

Owatonna City Council Minutes

The Owatonna City Council met in regular session on Tuesday, January 21, 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; Finance Director Moen; Senior Accountant Loken; Fire Equipment Operator Seykora; City Administrator Busse and Administrative Specialist Clawson.

Following the Pledge of Allegiance, Council President Schultz requested Item 3.4.3; a Commercial Use Agreement for Daedalus Flight Training Innovations, LLC be added to the posted agenda. Council Member Svenby made a motion to approve the Agenda with this additional item; Council Member Okerberg seconded the motion and all members voted aye in approval.

Mayor Kuntz made proclamation to recognize the week of January 26 – February 1, 2020 as Owatonna School Choice Week. School Choice Week is celebrated across the country by millions of students, parents, educators, schools and organizations to raise awareness of the need for effective educational options. An effective education plays an important role in preparing students to be successful adults and quality education is critically important to the economic vitality of our community.

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 – January 7, 2020.
- Exempt Permit – Mn Pheasants Raffle – March 9, 2020.
- Temporary Liquor Permit – St Mary’s School of Owatonna – April 18, 2020.
- Temporary Liquor Permit – Knights of Columbus - Smokin N Steele – May 28-30, 2020.
- Retail Fireworks Permit – TNT Fireworks in Walmart Parking Lot.
- Minutes – Airport Commission – December 12, 2019.
- Minutes – West Hills Commission Meeting – January 7, 2020.
- Minutes – Human Rights Commission Meeting – December 10, 2019.
- Building & Inspection Report – December 2019.
- Fire Department Activity Report & Dashboard – December 2019.
- Change Order #1 – Allan Avenue Sidewalk Project – Rocon Inc.
- Authorize Purchase - 2020 Tymco Regenerative Air Street Sweeper.
- 2019 Audit Agreement – CliftonLarsonAllen, LLP.

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

Vice President Raney recapped expenses for the period. Bills presented for payment totaled \$696,309.46. Council Member Voss made a motion to approve payment of these bills, Council Member Okerberg seconded the motion and all members voted aye in approval.

Public Works Director Skov presented the second reading of Proposed Ordinance 20-01, an amendment to Code Section 35, Appendix A Fee Schedule for Sewer Rates. Council approved the first reading of this proposed ordinance during the January 7, 2020 Council Meeting and there have been no changes since. The base rate of sewer fees will increase 4% and calculation of late

payment charges will be 5% of the current past due amount. Council Member Raney made a motion to approve the second/final 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. This will be known as Ordinance 1602.

City Administrator Busse presented Resolution 4-20 authorizing a request from the Owatonna Fire Fighters Relief Association to increase their retirement pension by \$350.00. This increase will be funded by receiving a 2% insurance premium funding from the State of Minnesota and investments within the association. Annually, the association reviews their account to confirm they are within guidelines previously approved by council: a minimum 110% funded and annual max increase can be \$350.00. Ryan Seykora, Fire Equipment Operator was present to answer questions. After this increase, the fund will be more than 143% funded. Council Member Okerberg made a motion to approved Resolution 4-20 approving this pension increase, Council Member Burbank seconded the motion; all members voted aye for approval.

Community Development Director Klecker requested approval of Resolution 5-20 to approve application and commitment of local matching funds for the Redevelopment Grant Program. LWO Properties, LLC is developing a 36-unit workforce housing project to be located along Cherry Street, on the Regan property behind Domino's Pizza. This project has been awarded tax credits from the Minnesota Housing Finance Agency. To further assist the project, application will be made for a Redevelopment Grant through DEED. The Redevelopment Grant would assist with costs associated with demolition of the existing buildings and any environmental corrections to the site. The City would be up-fronting \$450,000 to purchase the Regan property. Tax Increment Financing would be used to reimburse the City for these up-front costs over the life of the district. Council Member Okerberg asked if the property held any below ground gas storage tanks. Klecker responded there were not any below ground gas storage on site, several above ground storage tanks were removed, asbestos removed, and an environmental review has been completed. Council Member Raney made a motion to approve Resolution 5-20, Council Member Svenby seconded the motion; all members voted aye in approval.

Community Development Director Klecker requested approval of Resolution 6-20 authorizing Conditional Use #1428. BAR Partnership plans to repurpose an existing building at 116 Oakdale Street to a restaurant (Godfathers) with a pick-up window, there will not be a menu board or an ordering station for this window. The Planning Commission held a public hearing with the adjacent property owner asking several questions about safety and do recommend approval. Council Members Voss requested additional signage and speed bumps be considered in this area; Council Member Schultz added the parking space should also be reviewed for safety options. Council Member Svenby made a motion to approve Resolution 6-20, Council Member Dotson seconded the motion; all members voted aye in approval.

Public Works Director Skov presented the Feasibility Report for the 2020 Street and Utility Project. This project will include portions of Cherry Street, Shady Avenue and Greenhaven lane. Total costs are currently estimated at \$1,480,224.61 with \$354,846.08 assessable to the adjacent property owners. A neighborhood meeting is planned for Tuesday, February 11th. Council Member Dotson made a motion approve Resolution 7-20 accepting this report and set a public hearing on Tuesday,

February 18th. Council Member Svenby seconded the motion and all members voted aye in approval.

Public Works Director Skov presented the Feasibility Report for the 2020 Truman Avenue Project. The project involves reconstruction of Truman Avenue from Havana Road to Main Street. Total costs are currently estimated at \$3,255,497.00 with an estimated amount of assessments of \$232,347.44. A neighborhood meeting is also planned for Tuesday, February 11th. Council Member Raney made a motion to approve Resolution 8-20, accepting this project report and setting a public hearing on Tuesday, February 18th. Council Member Okerberg seconded the motion and all members voted aye in approval.

Public Works Director Skov presented the Feasibility Report for the 2020 Bridge Street Project, a Truman Avenue Project. This will be reconstruction of Bridge Street from I-35 to 24th Avenue as the existing street improvements have exceeded their useful life. Total costs are currently estimated at \$3,615,377.00 of which \$241,644.00 is assessible. A neighborhood meeting will be held during the afternoon of Tuesday, February 11th for the adjacent business property owners. Council Member Okerberg made a motion to approve Resolution 9-20, accepting this project report and setting a public hearing on Tuesday, February 18th. Council Member Voss seconded the motion and all members voted aye in approval.

Public Works Director Skov requested approval of Resolution 10-20, a no-parking regulation on the west side of Truman Avenue from Murray Street to School Street. The roadway is planned to be reconstructed to a width of 36' from the existing 40' due to installation of a sidewalk along the east side of the street. State Aid funds are being used to pay for a portion of the project and State Aid rules will not allow parking on both side of the street on a 36' wide street. The roadway is not heavily used for on street parking. The section of roadway between Havana Road and Murray is being constructed wider to allow for on street parking at Redeemer Church. Council Member Raney made a motion to approve Resolution 10-20, Council Member Burbank seconded the motion; all members voted aye in approval.

Finance Director Moen advised staff updated the detailed 5-Year Capital Improvement Plan for 2020-2024 as part of the budget process and then again as part of the strategic planning process. The 2020 capital projects were reviewed in detail with Council on October 29, 2019 and the remaining four years were reviewed in summary. This plan is designed to create, support, maintain, and finance the City's present and future infrastructure and equipment needs. The first year of the plan has already been appropriated by council through the 2020 budget process. The remaining four years serve as a guide for planning purposes and will be subject for review on an annual basis. No project is guaranteed to occur in the year planned. Council annually appropriates the future year's projects and adopt the 5-Year CIP as part of their long-term planning. Council President Schultz thanked Moen and Sr Account Loken for completing this plan, he has found very useful. Council Member Okerberg made a motion to adopt the proposed 5-Year Capital Improvement Plan for 2020-2024, Council Member Burbank seconded the motion; all members voted aye in approval.

City Administrator Busse requested Council accept a Shakopee Mdewakanton Sioux Community (SMSC) Donation Grant. The Owatonna Fire Department applied for a grant through SMSC and was awarded \$1,096 to purchase an Automated External Defibrillator (AED). The new AED will

be used within the City to aid in providing basic lifesaving response to the general public. Fire Equipment Operator Ryan Seykora advised the new AED will be installed on the new pumper unit. Council Member Dotson made a motion to accept this grant, Council Member Voss seconded the motion; all members voted aye in approval.

Community Development Director Klecker requested approval of a Commercial use Lease Agreement with Daedalus Flight Training Innovations, LLC. The agreement provides for the rental of a small office in the airport terminal buildings for the purpose of ground instruction using an FAA approved flight simulator. The Airport Commission reviewed draft of the agreement and recommend approval. Council Member Okerberg thanked Dave Beaver, Airport Manager and the Airport Commission for pursuing opportunity for a flight school. Council Member Dotson made a motion to approve this Commercial use Lease Agreement, Council Member Svenby seconded the motion; all members voted aye in approval.

During Staff Comments, Public Works Director Skov commented staff has been busy clearing the streets; he cautioned everyone to be careful as streets are slick from blowing snow. Community Development Director Klecker commented there are many pending building permits and gave a brief update of current commercial projects. Finance Director Moen commented 426 W-2 were prepared for 2019; this is the least number issued during her 10-years with the City and shows we are retaining employees and able to offer efficient effective services. Beginning January 1st, HRA rent payments will be issued by ACH, a more efficient process than paper checks.

There were no comments heard during Public Comment.

During Council Comments, Council Member Raney thanked Council for their support and participation with the Highway 14 Commission. Starting to see some groundwork being done on the Highway 14 Expansion Project between Rochester and Owatonna. This afternoon, there was a fatal accident on a 2-lane segment of Highway 14 near New Ulm; we'll be glad when all of Highway 14 is converted to four-lane traffic. Council Member Voss thanked the Owatonna Human Rights Commission and Jose Herrera at the Plaza Morena Campestra for hosting breakfast on MLK Jr Day; the presentation from Andre Koen, Diversity Trainer was very good and can be viewed on the Owatonna Live Show. Mayor Kuntz congratulated Council Member Nate Dotson for being elected Chairman of the Owatonna Chamber of Commerce during their annual meeting this last week. City Administrator Busse reminded everyone of the Joint Government Workshop planned for tomorrow, January 22 in the Arts Center. This meeting of our local governing boards (county, city, school and OPU) gives them opportunity to share strategic plans and key updates and consider potential collaborations. Commissioner Okerberg asked about plans for Bold and Cold Weekend in Owatonna, Interim Park Director Klecker directed everyone to review the P&R website for event information. Council President Schultz commented there are two blocks of snow in Central Park for the snow sculpting event.

At 7:51 p.m., Council Member Raney made a motion to adjourn the meeting, Council Member Voss seconded the motion, all members voted aye in approval.

Dated: January 30, 2020

Respectfully Submitted,

Jeanette Clawson, Administrative Specialist