

**City of Loretto**  
**Minutes of Regular City Council Meeting**  
**279 N. Medina Street, Council Chambers**  
**November 12, 2019**

**1. CALL TO ORDER**

Mayor Koch called the meeting to order at 7:00 p.m.

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

Also present: City Attorney Paula Callies, Medina Police Sergeant Jason Nelson, Wenck Project Engineer Peter Daniels, Public Works Director Jeff Leuer, and City Clerk Treasurer Mary Schneider.

There were three people in the audience.

**2. PLEDGE OF ALLEGIANCE**

**3. SET AGENDA**

The agenda was approved as submitted.

**4. APPROVE MINUTES**

On a motion by Sevigny, seconded by Daniels, to approve the August 13, 2019 Special City Council Meeting Minutes with the following changes: in the first page header, correct year to 2019.

Motion carried unanimously.

On a motion by Markham, seconded by Riley, to approve the October 8, 2019 Regular City Council Meeting Minutes as submitted.

Motion carried unanimously.

**5. MEDINA POLICE REPORT**

Medina Police Sergeant Jason Nelson presented the October Police Report, noting 109 total calls for service, of which 71 were general patrols. Nelson noted there was a call described as "shots fired" on the report and clarified it involved a person shooting at birds with a BB gun.

**6. OPEN FORUM**

No one came forward to speak during the Open Forum.

**7. CONSENT AGENDA**

- a. Resolution 2019-26, Fun Fest Donations
- b. Audit Agreement
- c. Siren Maintenance Contract Renewal

On a motion by Markham, seconded by Daniels, to approve the CONSENT AGENDA as submitted.  
Motion carried unanimously.

**8. ACTION/PLANNING**

- a. Met Council Cooperative Agreement

Wenck Project Engineer Peter Daniels presented the Cooperative Agreement, an agreement which outlines the terms in which the Met Council will provide sewer service to the City. Mr. Daniels noted some key items: 1) when it comes time for the Met Council to build a future big

lift station, possibly twenty years down the road, they will take care of abandoning the pond system; 2) it is Loretto's responsibility to build the flow metering station but will be reimbursed by the Met Council after construction; 3) the agreement will terminate when the Met Council builds the future big lift station and provides sewer service to the larger area.

Council Member Sevigny questioned the silence in the agreement on preventing use of the ponds when the Met Council takes over. Mr. Daniels agreed that the agreement is silent on this issue. Sevigny asked if there were any concerns about this. Mr. Daniels and Public Works Director Leuer both indicated they did not have concerns on this issue.

On a motion by Sevigny, seconded by Daniels, to approve the COOPERATIVE AGREEMENT BETWEEN THE METROPOLITAN COUNCIL AND THE CITY OF LORETTO as submitted.  
Motion carried unanimously.

b. 21<sup>st</sup> Century Bank Deposit Placement and Custodial Agreements

On a motion by Markham, seconded by Daniels, to approve the Deposit Placement Agreement and the Custodial Agreement with 21<sup>st</sup> Century Bank and directed the City Clerk to move forward with moving the City's large deposits from the 4M Fund to a new 21<sup>st</sup> Century Bank money market account.  
Motion carried unanimously.

c. Water Rate Study

On a motion by Sevigny, seconded by Markham, directing staff to prepare an Ordinance Amending the City's fee schedule with a thirteen percent uniform rate increase in the Water Rate from \$30.60/minimum and \$7.65/1,000gl to \$34.58/minimum and \$8.64/1000gl for consideration at the December council meeting.  
Motion carried unanimously.

d. Organics Grant Award

On a motion by Markham, seconded by Riley, to approve using \$195 of the grant funds to give a \$5 rebate on utility bills of the thirty-nine Blue Bag Organics participants and use the remainder of the grant award to promote the program and provide education and outreach.  
Motion carried unanimously.

e. Stormwater Drainage Between Private Property Owners

Council reviewed a memo from City Engineer Kent Torve regarding stormwater drainage between private property owners.

Summary of Council discussion: City participation would likely not solve individual concerns, best for neighbors to discuss and work cooperatively; the City's responsibility is to address drainage management on a city-wide basis; general ordinance language is often unenforceable leading to city attorney involvement; improving neighborhood and individual lot drainage may be addressed during street reconstruction projects.

No action was taken.

## 9. INFORMATIONAL ITEMS

a. Adopt a Prairie Update

Carol Hatcher, President of the Loretto Garden Club, gave an update and thanked the Council and Public Works Director Leuer for making the project possible. Hatcher stated that due to the muddy spring, the project had to be postponed till after the first frost. The planted seeds will lay dormant during the winter and will be watered by the melting snows and spring rains. Hatcher noted the first and second years the plants need to mature, so we won't see many flowers till the

third year. Hatcher also noted this is a pilot program, so the Garden Club will be observing to see what worked and what didn't.

- b. Holiday Train Update  
Council reviewed. No action taken.
- c. Holiday Tree Placement  
Council reviewed. No action taken.
- d. Hennepin County Proposed Property Tax – Sample 2020 Truth in Taxation Letter  
Council reviewed sample Proposed Property tax letters. No action taken.
- e. Quiet Zone Follow-up  
Council reviewed letters recently sent to Senator Osmek and Representative Hertaus requesting the change in bonding language, removing reference to the Townline Road Crossing improvements that would allow Loretto to move forward with obtaining a quiet zone at the County Road 19 crossing. Mayor Koch stated he received an email from Senator Osmek confirming receipt of the letter. Osmek asked if Medina and Independence are ok with the change. Public Works Director Leuer stated they are on board with the change.

## 10. MONTHLY STAFF REPORTS

- a. City Hall
  - 1) City Attorney RFP Update  
Clerk Treasurer Schneider reported five proposals were received from law firms interested in representing Loretto as civil attorney. The Committee, consisting of Council Members Riley and Markham, Public Works Director Leuer and Schneider, met to evaluate the proposals and are working on setting up interviews with three of the firms. The committee will bring a recommendation to the December council meeting.
  - 2) Additional Meeting Logs  
Mayor Koch reminded Council to submit their additional meeting logs by the first of December so annual paychecks can be processed.
- b. Streets
  - 1) Hennepin County 2020-2024 Capital Project Requests  
Council reviewed. Mayor Koch presented ideas for improvements in Loretto, including 1) smoothing the pavement at the railroad crossing; 2) improving pedestrian safety at the crosswalks at Elsen and Railway Streets; 3) acceleration lane for southbound traffic at the intersection of County Road 19 and 11; 4) possible round-about at the intersection of County Road 19 and 11.  
  
Council directed Leuer to reach out to Hennepin County with these ideas.
- c. Water
  - 1) Sanitary Survey Report for Loretto Public Water System  
Council reviewed. No action taken.
- d. Wastewater
  - 1) Bid Opening Report  
Wenck Project Engineer Pete Daniels presented a summary of the wastewater project bid opening that occurred on October 22, reporting there were five bids received. The apparent low bid is \$910,683.50 and the high bid is just over 1,000,000. Mr. Daniels explained Alternate Bid Items are based on the timing of awarding the bid and the price impact if not

awarded by certain dates. Due to the Alternate Bid Items, the low bid will be dependent on when the bid is awarded. The City will not award the bid till grant funding is locked in but needed to go out for bids at this time due to permit requirements. Mr. Daniels noted bid items for the flow meter were in line with budget.

2) Easement Discussion

City Attorney Callies stated there will be a closed session at the end of the regular meeting to discuss easement negotiations, but there are some issues that need to be discussed during the open part of the meeting. One issue is the question of how the City came to choose this route for the project. Wenck Project Engineer Pete Daniels stated that during the preliminary design phase in 2017, engineers looked at options to get the piping out to where it needs to connect with the regional line at the corner of County Roads 19 and 11. Mr. Daniels explained there were three options considered. The first option involves laying the pipe in the public right of way, which would run within the roadways of Albert and Elsen Streets. This option would be very disruptive to the neighborhood, involves a lot more pipe and would be quite a bit more expensive. In the second and third options the route would go along the northern edge of the Elsen's private property and would require an easement. These options would involve a straighter route, would avoid the street and utility disruptions and have lower cost estimates. The second option allows for a narrower easement and would follow the terrain which causes the need for two air release valves to prevent air getting trapped in the pipe. After conversations with the landowners regarding their desire to avoid installation of structures, the third option was determined to be the better choice. It involves keeping the pipe deeper to avoid the need for air release valve structures, but the downside is that it requires a wider easement than the second option.

Callies noted the choice of the route directly affects the appraisals for the easements required. Callies explained that with an easement, the property owner retains ownership of the land, the City purchases the right to use the land. Callies stated an agreement needs to be reached with the property owner on price. If no agreement can be negotiated, the City would go through the eminent domain process which has strict timelines the City must follow. The courts would appoint three commissioners to evaluate the value of the property, both sides would have the opportunity to present evidence, the commissioners would make their decision of how much should be awarded to the property owner, and there is a possibility of appeal. Because this process can take a lot of time, the City can go through the Quick Take process, which allows the City to take possession of the property in advance of the hearings by making a deposit to the court of the appraised value. If the commissioners determine the property is worth more than the deposit paid, the City would have to pay the difference.

Callies noted the City would need to pass a resolution authorizing the eminent domain process. This does not mean that negotiations are over, but in order to meet the required timelines, the proper steps need to be taken.

Council directed staff to place the resolution authorizing the eminent domain process on the December council agenda.

Council reviewed a memo from City Planner Bob Kirmis regarding the zoning of the Elsen's property. Callies noted the property is located in the city of Medina. This issue came up in the appraisal, what is the highest and best use of property. Callies stated the property is guided for "Rural Residential" use, which allows residential and agricultural uses. Based on current zoning and Medina's 2040 Comprehensive Plan, the site is not subject to subdivision through 2040.

Council Member Sevigny noted in the last paragraph of the planner's memo a trail easement was suggested. Council consensus was that a trail easement was not appropriate for this site.

e. Parks

1) Lions Park Shelter Improvement Project

Leuer reported he is working on getting a second quote for the project and stated the Lions are very interested in moving the project forward.

f. Stormwater

No items were brought forward.

## **11. MAYOR AND COUNCIL REPORTS**

Mayor Koch reported he attended a Northwest Hennepin League of Municipalities (NWHLM) meeting where a representative talked about facilities planning. Koch stated there is another NWHLM meeting on November 13<sup>th</sup> that he cannot attend. Council Member Daniels stated she will attend in his place. Koch also stated there will be a Highway 55 Corridor Coalition meeting on December 13<sup>th</sup> that he cannot attend and asked the council members to let him know if they are able to take his place.

Council Member Sevigny reported he attended a meeting with the Hennepin County Assessor and Clerk Treasurer Schneider and noted the actual sales that occurred in 2019 showed that the assessed values were in line with the actual sales for the City.

## **12. FINANCIAL**

a. November Bills

On a motion by Sevigny, seconded by Daniels, to approve electronic check numbers 3319E-3352E and paper check numbers 23357-23402 for a grand total of \$104,951.32.  
Motion carried unanimously.

b. Monthly Balance Sheet

Council reviewed. No action taken.

Mayor Koch called for a brief recess at 7:58 p.m., after which the closed meeting was held.

## **13. CLOSED MEETING AS ALLOWED BY MINNESOTA STATUTE §13D.05, SUBD. 3(C)**

- a. To review appraisal data and to develop or consider offers or counteroffers for the purpose of acquiring utility easements on real property located at 205 Albert Street (PID # 06-118-23-43-0046) and XXX County Road 19 (07-118-23-12-0001) in the City of Loretto, MN.

At 9:11 p.m. Mayor Koch called the regular meeting back to order and stated the following persons were present during the closed meeting: Wenck Engineer Pete Daniels, City Clerk Treasurer Mary Schneider, Mayor Kent Koch, Council Members Eric Riley, Brenda Daniels, Melissa Markham, Brian Sevigny, City Attorney Paula Callies and Public Works Director Jeff Leuer.

## **14. ADJOURN**

On a motion by Riley, seconded by Daniels, to adjourn at 9:11 p.m.  
Motion carried unanimously.

## **ATTEST:**

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Mary K. Schneider, City Clerk Treasurer

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Kent Koch, Mayor