

Draft Council Minutes

City Adm. Bldg. Owatonna, Minnesota Tuesday, September 1, 2009 7:00 o'clock P.M.

City Council met in regular session with Council President Thompson presiding. Council members present were Moen, Ellingson, Wittrock, Svenby, Falk, Abraham, and Thompson. Also present, Mayor Kuntz, City Administrator Busse, City Attorney Walbran, Community Development Director Strand, and Finance Director Svenby.

Following the Pledge of Allegiance, **Council Member Svenby moved approval of the agenda for September 1, 2009. Council Member Moen seconded the motion. All seven (7) council members voting aye, the motion passed.**

Mayor Kuntz recommended that Council reappoint Council Member Falk for a partial term on the Economic Development Authority with his term ending on December 31, 2009 in order to bring continuity to the end of the year. **Council Member Abraham moved approval of this reappointment, and Council Member Ellingson seconded the motion. All seven (7) council members voting aye, the motion passed.**

During *Public Comment*, **Leanne Alt, 1130 North Elm Avenue**, addressed Council with safety concerns regarding the speeding traffic and large trucks jake braking on the detour route for the Cedar Bridge reconstruction project. City Administrator Busse announced that this problem has been brought to the attention of the Chief of Police and will be addressed.

Council President Thompson recapped the expenses for the period noting that the Crosswind Runway Project expenditure is reimbursed at 95 percent by the State. **On motion by Council Member Wittrock, seconded by Council Member Moen, bills totaling \$1,069,493.74 were accepted. All seven (7) council members voting aye, the motion passed.**

Council President Thompson explained that Council reviews the *consent agenda* items prior to the meeting, can approve all items with one motion, and asks questions during the approval process. **Council Member Falk moved and Council Member Abraham seconded approval of the consent agenda items. All seven (7) council members voting aye, the following list of consent agenda items was approved:**

- Minutes of City Council meeting held August 18, 2009.
- Application for Short Term On Sale Malt Liquor License from Knights of Columbus for MS Jam fundraiser on Saturday, September 19, 2009 from 5:00 p.m. to midnight. (Pending certificate of liquor liability insurance.)
- Application for Exempt Permit from Steele County Chapter of Pheasants Forever to hold raffle at Cabela's Retail Store, 3900 Cabela Drive on November 4, 2009.
- Minutes and Reports:
 - ✓ Housing and Redevelopment Authority Minutes of May 11, 2009.
 - ✓ Public Library Board Minutes of June 16, 2009.
 - ✓ Public Library Board Minutes of July 21, 2009.

- ✓ Public Utilities Commission Minutes of July 28, 2009.
 - ✓ Park and Recreation Board Minutes of August 10, 2009.
 - ✓ Animal Control Report through July 2009.
- Request to block off a portion of Churchill Drive from the north entrance to the center for a block party on September 12, 2009, from 5:00 p.m. to 11:30 p.m.
 - Request to block off a portion of Northridge Lane NE from Northridge Place NE to Hickory Lane NE and also Stoneridge Lane for a block party on Saturday, September 12, 2009 from 3:00 p.m. to 10:00 p.m.

During *Miscellaneous Actions*, Finance Director Svenby explained that on or before September 15 the City of Owatonna is required to certify to the Steele County Auditor the dates that it has selected for its Truth-in-Taxation public hearing and for the continuation hearing if necessary. He noted that this is a time for citizens to inquire about and comment on the 2010 budget, and he recommended City Council approval of the following meeting dates:

December 1, 2009	6:00 p.m.	Truth-in-Taxation Hearing
December 15, 2009	6:00 p.m.	Continuation Hearing (If Necessary)
December 15, 2009	7:00 p.m.	Adoption of Budget on Council Agenda

On motion by Council Member Falk and seconded by Council Member Moen, and all seven (7) council members voting aye, these meeting dates were approved.

City Administrator Busse introduced the next item on the agenda, a request to amend the Owatonna Firefighters Relief Association Bylaws. Kevin Sedivy, secretary for the Owatonna Firefighters' Relief Association, provided a brief overview of the changes, which included housekeeping items for annual meetings, a change in the split calculation for members who return after a break in service, and defining disability more narrowly to apply to line of duty injuries. Mr. Sedivy noted that the bylaws had been reviewed by an attorney from Best & Flanagan LLP. **Council Member Ellingson moved approval of the bylaw changes; Council Member Abraham seconded the motion. All seven (7) council members voting aye, the motion passed.**

City Attorney Walbran reported on a request to issue a temporary permit under Section 405 to Victorino Perez through December 31, 2009, to play music from his ice cream truck to attract customers and subject to the conditions for public safety. Mr. Walbran reminded Council that the City issued a street vendor's license under Section 497 to Mr. Perez on April 21, 2009 and that he had paid the necessary license fee and provided a certificate of insurance with the required limits. Walbran explained that Mr. Perez was advised by an Owatonna police officer of the provisions of Section 405 of the Ordinance Code prohibiting a vehicle from playing music for the purpose of commercial advertising unless it first has obtained a permit, which is \$50.00 per day. He noted that neither Section 497, pertaining to street vendors, nor Section 405, pertaining to advertising from the truck, have been revised to any extent since 1981. He recommended that pending adoption of a new ordinance pertaining to ice cream vendors, Council issue a temporary permit under Section 405 to Mr. Perez to expire December 31, 2009 with restrictions as outlined in the new ordinance revision and that the fee is waived because he has previously paid the fee under Section 497. Mr. Walbran also noted that one sweep only be allowed in the morning and afternoon per street. **Council Member Falk moved to issue a temporary permit to Mr. Perez under Section 405, and Council Member Abraham**

seconded the motion. All seven (7) council members voting aye, the motion passed.

City Administrator Busse presented a request for approval of the Memorandum of Understanding with the International Union of Operating Engineers (IUOE), Local No. 70, which provides for participation by bargaining unit members in the Minnesota Post Employment Health Care Savings Plan. Busse explained that the Health Care Savings Plan is a public employer-sponsored program administered by the Minnesota State Retirement System (MSRS) that allows employees to save pre-tax money to pay post employment medical expenses and/or health insurance premiums. Amounts to be put in to the account must be negotiated or agreed to by both the bargaining unit and employer and written into the collective bargaining agreement or Memorandum of Understanding (MOU). This agreement outlines the details of the plan including eligibility, investment options, and contributions to the fund. Only bargaining unit employees who are eligible for the Early Retirement Incentive Plan may participate in the Health Care Savings Plan (HCSP). Busse noted that there are no employer participation fees and that the Finance Department will handle the administrative responsibilities of remitting and accounting for employees' contributions to the HCSP. **Council Member Abraham moved approval of this MOU; Council Member Svenby seconded the motion. All seven (7) council members voting aye, the motion passed.**

Council President Thompson introduced Proposed Ordinance No. 10/09, "An Ordinance Amending Chapter IV of the 1992 Ordinance Code of the City of Owatonna, as Amended, Entitled 'Business Regulations and Licenses' by Adding Thereto Section 406 Providing for the Licensure and Regulation of Ice Cream Vendors." **Council Member Falk moved approval of Proposed Ordinance No. 10/09 in its first reading; Council Member Wittrock seconded the motion. All seven (7) council members voting aye on roll call, the motion passed.**

City Attorney Walbran presented Proposed Ordinance No. 11/09, "An Ordinance Amending Chapter V of the 1992 Ordinance Code of the City of Owatonna, as Amended, Entitled 'Fees, Charges, and Rates,' by Amending Section 510 Thereof, Entitled 'Business Licenses and Permits' Providing for Ice Cream Vendor Fee." He explained that this ordinance establishes a fee of \$100, which Mr. Perez had already paid under Section 497, and \$50 for each additional vehicle, which is similar to Rochester's ordinance. **Council Member Abraham moved approval of Proposed Ordinance No. 11/09 in its first reading; Council Member Moen seconded the motion. All seven (7) council members voting aye on roll call, the motion passed.**

During *Resolutions*, Community Development Director Strand presented Resolution No. 51-09, "A Resolution Conveying Land to Steele County for the Purposes of Constructing 39th Avenue NW," and also a request to grant temporary construction easement for 39th Avenue NW. Strand explained that Steele County will commence construction of 39th Avenue NW in 2010 and a portion of the beltline's right of way is on city property. He further explained that the County created a highway right of way plat to identify the property needed for the road, and two of the three city-owned parcels needed require a separate conveyance since they are not included in the plat. Strand noted that after the right of way plat was recorded, the County discovered they needed a slight amount of additional right of way, which has been included as part of this resolution. Strand reported that Steele County also needs additional land during the road construction, which has been identified, and a temporary construction easement will not be recorded and "goes away" upon completion of the road construction. **Council Member Wittrock moved adoption of Resolution No. 51-09, authorizing the execution of**

documents to donate and convey the property to the County, and also approval granting the temporary construction easement as requested by Steele County. Council Member Abraham seconded the motion. All seven (7) council members voting aye, the motion passed.

Finance Director Svenby presented Resolution No. 52-09, "A Resolution Making Proposed Levy of Taxes for 2010." Svenby explained that the City is required to adopt a proposed budget for 2010 and certify the proposed property tax levy payable in 2010 to the county auditor before September 15. Svenby reported that at the study session held prior to the council meeting, staff recommended setting a levy amount at the maximum of 2.65 percent increase over last year for 2010. Svenby reported that staff would be working in September and October to bring the proposed levy amount down for the final levy amount and budget to be adopted at the December 15 council meeting. He stated that the proposed total levy amount is \$9,696,039. (\$7,703,005 for general government, \$85,714 PERA rate change, \$1,807,320 for debt retirement and \$100,000 for tax abatements). Svenby also stated that the preliminary budget amount for 2010 is \$36,646,212. **Council Member Moen moved adoption of Resolution No. 52-09; Council Member Ellingson seconded the motion. All seven (7) council members voting aye, the motion passed.**

Finance Director Svenby next presented Resolution No. 53-09, "A Resolution Authorizing the Housing and Redevelopment Authority of the City of Owatonna to Levy in the Year 2009 for Collection in the Year 2010 a Proposed Tax on the Properties of the City of Owatonna in an Amount of \$120,000 for Purposes Authorized in Minnesota Statutes 469.001 to 469.047." He noted that this amount has been the same for several years and added that the budget amount is \$555,919. **Council Member Ellingson moved adoption of Resolution No. 53-09; Council Member Svenby seconded the motion. With six (6) council members voting aye and Council Member Falk voting nay, the motion passed.**

Finance Director Svenby presented Resolution No. 54-09, "A Resolution for the Approval of the Proposed Budget for Fiscal Year Commencing January 1, 2010." **Council Member Svenby moved adoption of Resolution No. 54-09; Council Member Abraham seconded the motion. All seven (7) council members voting aye, the motion passed.**

Community Development Director Strand reported on Resolution No. 55-09, "A Resolution of Receptivity to a Deed SCDP Award." Strand explained that the South Central Human Relations Center has created Youngdahl Living, LLC and is proposing development of 16 one-bedroom units of supported housing located at 1985 4th Avenue SE in Owatonna to provide a safe living environment for Owatonna individuals with a serious mental illness who have a history of unsuccessful community living. The proposed development would provide housing with support services to keep the individual stabilized to include 24-hour staffing. Strand further explained that the Owatonna Housing Redevelopment Authority (HRA) has partnered with the South Central Human Relations Center, CREST Regional Mental Health Initiative, Steele County Human Services, and Local Property Management to develop the project and seek funding for its development which includes seeking this \$100,000 grant from DEED SCDP. **Council Member Moen moved adoption of Resolution No. 55-09; Council Member Abraham seconded the motion.** During council discussion, Council Member Falk expressed his opposition stating that that although a worthwhile project and necessary within this community, he felt this is not a role for city government by assisting or contributing through the HRA. **With five (5) council members voting aye and Council Members Falk and Ellingson voting nay, Council President Thompson declared Resolution No. 55-09 adopted with a vote of five (5) to two**

(2).

City Administrator Busse presented Supplemental Agreement No. 2 with Mathiowetz Construction Company for the 2009 24th Avenue NW and 26th Street NW Bituminous Paving Project for a contract cost increase of \$26,307.30, which is State Aid eligible. Busse explained that during the excavation and grading operations on 24th Avenue NW, the condition of the subbase was found to be poor and needed to be improved by the installation of subbase drainage to assure a stable base for the roadway. The City Engineer determined that a drain tile should be installed in the center of the roadway to accomplish this correction. **Council Member Wittrock moved approval of this supplemental agreement; Council Member Abraham seconded the motion. All seven (7) council members voting aye, the motion passed.**

During *Flood and Stormwater Projects Update*, City Administrator Busse announced that work on the southeast field pond would begin later in the week.

During *Council Comment*, Council Member Ellingson reminded everybody that school starts on Tuesday, September 8. Council Member Wittrock requested that City Administrator Busse set up a council meeting in the newly renovated third floor meeting room of the Fire Station. Council President Thompson added that the third floor meeting room would also be a good location for a budget study session. City Administrator Busse announced budget study sessions, which are always open to the public, on November 4 at and November 5 starting at 4:00 p.m. Council President Thompson explained that these dates were chosen after the election so that the new city council members would have opportunity to participate in the budget process. Council Member Falk reminded everybody of one week left to file for city office, and Council President Thompson wrapped up with a reminder of Labor Day on Monday, September 7.

There being no further business to come before the Council, **Council Member Wittrock moved to adjourn. Council Member Falk seconded the motion. All seven (7) council members voting aye, the meeting adjourned at 7:40 p.m.**

Dated September 1, 2009

Respectfully submitted,

/s/ Kris M. Busse, City Administrator