

## Owatonna City Council Minutes

The Owatonna City Council met in regular session on Tuesday, May 21, 2019 at 7:00 p.m. in Council Chambers. Council President Schultz called the meeting to order and welcomed everyone in attendance. Attending were Council Members Raney, Voss, Okerberg, Svenby, Burbank, Dotson and Schultz; Mayor Kuntz; City Attorney Walbran; Community Development Director/Interim Parks & Recreation Director Klecker; Parks Manager Wilker; Recreation Supervisor Knudson; City Administrator Busse and Administrative Specialist Clawson.

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

Mayor Kuntz announced he received notification the City was selected to receive two Minnesota Park & Recreation Association (MPRA) Awards of Excellence. Joey Schugel, Representative of the MPRA Awards Committee was introduced by Interim Park Director Klecker. Mr. Schugel explained the awards are for improvements to the city's parks and facilities. The first award is for the North Straight River Parkway Project; the MRPA Awards Committee was impressed with the massive amount of support the City received from the community to acquire and open this trail. Mary Jo (MJ) Knudson, Recreation Supervisor received the award on behalf of the City's Park and Rec Department and thanked the Michaletz, Lange and Ihlenfeld families; the City's Engineering Department; former Parks & Rec Directors Corky Ebeling and Jeff McKay; and Parks Manager Jesse Wilker for their contributions and involvement in completing this project. Chand Lange commented it was a quite an adventure to work with the engineer building the trail with three bridges, paving and lights; he is happy to see the trail being heavily used and commented the Lange Family hopes a future project will be to connect the Buxton Trail with the 26<sup>th</sup> Street Trail. John Ihlenfeld commented the North Straight River Trail Project was first suggested by his elderly mother and thankful they were able to make this a reality with help from the Lange and Michaletz families. Mayor Kuntz expressed gratitude for completion of this trail which connects the City from one end to another.

Mr. Schugel then presented the second MPRA Award of Excellence for the Sid Kenyon Repurposing Project. The MPRA Awards Committee was impressed by this project as it secured an unused under-utilized space and transformed it into a unique location. Mary Jo (MJ) Knudson, Recreation Supervisor accepted the award on behalf of the Parks & Rec Department with huge thanks expressed to former Parks Director Corky Ebeling. Corky supported her suggestion for this project and allowed her to pursue grant funds. MJ also thanked Jesse Wilker, Parks Manager and Park Staff members who were tasked to provide matching contributions by removing the former fencing and concrete slab at this site. Equipment for the games is currently available at the Park & Rec Office; plans for secured lockboxes on site are in process. Council Schultz commented these two projects are great amenities for the community. Mayor Kuntz commented he frequently hears compliments about the great trails located in Owatonna.

Council President Schultz explained 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 – May 7, 2019.
- Minutes – Park & Rec Board Meeting – May 13, 2019.
- Minutes - Human Rights Commission Meeting – April 9, 2019.
- Building Inspection Reports – April 2019.
- Event Permit – OHS Student Council Dance – May 31, 2019.
- Event Permit – 2019 Steele County Safety Camp – June 13 & 14, 2019.
- Event Permit – OHS Homecoming Parade – October 4, 2019.
- Event Permit – OSCAR Emergency Prepared – June 22, 2019.
- Retail Fireworks Permit – Target 1068.
- Renew Ice Cream Vendor License – Sunny's Ice Cream.

Council Member Voss made a motion to approve these Consent 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 total \$350,465.81. Council Member Okerberg made a motion to approve payment of these bills; Council Member Svenby seconded the motion. All members voted aye for approval.

Community Development Director Klecker presented the second reading of Proposed Ordinance 19-2, Application No. Z-338 received from Steele County and the City of Owatonna to rezone the Steele County Fairground. Council approved the first reading of this proposed ordinance during the May 7<sup>th</sup> Meeting and there have been no changes since. The Planning Commission recommends this property, currently zoned as R-1, Single Family Residential District be changed to B-2, Community Business District. Council Member Raney made a motion to approve this second/final reading of Proposed Ordinance 19-2, Council Member Dotson seconded the motion. Council Member Svenby stated he will abstain from vote as he is a Steele County Fair Board Member. With a roll call vote, voting aye were Council Members Dotson, Burbank, Raney, Voss, Okerberg and Schultz, the motion was approved. This will be known as Ordinance 1950.

Community Development Director Klecker requested approval of a Publication Summary for Ordinance 1950. The ordinance includes nine Certificate of Surveys and a diagram of the fairground property which would be lengthy to publish. A printed copy of the full ordinance will be available in the City Administration Office and on the City's website. Council Member Raney made a motion to approve the Publication Summary, Council Member Dotson seconded the motion and all members voted aye for approval.

Interim Parks & Recreation Director Klecker requested approval of an agreement with the Owatonna Tennis Association (OTA) for administering the summer tennis lessons program as the City's Tennis Pro resigned during April. This agreement will allow the OTA to offer tennis lessons this summer. The process to fill the Tennis Pro position has started with hopes to have the position filled by this Fall. Council Member Voss made motion to approve this agreement with the OTA; Council Member Okerberg seconded the motion, all members voted aye in agreement.

City Administrator Busse requested approval of Resolution 40-19 to accept the bids and award the contract for the Kaplan's Woods Channel Restoration Project. Three bids were received, the lowest responsible bidder was Barth Construction, Inc. of Chatfield MN with bid of \$66,977.70. Staff reviewed the bids, followed up with this contractor to verify their scope of the project and recommend awarding this contract to Barth Construction, Inc. Council Member Raney made a motion to approve Resolution 40-19, Council Member Burbank seconded the motion; all members voted aye for approval.

Community Development Director Klecker requested approval of two resolutions required for application of Minnesota Housing Finance Agency Tax Credits for a workforce housing project. Resolution 41-19 states affordable housing is needed in the community and that an area has been identified for multi-family housing. LWO Properties, LLC is proposing to develop a 36-unit apartment building with 9 one-bedroom and 27 two-bedroom apartments along Cherry Street just east of the downtown area. The property is currently zoned B-2, Community Business District which includes a permitted use for multi-family housing. Council Member Okerberg made motion to approve Resolution 41-19, Council Member Raney seconded the motion; all members voted aye in approval. Resolution 42-19 accepts the assignment of the current purchase agreement between LWO Properties #116 and the current property owner to the City upon award of these tax credits. The City would purchase the property only if the tax credits are awarded for this project. Based on the size of this project, it is estimated the City's financial participation should be approximately \$450,000. This resolution allows the City to provide a clean, improved site with a value of \$450,000 to the developer for \$1. Council will be asked to establish a Tax Increment Financing District to reimburse the up-front costs over the life of the district. Council Member Svenby made a motion to approve Resolution 42-19, Council Member Okerberg seconded the motion and all members voted aye in approval.

City Administrator Busse requested approval of the application received for an On-Sale Liquor License with Sunday Sales from Sparteime Entertainment, LLC to do business as Wings Tavern & Grille at 1805 W Elm Avenue. They are in process of acquiring the business and anticipate closing on the sale on June 3, 2019; this liquor license will replace the current license at this location. Council Member Dotson made a motion to approve this license application, Council Member Voss seconded the motion; all members voted aye in approval.

City Administrator Busse requested affirmation of Council approval of the joint project with Steele County for construction of a roundabout at the intersection of 26<sup>th</sup> Street and North Cedar Avenue. Council approved Resolution 21-19 during the March 19, 2109 Meeting approving plans for this roundabout project; however, estimated cost have since increased, The City will be responsible for approximately 25% of the project costs; the original estimated City share was \$125,000 based on an estimated construction cost of \$406,000 and engineering costs of \$100,000. Current estimated cost for the City is \$200,000 based on an estimated construction cost of \$732,000 and engineering costs of \$100,000. Increased costs are projected for concrete material and expense to keep the intersection open during the construction period. Council Member Raney made a motion to affirm approval of this joint county project, Council Member Burbank seconded the motion; all members voted aye in approval.

During Staff Comments, Interim Parks Director Klecker explained the Park & Rec staff has been busy training and preparing to open the water park and Lake Kohlmier for the summer.

During Public Comment, Alicia Crawford, 825 Dawn Place asked Council consideration for additional cleaning of Lake Kohlmier; setting out additional garbage cans for public use around town; to pursue use and sale of electrical vehicles to reduce emission pollutants; and continued pursuit of affordable housing options within the City. Council Member Raney responded Lake Kohlmier is considered a clean lake, staff monitors water conditions for purification. Council confirmed they support use of electric vehicles; last year OPU, created two electrical charging stations in Public Lot 12 and the City restricted parking at these two spaces to only electrical vehicles. Cory Dominguez, 124 S Grove Avenue asked Council to consider addition of amenities for high school aged kids such as a roller rink or a bigger skate park to keep them busy and out of trouble. Council Member Raney explained the Lake Kohlmier beach area has been expanded and equipment (kayaks, canoes, paddle boards, paddle boats and hydro bikes) will be available for use this summer and the Sid Kenyon Park now offers concrete structures for bocce ball and corn hole games.

During Council Comments: Council Member Vos commented “Cruising the Main” was the main entertainment during his high school days. Mayor Kuntz commented he attended a MN Mayor Together Meeting in Edina this week; this organization is working to unify the out-state and metro areas. City Administrator Busse congratulated Iris Johnson at the local Red Cross who was recently named the United Way Volunteer of the Year; Iris was instrumental in operating the Emergency Shelter during the snowstorm which closed I35 during April. Council Member Schultz wished everyone a happy and safe Memorial Day and asked everyone to take a moment to remember the holiday is to remember those who gave their lives for our freedoms.

At 7:51 p.m., Council Member Raney made a motion to adjourn, Council Member Dotson seconded the motion and the meeting adjourned.

Dated: May 29, 2019

Respectfully submitted,  
Jeanette Clawson, Administrative Specialist