

City of Loretto
Minutes of Regular City Council Meeting
February 8, 2011

CALL TO ORDER

Mayor Koch called the meeting to order at 7:00p.m. Members present: Mayor Kent Koch, Council members Clark Lohr, John Neumann, Tom Pedersen, and Jeff Tepfer. Also present: City Clerk Cindy Patnode, Public Works Director Jeff Leuer, City Attorney Paula Callies, Northwest Associated Consultants, Inc. (NAC) Planner Carie Fuhrman, Medina Police Chief Ed Belland, and TKDA Engineer Verne Jacobsen.

There were approximately 10 people in the audience.

SET AGENDA

The agenda was approved with the following additions:

- under Action/Planning - Ordinance 2011-01:
- Resolution approving publication of New Section of Ordinance regarding Interim Uses
- under Informational: Recycling Update
- move from Monthly Reports – Wastewater – I & I Proposal and place it under the Feasibility Study in Action/Planning since the Engineer can address any questions for that proposal.

APPROVE MINUTES

On a motion by Lohr, seconded by Neumann, to approve the January 11, 2011 Minutes as submitted.

Motion carried unanimously.

MEDINA POLICE REPORT

Chief Belland informed the Council of activities in January, another relatively quiet month for Loretto. He stated that they again applied for and were awarded the Safe & Sober Grant which will extend extra patrol to the area.

No action taken.

ORDINANCE

Ordinance 2011-01, Adding Interim Uses into the Zoning Code

Mayor Koch opened the public hearing at 7: 08 p.m.

Attorney Callies gave the background information on this item. It was directed at the January Council meeting that the Interim Use Permit (IUP) be reviewed as a plausible way for the Council to deal with land uses in the city on an interim basis. It was driven by Empire Cycle's request for a motorcycle shop in a zone that does not permit that type of business at the current time. She stated that Conditional Uses continue for the property and can't have a termination date but an Interim Use can be terminated on a particular date or that a specific event could trigger the expiration of the Use.

Those in attendance for the public hearing:

<u>Name</u>	<u>Address</u>
John Manro	owner of 250 Medina St. N.
Kim Hanner	owner of 200 Medina St. N
Adam Cerny	Applicant
Eric Riley	Applicant
Herb Koch	275 Lorenz Street

Those speaking in regards to the public hearing:

<u>Name</u>	<u>Address</u>
Kim Hanner	owner of 200 Medina St. N

Summary of discussion:

Time frame for the Interim Use Permit and how an end to the temporary use is determined.

On a motion by Neumann, seconded by Lohr, to close the public hearing at 7:17 p.m.
Motion carried unanimously.

Summary of Council discussion:

Questioning the definition of Interim Uses for a specific reason; expiration date if not in use within the year; doesn't give the right to an automatic renewal but another application can be applied for in consideration of the same use.

On a motion by Lohr, seconded by Tepfer, to approve Ordinance 2011-01, AN ORDINANCE AMENDING SECTIONS 420:00, 420:35, SUBD.5 AND ADDING A NEW SECTION 420:71 OF THE CODE OF ORDINANCES OF THE CITY OF LORETTO, MINNESOTA REGULATING INTERIM USES.

Motion carried unanimously.

RESOLUTIONS

Due to an addition of a Resolution, the numbers are out of order from the Agenda and Staff Memo.

Resolution 2011-04, Approving Ordinance 2011-01 publication

On a motion by Lohr, seconded by Tepfer, to approve Resolution 2011-04, A RESOLUTION APPROVING PUBLICATION OF ORDINANCE NO. 2011-01, AMENDING SECTIONS 420:00, 420:35, SUBD.5 AND ADDING A NEW SECTION 420:71 OF THE CODE OF ORDINANCES OF THE CITY OF LORETTO, MINNESOTA REGULATING INTERIM USES BY TITLE AND SUMMARY.

Motion carried unanimously.

Resolution 2011-05, Approving Fees

On a motion by Lohr, seconded by Neumann, to approve Resolution 2011-05, A RESOLUTION AMENDING FEE SCHEDULE FOR THE CITY OF LORETTO, MINNESOTA.

Council decision was to set the Interim Use Fee at \$150 + expenses.

Motion carried unanimously.

Resolution 2011-06, Approving an Interim Use Permit for 200 Medina Street North
Planner Fuhrman gave the background on the Empire Cycle application and the IUP Evaluation Criteria. Since the Council just approved the Interim Use Ordinance, this request is seeking approval to conduct a motorcycle shop at this location. Mayor Koch opened the public hearing at 7:30 p.m.

Those in attendance for the public hearing:

<u>Name</u>	<u>Address</u>
John Manro	owner of 250 Medina St. N.
Kim Hanner	owner of 200 Medina St. N
Adam Cerny	Applicant
Eric Riley	Applicant
Herb Koch	275 Lorenz Street
Shirley Koecheler	226 St. John Street (Business Owner)
Gary Koecheler	226 St. John Street (Business Owner)

Those speaking in regards to the public hearing:

<u>Name</u>	<u>Address</u>
John Manro	owner of 250 Medina St. N
Kim Hanner	owner of 200 Medina St. N
Eric Riley	Applicant
Shirley Koecheler	226 St. John Street

Summary of public hearing discussion:

Explanation of the Public taking portion of the property as stated in the findings (standard language in city dealings); owner stated that the building is not currently vacant; if the business doesn't work out, can the current business return without having city permission (if under a year, the current owner could go back as it is currently a legal, non-conforming use; if over a year, he would have to obtain from the Council at that time that his business would be permissible or would have to apply for some type of permit to allow the usage); an interim use is for a specific period and it's not intended to be a permanent use; questioned the Redevelopment Committee's goal; if the building is sold to the applicants or anyone else, would it terminate the IUP (yes); would like a 5 year IUP; this town generally attracts start up businesses and not the bigger companies, the more flexible you make your ordinances, the better chances of getting companies into town.

On a motion by Lohr, seconded by Neumann, to close the public hearing at 7:55 p.m.
Motion carried unanimously.

Summary of Council discussion:

Duration of an IUP (one year to 24 months); time limit to allow review of compatibility in the area; expanding the hours; Ordinance states that there is not an automatic renewal but can re-apply; correct the legal descriptions will need to be obtained.

On a motion by Tepfer, seconded by Neumann, to approve proposed Resolution 2011-06, A RESOLUTION APPROVING INTERIM USE PERMIT FOR 200 MEDINA STREET NORTH, LORETTO, MINNESOTA with the addition of an expiration date of 24 months.

Motion carried unanimously.

Resolution 2011-07, Feasibility Study for Railway Street & St. John Street

TKDA Engineer Jacobsen informed the Council of the process of a feasibility study. He stated that normally the benefitting property owners are assessed. This one is a bit more complicated due to the fact that some benefitting properties do not have large area on the streets and the residential parcels do not need a 9 ton road.

Part of the feasibility study includes determination of benefitting properties. There is a possibility that some grant funding could be obtained if there are any contaminated soils. This study is not a construction document but is a preliminary look at what will be going into the project and what it will cost. The previous Council wanted a breakout of adding curb & gutter and utilities and TKDA will breakdown those amounts. The previous study done in 2004 was a Feasibility Report and recommendations for a Street Sealcoat Program that mentioned that Railway and St. John Streets needed to be reconstructed.

Jacobsen anticipated that the Feasibility Report would be brought back to the April Meeting for Council review. At that time, the Council could determine what type of improvement they would choose to make and what the next step would be.

Callies informed the Council once they review the study and if they plan to move forward with an improvement, a public hearing would be scheduled. Any money expended for this project would be rolled into the overall cost of the assessment and divided among the benefitting properties.

The cost of the feasibility study was budgeted amongst the various funds.

On a motion by Lohr, seconded by Pedersen, to approve Resolution 2011-07, A RESOLUTION ORDERING PREPARATION OF REPORT ON IMPROVEMENT TO WEST RAILWAY STREET AND ST. JOHN STREET.

Motion carried unanimously.

Inflow & Infiltration (I&I) Proposal for the Wastewater Fund

Jacobsen informed the Council that our Wastewater Permit states that an I&I plan is required by December 2011. Leuer informed the Council that this information was not made available to staff until after the budgeting process was completed. He'll look for ways within the Wastewater Fund to budget this cost (up to \$2,400).

On a motion by Tepfer, seconded by Neumann, to approve the Inflow and Infiltration (I/I) Improvements professional services as described in the TKDA proposal.

Motion carried unanimously.

Resolution 2011-08, WeCAN request for support

On a motion by Lohr, seconded by Pedersen, to approve Resolution 2011-08, A RESOLUTION REQUESTING FUNDING FOR WESTONKA COMMUNITY ACTION NETWORK (WeCAN) THROUGH CDBG

Motion carried unanimously.

REDEVELOPMENT COMMITTEE UPDATE (RAC)

The RAC January 27, 2011 Minutes were submitted to the Council for informational purposes.

No action taken.

Resolution 2011-09, Appointing members to Redevelopment Advisory Committee

Discussion was made into the process of selecting committee members (interest and ability to attend the meetings).

On a motion by Lohr, seconded by Neumann, to approve Resolution 2011-09, A RESOLUTION APPOINTING MEMBERS TO THE LORETTO REDEVELOPMENT ADVISORY COMMITTEE.

Motion carried unanimously.

REDEVELOPMENT COMMITTEE GRANT AND PROFESSIONAL SERVICES

Callies informed the Council of the procedure to take on these items explaining that the City Clerk and Mayor are the representatives to sign all the documents but the point person can be another Council representative. She also stated that the city is to keep track of money to stay in compliance with the grant.

Discussion took place on the process of payments to the professional services. Council will approve them with their monthly billing process. Staff will submit payment requests forms to the Metropolitan Council.

Metropolitan Livable Communities Act Grant Agreement

On a motion by Lohr, seconded by Pedersen, to approve the Metropolitan Livable Communities Act Grant Agreement authorizing the Mayor and City Clerk to sign the agreement and Council member Clark Lohr will be the designated representative.

Motion carried unanimously.

There was discussion at this time of the RAC's and City's goals. The goal is to provide due diligence to market the properties to get a developer to acquire the property; determine if the site is worth buying; have a net zero cost to the City when all is completed. In determining how to assemble this land package, different items will need to be determined and this will be done by hiring the following professionals to study geotechnical information; what kind of design can be supported; storm water issues; and economic analysis to name a few.

Discussion was made on the limited depth of the properties and if any other properties in that area were being considered besides those fronting on Medina Street North (County Road 19) and the answer was no.

A successful example was given of the first Phase of this goal in Loretto with the city acquiring and packaging a deal for the property on the south side of West Railway Street where the two new buildings occupied by Bistro 11 and Katherine Taylor Homes is located. That was a net zero cost to the city doing a similar project and the RAC is posturing to do the same with this Phase.

Professional services with MFRA

On a motion by Lohr, seconded by Neumann, to approve the Master Service Agreement between Loretto & MFRA authorizing the Mayor and City Clerk to sign the agreement and Council member Clark Lohr will be the designated representative.

Motion carried unanimously.

Professional Services with Ehlers & Associates

On a motion by Lohr, seconded by Pedersen, to approve the Agreement for Professional Services between Loretto & Ehlers & Associates changing the contract date of "180 days" to a date to be worked out with Ehlers & Lohr, and authorize the Mayor and City Clerk to sign the agreement and Council member Clark Lohr will be the designated representative. Motion carried unanimously.

Professional Services with Clarke T. Goset Real Estate Services Appraisers & Consultants

Callies brought up a concern with the language stating "or designated use from city staff at the time of appraisal." She indicated that it should be the highest and best. Lohr stated he would get verification on the verbiage.

On a motion by Lohr, seconded by Tepfer, to approve the Agreement between Loretto & Clarke T. Goset and authorize the Mayor and City Clerk to sign the agreement and Council member Clark Lohr will be the designated representative and striking the wording "or designated use from city staff at the time of appraisal."

Motion carried unanimously.

Professional Services with Northwest Associated Consultants (NAC)

On a motion by Lohr, seconded by Pedersen, to approve the Agreement between Loretto & NAC and authorize the Mayor and City Clerk to sign the agreement and Council member Clark Lohr will be the designated representative.

Motion carried unanimously.

Professional Services with American Engineering Testing, Inc. (AET)

Discussion took place on the timing of the snowplowing and soil borings and landowner's permission for work to occur.

On a motion by Lohr, seconded by Tepfer, to approve the Agreement between Loretto & AET and authorize the Mayor and City Clerk to sign the agreement and Council member Clark Lohr will be the designated representative with the following conditions: written permission is obtained from the landowners prior to any work started on their property; snowplowing issues be resolved; public works staff to be on site when the drilling is conducted.

Motion carried unanimously.

Professional Services with Wenck Associates, Inc.

On a motion by Neumann, seconded by Lohr, to approve the Agreement between Loretto & Wenck and authorize the Mayor and City Clerk to sign the agreement and Council member Clark Lohr will be the designated representative.

Motion carried, Tepfer abstained.

****** The Planner was dismissed at 9:00 p.m. ******

GAMBLING PERMIT FOR LORETTO KNIGHTS OF COLUMBUS

On a motion by Neumann, seconded by Tepfer, to approve the Gambling Application for Exempt Permit for Sunday, April 17, 2011 to be conducted at the Academy of Sts. Peter & Paul with no waiting period.

Motion carried unanimously.

MEETING DATES

Koch requested that the Council consider changing the March and April dates of the Council meetings due to conflicts that arose since setting the meeting dates at the last meeting. This was a split vote with the Council and Koch acknowledged that the dates remain as posted and have the Acting Mayor head up the meetings.

INFORMATIONAL ITEMS

Tour deTonka

Tour deTonka bicycle route will be held Saturday, August 6, 2011 and will skirt the City of Loretto and is put on by the Minnetonka Community Ed program.

Recycling Update

The new program for the recycling incentives have started and for the month of January, the Mary Kay Schneider family will get a \$15 credit on their utility bill for their part for recycling program and the Jeff Tepfer family will get a \$15 credit for their part in the organic program.

MONTHLY REPORTS

City Hall

Jeff Leuer Employment/Fire Department Contribution

A lengthy discussion took place on this item, including: the wording of this document with the word "contract"; support of the increase; why the wage increase was not budgeted; prior Council approved the 2011 Budget; donation in the amount of \$20,000 from the Fire Department to offset the costs of this arrangement; budgeting concerns; document not signed; hand written notations on the document; ways in which to find the money to make this happen; Leuer a valuable employee and very fortunate to have the working relationship; possibly back-pay when money is located; property tax concerns; honored all the years but 2011; inquired specific questions for the attorney that she wasn't able to answer at this time and would need to do more research if directed; Leuer's indication to some Council members that he's ok without the wage increase; re-evaluate in August; this donation from the FD is tied to Leuer's employment only and non-transferable.

On a motion by Tepfer, seconded by Pedersen, to get a dollar an hour increase to Leuer and find the money to make it work.

Discussion took place on finding the money first would be preferable and then granting the increase.

Motion failed, Koch & Tepfer - aye

Pedersen, Lohr, Neumann - nay

On a motion by Neumann, seconded by Lohr, to direct the Finance Committee to bring back to the April Meeting with the location of where the funds will be coming from to offer Leuer a dollar an hour increase.

Motion carried unanimously.

Overtime Policy

Council consensus was for the Personnel Committee to meet to look at an Overtime Policy recommendation and bring to a future Council meeting.

Streets

Snowplowing issues

There was a lengthy discussion on all the below items that were intermixed among each of the subjects so this is a recap of each of the areas of discussion.

Complaints about people putting snow on City property

There have been many complaints brought to Leuer's attention about businesses pushing snow onto various city properties. Some feel that there is a safety issue with this procedure and specifically a sight line issue by a stop sign on St. John Street. Placement and validity of the stop sign was in question and if the city was regulating traffic on a private street. A discussion between public works and a business owner about the lack of consistency in regulating snow placement was made earlier in the month. Discussion of other cities that remove snow on private property if the owners don't/won't and bill to the owner or place on their taxes.

Consensus was to have Leuer check out the safety issue and report back at the March meeting.

Sidewalks along Railway Street

Some businesses have been pushing snow off the sidewalks onto streets which causes issues with the snowplowing and the extra clean-up costs this entails if it's done after the plow already goes by. Discussion was made that there is an Ordinance in place that everyone is to take care of their own sidewalk and feel if you do one way, you should do for all and not just the businesses. A discussion was made regarding adopting a policy about snowfall over 3" and less than 3" and placement of snow when it's less than 3". If a Resolution is adopted, it would be drafted by the attorney and the affected property owners would be notified. Discussion was made if this was deemed an "essential public service" to clear in front of the businesses along Railway Street East and West.

There was no consensus on the direction to move on this item.

Bike path snowplowing

The City public works has been maintaining the bike path from Hwy 55 to County Road 15 keeping it clear of snow for the residents of Loretto to safely walk along the roadway. Council consensus was to continue with this service as they feel it is an essential public service to keep the residents safe while walking in the winter.

Repairing lawns due to snowplow damage

Consensus was made that the public works work with the snowplow contractor in repairing any damage caused by plowing. If there is severe damage to note, public works may have to bring it to the Council for direction.

Snow plow Contract renewal

The Street Committee recommended that the next Snow Plow Contract continue on a hourly basis when the bids are let in the spring of 2011.

Street Maintenance Plan 2011-2015

Leuer presented the Street Maintenance Plan for years 2011-2015 in regards to sweeping, patching, crack filling, and seal coating and labeled the year and streets set for the maintenance. This is for informational purposes only as it is already a budgeted item for 2011. No action required.

Water

No items brought forward.

Wastewater

Volunteering Agreement

Leuer updated the Council and inquired if Rich Arens could be re-hired in his previous job. On a motion by Tepfer, seconded by Pedersen, to hire Rich Arens as the back-up/emergency water and wastewater operator for a maximum of 10 hours per month at the rate of \$20.18 per hour. (2010 wage)

Motion carried unanimously.

Parks

No items were brought forward.

Storm water

Lake Sarah TMDL comments

Patnode presented the letter from the MN PCA in regards to the Councils' letter of the Lake Sarah TMDL during the public comment period. She stated that the direction was to keep informed of what the plan and to engage in the development of this TMDL. Patnode and Pedersen will be attending the Pioneer Sarah Creek Watershed Committee (PSCWC) meetings and hope to facilitate any discussion for the benefit of Loretto.

No action taken.

Future Committee to deal with All water issues

Council member Lohr suggested a committee be formed and have a plan for TMDL/Water/Wastewater/Stormwater issues. He would like someone to spearhead this and get community involvement. It could be a type Watershed Advisory Committee; a sub-committee of the Council; or a formal committee. He felt that a formal committee would set specific goals to achieve. More discussion took place and there was a suggestion that a Council Special workshop could be held to deal with water issues and possibly have quarterly meetings. Patnode informed the Council that three additional Council meetings were budgeted for 2011 and one of those would be used for the Budget workshop that is set for August. More clarification needs to be made on exactly the type of meeting is being requested for this future committee. Lohr will draft up some type of wording to the essence of what it is he's envisioning. Pedersen and Patnode may have more to add once they have more understanding by attending the PSCWC meetings.

Lohr would like a proposal for the March meeting for Council input.

Wastewater

Additional Volunteering Agreement

Resident and prior City Council member Jeff France would still like to volunteer and work under Rich Arens to learn the ropes of the job.

Council consensus was to direct Attorney Callies to draft a volunteering description for this position as discussed in previous meetings and bring back to the March meeting.

******* The Attorney was dismissed at 10:11 p.m. *******

FINANCIAL

February Bills

On a motion by Neumann, seconded by Tepfer, to approve check #'s 796E-820E and 19300-19325 in the amount of \$86,226.39.

Motion carried unanimously.

Report of Outstanding Indebtedness

Patnode reviewed this report with the Council indicating that prior to the Water Booster Station Loan, the city carried approximately \$250,000 in loans and we are currently at \$719,000.

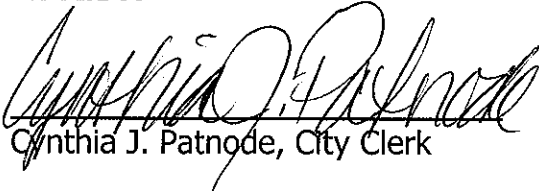
No action taken.

ADJOURN

On a motion by Lohr, seconded by Neumann, to adjourn at 10:16 p.m.

Motion carried unanimously.

ATTEST:


Cynthia J. Patnode, City Clerk


Kent Koch, Mayor