

## Owatonna City Council Minutes

The Owatonna City Council met in regular session on Tuesday, June 16, 2020 at 7:00 p.m. in Council Chambers at the City Administration Building. The meeting was also virtually accessible by calling 507-242-3225, Conference ID 306 776 727#. Present were Council Members Schultz, Raney, Voss, Svenby, Burbank and Okerberg; Mayor Kuntz; Public Works Director Skov; Community Development Director/Interim Parks and Recreation Director Klecker; Finance Director Moen; Human Resource Director Gorski; City Attorney Walbran; City Administrator Busse; IT System Administrator Sticken and Administrative Specialist Clawson. Attending virtually was Council Member Dotson.

Following the Pledge of Allegiance, Council President Schultz welcomed everyone to the meeting. Council Member Svenby made a motion to approve the agenda as presented; Council Member Okerberg seconded the motion; with a roll call vote, all members voted aye for approval.

Council President Schultz read the Meeting Determination Statement and reviewed the virtual meeting process requirement for all votes taken via a roll call vote.

Dr. Brian Bunkers, Director of Owatonna Mayo Clinic presented an update on current COVID-19 concerns; they have conducted more than 6,000 tests for Coronavirus, averaging 100 tests per day. There have been 175 confirmed cases in Steele County; twelve of these patients were hospitalized, two required use of a ventilator and fortunately, there have been no deaths. The rate of occurrence is less than 2% of the population; if this were greater than 10%, it would indicate significant community spread and pleased this has not happened. There was a small outbreak of cases at Viracon and they closed the plant for three days to deep clean and sanitize prior to reopening. We are a long way from the virus being over and anticipate 60-70% of the population will contract this disease unless a vaccine is found; labs anticipate a vaccine available 6 to 12, possibly 18 months away. He encouraged everyone to be patient and not put the community at risk, particularly the elderly so strongly recommended everyone to follow the CDC Guidelines to wear masks; practice good personal hygiene and utilize social distance when out and about. During the last several months, many appointments were completed virtually, and he anticipates this will continue as both patients and medical professionals benefited from the virtual meetings. Council Members thanked Dr. Bunkers for attending the meeting and update on the COVID-19 conditions.

Mayor Kuntz welcomed Chad Lange, 636 12th St SE who said he recently noticed yard signs posted in another city stating, "Thank you police department for your service". He was encouraged by these signs of support and offered to prepare similar signs for Owatonna. Multiple protests against police brutality have occurred in various cities across the country and he wants our police officers to know many believe they are doing a good job here. He proposed the yard sign say, "We Support our Owatonna Police" and he offered to pay 50% of the printing costs. Council Member Okerberg made a motion supporting this yard sign project; Council Member Burbank seconded the motion; with a roll call vote, all members voted aye in approval. Cost and distribution details will be worked out; he has also contacted the Owatonna Chamber of Commerce and wanted Council to know of this project prior to ordering these signs.

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: June 2, 2020 Council Meeting.

Ice Cream Vendor Permit – Kona Ice Southern Lakes.

Temporary Liquor Permit – KC Hall at Corky’s Softball Tournament – September 10-13, 2020.

Tree Trimmers Permit – Steve Wolters.to do busines as Nock 1 Down, LLC.

Minutes – Human Rights Commission – May 12, 2020.

Minutes – Airport Commission Meeting – May 14, 2020.

Minutes – Park & Rec Board Meeting – June 8, 2020..

May Building & Inspection Report.

Weed-Nuisance Inspection Report – June 11, 2020.

Lease Rooms 212 A, B, C & D and 214 in Merrill Hall – Steele County Transitional Housing,

Lease Rooms 207 A & B and 209 in Merrill Hall – South Central Human Relations Center.

Lease Room 211 A - South Central Human Relations Center.

Utility Disconnect Agreement – Bradford Development – 125 Park Street E.

Utility Disconnect Agreement – Growth Holdings, LLC – 621 Bridge Street W.

Council Member Raney made a motion to approve these Consent Agenda Items. Council Member Voss 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 \$1,033,471.60. Council Member Okerberg made a motion to approve payment of these bills, Council Member Svenby seconded the motion; with a roll call vote, all members voted aye for approval.

Finance Director Moen requested approval of Resolution 81-20 to provide for the sale of \$1,785,000 General Obligation Street Reconstruction Bonds, Series 2020A scheduled for July 7, 2020. The City is issuing street reconstruction bonds in order to finance the following street projects:

- a) 2020 Street & Utility projects including Greenhaven (Keller Pl to Crestview), Shady Oaks, and Cherry Street (East of the bridge to Brooktree parking lot)
- b) 2020 Curb & Gutter project which includes Evergreen
- c) 2020 Manthey Park access project

These bonds will be repaid over ten years through a combination of assessments and a debt service levy. Following the sale of bonds, the interest rates the City charges on assessments will be reviewed. We are anticipating a decrease to 3.25% from the current rate of 4.5% which is based on a recommendation to charge 1.5-2.0% higher than the City’s borrowing rate. In accordance with the City’s debt service policy, the following recommendations were reviewed:

- a) The net debt service levy should be less than 15% of general fund expenditures. The projected levy is 7.6% of 2020 general fund expenditures.
- b) The impact on future debt service levies is acceptable. We have reviewed the projected levy impact and it is acceptable.
- c) The impacts on the bond rating process – ratio of net direct debt to full market value is .78% which is considered strong (prior year was .84% which was also considered strong); ratio of net direct debt to operating revenues of the general fund and debt service funds is .68 times which is just outside of the strong range of .33x-.67x (prior year was .77 times). The City was aware the influx of projects in 2018 would impact these debt ratios. This impact will reverse itself over the life of the bonds as the City resumes its normal level of issuing debt.

Doug Green, Director at Baker Tilly International Limited joined the meeting virtually to review plans for this pending bond sale. The Credit Rating Call is scheduled for later next week and he

anticipates the City will rate solid and the sale should be good. Council Member Raney made a motion to approve Resolution 81-20 authorizing Baker Tilly to solicit proposals for the sale of these bonds, Council Member Voss seconded the motion; with a roll call vote, all members voted aye for approval.

City Administrator Busse presented Resolution 82-20 to authorize Joint Powers Agreements with the Bureau of Criminal Apprehension (BCA) for authorized Agency and Court Data Services Subscriber Amendment. The City of Owatonna on behalf of its Prosecuting Attorney and Police Department desires to continue its Joint Powers Agreement with the State of Minnesota, Department of Public Safety, Bureau of Criminal Apprehension (BCA) to use systems and tools available over the State's criminal justice data communications network for which the City is eligible. This agreement is valid for a five-year period from the date it is effective. Council Member Dotson made a motion approving Resolution 82-20, Council Member Svenby seconded the motion, with a roll call vote, all members voted aye in approval.

Community Development Director Klecker requested approval of Resolution 83-20 approving the Final Plat of Sanders South Addition. This City owned property is located on Bridge Street W between 32<sup>nd</sup> and 39<sup>th</sup> Ave NW. The plat consists of 32.38+ acres as four industrial lots and one outlot. The west lot is occupied by the City's sludge bunker and a stormwater pond and the east three lots will be sold for development; the outlot is an access drive to the property. The Planning Commission held a public hearing and recommend approval of this plat with the following conditions:

- 1) The Title opinion shall be approved by the City Attorney prior to recording of the final plat.
- 2) The applicant shall provide the utility easements as shown on the proposed final plat drawing.
- 3) Each lot will be responsible to handle their own stormwater upon development of that lot.
- 4) The owner of Lot 3 shall grant Lot 2 an easement for the sewer service to be connected to the manhole.

Council Member Svenby made a motion to approve Resolution 83-20 approving this plat as recommended by the Planning Commission. Council Member Burbank seconded the motion. Council Member Okerberg asked if the home on the east lot was currently occupied. Klecker responded yes but they would not need to move for several months if the property is sold and staff would assist with relocation options. With a roll call vote, all members voted aye in approval.

Community Development Director Klecker requested approval of Resolution 84-20 approving the Final Plat of Greenhouse Addition No. 2. CEFF Medford Property, LLC has requested this one lot plat, a 52.03+ acre parcel at 2781 50<sup>th</sup> Street NW. The Planning Commission held a public hearing and recommend approval of this final plat with the following conditions:

- 1) The Title Opinion shall be approved by the City Attorney prior to recording of the final plat.
- 2) The applicant shall provide the utility easements as shown on the proposed final plat drawing.

Council Member Raney made a motion to approve Resolution 84-20 as recommended by the Planning Commission, Council Member Voss seconded the motion, with a roll call vote, all members voted aye in approval.

Public Works Director Skov requested approval of Resolution 85-20 regarding handicap accessible parking spaces on Broadway Street. The mid-block crosswalk on the south side was eliminated due

to safety concerns and moved to the west end of the block to provide curb ramp access. Staff added another handicap accessible spot on W Broadway Street at West Park Square. He apologized for not timely presenting this for Council consideration; final plan review completed during COVID-19 restriction period was unintentionally missed. Council Member Svenby requested a map showing the planned spaces be included for Council review. Council Member Schultz asked if the handicap parking spot on the north side of W Broadway would be changed; Skov advised there are currently no plans for any changes at this spot. Council Member Okerberg stated he was disappointed staff did not receive Council approval prior to making these changes and suggested a letter of reprimand be issued. Council Member Burbank stated he thought the apology and action taken were sufficient; Council President Schultz stated he agreed with Council Member Burbank and Council Member Raney commented he also accepted this apology. Council Member Svenby made a motion to approve Resolution 85-20, Council Member Dotson seconded the motion, with a roll call vote, all members voted aye in approval.

Human Resource Director Gorski presented the COVID-19 Preparedness Plan for the City for approval. This plan complies with Governor Walz's Executive Order 20-74 issued June 5, 2020 requiring critical sector businesses, including government entities, adopt a COVID-19 Preparedness Plan. Each individual departments or work areas within the city may also develop a specific work plan in addition to the City of Owatonna Plan. The plan has been communicated to all staff through email and discussed within their departments. Preparedness Plans are ever changing due to new guidelines set out by Governor Walz; our Human Resource Department is continuously monitoring the guidelines to make sure of compliance with the orders and recommends the City Administrator be authorized to approve changes to the plan. Council Member Okerberg made a motion to approve the COVID-19 Preparedness Plan and authorize City Administrator Busse to amend when needed; Council Member Voss seconded this motion, with a roll call vote, all members voted aye in approval.

During Staff Comments, Community Development Director Klecker gave brief updates on the construction status of the chiropractor office on 18<sup>th</sup> Street, South Pointe Apartments, Costco Warehouse, Godfathers, Foremost Brewery, Minimizer, and the Caribou Coffee project. Finance Director Moen advised the 2019 Audit is complete, staff has started preparing the 2021 Budget and reviewing the current budget for reduction options: monitoring expenses for Cares Act reimbursement, and working with the IT Department for credit card payment options on the City's website. Public Works Director Skov advised staff is continuing to treat trees for Emerald Ash Borer, patching some potholes, working on the Rate Study for impact of the Wastewater Treatment Plant Expansion Project. Work on the Street and Utility Project just started on Evergreen Place and Country View Lane and will be to Cherry Street next. Human Resource Director Gorski advised HR staff has been working with all departments to create the COVID-19 Preparedness Plan. Staff and public safety are their highest concern, the City Administration Building opens to the public tomorrow morning at 8:00 a.m. HR has been busy interviewing to fill two positions at the WWTP and currently have posted to hire a police officer. Mayor Kuntz asked if any employees requested the Early Retirement Incentive Package offered; Human Resource Director Gorski responded one application has been received to date, requests are due by the end of this week.

There were no comments during Public Comment.

During Council Comments, Council Member Raney commented the community is very fortunate to have good safety personnel (fire, ambulance, police) that care about our community and citizens; we cannot control what is happening in Minneapolis but we can here; he thanked Viracon for glass donated for shields in the City Administration Office to provide safety to staff and the public and then welcomed back staff members, the City's Administration Building will open tomorrow, the roof project is done, the building has been power washed and looks great. Council Member Voss commented it takes great people to have a great city and thanked Mr. Lange for his help. Mayor Kuntz commented he and City Administrator Busse gave the 2020 State of the City presentation during the Noon Rotary Meeting this week and are available to show this to other groups. City Administrator Busse commented she supports and thankful for the Owatonna Police Department; she believes the community should be proud as we have a Guardianship Model Department. Council President commented this has been a stressful time and people tend to get angry, he asked everyone to be patient with others, to be thankful and to think before speaking and then thanked IT System Administrator Stricken for assisting during tonight's meeting.

At 8:03 p.m., Council Member Raney made a motion to adjourn the meeting, Council Member Voss seconded the motion, with a roll call vote, all members voted aye in approval.

Dated: June 22, 2020

Respectfully Submitted,

Jeanette Clawson, Administrative Specialist