Expenditures = General Levy).
- **Debt Levy:** The property tax dollars needed to pay for the debt of the City.

Mr. Martens stated that:

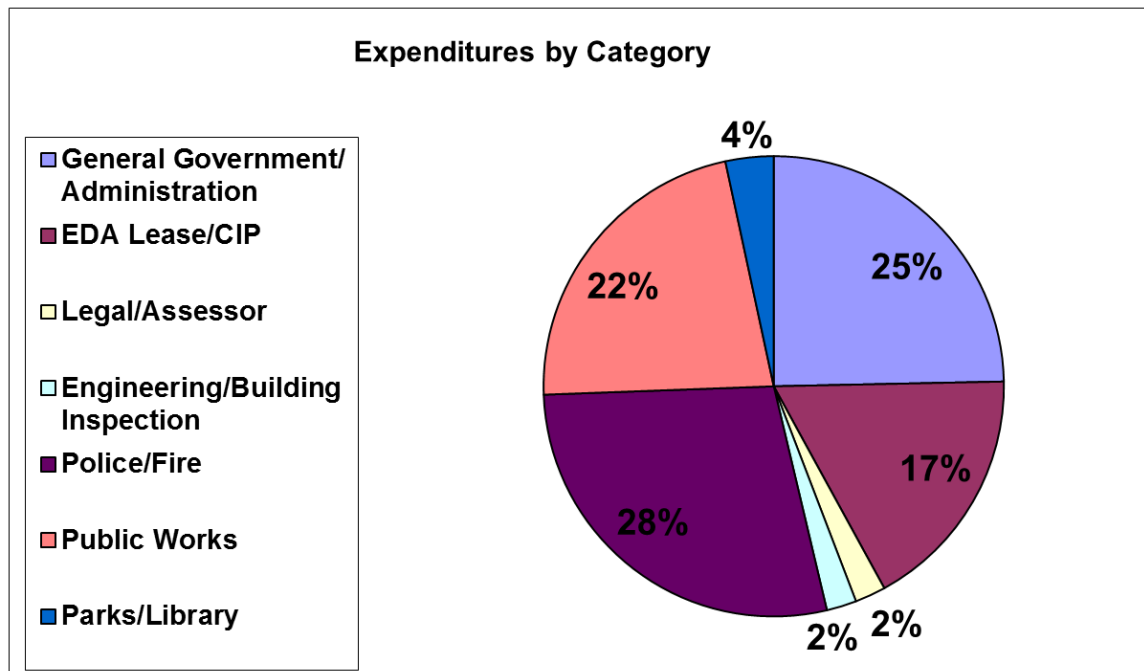
The General Levy plus the Debt Levy equals the Property Tax Levy.
(General Levy + Debt Levy = Property Tax Levy).

Mr. Martens presented the year 2013 General Fund Revenues:



GENERAL FUND REVENUE	<u>Budgeted 2012</u>	<u>Projected 2012</u>	<u>Budgeted 2013</u>
41900 General Government	\$1,480,917	\$1,486,784	\$1,510,554
42000 Public Safety	\$42,450	\$46,461	\$43,150
43000 Public Works	\$15,000	\$29,700	\$18,500
45200 Parks	\$5,500	\$8,950	\$5,400
TOTAL REVENUE	\$1,543,867	\$1,571,895	\$1,577,604

Mr. Martens presented the year 2013 General Fund Expenditures:



GENERAL FUND EXPENDITURES	<u>Budgeted 2012</u>	<u>Projected 2012</u>	<u>Budgeted 2013</u>
41000 Mayor/Council	\$56,965	\$49,650	\$52,900
41300 Administration	\$213,075	\$206,876	\$209,130
41500 Assessor	\$12,100	\$12,100	\$12,050
41600 Legal Counsel	\$23,400	\$22,000	\$22,000
41700 Engineering	\$16,000	\$10,000	\$12,000
41900 General Government	\$355,893	\$352,093	\$389,688
41910 Planning Commission	\$11,280	\$11,280	\$11,277
42000 Public Safety	\$334,540	\$334,400	\$343,750
42200 Fire Protection	\$99,990	\$99,990	\$99,990
42400 Building Inspection	\$12,850	\$13,250	\$21,250
43000 Public Works	\$357,475	\$338,045	\$350,269
43300 Street Improvement Project		\$8,000	
45200 Parks	\$43,000	\$49,125	\$43,600
45500 Libraries	\$9,900	\$9,750	\$9,700
TOTAL EXPENDITURES	\$1,546,467	\$1,516,559	\$1,577,604

Mr. Martens stated that in the budget year 2013 there is a decrease in elections and an increase in conference and training.

Mr. Martens presented the General Fund history:

	Approved 2010	Approved 2011	Approved 2012	<i>Preliminary 2013</i>	<i>Updated 2013</i>
Revenues	\$1,389,876	\$1,557,681	\$1,543,867	<i>\$1,589,163</i>	<i>\$1,577,604</i>
Expenditures	\$1,395,465	\$1,356,422	\$1,546,467	<i>\$1,575,078</i>	<i>\$1,577,604</i>
	Final 2010	Final 2011	<i>Final 2012</i>	<i>Preliminary 2013</i>	<i>Updated 2013</i>
General Levy	\$732,724	\$747,379	\$744,379	<i>\$791,379</i>	<i>\$777,182</i>

Mr. Martens presented the year 2013 Debt Levy:

Debt	Levy Amount
'06 Public Works	\$55,000 (paid off in 2027)
'07 City Hall	\$156,000 (paid off in 2036)
'08 Equipment Certificate	\$29,250 (paid off in 2017)
'08 City Hall	\$40,000 (paid off in 2027)
'12 Westgate Project	\$46,000 (paid off in 2027)
Total	\$326,250

Mr. Martens presented the Property Tax Levy history:

Levy	Final 2010	Final 2011	Final 2012	Preliminary 2013	Updated 2013
General	\$732,724	\$747,379	\$744,379	\$791,379	\$777,182
Debt	\$356,250	\$370,250	\$373,250	\$326,250	\$326,250
Total	\$1,088,974	1,117,629	\$1,117,629	\$1,117,629	\$1,103,432

Mr. Martens explained that the updated Property Tax Levy is a two percent (2%) increase from the year 2009.

Mr. Martens presented the changes to the Proposed Property Tax Levy:

Levy	Final 2012	Updated 2013	Change
General	\$ 744,379	\$ 777,182	+\$32,803
Debt	\$373,250	\$326,250	-\$47,000
Total	\$1,117,629	\$1,103,432	-\$14,197 -1.3%

Mr. Martens presented the Tax Rate History:

	Final 2010	Final 2011	Final 2012	Preliminary 2013	Updated 2013
Tax Levy	\$1,088,974	\$1,117,629	\$1,117,629	\$1,117,629	\$1,103,432
Taxable Market Value	\$148,575,000	\$135,891,300 -8% from 2010	\$104,889,300 -22% from 2011	\$117,255,000	\$117,255,000
Local Tax Capacity	\$1,630,398	\$1,504,889	\$1,223,149	\$1,233,412	\$1,233,412
Tax Rate	65.232%	72.346%	88.546%	88.201%	87.050%

Mr. Martens presented the Residential Tax Rate Effects:

Property Value	2012 Tax Rate 88.546%	Preliminary 2013 Tax Rate 88.201%	Updated 2013 Tax Rate 87.050%	Change from 2012 Using 87.050%
\$76,000	\$403.77	\$402.20	\$396.95	-\$6.82
\$150,000	\$1,117.98	\$1,113.63	\$1,099.09	-\$18.89
\$250,000	\$2,083.13	\$2,075.02	\$2,047.94	-\$35.19
\$350,000	\$3,048.28	\$3,036.41	\$2,996.78	-\$51.50

Mr. Martens presented the Commercial/Industrial Tax Rate Effects:

Property Value	2012 Tax Rate 88.546%	Preliminary 2013 Tax Rate 88.201%	Updated 2013 Tax Rate 87.050%	Change from 2012 Using 87.050%
\$100,000	\$1,328.19	\$1,323.02	\$1,305.75	-\$22.42
\$250,000	\$3,763.21	\$3,748.54	\$3,699.63	-\$63.58
\$500,000	\$8,190.51	\$8,158.59	\$8,052.13	-\$138.38
\$1,000,000	\$17,045.11	\$16,978.69	\$16,757.13	-\$287.98
\$2,500,000	\$43,608.91	\$43,438.99	\$42,872.13	-\$736.78
\$5,000,000	\$87,881.91	\$87,539.49	\$86,397.13	-\$1,484.78

Mayor Stotko asked for public comment. No public comment was received.

Council Member Quast motioned to close the Public Hearing. Council Member Schulenberg seconded the motion. Motion carried 5-0.

b) Mayor and City Council Salary Ordinance

Mr. Martens stated that on October 16, 2012, the City Council directed staff to begin the process to decrease City Council compensation for meeting attendance by amending the Mayor and City Council Salary Ordinance. Martens continued by stating that Council Members offered to eliminate the compensation for Work Session attendance to help decrease the City's budget.

Mr. Martens explained that an Ordinance in which language is amended to not compensate the City Council for Work Session attendance when Work Sessions take place immediately prior or post City Council meetings has been drafted. Additionally, at the request of a Council Member, a section has been added stating the following:

“At the request of the Mayor or City Council Member, payment for special meeting attendance may be waived by written request.”

Martens stated that amending the Ordinance as proposed would decrease compensation by the City Council and decrease the expenditures of the City by \$3,000 annually.

Mayor Stotko asked for public comment. No public comment was received.

Council Member Mochinski motioned to close the Public Hearing. Council Member Quast seconded the motion. Motion carried 5-0.

Council Member Ollig motioned to adopt Ordinance O-12-12 amending Chapter One, Section Three of the Municipal Code of the City of Winsted concerning Mayor and City Council salaries. Council Member Quast seconded the motion. Motion carried 5-0.

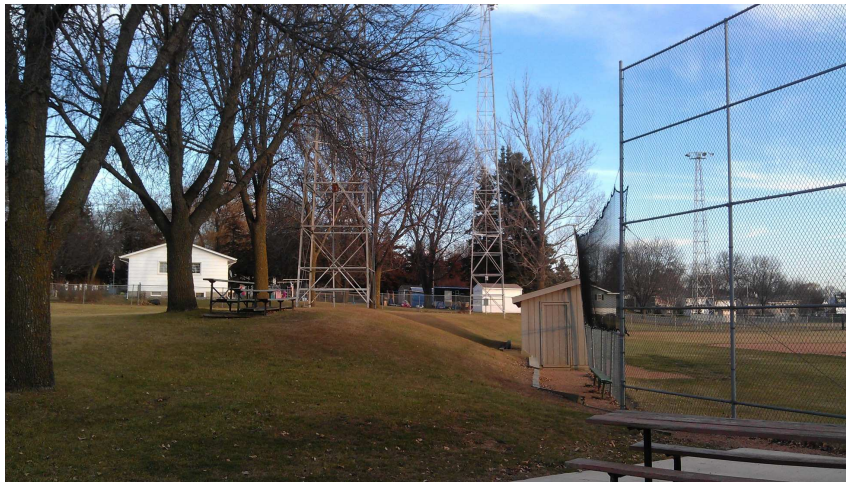
4) Old Business

a) Campbell Field Improvement Request – Winsted Wildcats

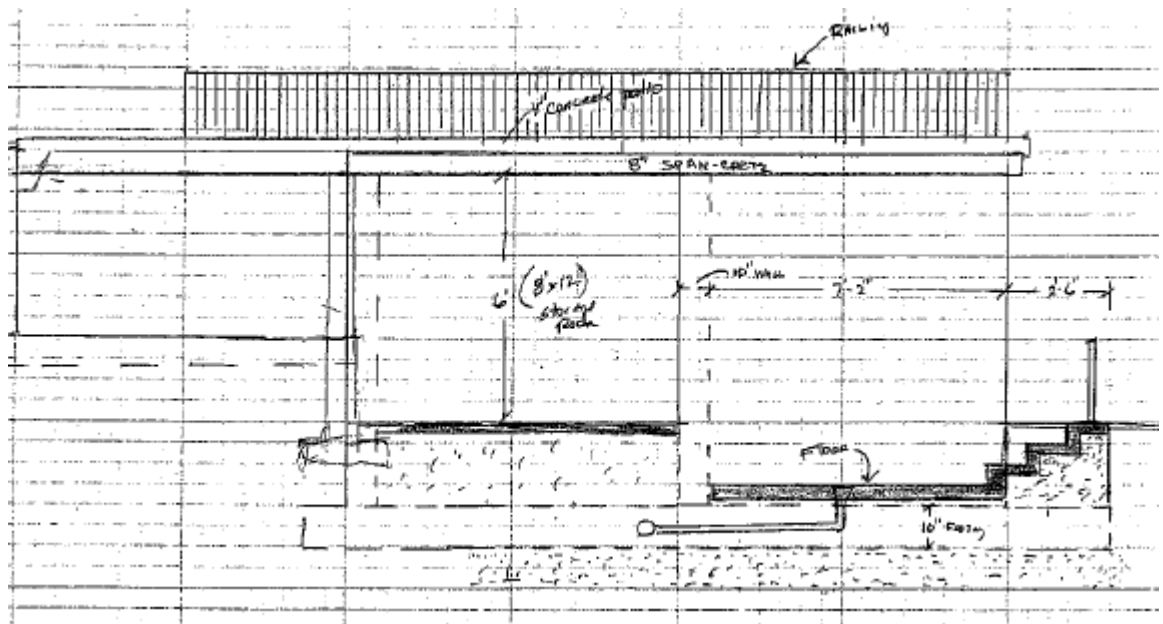
Mr. Martens stated that at the November 20, 2012 City Council meeting, the Winsted Wildcats requested the City Council to consider assisting the organization with improvements to Campbell Field.

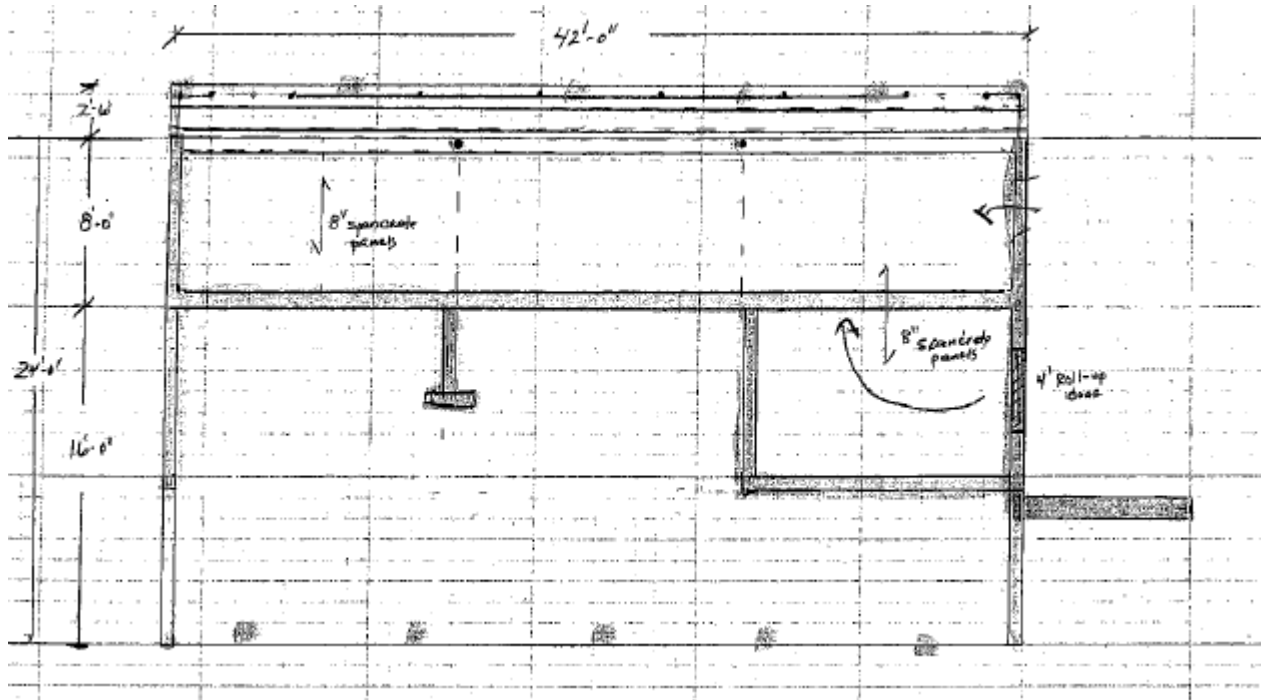
Mr. Martens stated that the improvements would result in an enhanced seating area on the third base line as well as improvements to the third base dugout and increased storage. The improvements would also result in a field that could better accommodate larger crowds associated with hosting tournaments according to the Winsted Wildcats.

Mr. Martens displayed a picture of the field as it currently is on the third base line:



Mr. Martens displayed drawings of the planned improvement with a dugout lowered into the ground and a deck like structure built over the hill on the third base line that would allow for additional seating.





Mr. Martens stated that the project is estimated to cost \$40,000 and that the Winsted Wildcats requested the City of Winsted to finance the project through a low or no interest loan and also to forgive \$10,000 of the loan.

Martens stated that the City Council tabled the item and directed staff to review possible financing options and to further review the project. Since that time, staff has found that no Statute exists that allows the City of Winsted to loan funds to an outside organization. The City, however, could become the general contractor for the project and accept donations or a pledge for donations from an outside organization such as the Winsted Wildcats.

Martens continued by listing some additional concerns after staff had further reviewed the project:

- The proposed project will move water drainage to the north and west to an area that does not daylight to the street or an existing drainage system; however, after further speaking with Ram Buildings Incorporated, it was found that drain tile was installed in 2011 that this water would be directed to. There has not been significant rainfall since this tile was installed and the City would need to research further if the tile could handle the drainage.
- It is uncertain if this will cause any new drainage issues; the City would need to confirm that the water would flow to the drain tile that was recently installed and that the tile was sufficient to handle the drainage.
- It appears that the proposed project shows a floor drain in the dugout or storage room. It is unclear what this drain would be connected to as there is no city storm sewer in the area. After further review, it was found that this is also to be directed to the drain tile that was installed and confirmation would be needed to ensure the tile could handle the drainage.
- It is unclear how much additional seating will be accommodated through this project.
- It may be wise to look at other options such as bleachers and compare additional seating options by cost.

Mr. Martens requested that the City Council direct staff on how to move forward and stated that it is recommended that if the Council approves of the project, that it is directed to the Park Commission for further review.

Martens continued by stating that approximately \$10,000 exists in the City's Parks Capital Fund, which is not enough to fund the project. The City's operating budget for Parks would be used to

fund the project and if inadequate funds existed there, reserve funds would be used unless budget savings were achieved elsewhere in the General Fund budget.

Martens explained that staff is uncomfortable making a recommendation at this time due to there being a number of unanswered questions. Additionally, if the City Council directs staff to move forward with the project, the City would need to be the project manager and the City's Purchasing Policy would apply, requiring additional quotes to be obtained prior to entering into a contract for the improvements.

Mr. Martens stated that another option would be to delay the project until the Winsted Area Chamber of Commerce applies for Local Development Organization status from the State of Minnesota and apply for revolving loan funds from the Chamber; however, this option could take two (2) to three (3) months to complete.

Mr. Chris Schultz addressed the City Council. He stated that the existing third base dugout is the third dugout within the past eight to ten (8-10) years due to drainage issues. The Wildcats believe that the proposed project would rectify the problem; however, they agree with the City in making sure that the plan will fix the drainage issues and not create new issues. The Wildcats cannot move forward and answer the City's questions unless engineer drawings are provided which will cost approximately \$1,500 - \$3,500. Schultz suggested that an amount not to exceed \$4,000 be committed to obtaining engineer plans, with both the Wildcats and the City of Winsted sharing the cost.

Mayor Stotko asked if there was any consideration of tapering the hill back further that is near the third base dugout to decrease the water that is washing underneath the dugout. Schultz stated that a light tower positioned near there prevents this. He continued by stating that the current plan includes putting extensive tiling into the hill, pulling the water out of the hill that would run down to the dugout and also more tiling around the dugout. Schultz stated that moving forward, the existing dugout probably has two (2) years of functionality left.

Council Member Mochinski stated that water is going to go to the lowest point, and asked if there was a reason the dugout was below grade. Mr. Schultz stated that the tiling that is proposed with the new dugout should address the drainage problems.

Council Member Ollig stated that in general the City Council is in favor of finding a way to complete the project but the stumbling block is that there are no engineer's drawings proving that the drainage issues will be resolved. Mr. Schultz agreed with the City Council and stated that the Wildcats Board did not want to spend the money on the engineer's plans if there was not a strong likelihood that a project would be approved to move forward.

Council Member Ollig asked if the City would approve \$2,000 toward engineer plans, where would that money come from. Mr. Martens replied from the General Engineering Fund.

Council Member Mochinski asked if there were concerns about aesthetics of the field with one side of the field or dugout looking one way, and the other side or dugout looking a different way. Mr. Schultz replied that there are some concerns of it looking different, yet, with the new deck option and nice sidewalks, the field would be appealing and make up for that concern.

Council Member Schulenberg asked if the whole project was not feasible at this time what the Wildcats would propose doing. Schultz stated that they are not certain at this time.

Council Member Schulenberg asked how the Wildcats acquire nominations to bring in a Regional tournament and how much a tournament like that brings in. Mr. Denis Campbell stated that last year at Norwood Young America 2,500 people attended. Winsted hosted a Regional tournament in 2007, with approximately 1,300 people that took in approximately \$4,000.

Mr. Schultz stated that a fair revenue estimation would be \$5,000 – \$6,000.

Council Member Ollig stated that the Wildcats are considering starting their own tournament and this would generate more revenue. Schultz stated yes.

Council Member Ollig asked what other organizations use the field. Mr. Schultz responded that Howard Lake-Waverly-Winsted School District uses it on occasion as well as Lester Prairie-Holy Trinity Schools.

Council Member Ollig asked Mr. Schultz about statistics on how often the field is being used. Schultz stated that it is heavily used in a short time period and that it takes a lot of volunteer help to have games at the field.

Mayor Stotko summarized that Mr. Schultz was requesting that the City Council contribute toward the engineer's drawings for the field and asked what the total cost of these plans were. Mr. Schultz replied between \$1,500 to \$4,000.

Council Member Quast motioned to direct City staff to complete engineering work for the Campbell Field Improvement Request not to exceed \$4,000. Council Member Schulenberg seconded the motion. Motion carried 4-0. Council Member Ollig abstained.

5) New Business

a) Cooperative Agreement – Luce Line State Trail

Mr. Martens provided the following background information regarding the Luce Line State Trail. In 2006 and 2009, the Winsted City Council adopted resolutions of support to pave the Luce Line State Trail from Winsted to Hutchinson and continue to Cedar Mills, through the use of State Bond proceeds.

The project had previously gained momentum in the area, but ultimately failed to be included in the State Bonding Bill.

Again in 2011 through April 2012, an attempt was made by the City of Winsted and the City of Hutchinson to work towards obtaining State Bond proceeds. The project was initially named in the Senate version of the State Bonding Bill but did not make final approval.

On June 14, 2012, a meeting was held at the Southwest Initiative Foundation in which attendees from the City of Winsted, McLeod County, City of Hutchinson, Hutchinson Economic Development Authority, Hutchinson Chamber of Commerce, Winsted Area Chamber of Commerce, Minnesota Department of Natural Resources (DNR), and the Southwest Initiative Foundation met with Senator Newman, and Representatives Shimanski, Gruenhagen, and Urdahl.

At that meeting, it was made known by the DNR that without strong support for bonding funds from local legislators, the only way to get the trail paved in the next ten (10) years would be through local investment for a significant portion of the project. It was also made known by the State Senator and State Representatives that the support did not exist for bonding funds.

Since that meeting, a small group of individuals from Winsted, Hutchinson, and McLeod County has been meeting with the DNR to attempt to seek a commitment to fund the portion of the paving beyond the local investment to complete the project.

The group has been successful in that the DNR has engineered a design for the trail improvements, has agreed to an initial commitment of \$500,000 in 2013, and will continue to make the Luce Line State Trail a top funding priority for 2014 for completion if local contributions from the City of Hutchinson, City of Winsted, and McLeod County are committed in amounts of \$750,000, \$100,000, and \$500,000 respectively.

Both McLeod County and the City of Hutchinson have made their commitments to the project.

Mr. Martens stated that the next step is for the City of Winsted to commit to a Cooperative Agreement with the DNR for funding not to exceed \$100,000. The entire project is estimated at just over \$3.5 million. Additionally, all future maintenance costs will be the responsibility of the DNR.

Mr. Martens noted that a small portion of the trail will need to continue to be connected on City of Winsted streets until a land acquisition could take place by the DNR in the future. Additionally, improved directional signage should be installed prior to the completion of the trail improvements.

Mr. Martens stated that the paving and completion of the Luce Line State Trail would allow for multiple uses including hiking, biking, inline skating, horseback riding, cross country skiing and snowmobiling as well as promote regional and local recreation and economic opportunities for Winsted citizens and businesses. He continued by stating that snowmobiles would be allowed on the trail when paved, including metal traction devices or “studded snowmobiles”, and that the improvements include a parallel horse trail.

Mr. Martens provided a list of groups that support the Luce Line State Trail improvements as follows.

- City of Winsted
- City of Hutchinson
- City of Silver Lake
- City of Lester Prairie
- City of Glencoe
- McLeod County
- Winsted Area Chamber of Commerce
- Winsted Arts Council
- Hutchinson Economic Development Authority
- Mid-Minnesota Development Commission
- Hutchinson Area Health Care
- Heart of Hutch
- Glencoe Regional Health Services
- Meeker Memorial Foundation
- Meeker, McLeod, Sibley Health Communities Leadership Team
- Parks and Trails Council of Minnesota
- Bicycle Alliance of Minnesota

Mr. Martens stated that Winsted’s portion of the local funding commitment is requested in the amount of \$100,000. The funds will be required after invoices for services performed have been presented to the City. The \$100,000 would be paid by using excess bond funds remaining from Fund 534, General Obligation Refunding Bond Series 2008C.

Mr. Martens stated that staff did receive an electronic mail (e-mail) from Mr. Verlon and Ms. Bev Schmitz stating the following:

“I won’t be able to make the meeting tonight but we 100% support funding for paving the Luce Line Trail from Hutch/Cedar Mills.”

Mayor Stotko invited those in attendance at the meeting to share their comments regarding the Luce Line State Trail.

Ms. Petie Littfin stated that she feels it is important not only for the people in the Winsted Community but also for attracting people from other areas that use the trail into Winsted to shop or visit our restaurants and businesses. Ms. Littfin continued by stating that walkers around the Winsted Lake have told her that they would appreciate a paved trail around the entire lake.

Mr. Jim Neff stated that if you look at communities before and after they have paved trails, the paved trails have made a significant impact on the communities. As people bike, they stop at each community and it would be advantageous to the community to bring people in.

Mr. Chris Schultz stated that the City of Winsted aggressively started this project approximately eight (8) years ago, including updating its Trails Plans. The City, the Winsted Chamber of Commerce, and volunteers have an investment into this project and the paving of the Luce Line Trail will be a great accomplishment as part of this planning.

Mr. Schultz also stated that if you look at the other trail developments in the surrounding region and see that if the Dakota Line Trail got developed and the Luce Line Trail development proceeded with the paving project, it would be the largest contiguous, connected trail system closest to the largest population center in the upper midwest. This is significant for economic development.

Ms. Mary Neff stated that this is an exciting opportunity.

Council Member Mochinski stated that \$100,000 is a large amount of money but is a small investment on the return the City will receive in the long run, especially when the State of Minnesota will pay for the maintenance of the trail. He stated that he thinks it will be a good investment.

Council Member Ollig stated that a lot of work has been completed by a large amount of people for a long time and he is glad to see it becoming successful.

Council Member Schulenberg thanked those who provided feedback and knowledge of what takes place outside of our community because of this type of trail.

Council Member Schulenberg motioned to approve of entering into a cooperative agreement with the Minnesota Department of Natural Resources and appropriating \$100,000 for Luce Line State Trail improvements. Council Member Quast seconded the motion. Motion carried 5-0.

b) Airport Consultant Solicitation

Mr. Martens stated that the Federal Aviation Administration (FAA) requires airports receiving federal funding to go through a Request for Proposals (RFP) process every five (5) years for airport consultant services.

The City of Winsted's Municipal Airport does receive federal funds and is required to take part in this process by February, 2013.

The selection of an airport consultant after RFP's are received must be related to the experience and ability of the firm to assist the airport with its five (5) year Capital Improvement Plan.

Hourly rates and other costs must be negotiated after a firm has been selected through the RFP process.

Staff is requesting City Council approval to begin the RFP process to solicit for airport consultation services.

The City is currently using services provided by Bolton and Menk, Incorporated and staff is satisfied with the services they have provide.

Council Member Mochinski stated that if the City says no to this and gets removed from the program it may not be such a terrible thing. Mr. Martens explained that there are minimal expenses for notification of the RFP process, and that the City has \$150,000 available to them annually from federal funding through the program.

Council Member Quast motioned to direct staff to begin the airport consultant selection process for the Winsted Municipal Airport. Council Member Ollig seconded the motion. Motion carried 5-0.

c) Lawn Service Agreement – Mathews Lawn Service

Mr. Martens stated that the City of Winsted has contracted with Mathews Lawn Service for many years for lawn care at the City's parks and building sites. Before entering into a new contract with Mathews Lawn Service, staff chose to get another quote for comparison. This quote was from Hot Lawns in the amount of \$37,192.50.

Martens stated that Mathews Lawn Service is significantly less than the other proposal. Additionally, Mathews Lawn Service is proposing a three (3) year contract with no increases over the term. The amount proposed by Mathews Lawn Service is the same amount as 2012 and 2011.

Mayor Stotko asked if there have been any issues with Mathews Lawn Service in the past. Mr. Martens replied that he was not aware of any major issues. He continued by stating that any time that a large amount of work is completed throughout the community, the City will receive occasional complaints, but Martens stated that he is satisfied with the work that Mathews Lawn Service does.

Council Member Mochinski motioned to approve a contract with Mathews Lawn Service for the City's lawn care needs in the amount of \$17,999 per year for years 2013, 2014, and 2015. Council Member Schulenberg seconded the motion. Motion carried 5-0.

d) Resolution R-12-37 – Public Works Appointments

Mr. Martens stated that at the July 17, 2012 City Council Work Session, the City Council directed staff to begin the process to reorganize the Public Works Department. The reorganization would change the structure of the Department from two (2) Maintenance Leads and one (1) Maintenance Worker to one (1) Maintenance Supervisor and two (2) Maintenance Workers. The reasoning for the reorganization was solely to increase the efficiency of the Department.

On October 16, 2012, the City Council adopted a Resolution approving the reorganization which included the following items:

- Approving the reorganization of the Public Works Department to include one (1) Maintenance Supervisor and two (2) Maintenance Worker positions.
- Approving the revised Job Descriptions for the positions.
- Approving the revised Compensation Plan for the Maintenance Supervisor and Maintenance Worker positions.
- Instructing staff to fill the positions by means of an internal posting and application process subject to City Council approval.

Mr. Martens stated that the Maintenance Supervisor position was posted internally on October 17, 2012 with a deadline to apply by noon on Friday, November 2, 2012. One application was received from Dave Meyer, Maintenance Lead.

An interview was held on November 15, 2012 by an interview panel of Council Member Mochinski, Council Member Schulenberg, and the City Administrator. After the interview, the panel unanimously recommended Dave Meyer to be appointed to the position of Maintenance Supervisor.

Mr. Martens stated that the final step in the process is to make appointments following the reorganization through a resolution. The reorganization results in adjustments to the compensation plan which will result in an increased cost to the City of approximately \$500 in 2013. Savings to the City over the following four years is estimated at \$7,000.

Council Member Ollig motioned to adopt Resolution R-12-37 approving appointments following the reorganization of the Public Works Department. Council Member Quast seconded the motion. Motion carried 5-0.

e) Schedule Public Hearing – Permitting Annexation by Ordinance

Mr. Martens stated that at the November 20, 2012 City Council meeting, a site plan was approved for a building addition to the existing Millerbernd Manufacturing facility located at 622 – 6th Street South.

As part of that approval, a condition was included requiring that a portion of Property I.D. 14.010.0300 be annexed into the City of Winsted City limits in order to accommodate the building addition and required minimum setbacks. The City has received a petition for annexation from the property owner which is the first step in the annexation process.

The next step is to hold a Public Hearing after giving a thirty (30) day notice to the township affected by the annexation and also the landowners within and contiguous to the area to be annexed.

The City should schedule this Public Hearing for January 15, 2013 which will give sufficient time for the notice to take place.

Council Member Quast motioned to schedule a Public Hearing for Tuesday, January 15, 2013 at 6:00 p.m. to consider an Ordinance of the City of Winsted, Minnesota annexing land located in Winsted Township, McLeod County, Minnesota pursuant to Minnesota Statutes § 414.033 subdivision 2(3), permitting annexation by ordinance. Council Member Mochinski seconded the motion. Motion carried 5-0.

6) Department Report

a) Winsted Volunteer Fire Department

Mr. Chad Engel, Winsted Volunteer Fire Department Chief, reported on the following:

- Have twenty-six (26) members on the department. One member resigned to pursue school.
- One application on hold.
- Next testing date is in January, 2013.
- To date - 231 calls which are more calls than last year.
- 800 mghz radios are live and going well. System seems to be working.
- We recently had a rescue on the lake and got to use the rescue boat. The rescue was of an eight (8) point buck and we assisted the DNR to get it to shore.
- Working with Mr. Martens on the gutter project.
- Working on improvements to the Fire Station.

Council Member Ollig stated that he attended the Fire Department meeting last night as the Council representative where there was a spirited discussion. He complimented Mr. Engel on his leadership and decision making skills during the meeting.

Council Member Quast congratulated the Department on the rescue of the deer. Mr. Engel described the rescue process.

7) No Organization Report.

8) No Open Forum

9) Announcements

Mr. Martens stated that the City has openings on each of its Commissions, so if anyone is interested in serving on the Planning, Park or Airport Commission, they should contact him.

Mr. Ollig stated that the Winsted Chamber of Commerce Winter Festival would be held on Saturday, December 8, 2012.

10) Adjournment

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

The meeting was adjourned at 7:00 p.m.

Steve Stotko

Steve Stotko
Mayor
City of Winsted

ATTEST:

Raquel Kirchoff

Raquel Kirchoff, MCMC
Administrative Assistant
City of Winsted