

City of Loretto
Minutes of Regular City Council Meeting
279 N. Medina Street, Council Chambers
September 10, 2013

CALL TO ORDER

Mayor Koch called the meeting to order at 7:00 p.m. Members present: Mayor Kent Koch, Council Members Cari Girk, John Neumann, Henry Pepin and Tom Pedersen. Also present: Public Works Director Jeff Leuer, City Attorney Paula Callies, City Treasurer/Utility Clerk Mary Schneider, and Medina Police Chief Ed Belland.

There were 12 people in the audience.

SET AGENDA

The agenda was approved as submitted.

APPROVE MINUTES

On a motion by Koch, seconded by Neumann, to approve the August 6, 2013 Budget Workshop Notes as submitted.

Motion carried unanimously.

On a motion by Girk, seconded by Pepin, to approve the August 13, 2013 City Council Meeting Minutes with the following changes: strike "Arrived at" under CALL TO ORDER, first line; strike second full paragraph on page two.

Motion carried unanimously.

MEDINA POLICE REPORT

Chief Belland presented the August Police Report. There were 97 general patrols (a general patrol is when an officer or reserve officer drives through almost every street in the city, taking between 15 minutes to one hour, depending on activity); one person admitted for seventy-two hour hold; traffic stops about average for where we usually are; couple animal complaints and parking complaints. There was one fatal accident on Sunday, September 8th in which a 23 year old female was killed in a single car accident. Chief Belland wanted to remind everyone to slow down and drive with care. The Medina Police are very busy with the building process, and are scheduled to move into their new building on November 1st. This will be a great addition to the Medina Police Department. They are also dealing with fire contracts with the city of Medina and union contracts.

WOODSTOVE ORDINANCE REVIEW & HEARING

Attorney Callies gave background information regarding the issue of outdoor furnaces in the city of Loretto. Council has been looking at the issue for a few months. This current ordinance draft includes the changes recommended by Council from previous meetings. The EPA does not regulate these types of furnaces. There are state laws regarding emissions which are regulated as nuisances when there is excess smoke and odors. The

city is looking at this issue because there are health concerns which affect people's property rights. The ordinance being reviewed prohibits new furnaces but does not ban existing furnaces, which may continue but may not be expanded. Attorney Callies presented sample ordinances from the PCA website which goes through a number of cities and how they regulate outdoor furnaces. Savage has a similar ordinance to what Loretto is considering, showing that what Loretto is considering is not unique.

The ordinance as proposed would prohibit any new outdoor furnaces; any existing outdoor furnaces would be allowed to continue but not be expanded; owners of existing furnaces would need to register their furnace with the city to continue using them; if use of an existing furnace is discontinued for twelve consecutive months it cannot be re-established; defines nuisance with specific language, clarifying existing nuisance ordinances; penalties for failure to comply would be a misdemeanor (criminal violation) and could also be pursued with a civil injunction.

Mayor Koch opened the public hearing at 7:14 p.m.

The following people gave comments for the public hearing:

- Gary Koecheler, 226 St. John Street: Has a double action furnace; always burns dry wood; recently installed a sensor which is supposed to burn the smoke out; usually only smokes when it first starts up; has had a wood burning stove at house also, and has never had a complaint regarding that stove; thinks the city should enforce harassment on excess calls to 911.
- Shirley Koecheler, 226 St. John Street: Has an issue with false alarms which the fire department has to deal with; camp fires create a smoke nuisance also; will this be an issue as well in the city?
- Tim Pivec, 220 St. John Street: The city does need an ordinance regulating outdoor furnaces; is this ordinance tough enough so that when smoke fills up someone's building it can be enforced; other municipalities have these ordinances, let's get something in place so we can enforce nuisances.
- Duane Lawrence, employee at 220 St. John Street: When there's a northwest wind and the stove fires up you can hardly see across the parking lot, choking out the employees.
- Scott Pivec, 220 St. John Street: Who's going to regulate the sensor and blower, which needs maintenance; if the sensor quits then what?
- Mary Lou Pivec, 220 St. John Street: Outdoor burning of garbage was cut out because this is a health issue; doesn't want to be breathing the smoke.
- Chris Girk, 120 Mallard Lane: Would like to see a stiff ordinance; what constitutes failure to comply; questions whether its only wood that's being burned because of the nature of the smoke; skeptical that the sensor will take care of the problem; if 911 is not the appropriate way to complain there should be a process in place so that people can register their complaints about smoke in the area.

On a motion by Neumann, seconded by Pepin to close the public hearing.

Motion carried unanimously.

The public hearing was closed at 7:20 p.m.

There was specific Council discussion regarding the following:

- The ordinance is written now as was discussed at previous meetings; the discussion so far has not changed opinions on the matter.
- Section 526.07 of the proposed ordinance states that each day that a violation continues is deemed a separate punishable offense.
- Is the ordinance stiff enough – perhaps there should be a complete ban on the furnaces, both existing and new.
- Calls to the police are a police matter, not for the city to enforce.
- There is a company called Clear Stack which creates a device that converts the smoke into steam – possibly this would be a fix for existing furnaces.
- The ordinance as written takes care of what the Council is trying to accomplish.

On a motion by Neumann, seconded by Pedersen to approve Ordinance 2013-03, AN ORDINANCE AMENDING CHAPTER V PUBLIC SAFETY, WELFARE AND MORALS OF THE LORETTO CITY CODE ADDING SECTION 526 OUTDOOR FURNACES.

Summary of further discussion:

Should the Council limit the months or hours in which these furnaces can operate? In previous drafts of this ordinance those options were considered, as well as what materials are allowed to be burned. Mr. Koecheler has in good faith made efforts to resolve the issue by installing the device to limit the smoke.

Motion on the floor to approve the ordinance as submitted.

Motion passed, Pepin and Girk opposed.

PROPERTY MAINTENANCE BETWEEN 220 ST. JOHN AND 220 ST. PETER

Included in the packet were letters and emails regarding maintaining the right of way in front of a disputed property. Attorney Callies stated that the city does generally maintain its own property. While sometimes property owners maintain a boulevard, the city does not grant a right to maintain city property. In this circumstance it makes sense for the city to continue to maintain its own property. There is no reason for the city to involve itself in the dispute between property owners regarding the adjacent property.

Council consensus was to stay out of the dispute, having the city continue to maintain the right of way on its own.

RESOLUTIONS 2013-23 – 2013-26

Resolution 2013-23, Preliminary Levy & Budget

On a motion by Koch, seconded by Neumann, to approve Resolution 2013-23, A RESOLUTION SETTING THE 2014 PROPOSED GENERAL FUND BUDGET AND APPROVING THE PROPOSED 2013 PROPERTY TAX LEVY, COLLECTIBLE IN 2014.

Motion carried unanimously.

Resolution 2013-24, Certifying Delinquent Taxes

Summary of council discussion:

The question was raised of how a bill can get so high? Once the account is delinquent a ten percent penalty is applied each month. This can add up quickly. Property owners sometimes request a hold on penalties due to personal difficulties. Even if water is shut off, the minimum amount is still billed, plus a \$50 charge to shut off and then another \$50 charge to turn the water back on.

On a motion by Neumann, seconded by Pedersen, to approve Resolution 2013-24, A RESOLUTION DIRECTING DELINQUENT UTILITY CHARGES BE PLACED ON THE 2014 PROPERTY TAX ROLLS.

Motion carried unanimously.

Resolution 2013-25, Fun Fest Donations

On a motion by Pedersen, seconded by Pepin, to approve Resolution 2013-25, A RESOLUTION ACCEPTING DONATIONS FROM AREA RESIDENTS AND BUSINESSES FOR FUN FEST FIREWORKS.

Motion carried unanimously.

Resolution 2013-26, Safety Training Agreement

Public Works Director Leuer explained that the city has been contracting with a company called Safety Train for handling the city's safety needs, including annual safety training for all city employees. The quality of the training has been questioned by many cities. Jeff recommends joining a new regional group through the League of Minnesota Cities. One benefit of going with this group is that they will come out twice a year to help us develop a safety manual. Training would be in either Rockford or Corcoran. Safety Train's costs are going up and would be \$1800 for the upcoming year. The cost of this new group would be \$1200 and the cost could get cheaper if more cities join.

On a motion by Pedersen, seconded by Pepin, to approve Resolution 2013-26 A RESOLUTION AUTHORIZING NEW MEMBER IN REGIONAL SAFETY GROUP.

Motion carried unanimously.

LAKE MINNETONKA COMMUNICATIONS COMMISSION (LMCC) UPDATE

Council Member Girik gave an update on the LMCC. The city of Loretto will need to make a decision on whether they want to continue with the LMCC and the Joint Powers Agreement (JPA) or go on our own and direct franchise. At the last LMCC meeting, the city of Orono presented a resolution in support of exploring a new JPA within the LMCC. Orono has already signed a direct franchise agreement, as has Medina. Minnetrista and Victoria are on the edge of leaving the LMCC. If all the LMCC cities choose to direct franchise, we could still maintain a commission with different rules. If this was done we could share studios and services. In this case the PEG (Public, Educational or Governmental Programming) fees and franchise fees would come back to the city, instead of to the LMCC. PEG fees would be about \$1500 and franchise fees would be about \$6700. In total, about \$9000 would come back to the city. PEG fees have to be spent on Public Programming, franchise fees are a normal revenue line. Council Member Girik joined a subcommittee to research the

possibilities of changing the JPA. The subcommittee will present their findings at a September 17th meeting.

If enough cities leave, the LMCC has to dissolve. If a new JPA isn't formed, whichever cities remain will be stuck with covering the liability. At the last subcommittee meeting, a franchise attorney with Mediacom explained how an extension permit could be used. An extension permit would allow us to tag along with another city that has already direct franchised. Whatever that city has negotiated, we would get the same benefits. This would save Loretto a lot in start-up costs.

If Loretto is planning to leave the LMCC, we would have to write a letter of intent to withdraw from the LMCC by October 15th.

Summary of Council discussion:

- LMCC is out of touch. Programming is not in the top interests of the residents of Loretto. Internet issues are of top priority.
- What is the cost of direct franchising? 1-2 years of revenue if pursuing our own direct franchise. If we used an extension permit there would be little cost.
- Solid numbers need to be researched on what the costs would be.
- At the time when most cities signed up it was a good idea, but with technology as it is, does it still make sense.
- Does the city want to take on the responsibility of determining our programming or have the LMCC do it for us.
- Right now getting out would be an easy process.
- With the LMCC hearing that more cities are thinking of dropping out, they could form a new commission with those who are direct franchising.
- If the city does choose to withdraw from the LMCC, they could pull four channels from our current service.

Council Member Girk will send the extension permit and Medina's direct franchise agreement to Mary to send out to the Council in electronic form.
No action was taken at this time.

INFORMATIONAL ITEMS

MEDINA WELLHEAD PROTECTION FINAL APPROVAL LETTER

This is a letter notifying the city of Loretto that Medina's wellhead protection plan has been approved by the Minnesota Department of Health. Medina must begin implementation of the plan within sixty days of the final approval of their City Council.

DELANO AREA SENIOR CENTER LETTER

The Delano Area Senior Center sent a letter of thanks to the Council for Loretto's financial support.

PFA PUBLIC NOTICE LETTER

The Minnesota Public Facilities Authority (PFA) sent a letter notifying the Council of the opportunity to apply for loans through the Clean Water Revolving Fund.

METROPOLITAN PARKS AND OPEN SPACE COMMISSION (MPOSC) VACANCIES

The Metropolitan Council is notifying Loretto of vacancies on the Metropolitan Parks and Open Space Commission, which helps the Metropolitan Council develop long-range plans for regional parks, park reserves and trails.

FUN FEST UPDATE

Donations are up to \$9520, slightly higher than 2012. Plans are coming together well. There are 18 spots filled for the Loretto Market. Public Works Director Leuer and Chris Stoltenow (local business owner) are working on making spots available on Lorenz Street as well as West Railway. Volunteer spots are filling up. The cost of the band was questioned, which was \$2500.

REDEVELOPMENT COMMITTEE UPDATE

No update was given.

MONTHLY REPORTS

City Hall

Performance Reviews

The Personnel Committee gave Public Works Director Leuer his performance review on September 6th. Council commended Leuer on his great work in general and in his efforts to save the city money whenever possible. The Personnel Committee recommended a 2.9% increase in wages effective January 1st, 2014.

On a motion by Pepin, seconded by Girk to increase Leuer's wage by 2.9% effective January 1st, 2014.

Motion carried unanimously.

Review of Ordinance Combining Clerk and Treasurer Offices

Attorney Callies explained the need for an ordinance combining the Clerk and Treasurer offices. Travis Rosin resigned his position as City Clerk, leaving the position of City Clerk open. Current Loretto City Code has the position of City Clerk and City Treasurer as separate positions. State law allows a city to combine the two positions, but it must be done by ordinance. An ordinance is not effective until passed and published.

Attorney Callies emphasized that the Council needs to consider the options. One would be to leave the positions separate, and hire a City Clerk separate from the Treasurer. The pros for this option are that having two people doing the work provides more checks and balances. If the positions are combined, the city will be required to have an annual audit. The city currently is required to have an annual audit due to its debt on the water booster station.

In regards to Resolution 2013-22 INTERIM CITY CLERK APPOINTMENT, this is needed because of the gap in time between now and when the ordinance would become effective upon publication, if the Council would go in that direction. There are documents, such as the Levy Certification, that need to be signed by Loretto's City Clerk and sent in to Hennepin County within the next week.

Summary of Council discussion:

The Personnel Committee met with Treasurer/Utility Clerk Schneider to find out her interest in taking on the City Clerk position and she is interested. The Personnel Committee recommends appointing Schneider as Interim City Clerk as the Resolution 2013-22 is written. There was discussion about the possibility of hiring a Utility Clerk to work with Schneider. In the transition period, the two positions may need to use 45 hours, similar to what Rosin and Schneider were using. In the long term, the goal would be to get back to 30 hours for City Clerk and 10 hours for Utility Clerk.

On a motion by Pedersen, seconded by Neumann to approve Ordinance 2013-02, AN ORDINANCE COMBINING THE OFFICES OF CITY CLERK AND CITY TREASURER IN THE CITY OF LORETTO, HENNEPIN COUNTY, MINNESOTA.
Motion carried unanimously.

Resolution 2013-22, Interim City Clerk Appointment

Summary of Council discussion:

This is a temporary measure to get a City Clerk in place for the time being. Discussion included the time period for the appointment, the maximum number of hours to be worked, and the rate of pay. There have been some local clerks who have expressed willingness to help out during the transition period.

On a motion by Neumann, seconded by Pedersen, to approve Resolution 2013-22, A RESOLUTION APPOINTING MARY KAYE SCHNEIDER AS INTERIM CITY CLERK, with the following changes: #2 will read "Mary Kaye Schneider shall work no more than forty hours and be compensated at the rate of \$19/hour."
Motion carried unanimously.

Council discussed hiring a Utility Clerk and directed Schneider to begin the process by preparing a job description and posting it by email to Loretto residents. The position will be for 10 hours/week at a rate of pay of \$10/hour. Council directed Schneider to do the interviewing and bring a recommendation to the next Council meeting.

City Hall office hours were also discussed. Schneider requested office hours be changed to Monday 8:00 a.m. – 1:30 p.m., Wednesday 8:00 a.m. – 1:30 p.m. and 3:00 p.m. – 6:00 p.m., and Friday 8:00 a.m. to 1:30 p.m. Council directed Schneider to publish and post the office hour changes as requested.

On a motion by Pedersen, seconded by Girk, to approve Schneider's extra 10.25 hours worked during the week of September 3rd through the 6th due to City Clerk vacancy.
Motion carried unanimously.

******* The Attorney was dismissed at 8:40 p.m. *******

Streets

No items brought forward.

Water

No items brought forward.

Wastewater

MCES Update

Public Works Director Leuer presented information from the Metropolitan Council Environmental Services (MCES) meeting which he attended with Council Member Girk on August 26th. The policy of MCES is that they must have one thousand developable acres to provide the funding needed to carry out this plan. That is why the city of Corcoran is included in the plan. We will need Corcoran to approve the plan in order for this to work. The Met Council decided to move forward with extending the wastewater line to the service point (which is at the boundary of the one thousand developable acres) at Hamel Road and County Road 19, named "Service Point 1". The plan will be carried out in two stages. The first stage is to get the line up to Service Point 1 by 2017 so we are able to connect to it by December 31st, 2017 as stated in our permit requirements with the MPCA. The second stage of the plan (2030 and beyond) is to upgrade the existing piping and lift station to accommodate adding future flows from the cities of Medina and Corcoran. We must provide comments back to MCES prior to September 20th so they can review them prior to sending this project out for design. Leuer provided a draft of comments with the request that MCES would consider moving Service Point 1 from the proposed site at the corner of Hamel Road and County Road 19, to the location of the current Loretto Wastewater Treatment Ponds (WWTP). The Met Council may consider this if we are willing to cost share a lift station by our sewer ponds, getting Corcoran and Medina to run their lines to that service point. The three cities of Loretto, Medina and Corcoran would have to pay to have that service point put in, but in the future, the Met Council may take over the service point, which would mean they would be responsible for repairs and maintenance of the site from that date forward. There are multiple options for how the cities of Medina and Corcoran would get their line to a service point at our WWTP site.

Another option is to go it on our own, building a smaller lift station at the current location of the WWTP and run a line to the proposed Service Point 1 at Hamel Road and County Road 19.

The MCES administrator is on board with the initial plan, but the full Met Council must approve a plan to move forward with it fully.

Council Member Girk commended Leuer for his forward thinking and great work on this project.

Parks

Hennepin County Youth Sports Grant

Mayor Koch presented a scoring sheet from Hennepin County showing how our last grant request was scored. We received 25 points out of 100 possible points. The feedback from the grant administrator is that the items we put on our request (bathroom upgrades, overlay at softball complex, handicap accessible bathrooms, and back-stop at baseball field) are maintenance issues that don't usually get funded with these grants. With our situation

of having existing facilities, this puts us at a disadvantage for ever receiving these funds. One suggestion from the administrator is turf upgrades, which is not something we're really looking at upgrading. The next grant cycle is due October 14th.

Summary of Council discussion:

To improve our "Partnership" score, they are looking for an established funding source. This might be something we could try to get in place for the 2014 grant cycle.

"Creating Opportunities" - high scores go to building new fields.

Council consensus was that we don't really have an opportunity to improve our grant application score with our situation, so it doesn't make sense to put in a similar application. The city may be better served by exploring fundraising opportunities, looking to bring all the users of the fields to the table and brain-storm fundraising strategies. A long term approach where partners get a fund going, earning interest and drawing public attention to specific goals might be a good way to go. Another example would be to offer name plaques be put up for sponsors of a project, as was done with the bleachers at the baseball field. Loretto takes pride in our city and the ball fields are a big part of that. If residents are aware of the need for these projects, they may be willing to help with fundraising.

At the August Council meeting a partnership between the city of Loretto and Providence Academy was discussed. Mayor Koch requested more direction from the Council as to what the goals of this partnership would be. Park Coordinator Herb Koch is planning a meeting with Providence Academy in the next couple weeks. Council Member Pepin requested that either he or Council Member Neumann be included in the meeting as members of the Parks Committee for the city. Ideas for the partnership: contribute to a capital and maintenance plan, as well as per-use fees, making sure that the city isn't losing money on a long term agreement due to the costs we incur in maintenance and improvement needs. Providence does have experience with partnering with cities as they currently partner with the city of Plymouth for the use of ice arenas for their hockey program. Council Member Neumann expressed interest in seeing numbers as to the demographics of who is using our fields.

Stormwater

No items brought forward.

FINANCIAL

September Bills

On a motion by Neumann, seconded by Pedersen, to approve check #'s 1514E-1534E and 20357-20385 in the amount of \$33,791.58.

Motion carried unanimously.

Monthly Balance Sheet and the YTD Expenditure and Revenue Report

Council reviewed.

No action taken.

ADJOURN

On a motion by Pedersen, seconded by Pepin, to adjourn at 9:25 p.m.

Motion carried unanimously.

ATTEST:

City Clerk

Kent Koch, Mayor