

## Owatonna City Council Minutes

The Owatonna City Council met in regular session on Monday, August 2, 2021, at 7:00 p.m. in Council Chambers at City Hall. Present were Council Members Schultz, Raney, Voss, Svenby, Boeke, Dotson and Burbank; Mayor Kuntz; Public Works Director Skov; Parks & Rec Director Tuma; Finance Director Moen; IT Director Brown; City Attorney Walbran; City Administrator Busse; and Administrative Specialist Clawson.

### **Agenda**

Following the Pledge of Allegiance, Council President Schultz welcomed everyone to the meeting. Council Member Dotson made a motion to approve the agenda as presented, Council Member Svenby seconded the motion, all members present voted aye for approval.

### **Night to Unite Proclamation**

Mayor Kuntz made proclamation for Tuesday, August 3, 2021, to be Owatonna's Night to Unite. Night to Unite provides opportunities to celebrate the ongoing work of law enforcement and neighborhoods by working together to fight crime and victimization and increase public safety for all citizens. Activities are designed to get to know one another in your neighborhood, build neighborhood involvement by bringing police and communities together; and to bring an awareness to crime prevention and local law enforcement efforts.

### **Owatonna Mayo Clinic – Dr. Jason Wray-Rooballe**

Dr. Jason Wray-Raabolle, Lead Physician at Owatonna Mayo Clinic was present to give a brief update on the Owatonna Mayo Clinic. Dr Wray-Rooballe has been in practice for about 20 years at the clinic and was recently named the clinic's Lead Physician. Recent practice updates at the clinic include addition of new physicians and providers; Same Day Clinic integrated into Primary Care; Expanded Care Teams; Appropriate Care-Appropriate Location and Self Scheduling. A new Mobile Health Clinic with two exam rooms, an on-site laboratory and telehealth equipment connecting patients to Mayo Clinic providers for care is now available in Blooming Prairie. COVID Care has been integrated into practice, COVID Vaccines and swab testing are now offered at the clinic on 26th Street and no longer done at the site near Fareway. Appointments can be made on-line or by phone. The number of COVID cases recently increased, 80% of people hospitalized were unvaccinated. Those who were vaccinated and have less severe cases and are not dying. As new variants become known, natural immunity is uncertain, so he encouraged everyone to be vaccinated and if uncertain, clinic staff is available to answer questions. Mayor commented he received complaints that is hard to get an appointment at the clinic, Dr. Wray-Raabolle responded the recent addition of staff and clinic updates has improved appointment options within the last two months. Mayor Kuntz thanked Dr. Wray-Raabolle for the update and for Mayo Clinic being an excellent provider in the community.

### **Consent Agenda**

Council President Schultz explained council members review Consent Agenda items prior to the meeting for approval in one motion. Items on the Consent Agenda were:

Minutes - Council Meeting – July 20, 2021.

Minutes – Airport Commission Meeting – July 8, 2021.

Minutes – Human Rights Commission Meeting – July 12, 2021.

Minutes – OPU Meeting – June 29, 2021.

Continuation – Consent Agenda Items:

Minutes – EDA Meeting – July 21, 2021.

Minutes – Planning Commission Meeting – July 27, 2021.

Minutes – Library Board Meeting – July 20, 2021.

Weed/Nuisance Compliance Report – July 27, 2021.

Event Permit – Oktober Fest – Mineral Springs Brewery, LLC – September 24-26, 2021.

Temp Liquor Permit - Mineral Springs Brewery, LLC – September 24-26, 2021.

Event Permit – Midnight Mile – OHS Girl’s Cross Country Run – August 27, 2021.

2021-2022 Facility Use Agreement – AARP Driver’s Safety – West Hills Social Commons.

2021 Deer Management Proposal – 11 Parks to host registered and permitted archers.

Parks: Cashman Park, Hamman Park, Kaplan’s Woods Park, Kaplan’s Woods Parkway, Kriesel Park, Leo Rudolph Nature Reserve, Manthey Park Maple Creek Parkway, Mineral Springs Park, Nass Woods Park and North Straight River Parkway.  
Portable stands can be placed on City property starting October 31<sup>st</sup>, no permanent stands are allowed.

Two Sessions will be offered with 14 location permits awarded:

Session 1: October 24-November 21, 2021

Session 2: November 22 – December 19, 2021.

Applications due September 15, 2021; applicants must be at least 18 years old and pass a proficiency test. Predetermined stand locations will be included with the application.

Change Order #2 – Truman Avenue Project – Northland Grading & Excavating.

Project cost increased \$33,700.32: add 1½” stabilizing aggregate for aggregate base.

Renew Annual T-Hangar Lease Agreements:

Francis Froehlich, Morrilton, MN – Hangar #2 / Unit D.

High Tech Aero, LLC, Northfield MN – Hangar #2 / Unit H.

Justin Lindee, Owatonna MN – Hangar #1 / Unit E.

Justin Lindee, Owatonna, MN – Hangar #2 / Unit G.

Don McDonald, Owatonna, MN – Hangar #2 / Unit C.

Richard Wefald, Owatonna, MN – Hangar #1 / Unit D.

Jayne Wiese, Rochester, MN - Hangar #1 / Unit B.

New T-Hangar Lease Agreement – Jerry Pritchett, Lakeville, MN – Hangar #1 / Unit K.

Service Agreement – Spherion Staffing & Recruiting – Temporary Clerical Position.

Council Member Burbank made a motion to approve these Consent Agenda Items; Council Member Voss seconded the motion. Council Member Dotson requested correction to the July 20<sup>th</sup> Council Minutes to show Council Member Boeke seconded the motion for adjournment. With no additional comments, all members voted aye for approval.

**Finance Report**

Vice President Raney recapped expenses for the period. Bills presented for payment totaled \$1,224,793.38. Council Member Dotson made a motion to approve payment of these bills, Council Member Boeke seconded the motion, all members voted aye for approval.

**Ordinance 21-1: Winter Parking**

Public Works Director Skov presented the second/final reading of Proposed Ordinance 21-1, an amendment to Chapter 72.05, Parking during Street Maintenance or Snow Emergency. Council approved the first reading of this proposed ordinance during the last meeting and there have been no changes since. Current ordinance calls for signs be placed at the City's entrances with information on winter parking restriction and a hotline number that can be called for more information. Last winter, the Police Department developed a winter parking app which provides a better source of information, and the hotline was not maintained. This app received good reviews and signs will remain posted but not required by this ordinance. Council Member Raney made a motion to approve Proposed Ordinance 21-1, Council Member Svenby seconded the motion. With a roll call vote, voting aye were members: Raney, Svenby, Voss, Boeke, Burbank and Schultz; voting nay was Council Member Dotson, the motion carried. This will be known as Ordinance 1621, effective upon passage and publication.

**Ordinance 21-9: Vacate Alleyway in Block 3, Original Town**

Council President Schultz recused himself, he owns property abutting the alleyway petitioned to be vacated and left his seat. Vice President Raney took over the meeting as City Administrator presented the first reading of Proposed Ordinance 21-9 to vacate an undedicated alley in Block 3, Original Town as requested by adjoining property owners, Caramel Development, LLC; Vesterby Real Estate Investments, LLC; Rick Y Debra Gnemi and Clayton B & Victoria J Anderson. This alley is located west of the buildings in the 100 block of N Cedar Avenue. The Planning Commission held a public hearing on July 20<sup>th</sup> with no objections heard and recommend approval advising a utility easement will need to be dedicated over the top of this alley to allow utility companies access to maintain their facilities. Council Member Dotson made a motion to approve the first reading of Proposed Ordinance 21-9 as recommended, Council Member Voss seconded the motion. With a roll call vote, voting aye were members: Raney, Svenby, Voss, Boeke, Burbank and Dotson and no members voted nay, the motion carried. The second/final reading will be heard at the Council Meeting on August 17, 2021.

Council Member Schultz returned to his seat to conduct the remainder of the meeting.

**Resolution 74-21: Accept Lowe's 100 Hometowns Grant**

Parks & Recreation Director Tuma requested approval of Resolution 74.21 to accept \$100,000 grant from the Lowe's Hometowns Grant Program. Lowe's is celebrating their 100<sup>th</sup> anniversary this year and wanted to enhance communities through 100 charitable projects. In April 2021, they received more than 2,200 applications from across the country. The City of Owatonna was selected as the only site in Minnesota to receive this grant. This grant will enhance the Lake Kohlmier play area, the oldest play area in the City, 35 years old, with limited play features and currently not ADA accessible. This grant would provide for: new equipment for a play area structure designed for ages 5-12 and would include inclusive features and updated fall protection; ADA accessible sidewalks; and updates to the nearby picnic area including ADA picnic tables, grill, and accessible walkways. The project is on a fast time schedule with a required completion date of October 31, 2021. Council Member Raney

made a motion to approve Resolution 74-21, Council Member Burbank seconded the motion; all members voted in approval.

**Resolution 75-21: Award Sale of GO Street Reconstruction Bonds – Series 2021A**

Finance Director Moen presented Resolution 75-21 to award the sale of General Obligation Bonds, Series 2021A, \$3,250,00 to finance the following street projects:

- a) 2021 Streetscape Project.
- b) 2021 Truman Avenue Project
- c) 2021 Bridge Street Project

These bonds will be paid over ten years through a combination of assessments and a debt service levy. Moen advised the Debt Service portion of the City's Levy will need to increase by 1.25% to meet future Debt Service requirements, this will be approximately \$176,000 each year.

Council previously authorized Baker Tilly to conduct this bond sale; Doug Green, Director/CIPMA was present to advise of seven bids they received this morning. The winning bid was received from Northland Securities, Inc., Minneapolis, MN with an interest rate of \$0.8611%; this is the lowest rate received since 2015. This sale entered the market at a low point and was very successful; US Treasury Rates are currently increasing and municipal rates decreasing allowing bonds to sell at a premium. This allowed them to reduce the amount of bonds sold from the authorized amount of \$3,605,000 to \$3,250,000. They completed a credit rating review and confirmed the City's credit rating of AA2; they believe Owatonna is a very strong employment center, finances are good with text book budgeting done each year and operations kept within the approved budget.

Council Member Dotson made a motion to approve Resolution 75-21, Council Member Voss seconded the motion; all members voted aye in approval.

**Resolution 76-21: Declare Costs to be Assessed – Delinquent Snow Removal Fees**

Public Works Director Skov requested Council declare costs and set a date for a public hearing to consider assessments proposed for unpaid fees for clearing snow during the 2020-2021 Winter Season. Invoices and statements sent for payment; six accounts are currently delinquent with a total amount owed of \$1,159.20. Council Member Svenby made a motion to approve Resolution 76-21 declaring these costs to be assessed; Council Member Burbank seconded the motion; all members vote aye in approval.

**Resolution 77-21: Set Date for Public Hearing – Assessment for Delinquent Snow Removal Fees**

Council Member Raney made a motion to approve Resolution 77-21 setting a public hearing on Tuesday, September 7, 2021, at 7:00 p.m. to consider assessment of the Delinquent Snow Removal Fees as outlined in Special Assessment Guide based on Minnesota State Statute 429.061, Subd 1. Council Member Boeke seconded the motion; all members voted aye in approval.

**Tobacco License – Medford Tobacco Plus, Inc. – 2350 43<sup>rd</sup> St NW, #101**

City Administrator Busse requested consideration of the application received from Mohammed Alhataba, President of Medford Tobacco Plus, Inc. for a Tobacco License. Mr. Alhataba is in process of opening the storefront at 2350 43<sup>rd</sup> Street NW #101 which has been vacant for several years. This

license will be in effect the remainder of the current licensing period which expires December 31, 2021. Council Member Dotson made a motion to approve this new Tobacco License, Council Member Voss seconded the motion; all members voted aye in approval.

#### **Taxi Cab Permit – Straight River Taxi**

City Administrator Busse requested Council approve the application received from Kim Possehl for a Taxi Cab Permit for Straight River Taxi. Mr. Possehl has driven taxi in Owatonna for approximately 10 years as an employee of First Choice Shuttle. Now, he is starting a new business venture, Straight River Taxi, to offer expanded day-to-day taxi service in Owatonna. First Choice Shuttle, located in Faribault, will continue service to their Owatonna contract customers and day-to-day services in Faribault and Northfield. Straight River Taxi is in process of acquiring two taxi vehicles; copy of the Vehicle Inspection Reports and Certificate of Insurance is required for the City's Taxi License. Mr. Possehl requests his application be considered contingent on receipt of the required items within the next few days. The City's Taxi License is an annual license which expires December 31<sup>st</sup> each year. Council Member Dotson made a motion to approve this new Taxi Cab Permit contingent on receipt of all requested items, Council Member Burbank seconded the motion, all members voted aye in approval.

#### **Authorize Purchase – 2021 JD Motor Grader**

Public Works Director Skov requested approval to purchase a 2021 John Deere 672GMotor Grader and Wing from ROD Equipment Co. Purchase price of this new grader is \$299,053.58; a 2005 John Deere Motor Grader, trade-in value of \$97,000 will reduce the expense to \$202,053.58. Leasing a new vehicle was considered but that would be more costly with an annual fee of \$35,000. Council Member Raney asked if this would be purchased via the Vehicle Replacement Fund; Skov confirmed, this is a planned purchase and funds currently available in the Vehicle Replacement Fund. Request Council authorization to purchase item in excess of \$100,000. Council Member Voss made a motion approving this motor grader purchase, Council Member Boeke seconded the motion; all members voted aye in approval.

#### **Staff Comments**

Finance Director Moen commented last Tuesday, the City received a deposit of American Rescue Funds. This deposit represents one-half the amount of these funds the City will receive; the next half payment will be received next year. Owatonna will receive approximately \$3.7 million which will be strategically planned budget expenditures. On Thursday, the City's Annual Financial Report will be published in the local newspaper; if anyone has or receives any questions about this, please direct them to the Finance Office. Each August, a state report is prepared to recap our current TIF Districts, this year 24 districts were reported. Staff has been busy preparing the Preliminary 2022 Budget which will be brought to Council in a few weeks.

Public Works Director Skov commented there are many projects in process and traffic is becoming congested. The project on 26th Street is a county project which has forced traffic to North Avenue. N Cedar Avenue is currently closed in the 300 block for the Streetscape Project. The intersection of Cedar Avenue and Rose Street is currently closed; concrete should be poured tomorrow to allow this intersection to open in 7-10 days after the concrete has set. This intersection is taking a bit longer

than originally planned, we hoped this was going to be done prior the county's project on 26<sup>th</sup> Street but coordinating plans with the railroad and their project couldn't be delayed; the stop light will not be functioning when opened so this will be a 4-way stop at first.

Parks & Recreation Director Tuma advised paint is blistering and peeling off the Central Park Fountain. Last winter, staff refurbished the fountain and sandblasted to the surface prior to painting. The paint did not set as planned so they will be working with the vendor to repair. This last weekend, Corky's Softball Tournament was held with over 200+ teams and the weather was good; there have been many favorable comments on social media about nice fields and how well they are maintained, a well-organized tournament and very positive comments about Owatonna.

### **Public Comments**

There were no comments heard during Public Comments.

### **Council Comments**

Council Member Voss commented it was good to hear Public Works Director Skov say there is hope in reducing the amount of slowed traffic as things clear up within a few days. He thanked Fire Chief Hoffman and Fire Fighters Brase and Seykora for bringing the new fire truck to the City Hall Parking Lot prior to this meeting and the Fire Department for making this a safer community.

Council Member Raney commented Park & Rec Staff were meticulous in repairing the Central Park Fountain and stated this wasn't a staff error. He thanked them for preparing it, it looks beautiful and will look even better when the paint issue is resolved. He asked staff to review license fee amounts as costs continue to increase. He congratulated Annie Granlund on her recent promotion to Editor of the Owatonna Peoples Press. He asked everyone to be patient during road construction, anticipate there will be delays during major reconstruction projects.

City Administrator Busse reminded everyone Night to Unite is tomorrow night, Tuesday, August 3<sup>rd</sup> and the final 2021 Downtown Thursday is also this week.

### **Adjournment**

At 8:07 p.m., Council Member Raney made a motion to adjourn, Council Member Dotson seconded the motion, all members voted aye for approval and the meeting ended.

Dated: August 9, 2021.

Respectfully Submitted,

Jeanette Clawson, Administrative Specialist