

Owatonna City Council Minutes - Draft Copy

The Owatonna City Council met in regular session on Tuesday, March 6, 2018 at 7:00 p.m. in Council Chambers. Council President Schultz called the meeting to order and welcomed everyone in attendance. Attending were Council Members Voss, Schultz, Dotson, Burbank, Svenby, Okerberg and Raney; Mayor Kuntz; Community Development Director Klecker; Public Works Director Skov; Finance Director Moen; City Attorney Walbran; City Administrator Busse and Administrative Specialist Clawson.

Following the Pledge of Allegiance, Council Member Dotson made a motion to approve the agenda as presented, Council Member Burbank seconded the motion; all members voted aye in approval.

Mayor Kuntz introduced Fred Ventura, Chairman of the Owatonna Human Rights Commission. Ventura welcomed Jose Herrera, owner of Plaza Morena Campestra Grill and presented him with a plaque to thank him for hosting the Martin Luther King Jr Breakfast for the last ten years.

Mayor Kuntz made proclamation for March 2018 as “Business and Professional Women’s Month”. The Owatonna Business Women organization was recognized for its assistance in helping women build their careers and expand their skills.

March 19-25, 2018 was proclaimed as “Fix a Leak Week”. Owatonna Public Utilities will collaborate with WaterSense to encourage residents to detect and fix leaks and promote efficient water use to ensure adequate water supplies for future generations.

Community Development Director Klecker explained Torey’s Restaurant has requested use of Tax Increment Financing (TIF) for renovation of the former Ace Hardware Store to relocate the restaurant to the downtown area. The restaurant will be on the main floor and an event space on the second floor to accommodate up to 350 people; total costs for renovations is approximately \$2 million. At 7:10 p.m., a public hearing was opened for comments regarding the modification of Development District No. 11; establishment of Tax Increment District 11-1 and use of tax increment finance. Brad Meier, President/CEO OCC agreed TIFs can be challenging to use and expressed excitement to see progression for this project in the downtown area. With no additional comments, at 7:12 p.m., Council Member Burbank made a motion to close the public hearing, Council member Okerberg seconded the motion, and all members voted aye in approval.

Community Development Director Klecker presented Resolution 20-18 to establish Development District No. 11. Council Member Burbank made a motion to approve Resolution 20-18, Council Member Svenby seconded the motion; all members voted aye in approval.

Community Development Director Klecker presented Resolution 21-18 approving Increment Financing District No. 11-1 and the use of Tax Increment Financing. Council Member Raney made a motion to approve Resolution 21-18, Council Member Okerberg seconded the motion; all members voted aye in approval.

Council President Schultz explained council members review the Consent Agenda Items prior to the meeting for approval in one motion. Consent Agenda Items for approval include:

- Minutes – Council Meeting February 20, 2018.

- Minutes – Planning Commission Meeting – January 9, 2108.

- Minutes – Planning Commission Meeting – February 13, 2018.

- Minutes – EDA Meeting – January 17, 2018.

Minutes – Airport Commission Meeting – February 8, 2018.
Building – Inspection Report – February 2018.
LMC Trust Liability Coverage Options.

Council Member Dotson made a motion to approve these Consent Agenda Items, Council Member Voss seconded the motion; all members voted aye in approval.

Vice President Raney recapped the expenses for the period. Bills presented for payment totaled \$445,874.06. Council Member Svenby made a motion to approve these payments; Council Member Burbank seconded the motion; all members voted aye for approval.

City Attorney Walbran presented the second reading of Proposed Ordinance 15-17 to amend § 94.095 which governs use of sidewalks to prohibit the placement of garbage bins on public sidewalks in the Central Business District and, further, to provide that certain sidewalk amenities such as tables, chairs, and planters are permitted. Council approved the first reading during the February 20, 2018 meeting with recommendation inclusion of a specific width in paragraph #2, Permitted Uses of Sidewalks. This recommendation has been included: "...the minimum sidewalk width remaining for pedestrians shall be as required by the American Disabilities Act, and provided further, that such placement does not unreasonably interfere with sidewalk maintenance and snow removal." The word "alley" has also been added in Line 4 of paragraph (1) as a prohibited space for Garbage Storage except on garbage pickup days. The LMC Loss Control Department, state statute and MnDot confirmed four (4) feet is the required minimum of sidewalk for pedestrian use. Council Member Dotson made a motion for approval; Council Member Okerberg seconded the motion. With a roll call vote, voting aye were Council Members Voss, Okerberg, Dotson, Burbank, Raney, Svenby and Schultz; there were no nays, the motion carried. This will be known as Ordinance 1575.

Public Works Director Skov presented Resolution 22-18 to approve the plans and specifications and authorize the order for bids for the 2018 Cured in Place Pipe System (CIPPS) Project. Clay sanitary sewer lines will be lined to improve the carrying capacity and reduce inflow and infiltration. Approximately 12,000 feet are planned for lining in 2018. Council Member Raney questioned what the project completion date would be, hoping it would not end as last year's CIPPS Project which went late into the fall. Skov advised a project end date will be included in the contract and includes payment for liquidated damages if incurred. Bids will be received on Wednesday, March 28, 2018 and presented to Council during the April 3 meeting. Council Member Raney made a motion to approve Resolution 22-18, Council Member Dotson seconded the motion; all members voted aye for approval.

Public Works Director Skov presented Resolution 23-18 to approve the plans and specifications and authorize the order for bids for the 2018 18th Street SW Concrete Pavement Rehabilitation and Trail Project. Bids will be received on Wednesday, March 28, 2018 and presented to Council during the April 3 meeting. This project includes a concrete pavement rehabilitation project on 18th Street SW from Linn Avenue to Mosher Avenue. In addition, a new ten (10) foot bituminous trail will be constructed from Linn Avenue, through Kaplan's Woods Park to the parking lot on Mosher Avenue. The current project does not include lighting but could be added or planned for a future project. Council Member Voss questioned if the street and trail projects were tied together because of efficiencies; Skov explained they are one project because of the City's bonding process. Council Member Okerberg made a motion to approve Resolution 23-18, Council Member Burbank seconded the motion; all members voted aye in approval.

Public Works Director Skov presented Resolution 24-18 to approve the plans and specifications and authorize the order for bids for the 2018 Downtown Parking and Alley Project. This project will be a complete reconstruction of three downtown parking lots and one alley. The parking lots are located west of the Chamber of Commerce, west of the former Bubba's Bar and west of Tone Music. The alley is located between Cedar Avenue and Oak Avenue south of Vine Street. Bids will be received on Wednesday, March 28, 2018 to present to Council during their April 3 meeting. Council Member Okerberg asked if the project included the Rose Street/North Cedar lot. Skov explained the area has gas tanks buried which will need to be removed prior to repairing this lot. Council Member Burbank made a motion to approve Resolution 24-18, Council Member Voss seconded the motion; all members voted aye for approval.

Finance Director Moen presented Resolution 25-18 for approval to appropriate additional funds for 2017. The 2017 budget year ended positive with general fund revenues exceeding general fund expenditures. Revenues and expenditures both exceeded budgeted amounts and it is necessary Council appropriate additional funds for the expenditures in excess of the approved budget. Last year, the City added a tennis pro at the Tennis & Fitness Center, an unanticipated cost to ensure the safety of the building at 148 W Main, awarding of grants, and the completion of FEMA projects related to the 2016 rain event. The current year budget amendments include:

- Revenue from FEMA and the related flood costs - \$50,000.
- Grant proceeds from the DNR and related costs for the new archery park - \$18,600.
- Cost to shore up building at 148 W Main offset by increased building permit revenue - \$11,600.
- Increase in revenue due to the addition of a tennis pro and the related costs - \$50,000.
- Increase in the number of senior trips, which resulted in higher revenue and higher costs - \$20,000.

Council Member Dotson made a motion to approve Resolution 25-18, Council Member Svenby seconded the motion; all members voted aye in approval.

During Public Comment, Brad Meier, OCC President/CEO requested timing of the improvement projects in the downtown area; hopefully these projects won't interfere with the MS Bike Tram on July 17th and Crazy Days July 26-28th. William Morris, 618 W Bridge Street, and Reporter for the Owatonna Peoples Press advised this will be his last City Council Meeting as he has accepted a position with Finance & Commerce in Minneapolis. Mr. Morris thanked City Staff, Council and Mayor for working with him over the last three years, Owatonna has been a great place to live and work!

During Council Comment, Council Member Voss congratulated Jose on the award he received tonight. Council Member Dotson commented he attended the Jim Gleason Benefit this last weekend, which was a very nice event and great to see the community rally together. Council Member Raney thanked Mr. Morris for his service over the last three years, as his stories have been fair and greatly appreciated; also pleased to see discussion that began four years ago during the City's Strategic Planning Session regarding revitalization of the downtown area is starting to show this year with relocation of Torey's Restaurant and the 2018 Downtown Parking Lots and Alley Project. Mayor Kuntz also thanked Jose and Mr. Morris and then commented he also attended the Jim Gleason Event, as did approximately 1,500 others showing that Jim is truly loved within our community.

At 7:31 p.m., Council Member Raney made a motion to recess and reconvene in the Lower Level Break Room to complete the annual performance review of City Administrator Kris Busse. Council Member Dotson seconded the motion; all members voted aye.

At 8:36 p.m., Council Member Svenby made a motion to return to open session to adjourn, Council Member Dotson seconded the motion and the meeting adjourned.

Dated: March 8, 2018

Respectfully submitted,
Jeanette Clawson, Administrative Specialist