

Owatonna City Council Minutes

November 19, 2024

On Tuesday, November 19, 2024, at 7:00 p.m., Council President Schultz called the regular session of the Owatonna City Council to order in the Chambers of the Charles S. Crandall Center. Present were Council Members Svenby, Voss, Burbank, Boeke, Raney and Schultz; Mayor Kuntz, Public Works Director Murphy; Community Development Director Klecker; Police Captain Mundale; Assistant City Administrator Tuma, IT Technician Specialist Enz; City Attorney Walbran; City Administrator Busse; and Administrative Coordinator Clawson. Council Member Dotson was unable to attend this meeting.

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

Consent Agenda Items

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

- Minutes – Council Meeting – November 6, 2024
- Minutes – Canvass 2024 City Election – November 14, 2024
- Eda Meeting – August 21, 2024
- Airport Commission Meeting – September 19, 2024
- HRA Meeting – September 23, 2024
- Planning Commission Meeting – September 24, 2024
- Planning Commission Meeting – October 8, 2024
- Human rights Commission Meeting -October 8, 2024
- Building Inspection Monthly Report – October 2024
- Fire Monthly Dashboard and Activity Report – October 2024
- Weed/Nuisance Inspection Report – October 29, 2024
- Exempt Permit – Raffle – Ducks Unlimited Steele County - February 6, 2025
- Event Permit – Lighted Holiday Parade – December 6, 2024
- Facility Use Agreement – AARP

The AARP Driver Safety program is offered at the West Hills Social Commons. The city assists with advertising, registration, and providing a space to host the classes. The scheduled classes either occur during normal business hours, or AARP volunteer instructors are issued key cards to access the designated space after hours. This is an annual agreement, with a renewal start date of January 1, 2025, and an annual auto-renewal clause that was included to provide efficiencies in the

agreement renewal process. SeniorPlace Inc. receives \$4 for each registration, and the city receives \$1 for each registration.

Parks and Recreation Fees Manual update

The Parks & Recreation Fees Manual is reviewed and modified a minimum of two times each year, with adjustments made to meet the Cost Recovery Plan and keep in line with market rates. The Park Board has reviewed the proposed changes and do recommend approval. The current Fees Manual was approved during the June 18, 2024, City Council Meeting. Current updates provide adjustments to Brooktree Golf Course 2025 season pass, tournament, group outing and specials fees and changes to the Tennis and Pickleball Center Program and court use fees.

Clay Liner Testing – Northridge Pond American Engineering Testing

Services to evaluate applicability of City owned stockpile material for use as a clay pond liner. Pond liners are needed when soil structure below a pond consists of well-draining material and such is the case for the Northridge pond. One purpose of a wet pond is to provide water quality by allowing inflowing stormwater time to settle out particulates and sediment. If ponds do not maintain their wet pool volume, water quality treatment is ineffective.

The Proposal includes:

- Test Pit Observations and Sampling
- Standard Proctor
- Atterberg Plasticity Index
- Hydraulic Conductivity of Remolded Clay
- Project Management and Reporting
- Project Administrator

Services will be performed on a will-call basis when requested by the project personnel. Costs are not to exceed \$3,779.50 without prior authorization.

Geotechnical Services Agreement Amendment 2 – Vine Street Parking Lot – American Engineering Testing

Additional testing services were required for the Vine Street Parking Lot. The scope of services included sieve analysis of coarse and fine aggregate, concrete test cylinders and project management fees. The cost of the additional services is \$1,896.00 for a total agreement amount of \$9,696.75.

2024-2025 Sidewalk Snow Removal Agreement – From the Ground Up

City Ordinance 94.005 requires property owners remove snow and ice from sidewalks surrounding their property. Any accumulated snow and ice must be removed from all the city sidewalks within 24 hours from the time the snow ceases to accumulate on the sidewalk. Property owners who do not follow this ordinance will receive a written notice requiring that they remove the snow within the next 24 hours. If snow is not removed within the posted 24-hour notice, the City Engineer may have the snow removed. All related costs and an administrative

citation will be billed to the property owner. To ensure fair and consistent pricing is maintained throughout the season, a Request for Proposals was posted on ProcureNow from September 30, 2024, to October 30, 2024. One proposal was submitted by From the Ground Up, LLC of Owatonna. From the Ground Up, LLC's submitted proposal satisfies the criteria outlined in the Request for Proposals. Costs incurred are billed to the property owners. Unpaid invoices are subject to collection through the assessment process.

2025 City/Township Annexation Agreement – Owatonna Township

An agreement to allow property to be annexed into the city in an orderly fashion based on certain criteria being met in the agreement. The city and Owatonna Township have had Annexation Agreements since the late 1980's to assist the city in accommodating growth. The existing annexation agreement will expire on December 31, 2024, both sides are comfortable with the current agreement; there are no changes proposed to the annexation agreement.

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

Finance Report

Council Vice President Raney recapped payments made for amounts greater than \$20,000 during this period:

\$ 81,250.92	Century Fence Co - Regional airport security fencing & gates
32,927.58	Nero Engineering - WWTF upgrade & expansion project - October 2024
896,038.71	Rice Lake Construction Group - WWTP expansion - pay est #29
375,611.95	Wencl Construction - 23005 Vine Street lot - pay est #2
25,190.70	WHKS & Co - staff augmentation - October 2024
<u>180,856.73</u>	<u>Other Expenditures</u>
\$1,691,876.59	Total Expenditures Presented for Approval

Council Member Voss made a motion to approve payment of all bills presented, Council Member Voss Boeke seconded the motion, all members voted aye for approval.

Second/Final Reading Ordinance 24-5: Update Chapter 52, Storm Water Utility

Public Works Director Murphy presented the final reading of proposed updates to Chapter 52 of the City of Owatonna Code of Ordinances related to the City of Owatonna The Stormwater Utility Fee takes three factors into account the equivalent residential unit (ERU), the intensity factor, and the current rate. The ERU is determined by dividing the parcel acreage by 0.33. The intensity factor is determined for each classification using runoff values including average rainfall totals, impervious surface percentages, and land use. The current rate is set annually by the adopted fee schedule.

The current residential rate is \$4.66 per month. The proposed 5-year ERU increases are as follows:

2025 \$5.14
2026 \$5.68
2027 \$6.27
2028 \$6.92
2029 \$7.64

The council approved the first reading of this proposed ordinance during their November 6, 2024, meeting and there have been no changes since. Council Member Raney made a motion to approve the proposed ordinance and Summary Publication, Council Member Voss seconded the motion. With a roll call vote, voting aye were Council Members Burbank, Boeke, Raney, Svenby, Voss and Schultz, No Nays, the motion carried. This will be known as Ordinance 1664 to become effective January 1, 2025

Second/Final Reading Ordinance 24-6: Amend Section 94.079, Underground Facility Maintenance and Repair

Public Works Director Murphy requested approval of Proposed Ordinance 24-6 regarding underground facility maintenance and repair. The council approved the first reading of this proposed ordinance during their meeting on November 6, 2024; there have been no changes since. The city will take ownership of repair and replacement within right of way. Property owners will be responsible for repair costs for sump repairs on private property. Council Member Boeke made a motion for approval, Council Member Burbank seconded the motion. With a roll call vote, voting aye were Council Members Burbank, Boeke, Raney, Svenby, Voss and Schultz, No Nays, the motion carried. This will be known as Ordinance 1665 to become effective upon publication.

First Reading Ordinance 24-7: Chapter 122, Cannabis Regulation

City Attorney Walbran presented Proposed Ordinance 24-7 regarding cannabis regulation. City officials and staff have studied the State Statute, reviewed the Model Ordinance issued by the Minnesota Office of Cannabis Management (OCM) and received additional guidance from the OCM. City officials and staff also meet with Steele County officials and staff to discuss proposed ordinances for both the County and City. Along with the statute, the State also issues Administrative Rules. The first draft was issued on July 31, 2024. The final Rules have not been issued yet and are not in effect until formally published.

State Statute includes a number of mandated provisions. No city is permitted to prohibit a cannabis retail business. The city must allow one cannabis retail business for each 12,500 residents. There is a minimum "buffer distances" between a cannabis business and certain other land uses. No cannabis business may be within 1,000 feet of

any school nor within 500 feet of a daycare facility, residential treatment facility or public parks and trails, (including the Fairgrounds), playgrounds and athletic field, regularly used by minors.

The ordinance provides that a cannabis retail business must be located within a B1 community business district or B3 central business district. Cannabis and hemp cultivation, manufacturing or wholesale operations are limited to light industrial or heavy industrial zones. The ordinance also regulates "temporary cannabis events" which seem to be a "trade fare" for cannabis products. Temporary cannabis events are allowed under the statute but subject to regulations under both the statute and the ordinance. For example, the "temporary event organizer", (promoter), must hire licensed security personnel for the event, prohibit entrance by persons under age 21, dispose of "cannabis waste" as required by the OCM. Persons attending the event may only consume cannabis if permitted by the city.

The ordinance requires liability insurance with minimum limits of \$1 Million. Retail sales of taxable cannabis products are subject to the state and local sales and use tax and a 10% gross receipts tax. Cannabis gross receipts tax proceeds are allocated as follows:

20% to the local government cannabis aid account

80% to the state general fund.

Local taxes imposed solely on sale of cannabis products are prohibited.

Council Member Raney made a motion to approve the first reading of Proposed Ordinance 24-7, Council Member Svenby seconded the motion. With a roll call vote, voting aye were Council Members Burbank, Boeke, Raney, Svenby, Voss and Schultz, No Nays, the motion carried. The second/final reading of this proposed ordinance will be held at the next City Council Meeting on December 3, 2024.

Resolution 119-24: Accept Bids and Award Contract – Airport Dome Hangar #10 Roof Replacement Project

Community Development Director Klecker requested approval of Resolution 119-24 accept bids and award the contract for the airport Dome Hangar #10 Roof Replacement Project. Bids were received and opened on October 31, 2024, for this project. Bids were received from one (1) company, Equity Builders and Construction Services. The project will fully replace the existing roof on the approximately 8,800 square foot hangar with new materials including new adhered membrane, sub-roofing panels/barrier, insulation, and other minor repairs as needed. Bids were received and opened on October 31, 2024, for this project. Bids were received from one (1) company, Equity Builders and Construction Services.

Alternate #1 bid item included extension of the roof warranty from 20-years to 30-years and provide coverage for up to 2-inch diameter hail. The engineer, SEH (Short, Elliot, and Hendrickson) recommends acceptance of the base bid, allowance and Alternate #1.

The total construction project cost is as follows:

Construction:	\$224,631.00 (low bid: Base Bid, Allowance, & Alt #1)
Engineering:	37,800.00
Administration:	<u>1,000.00</u>
Total:	\$263,431.00

Klecker confirmed the bid was less than anticipated and Project Consultant, SHE has reviewed the plans and do recommend approval. The contract does include language to extend the project if unfavorable weather occurs, but plans are to complete this project within the next few weeks. Council Member Boeke made a motion to approve Resolution 119-24, Council Member Svenby seconded the motion, all members present voted aye for approval.

Resolution 120-24: Accept MnDOT Grant Amendment - Airport Hanger #10 Dome Roof Replacement

Community Development Director Klecker requested approval of Resolution 120-24 to authorize the MnDOT Aeronautics grant for the state funding participation covering the construction costs for the Hangar #10 Dome Roof Replacement Project.

Funding Participation

- The local share, 30% of this project, is anticipated to be \$79,029.30.
- The total anticipated MnDOT funding, 70% for eligible items, is anticipated to be \$184,401.70.

Council Member Svenby made a motion for approval, Council Member Burbank seconded the motion, all members present voted aye for approval.

Agreement - Autumn Hills Place and Cedardale Drive Life Station Electrical Panels – Integrated Process Solutions Inc.

Public Works Director Murphy requested approval of an agreement with Integrated Process Solutions, Inc (IPS) to provide professional services for the Autumn Hills Place and Cedardale Drive Lift Station Control Panels. Control panel replacement and electrical system updates are needed to implement SCADA systems throughout the collections system and WWTF. SCADA integration will allow for more efficient management of the collections system. Last May, a detailed proposal evaluation was done with four vendors for the control panel replacements at the 26th Street Lift Station. IPS had the lowest cost and highest score in the previous proposal. Proceeding with IPS for the additional control panel replacements will allow for consistency between lift station control panels. IPS submitted a proposal to manufacture the lift station panels. The vendor held the price firm with no cost increase to the competitive proposal from May of this year for the 26th St Lift Station panel as it is identical to the Autumn Hills lift station panel. In addition to Autumn Hills we also received a quote for Cedardale Lift

Station which is a lower cost as it is a smaller panel and believe it to be priced accordingly. Cost for the Autumn Hills Place List Station is \$74,944 and the Cedardale Drive is \$51,944 for a total cost of \$126,888 (excluding taxes). Council Member Voss made a motion for approval, Council Member Boeke seconded the motion, all members present voted aye in approval.

STAFF COMMENTS

Assistant City Administrator Tuma commented that this summer, Park and Rec had the opportunity to kick off a new program, "Rec on the Go", thanks to the support of Gopher Sport. Their generous donation of a trailer and equipment enabled us to offer programs in various parks around the community making meaningful connections with the community in a fun and engaging ways. We organized a soft launch this year with a focus on understanding the need to better scale it for 2025. We learned the importance of providing activities that cater to a variety of age groups and abilities in order to engage families effectively, specifically developing activities for preschool-age children is an important consideration that significantly contributes to the success of this program and could be combined with other community programs in the future like movies in the park, gem days, etc. 2004 Rec on the Go activities included:

- July 20 from 5-8 pm @ Central Park: 70 people attended
- August 10 from 5-7 pm @ Jaycee Park: 25 people attended
- August 23 from 5-7 pm @ Brown Park: 10 people attended
- October 17: Police Department's Coptober event - about 170 kids attended
- October 27: 11-1 pm @ Central Park - Downtown Trick or Treat event - about 500 kids attended

In 2025, marketing efforts will be enhanced through various channels, including activity guides, radio advertisements, Facebook, Instagram, newspapers, and door flyers. We plan to offer eight scheduled "Rec on the Go" dates, exploring different parks and open spaces throughout Owatonna and anticipate collaborating with other city departments.

Community Development Director Klecker commented that the YTD Building Permit Valuation is nearing the annual goal of \$100 million, the value at the end of October is \$89 million. Community Development and Engineering staff will be participating in a LEAN Event for project grading to make this a smoother process for contractors. Staff is beginning to plan projects for next year, the city owns property on Partridge Avenue and hoping to get a housing development on this property next year.

Public Works Director Murphy commented that most projects are trying to wrap up prior to snowfall. This week at the Wastewater Treatment Facility, the roof was added to the secondary digester building. The Vine Street Parking Lot Project received the base asphalt course, the wear course will be added in the spring when irrigation, landscaping and permanent lighting are completed. There was a fabrication error for the lighting pole

arms, so there are temporary fixtures until the permanent arm fixtures are installed by OPU.

Police Chief Mundale commented the Odd/Even Parking Ordinance Restriction began last Friday, November 15th and will be in place until March 31st. Several staffing updates: two officers are in field training, we are three officers short, several promising applications received so will be doing interviews and hoping to be fully staffed by next spring; we have an internal opportunity for promotion to rank of Captain. Our Records Department has been shared with Steele County but they are moving to their new facility later this year; Pamela Roberts has been promoted to Records Supervisor and we are in process of hiring two Record Specialists.

PUBLIC COMMENTS

Emery Vick, OHS Student Council commented this has been Husky's Give Week. This is an opportunity for students to give back to the community. Each day, they have fun events planned:

Monday: pep fest to raise donations for United Way of Steele County, Dash for Cash.

Tuesday: a food drive for boxes of cereal for Community Pathways of Steele County.

Wednesday: students participate in a variety of service projects, including raking leaves for senior citizens, making blankets for hospitalized infants and decorating cards for people in nursing homes and hospitals.

Thursday: Toys for Tots Drive

Friday: Clothing drive to stock the OHS Husky Pantry with coats and socks for students when needed.

All week, teachers will be giving Kindness Tickets to students they see doing an act of kindness. The tickets will be entered into a raffle for prizes.

Tyrel Allistar Hunter, 2595 Mossy Creek Drive, commented that the 61-page federal document in the East-Side Corridor Project was not prepared by the federal government but by WSB. Page 1 establishes the responsibility for this project, the East-Side Corridor Study lead by Steele County in cooperation with the City of Owatonna, directly ties the city to the project with power to be sure it is done right. There are several misleading inconsistent alternative markings.

Melissa Zimmerman, 2525 Stony Creek Drive commented that Appendix C of this report shows incorrect information about travel times. Alternative 4 has the same conclusion as Alternative 3, the further out routes are safer. Decisions should be guided by safety and fiscal responsibility and not misleading information; accurate information should be required. Tonight, the proposed ordinance for cannabis regulation restrictions operation of an establishment within 1,000 feet of a school or 500 feet of a daycare but the plans for the East-Side Corridor include building a highway 17 feet from our homes and on school property; priorities need to be reconsidered.

Gary Jones, 995 Ridge Road, commented there is some ambiguity regarding the distance required between deer stands and main trail or residences. The DNR suggests 150' from inhabited structures or 100' from a main trail but we have trails directly under deer stands in some of our parks and there are some buildings very close to some hunting areas. Last week, my wife and daughter were stopped when walking on Kaplan Woods Trail by a bicyclist who suggested they wear orange vests when walking, they counted 64 people on the trail while hunters were in the woods. We need to establish a consistent rule that structures and trails should be 300' from deer stands, which would eliminate use of some parks from the city's Deer Management Plan.

COUNCIL COMMENTS:

Mayor Kuntz wished everyone a Happy Thanksgiving.

Council President Schultz also wished everyone a Happy Thanksgiving and added that prior to tonight's Study Session, there was a ribbon cutting event for the Merrill Hall Renovation Project. Quite a few people attended and heard some history about Merrill Hall. Many are glad this project is over; Wee Pals and Little Theater are happy to be back in operation within the building

At 7:45 p.m., Council Member Svenby made a motion to adjourn, Council Member Voss seconded the motion, and the meeting ended.

Respectfully submitted,

Jeanette Clawson, Administrative Coordinator