

Owatonna City Council Minutes

The Owatonna City Council met in regular session on Tuesday, October 5, 2021 at 7:00 p.m. in Council Chambers at City Hall. Present were Council Members Schultz, Raney, Voss, Svenby, Boeke, Dotson and Burbank; Community Development Director Klecker; Public Works Director Skov; Fire Chief Hoffman, Library Director Blando; Police Sergeant DeVinny; It System Administrator Sticken; Mayor Kuntz; 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 Voss seconded the motion, all members voted aye for approval.

CGMC Update - Shane Zahrt, Sr Atty/Lobbyist @ Flaherty & Hood, P.A.

Attorney Zahrt provided a brief recap of the 2021 Legislative Session. The year started with an anticipated budget deficit and discussions were focused on which programs could be cut. Fortunately, a new Federal Stimulus was approved in March and funds received balanced the budget with no programs cut. With additional funds available, discussions changed to what opportunities were available. CGMC ramped up advocacy efforts despite this being a remote session because of COVID-19 concerns. Top priorities were Child Care and Housing; the pandemic added urgency to their fight for more and better childcare in Greater Minnesota and they continued to press for investment in housing initiatives. They were also able to make some headway on preventing "forever chemicals" from entering wastewater treatment facilities. A Bonding Bill was not approved so this is one item of unfinished business to address next year. There was some discussion to revise the formula used to calculate LGA, the last major reform to this formula was in 2013 and this is usually done every 10 years so anticipate this might be brought up this next year. CGMC will lobby for the formula that best serves the needs of our members when LGA reforms are considered. The 2020 Census figures were just released and CGMC will closely follow the redistricting process and the effect it will have on Metro vs. Greater Minnesota. He encouraged council members to attend the CGMC Fall Conference in Willmar MN during November. Council President Schultz asked him to briefly define what CGMC is; he responded CGMC, the Coalition of Greater Minnesota Cities is an organization of 111 member cities banded together to lobby for benefit of cities at the capital. They also organize as the Highway 14 Partnership and lobbied for completion of four-lane road on Highway 14. Council Member Raney is the current Chairman of the Highway 14 Partnership and they anticipate the new four-lane road between Owatonna and Dodge Center will open next month.

Mayor Kuntz

Mayor Kuntz proclaimed Thursday, October 14, 2021 as Brody Dalland Day. Brody was chosen as the Firefighter of the Year and will be recognized for this honor during the Firefighter Banquet next Thursday at the VFW.

Mayor Kuntz proclaimed October 15, 2021 as pregnancy and Infant Loss Awareness Day. Infants Remembered In Silence, Inc. (IRIS) and many other non-profit organizations work with parents who

have experienced the death of a child during pregnancy through early childhood. Many bereaved parents will annually remember their lost child on this day by lighting a candle at 7 p.m. to unify with other parents in tribute to their children. Ashley Jensen and Tara Niner accepted the proclamation for IRIS and thanked Mayor Kuntz and council for their support.

Mayor Kuntz then read the proclamation for October to be National Domestic Violence Awareness Month. The crime of domestic violence violates an individual's privacy and dignity, security and humanity, due to systematic use of physical, emotional, sexual psychological and economic control and/or abuse including abuse to children and the elderly. This is to encourage participation in activities and program that work toward improving victim safety and holding perpetrators of domestic abuse accountable for their actions against individual victims and our Society as a whole. Council President commented he read this proclamation at the Crisis Resource Center on Friday, and they were thankful for the Mayor's continued support.

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 – September 21, 2021.

Minutes - OPU Commission Meeting – August 24, 2021.

Minutes – Park & Rec Board Meeting – September 13, 2021.

Minutes – Human Rights Commission Meeting – September 14, 2021.

Minutes – Library Board Meeting – September 21, 2021.

Minutes – HRA Board Meeting – September 27, 2021.

Minutes – Planning Commission Meeting – September 28, 2021.

Department Reports: Weed/Nuisance Compliance Report.

Amend Agreement – Owatonna Rural Fire Association to identify all areas of coverage.

Council Member Svenby made a motion to approve these Consent Agenda Items; Council Member Dotson seconded the motion; all members voted aye for approval.

Finance Report

Vice President Raney recapped expenses for the period. Bills presented for payment totaled \$1,742,571.57. Council Member Dotson made a motion to approve payment of these bills, Council Member Burbank seconded the motion, all members voted aye for approval.

Resolution 96-21: Emergency Operations Plan – Steele County

Fire Chief Hoffman introduced Kristen Sailer, Director Steele County Emergency Management Director. She began in this position in June after previous Director Mike Johnson retired. She has been visiting cities and townships and with assistance from local fire chiefs, she completed an in-depth review of the Emergency Operations Plan (EOP) to be sure it includes current information and resources. The EOP is prepared by Steele County for all communities within the county, the City of Owatonna does not develop and maintain a separate plan. The EOP is guided by state & federal rules and regulations. This plan is more than 300 pages with 100 sections and includes 71 planning elements from state and federal levels. Updates were made to links for resources in the hazardous

materials sections. She provided a presentation and booklets to council to review what Elected Officials Responsibilities are and what guidelines they follow within State Statute during an emergency event. Council President Schultz thanked her for attending the meeting and Mayor Kuntz also welcomed her to Owatonna. Council Member Raney made a motion to approve Resolution 96-21 approving the amended Emergency Operations Plan with Steele County; Council Member Dotson seconded the motion; all members voted aye in approval.

Resolution 97-21: Final Engineering Proposal – WWTP Expansion – Nero Engineering

Public Works Director Skov requested approval of Resolution 97-21 authorizing Nero Engineering Proposal for the Wastewater Treatment Plant (WWTP) Project Final Engineering. The City has been working on approvals necessary for the expansion of the WWTP from 5.0 MGD to 9.1 MGD. With the permit complete and plans currently at 30% completion, staff recommends starting to complete the final engineering to design the project to 100% plan completion. Once the final engineering is complete, the project will be ready for Council to authorize advertisement of bids. The cost for final engineering is not to exceed \$2,249,385; additional services for design of modifications to the administration building are \$15,000 if that option is selected. These proposed costs bring the project through the bidding phase. Once bids are received council will be asked to approve a contract administration phase as well. Preliminary engineering costs were \$1,181,366.00 bringing the total engineering cost to \$3,430,751. Council Member Svenby made a motion to approve Resolution 97-21, Council Member Boeke seconded the motion; all members voted aye in approval.

Resolution 98-21: Set Date for Public Hearing to Establish Development District No. 18 and TIF District No. 18-1 at 147 W Pearl Street

Community Development Director Klecker presented Resolution 98-21 to set a public hearing to establish Development District No. 18 and Tax Increment Financing District No. 18-1. Monson Eye Clinic is proposing to construct a new clinic building with a tenant space on the corner on West Pearl Street and North Oak Avenue. The City spent approximately \$281,000 to purchase the property and demolish a 4-plex structure to make it ready for redevelopment. Tax Increment Financing (TIF) is being requested to reimburse the City for these costs. Any remaining TIF would assist the business with TIF eligible costs. This would be a redevelopment TIF District which can last up to a maximum of 25 years. Council Member Raney made a motion to approve Resolution 98-21 setting a public hearing on November 16, 2021, Council Member Burbank seconded the motion; all members voted aye in approval.

Resolution 99-21: CUP-1450 – Holiday Station Store at W North St & Hoffman Ave NW

Community Development Director Klecker requested approval of Resolution 99-21 to approve Conditional Use No. C-1450. This is a request received from Holiday Station Stores to construct a gas station, convenience store, gas canopy, and car wash on property at the intersection of W North Street and Hoffman Avenue NW. They currently hold a Purchase Agreement from Steele County for this property. Their request includes placement of more than 1,000 cubic yards of fill within the floodplain to allow for construction of the convenience store. They will have two access points off North Street and no access off Hoffman Avenue. They will need to relocate a watermain and will

need easement for that, stormwater storage would be underground chambers. The Planning Commission held a hearing with neighboring property owners expressing concern about access points and signage. This area has incurred flooding in the past, with three businesses impacted. We are currently talking with these business owners to find a long-term solution, their properties are too low, but we don't want to restrict business development around them that does comply. The Planning Commission is recommending approval with these conditions:

- 1) All exterior signage shall meet all provisions of the sign ordinance and shall apply for and receive 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) An elevation certificate shall be provided to the City showing compliance with the floodplain regulations.
- 4) A 20' utility easement centered on the water main shall be provided.
- 5) The existing water main shall be disconnected and capped at the water main in North Street or utilized within the project.

Council Member Boeke made a motion to approve Resolution 99-21 approving this CUP, Council Member Voss seconded the motion; all members voted aye in approval. Council Member Burbank asked where Holiday's corporate office is located or if they are a subsidiary of a larger store chain. Matt Stofferaan, Real Estate Project Manager at Holiday Station Stores was present to advise Holiday is owned by Circle K. The marketing and branding of their company in Minnesota and the northern part of the U.S. will remain as Holiday Station Stores.

Purchase 2022 Motor Grader – RDO Equipment Co.

Public Works Director Skov requested approval to purchase a 2022 John Deere Motor Grader from RDO Equipment CO and approve settlement from the League of Minnesota Cities Insurance Trust (LMCIT) for our damaged 2016 Cat Motor Grader which is no longer serviceable. LMCIT has proposed a settlement value of \$230,000 for this machine. After deductible and reimbursement for additional costs incurred the proceeds will be \$208,000. This would be received by a check from LMCIT for \$168,000 and a check from the salvage company for \$40,000. The 2022 JD 672G Motor Grader has a purchase price of \$299,053.58 with a net cost to the city of \$90,453.58 after the proceeds from the insurance trust. The new grader would be ordered now but not delivered not expected until next spring. Staff will work with RDO Equipment to lease a replacement for this winter; the cost for this lease will also be covered by LMCIT. Council Member Raney made a motion to approve this purchase and insurance settlement, Council Member Dotson seconded the motion; all members voted aye in approval.

Staff Comments

Fire Chief Hoffman commented we have been recruiting to fill firefighter positions and received 34 applications. Twenty applicants were tested on Saturday and seventeen will begin interviews

tomorrow. This is Safety Awareness Week, this year's theme is "Learn the Sounds of Fire Safety" with focus on smoke, fire and carbon monoxide detectors in homes. If the noise you hear is three quick beeps get out of the building; but, if you hear a beeping noise once every 30 seconds, you need to change the detector's batteries. It is recommended to replace detectors every 7-10 years. The tuck pointing and brick repair at Fire Hall is almost done and they are starting to shingle the tower. Progress has been slow, but it is getting close to being finished. We received a grant from the Owatonna Foundation to finish equipping the second truck and currently waiting for these items.

Community Development Director Klecker commented 29 single house permits have been issued this year and one is currently in review. There a few contractors with home plans pending so hoping we get a few more issued, would like to see 40 this year. Most new construction is on the north side of town because that is where available lots are. Anticipating we will see more development on the south and east sides with the new high school. There are currently 33 active industrial/commercial permits out and most should complete this year. We have 15 commercial projects in review; some are small renovations and some new projects. 2021 may not be a \$104 million year as last year but we were at \$48 million mid-September and as we are not permitting the new high school building, which is within our community, so we are over last year's project valuations. Staff is also beginning to work on some big projects for next year.

Public Works Director Skov: The weather has been nice which has delayed leaves falling so we will busy sweeping the streets when they do fall. Sediment will be removed from the base of the dam in early November after the asphalt plant closes for the season and the patching crew can be assigned to work on the dam. The 26th Street roundabout is open. The Truman Avenue Project is moving along, it will be tight to get it all done this year but we should be able to. The N Cedar Streetscape Project is on target for the 300 & 200 blocks to open by December 10th and construction on the 100 block was delayed until next spring. The Bridge Street Project should be done by the first week of November. We've been busy as staff is also working plans for the WWTP Project. Council Member Boeke asked when the dam was last dredged, Skov replied this was last done 5 years ago in 2016 after a flood event and FEMA Funds were available. Council Member Dotson asked if the City has an open permit for this, Skov replied we have a permit and are required to notify the DNR when we plan to dredge the river. Council Member Raney asked is blockage above the dam, could also be we removed such as limbs that restrict the water flow through the boxes. Skov commented he would need to look at and if there is something there, we can create a plan to remove it.

Library Director Blando advised there is a story walk planned for Saturday, October 16th from 10 a.m. to noon in Owatonna and then at the park in Blooming Prairie from 1:30 p.m. – 3:30 p.m. We will blow up pages of a children's story book and kids walk along the trail as they read the story. A story walk promotes two things, reading and getting outdoors so hopefully it will be good weather. We are beginning to clear out the community garden and will be purchasing pollinator plants tomorrow. Next year, this should look better as part of our new redesign for the area behind the library. Staff will begin to prepare a monthly article for the People's Press, this will be an excellent way to promote our branding and talk about available books or movies. Also, we are considering

redesigning the Teen Space at the Library to a bigger space where people can use 3D printers, laser designers, podcasts, or other equipment that goes beyond the circulation of books.

Public Comments

None heard.

Council/Administration Comments and General Information

City Administrator Busse introduced Deanna Sheely, the new Communications Manager for the City. Deanna will help with communication, public engagements, website and media exposure, Deanna has been out introducing herself to the community and meeting with various City boards and commissions.

Council Member Burbank thanked Sergeant DeVinny for being present tonight during this meeting.

Mayor Kuntz said he hopes everyone gets out to enjoy the weather.

Adjournment

At 8:10 p.m., Council Member Raney made a motion to adjourn, Council Member Dotson seconded the motion and all members voted aye in approval.

Dated: October 13, 2021.

Respectfully Submitted,

Jeanette Clawson, Administrative Specialist