

## Owatonna City Council Minutes

The Owatonna City Council met in regular session on Tuesday, April 21, 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 654 577 428#. Council President Schultz conducted the meeting from Council Chambers with Council Vice President Raney; City Attorney Walbran and IT System Administrator Sticken present. Attending online were Council Members Dotson, Voss, Okerberg, Svenby, and Burbank; Mayor Kuntz; Community Development Director/Interim Parks and Recreation Director Klecker; Public Works Director Skov; City Administrator Busse; Administrative Assistant Clawson and several public members called in.

Following the Pledge of Allegiance, Council President Schultz explained the virtual meeting process and read the Meeting Determination issued by City Administrator Busse on March 20, 2020 requiring meetings be held by telephone or other electronic means during the State of Emergency because of COVID-19 Pandemic concerns. Council President Schultz advised of one addition to the posted agenda: Item 3.3.12, Resolution 62-20, a MnDOT Agency Agreement for the Bridge Street Reconstruction Project. Council Member Okerberg 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 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 – April 7, 2020.
- Event Permit – National Day of Prayer – May 7, 2020.
- Event Permit with Noise Exception - Reggie's Street Dance – August 1, 2020.
- Tobacco License – Chess House Liquors, LLC dba Firehouse Liquor, 120 26th St NW.
- Retail Fireworks Permit – Coborn's Incorporated dba Cash Wise Foods, 495 W North Street.
- Minutes – Park & Rec Board Meeting – April 13, 2020.
- Park & Rec Annual Maintenance Report.
- Building & Inspection Report – March.
- Fire Department Activity & Dashboard Reports – March.
- Renew School Inspection Contract - State Fire Marshal's Office.
- Renew Hotel Inspection Contract - State Fire Marshal's Office.
- 2020 Deer Management Proposal.
- Renew Parking Lot Lease – Brian & Susan Stendel.

Council Member Svenby 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 \$330,441.30. Council Member Dotson made a motion to approve payment of these bills, Council Member Voss seconded the motion; with a roll call vote, all members voted aye for approval.

City Administrator Busse presented the second/final reading of Proposed Ordinance 20-4, a request to adopt S-4, Supplement to the 2015 City Ordinance Code. This is the fourth supplement to the code and is current through Ordinance 1602 which was approved on January 21, 2020. Council approved the first reading of this proposed ordinance during their April 7, 2020 meeting and there have been no changes since. Member Dotson made a motion to approve Proposed Ordinance 20-4, Council Member Voss seconded the motion. With a roll call vote, voting aye were Okerberg, Dotson, Burbank, Raney, Svenby, Voss and Schultz and no members voting nay, the motion carried. This will be known as Ordinance 1605 and effective upon publication.

Community Development Director Klecker requested approval of the first reading of Proposed Ordinance 20-5, Application Z-341 received from the City of Owatonna and Cemstone. The request is for a change in the zoning from I-1, Light Industrial District to I-2, Heavy Industrial District for the property at 315 32nd Avenue NW. Ownership transfer is in process to Cemstone for their new plant location. The Planning Commission held a public hearing for this application and there were no objections to this request, the Planning Commission recommends approval of Z-341. Council Member Burbank made a motion to approve the first reading of Proposed Ordinance 20-5, Council Member Dotson seconded the motion. With a roll call vote, voting aye were members: Okerberg, Dotson, Burbank, Raney, Svenby, Voss and Schultz; the second/final reading of this proposed ordinance will be heard during the May 5, 2020 Council Meeting.

Community Development Director Klecker presented Resolution 46-20 for consideration, this resolution was tabled during the last Council Meeting at request of Project Developer Brad Spitzak to allow him opportunity to offer informational neighborhood meetings. Resolution 46-20 will authorize Conditional Use No. C-1430, a request to modify the architectural standard for a 71-unit apartment building included in the Planned Unit Development approved by Council during November 2019 for Riverwood Landings. Current request is for approval to change the building materials, roof pitch and building footprint within the proposed development. Conditional Use No. C-1430 only pertains to the architectural standards for the proposed development and not the density or the overall development plan. The Planning Commission held a public hearing regarding this and recommend Council approval. Mr. Spitzak held community open house on April 14<sup>th</sup> and a virtual Zoom meeting on April 16<sup>th</sup> to address the neighbor's concerns. Written comments received within the last two weeks are available in the Council Packet on the City's Website under Agenda Item 5.1 including a petition submitted by Ann Barker; copy of an e-mail from Joni Meilahn to Brad Spitzak; e-mails directed to Council Members from Joni Meilahn; Ann Barker; Mary McCartney; Judy Montgomery; David Spindler; LaVonne Trotter and Julia Knapper. Comments received for this item prior to the April 7th Meeting are also available on the city's website in the April 7, 2020 Council Packet. Council President Schultz opened the meeting for Public Comments: Ann Barker stated there have been no negotiations or adequate open house to consider altering the requested proposed building structural changes. The structure will be adjacent to woods and trails and she believes the proposed structural plans will not fit in; the building will be a huge imposing structure and is too large for this parcel. They plan for 71 units on 1.8 acres and the proposed structure does not look the quad unit currently there. Ms. Barker also, asked if more neighboring property owners can be notified when Phase 2 and Phase 3 of this PUD will be considered for approval. Mary McCartney agreed with Ann Barker's comments and added the developer previously made comments that this PUD would be harmonious with the area as an extension of Riverwood Drive. She believes the former architectural plan is a better fit for the area. The proposed structure is glaring and more like the Industrial Park, the steel siding will provide a glare off the sun. She stated she likes modern architecture but does not believe this plan fits this neighborhood. There was an open house held but many neighbors questioned if they could legally attend under the Governor's current Stay-at-Home Order. Packets of information received from the developer were shared with many of our neighbors via e-mail, more than 100 people have signed a petition opposing the proposed architecture structure plan. We understand there is going to be a building, just hoping it is not going to look like a box.

She questioned why the City notification was sent to only property owners within 350' of the proposed project; there are only three properties within 350' of this PUD and she believe more neighbors should be notified. Joni Meilahn stated she also concurs with the comments made by Ann Barker and Mary McCartney, she did listen to the ZOOM Meeting offered by the developer and understands they hope to create a modern building; but believes the first proposed structure type would fit better in this wooded area. She hopes the approved structure can be toned down some so it will not be so dissimilar with the area and the building currently there. She appreciates modern art as millennials do; but questions if Owatonna needs buildings built with modern art structure to attract the younger crowd.

Community Development Klecker explained state statues require notification to properties within 350', this allows standardized notification to neighboring properties on all projects. Everyone needs to be treated the same.

Mary McCartney then asked if Council Members have driven through the neighborhood to look at the harmony and architectural standards of the area. Council President Schultz advised Council would respond during their portion of comments and asked for additional comments from those calling in.

With no additional public comments, Council President asked Council Members for discussion and comments: Council Member Raney said he attends multiple ZOOM meetings each week and believes they offer a safe avenue to conduct meetings. He thanked Brad Spitzak for choosing to offer these informational meetings for neighbor property owners and including City Council Members. The meeting notification included Mr. Spitzak's telephone number and e-mail address for potential contact if there were any questions. Council Member Raney said he is very familiar with the area; he lives just across the river in this area. Council Member Okerberg commented he has lived in Owatonna for 49 years and very familiar with the area both as a former patrol officer and Council Member; he believes this project would be a nice addition to this area. Council Member Burbank thanked Community Development Klecker for explaining the state statue notification requirement; many residents have asked him why they were not notified. Hopefully, citizens will be more aware of pending items for future meeting discussions and not become upset when additional phases of this project are considered. Council Member Burbank advised he will vote against this resolution as he does not believe Finding B has been meet:

*B: The architectural appearance and functional plan of the building and site reflects the building character of the area and will not be so dissimilar to the existing building or areas to cause impairment in property values or constitute a blighting influence within a reasonable distance of the lot. The proposed development will be compatible with existing and planned use of the area and conflicts will not be created between the proposed use and existing and intended future uses of the surrounding area.*

Council Member Dotson asked if there has been any change in the feasibility of the project. Community Development Klecker responded he is not aware of any changes, if approved and feasibility changes, the developer could simply choose not to build. Council Member Svenby commented he has walked this site many times and agrees it is a beautiful area prime for development. He has seen numerous design integrations questioned during his career and they all seem to work out just fine in the end, he does not have any concerns with this structural design and

appreciates the recommendation for approval received from the Planning Commission. Council Member Dotson commented Mr. Spitzak also lives in this area and believes he will want this project to enhance the area, he is sympathetic to the neighbor's concerns but believes the developer has good intent for this project. Council Member Voss said he just drove through the area and he grew up in Owatonna and has many fond memories of playing this neighborhood; he encouraged the neighbors to continue an open dialog with Mr. Spitzak during progression of this project. Council Member Schultz commented he also driven through this area and noted the building styles. He as a contractor, realizes styles change over time and that developers must know what people want to live in so they can present a current style. Council Member Raney made a motion to approve Resolution 46-20, Council Member Okerberg seconded the motion. With a roll call vote, voting aye were members Okerberg, Dotson, Raney, Svenby, Voss and Schultz; Council Member Burbank voted nay, the motion carried.

Community Development Klecker presented Resolution 52-20 for approval of submitting and potentially accepting a grant from the Owatonna Foundation to repair and refurbish the Central Park Fountain. The fountain has not fully worked for several years, as replacement parts are not available for the spray ring. Refurbishing the fountain would include repointing the stone joints, the centerpiece would be removed and painted, new pipes installed, a new epoxy-coated liner installed, and one drinker would be made handicap accessible. The project cost is estimated at \$32,000, \$10,000 is included in the CIP Budget so the grant request will be for \$22,000. Council Member Burbank made a motion to approve Resolution 52-20, Council Member Svenby seconded the motion; with a roll call vote, all members voted aye for approval.

Public Works Director Skov requested approval of Resolution 53-20 to accept the bids and award the contract for the 2020 Street and Utility Project. This was the first time the City has utilized an on-line bid process and he thought it went very well. Four bids were received; James Bros Construction of Elysian, MN submitted the low bid of \$1,070,469.96. Council Member Raney made a motion to approve Resolution 53-20, Council Member Okerberg seconded the motion awarding contract to James Bros Construction; with a roll call vote, all members voted aye for approval.

Public Works Director Skov requested approval of Resolution 54-20 to accept the bids and award the contract for the 2020 Curb and Gutter Project. This project is for properties on Evergreen Place and Country Creek. Property owners petitioned for this repair and costs will be 100% assessed. James Bros Construction of Elysian, MN submitted the low bid of \$91,730.10 which was \$4,148.60 higher than our Engineer's Estimate but we had not included driveways which does add additional cost. Council Member Voss made a motion to approve Resolution 54-20, 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 55-20 approving the Preliminary Plat of NewLife Addition. NewLife Community Church requests approval of the Preliminary Plat; a one residential plat of 9.99+ acres to allow for construction of a church on their property located at 160 26<sup>th</sup> Street NE. This property was recently annexed from Clinton Falls Township. The Planning Commission held a public hearing on this plat and received no comments. The Planning Commission recommends approval with these 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 the final plat.

3) The applicant shall provide the utility easements as shown on the proposed final plat drawing.

Council Member Raney made a motion to approve Resolution 55-20, Council Member Svenby seconded the motion; with a roll call vote, all members voted aye for approval.

Community Development Klecker presented Resolution 56-20, for approval of Conditional Use No. C-1432 for NewLife Community Church. This conditional use permit is to allow construction of a 20,000 square foot church with seating for 450 people at 160 28<sup>th</sup> Street NE. Setbacks required are 30' on front and rear and 50' on the sides, the plan exceeds these minimum requirements with 100' and 200' setbacks planned. They are providing 198 parking spots which also exceeds the current City Code requirement. The Planning Commission held a public hearing and received comments concerning stormwater and preservation of trees on this heavily wooded site. Stormwater will be handled by a pond in the NE corner of the development. The property currently sheet drains to the east and will be graded to drain through the pond. The pond will outlet to the east through the rear property line of the patio homes. The church plans to preserve as many trees as possible. The Planning Commission is recommending approval of this Conditional Use Permit with the following conditions:

1) All exterior signage shall meet all provisions of the sign ordinance and shall apply for and received sign permits.

2) Prior to issuance of the building permit, the City and Owatonna Public Utilities shall approve all grading, drainage, and utility plans.

3) The CUP shall be contingent upon the recording of the NewLife Addition Plat.

Council Member Svenby made a motion to approve Resolution 56-20 , Council Member Burbank seconded the motion; Council Member Svenby welcomed the church to the 5<sup>th</sup> Ward. With a roll call vote, all members voted aye for approval.

Community Development Director Klecker requested approval of Resolution 57-20 for approval of Application No. V-1431. This was a request from Michael Fuller to allow a 15' setback where a 40' rear setback is required for a structure in the I-1, Light Industrial Zoning District. The applicant is proposed to construct a 3,360 square foot addition to the structure to relocate his business, Owatonna Glass to this property at 650 North Elm Avenue. The current setback requirement of 40' was established for sites in the Industrial Park and most businesses in the central downtown area are less. The Planning Commission held a public hearing on this application, they received no comments and recommend approval with the following conditions:

1) The structure shall be constructed to be compatible with the existing building.

2) All building, gradings and utility permits shall be issued prior to starting construction.

Council Member Okerberg made a motion to approve Resolution 57-20 , Council Member Dotson seconded the motion; with a roll call vote, all members voted aye for approval.

City Administrator Busse presented Resolution 58-20 to authorize partial refunds of current on-sale liquor license fees. Governor Walz's Emergency Executive Order 20-04 prohibits 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 their premises. The proposed resolution authorizes a refund

of a pro rata share of the license fees paid, calculated from March 18, 2020 to June 15, 2020 or to the date the Order is rescinded, whichever date is earlier. Council Member Raney thanked staff for finding a way to help local businesses during this time of crisis. Council Member Dotson made a motion to approve Resolution 58-20, Council Member Voss seconded the motion; with a roll call vote, all members voted aye for approval.

Community Development Director Klecker presented Resolutions 59-20 and 60-20 to authorize Purchase Agreements of properties with Cemstone. Cemstone intends to build a new plat at 32<sup>nd</sup> Avenue NW in the Industrial Park and the City plans to acquire their current site at 639 Riverside Avenue for redevelopment. The Development Agreement authorized by Resolution 50-20 on April 7, 2020 provides for this exchange of properties, there is no cash being exchanged, the City and Cemstone are “swapping” these properties. Council Member Svenby made a motion to approve Resolution 59-20 authorizing sale of the property on 32<sup>nd</sup> Avenue, Council Member Raney seconded the motion; with a roll call vote, all members voted aye for approval.

Council Member Burbank made a motion to approve Resolution 60-20 authorizing the purchase of the property on Riverside Avenue; 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 61-20 authorizing the acceptance of MnDOT Grant Agreement 1036944 for State Project A7401-101 at the Owatonna Degner Regional Airport to repair airport jet fuel system. A component of the underground jet fuel tank and pump system recently failed and currently the airport is unable to provide jet fueling services. The floating suction arm will be repaired, existing product will be vacuumed out, the tank will be entered and cleaned. Additional work includes a fuel transport to hold the project, electrical and administrative costs for an overall project estimate of \$13,894; MnDOT has awarded a grant assistance to cover 70% of the repair costs, \$9,726.00. Council Member Okerberg made a motion to approve Resolution 61-20, Council Member Voss seconded the motion, with a roll call vote, all members voted aye for approval.

Public Works Director Skov presented Resolution 62-20 authorizing an Agency Agreement between the City and MnDOT to authorize MnDOT to act as the City’s Fiduciary Agent to accept federal aid for the Bridge Street Reconstruction Project. This agreement is for Advance Construction because the City will begin construction of the Bridge Street Reconstruction Project prior to the year designated in the STIP. The project will be converted to real funds in Federal Fiscal Years 2021, which begins October 1, 2020 or sooner as funds are available. Council Member Dotson made a motion to approve Resolution 62-20, Council Member Burbank seconded the motion; with a roll call vote, all members voted aye in approval.

During Staff Comments, Public Works Director Skov said we seen an early Spring and the street sweeper has been busy. All streets have been swept two times and plan to continue to sweep during the night and the day crew will begin patching potholes on the streets. Staff at the Wastewater Treatment Plant has been splitting shifts to be sure all continues going well. Council President Schultz commented he has heard several positive comments about the street sweeper. Community Development Director Klecker advised Building/Inspection Staff is working in their office and have been very busy with contractor's permits. They have issued four new single-family residence permits

this year. Progress also continues on the major development projects: the chiropractor's office on 18th Street received final inspection for plumbing; Daiken Warehouse was issued a Temporary Certificate of Occupancy to allow storage within the new structure; South Pointe Apartment II is completing interior work on all three levels; Costco will soon file for their final Building Permit; Godfather's is finishing renovation to their new drive thru location; Rise Modular has completed most of their interior facility improvements and are now constructing a storage building on site.

There were no comments heard during Public Comments.

During Council Comments, Council Member Okerberg thanked Main Street Director Shirley Schultz for her presentation to the EDA this last week, a fund-raising opportunity which EDA did authorize a small amount for small businesses. He encourages small business owners to contact Shirley at the Chamber about this. Council Member Raney gave a reminder that there are a lot of local business open within the community and encouraged everyone to support these businesses and shop locally to get through this pandemic event together. Council Member Voss reiterated Council Member Raney statement and encouraged everyone to try to support all local small businesses, not just the restaurants. Voss also commented he hopes Council will be able to hold Council Meetings in person during May. Mayor Kuntz said it was nice to sit and listen to interactive comments made during this meeting and "Hats go off" to Council Members and the public as you are working remotely through some tough issues and it is nice to see development continuing within the City. City Administrator Busse congratulated Troy Klecker, Community Development Director and Interim Director of Park and Rec and Government Buildings; Troy has been working for the City for 25 years. Council Member Schultz said he thought the meeting went well and extended thanks to Jason Sticken, IT System Administrator for helping with the technology needed for this virtual meeting.

At 8:40 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: April 27, 2020

Respectfully Submitted,

Jeanette Clawson, Administrative Specialist