

City of Loretto
Minutes of Regular City Council Meeting
March 12, 2013

CALL TO ORDER

Acting Mayor Neumann called the meeting to order at 7:00 p.m. Members present: Council members Hank Pepin, Cari Girk, John Neumann, and Tom Pedersen. Also present: City Clerk Travis Rosin, Public Works Director Jeff Leuer, City Attorney Paula Callies, and Officer Chris McGill.

There were approximately nine people in the audience.

SET AGENDA

The agenda was approved with the following addition:
- Under City Hall the smoke issue at 226 St. Johns Street.

APPROVE MINUTES

On a motion by Pedersen, seconded by Girk, to approve the February 12, 2013 Minutes With the addition of conversations between Councilman Archie Neumann and Gary Koecheler and Tim Pivec. This is regarding the smoke issue at 226 St. John's Street.

Motion carried unanimously.

MEDINA POLICE REPORT

Officer McGill informed the Council of activities in February. Alcohol checks were done by the Medina police and every business was in compliance.

No action taken.

2013 AUDIT REPORT

Abdo, Eick, & Meyers Representative Andy Berg reviewed the 2013 Loretto Audit Report with the Council.

Findings: lack of segregation of duties due to the small size of staff; and auditor (Abdo) preparing financial statements.

On a motion by Neumann, seconded by Girk, to accept the City of Loretto 2013 Audit as prepared by Abdo, Eick, & Meyers.

Motion carried unanimously.

Fire Contract Extension

Jeff Leuer presented an extension of the Loretto Fire Department contract until April 15th 2013. Some of the other cities had issues with what was in the contract. The Fire Department will be meeting again at the end of the month to finalize the contract.

On a motion by Girk, seconded by Pedersen, to accept an extension of the Fire Contract until April 15, 2013.

Motion passed
Council member Pepin Abstained.

RESOLUTION 2013- 07

Resolution 2013-07 approving Mary Kay Schneider as City Treasurer.
City Attorney Paula Callies informed the council that both Treasurer and Clerk need to sign the checks for the city as well as the Mayor.

On a motion by Pepin, seconded by Girk, to APPROVE A RESOLUTION 2013-07 APPROVING MARY SCHNEIDER AS CITY TREASURER.

Motion carried unanimously.

PSCWM (Pioneer Sarah Creek Watershed Management) TAC member.

Council was asked to appoint a TAC committee member from the city of Loretto. TAC stands for Technical Advisory Committee. Jeff Leuer was recommended as the person to attend these meetings. Jeff is aware of all the water issues within the city of Loretto. On a motion by Neumann, seconded by Pedersen, to appoint Jeff Leuer as a TAC committee member for the City of Loretto.

Motion carried unanimously.

Ballpark Wedding Request

Discussion from Council

Council first wanted to talk about policy for the Wedding Reception request. In 2011 there was a wedding held on the ball field, but there was no alcohol involved. The field is a scheduled facility. City Attorney Callies suggested a policy, written agreement, user fee, and wavier liability. Alcohol was the main point of concern for Attorney Callies and the amount of people at this event. Hank Pepin and Archie Neumann both supported a policy for future events like the wedding reception being proposed tonight. Council recommended that the ballpark be available for guests at off peak times of the year, so as to avoid conflicts during baseball season. A contract for damage to the field was a big concern for council. The liability wavier amount was in question for this event. City Clerk Rosin was going to look into the amount for a waiver liability. The applicants need indemnification and a wavier liability policy. An attorney for the Koch's could handle indemnification. Parking could be an issue from council's perspective. Council member Neumann suggested a motion forming a committee to create a policy, fee and wavier liability for the ballpark. The earliest a decision could be given was by next council meeting. Councilman Pedersen was concerned about other people trashing the field not necessarily the Koch family.

Discussion from Koch Family

The Koch family is planning their reception based on council action. The reason for having their wedding reception at the ballpark was because the couple met there and got engaged at there as well. The Koch's wanted to have the reception at the ballpark because of local ties to the city in general. Most of the guests would be from the city of Loretto. The Koch's emphasized a decision as soon as possible. Herb Koch Sr. commented on the slow progress of this issue from staff members for the City of Loretto. City Attorney Callies, Clerk Rosin and Council member Neumann all agreed that speed was not in the best interest of the city.

City Attorney Callies advised Council to take some time for consideration of policy. Paula also stressed the importance of a contract. Under the law private events are regulated to a different standard for liquor application to an event. Councilman Neumann made a motion for a committee to be formed in regards to Jessie and Herb Jr.'s request. Councilman Pedersen seconded the motion. The motion failed on a tie vote. Hank wanted to give them a sign of confidence.

Council gave a strong show of support for the Wedding Reception request from Jessie Converse and Herb Koch Jr.. City Clerk Rosin, Attorney Callies, Council members Neumann and Pepin will look into fees, policy, written contract and a wavier liability.

REDEVELOPMENT COMMITTEE Phase 1

Presentation for Phase 1 Environmental Site inspection was done by (RAC) Redevelopment Advisory Committee member Clark Lohr. The request for funding of this project was \$2,100.00 dollars. This is the first step in investigating any cleanup for the Redevelopment site. The purpose of this Phase 1 step is also to show any risks of liability through insurance of the city for site purchase, should the city choose to do so. The project will not intrude on property access agreements, but if only certain properties can be accessed then the contract for this phase will need to be renegotiated. Phase 1 is anticipated to take only three to four weeks until completed. Funding is being asked for from the city due to its small amount and the time it would take to complete a grant is not recommended by the Clark Lohr. The next step after Phase 1 would be a Phase 2 plan. That project would include on site soil borings. Phase 2 cost would be between \$16,000 to \$25,000 dollars. Tom Pedersen asked if the site were to be cleaned up by the city, how much off site cleanup would be required on the city's part. Clark Lohr stated that no off site cleanup would be the responsibility of the city. City Clerk Rosin stated that funding would be available from grant reimbursement from other items related to this project.

On a motion by Pepin, seconded by Neumann, to fund Phase 1 ESA
Motion carried unanimously.

FunFest Band Approval

FunFest Chairwoman Mary Schneider presented Council with a contract for the band at FunFest this year in September. The funding request was in the amount of \$750.00 dollars to secure Mick Sterling as the band for FunFest.

On a motion by Neumann, seconded by Pedersen, to approve a funding request of \$750.00 dollars for a contract with Mick Sterling.

Motion carried unanimously.

INFORMATIONAL ITEMS

Wellhead Protection Plan Amended

The Wellhead Protection Plan needs to be updated every ten years and this version was written by the Minnesota Rural Water Association. There have been updates to this plan since last year. There are educational programs included in this Protection plan for the public. Our Primary well has changed from well number two to well number three. Some minor changes were for contacts of Council members and new staff. Council member Neumann pointed to page forty as a location for water emergency procedure plans in case of an actual emergency. The city will now send this Amended Wellhead Plan out for comment and then hold a public hearing on the plan. Medina's Wellhead Plan is at City hall for council to review.

Rosy Brown request for Expansion of RASCO Industries

Rosy Brown attended the council meeting to put forth her proposal of an expansion towards the bike path or to the south side of her building. The business is in need of expansion with the demand for more space. City Clerk Rosin stated that Mrs. Brown could possibly expand to the south toward the bike path. He obtained this information from the city planner Bob Kirmis. Public Works director conveyed to Mrs. Brown surveyor plans which could help in locating the property lines between the city and her business. Finding the property line first for RASCO industries would be the best course of action for Mrs. Brown.

RAC Council Presentation by Rebecca Kurtz

Rebecca Kurtz from Ehlers and Associates has been assisting the RAC committee with financial aspects of the redevelopment project. The proposed development area would bring in an estimated two million dollars in new tax revenue for the city. The commercial units would bring in \$17,000 dollars per commercial unit in taxes. The rental units would bring in \$9,000 per unit in taxes. These are market value estimates. There were several ways suggested to pay for this project including, stormwater bonds, tax levy increase, or use (TIF) Tax Increment Financing to help a private developer redevelop the site. The main policy decision for the council would be to actively pursue development on its own or have a private developer come in when the market is more active in developing. The Interfund Loan Resolution would give the city flexibility with any up front expenditures. Best Funding options included TIF, creating an Economic Development authority through a Tax Levy and MET Council grant money. A pay as you

go note on a new TIF district would be the most common tool used for redevelopment. The total amount for a new TIF district would be around \$900,000 dollars over a twenty six year period. The first property to be looked at for purchase potentially could be 150 Medina Street. The appraisal value for this property is \$99,000 dollars. The Interfund Loan Agreement should be approved by council prior to any expenditure incurred by the city of Loretto.

MONTHLY REPORTS

City Hall

a. Smoke issue at 226 St. John's Street

Tom Pedersen brought the issue back to the council's attention for review of an Action Plan going forward. A letter has been issued to Gary Koecheler and there is still another complaint. What is step two in dealing with this issue? The city does not have any ordinances in the city code book for wood stoves. There are a couple options: Criminal prosecution of a misdemeanor type level. Enforcing city code and bring the issue to a criminal court could be an option as well. This type of action would go before a jury trial in which case the city has burden of proof. A civil case would require depositions and either side would have the right to appeal after a decision was given. If the person registering the complaints to the city wants to take legal action it could be done alone by the party registering the complaint. A civil action would be more complex in the procedure aspect of this issue. Cost would be 5000.00 for civil action. Attorney Callies commented to council that this would not be an easy fix no matter what option they choose. Tom Pedersen commented that a new smoke ordinance for the city as a whole could be an option. An apparatus for the woodstove would be a way to reduce the smoke.

Council direction to Jeff:

Jeff should document every time he has to respond to the issue and respond as the fire chief. Council recommended a fee schedule change for calls on this issue.

******* The Attorney was dismissed at 9:43 p.m. *******

b. MCFOA Clerks Institute Bill & Xcel Energy bill

Clerk Rosin recommended that council pre approve checks for the MCFOA Clerk's Institute and Xcel Energy. MCFOA amount is 820.00 and the Xcel Energy bill would be approximately \$5000.00 dollars.

On a motion by Neumann; seconded by Girk to approve up to \$820.00 dollars for the MCFOA Clerk's Institute.

Motion carried unanimously.

On a motion by Girk; seconded by Pepin to approve up to \$5000.00 dollars for the Xcel Energy bill.

Streets

a. City Beautification

FunFest committee wants to look into hanging plant baskets for City Beautification. The committee would need to buy twelve baskets and six brackets for these potted plants. The baskets could be purchased from Twin City Lake Design, but there is a minimum of twenty baskets. The plants would need to be hydrated daily unless it rains. Council suggested several areas to put these hanging plants. FunFest has \$1800.00 dollars plus 500.00 dollars in reserve from past funds to fund this project. The total cost for this project would be \$2083.00 dollars. Council recommended buying concrete pots for the ground and spending the excess money on the potted hanging plants. Jeff will bring this back to council for consideration at the next council meeting.

b. Street Signs

Jeff did meet with the street committee to update signs for the city of Loretto. The federal regulation for street signs is six inch letters on nine inch plates. Jeff wanted to ok the design for these street signs now and then replace them by area over a three year period. The total is \$3,400.00 dollars for every sign in the city of Loretto. The city has budgeted \$1500.00 dollars per year for street signs. Council consensus was to go forward with replacing street signs by area.

Water

a. Tank Reservoir Cleaning

Jeff is requesting money for the tank reservoir cleaning to clean this tank in two year increments.

On a motion by Pedersen; seconded by Neumann to spend \$2,799.00 dollars for this tank cleaning.

Wastewater

No items brought forward.

Parks

No items were brought forward.

Storm water

SWPPP Public Hearing – Annual Update

Acting Mayor Neumann opened the public hearing for the annual SWPPP update at 10:08 p.m. There was no one in the audience for the SWPPP Public Hearing. City Clerk Rosin reviewed the annual report of Stormwater issues to the Council.

The meeting was closed by Acting Mayor Archie Neumann.

FINANCIAL

March Bills

On a motion by Girk, seconded by Pepin, to approve electronic check #'s 1370-1389 and paper checks #20146-20167 totaling \$39,289.98.

Motion carried unanimously.

ADJOURN

On a motion by Pepin, seconded by Girk, to adjourn at 10:31 p.m.
Motion carried unanimously.

ATTEST:

Travis Rosin, City Clerk

Archie Neumann, Acting Mayor