

Owatonna City Council Minutes – Draft Copy

The Owatonna City Council met in regular session on Tuesday, May 18, 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, Voss, Raney, Svenby and Schultz; Mayor Kuntz; City Attorney Walbran; City Engineer Skov; Community Development Director Klecker; Park & Rec Director Tuma; Fire Chief Hoffman, Sargent Sorenson; IT System Administrator O'Connor; City Administrator Busse and Administrative Specialist Clawson. Council Member Okerberg was not present.

Following the Pledge of Allegiance, Council President Schultz advised a Construction Agreement for the Manthey Park Parking Lot with James Bros. Construction has been added to the Consent Agenda. Council Member Dotson made a motion to approve the agenda with this item added. Council Member Svenby seconded the motion, all members present voted aye in approval.

City Administrator Busse introduced the new Fire Chief, Ed Hoffman. Chief Hoffman gave a brief personal bio and commented he has been busy learning and excited to be working in Owatonna.

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 – May 4, 2021.

Minutes – Planning Commission – April 13, 2021

Event Permit – Harry Wegner Marching Band Festival – June 19, 2021.

Event Permit – OSCAR Preparedness Event – June 26, 2021.

Event Permit – United Prairie Bank Customer Appreciation Picnic – June 10, 2021.

Exception to Noise Ordinance – OHS Student Council – May 28, 2021.

Exempt Permit – SE MN Realtors, July 8, 2021.

Retail Fireworks Permit – Target.

Service Agreement – Recycling Dumpster at West Hills Campus – Waste Management.

West Hills Social Commons Lease Agreement – Healthy Seniors.

Temporary On-Sale Liquor Permit – Corky's Softball Tournament - July 29 – August 1, 2021
for the Knights of Columbus.

Construction Agreement – Manthey Park Parking Lot – James Bros. Construction.

Change Council Meeting Date – First August 2021 Meeting.

River Springs Water Park Concession AC Unit – Owatonna Heating & Cooling.

Council Member Svenby made a motion for approval, Council Member Svenby seconded the motion; all members present voted aye for approval.

Council Member Raney recapped expenses for the period. Bills presented for payment totaled \$647,04.17. Council Member Burbank made a motion to approve these payments, Council Member Dotson seconded the motion; all members voting voted aye in approval.

Community Development Director Klecker requested approval of Proposed 21-5 to vacate public alleys on the east side of the 200 block of N Cedar Avenue. Owatonna Hospitality 1, LLC and Dale and Delores Bishman requested a portion of three public alleys be vacated to allow for construction of a hotel. The existing alley will enter/exit to the south through a newly dedicated easement behind the existing buildings. Council approved the first reading of this proposed ordinance during their April 20, 2021 meeting and there have been no changes since. Council Member Raney made a motion to approve Proposed Ordinance 21-5, Council Member Voss seconded the motion; With a

roll call vote, voting aye were members Dotson, Burbank Raney, Svenby, Voss and Schultz. This will be known as Ordinance 1617 to become effective upon publication.

City Attorney Walbran presented Proposed Ordinance 21-6 to allow beer and wine in Central Park under a Temporary On-Sale Liquor License. Council approved the first reading of this proposed ordinance during the May 4, 2021 meeting and there have been no changes since. Council Member Dotson made a motion for approval, Council Member Svenby seconded the motion; with a roll call vote, voting aye were members Dotson, Burbank Raney, Svenby, and Schultz; voting nay was Council Member Voss; the motion carried. This will be known as Ordinance 1618 to become effective upon publication.

City Attorney Walbran requested approval of Proposed Ordinance 21-7 to change the number of On-Sale Temporary Liquor Licenses an organization may be allowed within one year. The number allowed will be increased from one to three. Council Member Raney made a motion to approve this second/final reading of Proposed Ordinance 21-7, Council Member Dotson seconded the motion. With a roll call vote, voting aye were members Dotson, Burbank Raney, Svenby, Voss and Schultz; the motion carried. This will be known as Ordinance 1619 to become effective upon publication. .

Public Works Director Skov requested approval of the proposal received from Short Elliott Hendrickson Inc (SEH) for design and construction services related to miscellaneous minor repairs to thirteen (13) City, County, and State owned traffic signal systems, and be able to continue to provide professional services to Steele County and the City of Owatonna. Proposed location of the minor repairs at the signalized intersections of:

1. Hoffinan Drive (CSAH 2) at 24th Avenue NW
2. Hoffinan Drive (CSAH 2) at 21st A venue NW
3. 21st A venue NW at West Frontage Road
4. Hoffinan Drive (CSAH 2) at East Interstate 35 Ramps
5. Hoffinan Drive (CSAH 2-45) at State Avenue (CSAH 45)
6. Hoffman Drive (CSAH 45) at North Street
7. Hoffinan Drive (CSAH 45) at Rose Street (CSAH 19)-Glendale Street
8. West Bridge Street at West Interstate 35 Ramps
9. West Bridge Street at Allan A venue-Florence A venue
10. West Bridge Street at State Avenue
11. Main Street (CSAH 48) at Oak Avenue (CSAH 45)
12. Cedar Avenue (CSAH 45) at Hy-Vee Entrance
13. Cedar Avenue (CSAH 45) at 18th Street

Last year, City staff completed evaluation of these traffic signals and this is the plan prepared by SEH to make these changes. SEH shall be compensated for all engineering services on an hourly basis for the cost not-to-exceed of \$20,700 (or approximately \$1,600 per signal system). The SEH Proposal includes project design documents and construction services for signal maintenance that will be addressed through a separate electrical signal contractor.

- 1) Project Design Documents: Brief field review of all 13 signal systems, plan preparation post review to ensure appropriate work items are included in project bid documents, preparation of final signal plans and technical specifications for use in obtaining bids or quotes.

- 2) Construction Services: Observation, pre-construction meeting coordination, site visits, staking, technical observation, review signals post construction, provide and follow-up on punch list items. 4-5 site visits are anticipated and 2-4 hours per each signal for construction related services.

Council Member Voss asked if the bases of the signals would be painted, Skov responded immediate needs of the lights vary. The style of the traffic signals may change to a galvanized look and not repainted yellow and the signals on Rose Street and Cedar Avenue will be painted to those similar to the street lights. Council Member Voss made a motion to accept this proposal, Council Member Burbank seconded the motion; all members present voted aye for approval.

Public Works Director Skov requested approval of the Statement of Intent with Suez WTS Systems USA, Inc. for development of plans and specifications for the WWTP expansion. Four equipment suppliers were invited to submit proposals for the WWTP expansion. The equipment to be supplied is the Membrane Bio Reactor (MBR) and associated piping. The expansion is designed around the equipment and therefore the supplier needed to be selected early in the project. The cost for development of shop drawing is \$125,000. Council Member Svenby made a motion to approve this Statement of Intent, Council Member Burbank seconded the motion, all members present voted aye for approval.

Community Development Director Klecker requested approval of Resolution 61-21 for Execution of Deed to the finalize sale of City property to Owatonna Hospitality 1. LLC. On December 1, 2020, Council approved a Purchase Agreement for City property to be part of the site proposed for a new hotel on the 200 block of North Cedar Avenue. The Purchase Agreement was for the old theater lot on North Cedar and a public parking lot off of East Pearl Street. The purchase price is \$268,000 for the two parcels which is the assessed value of the two properties. Owatonna Hospitality 1, LLC is requesting tax increment financing to pay for the two parcels over a 25 year period. The purchase agreement allows for a due diligence period to get everything in place in order to do the project. The conditions and contingencies set forth in the Purchase Agreements have been met to the satisfaction of both the City and the Purchaser to complete the closing on the sale of this property. Council Member Voss made a motion to approve Resolution 61-21, Council Member Dotson seconded the motion, all members present voted aye for approval.

Community Development Director Klecker requested approval of Resolution 62-21 to approve the Final Plat of Pearl Courtyard Addition. Owatonna Hospitality I, LLC is requesting platting of Pearl Courtyard Addition, a 5 lot Commercial and High Density Residential plat. The applicant plans to construct a 43 unit apartment building north of Pearl Street and a private parking lot as well as a 106 room hotel and rehabilitation of the remaining buildings on the southern half of the 200 block of the east side of Cedar Avenue. The new plat will clean the title and property lines after the vacation of the alleyways. The Planning Commission recommends approval with the following conditions:

- 1) The Final Plat shall be recorded 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) All utility services not being used shall be disconnected at the mains or the Developer shall enter into a Utility Disconnection Agreement.

4) The plat is contingent upon the vacation of the public alley ways.

5) Easements as requested by OPU shall be added to the Final Plat Drawing.

Council Member Raney made a motion to approve Resolution 62-21 as recommended by the Planning Commission, Council Member Dotson seconded the motion, all members present voted aye in approval.

Community Development Director Klecker requested approval of Resolution 63-21 to approve Application No. V-1447 received from Derby Builders, on behalf of Jason House. This is a request for a rear setback variance of 15' where a 30' rear setback is required from the north property line for a primary structure addition at 2430 Briarwood Place NE. They plan to construct an addition on the rear of the house that will contain a pool as well as the deck surrounding the pool. The proposed addition is 33' wide, the 15' of depth and 33' in width is the area that encroaches into the required setback. The property to the north of this lot is not within the corporate limits and contains two wetland complexes that show up on the National Wetland Inventory. The Planning Commission held a public hearing on May 11, 2021 and a neighbor had questions about stormwater but there are no additional requirements needed and the stormwater does drain into the wetland area. The Planning Commission recommends approval with these conditions:

That said variance is in accordance with and conformity to the plans and regulations established by the City and the comprehensive plan for the development of the City.

That said variance be and the same hereby is approved with the following provisions:

- 1) There shall be no additional encroachments on the north side of the building.
- 2) All building codes shall be met.
- 3) No additional accessory structures shall be permitted on this parcel.
- 4) That the Clerk cause a certified copy of this resolution to be filed in the office of the County Recorder of Steele County, Minnesota

Council President Schultz asked if there are development plans for the area north of this property. Klecker responded there are not any current plans but anticipates this will develop into a residential area with single family and town houses built around the wetland areas. Council Member Dotson made a motion to approve Resolution 63-21, Council Member Burbank seconded the motion, all members present voted aye in approval.

Public Works Director Skov requested approval of Resolution 64-21 to adopt the 2040 Transportation Plan. Currently the City does not have an adopted Transportation Plan, this plan translates identified issues and opportunities into specific and actionable strategies. The Plan elements were created in coordination with other city and county efforts and those of other key study partners, cities, townships, and the Minnesota Department of Transportation (MnDOT). The Plan includes key elements such as:

- Assessment of existing conditions and identification of issues and opportunities.
- Establishment of long-term goals, objectives, and performance measures.
- Preparation of 20-year traffic forecasts.

- Completion of a future system planning analysis that proposes roadway improvements, classification changes, and multimodal improvements, as part of a 20+ year transportation system.
- Preparation of Plan implementation strategies and funding opportunities to advance recommended system improvements.
- Recommendation of appropriate access control guidelines.

The cost for development of the plan was \$76,100 of which the school district paid \$19,604; the City's net cost will be \$56,496. Council reviewed draft of this plan during their Study Session on May 4, 2021 and two items of concern were added to the map detail for freight generators and bridges in critical condition. This plan aligns with Steele County's Plan for the east side corridor and with the school district with construction of the new OHS building in the southeast corner of city limits. Council Member Raney made a motion to approve Resolution 64-21, Council Member Voss seconded the motion; all members present voted aye in approval.

City Administrator Busse requested Council approve Resolution 65-21 to approve request received from Mike Johnson, Owatonna Fire Chief and Steele County Emergency Manager for council to declare an end to the State of Emergency for the City of Owatonna approved by Resolution 41-20 on March 17th, 2020. There is no longer a need to implement emergency operations plans to address the pandemic in our City. Council Member Dotson made a motion to approve Resolution 65-21, Council Member Burbank seconded the motion, all members present voted aye in approval.

During Staff Updates:

Park Director Tuma advised equipment rentals would begin at Lake Kohlmier during Memorial Day Weekend. Lake Kohlmier Beach Area is scheduled for chemical treatment this week (weather permitting); annually, Park Maintenance treats the lake for weeds and swimmer's itch. After treatment, the water is not safe for swimming (2 days), fishing/fish consumption (3 days) and other uses – drinking, irrigation, livestock watering, pets, etc. (7 days). The Fire Hall Project should begin this next week. The Grand Opening Celebration of the Daikin Soccer Complex is this week on Thursday afternoon. Today, they began to fill the pool at the waterpark, the pool will open June 4th. Staff has done a good job with the training program for life guards, and we should have a sufficient number of guards this season. We currently have an opening for a Recreation Supervisor, Dani Bakken resigned to accept a position with another employer, this position was posted and closed today, there were a lot of hits on the website application so hoping there were a lot of good candidates and this position will fill quickly. Thank you to Gopher Sport, they donated \$1,000 for equipment to fill the Borrow Box.

Community Development Director Klecker reminded everyone several events planned: Grand opening Celebration - Daikin Soccer Field on Thursday afternoon, May 20th; Ground Breaking for new facility in the Industrial Park on Thursday morning, May 20th and the Ground Breaking for new hotel in the downtown area on Thursday, June 3rd. The number of Building Permits issued this year is 30% more than last year at this time but the value is lower as many have been small home improvements, 17 new single-family home permits have been issued. The ERP Review includes Community Development software to locate efficiencies and work flows within our department; these changes will be noticeable to the customers when completed.

Public Works Director Skov commented several improvement projects have started including the Bridge Street Project, Truman Avenue Project, and Partridge Avenue Pond Project just started yesterday. Staff is also continuing to work on the WWTP Expansion Project.

Fire Chief Hoffman commented the final inspection for the new fire engine is pending. They are creating a punch list for delivery sometime in June. Staff has been updating the Rental Inspection Process, last year with COVID concerns, renewals were done by self-inspections. The City's Nuisance Inspector is back for the summer season and out following up on calls of potential Code Violations. He has a strong emphasis on training so working with staff to update training plans for the rest of the year. There will be a Retirement Celebration for Mike Johnson at the Fire Hall next Friday, May 28th from 3-5 p.m. Council Member asked if fire fighters assisted at the train derailment in Albert Lea on Saturday, Chief Hoffman responded no, but we did help the Waseca Fire Department for fire at a pork farm on Sunday.

There were no comments were heard during Public Comments.

During Council Comments:

Council Member Dotson asked if there was an update to the Fire Fighter's request to adjust their pension amounts. City Administrator advised the City has received additional information that should be discussed at a future Study Session.

Council Member thanked Sergeant Sorenson for being present during the meeting tonight and then expressed a get well wish for Council Member Okerberg, hoping he is on the road to recovery after a recent hospitalization.

Council Member Svenby thanked Fire Chief Johnson for 20 years of service and wished him the best during his retirement.

Council Member Voss expressed thanks for leadership from Council President Schultz, Council VP Voss, Mayor Kuntz., City Administrator Busse and staff during the last year with the COVID-19 Pandemic concerns.

City Administrator Busse explained the 2021 Harry Wegner Marching Band Event will have a competition and not a parade. Thirteen bands will compete as they perform in Play Zone 1. After performing, each band will march to the OHS Parking Lot, load their bus and leave. Streets will be blocked off for them to prepare and practice prior to their performance as in previous years; but there is no parade or awards ceremony this year.

Council Member Schultz commented it was great to have Council Members and staff seated at their normal places on the dais in Council Chambers and hopes it can stay like this.

At 7:41 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 20, 2021

Respectfully Submitted,

Jeanette Clawson, Administrative Specialist