

Owatonna City Council Minutes

The Owatonna City Council met in regular session on Tuesday, October 20, 2020 at 7:00 p.m. in Council Chambers at City Hall. The meeting was also virtually accessible via Microsoft TEAMS. Present were Council Members Schultz, Raney, Voss, Burbank, Dotson, Svenby and Okerberg; Mayor Kuntz; Community Development Director/Interim Parks and Recreation Director Klecker; Fire Chief Johnson; Police Chief Hiller; Human Resource Director Gorski, City Attorney Walbran; City Administrator Busse; IT System Administrator O'Connor and Administrative Specialist Clawson.

Following the Pledge of Allegiance, Council President Schultz welcomed everyone to the meeting and read a meeting statement advising of virtual participation option and COVID-19 compliance requirements.

Council Member Okerberg made a motion to approve the agenda as presented, Council Member Svenby seconded the motion; all members voted aye in approval

Fire Chief Johnson advised the public hearing planned is to receive comments on the proposed assessments for unpaid Weed and Nuisance Compliance Costs; fifteen invoices are open to collect a total of \$3,690.45. At 7:06 p.m., Council President Schultz opened the public hearing for comments on these proposed assessments. With no comments heard, at 7:07 p.m., Council Member Raney made a motion to close the public hearing, Council Member Dotson seconded the motion, all members voted aye in approval.

Council Member Dotson made a motion to approve Resolution 135-20 adopting the proposed assessments setting repayment over a one-year period at an annual interest rate of 3%, Council Member Voss seconded the motion, all members voted aye in approval.

Mayor Kuntz made proclamation for observance of Red Ribbon Week 2020 from October 23rd - October 31st. Red Ribbon Week is a national campaign offering citizens opportunities to demonstrate their commitment to drug-free lifestyles. The Owatonna High School SHOC (Students Helping Others Choose) will partner with the Steele County Safe and Drug Free Coalition to host a "Drive Through Kickoff Event" this Thursday afternoon in the Foundation Building at the Steele County Fair Grounds Park from 5:00 to 6:00 p.m.. Citizens are encouraged to participate in drug prevention education activities to make a visible statement showing a strong commitment to a drug-free society.

Mayor Kuntz welcomed Mac Hamilton, CEO of the Hamilton Real Estate Group. Mr. Hamilton announced two projects he plans to begin in Owatonna before next June. A franchise has been secured with Marriott to bring a Marriott Courtyard to the downtown area along the 200 block of North Cedar and wrap around on Pearl Street. A four-story apartment building with 37 units will be constructed on the north side of Pearl Street in the 100 block. Both projects will feature a similar façade theme of the brick and metal components seen on the Vine Street Apartments which was also built by Mr. Hamilton. Overview of these proposed site plans were presented. These projects will initiate the City's Street Scape Program in the downtown area. With desire to create these as true community projects, he hopes to attract additional community investors and encouraged anyone interested to contact him. Mayor Kuntz, Council President Schultz, Members Raney and Svenby thanked Mr. Hamilton for his continued support and investment in the Owatonna community. Community Development Director Troy Klecker estimates these projects will invest \$25 million in Owatonna. Mr. Hamilton thanked the City for

supporting progression of his projects and acknowledged appreciation of the expertise of our City Community Development Director Klecker and Community Development Manager Greg Kruschke.

Council President Schultz explained council members review Consent Agenda items prior to the meeting for approval in one motion. Tonight's Consent Agenda Items include:

Council Minutes: October 6, 2020 Council Meeting.

Event Permit – St Mary's Walk – October 30, 2020.

Exempt Permit – MN State Public School Orphanage Museum, Inc. – Raffle Dec 31, 2020.

Minutes – Human Rights Commission – September 8, 2020.

Minutes – Park & Rec Board – October 12, 2020.

Monthly Building/Inspection Report – September 2020.

Facility Usage/Indemnity Agreement – Sacred Heart Church - Owatonna.

Grant Application – Turnout Gear / Washer/Extractor Dryer Award Program.

Council Member Voss made a motion to approve these Consent Agenda Items, Council Member Burbank seconded the motion, all members voted aye for approval.

Vice President Raney recapped expenses for the period. Bills presented for payment totaled \$1,390,410.60, disbursements for the EDA CARES Act Grants for Small Business Owners were included in this report. Council Member Okerberg made a motion to approve payment of these bills, Council Member Dotson seconded the motion. Council Member Voss recused himself from voting, his company received an EDA Grant, members voting, voted aye for approval.

Community Development Director Klecker requested approval of Resolution 136-20 to set a date for a public hearing to consider establishing Development District 16 and Tax Increment Financing District 16-1. Redline Development Group is requesting the use of tax increment financing to help renovate the existing building at 202 West Bridge Street into retail and office spaces. Demolition has occurred within the building; but no renovations started. Council previously approved Resolution 79-20 deeming the property eligible for TIF, but not approving TIF. Council Member Raney made a motion to approve Resolution 136-20 setting a public hearing for Tuesday, December 1, 2020 at 7:00 p.m. Council Member Dotson seconded the motion, all members voted aye in approval.

Fire Chief Johnson requested approval of Resolution 137-20 to approve use of CARES Act Funding to purchase disinfection equipment and supplies. Use of a HomeSoap sanitizer unit will reduce the risk of exposure to COVID-19 by cleaning and disinfecting small equipment and tools. The virus that causes COVID-19 can be killed using this sanitizing system. Three units will be purchased, one for the Fire Hall and two for the Library, each unit costs \$199.95. Council Member Burbank made a motion to approve Resolution 137-20, Council Member Okerberg seconded the motion, all members present voted aye in approval.

Police Chief Hiller requested approval of Resolution 138-20 to approve use of CARES Act Funding to purchase air purification systems for various locations. The Surgically Clean Air 6 Stage Filtration Process will remove 99% of in-air particulate, including viruses, bacteria, and fungus. These devices will aid in the disinfection process for common areas utilized by the public and employees resulting in additional measure of safety for everyone. Twenty-seven units will be purchased for total cost of \$49,367.00; units will be placed in Council Chambers, City Hall, Police Station, Fire Hall, and the Library. Council Member Raney made a motion to approve Resolution 138-20 approving this purchase, Council Member Voss seconded the motion, all members present voted aye in approval.

Administrative Specialist Clawson requested approval of Resolution 139-20 appointing Election Judges for the 2020 General Election. Election Day is Tuesday, November 3, 2020 with the city's ten polling sites open from 7:00 a.m. – 8:00 p.m. City Administration staff may assign additional or substitute election judges, as necessary. Council Member Dotson made a motion to approve Resolution 139-20, Council Member Svenby seconded the motion; all members voted aye in approval.

City Administrator Busse welcomed Jim Goodman, Development Manager at ZEF Energy Inc. to the meeting via TEAMS. Mr. Goodman requested approval of a Site Host Agreement for ZEF Energy to install and operate an Electric Vehicle Charging Hub in the City's parking lot on Walnut Avenue across from Owatonna Public Utilities (OPU). The State of Minnesota is attempting to build-out a corridor plan for electric vehicle charging stations throughout the state to support electrical vehicle use and make ownership more practical for Minnesota residents. To assist in the build-out of this infrastructure, the MPCA awarded a grant to ZEF Energy to install and maintain 22 charging stations across the state. Owatonna has been selected as a desirable location to provide EV charging, other cities which have made similar arrangements with ZEF Energy include: Grand Rapids; Little Falls; Albert Lea; Rochester; Faribault; Marshall; Crosby; and Bemidji. This MPCA Grant was funded through the Volkswagen Settlement Fund. ZEF Energy will install and maintain the charging stations which cost approximately \$85,000. The site proposed allows the chargers placed to minimize the impact to the regular users of the parking lot; three parking spots along the north side towards the east end of the lot will be used. This is a ten-year agreement; OPU has approved the provision for power needs at this site, the City's only obligation would be to remove snow from the lot which we already do. Council Member Raney questioned placement of this hub on the fringe of the downtown area, with development occurring in the downtown area, it may be better to locate a hub in the core downtown area. Mr. Goodman explained the site proposed near OPU meets the requirement of retail stores located within a quarter mile of the hub as customers may want to shop while their vehicle is charging and has a turf border which allows an easy installment and keeps costs lower. Building a charging hub in the core downtown area, would be cost prohibitive for ZEF Energy and they would request the City contribute towards the additional construction costs. The anticipated customer(s) will be travelers who have accessed information for hub availability and local residents who have acquired electrical vehicles. Council Member Dotson commented the proposed site is close to the trail and river front so this site may be beneficial for many users. Council Member Burbank made a motion to approve this Site Host Agreement, Council Member Dotson seconded the motion. Council Member Raney commented he will vote nay; he supports use of electrical vehicles but disagrees with placing this hub on the City lot near OPU. With all members voting, the motion was approved by vote of six to one.

Interim Park Director Klecker requested approval of a Facility Use Agreement with the Owatonna Diving Club at the Tennis & Fitness Center. In recent years, the Diving Club has used the Middle School pool for scuba diving classes; however, the Middle School pool is currently unavailable due to Covid-19 restrictions. Prior to using the Middle School Pool, the Diving Club used the City's pool for classes but moved since that pool size and depth were preferred. The Minnesota Department of Health Swimming Pool Code does not require a lifeguard to be on duty as long as specified regulations are followed including appropriate signage, availability of rescue equipment and an emergency phone in the pool area, and an adult being present when children are in the pool. All Minnesota Department of Health regulations are already in place as part of the normal protocol or are listed in the agreement with the Diving Club. There would be no fee charged to the Diving Club for the use of the pool since the Diving Club offers services to the city at Lake Kohlmier for the swimming area set-up/take down, as

well as for other various purposes, at no charge to the City. The Diving Club will be required to comply with any state & federal COVID-19 guidelines, the Tennis & Fitness Center Facility COVID Plan approved by the City and will have their own COVID Plan developed for their scuba diving classes. This agreement is for scuba classes scheduled on Wednesday evenings to end April 14, 2021. Council Member Dotson made a motion to approve this Facility Use Agreement, Council Member Voss seconded the motion; all members voted aye in approval.

Human Resource Director Gorski requested approval to revise three sections of the Employee Policy and Procedures Manual:

- 1) 6.4 Long Term Disability Insurance - Max earnings increased from \$5,000 to \$6,666.67 with no increase to premium.
- 2) 6.9 Employee Assistance Plan (EAP) – Morneau Shepell, will become provider of the City’s EAP and will offer a wider range of providers for the employees.
- 3) 6.11 Health Care Savings Plan (HCSP) - A HCSP account is a tax-free account that is used to reimburse out-of-pocket healthcare costs - not just in retirement, but any time after you leave Minnesota public employment. The change that is being proposed is for non-union employees. Employees who separate from employment in good standing and who, on the date of separation, either (1) meet all the requirements to receive a retirement or disability benefit under a state or federal plan; or (2) have been ten (10) or more years of continuous service with the City, any accumulated and unused sick Eligible Sick Leave, Eligible Vacation and Eligible PTO will all be paid through a contribution to the Minnesota HCSP at 100%.

Council Member Raney made a motion to approve these revisions, Council Member Dotson seconded the motion; all members voted aye in approval.

During Staff Comments, Human Resource Director Gorski advised HR is preparing the annual Open Enrollment process for employees to select 2021 benefits. This year, an on-line process will be used with no in-person meetings planned because of COVID-19 concerns. HR is also working with the ERP to review tasks and create leaner processes as new finance software is being considered. Fire Chief Johnson reported on four items: a fire/water rescue was made on Sunday at Rice Lake State Park, a boat was stuck in muddy waters; this month the Safety Committee did not receive any Reports of Injury or Public Incidents; Ryan Seykora has been selected by his peers as the 2020 Firefighter of the Year; and Monday, Firefighter Kevin Pryor will be returning to duty after being deployed last year. Community Development Director Klecker commented the Building and Inspection Department has been busy and he anticipates they will be very busy over the next 3-4 months preparing for the new high school and the new hotel and apartment projects Mr. Hamilton announced earlier during this meeting.

There were no comments heard during Public Comments.

During Council Comments, Council Member Raney asked everyone to be aware of children out during Halloween; he was glad to hear about the new development projects planned and thanked the EDA and staff for assisting in the City’s economic growth. Council Member Voss commented he and Council Members Okerberg and Raney are members of the EDA and thankful that 60 local businesses benefited from the EDA CARES Act Grants and then reminded everyone it is still important to be mindful to shop locally to support these local businesses. Mayor Kuntz commented this hotel project has been discussed over the last four years and he is glad to hear it is finalizing. He reminded everyone Daylight Savings happens next weekend and the 2020 General Election will occur before the next council meeting. City Administrator Busse reminded everyone the next Council Meeting date was changed to Wednesday,

November 4th because Tuesday, November 3rd is 2020 General Election Day. Council Member Schultz thanked Tim O'Conner, IT Technician for assisting at this meeting and then encouraged everyone to get out and vote.

At 8:17 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: October 22, 2020

Respectfully Submitted,

Jeanette Clawson, Administrative Specialist