

Owatonna City Council Minutes

The Owatonna City Council met in regular session on Tuesday, January 7, 2020 at 7:00 p.m. in Council Chambers. Council President Schultz called the meeting to order and welcomed everyone in attendance. Attending were Council Members Dotson, Burbank, Raney, Svenby, Voss, Okerberg and Schultz. Also attending were Mayor Kuntz, City Attorney Walbran; Community Development Director/Interim Parks and Recreation Director Klecker; Public Works Director Skov; City Administrator Busse and Administrative Specialist Clawson.

Following the Pledge of Allegiance, Council Member Svenby made a motion to approve the Agenda as presented; Council Member Okerberg seconded the motion and all members voted aye in approval.

City Administrator Busse presented Resolution 1-20, designating depositories and person authorized to sign order thereon. The Office of the State Auditor recommends the City annually designate depositories for the upcoming year and formally appoint individuals authorized to disperse funds. This resolution authorizes disbursements via check, electronic funds transfer, wire or ACH.

Designated as depositories for the deposits and safekeeping during 2020:

- US Bank
- Wells Fargo Bank
- Vining Sparks
- Profinium, Inc.
- Bremer Bank
- United Prairie Bank
- RBC Wealth Management
- Wells Fargo Advisors
- Municipal Money Market Fund (LMC 4M Fund), hereinafter called "Financial Institutions and/or Brokers,"

Authorized signatories will be Thomas A. Kuntz, Mayor; Kris M. Busse, City Administrator and Rhonda L. Moen, Finance Director.

Authorization to the depositories to honor transfer of funds through wire, ACH, and electronic funds transfer by Thomas A. Kuntz, Mayor; Kris M. Busse, City Administrator; Rhonda L. Moen, Finance Director, JoAnn Matejcek, Accounting Technician or Holli Loken, Senior Accountant.

Council Member Raney made a motion to approve Resolution 1-20, Council Member Okerberg seconded the motion; all members voted aye for approval.

City Administrator Busse presented Resolution 2-20, to reappoint City Administrator Busse as the Responsible Authority for Data Practices Compliance during 2020. Council Member Okerberg made a motion to approve Resolution 2-20, Council Member Raney seconded the motion; all members voted aye for approval.

City Administrator Busse requested changing the date of three 2020 Council Meetings:

Tuesday, March 3, 2020 – Presidential Primary Election – to Wednesday, March 4, 2020

Tuesday, August 4, 2020 – National Night Out – to Wednesday, August 5, 2020

Tuesday, November 3, 2020 – General Election – to Wednesday, November 4, 2020

Council Member Raney made a motion to change these meeting dates as requested; Council Member Dotson seconded the motion, all members voted aye for approval.

City Administrator Busse requested the Owatonna Peoples Press be reappointed as the City's Official Paper for Publication for 2020. The City's Charter requires a newspaper of general circulation in the city be designated as the official paper for publication of all matters required. Council Member Svenby made a motion to designate the Owatonna Peoples Press as the 2020 Official Paper, Council Member Voss seconded the motion; all members voted aye for approval.

City Administrator Busse requested reappointment of Fire Chief Michael Johnson as the City's Weed Inspector. Fire Chief Michael Johnson has served in this position which works well by offering a good point of contact for residents with concerns regarding weed and nuisance vegetation. Council Member Raney made a motion to reappoint Fire Chief Michael Johnson as the City Weed Inspector, Council Member Dotson seconded the motion; all members voted aye for approval.

Council reviewed their current assignments to various boards and commissions. With no comments heard for changes, Council Member Svenby made motion members remain on the following boards during 2020:

Economic Development Authority (EDA) - Kevin P. Raney, Jeff Okerberg & Doug Voss

Owatonna Area Business Development Center (The Center) - Nate Dotson & Doug Voss

Law Enforcement Center (LEC) Committee - Dave Burbank & Greg Schultz

Highway 14 Partnership - Dave Burbank, Brent Svenby, Kevin P. Raney and Nate Dotson

Joint Powers Board (911 Board) - Jeff Okerberg & Dave Burbank

Joint County/City Transportation Committee – Greg Schultz and Kevin Raney

Council Member Voss seconded the motion; all members voted aye for approval.

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: - Council Meeting – December 17, 2019.

Event Permit – 2020 Mn SNAP Low Income Spay/Neuter Clinics: January 18, March 28,
May 9, July 18, September 26 and November 7.

Exempt Permit – Owatonna Area Chamber of Commerce & Tourism – Raffle February 9, 2020.

Minutes – Library Board Meeting – December 17, 2019.

Minutes – West Hills Commission Meeting – October 1, 2019.

Change Order #1 – Kaplans Ravine Stabilization Project.

Council Member Okerberg made a motion to approve these Consent Agenda items; Council Member Dotson seconded the motion, all members voting, voted aye in approval.

Vice President Raney recapped expenses for the period. Bills presented for payment totaled \$2,044,184.66. Council Member Dotson made a motion to approve payment of these bills, Council Member Voss seconded the motion and all members voted aye in approval.

Community Development Director Klecker presented the second reading of Proposed Ordinance 19-14. Request from Growth Holding, LLC to rezone the property at 621 W Bridge Street from R-3, Single & Two-Family Residential to B-2, Community Business District. They plan to construct a drive through coffee shop at this location. Council approved the first reading of this proposed ordinance during their meeting on December 18, 2019 and there have been no changes since. Council Member Okerberg made a motion to approve the second/final reading of Proposed Ordinance 19-14, Council Member Dotson seconded the motion. With a roll call vote, voting aye were Council Members Burbank, Raney, Svenby, Voss, Okerberg, Dotson and Schultz; voting nay were none; the motion was approved. This will be known as Ordinance 1601.

Public Works Director Skov presented the first reading of Proposed Ordinance 20-01 to amend Section 35, Appendix A Fee Schedule for Sewer Rates. Annual adjustments of the sanitary sewer rates are necessary to maintain adequate funding for operations and maintenance of the sanitary sewer collection system and wastewater treatment facility. A 4% increase to the base rate and to the usage rate is proposed. Calculation of late payment charges will be 5% of the current past due amount; currently, a 5% late payment charge is assessed against the first \$100 statement amount and 2% towards the amount above \$100. Council Member Raney made a motion to approve the first reading of Proposed Ordinance 20-01, Council Member Dotson seconded the motion. With a roll call vote, voting aye were Council Members Burbank, Raney, Svenby, Voss, Okerberg, Dotson and Schultz; voting nay were none; the motion was approved. The second/final reading of this proposed ordinance will be heard during the next Council Meeting on January 21, 2020.

Community Development Director Klecker presented Resolution 3-20 to approve the Development Agreement with Foremost Properties, LLC. Foremost Properties, LLC, has requested Tax Increment Financing (TIF) to renovate the property at 131 W Broadway Street as Foremost Brew Pub. The estimated total costs for renovations are approximately \$2 million, the total TIF amount is \$389,500. Consulting costs for writing the TIF Plan and Development Agreement will be paid by the EDA. All costs incurred by the EDA would be reimbursed through tax increment financing over the life of the TIF District which could be up to 25 years. Council Member Svenby made a motion to approve Resolution 3-20, Council Member Voss seconded the motion; all members voted aye in approval.

City Administrator Busse presented application received for a Tobacco Permit from the Lion's Den at 1178 W Frontage Road. This license will become effective immediately and expire at the end of the current licensing period, December 31, 2020. Council Member Dotson made a motion to approve this new Tobacco Permit, Council Member Svenby seconded the motion; all members voted aye in approval.

City Administrator Busse presented applications received from Kwik Trip for an Off-Sale Liquor License and Tobacco Permits at 410 Hoffman Drive for Kwik Trip #1088 and Kwik Spirits #1088. Kwik Trip is renovating this property with addition of a new combination convenience store/liquor store; Sterling Pharmacy also remains open at this location. The new Kwik Trip stores are scheduled

to open for business operations the week of February 17, 2020. These new Tobacco Permits and Off-Sale Liquor License will be effective until the end of the current licensing periods. Council Member Raney made a motion to approve these new licenses, Council Member Burbank seconded the motion; all members voted aye in approval.

Interim Park Director Klecker presented a contract for city-wide electrical services with Four Season Electric. In review of the City's electrical needs on an organizational wide basis, it was determined to utilize a contract service. Four companies submitted proposals with Four Season Electric submitting the low bid. This is an annual contract to be re-evaluated at year end. this does not reduce staff; a general labor will be hired and Four Season Electric staff will provide skilled electrical labor. This should increase business proficiency as tasks will be listed and prioritized for completion. Council Member Raney made a motion to approve this contract with Four Season Electric, Council Member Voss seconded the motion, all members voted aye in approval. .

Community Development Director Klecker requested authorization to purchase property at 215 North Elm Avenue. The City previously purchased properties at 211 and 215 East Pearl Street for a future parking lot for the Law Enforcement Center and the downtown. There is a purchase agreement for the property for \$135,000 that is contingent on City Council approval. The house is in good shape and can be rented in the short term until we are ready to proceed with a parking lot. The Housing and Redevelopment Authority (HRA) has approved paying for 1/3 of the purchase price and manage renting the unit provided that revenue from the rent would reimburse the HRA their \$45,000 first. The EDA has approved paying for 1/3 of the purchase price since the parking lot would be a public parking lot for the downtown to use. There have been some sewer issues with the sewer line with this property and the neighboring property to the north. We are not anticipating any major fixes for sewer issues, any costs associated with sewer issues would be paid for through revenue from the rent. Staff is proposing the remaining 1/3 purchase costs come from the Sewer Fund. Council Member Burbank made a motion to approve purchase of property at 215 N Elm Avenue; Council Member Okerberg seconded the motion; all members voted aye in approval.

During Staff Comments, Public Works Director Skov advised engineering staff is preparing projects for 2020 with Project Reports presented during the next Council Meeting and Neighborhood Meetings planned on February 11, 2020. Also, Rocon has started renovation of the employee area at the street shop. Interim Park Director Klecker explained the warmer weather has prevented skating at the ice rinks in Morehouse Park; updates are posted on the City's website advising when skating is offered.

There were no comments heard during Public Comment.

During Council Comments Council Member Raney asked everyone to keep Waseca Police Officer Arik Matson in their prayers; last night, Officer Matson was shot in the head while on duty. Work done to keep our community safe is really appreciated and we should keep our police officers, fire fighters, and emergency responders in our prayers. All Council Members agreed with Council Member Raney's comments. Council Member Okerberg thanked Ann Paulson for assisting in

development of the City's parks and trails; Ann recently sold her business Straight River Sports in Owatonna after 15 years of operations.

At 7:33 p.m., Council Member Raney made a motion to adjourn the meeting, Council Member Svenby seconded the motion, all members voted aye in approval.

Dated: January 16, 2020

Respectfully Submitted,
Jeanette Clawson, Administrative Specialist