

City of Loretto
Minutes of Special City Council Meeting
279 N. Medina Street, Council Chambers
August 22, 2018

1. CALL TO ORDER

Mayor Koch called the meeting to order at 6:00 p.m.

Members present: Mayor Kent Koch, Council Members Brenda Daniels, Melissa Markham, John Neumann and Brian Sevigny.

Also present: Public Works Director Jeff Leuer and City Clerk Treasurer Mary Schneider.

There were four people in the audience.

2. PLEDGE OF ALLEGIANCE

3. SET AGENDA

The agenda was approved with the following changes:

- Add item **4. OPEN FORUM** before **ACTION/PLANNING**

4. OPEN FORUM

Connie Scheibe, 90 Pondview Drive, addressed the Council, urging the budgeting of funds for the cleaning out of storm ponds. Scheibe stated that while the property owners have treated the pond with chemicals to keep the weeds down for over twenty years, they have stopped because the chemicals are no longer very effective due to the shallow depths. Scheibe stated the chemical used recently was copper sulfate. Scheibe stated the property owners use the pond for a hockey rink in the winter, but they might not be able to use it for that this year because of the weeds.

There was a discussion between the Council, Public Works Director Leuer and residents Connie and Grant Scheibe and Bonnie and Jim Bryant (110 Pondview Drive.) Leuer explained that the City is required to keep the ponds functioning to certain standards set by the state and that the ponds are regulated through the City's MS4 and SWPPP. Leuer also stated the City recognizes the need to clean out the ponds and is in the process of determining which ponds need to be addressed first. Leuer stated it is likely the pond in question will be the second on the list, with the pond on Chippewa Road being the first. Leuer explained that the green "scum" on the top of the pond actually indicates the pond is working and that the chemical used to keep the pond looking good (copper sulfate) captures the phosphates and drag them to the bottom of the pond. The residents expressed concerns about the amount of runoff from the property on the corner of County Roads 19 and 11 as well as the runoff from the farm property on the south side of County Road 11. Leuer stated he will reach out to the City of Medina to discuss the runoff from the farm and stated the owner of the property on the corner of 19 and 11 is working within the guidelines set by the watershed and the County.

5. ACTION/PLANNING

- a. Resolution 2018-33, CRJ Request for Letter of Credit (LOC) Reduction
On a motion by Markham, seconded by Daniels, to approve Resolution 2018-33, A RESOLUTION APPROVING REDUCTION IN LETTER OF CREDIT FOR CHIPPEWA ESTATES DEVELOPMENT as submitted.
Motion carried unanimously.
- b. Arnold Klaers Field HYFG - Quote for Infield Sod
On a motion by Neumann, seconded by Daniels, to approve estimate number 337 from Town & Country Landscaping of Rogers in the amount of \$14,329.50.
Motion carried unanimously.
- c. Arnold Klaers Field HYFG - Quote for Outfield Top Dress
On a motion by Koch, seconded by Markham, to approve estimate number 338 from Town & Country Landscaping of Rogers in the amount of \$5,650.
Motion carried unanimously.

6. BUDGET GOALS OF COUNCIL - DISCUSSION POINTS

- a. ALTERNATIVE REVENUE SOURCES
 - 1) TIF Revenue
Clerk Treasurer Schneider stated the current budget proposal has an interfund loan payment of \$5,000 from the TIF Fund to the General Fund. Schneider stated the Council could raise this payment to increase revenues and noted the amount available at this time is \$44,600.
 - 2) Small City Transportation Aid
Schneider stated the current budget proposal includes using \$16,000 from 2017 and 2018 Small City Transportation Aid to cover street patching. Schneider reported the state has not funded Small City Transportation Aid for 2019 and recommended the Council reach out to state representatives letting them know their support for this aid to small cities.

Council directed Schneider to draft a letter and bring it to the September council meeting for consideration.
- b. Review 2019 Proposed Wages
Schneider reported the current budget proposal includes a 3% wage increase for all staff and budgets for one additional council meeting (from 13 to 14 meetings.) The proposal also budgets 100 additional hours for Schneider, to be used as needed for field scheduling and to manage a new city Facebook page and increases Utility Clerk Scheibe's hours from 13 to 15 hours. Schneider stated she would like Scheibe to take over chairing the Fun Fest and Holiday Train planning committees, freeing up Schneider to focus on her other duties as City Clerk. Council discussed the possibility of adding office hours. No action was taken.

Council consensus was to leave the wage proposal in the budget as presented.

- c. Review Proposed CIP and Maintenance and Repairs Spreadsheets
Council reviewed the Proposed 2019 CIP and Maintenance and Repairs spreadsheets and noted a few items for the Water Fund and the Stormwater Fund had not been included in the budget due to a lack of revenue.

Council consensus was to plan for the addition of Variable Frequency Drive (VFD) devices and automatic hydrant flushing system using funds from the Water Capital Fund (611.)

Council directed Schneider to add an additional \$5,000 to the LSWMP for Stormwater pond cleanout, raising the amount to \$10,000 and bring a Stormwater Rate Study to the September Council meeting for consideration of a rate increase for that fund.

Council consensus was to leave the proposed Maintenance and Repairs proposal in the budget as presented.

- d. Review Wenck's 20 Year CIP Proposal
Council directed Schneider to add the proposal to the September council meeting for approval.

- e. Review Capital Projects List - Priorities Discussion
Council noted most of the projects on the list were already included in the budget and identified two items that needed consideration. First was improvements to the Lions Park Bathrooms. Leuer stated the bathrooms were functional and would be greatly improved with new doors and a fresh coat of paint. Leuer stated he could fit these improvements into the current parks maintenance and repairs budget proposal. Council discussed the shelter at the Lions Park and its need for either repairs or to be demolished. No action was taken.

- f. Storage Discussion
The second item identified from the Capital Projects List was the need for storage for public works equipment. Leuer stated the City will need to have all its equipment removed from the West Hennepin Auto storage site by November 1st. This includes the big snow plow and other larger items that should not be left out in the open. Leuer stated he estimates about \$12,000-\$18,000 in rental fees for this storage. Council discussed purchasing a condo storage space at the new buildings just north of Highway 55 on County Road 19. Leuer stated he will investigate the options.

Council directed Schneider to raise the levy increase from 5% to 10% to account for the increased rental needs. Schneider noted the Proposed Levy set at the September council meeting may be lowered when the Final Levy is set in December, but may not be raised.

- g. Capital Fund (225) Parks - How to Allocate Funds Spent on 2015 Ford Pickup Truck
Schneider reported there is a set-aside discrepancy in the Capital Fund (225) Parks due to a \$1,200 payment for the 2015 Ford Pickup Truck. Council directed Schneider to take \$300 from each of the four items that have set-aside funds.

h. Interfund Loan for Lions Park Building Preliminary Expenses

Schneider reported the interfund loans totaling \$13,800 from the Capital Fund (225) Attorney for the Lions Park Building Preliminary engineering and architectural expenditures was due to be paid back in 2018 using bond proceeds. Since the project did not get approved and there will be no bond proceeds the Council must decide what to do about the interfund loans. Schneider stated the Council could pass a resolution writing off the loans. Schneider noted the Capital Fund (225) Attorney, where the funds were borrowed from, is where previous councils have set aside funds for future code book overhaul and was not a high priority with all things considered.

Council directed Schneider to bring a resolution to the September council meeting for consideration.

i. Review Consultant Expenses for 2019

Council reviewed. Leuer stated he feels the City should consider hiring a specialized attorney who can advise the City as it moves through the process of hooking up to the Met Council's regional wastewater system. Council directed Schneider to reach out to the League of Minnesota cities for advice on this issue.

7. 2019 BUDGET PROPOSAL

Council reviewed. No further action was taken.

8. WATER FUND BUDGETING

Schneider reported staff had difficulty balancing the budget for the Water Fund (601) and stated a rate increase would likely be necessary in 2019.

9. ADJOURN

On a motion by Neumann, seconded by Sevigny, to adjourn at 8:58 p.m.
Motion carried unanimously.

ATTEST:

Mary K. Schneider, City Clerk Treasurer

Kent Koch, Mayor