

Draft Council Minutes

City Adm. Bldg. Owatonna, Minnesota Monday, November 2, 2009 7:00 o'clock P.M.

City Council met in regular session in the Council Chambers of the City Administration Building, with Council President Thompson presiding. In May, City Council moved the meeting to Monday due to the City/School General Election held on Tuesday, November 3, 2009, and proper notification was given. Present were Council Members Wittrock, Falk, Abraham, Moen, Ellingson, and Thompson. Absent was Council Member Svenby. Also present were Mayor Kuntz, City Administrator Busse, City Attorney Walbran, Fire Chief Johnson, Community Development Director Strand, and Assistant City Clerk Hill.

After the *Pledge of Allegiance*, Council President Thompson announced one addition to the agenda, item 3.5a – Resolution No. 72-09. **Council Member Moen moved approval of the amended agenda for November 2, 2009. Council Member Ellingson seconded the motion. All six (6) council members present voting aye, the motion passed.**

After inviting the public to comment on items not on the agenda, Council President Thompson recapped the *bills* presented for payment totaling \$730,580.55. **Council Member Wittrock moved to accept the bills, and Council Member Abraham seconded the motion. All six (6) council members present voting aye, the motion passed.**

Council President Thompson explained that Council reviewed the *consent agenda* items prior to the meeting and approves them in one motion and may ask questions as needed during the meeting approval process. **Council Member Ellingson moved approval of the consent agenda, and Council Member Abraham seconded the motion. All six (6) council members present voting aye, the following list of consent agenda items was approved:**

- Minutes of the City Council meeting held October 20, 2009.
- Application for Exempt Permit from Kid's Korner Educare Center, Inc. to conduct raffle on November 25, 2009, at 600 Florence Avenue.
- Application for Exempt Permit from Owatonna Area Chamber of Commerce & Tourism to conduct raffle on February 14, 2010, at Torey's Restaurant and Bar, 685 West Bridge Street, Suite 5.
- Application for Exempt Permit from St. Mary's School of Owatonna to conduct raffle on April 17, 2010, at 730 South Cedar Avenue.
- Minutes and Reports:
 - ✓ Housing and Redevelopment Authority Annual Meeting of August 24, 2009.
 - ✓ Public Library Board Minutes of September 15, 2009.
 - ✓ Public Utilities Commission Minutes of September 22, 2009.
 - ✓ Downtown Parking Committee Minutes for October 21, 2009.
- Eliminate parking on east side of North Oak Avenue.

- Authorizing Quit Claim Deed to previously vacated alley.

Community Development Director Strand presented a “Memorandum of Understanding By and Between the City of Owatonna, Minnesota, and Allina Health System,” (MOU). Strand explained that in 2006, the City and Allina entered into an agreement to terminate the lease between Allina and the City, which had provided for Allina to operate the Owatonna Hospital at 903 South Oak Avenue. He further explained that this agreement to terminate the lease detailed the conditions, procedure, rights and responsibilities of the parties in that process. Strand stated that the MOU modifies and clarifies the original agreement pertaining to the timetable and process for removal of non-fixed property with the City assuming full responsibility for the building on January 18, 2010. Additionally, Strand stated that the MOU also provides for the transfer by quitclaim deed to the City two parcels that were purchased by Allina and were not part of the original city-run hospital property. Strand noted that the agreement was drafted by City Attorney Walbran and reviewed and approved by Allina’s general counsel. **Council Member Falk moved approval of the MOU and authorization of its execution. Council Member Abraham seconded the motion.** Council Member Moen asked if the non-fixed property would be offered for sale. Strand responded that although liquidation was discussed, with the low value of the materials remaining, it was probably better to have the hospital be responsible for cleaning out the building. City Administrator Busse added that she agreed with Strand and did not want to tie up a lot of staff time in managing liquidation. **All six (6) council members present voting aye, the motion to approve the MOU and authorize its execution passed.**

City Administrator Busse presented a proposal for group health insurance coverage from Blue Cross Blue Shield for 2010. Busse explained that the City solicited proposals for group health insurance coverage after receiving a renewal notice that rates would increase 13.8 percent. The City received two proposals, one from Blue Cross Blue Shield, the City’s current carrier, and one from Health Partners. Busse further explained that staff worked with Dave Effertz, the City’s insurance agent from TPS Insurance, and the Health Insurance Advisory Committee, which is made up of representatives from both union and non-union employee groups. The consensus was to stay with Blue Cross Blue Shield as the insurance carrier. Busse summarized the changes in plans, and Mr. Effertz was available for questions and added that although Health Partners came in a point lower, Blue Cross Blue Shield matched that and raised the deductibles. Busse noted that these changes in plans will eliminate the proposed rate increase for 2010 and is subject to an agreement with all four bargaining units. **Council Member Moen moved approval of this change in health insurance plans for 2010 contingent upon agreement with all four bargaining units. Council Member Falk seconded the motion with the amendment that TPS be listed as the agent of record** and noted that this plan was equitable and comparable to other companies. **Council Member Moen agreed to the amendment. All six (6) council members present voting aye, the motion passed.**

Next, City Administrator Busse reported on a request from Elmira Ubl, property owner-occupant of parcel number 17-100-2415 and who qualifies for the City’s Resolution No. 46-77 and Minnesota State Statute 435.193, to defer the special assessment that was levied upon the property in 2009 when the City reconstructed the alley from South Oak Avenue to South Cedar Avenue between West Rice Street and West School Street. The notice of assessment and payment options that were mailed to the property owners explained their payment options and also informed them that anyone 65 years of age or older owning and occupying a homestead may ask for and receive deferment of a special assessment

against that homestead if that person's assets, exclusive of the value of the homestead, do not exceed \$15,000 and if that person's annual income does not exceed \$15,000 per year. Busse further explained that Ms. Ubl has filed the required application and qualifies for deferment on roll number 0903-100 in the amount of \$1,122. **Council Member Ellingson moved approval of this request for deferred special assessment; Council Member Abraham seconded the motion. All six (6) council members present voting aye, the motion passed.**

Fire Chief Johnson presented for Council approval an agreement with the Owatonna Rural Cooperative Fire Association, effective January 1, 2010, through December 31, 2014. Johnson explained that the agreement provides that the City of Owatonna agrees to perform the functions of fire and rescue protection for various sections in Clinton Falls, Havana, Meriden, Owatonna, Deerfield, Lemond, Merton, and Somerset Townships in exchange for a fee, which is calculated by adding the October CPI onto the previous rate. **Council Member Abraham moved approval of the Rural Fire Association Agreement; Council Member Falk seconded the motion.** Council Member Wittrock asked about the rate system. Johnson explained that the City of Owatonna bills the Rural Fire Association in exchange for providing fire and rescue service per year. The Rural Association bills separately those people requesting that service. **All six (6) council members present voting aye, the motion passed.**

City Administrator Busse introduced added agenda item 3.5a – Resolution No. 72-09, “A Resolution Supporting the North Straight River Park Trail Project and the Application for a DNR Grant for Partial Funding Thereof.” Busse reported that this grant would assist in the development of the North Straight River Park trail segment to connect from the North Street trail head to the 26th Street trail, which has been in the planning process since 2005. Busse added that the financial match required by the Parks and Trail Legacy Program is being met by the \$500,000 grant provided by the Owatonna Foundation, Inc. **Council Member Wittrock moved adoption of Resolution No. 72-09, and Council Member Moen seconded the motion.** Council Member Falk noted that this grant is only one piece of the project, which could be subject to change if the grant is not awarded. **All six (6) council members present voting aye, Council President Thompson declared Resolution No. 72-09 adopted.**

City Administrator Busse presented Change Order No. 2 for the 2009 Wastewater Treatment Facility Expansion and Upgrade Project resulting in a net decrease in project cost of \$1,993.86. She explained due to a conflict in the existing storm sewer being located under the southeast corner of the Sludge Dewatering Building, the helical piling configuration had to be revised resulting in a decrease in the number of piles required and additional work for concrete foundations and grade beams. **Council Member Ellingson moved approval of Change Order No. 2, and Council Member Abraham seconded the motion. All six (6) council members present voting aye, the motion passed.**

During *Reports*, City Administrator Busse provided a verbal update of the flood and stormwater projects. She explained that crews have excavated the pipe up to the southeast field pond, and a second crew has installed the pipe from Fieldstone Avenue up to 18th Street SE and will be working on the remainder of 18th Street the rest of the week as well as working the pipe around the pond.

During *Council Comment*, all council members and Mayor Kuntz wished all the candidates good luck at the City Election on November 3, 2009, and encouraged citizens to vote. Mayor Kuntz also thanked the citizens on the south end of the City for their cooperation and patience during the construction.

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City Administrator Busse reminded everybody of the two upcoming budget study sessions from 4:00 p.m. to 7:00 p.m. on November 4 and November 5 in the third floor meeting room of the Owatonna Fire Department at 107 West Main Street. She reported on an email from Council Member Svenby in which he provided a breakdown of the Rochester Building and Safety Department in response to the comment from a citizen at the October 20 City Council meeting claiming there were only two building inspectors in Rochester in comparison to the City of Owatonna's four inspectors. In his email, Council Member Svenby reported that nine people in Rochester work directly on just residential dwellings and the City of Rochester employs fifteen inspectors. His breakdown of Rochester's Building and Safety Department displayed fifteen inspectors, four plans examiners, three managers, four office support personnel, and one department director. Busse also clarified a misconception brought to her attention that city park maintenance employees are working overtime on the weekends. Busse explained that their scheduled work week is Wednesday through Sunday, 7:00 a.m. to 3:30 p.m., to provide staffing in the parks during more heavily used times on the weekends. Council President Thompson reminded Council of the Election Canvass Board meeting on Friday, November 6 at 8:00 a.m. and confirmed attendance with Council Members Moen, Ellingson, Thompson, and Abraham. Council President Thompson wrapped up with a reminder of the November 3 City/School Election and that city offices will be closed on November 11 in observance of Veteran's Day.

There being no further business to come before the Council, **Council Member Wittrock moved to adjourn. Council Member Falk seconded the motion. All six (6) council members present voting aye, the meeting adjourned at 7:25 p.m.**

Dated November 2, 2009

Respectfully submitted,

/s/ Deborah J. Hill, Assistant City Clerk