

Draft Copy  
Owatonna City Council Minutes

The Owatonna City Council met in regular session on Tuesday, February 7, 2017 at 7:00 p.m. in the Council Chambers. Council President Schultz called the meeting to order and welcomed everyone in attendance. Members in attendance were: Council Members Raney, Svenby, Okerberg, Dotson, Voss and Burbank; Mayor Kuntz; Community Development Director Klecker; Public Works Director Skov; Assistant City Attorney Furness; City Administrator Busse and Administrative Specialist Clawson.

Following the Pledge of Allegiance, Council Member Burbank made a motion to approve the agenda as presented, Council Member Svenby seconded the motion; all members voted aye for approval.

Public Works Director Skov advised a Neighborhood Meeting was held on January 10th with property owners regarding the 2017 Curb and Gutter Project. The City's policy is 100% assessment for improvement costs on undeveloped streets; this project is currently estimated at \$653,132. At 7:05 p.m., Council President Schultz opened a public hearing for comments on this project. With none heard at 7:06 p.m., Council Member Dotson made a motion to close the public hearing, Council Member Svenby seconded the motion, all members voted aye for approval. Public Works Director Skov presented Resolution 7-17 approving this project, Council Member Raney made a motion to approve Resolution 7-17 and Council Member Okerberg seconded the motion. Council Member Burbank questioned if the project included California or standard curbs. Skov replied standard curbs would be installed for consistency. All members voted aye to approve Resolution 7-17.

Public Works Director Skov advised a Neighborhood Meeting was held on Tuesday, January 31st to discuss the proposed 2017 Street & Utility Project with approximately 20 property owners attending. Today, he received a petition signed by 13 of the 16 affected parcel owners along Cindy Lane requesting delay of the improvement on Cindy Lane. Skov explained Cindy Lane did receive a low surface rating score when reviewed last year but was included in this year's project because of its proximity to the Lemond Road Project; so he would not be opposed to delaying the improvement on Cindy Lane for a few years.

At 7:09 p.m., a public hearing opened for comments on the proposed 2017 Street and Utility Project. Jim Walberg, 430 Cindy Lane: He believes two spots on Cindy Lane should be patched but does not believe the street needs a full bituminous repair with rip up. He has spoken to most of the property owners and has acquired petition signatures asking this repair on Cindy Lane be removed from the proposed 2017 project.

Debra Fearn, 315 Lincoln Avenue questioned the repair proposed on the alley between Lincoln and Chambers Avenues south of Agnes Street. An overlay project was completed on this alley just a few years ago and last year the neighbors agreed to move their garbage service pickup to the alley, which she believes, has created move heavy truck traffic in this alley. She would like some assurance this proposed repair will last for many years. Skov explained the alley repair will be similar to the repairs made on the streets with a base layer and then a layer of bituminous so life expectancy will be approximately 20 years; property owners can be assessed once every 20 years for an improvement repair.

Rick Danielson, 455 Cindy Lane: He also believes the repair on Cindy Lane could be delayed a few years and hopes that it would not be forgotten as the road will eventually need to be repaired. Skov explained the City annually reviews a quadrant area of the City. Last year the SW quadrant was

looked at and will next be scheduled for review in 2020; however, all streets are looked when request for repairs are received or believed needed.

With no additional comments, at 7:20 p.m., Council Member Dotson made a motion to close the public hearing; Council Member Voss seconded the motion and all members voted aye for approval. Council Member Raney questioned if on-going maintenance costs would occur if Cindy Lane was removed from the 2017 Project. Public Works Director Skov advised he does not expect to see many maintenance costs, as this is a residential area so he would support changing the proposed project area. Assistant Attorney Furness explained a motion by Council is necessary to remove a portion of the proposed project.

Public Works Director Skov recommended the alley repair by Godfathers be completed using bituminous and not concrete as the majority of the additional product cost would be bore by the City and not cost effective when extended life expectancies compared between the two products. The proposed project does include a thicker layer of bituminous. The bituminous layer was increased by 25% to a 5" layer, which should extend the life expectancy of the project.

Council Member Burbank made a motion to remove Cindy Lane from the proposed 2017 Street & Utility Project. Council Member Okerberg seconded the motion; all members voted aye for approval.

Public Works Director Skov presented Resolution 8-17 to approve the 2017 Street & Utility Project. Council Member Dotson made a motion to approve the project as amended with Cindy Lane removed; Council Member Burbank seconded the motion. Council Member Voss asked what the adjusted project cost estimate would be and Public Works Director estimated it will be approximately \$150,000 less. All members voted aye for approval of Resolution 8-17.

Council Vice President Raney recapped the expenses for the period. Disbursements totaling \$221,640.22 and \$648,480.33 were presented for approval. Council Member Burbank made a motion to approve payment of these bills; Council Member Okerberg seconded the motion; all members voted aye for approval.

President Schultz advised council members review the Consent Agenda Items prior to the meeting for approval in one motion. Consent Agenda Items for approval include:

Minutes: City Council Meeting – January 17, 2017.

Event Permit – Art on the Hills, Art Festival – July 29 & 30, 2017.

Event Permit – Salt Sale Delivery – Huskies Bull Pen Club – April 29, 2017.

Short Term Liquor Permit – Owatonna Business Women - March 3, 2017.

OPU Commission Meeting - December 27, 2016.

Building & Inspection Department Monthly Report – January 2017.

State of Minnesota - Institution Community Work Crew Program Contract – 2107.

Statement of Work – Exchange UM Online Design.

Authorize Grant Application – Minnesota DNR Outdoor Recreation Grant – Sid Kenyon  
Tennis Courts.

Council Member Svenby made a motion to approve the consent Agenda Items, Council Member Raney seconded the motion; all members voted aye for approval.

City Administrator Busse presented Proposed Ordinance 21-16 for a Final Reading to amend Appendix A. The ordinance includes fee amounts charged for Data Requests, Special Assessment

Searches and Exceptions to the City's Noise Ordinance. Council approved the second reading on January 3, 2017; however, the fee for Special Assessment Search was incorrectly stated at \$25.00, which has been corrected to \$15.00. Council Member Okerberg made a motion to approve Proposed Ordinance 21-16; Council Member Voss seconded the motion. With a roll call vote, voting aye were Council Members Okerberg, Dotson, Burbank, Raney, Svenby Voss and Schultz, there were no nay votes. This ordinance, known as Ordinance 1555 shall be in full force and effect from and after its passage and publication.

Community Development Director Klecker presented Resolution 9-12 to set a public hearing on Tuesday, March 7, 2017 for comments regarding the redevelopment of the former Owatonna Care Center site at 201 18th Street SW. The public will consider establishment of Development District No. 8 and Tax Increment Financing District No. 8-1 for this property. Council Member Raney made a motion to approve Resolution 9-17, Council Member Svenby seconded the motion; all members voted aye for approval.

Public Works Director Skov presented Resolution 11-7 regarding parking restriction on N Cedar Avenue from Front Street to North Street. The City is planning an improvement on N Cedar, which does provide adequate width for parking on both sides of the street; however, any parking will be restricted between 2 a.m. to 6 a.m. The project will be using Municipal State Aid and approval of a proposed construction as a Municipal State Aid Street project must be conditioned including parking restrictions. Council Member Dotson made a motion to approve Resolution 11-17, Council Member Burbank seconded the motion; all members voted aye for approval.

Public Works Director Skov presented Resolution 12-17 regarding parking restriction on Lemond Road. The City is planning an improvement of Lemond Road SW from I35 Bridge to Kim Lane SW. The improvement does not provide adequate width for parking on both sides of the street. The project will be using Municipal State Aid and approval of a proposed construction as a Municipal State Aid Street project must be conditioned including parking restrictions. Council Member Dotson made a motion to approve Resolution 12-17, Council Member Okerberg seconded the motion. Mayor Kuntz questioned if parking will be available along Lemond Road for individuals sledding in the area; staff commented there are "No Parking" signs posted along the road and the project does not include additional parking so this should not be happening. With no additional comments, all members voted aye to approve Resolution 12-17.

Community Development Director Klecker presented Resolution 10-17 to deem the former Arnold House property as a parcel occupied by a structurally substandard building. A public hearing is planned for March 7th to consider establishment of a development district and use of TIF for this project. It is likely that Tax Increment Financing will be in place before demolition of the building occurs but if the project timeline changes this would allow them to speed up the timeline if needed. Council Member Voss made a motion to approve Resolution 10-17, Council Member Okerberg seconded the motion; all members voted aye for approval.

Community Development Director Klecker presented a Development Agreement with Arrow OWT Properties LLC regarding the property located at 122 Vine Street W. The developer is requesting tax increment financing assistance to redevelop the property and during discussions with the Arrow Ace Hardware about the property redevelopment, it has determined to be mutually beneficial for the demolition of the building and construction of the parking lot be completed by Arrow Ace. There will be some cost savings and time savings on the project design and construction if completed by the

project contractor and not the City. Council Member Dotson made a motion to approve the Development Agreement with Arrow AOWT Properties LLC, Council Member Burbank seconded the motion; all members voted aye for approval.

City Administrator presented a request from the Owatonna Fire Fighters Relief Association to increase the retirement pension by \$350.00. Annually, the Relief Association reviews the percent funded of their account to comply with the guidelines previously approved by Council. This increase does fall within these guidelines: a minimum of 110% funded with a maximum increase of \$350 per year and after an increase, the fund will still be over 119% funded. Council Member Raney made a motion to approve the funding increase, Council Member Okerberg seconded the motion; all members voted aye for approval.

Community Development Klecker presented request to purchase property at 130 E Fremont Street. Residential redevelopment is one of the City Council's priorities in the strategic plan, the City has a purchase agreement on this property contingent upon City Council approval, the purchase price is \$10,000. The HRA approved pursuing the purchase of the property last year; however, the property was involved in an estate and is now available for sale. The house is a small house built in 1871 and has been vacant for over a year. The area is zoned B-3 Central Business District and is in a good location to redevelop, there are two businesses in the area that would be interested in additional space and this block is in a good position to transition from residential to commercial. All expenses, including demolition costs, would be paid by the HRA. Demolition of the house would be contracted out and is estimated to cost between \$10,000 and \$15,000. Council Member Svenby made a motion to approve the purchase of this property, Council Member Voss seconded the motion; all members voted aye for approval.

During Public Comments, Roger Wacek, 646 E Vine Street explained he has reviewed the City's list of approved vegetation in areas of rain gardens, flowerbeds, woodlands and native prairie. He believes the ordinance should be updated and encouraged everyone to forward comments or input to him. Mike Noble, 565 Riverwood Drive SW asked the plans for the proposed Lemond Road Project be reconsidered, as he believes this is an opportune time to include additional parking spots along the road and bury overhead electrical lines. Public Works Director Skov he received a similar request earlier in the day that was forwarded to OPU. Mayor Kuntz said he received a message from OPU explaining they plan to make some gas modifications within the project but no electrical changes.

During Council Comments, Mayor Kuntz advised a contingent of six (Mayor, City Administrator and four Council Members) attended CGMC Legislative Action Day last week in St Paul. This provided opportunity to lobby local representatives about several bills regarding Highway 14 and LGA, which will be discussed during this legislative session. City Administrator Busse reminded everyone of the Public Input Workshops being held by Owatonna Forward at OPU. The first meeting was tonight with another meeting planned for next Wednesday, February 15th and then the final meeting on Tuesday, February 21st.

With no additional business, Council Member Raney made a motion to adjourn the meeting at 7:47 p.m. Council Member Voss seconded the motion, all members voted aye and the meeting was adjourned.

Dated: February 16, 2017

Respectfully submitted,  
Jeanette Clawson, Administrative Assistant