

Owatonna City Council Minutes – Draft Copy

The Owatonna City Council met in regular session on Tuesday, June 2, 2020 at 7:00 p.m. This was a virtual meeting compliant with Governor Walz’s Stay-at-Home Order for the COVID-19 Pandemic. The meeting was accessible by calling 507-242-3225, Conference ID 306 776 727#. Council President Schultz conducted the meeting from Council Chambers; also present were Council Members Raney, Voss and Okerberg; Police Chief Hiller; City Attorney Walbran, City Administrator Busse and IT System Administrator Sticken. Attending virtually were Council Members Dotson, Svenby, and Burbank; Mayor Kuntz; Community Development Director/Interim Parks and Recreation Director Klecker; Public Works Director Skov and Administrative Specialist Clawson.

Following the Pledge of Allegiance, Council President Schultz welcomed everyone to the meeting and advised Item 2.2.5, an Event Permit for the OHS Graduation was added to the Agenda, Council Member Svenby made a motion to approve the agenda with this item added; Council Member Dotson seconded the motion; with a roll call vote, all members voted aye for approval.

Council President Schultz read the Meeting Determination Statement and reviewed the virtual meeting process requirement for all votes taken via a roll call vote.

Police Chief Hiller reported a protest occurred in Owatonna on Sunday, May 31st in response to the death of George Floyd in Minneapolis. Mr. Floyd, a black man, died May 25, 2020 while being detained by four Minneapolis police officers creating concerns of police brutality and racism. Sunday, approximately 200 protesters gathered in the downtown area and walked along streets towards the Law Enforcement Center (LEC). This started at approximately 11:30 am and ended around 5:30 pm. Police assisted blocking traffic on several streets and prevented entry into the LEC. The event was mostly peaceful, and everyone took a knee in solidarity following some tense moments during the day. He was pleased with the overall outcome and thankful for the support received from City Administrator Busse and Council. He has received many very positive comments from members of the community as officers were able to protect people’s First Amendment Right, prevent criminal behavior and prevent any potential loss of life and property damage. Many people have feelings of hate and anger and the Police Department hopes to be part of the solution by creating positive relationships within the community. During the year, officers participate in various community engagements to improve on-going relationships. Council thanked Chief Hiller for his report as he left the meeting.

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

- Council Minutes - May 19, 2020 Meeting.
- Event Permit – Roxanne Wadley Walk-a-Thon – July 18, 2020.
- Renew Annual Liquor Licenses
- Annual Retail Fireworks Permit – Target.
- Annual Retail Fireworks Permit – Hy-Vee.
- Event Permit – Owatonna High School Graduation – June 7, 2020. (added today)
- Minutes – Park & Rec Board Meeting – May 11, 2020.
- Minutes – OPU Commission Meeting – April 28, 2020.

Council Member Voss made a motion to approve these Consent Agenda Items. Council Member Okerberg seconded the motion. With a roll call vote, all members voted aye for approval.

Vice President Raney recapped expenses for the period. Bills presented for payment totaled \$521,325.23. Council Member Dotson made a motion to approve payment of these bills, Council Member Svenby seconded the motion; with a roll call vote, all members voted aye for approval.

Community Development Director Klecker presented the second reading of Proposed Ordinance 20-6, to change the zoning of property at 409 Cherry Street from R-1, Single Family Residential to B-2, Community Commercial. This parcel is included in the Eastgate Development Project and this application provides consistent zoning with adjacent parcels. Council approved the first reading of this proposed ordinance during their May 19th meeting and there have been no changes since. Council Member Raney made a motion to approve Proposed Ordinance 20-6, Council Member Dotson seconded the motion. With a roll call vote, Council Members voting aye were Dotson, Burbank, Raney, Svenby, Voss, Okerberg and Schultz; with no nay votes the motion was approved. This will be known as Ordinance 1607 effective upon publication.

City Administrator Busse requested approval of Resolution 72-20 delegating authority for Extension of Premises Permit Applications. During March, to slow the spread of the COVID-19 pandemic, Governor Walz required closure of non-critical businesses which included bars and restaurants. On May 13th, Governor Walz issued Executive Order 20-56 to allow restaurants and bars to safely reopen their business on June 1, 2020 for outdoor dining and alcohol sales with certain guidelines and restrictions. On-Sale Liquor Licenses require inclusion of their service area so an Extension of Premises Permits will be issued to include expanded outdoor service area requests. To help local establishments timely acquire Extension of Premises Permits, City Administrator will be authorized to approve applications received. Council Member Dotson made a motion to approve Resolution 72-20, Council Member Burbank seconded the motion; with a roll call vote, all members voted aye for approval.

Community Development Director Klecker requested approval of Resolution 73-20 authorizing acceptance of the FAA CARES Act Grant Agreement. The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) provides funding in support of airports to help offset a decline in revenues or other impacts as a result of the COVID-19 Public Health Emergency. The purpose of the grant is to help maintain safe and efficient airport operations. Under the grant, expenses for airport operational expenses up to the grant amount can be reimbursed. The grant offer reimburses 100% of allowable costs incurred by the airport up to the grant amount of \$30,000. Council Member Okerberg made a motion approving Resolution 73-20, Council Member Voss seconded the motion, with a roll call vote, all members voted aye in approval.

Community Development Director Klecker requested approval of Resolution 74-20 approving the Preliminary Plat of Greenhouse Addition No. 2. Property owner, CEFF Medford Property, LLC requested this to complete the annexation requirement of this one lot plat, a 52.03+ acre parcel. REVOL Greens currently occupies this property located at 2781 50th Street NW. The Planning Commission held a public hearing and recommend approval of this preliminary plat with the following conditions:

- 1) The final plat shall be approved within one year of the date of approval of the preliminary plat.
- 2) The Title opinion shall be approved by the City Attorney prior to recording of the final plat.
- 3) The applicant shall provide the utility easements as shown on the proposed final plat drawing.

Council Member Dotson made a motion approving Resolution 74-20 approving this Preliminary Plat as recommended by the Planning Commission. Council Member Burbank seconded the motion, with a roll call vote, all members voted aye in approval.

Community Development Director Klecker requested approval of Resolution 75-20 approving the Preliminary Plat of Sanders South Addition. This property, owned by the City, is located on Bridge Street W between 32nd and 39th Ave NW. There are 32.38+ acres to be platted to four industrial lots and one outlot. The west lot is occupied by the City's sludge bunker and a stormwater pond and the east three lots will be sold for development; the outlot is an access drive to the property. The Planning Commission held a public hearing and recommend approval of this preliminary plat with the following conditions:

- 1) The final plat shall be approved within one year of the date of approval of the preliminary plat.
- 2) The Title opinion shall be approved by the City Attorney prior to recording of the final plat.
- 3) The applicant shall provide the utility easements as shown on the proposed final plat drawing.
- 4) Each lot will be responsible to handle their own stormwater upon development of that lot.
- 5) The owner of Lot 3 shall grant Lot 2 an easement for the sewer service to be connected to the manhole.

Council Member Voss made a motion approving Resolution 75-20 approving the Preliminary Plat of the Sanders South Additions as recommended by the Planning Commission. Council Member Dotson seconded the motion, with a roll call vote, all members voted aye in approval.

Community Development Director Klecker requested approval of Resolution 76-20 approving C-1433. Brad Seykora, Seykora Asphalt, has requested this conditional use to allow for construction of their construction offices and associated uses at 3300 Bridge Street W. Uses within the operation will include crushing, stockpiling, outdoor storage, outdoor fuel pumps and other associated uses. The Planning Commission held a public hearing, Mr. Seykora advised the crushing operation will not occur more than a few times a year and only for a day or two at a time. The Planning Commission recommends approval with these conditions:

1. All signs shall have a sign permit.
2. All public and employee parking stalls, as well as the access to those areas, shall be hard surfaced with either concrete or bituminous as code requires.
3. Detailed storm water plans shall be approved by the City Engineer prior to issuance of a grading permit.
4. Any exterior storage shall be screened from Bridge Street.

Council Member Raney made a motion approving Resolution 76-20 as recommended by the Planning Commission, Council Member Dotson seconded the motion, with a roll call vote, all members voted aye in approval.

Community Development Director Klecker presented Resolution 77-20 to set the date for a public hearing to consider establishing Development District 15 and Tax Increment Financing District 15-1 for a 36-unit apartment building at 660 Mound Street SW. Schrom Construction is proposing to redevelop this commercial site and requests the use of tax increment financing to help with the costs of demolition of the existing building and the site development costs for the project. A public hearing was scheduled for June 16th but for timely notification, we are rescheduling the public hearing for 3 weeks later. Council Member Burbank made a motion to approve Resolution 77-20

setting the public hearing for Tuesday, July 7th at 7:00 p.m., Council Member Dotson seconded the motion; with a roll call vote; all members voted aye for approval.

Community Development Director Klecker explained Tax Increment Financing (TIF) regulations permit the City to designate a parcel as meeting the requirements for inclusion in a “redevelopment” TIF District prior to formation of a “redevelopment” district upon meeting certain conditions. To preserve this option the City must adopt a resolution deeming the parcel to be occupied by a structurally substandard building. This will allow recovery of costs incurred prior to finalizing the TIF District. Resolution 78-20 deems the structure at 660 Mound Street SW as a structurally substandard building. Council Member Voss made a motion to approve Resolution 78-20, Council Member Raney seconded the motion; with a roll call vote, all members voted aye for approval. Resolution 79-20 deems the building at 202 Bridge Street W a structurally substandard building; Council Member Raney made a motion to approve Resolution 79-20, Council Member Dotson seconded the motion; with a roll call vote, all members voted aye for approval.

Community Development Director Klecker requested approval of Resolution 80-20 approving the Final Plat of the Regan Addition. This is a one lot commercial plat to allow construction of a 36-unit apartment building at 407 Cherry Street. The City is working with the developer to move the building farther to the east so there will be only one driveway to the site as far as permissible from the intersection of Cherry Street and Mineral Springs Road. Council Member Svenby asked if a condition should be added to the plat limiting the number of accesses to one. Community Development Director Klecker explained conditions would work if variances are granted and the City currently owns this property so this condition is not needed on the plat but could be added to the purchase agreement when the property is transferred to the developer. The Planning Commission held a public hearing and recommend approval of this preliminary plat with the following conditions:

- 1) The final plat shall be approved within 60 days of the approval.
- 2) The Title opinion shall be approved by the City Attorney prior to recording of the final plat.
- 3) The applicant shall provide the utility easements as shown on the proposed final plat drawing.
- 4) Any unused sewer and water services shall be disconnected at their respective mains in conjunction with the demolition of the structures.

Council Member Voss made a motion approving Resolution 80-20 approving this Final Plat as recommended by the Planning Commission. Council Member Okerberg seconded the motion, with a roll call vote, all members voted aye in approval.

Community Development Director Klecker requested approval of Work Order No. 9 with Bolton & Menk Inc. for professional engineering services for the airport T-hangar site, foundation, and building project. The airport currently has three ten unit T-Hangar buildings with all units are currently rented. Addition of another T-hangar is identified on the approved airport Master Plan and accommodates existing and projected growth. This project will occur in two phases, Phase 1 will include the full design for the building along with apron and taxi lane. Phase 2 will be the construction phase for the T-Hangar, concrete footings, and floor as well as a bituminous apron and taxi lane. The scope of services provided in this Work Order is for all project phases and includes design, preparation of plans and specifications, preparation of bid documents, bid administration, construction engineering, FAA coordination and documentation, and project close out services for

the T-hangar project. It is anticipated that Phase 2 , the construction phase will begin in calendar year 2021. Currently, CARES Act legislation will cover 100% FAA funding participation; all project costs are contingent upon securing federal grant funding participation. The engineering services proposed under Work Order No. 9 shall be provided on an actual cost basis but not to exceed \$245,900.00 for all phases of the project. The Airport Commission has reviewed Work Order No. 9 and recommend approval. Council Member Raney made a motion to approve Work Order No. 9 with Bolton & Menk; Council Member Svenby seconded the motion; with a roll call vote, all members voted aye in approval.

Public Works Director Skov requested approval to purchase five outlots in Heers 7th Addition. The outlots are owned by Heers Corporation from the plat which was completed in 1993. The City needs access to the drainageway south of the Brooks Senior Living Community and Heers has agreed to sell these outlots to the City for \$4,100.00. Council Member Voss made a motion to purchase this property, Council Member Dotson seconded the motion; with a roll call vote, all members voted aye in approval.

City Administrator presented application received from the Owatonna Early Edition Rotary Club for an Outdoor Public Fireworks Permit for July 4th. Fire Chief Johnson recommends approval of the permit provided the application responsible to ensure appropriate social distancing is adhered to. Recommendation will include participants will not be allowed in the grandstands and asked to remain in their vehicles to maintain safe distancing during the event. Council Member Raney made a motion to approve this permit, Council Member Dotson seconded the motion; with a roll call vote, all members voted aye in approval.

Mayor Kuntz advised a Letter of Resignation was received from Mark Wilson, Downtown Parking Board Member. Council Member Dotson made a motion to accept this resignation, Council Member Voss seconded the motion; with a roll call vote, all members voted aye in approval.

Mayor Kuntz recommended Mark Wilson for appointment to the Planning Commission to fill the unexpired term of Steve Jessop who recently passed away. Term of this appointment as a Member-at-Large will expire April 30, 2021. Council Member Raney made a motion to approve this recommendation for appointment, Council Member Okerberg seconded the motion; with a roll call vote, all members voted aye in approval.

During Staff Comments, Public Works Director Skov advised staff is continuing work on plans to update the Wastewater Treatment Plant. The Street Department is treating trees for Emerald Ash Borer, they plan to treat 400 trees this year. Engineering Staff completed a preconstruction meeting today for the Street and Utility Project so work should begin soon on Evergreen Place, Country View Lane, and Cherry Street. Interim Park & Rec Director Klecker advised Park Staff is opening up as much allowed under the current COVID-19 Restrictions. Most outdoor amenities are now available to the public including playgrounds, archery park, skate park, Lake Kohlmier beach house will open this Thursday for equipment rentals and the swim ropes will be placed in the water. Signs have been posted at the parks and along the trails to encourage social distancing. Youth programs are currently permissible so River Springs Water Park will open June 15th for swimming lessons. The last two days, Park Staff has been busy cleaning graffiti which was left over the weekend.

Mayor Kuntz requested a letter be sent to Governor Walz on behalf of the City, Mayor and City Council requesting allowable uses for restaurants related to liquor and dining. Specific requests include:

1. The state to allow cities the discretion to allow non-contiguous areas for outdoor dining/liquor. This would likely be achieved through communication and work with the Alcohol and Gambling Enforcement Division (AGED) of the Department of Public Safety.
2. The state to allow 25% use of indoor space in restaurants. We appreciate the recent determination that restaurants may operate in limited capacity in their outdoor spaces. Along with that, we request a similar manner be extended to allow all restaurants to open and provide service and use of 25% of their indoor spaces.

Council Member Raney thanked Mayor Kuntz for assisting local bars and restaurants to reopen.

Council Member Dotson made a motion authorizing this letter be sent to Governor Walz, Council Member Burbank seconded the motion; with a roll call vote, all members voted aye in approval.

There were no comments heard during Public Comments.

During Council Comments, Council Member Burbank asked how many additional years an ash tree will survive after being treated for Emerald Ash Borer. Public Works Director Skov explained treated trees should survive. Treatments are applied to every other tree as leaves from a treated tree help neighboring trees; the Tree Inventory provides a three-year treatment cycle for Emerald Ash Borer.

Council Member Voss thanked Chief Hiller and the Owatonna Police Department for assisting during the weekend protests and then thanked Mayor Kuntz for preparing the letter to the governor. Hopefully, indoor occupancy restriction on bars and restaurants will be lifted and more than this 25% request will be allowed. Council Member Okerberg echoed Council Member Voss's comments and encouraged everyone to be nice and take care of their neighbors, be patient as things get done and remember to care for the elderly. Council Member Dotson congratulated his nephew Malaki and other members of the graduating Class of 2020. Mayor Kuntz congratulated the police department for doing a fine job during the protest this weekend. Council Member Schultz commented current times can be challenging and stressful, he also hopes everyone remains patient with others and be kind; he then thanked IT System Administrator Stricken for assisting during tonight's meeting

At 8:09 p.m., Council Member Raney made a motion to adjourn the meeting, Council Member Dotson seconded the motion, with a roll call vote, all members voted aye in approval.

Dated: June 6, 2020

Respectfully Submitted,

Jeanette Clawson, Administrative Specialist