

Owatonna City Council Minutes - Draft Copy

The Owatonna City Council met in regular session on Tuesday, May 4, 2021 at 7:00 p.m. in Council Chambers at City Hall. Council President Schultz called the meeting to order and welcomed everyone in attendance. Present were: Council Members Dotson, Burbank, Okerberg, Voss, Raney, Svenby and Schultz; Mayor Kuntz; City Attorney Walbran; City Engineer Skov; Community Development Director Klecker; Human Resource Director Gorski, Park & Rec Director Tuma; Officer Brein, IT System Administrator Sticken; City Administrator Busse and Administrative Specialist Clawson.

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

Mayor Kuntz presented a Certificate of Commendation to Risk Olson, Wastewater Manager received from the Minnesota Pollution Control Agency in recognition of exceptional compliance. with its Minnesota Pollution Control Agency NPDES/SDES Wastewater Permit during the 2020 review period. City and staff member dedication to protecting Minnesota’s waters are duly recognized and appreciated by the state of Minnesota. After receiving the award, he commented the City is fortunate to have a great staff as the guys are dedicated and good to work with.

Mayor Kuntz presented recognition awards to these individuals for their years of service:

Todd Hale	Airport Commission	9 years
Tom Harrison	Airport Commission	9 years
Jerry Atkinson	HRA (Housing & Redevelopment Authority)	3+ years
Andi Arnold	Park Board	2 years
Josh Meillier	Planning Commission	9+ years
Earl Anderson	West Hills Commission	9 years

Mayor Kuntz recommended reappointment of these Board/Commission Members:

- Airport Commission: Paula Snitker
- Fire Civil Service & Fire Board Code of Appeals: Michael Beckman
- Human Rights Commission: Jamie Vanoosbree, Dave Emanuelson and Ethan Cords
- Planning Commission: Mark Wilson – Ward 1 (will change from Member at Large)
- Public Library Board: Karen Malin
- Public Utilities: Kent Rossi
- Shade Tree Commission: Nick Dickerson
- West Hills Commission – Jan Mittlestadt Tippet

And New Member Appointments of these individuals:

- Airport Commission: Matt Thurnau
- HRA (Housing & Redevelopment Authority): Nate Dotson
- Park & Rec Board: Gina McGuire and Sara Baird
- Planning Commission: Nicholas Peake – Member At Large
- West Hills Commission: Arlan Burmeister

Council Member Raney made a motion to approve these new member recommendations; Council Member Voss seconded the motion, all members voted aye for approval. Mayor Kuntz advised he is currently looking to fill an open seat on the Shade Tree Commission and one on the Airport Commission and encouraged anyone interested to complete an application available on the City’s website. Mayor Kuntz then administered an Oath of Office to three new commission members present: Sara Baird, Arlan Burmeister and Nate Dotson.

Mayor Kuntz made proclamation for May 6<sup>th</sup> as the National Day of Prayer and invited everyone to attend the service planned. One of our Nation's great strengths is the freedom to exercise our faiths freely and prayer is an essential act of worship and a daily discipline for many.

Mike Jensen, Tri M Graphics and Kelly Boomgardner, Owatonna Chamber of Commerce presented a community marketing program for use during the N Cedar Streetscape Project. Business Tool Kits will be prepared to promote a consistent theme/brand for use throughout the project to promote the City's development and exciting future. The main message of the promotion's logo will be "Owatonna, We're Building our Future". Each Business Kit will include an Overview Flyer, a Patron Flyer, Counter Card, Small Window Poster, Maps, and buttons to promote a unified campaign and assist in keeping everyone informed. Symbols on the logo represent dining, retail, financial, hotel, and social venues within the city. They will also implement a social media and web plan campaign with project updates. He encouraged the City to post signs showing access to parking during the construction period. Council President Schultz commented it was good to see businesses coming together to create some fun activities as We're Building Our Future.

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

- Minutes - Council Meeting – April 20, 2021.
- Minutes – Local Board of Appeal and Equalization – April 20, 2021.
- Minutes – Charter Commission Meeting – April 15, 2021.
- Minutes – Human Rights Commission Meeting – April 13, 2021.
- Minutes – OPU Commission Meeting – March 23, 2021.
- Minutes – HRA Meeting – April 26, 2021.
- Minutes – EDA Meeting – April 21, 2021.
- Minutes – Library Board Meeting – April 20, 2021.
- 2021 Tree Trimmer Permit: D&A Maintenance LLC
- T-Hangar Lease Agreement – Climate by Design International, Inc.
- Agreement Addendum – 2021 Steele County 4-H Softball Tournament.
- Outdoor Public Fireworks Permit – 4<sup>th</sup> of July – Early Edition Rotary Club.
- Renew Annual Ice Cream Vendor License – Sunny's Ice Cream.
- Renew Parking Lot Agreement – Brian and Susan Stendel.
- Resolution 56-21: Fame Award Purchases.

Council Member Voss recused himself from voting because of his personal interest to Fame Awards. Council Member Okerberg made a motion to approve these Consent Agenda items; Council Member Svenby seconded the motion; all members voted aye for approval.

Council Member Raney recapped expenses for the period. Bills presented for payment totaled \$1,253,540.97. Council Member Dotson made a motion to approve these disbursements, Council Member Burbank seconded the motion; all members voting voted aye in approval.

Park Director Tuma requested approval of Proposed Ordinance 21-4, an amendment to City Code Title IX:General Regulations, Chapter 91, Section 91.41 Lake Kohlmier Swimming Restrictions. Addition to this code section will read: "No person shall jump, dive, or enter Lake Kohlmier to swim from any dock or other structure in or abutting Lake Kohlmier, except from authorized structures at the designated swimming area at the municipal beach during times designated by the City Parks and Recreation Department." Council approved the first reading of this proposed ordinance during their April 20<sup>th</sup> meeting and there have been no changes since. Council Member

Okerberg made a motion for approval, Council Member Raney seconded the motion; with a roll call vote, voting aye were members Okerberg, Dotson, Burbank Raney, Svenby, Voss and Schultz. This will be known as Ordinance 1616 to be effective upon publication.

Park Director Tuma presented the first reading of Proposed Ordinance 21-6 to allow beer and wine in Central Park under a Temporary Liquor License. Currently, intoxicating liquor is prohibited in Central Park, this ordinance allows sale of beer and wine in Central Park under a Temporary On-Sale Liquor License during events sponsored by the City or other non-profit organizations with an approved City Special Event Permit. Given the emerging home-town brewery industry and popularity of local brew pubs and regional wine vintners the proposed ordinance limits sales in Central Park to beer and wine only. Council Member Voss questioned what events would request wine and beer, he believes most attending the Thursday night concerts in Central Park would prefer the current restriction remain in place. Council Member Raney commented he has received a request from an organization wanting to hold an event and Council President Schutz added several merchants have asked this be considered to accommodate customers in the downtown area. Tuma explained a Temporary On-Sale Liquor Permit would be required which Council approval and can only be issued to a club or charitable, religious, or other non-profit organization. Council Member Raney made a motion to approve the first reading of Proposed Ordinance 21-6, Council Member Dotson seconded the motion; with a roll call vote, voting aye were members Okerberg, Dotson, Burbank Raney, Svenby, and Schultz; voting nay was Council Member Voss; the motion carried. The second/final reading of this proposed ordinance will be held during the May 18, 2021 Council Meeting.

City Attorney Walbran presented the first reading of Proposed Ordinance 21-7 to change the number of On-Sale Temporary Liquor Licenses an organization may be allowed within one year. City Ordinance currently limits the issuance of such temporary license to one (1) per organization in the course of a 12-month span; but, Minnesota State Statute has no limitation on the number of licenses issued to any one organization. The ordinance proposes the number we allow be limited to 3. Council Member Svenby made a motion to approve the first reading of Proposed Ordinance 21-7, Council Member Dotson seconded the motion; with a roll call vote, voting aye were members Okerberg, Dotson, Burbank Raney, Svenby, Voss and Schultz; the motion carried. The second/final reading of this proposed ordinance will be held during the May 18, 2021 Council Meeting.

Park Director Tuma requested approval of a Schematic Design Services Agreement with Wold Architects & Engineers (Wold) for the proposed City Council Chambers Remodel Project. Four firms were invited to tour and provide a proposal for this project. A project scope and objective were provided for items to update for a modern look, improve and repurpose technology equipment, create a multiuse space, demolition of existing stage and create new Dias with seating for 8-10 and a podium for presentations, north entrance added with ADA improvements, safety upgrades incorporated, and upgraded HVAC. A behind-the-scenes tour was provided to each firm. The proposal fee is to include a complete start to finish project including concept planning, budget estimating, design documents and construction administration services and final punch list. A project team was created consisting of Councilmembers, West Hills Commission and City Staff. This team reviewed the proposals and recommended to proceed with request of a schematic drawing from Wold to fully understand the scope of the project and continue to strive to meet the desired completion date before the end of this year. Council Member Burbank made motion to

approve this recommendation and request a schematic design from Wold, Council Member Voss seconded the motion, all members voted aye in approval.

Public Works Director Skov requested approval of the WHKS Proposal for Truman Avenue Reconstruction Professional Services. Following a recent employee retirement, staff is unable to service the 2021 reconstruction project on Truman Avenue from Main Street to Havana Road. A Professional Services Agreement was received from WHKS. The scope of services provided by WHKS include the following:

- 1) Project Management and Meetings: General administrative duties such as project cost review, invoice preparation, status reports, and act as the City's representative in connection with any services not performed by WHKS.
- 2) Construction Administration: Clarification of design details, construction site visits and observation, pay estimate review, change order preparation, summarize final construction cost, prepare record drawings, and provide project updates to the City.
- 3) Construction Observation: On-site evaluations of the project progress in accordance with plans and specifications, maintenance of a logbook summarizing daily activity on site kept on file and used for record drawings. Construction observation will not include testing services for this project.
- 4) Special Engineering Services: These services are not included in the price of the service agreement but may be added for additional fees if authorized by the City. These services could include land surveying, easement research and negotiation, special assessment assistance, materials testing, and additional meeting attendance.

The proposed total cost of services is \$117,000. Council Member Okerberg made a motion to approve this agreement for Professional Services, Council Member Raney seconded the motion, all members voted aye for approval.

Public Works Director Skov requested approval of the Professional Construction Administration Services Agreement with ISG Proposal for the West Bridge Street Reconstruction Project. West Bridge Street from I-35 to 24th Avenue will be undergoing reconstruction in 2021. This project included plans for this contracted service, it includes construction staking and additional paperwork required for the state-aid project. The scope of services provided by ISG include the following:

- 1) Construction Administration: Meeting coordination, communication with stakeholders, document review, payment applications, change order preparation, and substantial and final project completion review.
- 2) Field Inspection and Observation: Observation of work completed by contractor, project documentation, traffic impacts and detour coordination, utility impact communication, material ticket collection, quality analysis testing result review, and document completion necessary for state and federally-funded projects.
- 3) Construction Surveying and Staking: temporary and permanent easement marking, stake pavement and utility locations, and post-completion surveying to create as-built drawings.

The proposed total cost of this service is \$244,435. This project started yesterday and will be completed in phases to reduce non-accessibility to businesses in the project area. Signal signs went up two weeks ago advising of no access to Bridge Street west of the interstate and additional signs were to post today listing the businesses impacted and detour routes. Council Member Okerberg made a motion to approve this agreement with ISG, Council Member Dotson seconded the motion, all members voted aye for approval.

Community Development Director Klecker requested approval of Non-Primary Entitlement (NPE) Fund Transfer Agreements with Houston County, Lac Qui Parle County, Pine River, and Silver Bay. Statutory provisions require that a portion of FAA Airport Improvement Program (AIP) dollars be apportioned by formula each year to National Plan of Integrated Airport System (NPIAS) airports including the Owatonna Degner Regional Airport. The City of Owatonna is apportioned \$150,000 per year of NPE funds and can bank these funds for up to four years to help fund federally eligible projects. If funds from the “first” year of banked funds are not used within that 4-year life, they expire and are turned back to the FAA. Additional federal NPE funding is needed to complete the construction phase of the 10-Unit T-Hangar and Taxi-Lane project. These four communities have available NPE funds and are willing to enter into transfer agreements. MnDOT Aeronautics encourages communities with expiring NPE funds to transfer to other communities within the state that could benefit by accepting additional federal funds to assist with needed project funding. These transfers are part of the anticipated funding plan for this project. The Airport Commission approved a motion in support of the funding plan and obligation of future NPE allocations to complete the T-Hangar project. These agreements provide for the transfer of expiring NPE funds and proposed repayment years as follows:

Houston County (2022)	\$150,000
Lac Qui Parle County (Madison) (2025)	\$150,000
Pine River (2026)	\$150,000
Silver Bay (2027-2029)	\$450,000

Council previously approved NPE transfers for Aitkin (2023) and Long Prairie (2024) have already been approved. In the event that there is no FAA NPE funding program in these years, then any repayment provision from future NPE funding allocations is waived and these transfers are interest free loans. This does assign Owatonna’s allocations through 2029 but construction costs continue to increase and some of these cities may not have a project and may not require repayment. Council Member Dotson made a motion to approve these transfer agreements, Council Member Voss seconded the motion, all members voted aye in approval.

Community Development Director Klecker requested approval of Resolution 46-21, to accept the bid and award of contract for the airport 10-Unit T-Hangar and Taxi-lane Project. Four bids were received on March 9, 2021, Everstrong Construction of Redwood Falls MN submitted the low bid of \$1,532,537.89 . During the design phase, the project cost estimate was revised prior to bidding to reflect an increase due to the discovery and necessary removal of poor soils in the project area and projected cost of materials, namely steel. For this reason and to allow flexibility depending on available funding, bid alternatives including the construction of an 8-unit hangar and hangar door variants were also received and reviewed. The Airport engineering firm has reviewed the bids and recommends acceptance of the lowest responsible bidder, Everstrong Construction for the base bid only. The Airport Commission has reviewed the bids including alternates and also approved a motion recommending acceptance of the low base bid for the 10-Unit T-Hangar and Taxi-lane as well as the funding plan. This resolution was tabled during the April 6, 2021 Council Meeting to confirm funding options for additional Non-Primary Entitlement (NPE) Fund Agreements. Council Member Svenby made a motion to approve Resolution 46-21, Council Member Dotson seconded the motion; all members voted aye in approval.

City Administrator Busse presented Resolution 47-21 authorizing issuance of Revenue Bonds by the Duluth Economic Development Authority for Benedictine Health System. Koda Living Community f/k/a Steele County Communities for a Lifetime, Inc. is operated by Benedictine Health

System and the City of Owatonna previously issued revenue bonds to finance or refinance Benedictine Health System projects. The City will receive refund of the prior bonds and other outstanding obligations with respect to this senior living facility located in the City of Owatonna. Council Member Dotson made a motion to approve Resolution 57-21, Council Member Voss seconded the motion; all members voted aye in approval.

Public Works Skov requested approval of Resolution 58-21 to change intersection traffic control at these four Intersections:

- 1) All-way stop at Mound Street SW & Selby Avenue SW to a two-way stop for Selby Avenue SW.
- 2) All-way stop at Lincoln Avenue SE & Havana Road SE to a two-way stop for Havana Road SE.
- 3) Two-way stop on 22nd Street SE at LaCasa Lane SE to a two-way yield for 22nd Street SE
- 4) Two-way stop on Mineral Springs Parkway NE at 20th Street NE to a two-way stop on 20th Street NE. (This will require at least a 90-day transition of a Multi-way stop for all approaches. There are two phases for implementation as shown on separate maps attached for this change.)

Staff performed traffic intersection control evaluations and found these intersections did not have the most appropriate traffic control according to the Minnesota Manual for Uniform Traffic Control Devices. Council Member Burbank commented traffic on Selby is minimal and asked if the proposed two-stop could be changed to yield signs. Public Works Director Skov explained this could serve as an intermediate step as changing from a 4-way stop to yields would be a big change. This resolution allows to change from a 4-way stop to a 2-way stop at this intersection and future review will be done to consider changing to yield signs. Council Member Raney made a motion to approve Resolution 58-21, Council Member Burbank seconded the motion; all members voted aye for approval.

Public Works Director Skov presented Resolution 59-21 for approval of plans, specifications, and authorization to advertise for bids for 2021 North Cedar Streetscape Improvement Project. The proposed bid date will be May 26, 2021 with approval of bids by council on June 1, 2021. This project involves reconstruction of Cedar Avenue from Broadway to Rose Street as the existing street improvements have exceeded their useful life. This resolution also authorizes use of Best Value Contracting to prequalify bidders for the project to provide better assurance the contractor will be able to perform in the manner necessary to complete the project and minimize disruption to the adjoining businesses. Council Member Dotson made a motion to approve Resolution 59-21, Council Member Burbank seconded the motion, all members voted aye in approval.

City Administrator Busse requested Council approval of Resolution 60-21 regarding On-Sale Liquor License Fees due to COVID-19 concerns. Minn. Stat. § 340A.408 authorizes the City to refund a pro-rata portion of the license fees paid by the holders of on-sale liquor licenses for the sale of intoxicating or 3.2 percent malt liquor where the business ceases to be “lawful” for reasons other than revocation. Governor Walz’s Emergency Executive Order 20-04 dated March 16, 2020 prohibited the sale of alcoholic beverages on-site after March 17, 2020 at bars, taverns, brew pubs, breweries, microbreweries, distilleries, wineries, tasting rooms, clubs, and other places of other public accommodation offering alcoholic beverages for consumption on the premises. Executive Order 21-11 dated March 15, 2021 allowed sales subject to regulations as to occupancy levels, hours of business, seating arrangements and other conditions. Proposed Resolution 60-21 authorizes

a refund of a pro rata share of the license fees paid for License Year 2019-2020, calculated from 3/18/20 to 6/30/2020 and a refund for license fees paid for License Year July 1, 2020 to June 30, 2021. Payment of the license fees for the License Year from July 1, 2021 to June 30, 2022 will be deferred until Executive Order 21-11 or any similar Executive Order is rescinded. The payment would be then due within 30 days of the date of rescission and would be prorated for the number of days remaining in the License Year. All other license conditions, such as date of application and evidence of liquor liability insurance, apply. Council Member Dotson made a motion to approve Resolution 60-21, Council member Voss seconded the motion, all members voted aye in approval.

During Staff Updates, Park Director Tuma advised there is a current shortage for pool chlorine, but our vendor has assured staff we will get supplies, currently 2/3 of the amount needed for this summer is on-site. There is also a shortage for pump parts so hoping we do not incur problems with the pool's pumps this season. The new inclusive playground is being installed at Manthey Park; we just received a \$25,000 donation from Corky's Softball Tournament towards this project. Finalizing agreement terms for the trash dumpsters on the West Hills Campus which should be on the next council Agenda. Community Development Director Klecker gave brief construction status reports for several development projects and advised staff has completed inspection of all the buildings within the Streetscape Project area. Some buildings may need some brick work done prior to this major street project and they encouraged all property owners to continue to take care of their property, many buildings have been improved during the last five years. Public Works Director Skov confirmed the Bridge Street Project has started and the Truman Avenue Project also started removing the street surface; Patching crew is working on frost boils across town, staff held meeting to preselect the membrane for the WWTP Project. Human Resource Director Gorski reported a new laborer for Park & Rec, a Sr Maintenance Worker for the Street Department and two new police officers have been hired. They recently completed the application process for a new Civil Engineer and will soon be completing these interviews and several seasonal positions are open. Gorski commented both police officers were previous CSO Officers, so it was good to see these officers continue their careers with the City of Owatonna.

No comments were heard during Public Comments.

During Council Comments, Council Member Dotson commented there is a lot of construction planned this year and asked everyone be patient during the construction cycle. Council Member Raney agreed with this and added these improvements will be good for the community and ISD#761 will break ground for the new high school on Thursday this week. Council Member Okerberg thanked staff members for their updates and seeing the Truman Project beginning. Mayor Kuntz commented he received a letter from Senior Place Inc Board Members asking the City to improve the air quality in the West Hills Social Commons building with purchase of ionizers that will work with the existing furnaces and air conditioning systems. Mayor Kuntz expressed thanks for all who volunteer to serve on a City Board/Commission and reminded everyone there are current openings on the Airport Board and the Shade Tree Commission.

At 8:30 p.m., Council Member Raney made a motion to adjourn the meeting, Council Member Dotson seconded the motion, all members voted aye in approval.

Dated: May 13, 2021

Respectfully Submitted,

Jeanette Clawson, Administrative Specialist