

- 4:30 p.m. - Ground breaking event for the Council Chamber Renovation Project at City Hall.
- 5:30 p.m. - Police Officer Swearing-in Ceremony in the Adult Reading Room
at the Library, 105 N Elm Avenue.
- 6:00 p.m. - Study Session in the Gainey Room at the Library to meet with Scott Kozelka, Manager
of the Steele County Free Fair and then discuss a "No Mow May Program". If time
permits, there will be a general discussion/update on various boards and commissions.



OWATONNA CITY COUNCIL MEETING
Tuesday, April 4, 2023 at 7:00 PM
Gainey Room at the Library, 105 N Elm Avenue
Roll Call: Council Members Dotson, Burbank, Boeke,
Raney, Svenby, Voss & Schultz

1. INTRODUCTORY ACTIONS: Call to Order; Roll Call and Pledge of Allegiance

- 1.1. Council Agenda
- 1.2. Mayor Kuntz
 - 1.2.1. Proclamation - Child Abuse Prevention Month

2. CONSENT AGENDA ITEMS

- 2.1. Minutes – Council Meeting – March 21, 2023
- 2.2. Minutes - Board/Commission Meetings
 - 2.2.1. HRA Meeting - January 27, 2023
 - 2.2.2. Owatonna Public Utility Commission Meeting - January 31, 2023
 - 2.2.3. Planning Commission - March 14, 2023
 - 2.2.4. Owatonna Public Library Meeting - March 17, 2023
- 2.3. Department Reports:
 - 2.3.1. Fire - Monthly Dashboard and Activity Report - February 2023
- 2.4. Licenses/Permits
 - 2.4.1. Temporary Liquor License - Smoke 'n Steele BBQ - June 1-3, 2023 - Knights of Columbus
 - 2.4.2. Retail Fireworks License - Cash Wise
 - 2.4.3. Renew Annual Tree Trimmer Permits
- 2.5. Event Permits
 - 2.5.1. National Day of Prayer - May 4, 2023
 - 2.5.2. Corky's Earlybird Softball Tournament - May 5-7, 2023
 - 2.5.2.1. Exception to City's Noise Ordinance
 - 2.5.2.2. Request to Extend Curfew
 - 2.5.3. Foremost Brewery Outdoor Patio - May 7-October 29, 2023
and & 5k Fun Run on May 14, 2023
 - 2.5.4. 2023 Safety Camp - June 8-9, 2023

2.5.5. OHS National Honor Society Color Run - May 13, 2023

2.5.6. Memorial Day Parade - May 29, 2023

2.5.7. MSB Food Truck Rally - June 24, 2023

2.5.8. Fun Run - OCC Young Professionals Association - June 24, 2023

2.5.9. Larson/Gresham Wedding in Mineral Springs Park - July 1, 2023

2.5.10. Walk to End Alzheimer's - September 23, 2023

2.6. Miscellaneous

2.6.1. Statement of Work and Masters Service Agreement - 2022 Audit - CliftonLarsonAllen LLP

2.6.2. Farmland Lease Agreements - Crop Years 2023 and 2024

2.6.3. Wee Pals - Merrill Hall Lease Agreement

2.6.4. Advanced Audio & Visual Agreement - Council Chambers Project

2.6.5. Change Date of Council Meeting to Monday, June 19, 2023

3. ACTION ITEMS

3.1. Finance Report

3.2. Ordinances

3.2.1. Ordinance 23-06 Vacate Portion of Drainage and Utility Easements - 2807 Timber Ridge Drive NE - Second/Final Reading

3.3. Miscellaneous

4. STAFF REPORTS

5. PUBLIC COMMENTS: (Please limit comments - 2 minutes and items not on the agenda.)

6. COUNCIL COMMENT AND GENERAL INFORMATION

7. ADJOURN



Mayor Kuntz



Mayor's Proclamation

WHEREAS last year, 3.9 million reports were made to child protective services; and

WHEREAS, child abuse and neglect is a serious problem affecting every segment of our community, and finding solutions requires input and action from everyone; and

WHEREAS, our children are our most valuable resources and will shape the future of the City of Owatonna; and

WHEREAS, child abuse can have long-term psychological, emotional, and physical effects that have lasting consequences for victims of abuse; and

WHEREAS, protective factors are conditions that reduce or eliminate risk and promote the social, emotional, and developmental well-being of children; and

WHEREAS, effective child abuse prevention activities succeed because of the partnerships created between child welfare professionals, education, health, community- and faith-based organizations, businesses, law enforcement agencies, and families; and

WHEREAS, communities must make every effort to promote programs and activities that create strong and thriving children and families; and

WHEREAS, we acknowledge that we must work together as a community to increase awareness about child abuse and contribute to promote the social and emotional well-being of children and families in a safe, stable, and nurturing environment; and

WHEREAS, prevention remains the best defense for our children and families.

NOW THEREFORE I, Thomas A Kuntz, Mayor of the Great City of Owatonna, hereby proclaim the Month of April 2023 as

CHILD ABUSE PREVENTION MONTH

and ask all citizens to recognize this month by dedicating ourselves to the task of improving the quality of life for all children and families

Dated this 4th day of April, 2022.

By: _____
Thomas A. Kuntz, Mayor

Owatonna City Council Minutes – DRAFT COPY
March 21, 2023

Council President Schultz called the regular session of the Owatonna City Council to order on Tuesday, March 21, 2023, at 7:00 p.m. in Council Chambers at City Hall. Present were Council Members Raney, Svenby, Voss, Burbank, Boeke, Dotson and Schultz; Mayor Kuntz; Public Works Director Murphy; Community Development Director Klecker; Greg Kruschke, Community Development Manager; Human Resources Director Thamert; Parks, Recreation & Facilities Director Tuma; City Attorney Walbran; City Administrator Busse, and Administrative Specialist Clawson.

Council Agenda

Following the Pledge of Allegiance, Council President Schultz welcomed everyone to the meeting and congratulated Sean Murphy on his new position as the City's Public Works Director. Council Member Svenby made a motion to approve the agenda as presented, Council Member Boeke seconded the motion, all members present voted aye for approval.

Council President Schultz explained the process for the public hearing planned, after public comments, the council will have chance to discuss and then consider a resolution.

Public Hearing – Street Reconstruction Plan with Intent to Issue Bonds

City Administrator Busse advised annually, the City prepares a five-year capital improvement plan. Included as part of this plan are streets which the City intends to reconstruct. There are various financing options available to the City. The City is adopting a five-year street reconstruction plan with the plan to issue street reconstruction bonds under Minnesota Statutes Section 475.58, subdivision 3b. The projects are listed in the street reconstruction plan by year and more detail by project is included in the 2023-2027 Five Year CIP. The maximum planned has been set at \$3,400,000. The actual debt issued will more than likely be less, but until bids are received a final number is not known. There will be a debt service levy related to the bonds that will be issued to finance the projects included in the street reconstruction plan.

At 7:05 pm, Council President Schultz opened the public hearing for comments. With no comments heard, at 7:06 pm, Council Member Raney made a motion to close the public hearing, Council Member Burbank seconded the motion, all members voted aye in approval.

Resolution 24-23 Street Reconstruction Plan & Intent to Issue Street Reconstruction Bonds

Council Member Boeke made a motion to approve Resolution 24-23 approving the Street Reconstruction Plan and giving preliminary approval to the issuance of Street Reconstruction Bonds. Council Member Voss seconded the motion, all members 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 – March 7, 2023

Minutes - Park Board Meeting - February 13, 2023

Letter of Resignation - Library Board Member - Christy Tryhus

Monthly Activity Reports - Police Department - February 2023

Temporary Liquor Permit - Knights of Columbus at Corky's Earlybird Softball Tournament
on May 5-7, 2023

Conduct Excluded Bingo - April 14, 2023 - Early Edition Rotary

Retail Fireworks License - Walmart

Retail Fireworks License - Walmart Tent

Ice Cream Vendor License - Kona Ice

2023 Farm Land Agreements: \$247.00 /acre

Bob Cole, Dan Morgan, Paul Maas, Duane Schroeder and Andy Michaletz

T-Hangar Lease Agreement - Charles Cain, Faribault MN

Amendment to MnDOT Grant Agreement - One-Ton Utility Vehicle. This vehicle was ordered in 2021 was just delivered and costs for accessories (plow, sander and box) have increased.

This Agreement Amendment is for an additional \$11,623 of funding representing 70% of additional costs. This is the same percentage share as provided for in the original grant agreement.

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

Finance Report

Council Member Raney recapped payments made for amounts greater than \$20,000 during this period. The total amount of bills presented was \$341,931.96. Council Member Dotson made a motion to approve payment of all bills, Council Member Boeke seconded the motion, all members voted aye for approval.

Proposed Ordinance 23-05: Amend Septage Rates - Section 35 Appendix A – Fee Schedule

Public Works Director Murphy presented the second/final reading of Proposed Ordinance 23-05 to amend septage rates. The Council approved the first reading during the March 7th Council meeting and there have been no changes since. The recommended rate adjustment would increase the fee from \$50 per load to a rate of \$100 per 1,000 gallons. Council Member Voss made a motion to approve Proposed Ordinance 23-05, Council Member Burbank seconded the motion. With a roll call vote, voting aye were Council Members Voss, Dotson, Burbank, Boeke, Raney, Svenby and Schultz, there were no nay votes, the motion carried. This will be known as Ordinance 1644, will be effective upon publication.

Proposed Ordinance 23-06: Proposed Ordinance 23-06 Vacate Portion of Drainage and Utility Easements - 2807 Timber Ridge Dr NE

Community Development Manager Kruschke requested approval of the first reading of Proposed Ordinance 23-06 to approve VACA-23-1. This is a petition received from Christina Wetmore, 2807 Timber Ridge Dr NE to vacate a portion of a drainage and utility easement to allow construction of a new home. She wishes to combine two lot and would like to build over the current lot line. The Planning Commission held a public hearing on this request, prior to their meeting the applicant submitted the design plans for the Emergency Overflow area that needs to be graded in this area. Sean Murphy, City Engineer provided a memo responding to the proposed plans with these requests:

- 1) Provide spot elevations at the existing low point in the street, flowline at the catch basin and top back of curb along Timber Ridge Dr NE at the downstream end of the drainage way.
- 2) Verify the emergency overflow swale can accommodate potential future sidewalk.
- 3) A grading permit will be required to perform the modifications to the overflow swale.
- 4) Obtain necessary permission to enter and grade on private parcels.
- 5) Vacation of existing easement is conditioned on publicly dedicating the easement as shown on plan.
- 6) Obstructions or future modifications to the overflow swale is explicitly prohibited. Easement language shall address this requirement.

The Planning Commission recommends approval with these conditions:

- 1) An easement shall be dedicated over the proposed drainageway prior to the permit being issued for construction of the home.
- 2) The drainageway shall be fully constructed prior to a Certificate of Occupancy being issued on the house.
- 3) All conditions in the City Engineer's letter dated March 14, 2023 be met.

Several neighboring property owners were present, and Council President Schultz asked for comments.

Dennis Wille, 2887 Timber Ridge Drive NE commented he attended the Planning Commission Meeting and wanted to know where water would go past the new house and suggested using the natural flow of the land. Murphy showed the proposed swale and a temporary outlet just south of the new home. The drainage will be most efficient when the street (Deer Trail Lane) is completed in this development which may not happen for several years. Council Member Raney expressed concern if a major rain would flood the area, would the City be liable for damages and also if the new home would pass inspection and able to obtain a Certificate of Occupancy.

Ron McMann, member of the REO Group, developer of this subdivision commented their company as agreed to grade in the swale. Approved building plans show the road which includes grading so their company is assuming they have been granted a grading permit. They currently own 24 vacant lots in the development, and they don't plan to cut in the road until more of these properties are sold. Kruschke and Murphy showed projected water flow, Council Member Boeke commented Council's concern isn't where the water is going, but wanting to get it right the first time and not cause future problems and also don't want to discourage future homes being built in this area. Council President Schultz commented construction equipment is on sight to do rough grading as the home is being built. City Attorney Walbran commented that if there was major rainfall during the construction period, there would be many parties involved and it wouldn't be fault of the city, could be considered negligent but not liable.

Council Member Dotson made a motion to approve the first reading of this ordinance as prepared with the conditions recommended by the Planning Commission. Council Member Svenby seconded the motion. With a roll call vote, voting aye were Council Members Voss, Dotson, Burbank, Raney, Svenby and Schultz; Council Member Boeke voted nay, the motion carried. The second/final reading of Proposed Ordinance 23-06 will be heard at the next Council Meeting.

Resolution 25-23 Interfund Loan – Tax Increment Finance District 19-1

Community Development Director requested approval of Resolution 25-23 approving the terms of up to \$500,000 interfund loan in connection with Tax Increment Finance (TIF) District 19-1. Redline Development is proposing to redevelop property along the Straight River north of West Vine Street and west of North Oak Avenue. The proposed project includes the expansion of Mineral Springs Brewery, 20,000 square feet of commercial space, a new bank building and 69 luxury apartments. Tax Increment Financing is being requested to assist with the costs of the project including reimbursing the City for property that is being contributed to the project. This would be a redevelopment TIF district which can last up to a maximum of 25 years. The total TIF amount is \$7,065,451 for this project with a present-day value of \$3,267,514. The City will be reimbursed \$500,000 through tax increment financing for property the City is contributing to this redevelopment project. Council Member Boeke made a motion for approval, Council Member Burbank seconded the motion all members voted aye for approval.

Resolution 26-23 Development Agreement – Bock 300 Owatonna LLC

Community Development Director Klecker requested approval of Resolution 26-23 to approve the Development Agreement with Block 300 Owatonna, LLC. The development agreement spells out the distribution of TIF funds and the responsibility of both the developer and the City. Language was included that if the full amount of the TIF is not collected, the developer would be responsible to pay

the balance amount. Council Member Boeke made a motion for approval, Council Member Voss seconded the motion, all members voted aye for approval.

Resolution 27-23 Behne Garage Conditional Use Permit

Community Development Manager Kruschke requested approval of Resolution 27-33 approving Conditional Use CUP-4. Ben Behne, 815 Creek View Lane NE is proposing to construct a 28' x 34', 952 square foot detached garage. The applicant has a 0.68-acre parcel previously replatted and combined into one lot. They currently have a 10' x 16' shed that will remain on the property. The new garage will be used for personal storage, and they plan to include a small office room., a sink and a toilet. The proposed garage will be sided and shingled to match the house. A concrete driveway will be constructed from the south property line and "L" into the garage. City Code requires all garages over 1,000 sq ft be located a minimum of 20' from the side property line and does not allow the garage to be used for commercial purposes.

The Planning Commission held a public hearing on this request and recommend approval with these conditions:

- 1) The accessory structures shall not be used for commercial purposes.
- 2) All grading, building, and utility permits shall be issued for the garage prior to commencing construction

Council Member Voss asked if there is a city ordinance limiting the amount of concrete surface. Kruschke commented that the City has setback restrictions but no surface limits. Council Member Dotson made a motion to approve Resolution 27-23 approving this Conditional Use Permit as recommended by the Planning Commission. Council Member Svenby seconded the motion, all members voted aye in approval.

Resolution 28-23 Premise Permit for Lawful Gambling Activity – Divine Mercy Catholic School

City Administrator requested approval of Resolution 28-23 approving an application for a Premises Permit from the Divine Mercy Catholic School, 15 SW 3rd Avenue, Faribault, MN. They wish to conduct lawful gambling (pull tabs) under a lease agreement with Midwest Restaurant Properties, LLC dba Timber Lodge Steakhouse at 4455 West Frontage Road in Owatonna. Council Member Raney made a motion to approve Resolution 28-23, Council Member Dotson seconded the motion and all members voted aye in approval. This permit is effective for the remainder of the current licensing period which ends June 30, 2023.

Resolution 29-23 2023-2024 Labor Agreement–International Association of Fire Fighters, Local Union No. 1920

Human Resources Director Thamert requested approval of Resolution 29-23 to approve the 2023-2024 labor agreement with the International Association of Fire Fighters, Local Union No. 1920. Staff have been in negotiations with the full-time Fire Fighters. A tentative agreement has been reached. Summary of the changes are:

- Wages - Approval of a 3.25% increase on the approved wage scale for 2023 effective on January 1, 2023. Approval of a 3.25% increase on the approved wage scale for 2024 effective on January 1, 2024. Employees that have remaining steps on the wage scale will receive a step effective January 1, 2023 and January 1, 2024.
- Insurance - Monthly employer contribution for 2023 increased by \$42 (single) and \$117 (family). Monthly employer contribution for 2024 increased by \$28 (single) and \$80 (family).
- Uniform Allowance - Uniform pay increase from \$400 to \$500
- Acting Commander Pay - temporary acting commander pay increase from \$2.00 to \$2.50 per hour.

Council Member Raney made a motion for approval, Council Member Voss seconded the motion, all members voted aye in approval.

Wage Adjustments – Paid-on-Call and Resident Firefighters

Human Resources Director Thamert requested approval to increase wages for the Paid-on Call and Resident Firefighters by 3.25% effective January 1, 2023 and January 1, 2024. Council Member Voss made a motion for approval, Council Member Boeke seconded the motion, all members voted aye in approval.

Professional Services Agreement Merrill Hall – ICS

Parks and Recreation and Facilities Director Tuma requested entering into an agreement with ICS for Professional Services for the Merrill Hall Improvement Project. Merrill Hall was part of the original Minnesota State School that closed in 1970. The City purchased the 74-acre campus in 1974 and renamed it to the West Hills Campus. Currently, Merrill Hall is used by the Little Theatre of Owatonna and Wee Pals Daycare. The building needs significant mechanical upgrades, energy conservation measures and other facilities improvements. ICS conducted a building assessment in 2019 and updated the findings in 2023. The recommendation is to use a two-phase approach to begin the renovations with phase one being the development of a project scope. Phase two will be the implementation of the improvements and at that time the City and ICS will enter into a Project Specific Agreement (PSA) utilizing an AIA contract defining the particular scope of work and other needs. The work may include the following project types: new construction, additions, remodeling, renovation, repairs, energy conservation measures, and other facilities improvements. There is no upfront fee for phase one unless the city terminates this agreement. In the case of termination by the city, ICS would receive payment for services executed, reimbursable expenses and a fixed fee of \$25,000. Phase two fees will be based on which procurement method is utilized and project scope. Fees will be calculated into the funding strategy. Council Member Boeke made a motion to approve this agreement, Council Member Burbank seconded the motion, all members voted aye in approval.

Stormwater Facility Maintenance Easement Agreement – Steele County Humane Society

Public Works Director Murphy presented a stormwater facility maintenance agreement with the Steele County Humane Society for their new facility located at 1855 State Avenue. The City requires onsite stormwater management must be maintained by the property owner to meet the requirements of the MS4 permit held by the City. Council Member Burbank made a motion to approve this agreement, Council Member Raney seconded the motion, all members voted aye in approval.

Compost Site Agreement - Ed's Backhoe Service

Public Works Director Murphy requested approval of a contract with Ed's Backhoe Service for operation of a compost site on City owned property on 32nd Ave SW. Since 2010, the City has contracted with Ed's Backhoe Service to operate a compost facility at this site. The City may deliver, without cost to the City, up to a total of 1,500 cubic yards per season, of acceptable materials generated by the City and delivered in City vehicles. All additional acceptable materials will be charged at \$6.00/cubic yard with a maximum of amount paid by City of \$4,500.00. The City shall also receive 150 cubic yards of compost material per season loaded in City vehicles. The contractor will also sell up to 100 cubic yards of hardwood mulch, loaded on City vehicles at \$5.00 per cubic yard below the retail price. This contract shall be from April 20, 2023 to and including December 31, 2023. Janet Springer, owner of Ed's Backhoe Service was notified the City plans to open this for bids next year to award a 3-year contract.

STAFF COMMENTS

Parks and Recreation and Facilities Director Tuma commented Morehouse Park Skate Rink was open 41 days this winter with an estimated 2,700 skaters attending. The update at River Springs Water Park has changed a lot of pipe work and the new filters are installed, they hope to have this project done by May 1st to allow staff to prepare for the summer season. The interior renovations at Brooktree will also be done next week. The P&R staff will have a booth at the Home

and Rec Show this weekend, she will be there from 9-2 and invited everyone to stop in to say hi.

Community Development Director Klecker commented his department will also have a booth at the Home Show this weekend. Building permits will be online beginning April 1st and the new Community Development Specialist has been hired to begin on April 3rd.

Human Resources Director Thamert commented that she and the staff have been busy hiring temporary employees for the summer. Last week, 14 employees completed a 6-month supervisor training offered by Riverland Community College with every department participating. The course provided good information and we hope to offer this course again. She has also been working with Chief Hoffman to add more paid-on-call fire fighters.

Public Works Director Murphy commented that the City was just awarded a grant from the state for design services for storm water management. The state awarded a total of \$400,000 of which the City of Owatonna received just under \$90,000.

PUBLIC COMMENTS

Rick Wittrock, 1014 Redwood Place commented he hopes ice skating continues to be offered at Morehouse Park. He prefers skating on the river and hopes snow can be cleared to allow skaters and cross-country skiing on the river.

Roger Wacek, 646 E Vine Street commented a February 25th Steele County Times, article, "Solar power on the rise in Owatonna" had a couple major inaccuracies. His Senior Thesis, as a St. John's University (SJU) physics major in 1973, was on "Solar Cells" and during the last 50 years have added thousands of pages of reading to my energy science knowledge. "Solar isn't a fit for everyone". Many don't have a site for solar, which is why I'm encouraging our local government units to help form 'solar gardens'/community solar. Minnesota was the first state to pass a Net Metering Billing law, decades ago. The Net Meter Billing law requires utility companies pay retail rates on power fed to the grid for customers with <40 kW renewable energy systems. Without researching the law, I believe utilities do not have to pay full retail rates for electricity going to the grid. So, the statement in the article "that using solar shifts some of the costs onto neighbors" means the utility company doesn't have their two-part electric billing structure correct. Renewables are a great investment for the individual but problematic for the reliability of the electric grid when utilities put up massive renewable energy 'power plants'. If you believe the lessons of history, Xcel energy's approval from Minnesota Public Utilities Commission (PUC) to build, for at least \$575 million, a massive solar power plant should be disapproved. Please write Governor Walz and our state legislators about the carbon free electricity mandate by 2040 and the lessons of recent history showing that renewables and storage will not replace Sherco 3 coal burning, but nuclear, the safest and cleanest non-intermittent, power could.

Brad Meier, President and CEO Owatonna Chamber of Commerce thanked Mayor Kuntz and City Administrator Busse for presenting the 2023 State of the City Presentation during the Chamber's Growth Breakfast. The City is a partner in the community wide branding project which is currently in the survey phase; they wanted to receive 500 survey responses and have received close to 1,500. They hope to reach a wide demographics, currently, they have asked surrounding communities to participate and then on to the next phase for design.

MAYOR AND COUNCIL COMMENT AND GENERAL INFORMATION

Council Member Voss congratulated Public Works Director Murphy on his new position.

Council Member Boeke commented it is nice to see the various development projects happening in town. Some items staff and Chamber of Commerce have worked on for quite some time and now seeing it come to fruition, so kudos (thank you) to everyone.

Council Member Raney commented that tonight's meeting will be the last meeting held in the

current Council Chambers. Meetings have been held here for many many years and there have been a lot of challenging decisions made in this room that had a great impact on the City's past, present and future. Hoping that will continue when we return to this room this fall.

Mayor Kuntz commented he is looking forward to Jerry's restaurant opening in June. Also, the application for various board and commission members is currently online. Applications are due on or before March 31st. There will be seats open on Airport Commission , Human Rights Commission, Library Board, Utility Commission, Shade Tree Commission, Fire Civil Service and Fire Board of Appeals and Park and Rec Board.

Council President Schultz commented the first council meeting held in the current chambers was held on May 27, 1977; he thanked Anne Peterson and Nancy Vaillancourt for researching previous Council Minutes. Nothing has really changed since 1977 so I am looking forward to this project. The renovation will add accessible restrooms and a conference room. During the construction period, our Council Meetings will be held in the Gainey Room at the Library. Prior to our next meeting, there will be a groundbreaking here beginning at 4:30 pm.

Adjournment

At 8:2 p.m., Council Member Raney made a motion to adjourn, Council Member Boeke seconded the motion and with no objection, the meeting ended.

Respectfully submitted,

Jeanette Clawson, Administrative Specialist



Board - Commission Minutes

MINUTES
OWATONNA HOUSING AND REDEVELOPMENT AUTHORITY
REGULAR MEETING on JANUARY 23, 2023

The regular meeting of the Owatonna Housing and Redevelopment Authority was called to order at 4:00 p.m. in the 2nd Floor Conference Room by Chairperson Olivo.

Members present were Nathan Dotson, Shari Kropp, Vicky Olivo, and Hussein Osman. Also present were Housing Manager Ghassan Madkour, and Community Development Director Troy Klecker.

Approval of the Minutes: Chairperson Olivo called for a motion to approve the minutes of the November 28, 2022, meeting. A motion was made by Dotson and seconded by Osman to approve the minutes. All Commissioners voting Aye, the motion carried.

Executive Directors Report: Klecker gave project updates. He said that single family numbers for last year were down a bit – 16 compared to 40 the year before. That's an area we really want to see improved and have been working with developers. We had a developer, Troy Schrom, that did develop some lots on Maple Leaf Drive last year. He is going to put up a spec home, which is encouraging. They have one developer looking at developing additional land out by the water park. That could be done as soon as this year, and they could build on those lots fairly soon. There is another developer looking at developing vacant land over by McKinley School and 20th Street NE. It's a little tougher to develop because it has some wetlands on it. There are probably 20 lots there. The first phase of the development by the water park would have a mixture of single family homes and townhomes. It's encouraging to have some developers looking at opening up some property. Those are all good signs. There are two apartment projects under construction. The one on 26th and Cedar is going kind of slow. The development behind Lowe's is progressing pretty well. The downtown Riverfront project, Ascend, will be four levels of higher end apartments. They're also looking at another tax credit project for Eastgate II and that could be as many as 49 units. They're working through the application process. It likely wouldn't start construction until 2024. In the last week, he's talked to two new developers. The interest level in doing housing has really picked up this winter and is looking very promising. The more we can get, the better—from executive housing to the tax credit projects. United Way of Steele County did a gap analysis to address gaps in the community, one of which is affordable housing. Klecker said that he's one of the chairs of the housing group. They had a landlord summit last Friday. Ghassan talked about the voucher programs and Karina Schmitz with United Prairie Services talked about some programs as well. We do have unused vouchers right now, and if we had more landlords willing to participate, we could get more of our units affordable. The second part was a listening session with the landlords to better understand the challenges and obstacles. There is a group working on the affordable housing piece. Olivo asked how attendance was. Klecker said there were probably 12 to 15 or so there.

Old Business: The Housing Choice Voucher program monthly report was presented by Madkour, including the City of Owatonna monthly balance sheet and revenue/expense report. Program utilization: The Housing Voucher program for December totaled 120. Total year to date assistance and administration costs were \$712,031.81 and revenues were \$636,917.74. The Housing Choice Voucher Program fund balance at December month end is \$174,117.55. Madkour provided City of Owatonna HRA monthly balance sheet and revenue/expense reports for the HRA General Fund including the Bridges Programs. The HRA Revenues year to date total is \$479,848.47 and the expenses total \$414,237.66 The HRA General Fund balance is \$494,712.19.

Madkour gave updates on the Housing Choice Voucher program. He said they're currently sitting at 84 of 113 vouchers that are active. There has been a lot of activity and a lot of applications coming off the waitlist. There are 24 people shopping for HCV vouchers, and of those, six are Mainstream. He said he sent out 28 applications and nine came back. We're now at 30 of our 40 vouchers for Mainstream and there are a bunch out there shopping. Bridges is currently at 30 for Bridges regular and 10 for Bridges like. Bridges came out with their new application and that's due mid-February for the new grant that starts

July 1 of this year. He said he's going to speak with Ellie at Minnesota Housing with regards to any money that's left over. He said they have CMAP (?) this year. He said he has to send in all our numbers to HUD as to where we stand and they look at the portions of what we're supposed to be doing. Are we doing our rent reasonableness? It's more of an accountability thing that they do. With our agency, it's every two years. He said we should get an excellent on this score. A lot of the scores depend on how accurate our paperwork is. There is a lot of movement right now. Social workers are very busy.

A motion was made by Kropp and seconded by Osman to approve the reports as presented. All Commissioners voting Aye, the motion carried.

Old Business: Madkour said that he put a chart together showing the activity of all applications. It shows the return to senders, no applications returned, additional paperwork not returned, applications received late, vouchers that expired, no shows to orientations, zero HAP for 180 days (which is a HUD rule), if they chose to leave the program, ports that were cancelled, ports that were absorbed from someone else, if they were terminated, or deceased (he had four on the program and two that were shopping that passed away last year). Just for HCV alone, the total was 120. Mainstream was 24, and Bridges was 43. So that's a total of 187 people of which there was some kind of action, if not multiple actions, that I had to take, and they disappeared. There's a ton of activity here. He said he already started the 2023 chart, and that's already at five. He also had a chart of port ins and port outs specific to the HCV and Mainstream. There are 84 for regular HCV and 30 for Mainstream. There is a ton of activity with people shopping. He's had to turn down some units because they didn't have minimum safety features. He showed one more chart showing anyone that was on the program in 2022, but came off for some reason or another. There has been a total of 35 that were on the program and came off for various reasons, listed on the chart. He said that someone who just started the Bridges program in January and got good jobs, both husband and wife, and they are over income. This is a good thing, but all that work and all that activity to get them on for a month, and then they're off. You just don't know. History says that one of those people will probably quit their job to keep the program, not because they're being selfish or taking advantage of the program, but because they're afraid of losing their job and what to be ready with the program. It's more of an insecurity. This is one reason people want to stay on. When they want to come off by choice, he gives them many warnings – when they come off, they're off. They can't come back on the next month. They can always reapply. He said he encourages them to put their name back on the waitlist, because that can't hurt. He said these charts help a lot as long as he's updating it.

New Business: Madkour wanted to adjust Repair Allowances for the Homeownership Program. This program is similar to HCV, but instead of renting, they own a house through the USDA program. They'll have a mortgage and will pay a portion and we'll pay a portion. So it's like renting, but going toward owning the house. One of the allowances on there is a repair cost. The agency can choose to set a percentage of that repair as an allowance, sort of like a utility allowance. He said he was talking with a couple agencies and they have a certain percentage. He'd like to discuss this and put it in the admin plan of what a number can be for that. He said he and Klecker were thinking somewhere around 5% of their total repair expense. Klecker said the reason we're bringing it up is that we have someone on the program that is requesting assistance. Dotson said if the budget allows for it, he's okay with it. Olivo said she had a concern. Unless you have guidelines to go by so it's equitable for everyone who would want this assistance. Klecker said that's what this would be, so that anyone in that situation would have that assistance. Dotson asked if there would be a capped dollar amount on it if there was a scenario where someone did a significant amount of repairs. He said we probably should have something in place to put a cap on it. Kropp said she likes having a cap. She asked if it could be for any type of repair that they have. Madkour said yes, but we could designate the kind of repairs. We could set guidelines. Kropp said that she was thinking along the lines of unpreventable repairs, verses someone that does no maintenance and doesn't take care of things. Madkour said things such as tornadoes and bigger things. Klecker said one of the more expensive ones would be a new roof. That's a pretty good chunk of change. Madkour said the only thing he knows about is a percentage, but he can get ahold of some other agencies to see what they do. Kropp said if he can come back with a proposal, she would appreciate looking at the parameters or guidelines. Madkour said he can do that.

Olivo said that she was curious about the tiny homes on 22nd Street NW. Klecker said that that at the last meeting, they gave permission to move forward. The first step would be replatting it. There are some issues with title and he has Mark Walbran working on that. There is a gap in the description of the lot, which he isn't surprised about. Once we have a saleable lot, we would do a request for proposal for an affordable housing project.

The next meeting will be Monday, February 27, 2023.

Adjournment: There being no further business, a motion to adjourn was made by Kropp, seconded by Dotson. All Commissioners voting Aye, the motion carried. The meeting adjourned at 4:45 p.m.

Respectfully Submitted,
Ghassan Madkour
Housing Manager

The Owatonna Public Utilities Commission met in rescheduled session in the Morehouse Conference Room at the Owatonna Public Utilities. Present were Commissioners Johnson, Zirngible, Kottke, Rossi and Doyal. Also present were General Manager Warehime; City Administrator Busse; Director, Finance & Administration Olson; Director, Engineering & Field Operations Fenstermacher; Director, IT & Meter Services Baum; Manager, Facilities & Gas/Water Operations Prokopec; Manager, Electric Operations Deering; Manager, Human Resources Madson; Supervisor, Accounting Linders; Executive, Communications & Administration Coordinator Schmoll; OPU Employees Lori Jerpbak and Shanda Meier; and, customers Roger Wacek and Donn Robinson. Other guests included Lisa Cochran from the Owatonna Area Chamber of Commerce and Tourism.

President Johnson opened the meeting by asking for approval of the agenda and the consent agenda items. The consent agenda items consisted of Minutes of the December 27, 2022 meeting; the Contributed Services Report as of December 31, 2022; the approval recommendation of the Four Season's Building utilities; and the annual policy review of the Distributed Generation Rules. Commissioner Doyal moved to approve the agenda and the consent agenda. Commissioner Kottke seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Personnel Committee – Commissioner Rossi reported the Personnel Committee did not meet.

Finance Committee – Commissioner Kottke reported the Finance Committee met, reviewed, and approved vouchers totaling 11,398,689.37. He further reported 16 work orders were closed coming in approximately 10% under budget. Year to date, 40 work orders have been closed with 25 being carried over to 2023. Two work order additions were approved. Accounts receivables ended the best it has in 3 years and with AMI reporting, we will be better able to estimate and budget for unbilled revenue.

City Administrator's Report

City Administrator Busse updated the Commission on several items.

- 1) Council Members Dotson and Voss will attend the joint OPU/City Council meeting.
- 2) City of Owatonna's Culture: a culture assessment survey was conducted, and a purpose statement and core values were created. A first ever "all hands" meeting of their employees was held. The State of the City was presented including core values, purpose statements, and general information regarding the Mayor and City Council. 130 of the 160 employees were in attendance. Was well received by all in attendance.
- 3) The City attended a Coalition of Cities event at the State Capitol to discuss important topics such as LGA (local government assistance), Wastewater Treatment Plans and State Bonding.
- 4) The City of Owatonna is looking to partner with the City of Medford in their wastewater treatment. In partnering with Medford in wastewater, there could potentially be regionalized State funding available for the treatment plant Owatonna is building. The Commissioners asked Mrs. Busse several questions regarding sizing and how treatment would occur.

General Manager/Staff Report

General Manager Warehime reviewed the annual scorecard for 2022.

General Manager Warehime and Director, Engineering & Field Operations Fenstermacher provided an overview presentation of the Riverfront project, as well as what OPU would be covering versus what is covered in the project and would be the responsibility of the contractor. Clarification surrounding what is considered

part of the “beautification” project budget was also provided. It was noted, the beautification budget is strictly for burying underground lines in conjunction with City of Owatonna projects for aesthetic reasons.

Commission Roundtable

Commissioner Rossi asked for consideration of ways to encourage more energy efficiency without acquiring new assets. According to the speaker at our State of the Utility meeting, energy efficiency is the source of new energy.

Commissioner Doyal shared his experiences and take-aways while at the MMUA Legislative Rally at the State Capitol. The main concern is the outstate legislators are not in the controlling party, and it is feared our concerns are not being heard regarding carbon reduction.

Audience Comments

Customer, Roger Wacek discussed the unreliability of renewable energy and encouraged everyone to contact their legislators.

Lisa Cochran, Owatonna Area Chamber of Commerce and Tourism, addressed the Commission to say thank you for the work put into the lighting of Central Park for the Lighting of the Lights event and the Holiday Lighted parade.

Customer, Donn Robinson, expressed his concerns with the water quality in his home and asked for the Commission’s assistance in getting it resolved as he feels the suggestions and steps OPU has already taken are not adequate.

Adjournment

There being no further business to come before the Commission. The meeting adjourned at 4:46 p.m.

Respectfully submitted,

Tammy Schmoll
Executive, Communications and Administration Coordinator

OWATONNA PLANNING COMMISSION MINUTES FOR MARCH 14, 2023

The Owatonna Planning Commission met in regular session at 5:30 pm in the Council Chambers of the City Administration Building with Chairperson Kelly Rooks conducting the meeting. Present at roll call were Commissioners David Effertz, John Eickhoff, Kelly Rooks, and Mark Wilson. Mark Meier, Nick Peake, and Rachel Springer-Gasner were absent. Community Development Manager Greg Kruschke and Planning Technician Kristen Kopp were also present.

A motion was made by Effertz and seconded by Eickhoff to approve the minutes of the regular meeting of February 14, 2023. All Commissioners voting Aye, the motion carried.

Conditional Use CUP-4, which is a request by Ben Behne to construct a 28' x 34', 952 square foot detached garage in addition to a 160 square foot existing accessory structure for the property located at 1815 Creek View Lane NE, was presented by Community Development Manager Greg Kruschke. (Refer to report on file.) Public hearing opened at 5:33 p.m. No comments were made regarding this request. Public hearing closed at 5:34 p.m. Eickhoff asked what the enforcement looks like regarding commercial uses if the property changes owners. Kruschke said that the CUP will have a resolution that would contain those conditions. If City Council approves this request that resolution would be recorded against the property and carry on with the title going forward, thus putting any future property owners on notice. We have our Home Occupation Standards in the Zoning Ordinance if we need to go back for enforcement as well. This is not this applicant's intent, but he understands the question. A motion was made by Eickhoff and seconded by Wilson to recommend City Council approval of this conditional use permit request with the following conditions:

- 1) The accessory structures shall not be used for commercial purposes.
- 2) All grading, building, and utility permits shall be issued for the garage prior to commencing construction.

All Commissioners voting Aye, the motion carried.

VACA-23-1, which is request by Christina Wetmore to vacate a portion of a Drainage and Utility Easement at 2807 Timber Ridge Drive NW, was presented by Community Development Manager Greg Kruschke. (Refer to report on file.) Public hearing opened at 5:42 p.m. Dennis Wille, 2887 Timber Ridge Drive NE, said as he said he looks at some of the other lots, it seems like the elevations are in the center of those lots, verses following where that easement is plotted. It looks like water would have to go up hill in a few places on that easement. Kruschke said that was one of their concerns in vacating and moving it to the north because there is a high point that is to the north of this lot. There is going to be some excavation that has to happen to make this work, and that is part of this process. The developer needs to address that outside of the Wetmores' lot. All of this has been surveyed and they have shots through there on what will be required in order to construct this. That can't happen until the spring, but they're confident that it will be able to be regraded. Some of these side slopes will have to be redone—maybe two or three feet that needs to be excavated to form the swale. Joyce Mattison, 2887 Timber Ridge Drive NE, asked if it's up to the developer to regrade those other lots before construction can start. Kruschke said no, they will have to regrade this before the house is finished. Joyce Mattison asked if there is an agreement in place that they would do it. Kruschke said yes, they've met with the developer this last week and they are fully aware. Dennis Wille clarified that the high point has to be lowered two or three feet. Kruschke said that is an estimation. Dennis Wille said that is considerably higher than the low point of the lots in place to the north. Kruschke said that it will be fairly flat within that drainageway, but they will have to match those spot elevations. Dennis Wille said that changes his lot considerably because none of that has

been done to this point. He said he's concerned about what that will all look like, because right now there is a lake in front of where they want to build their house and a lake to the south and a lake across the road to the east. He said if the intent is to make that water flow naturally, there is a lot of elevation change that will need to happen. Kruschke said that is what the engineers are designing. Generally speaking, when a subdivision is put in the majority of these things should be graded into that subdivision as it occurs. This one has been sort of piecemealed together, but this is something that is needed to protect those lots once constructed and the drainage ways so they don't have to rely on structures in case they fill up. The drainage channel overflows once the structures are at capacity. Dennis Wille said his concern is what it's going to look like – it's really going to change the area in his opinion. A lot of dirt work will need to happen. Kruschke said that is something the developers will have to work with the property owners on out there to tie in some of the grades coming into that existing swale to get it in through those properties. Dennis Wille said that there's a high point on the vacant lot to the north. There's a high point between the existing lots to the east. It's lower close to the road. Kruschke said he understands what he's saying—there is a lot of dirt work that needs to be done. Dennis Wille said that would be a huge expense. Kruschke said that's on the developer to take care of it. Cia Grass, 2800 24th Avenue NE, said she and her husband Buzz live a little to the north and across the road from this parcel. She said they have a concerns. They have certainly had water issues since that development has taken place, but there is a county tile that they are aware of that goes directly through there. She would like to know how that will be a part of this development. Kruschke said that at this point they're not proposing any changes to the county tile. This is just constructing the emergency overflow, which is above ground drainage. Anything that's underground is not being addressed with this request. Cia Grass clarified that the county tile would not be impacted in any way. Kruschke said that is correct—not with this project. Dennis Wille said that he's heard rumors of county tile running through. He asked if there is any idea where that runs. Cia Grass had a map from the ACS office that identifies where it is. She said they have not had an opportunity to look at what they've gotten in the last few days and was hoping they'd have more time to look at and study how it may or may not affect the people who live nearby. Kruschke said that this group, the Planning Commission, holds public hearing on the request and all comments will go forward to the City Council meeting next week. All vacation requests require two readings at City Council. He said they can certainly reach out to City staff. This should have been done years ago. Karlene Just, 2820 Timber Ridge Drive NE, said that the drainage easement will be right in front of their house, and she said she doesn't know how water will go up to the pond. She said when her house was built, they went two feet lower than they needed to and ran into cattails. She said that the developer sold them swampland and she does not need anymore water coming near her. The fill alone to get that lot buildable was ridiculous. They had to put in a \$12,000 generator because if the sump pump would go out, their house would be destroyed. The City needs to look at what REO is selling, because it's not legitimate. She thought she was buying a buildable lot but has had \$15,000 in corrections because they sold her swampland. She's been told by the excavators that there are many lots up there that are equally as bad as hers. The lot to the south is estimated to have \$25,000 in corrections because that is the worst part of the swamp. This isn't a couple building a house on two lots, this is a developer. Kruschke said that the request is to vacate the easement and the developer will be constructing the emergency overflow drainage. Karlene Just asked who would be doing it. Kruschke said a combination of the home builder and the developer. Karlene Just said that nothing has been done right up there so far. She said that everybody needs to take a long look at this before anything is done. She said if you knew the amount of people up there who have tremendous water issues – it's a shame that the City has allowed this to happen. Not a lot of people can afford a \$15,000 correction, and you can't get a loan for that, so now you have a junk piece of property that who's going to buy? Nobody. She said all of the neighbors need a lot more detail with what's going to happen and how it's going to happen. Curt Broughten, 2700 24th Avenue NE, asked if the green line is the existing tile. Kruschke said that it won't be a tile, it's an emergency overflow that will be graded above ground. Curt Broughten said he's lived there 42 years and he could have told you where the swamps were. Adrian Seykora, 2722 24th

Avenue NE, he said his concern with moving the easement is the tile lines. They were guaranteed by the county and the city that the county tile lines would be maintained. You might hit that tile line if you're digging down a few feet. Those tile lines need to be maintained. Joyce Mattison said she likes the idea of someone building on two lots. She asked if the green line is the existing or proposed easement. Kruschke said that it's the existing easement, they are proposing to rotate and flip that "L" on the Wetmore's parcel. Joyce Mattison said there will be a foot and a half to two foot ditch when it's done. Kruschke said it will ebb and flow depending on existing contours as to how much needs to be excavated. Based on this design plan, they will have to hit those elevations on the engineered design. That will have to happen whether or not the easement is vacated. Joyce Mattison said that the correction is going to put the ditch in now. Kruschke said that is correct. There are already corrections that have been made, including the house being constructed on the east side of Timber Ridge, that is being constructed right now. They had to make some modifications. It will definitely be a change compared to what is there now. For some reason this was never installed. Dennis Wille said as it comes to the road, it's up hill. He asked for an idea of the elevation of that. Kruschke said that they're cutting through those high points to put that in. He said he's not an engineer or a surveyor, but the engineer designed it to these spots. Al Maas, general contractor, said that he has a survey that they're using. If you look at the very NE corner of Lot 9, the elevation is 1198.89. The back of Lot 8 is 1197.39. He said he thinks the grading has to go a little bit beyond the next lot. All of these lots have a 10 foot drainage and utility easement. He said that they are working with the City to get this corrected. There needs to be an emergency overflow no matter what. They all have to work together to correct the problem. It was never graded to match the plan. He said that it needs to be corrected. It won't be a county road ditch – it's a swale. The idea is that the people will be protected from it. The only way to solve this is to make sure this emergency drainage swale is created. Joyce Mattison asked if they would lose their big oak trees. They're ten feet from the property line and they will have to dig into their lot and that would affect the roots. Al Maas said that they want to move the overflow to the north which will move it away from the trees and that would help the trees. Philomena Seykora, 2722 24th Ave NE, said they've owned that property since December of 1978. They have seen the whole field under water. She said that there have been things that weren't being shared honestly with people who were buying land. She said the developer will work to do this swale, and she said her concern is that they're not going to do it properly. Who's going to pay for the damages or guarantee that once the swale is in we won't get water. We need to take more time to make sure this is done properly and right before they do it. Public hearing closed at 6:14. Eickhoff said that he understands the concerns. He said he bought a house on a hill specifically, so he didn't have water damage, and he's still had water damage. He said the issue in front of them is just moving the easement on this one lot, not the whole development. He said that they want to keep it moving forward. There are concerns about the overall structure and he said gets that, but the issue at hand is just moving this slightly north on the lot. Karlene Just asked if there was any way to hold the developer accountable. Kruschke said that they're working with the developer and design engineers. They are working on doing it. They can't go grade it today. The timeline is this has to be completed before the Wettmores are able to occupy their house, but that is the trigger to get this done. In talking to the developer, they realize what was done. This will be a lot more difficult to do at this point than it would have been if it was done during street construction. We will check and verify and require as-built drawings. Karlene Just said that she tried called two engineers three years ago because she wanted a calc map of land elevation for Majestic Oaks before it was developed, and to this day, no engineers called her back. She said she came to City Hall and said she needed a calc map of the area. All the engineers were gone and a gentleman came out and said that it's a private development and they had no information about it. She said that she wasn't going to stand there and argue as there were other people there, but she can't believe that she could buy property and do whatever she wanted—the City has no business telling me what I can and can't do? One of the excavators that works up there went to where they do the mapping of the elevations and they refused to give him a map because they were worried that they were going to be sued because of the swamp land up there. She asked if that's allowed to happen in Owatonna. Kruschke

said that he can't answer why they sold you a lot with poor soils but that is a private issue with the developers. As far as maps and contours, Steele County has two foot contours available for the entire county and there are general grading plans for a lot of developments. A due diligence process typically takes soil borings or tests beforehand. There are certainly a lot of private issues with the developer that the City does not get involved in. He recommended contacting the developer and her attorney on those issues. Karlene Just said that the City wouldn't give out the proper map to one of the excavators last fall. She said that it's kind of scary when the City isn't giving out the proper map. Kruschke said that the Wetmore's request is to vacate this drainage easement that goes through the proposed house area.

A motion was made by Eickhoff to recommend City Council approval of this request to vacate a drainage and utility easement with the following conditions:

- 1) The easement be dedicated over the proposed drainageway prior to permit being issued for the construction of the house.
- 2) The drainageway shall be fully constructed prior to a Certificate of Occupancy being issued on the house.
- 3) All conditions in the City Engineer's letter dated March 14, 2023 be met.

Effertz asked if they've been in conversation with the developer – just verbal agreements. Kruschke said that this is part of the conditions that the drainageway be fully constructed before the issuing of a Certificate of Occupancy. Generally speaking that happens when the street is constructed and that's when it should have happened. Al Maas questioned the condition that the drainageway has to be constructed prior to a Certificate of Occupancy being issued. He said he wants to make sure they're not holding the Wetmores responsible for this. He said he agrees that the developer needs to step up and fix their problem and he believes that the City needs to have an agreement with the developer that doesn't hold his clients captive. They need to be held accountable separately from this request. He said that he's asking to move the easement, which will be making it better. He said that he would hold the developer accountable and not hold the Wetmores hostage. Kruschke said that unfortunately the trigger is the vacation of the easement. The only other way to do that is to delay this request until that whole drainageway is constructed. In talking with the applicants earlier, that wasn't really an option. Unfortunately, it's putting the Wetmores at risk. If that's not acceptable, he would recommend tabling this request until we get this emergency overflow constructed as designed. Jeff Wetmore said they can't build a house there and then not be able to move into it. He asked what they can do if the developer doesn't do this. Kruschke said unfortunately that is the risk. The other option is we don't vacate the easement. Jeff Wetmore clarified that if the developer doesn't do this, they can't move into the house. Kruschke said that is the condition for the vacation. It's the trigger we have right now. We have pressure to apply to the developer. We met with them last week and they said they're going to do it all. They went and contracted the design. Christina Wetmore said shouldn't this be up to the City and shouldn't it be in writing, a contract, to make them accountable. Someone asked if it could be vacated and the developer not required to do the ditch work. Kruschke said that they will not vacate it without a plan in place because the plan in place is the emergency overflow. Those are the conditions that the City is proposing. Without condition #2 in place, the City will recommend denying or tabling this action. The motion was seconded by Wilson.

Commissioners voting Aye: Eickhoff, Rooks, and Wilson. Commissioners voting Nay: Effertz. 3-1, the motion carried.

Community Development Manager Greg Kruschke presented the general concept plan for Mineral Springs Estates. (Refer to report on file.) He said this is a general plan for 80 acres of land. He said when we review these general development plans our goal is to look at the plan and ask if it makes sense and

meets the general plans for the City. They'll work through their phasing and move forward. He walked through the plan. Right now it is zoned a combination of Agricultural Open space, about 10 single family R-1 lots, and the rest is a Planned Unit Development that was originally designed for Good Samaritan as senior living facility that was never built. They would rezone this to a Planned Unit Development. There is a mix of single family, single family attached dwellings, townhomes, multi-family structures, parking, and greenspace for a total of 328 units in this development spread out over four phases. As we talk about environmental issues, this project is required to complete an Environmental Assessment Worksheet. They are working on preparing that traffic study as they go forward. That's the last piece for the EAW, which will go through a 30-day comment period. They'll have to delineate wetlands and design all their stormwater. The first phase will come off 7th Avenue NE and be split into a 1a and 1b. They want to get a number of unit types up this summer or fall and figure out what type of units to tackle next. We have required Stoneridge Lane NE to come through, but that will likely be phase two. All of the streets will be public except for a little private street and a potential alley. They're showing trails and sidewalks. The asterisks are potential for park amenities. Sanitary sewer will come up 7th Avenue NE and connect. All of our northern expansion requires a sanitary main to come down Stoneridge Lane NE. As is our standard practice, the developer pays for all infrastructure improvements—roads, utilities, grading, etc. Craig Britton with Widseth, Ari Kolas with Hamilton Real Estate, and Ron Cox from Prairie LaSalle Partners Property Management Group were all present representing this development. Kruschke said they've been working together on this for 18 months. Britton said that the intent is the majority of the area will be single family lots. That will match the character to the south. The unit count mix does weigh a little more heavily on multi-family as that is really to fill the need of the community. The intent is to bring forward a preliminary plat for the entire area. However, as far as construction, and just to see how the market is responding to these lots, they want to break it up into phases starting on 7th Avenue NE with single family lots on the south side and then some duplex units on the north side and some row houses on the west. There are some wetlands on site. To the east and west of the pond in Phase 1 are delineated as wetlands and they want to preserve those larger areas as much as possible. The stormwater pond will go in the middle. Rooks said right now, in the neighborhood to the south, there are no sidewalks. She said her concern is that a lot of people walk in the streets. How do we keep people safe while this goes up and until we get the other street in from St. Paul Road. Cox said that during construction they will build a temporary road from Stoneridge Lane NE. All the heavy equipment will come through there and not through the neighborhood. Rooks asked how many units would be in Phase 1. Kruschke said Phase 1 is 140 units total. Kruschke said that they'll have to do a traffic study as part of the EAW. Temporarily it will be painful. Wilson asked about the timeline of Phase 1. Britton said it depends on the sales. They will start at the extension of 7th Avenue NE up to that east-west street, with some single family homes and duplexes. It would be nice to have a mix of units. Cox said that some people want a townhome. There is a combination here in town, and it's nice to give them an option. Rooks asked how this might impact the Lee Street property values where they have backyard neighbors. Kruschke said that generally speaking that raises property values, but that's something we don't answer. We'd send them to the County Assessor's office and they can research and provide the data. Britton said that the dense development is more in the center. The Lee Street neighbors will have houses similar to theirs to the north. Britton said the majority of that Phase 1 area has been platted, so they will need to vacate that and replat. Rooks asked if the timeline is this calendar year. Cox said yes. Kruschke said timing-wise, they will take this plan to City Council in a work session next week. The thought is we will be holding hearings in April. Steven would like to push dirt in June. Eickhoff said he used to live on Lee Street NE and really likes the parks. Rooks said she used to walk these streets and loves the fact that there are trails. Cox said a lot of residents on 7th Avenue NE are so used to having the cornfield behind them and they love that privacy. He said he'd like to protect that and build a beautiful fence. Kruschke said that it may make sense to do an open house before the Planning Commission meeting—having that conversation before the public hearings. Rooks said she's excited that they're building.

Community Development Manager Greg Kruschke presented the 2050 Comprehensive Plan RFP. He said that this will be a standing item on the agenda starting probably the end of April. He said Rooks would sit in on the interviews with the applicants. They left it really open ended.

Community Development Kruschke presented the February Building Permit Reports. We issued the full permit for CDI and it's turning out to be a busy year.

The next meeting, March 28, will be cancelled as that is spring break week and they will not have a quorum. The next meeting will be April 11, and that could be a longer meeting as well.

There being no further business to come before the Planning Commission at this time, a motion was made by Eickhoff and seconded by Effertz to adjourn the meeting at 7:01 pm. All Commissioners voting Aye, the motion passed.

Respectfully Submitted,

Greg Kruschke
Community Development Manager

Unapproved Minutes of Owatonna Public Library

Board of Trustees

Owatonna Public Library, Gainey Room

105 North Elm Avenue

Tuesday, March 21st, 2023 4:30 PM

The Owatonna Public Library Board of Trustees held the monthly meeting on Tuesday, March 21st, 2023. The meeting was held in the Owatonna Public Library Gainey Room. In attendance were President Trudy Severson, Trustee Julianna Skluzacek, Trustee Meredith Erickson, Library Director Mark Blando and Administrative Technician Robin Spande. Absent was Vice President Karen Malin

Call to Order

The meeting was called to order by President Severson at 4:30 pm.

1. Reminder of Open Meeting Law

The open meeting law applies to the board meetings.

2. Public Comments

No Public Comments

4. Approve Minutes

Trustee Erickson moved and Trustee Julianna Skluzacek seconded to approve the minutes of the February 2023 minutes. All aye and the motion approved.

5. Financial Report

Blando reported that the budget is on track for March.

6.

Children's Services February 2023

Storytime continued throughout the month on Tuesday mornings at 9:30 and 10:30. The theme this session of Storytime is the Farm. Stories about chickens, cats and pigs were read to a total of 191 children and adults.



"Read Around the World" a story program done in partnership with Kiwanis Club of Owatonna was held on Saturday, February 4. "Celebrity" readers from the community read a favorite book to a group of 55 people.

(Smile Fairy Holly Jorgenson reading *Doc McStuffins: Brontosaurus Breath* by Sheila Sweeny Higginson)

St. Mary's Fifth grade students visited the library on Friday, February 10. The Fifth graders were working on biographies of famous people. Information was found on people ranging from Betsy Ross to John Madden. That morning 36 students and teachers visited the library and checked out books.

Darla Lager
March 21, 2023

7. Library Use Report

CKI & CKO - physical items				Feb-23	CKI & CKO - physical items				Feb-22
bp	Checkin	Normal CKI	1,001		bp	Checkin	Normal CKI	1,180	
bp	Checkin	Late Checkin	210		bp	Checkin	Late Checkin	151	
		BP TOTAL CKI	1,211				BP TOTAL CKI	1,331	
bp	Checkout	First Time CKO	1,008		bp	Checkout	First Time CKO	1,171	
bp	Checkout	Phone Renewal	71		bp	Checkout	Phone Renewal	92	
bp	Checkout	Other Renewal	24		bp	Checkout	Other Renewal	24	
bp	Checkout	Opac Renewal	169		bp	Checkout	Opac Renewal	153	
bp		BP TOTAL CKO	1,272		bp		BP TOTAL CKO	1,440	
CKI & CKO - physical items				Feb-23	CKI & CKO - physical items				Feb-22
owat	Checkin	Normal CKI	9,581		owat	Checkin	Normal CKI	8,047	
owat	Checkin	Late Checkin	2,062		owat	Checkin	Late Checkin	1,642	
		OPL TOTAL CKI	11,643				OPL TOTAL CKI	9,689	
owat	Checkout	First Time CKO	10,120		owat	Checkout	First Time CKO	8,573	
owat	Checkout	Phone Renewal	268		owat	Checkout	Phone Renewal	255	
owat	Checkout	Other Renewal	357		owat	Checkout	Other Renewal	240	
owat	Checkout	Opac Renewal	941		owat	Checkout	Opac Renewal	884	
owat		OPL TOTAL CKO	11,686		owat		OPL TOTAL CKO	9,952	
New Borrowers February 2023				Library Visits February 2023					
bp	6			bp	629				
owat	96			owat	5,811				
ILL/Loaned Feb 2023				ILL/Borrowed Feb 2023	ILL/Loaned Feb 2022				ILL/Borrowed Feb 2022
bp	438			bp	252	bp	433	bp	311
owat	1,186			owat	1,178	owat	1,257	owat	1,066

8. Upcoming Programs

Blando stated there was a significant response to Laura MacKenzie performing Celtic music on March 6th at 6:30 pm with 45 people attending. We are expecting a presentation from author Doug Ohman on April 17th. He will be presenting the book Vanishing Landmark. In June we will have an author presentation from Abby Jimenez.

The Movie “Woman King” has been rescheduled for this upcoming Thursday March 23rd at 2pm.

Renee Lowery and Blando will be presenting a program about banned books at the Associated Church in Owatonna the end of April.

9. SELCO Updates – Trustee Erickson

Trustee Erickson mentioned that the SELCO team is very active and competent with Strategic Planning and the Legacy review process. She will have more information after the meeting in a few weeks. Blando also stated that the BVS classification is going away. Therefore, there will be fines for books on loan from other libraries.

10. Renovation and Library Update

The City Chambers remodel is starting to happen. While this is happening the Council meetings will take place in the Library Gainey Room on the first and third Tuesdays of the month. In addition, the Planning Commission will be meeting at the Library as well.

Facilities staff will help set up the meetings as well as clean up afterwards.

The OPL Board meeting will be moving to Thursdays on April 20th at 4:30 pm.

Blando said that the 3D printers came in on Monday. Staff will be trained to operate the machinery involved.

Blando said that we are conducting a search to replace Trustee Christy Tryhus as well as Trustee Meredith Erickson whose term limit will be up in May.

Blando and Renee Lowery will be working on a new Library website redesign in the near future. More to follow.

Administration staff is undergoing a classification study to properly align their position descriptions with the duties that they actually perform on a daily basis.

Adjourn

A motion to adjourn was made by Trustee Erickson and seconded by Trustee Julianna Skluzacek. All aye. The meeting adjourned at 5:10 pm.

The next meeting will be Thursday, April 20th at 4:30pm.

Respectfully submitted by Robin Spande

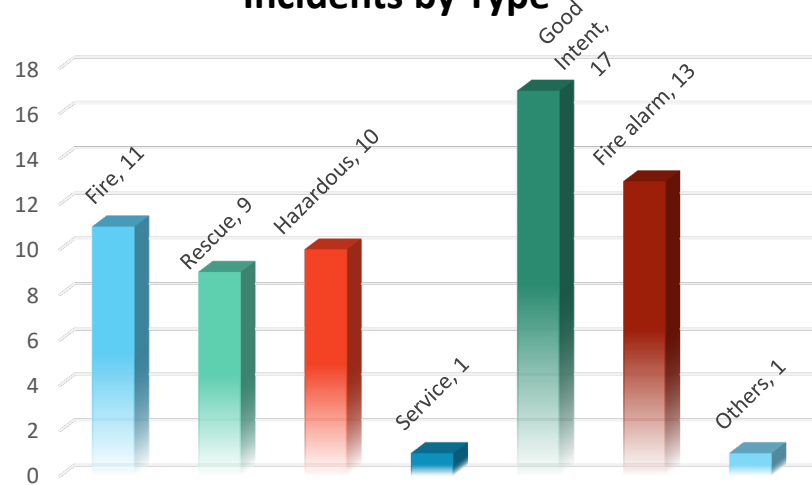


Department Reports

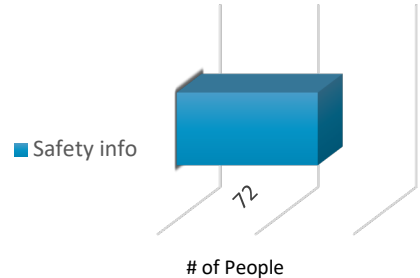
OWATONNA FIRE DEPARTMENT DASHBOARD

2023 STATISTICS

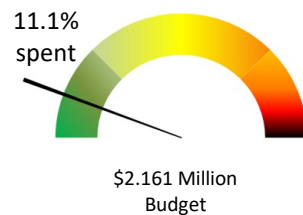
Incidents by Type



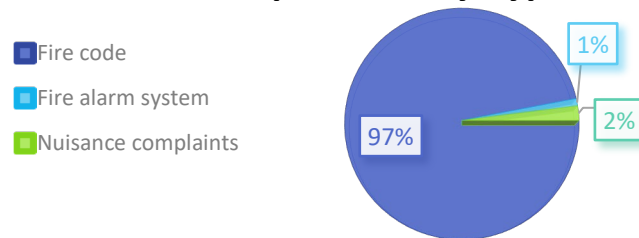
Public Education



Expenditures

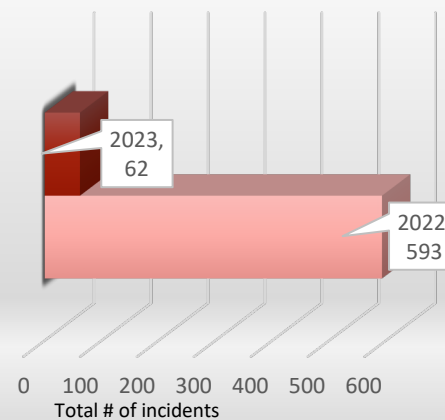


Inspections by Type

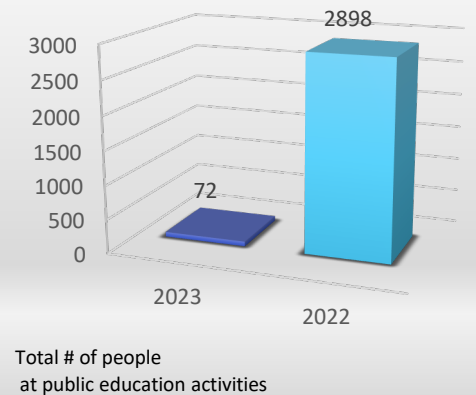


2023 VS 2022 STATISTICS

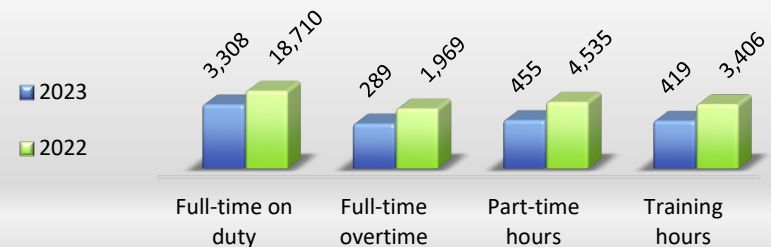
Incidents



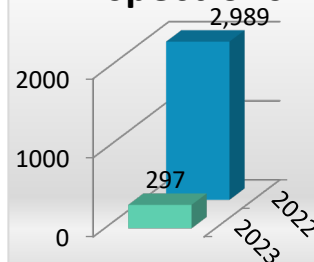
Public Education



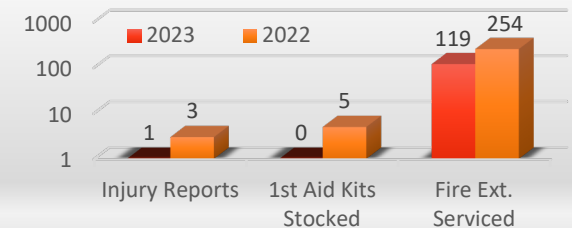
Staff Hours



Inspections



Safety Services



2023 OWATONNA FIRE DEPARTMENT MONTHLY ACTIVITY REPORT

INSPECTION SERVICES	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2023	2022
Fire code inspections	134	153											287	1988
Fire alarm inspections	2	1											3	20
Sprinkler system inspections	0	1											1	49
Nuisance inspections	3	3											6	382
Weed inspections	0	0											0	550
Sprinkler system permits issued	2	2											4	21
Fire alarm system permits issued	2	0											2	15
Hood/Suppression system permits issued	0	2											2	5
Plan reviews	4	7											11	65
Code reviews	6	1											7	38
# Knox boxes checked	1	0											1	14
PUBLIC EDUCATION SERVICES	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2023	2022
# people given tours	0	0											0	307
# people given extinguisher demos	0	0											0	100
# people at truck visits	0	0											0	738
# people fire safety information	72	0											72	1753
# people juvenile firesetters	0	0											0	0
EMERGENCY RESPONSE SERVICES	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2023	2022
Incidents														
City incidents	31	23											54	482
Rural incidents	5	3											8	105
Mutual aid given	0	0											0	6
Monthly Totals	36	26											62	593
Type of Incidents														
Fire	4	7											11	67
Rescue calls	5	4											9	119
Hazardous conditions	3	7											10	77
Service calls	1	0											1	31
Good intent calls	14	3											17	113
Fire alarms	8	5											13	179
Others	1	0											1	7
Monthly Totals	36	26											62	593
Total training hours	146.00	273.29											419	3406
SAFETY SERVICES	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2023	2022
# injury reports	1	1											2	3
# lost work hours	0	0											0	0
# fire extinguishers serviced	119	0											119	254
1st aid supplies checked	0	0											0	5
Full-time shift hours worked	1724.25	1584.00											3308.25	18709.75
Full-time overtime hours worked	129.49	159.80											289.29	1969.09
Part-time hours worked	268.02	187.00											455.02	4535.00
Monthly Hours Worked Total	2121.76	1930.80											4052.56	25213.84



Licenses - Permits



Minnesota Department of Public Safety
Alcohol and Gambling Enforcement Division
445 Minnesota Street, Suite 1600, St. Paul, MN 55101
651-201-7507 TTY 651-282-6555

**APPLICATION AND PERMIT FOR A 1 DAY
TO 4 DAY TEMPORARY ON-SALE LIQUOR LICENSE**

Name of organization Knights of Columbus		Date of organization January 1, 1904	Tax exempt number 9760494
Organization Address (No PO Boxes) 820 S Elm - PO Box 623	City Owatonna	State Minnesota	Zip Code 55060
Name of person making application Mark Cunningham, Manager		Business phone 507-451-6103	Home phone 507-676-2638
Date(s) of event June 1 - 3, 2023	Type of organization ☐ Microdistillery ☐ Small Brewer ☒ Club ☐ Charitable ☐ Religious ☐ Other non-profit		
Organization officer's name Dustin Reese	City Owatonna	State Minnesota	Zip Code 55060
Organization officer's name David Lax	City Owatonna	State Minnesota	Zip Code 55060
Organization officer's name Joel Elbert	City Owatonna	State Minnesota	Zip Code 55060

Location where permit will be used. If an outdoor area, describe.
This is for the annual Smoke 'n Steele Barbeque Contest in the Beer Garden at the Steele County Fairgrounds.

If the applicant will contract for intoxicating liquor service give the name and address of the liquor license providing the service.
No

If the applicant will carry liquor liability insurance please provide the carrier's name and amount of coverage.
Club carries insurance with insurance advisors.

APPROVAL

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL AND GAMBLING ENFORCEMENT

City of Owatonna	
City or County approving the license	Date Approved
\$50.00	
Fee Amount	Permit Date
Event in conjunction with a community festival ☐ Yes ☒ No	
26,420	City or County E-mail Address
Current population of city	

Please Print Name of City Clerk or County Official

Signature City Clerk or County Official

CLERKS NOTICE: Submit this form to Alcohol and Gambling Enforcement Division 30 days prior to event

No Temp Applications faxed or mailed. Only emailed.

ONE SUBMISSION PER EMAIL, APPLICATION ONLY.

**PLEASE PROVIDE A VALID E-MAIL ADDRESS FOR THE CITY/COUNTY AS ALL TEMPORARY
PERMIT APPROVALS WILL BE SENT BACK VIA EMAIL. E-MAIL THE APPLICATION SIGNED BY
CITY/COUNTY TO AGE.TEMPORARYAPPLICATION@STATE.MN.US**



DATE: April 4, 2023
TO: Mayor and City Council
FROM: Ed Hoffman, Fire Chief
SUBJECT: Retail Fireworks License - Cash Wise

Purpose:

Standard retail fireworks license for Cash Wise for 2023.

Background:

This is a standard retail fireworks license application for Cash Wise for 2023.

Section 111.03. License Required.

No person shall keep for retail sale or wholesale distribution, sell at retail or wholesale, or otherwise supply or furnish as part of a commercial transaction any permitted consumer fireworks without first having obtained a current license hereunder, paid the required license fee and conspicuously posted the license on the licensed premises.

Section 111.04. License Fee; Term of License.

(A) The annual license fee shall be in the amount duly established by the Council from time to time. The license fee shall cover the administrative and enforcement costs, including the conduct of unannounced compliance checks, inspections by the Fire Chief, inspections by the Police Department or other city department, as well as sampling and testing of the merchandise to ascertain chemical content. Full payment of the required license fee shall accompany the application.

(E) The annual license expires December 31 of each year.

Budget Impact:

Revenue generated for the license is \$100.00.

Staff Recommendation:

Recommend approval of the retail fireworks license.

Attachments:

1. Cash Wise Fireworks License 2023
2. Cash Wise Fireworks Packet 2023



Fire Department
107 Main St W
Owatonna, MN 55060
(507) 444-2454

Retail Fireworks License FW-23-5

Issued: April 4, 2023

Expires: December 31, 2023

LICENSE INFORMATION

Applicant / Business: David Meyer / Coborn's

Location Name: Cash Wise

Street Address: 495 North St W

Phone Number: 507-451-7220

Hours of Operation: 6 AM to Midnight, 7 days per week

Location Contact: Keith Ramm, Store Manager

Location of Sales: In-Store Display

Amount on Display: 100 pounds

Location of Storage: No storage - all stock will be on display

Amount of Storage: 0 pounds

LICENSE REQUIREMENTS

- License must be posted in a conspicuous place near the fireworks display and/or sales counter.
- License is issued to the applicant only and shall not be transferable to any other person or business.
- Only non-aerial consumer fireworks that are permitted by Minnesota Statute 624.20 shall be offered for sale.
- Signs that read "FIREWORKS - NO SMOKING" in letters not less than four inches in height on a contrasting background shall be posted conspicuously near fireworks displays.
- Fireworks shall be sold only to persons who are at least 18 years of age. A valid, current photographic ID is required by law.

LICENSE APPROVAL

Ed Hoffman, Fire Chief

Date

Kris M. Busse, City
Admin/Clerk

Date

Thomas Kuntz, Mayor

Date



Owatonna Fire Department

107 West Main Street
Owatonna, Minnesota 55060-2913

Michael Johnson
Fire Chief
(507) 444-2454

FIREWORKS DEALER'S LICENSE APPLICATION

SECTION 420

1992 ORDINANCE CODE OF OWATONNA

Name of Applicant Coborn's, Incorporated

Circle One: Natural person, Corporation, Partnership, Business Association, Organization

Address 1921 Coborn Blvd, St. Cloud, MN 56301

Phone Number 507-451-7220 Hours of operation 6 am - midnight

Street Address of premises to be licensed 495 W North St, Owatonna, MN

Zoning District of licensed premises _____

Are all real estate and personal property taxes that are due and payable for the premises paid? ☒ YES ☐ NO

Does applicant own the business premises? ☒ YES ☐ NO If not, a true and correct copy of the current, executed lease and the written authorization of the property owner for the applicant's use of the property for the sale of permitted consumer fireworks is required.

Description of on-site management and parking facilities _____

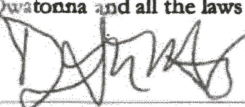
Submit detailed site plan illustrating and describing proposed sales and storage areas to be covered by this license.

Name of Person in Charge of Premises Keith Ramm

Address 495 W North St, Owatonna, MN 55060

Phone Number 507-451-7220

I have read the above mentioned Section 420, 1992 Ordinance Code of Owatonna and have knowledge of its terms and provisions, and I agree to obey all the terms, provisions and requirements of said ordinance and all other ordinances of the City of Owatonna and all the laws of the State of Minnesota.



Signature of Applicant

3/15/2023

Date

TNT000
NEWTON

J2

Ship To: CASH WISE FOODS 3014
495 WEST NORTH STREET
OWATONNA MN 55060

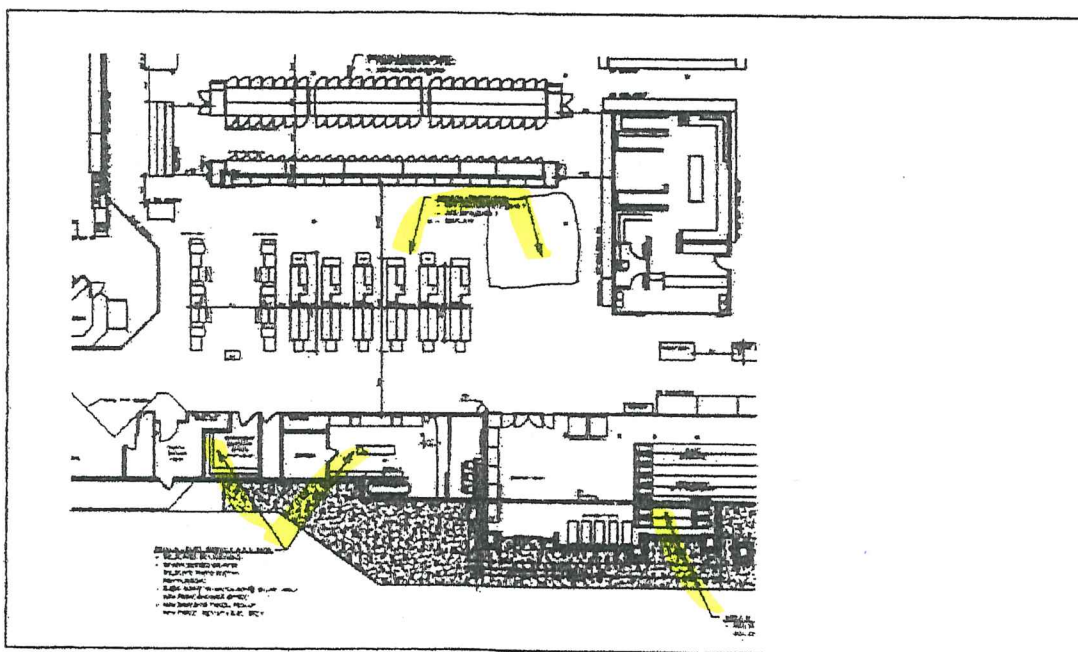
TOTAL NEC 8.48 LBS

Site Plan Worksheet

CITY Owatonna STATE MN ZIP 55060 PHONE 507-451-7220

STORE NAME / LOCATION # Cash Wise #3014

TYPE OF EVENT: In-store sales of state-approved fireworks



Front of store



Administration Department

DATE: April 4, 2023
TO: Mayor and City Council
FROM: Jeanette Clawson, Administrative Specialist
SUBJECT: Renew Annual Tree Trimmer Permits

Purpose:

Council approval to renew three annual Tree Trimmer's Permits.

Background:

The City Code considers it "unlawful for any person to cut, trim, prune, remove, spray or otherwise treat trees, shrubs or vines which are located on or extend over any public street, boulevard, park or other public place, for another, without a license therefor."

The City's Tree Trimmer Permits expire March 31st each year. Notifications were sent and renewal applicants received from:

Dave's Tree Care, 1350 Cherry St, Owatonna MN
Boyum Tree Service LLC, 603 SE 74th Ave SE, Owatonna
From the Ground Up Lawn Car and Clean-up, LLC,
4811 Crane Creek Road, Owatonna MN

Completed applications, payment of the permit fee and insurance information were received to renew their current license.

Budget Impact:

The annual permit fee is \$50 for a Tree Trimmer's Permit.

Staff Recommendation:

Staff recommends Council approval to renew these Tree Trimmer Permits.

Attachments:

None



Event Permits



Approved: _____

Denied: _____

SUMMARY EVENTS PERMIT APPLICATION

Date of Application: March 10, 2023Date to Council: April 4, 2023**EVENT INFORMATION** National Day of PrayerEvent Dates/Times: Date Thursday, May 4, 2023 Time: 5:30 p.m.– 7:00 p.m.
Set up beginning at 4:30 p.m. and anticipating clean up done will be done by 7:30 p.m.Location (Address) of Event: West Hills Administration Building 540 West Hills CircleEstimated Attendance (Participants and spectators): 100+**APPLICATION INFORMATION (Person/Group Responsible):** Owatonna Ministerial AssociationPrimary Contact /Applicant Name: Pastor Brent Carlson 363-1060**Items needed:** Parking area immediately in front of the City's Administration Building, access to electrical power at the flagpole, 4 cones, access to the building for restroom use, 50-100 folding chairs stacked

Department Approval / Comments / Notes :

Fire: approvedPark & Rec: approved, no impactPolice: approved, some OPD staff usually in attendance at this eventPublic Works: approved, event organizer call City Shop regarding cones (507) 774-7050.**Council Notes:**

The City is a partner for this event and staff recommends fees be waived.

City Council Approval: _____ Date: _____
Kris M. Busse, City Administrator/City Clerk



SUMMARY PERMIT APPLICATION

Approved: _____

Denied : _____

Date Application Reviewed: January 16, 2023

Date to Council: April 4, 2023

EVENT INFORMATION: 43rd Annual Corky's Men's Softball Classic - 2023

Event Dates: Friday, May 5th – Sunday, May 7th

Set up will be done day prior, May 4th beginning at 8:00 a.m..

First Tournament Game begins at 6:00 p.m. and final game should end 7:00 p.m. on Sunday.

Cleanup will be done the following day from 8:00 a.m. to 1:00 p.m.

Rain Dates if needed: will be postponed to following weekend: May 12th -14th, 2023.

Location (Address) of Event: Several ball fields are used, Tournament Headquarters is at the Steele County Fairground Diamonds, 450 18th Street SE.

Estimated Attendance (Participants and spectators): 3,000 players/fans of 200 men's slow pitch teams

APPLICATION INFORMATION: Corky's Early Bird Committee

Primary Contact: Loren Dietz

P hone: 456-2618

Additional Contact: Doug Meier

Phone: 456-2610

Items needed from City - Staff met with applicant and modified list request as:

- Use of City's ball diamond and parking lots.
- Extension to City's Curfew on Friday and Saturday nights to 12:30 a.m. in the event of weather delays causing games to be played later than planned.
- KC Hall approved for Temporary Liquor License during March 21st Council Meeting.
- Music to play on IPODs in a tent from 8:30 pm - midnight each night. Exception to the City's Noise Ordinance request to City Administrator Busse; 34 letters sent to neighboring property owners for comments with no negative comments received.
- Item detail per the Memo of Understanding with the City of Owatonna Parks, Recreation and Facilities Department.

Department Approval / Comments / Notes:

Public Works: approved with no comments

Police: approved, met with applicant March 2nd to address OPD concerns with adequate staffing and security, commingling of persons 21 and under.

Park & Rec: approved, per Memo of Understanding attached.

Fire: Approved – provided applicant Temporary Use of Tents document to review for the Fire Code rules related to temporary tent usage.

Council Notes:

City Council Approval: _____ Date: _____
Kris M. Busse, City Administrator/City Clerk

Memo of Understanding
Corky's Early Bird 2023

1. ALL requests must come in through Park Permits, Event Permits and Tournament Request forms and must be an accurate description of requests. Items listed in this MOU are taken directly from these permits and request forms.
2. For fees waived, the City of Owatonna should be acknowledged on any advertisement, banner, flyer or other location sponsors are acknowledged using the approved City of Owatonna logo (see brand standards).
3. Any predictions or promises of donations or contributions to organizations may be referenced during the permitting process, but has no bearing on the cost recovery needed for expenses incurred.
4. The City of Owatonna and the Parks, Recreation and Facilities Department will only provide materials, equipment and services they own, oversee and are capable of providing.

Special Notes:

- a. The City of Owatonna does not have an electrician on staff and cannot do such work
 - b. The City of Owatonna does not have jurisdiction over school district owned fields, only the capability of field preparation once approved
5. The Park Maintenance Division will provide:

<u>Item(s)</u>	<u>Fee</u>	<u>Status</u>
Diamond Dry as needed/requested	\$25 per bag	invoiced after
Event Fencing and set-up (by concessions)	\$100	waived
Barricades (4)	\$550	waived
Picnic Tables (40)	\$2550	waived
Trash Cans (25)	\$1150	waived
Cones (20)	\$500	waived
Banquet Tables (6)	\$510	waived
Bleachers (2)	\$1150	waived
Use of portable/tent lights (4) & extension cords (6 est.)	\$1215	waived
Garbage Pickers & Pails (10)	\$450	waived
Trash Bags (cases – estimated cost)	\$150	waived
Portable Restrooms currently at locations (3)	n/a	no change in routine/route
No additional dumps, cleaned Tuesday prior		
Fencing at OMS, Lincoln, McKinley (upon ISD approval)	\$300	waived
Use of Fairgrounds Park (4 diamonds + blocked pavilion)	\$1620	waived
Use of Manthey Park (2 diamonds + blocked pavilion)	\$720	waived
Use of Brown Park Field (1 diamond + blocked pavilion)	\$510	waived
Prep at ISD Fields	\$840	waived
Lining of Fields every 5-6 games chalk/paint/labor		
- Estimated based on average of previous years		
Materials	\$300	waived
Equipment	\$3250	waived
Labor	<u>\$15000</u>	waived
Total fees waived	\$30,865	

6. Corky's Early Bird is responsible for coordinating, ordering and paying for:
 - a. Additional portable restroom rentals (14)
 - b. Additional portable restroom pumping of current locations & additional rentals
 - c. Five dumpsters at Fairgrounds
 - d. Tent reservation and set-up (call for locates prior to set-up, fill holes after)
 - e. Reservation of school fields (to be coordinated through ISD)
 - f. Reservation/permission of county owned electrical powerbank
 - g. Cost for any electrical work
 - h. Provide insurance certificate with City of Owatonna as additionally insured
 - i. Coordination of garbage volunteers and overall schedule (not individual times)
 - j. Additional City, not specific to fields and maintenance requirements:
 - i. Any law enforcement and/or security services required by the Police Department
 - ii. Permits or exceptions requested (food license, liquor license, noise ordinance exceptions, etc.)
 - k. For future tournaments, permit applications and requests must be completed prior to advertising of the tournament
 - l. \$500 Damage/Replacement Deposit (cashed upon remittance and refunded after tournament, less any repair/replacement costs)

This MOU will be attached to the Event Permit and submitted to City Council for final approval.

Jenna Tuma, Director of Parks, Recreation & Facilities

Date

Loren Dietz, Corky's Early Bird

Date

DATE: 02/08/23

TO: Kris Busse, Owatonna City Administrator
Jenna Tuma, Owatonna Park and Recreation Coordinator

FROM: Loren Dietz, Tournament Director, Corky's Early Bird

SUBJECT: Corky's Early Bird Softball Tournament Noise Ordinance Waiver

PURPOSE: Tournament Director is requesting a waiver to the noise ordinance for May 5th and May 6th from 8am-Midnight for music to play to celebrate the tournament's 43rd Anniversary. Music amplification using an iPod and Speakers will be located at Diamond #1 at the Steele County Fairgrounds right at the 18th Street SE entrance to the park under a big top tent.

The 43rd Annual Corky's Early Bird Men's Softball tournament is scheduled for May 5-7, 2023, at the Steele County Fairgrounds. The tournament is run for the Owatonna Park and Recreation Youth Scholarship Fund and is their largest contributor. The remaining proceeds are being donated to the Relight the Park initiative to help replace the ballpark lighting.

BUDGET IMPACT:

-0-

Thank you for your consideration,

Loren Dietz - President

Corky's Early Bird Softball Tournament Inc. (501c3)

Corkysearlybirdsoftball@gmail.com

507-456-2618

DATE: 02/08/23

TO: Kris Busse, Owatonna City Administrator
Jenna Tuma, Owatonna Park and Recreation Coordinator

FROM: Loren Dietz, Tournament Director, Corky's Early Bird

SUBJECT: Corky's Early Bird Softball Tournament Curfew Extension

REQUEST: Requesting a curfew waiver on May 5th and May 6th to allow the tournament to complete all tournament games. This would apply only to the Steele County Fairgrounds Ballpark. Historically, the event is shutdown by midnight each night but on occasion due to weather delays, games have continued until 1am.

PURPOSE: The 43rd Annual Corky's Early Bird Men's Softball tournament will be held May 5-7, 2023, at the Steele County Fairgrounds. The tournament is run for the Owatonna Park and Recreation Youth Scholarship Fund and is their largest contributor. Additional revenues will go towards the Relight the Park project to help replace the ballpark lighting.

BACKGROUND: The tournament has been running for 43 years and has generously donated profits back to the City of Owatonna and the Steele County Fairgrounds. When all is said and done, Corky's Early Bird will be responsible for helping raise money for projects totaling over \$1 million towards City of Owatonna and Steele County recreation facilities and scholarship funds.

BUDGET IMPACT:

-0-

Best Regards,

Loren Dietz – President

Corky's Early Bird Softball Tournament Inc. (501c3)

corkysearlybirdsoftball@gmail.com

507-456-2618



Approved: _____
Denied: _____

SUMMARY EVENTS PERMIT APPLICATION

Date of Application: 3/29/2023

Date to Council: 4/04/2023

**EVENT INFORMATION: Foremost Brewery - Street Patio
(same as last year)**

**FEE Amount: \$50 fee –
Extension of Premise**

Notification will be hosting a "Run for Beer" event on Sunday, May 14, 2023 – no items needed.

Event Dates: Tuesdays – Sunday from May 7, 2023 – October 29, 2023.

Time: Operation hours: Wednesday – Sunday 11 am – 10:00 pm

Location (Address) of Event: 131 W Broadway St

Estimated Attendance (Participants and spectators): will provide outdoor seating for 24 customers

Applicant/Contact: Molly Keer 952-217-0985

Alternate Contact: Tim Flynn 507-399-1852

Items needed:

Extension of Liquor License

Use of 4 parking spaces at south entrance on Bridge Street. The street café platform is 24' x 15'.

The distance from the center of the street to the structure will be 16'.

There will be railing around with one opening, a 4' opening on the sidewalk side level to the sidewalk for wheel-chair access

Department Notes :

Park & Rec: approve – no impact.

Police: approval in progress, no comments made.

Public Works: approve – no comment

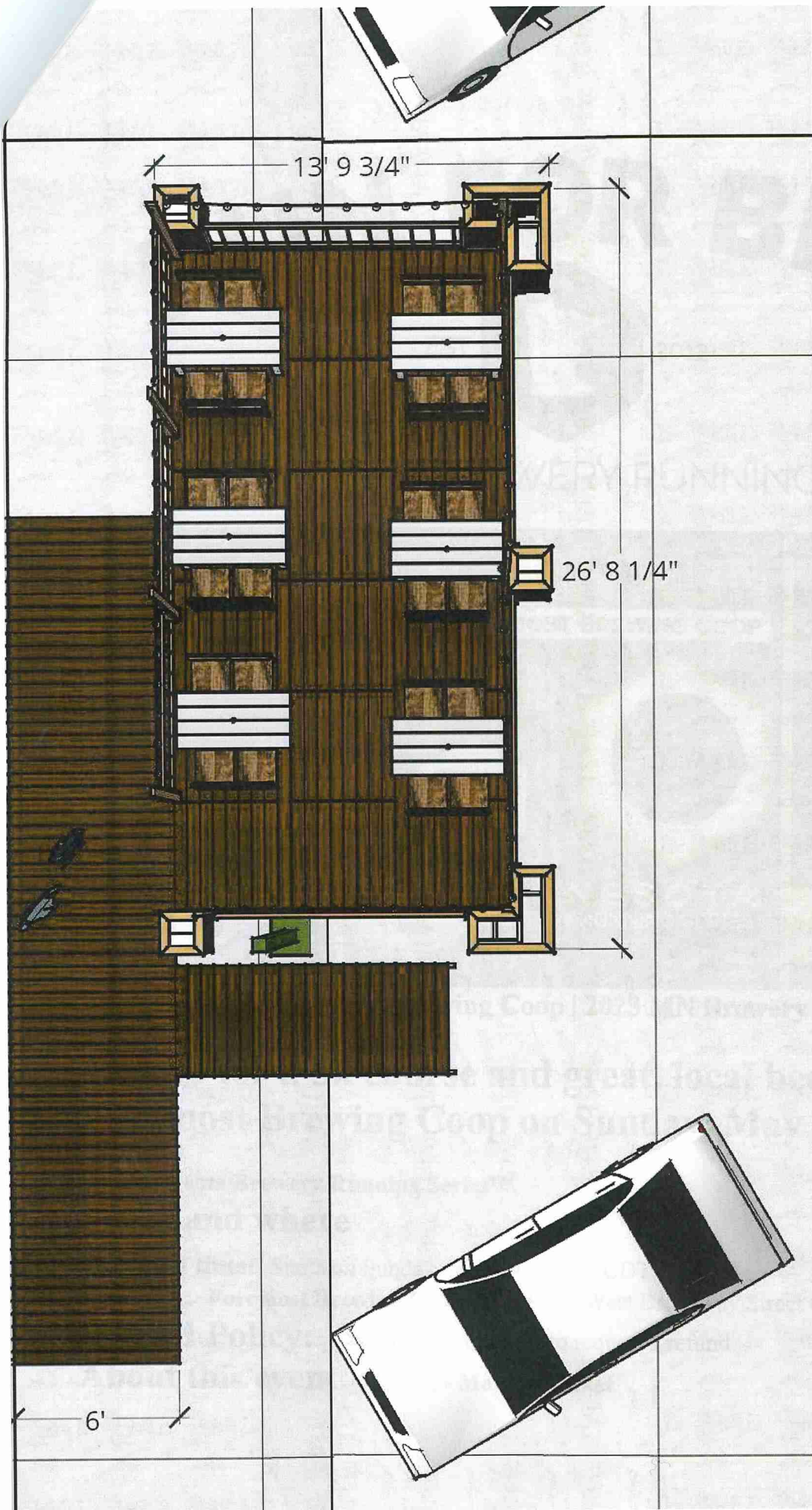
Fire: approval in progress, no comments made.

Building & Inspection: reviewed and approved with no comment.

Council Notes:

City Council Approval: _____ Date: _____

Kris M. Busse, City Administrator/City Clerk





RUN FOR BEER

EST



2012

MINNESOTA BREWERY RUNNING SERIES



5k Beer Run x Foremost Brewing Coop | 2023 MN Brewery Running Series

**Join us for a 5k course and great, local beer at
Foremost Brewing Coop on Sunday, May 14**

By Minnesota Brewery Running Series™

When and where

Date and time: Starts on Sunday, May 14 · 11am CDT

Location: Foremost Brewing Cooperative 131 West Broadway Street Owatonna, MN 55060

Refund Policy: Contact the organizer to request a refund.

About this event: 2 hours - Mobile eTicket

We are the Minnesota Brewery Running Series™ and we run for beer!

See you at Foremost Brewing Coop on Sunday, May 14 for a fun run course and great, local beer! We've mapped out a 5k-ish course that starts and ends at this Owatonna taproom. Run, walk, jog - whatever goes! All ages, all levels are welcome.

Cross the finish line and celebrate! All participants receive:

- (1) craft brew at the finish line from Foremost Brewing Coop
- Choice of a collector's pint glass or seasonal swag item from the Brewery Running Series
- A chance to win sweet door prizes, like Brewery Running Series merchandise or beer to take home
- Access to event festivities like live music, games, goodies and giveaways
- And more!

Our mission is to **be active, have fun and give back** to our local community. A portion of all proceeds from our events support local nonprofits - over \$350k raised to date! This event will add to that tally. 10% goes directly to local organizations like Touchstone Mental Health, LivingWell and more. So not only do you get to enjoy some healthy activity and great, local beer - you are helping us support local organizations that do important work in our community.

Registration is limited to the size of the taproom and many of our events sell out. Sign up today!

Important details:

- This is an untimed, fun-run. All levels of walkers, runners and joggers are welcome.
- This is an open course, meaning roads will NOT be closed. You are responsible for obeying all traffic laws and regulations.
- We create each route to start and end at the brewery and to show off the surrounding neighborhood. The course will be marked with arrows to help you know where to go.
- You must bring a valid ID or driver's license. You do not need to be 21 to enjoy the event, but you must be 21 to enjoy the beer. Please drink responsibly. Registered, underage participants will receive a token for a FREE non-alcoholic beverage.
- Our events are rain or shine! If conditions become unsafe to run, we will still hang out and drink beer.
- There will not be a bag check; please plan accordingly and dress appropriately for the weather.
- Dogs and strollers are welcome on the course, with care and caution. Please remember - you are running at your own risk on city sidewalks / streets / trails, which might not be suitable for your 4-legged and /or pint size running buddies. You will also want to check with the brewery to make sure you can abide by their dog / underage policies. Please make the best decision possible for your crew.
- Please drink responsibly. We always encourage carpooling and safe, designated drivers.

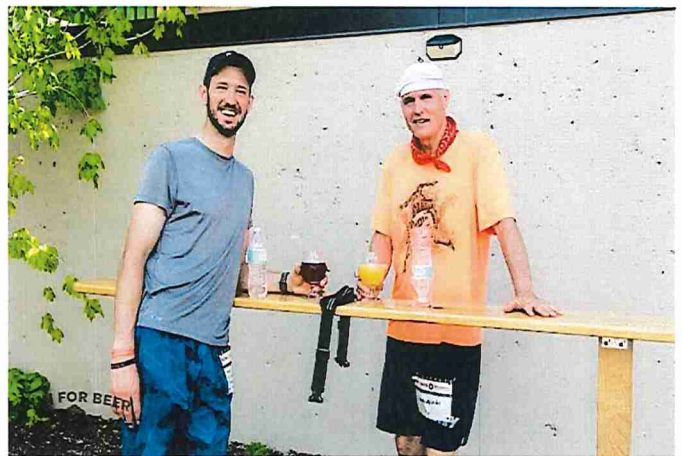
Keep an eye on your inbox - we will send you all final event details via email the week of this event and share anything else you might need to know to participate.

Questions? Check out our [FAQ](#) | Contact us at morgan@breweryrunningseries.com

Cheers to beers! We'll see you at Foremost Brewing Coop!



The **Minnesota Brewery Running Series** is happy to be back with another season of organizing fun run events at local breweries! We started with one event - a 5k in Minneapolis, MN in celebration of Global Running Day. We now collectively organize over 300 event per year across 20+ states, and counting! Check out our full event line up: www.breweryrunningseries.com



Share with friends

Share on FacebookShare, Facebook MessengerShare, LinkedInShare, TwitterShare or by Email

About the organizer: Minnesota Brewery Running Series™

The Brewery Running Series™ was founded here in Minneapolis, MN in 2012. We started with one event at Fulton Brewery - a 5k in celebration of Global Running Day. We now organize over 35+ events per year in Minnesota + support teams across the USA. Together, we organize over 300 events per year, across 20+ states and counting!

Our mission is to **be active, have fun and give back!** A portion of all proceeds support local nonprofits. Learn more and check out our upcoming events at www.breweryrunningseries.com
View more



Approved: _____
Denied: _____

SUMMARY

EVENTS PERMIT APPLICATION

Date of Application: October 9, 2022

Date to Council: April 4, 2023

EVENT INFORMATION: 2023 Safety Camp

Event Dates/Times: Date Thursday, June 8 and Friday, June 9, 2023 Time: 8:00 a.m. - 4:30 p.m.
Set-up: Beginning at 6:30 am
Clean-up: should be done by 5:30 p.m.

Location (Address) of Event: Kaplans Woods/Lake Kohlmier Beach and Steele County Fairgrounds

Estimated Attendance (Participants and spectators): 300

Contacts /Applicant Name: Matt Oeltjenbruns Phone: 507-213-1412
Leila Kath: 507-456-1150

Items needed:

Electrical power: Fire Department trailer will be plugged into park pavilion
Kaplan's Woods parking lot & boat landing area
Lake Kohlmier parking lot and park/beach area
3 barricades to block Kaplan Woods
100 cones
P&R staff direct class event and include Safety Camp information in Activities Book early next year
Golf carts
Various small engine equipment (weed trimmer, gas can, push mower, etc.)

Department Notes :

Police: approved with no comment, OPD participate in this event.
Park & Rec: approved, Park & Rec will partner with the Safety Camp Committee to provide needed items and reserve park areas.
Fire: approved with no comments.
Public Works: approved with no comment.

Council Notes:

City Council Approval: _____ Date: _____
Kris M. Busse, City Administrator/City Clerk



Approved: _____
Denied: _____
Withdrawn: _____

SUMMARY EVENTS PERMIT APPLICATION

Date of Application: March 15, 2023

Date to Council: April 4, 2023

EVENT INFORMATION: NHS Color Run		FEE Amount: None
Event Dates/Times: Saturday, May 13, 2023 Set up begins at 7:00 a.m.		Time: 9:00 a.m. – 11:00 a.m.
Location (Address) of Event: Kaplan's Woods Pavilion, Lake Kohlmier Boat landing and surrounding trails		
Estimated Attendance (Participants and spectators): 100		
APPLICATION INFORMATION (Person/Group Responsible): OHS Student Council		
Primary Contact /Applicant Name: Mitch Dinse		507-444-8951 507-213-3355
Alternate Contact: Jacob Krinen		605-496-6420
Item needed: Use of city's trail, NHS Chapter responsible for all clean-up including trash removal table organization, the color thrown during the event will be washable and will rinse off of the trails during the next rain.		
Department Notes: Park & Rec: Approved. Pavilion fee waived. Park Crew is aware of the event, and has no concerns about the colors being used. Police: Approved. Captain Drenth will contact the applicant to confirm details prior to the event. Public Works: Approve, no comment. Fire: Approve, no comment		
Council Notes: .		
City Council Approval: _____ Date: _____ Kris M. Busse, City Administrator/City Clerk		

Dear members of Owatonna City Council and other leadership positions,

On behalf of the Owatonna High School National Honors Society, we are writing to you seeking approval to host a community focused "Color Run" as our large group service project for this year. Members of the organization suggested changing up from our past community service project and the idea of hosting a 5k and 1 mile color run was quickly brought up.

The chapter is going to be partnering with Community Pathways of Owatonna in hopes to raise much needed funds for those in need within our community. We are hoping to raise money for the organization through runner registration, "cups of color" to throw at the runners as they are running, and through a silent auction.

We would like to host this event on May 13th with a rain date being May 20th. We envision the starting and finishing line being at the Kaplan's Woods Pavilion. The race route would use the Morehouse trail and go down to Morehouse Park and loop around onto Lemond Road and then cross back to the Morehouse trail at the Cashman crossing bridge. From there, the race would continue on the Morehouse trail back to the Kaplan's Woods Pavilion to complete the 5k. The NHS chapter would be responsible for all set up and clean up for this event. The color that is thrown at the runners is 100% washable and will be rinsed off of the trails during the next rain.

We are hoping that this event will bring Owatonna community members of all ages together for an amazing cause. We would love to partner with the Parks and Rec, along with the City of Owatonna to make this event happen. If you have any further questions regarding this event, please feel free to reach out to Mitch Dinse and/or Jacob Kringen, the NHS advisers at the high school. We appreciate your time and consideration!

Sincerely,

Mitch Dinse

Mitch Dinse
mdinse1@isd761.org

Jacob Kringen

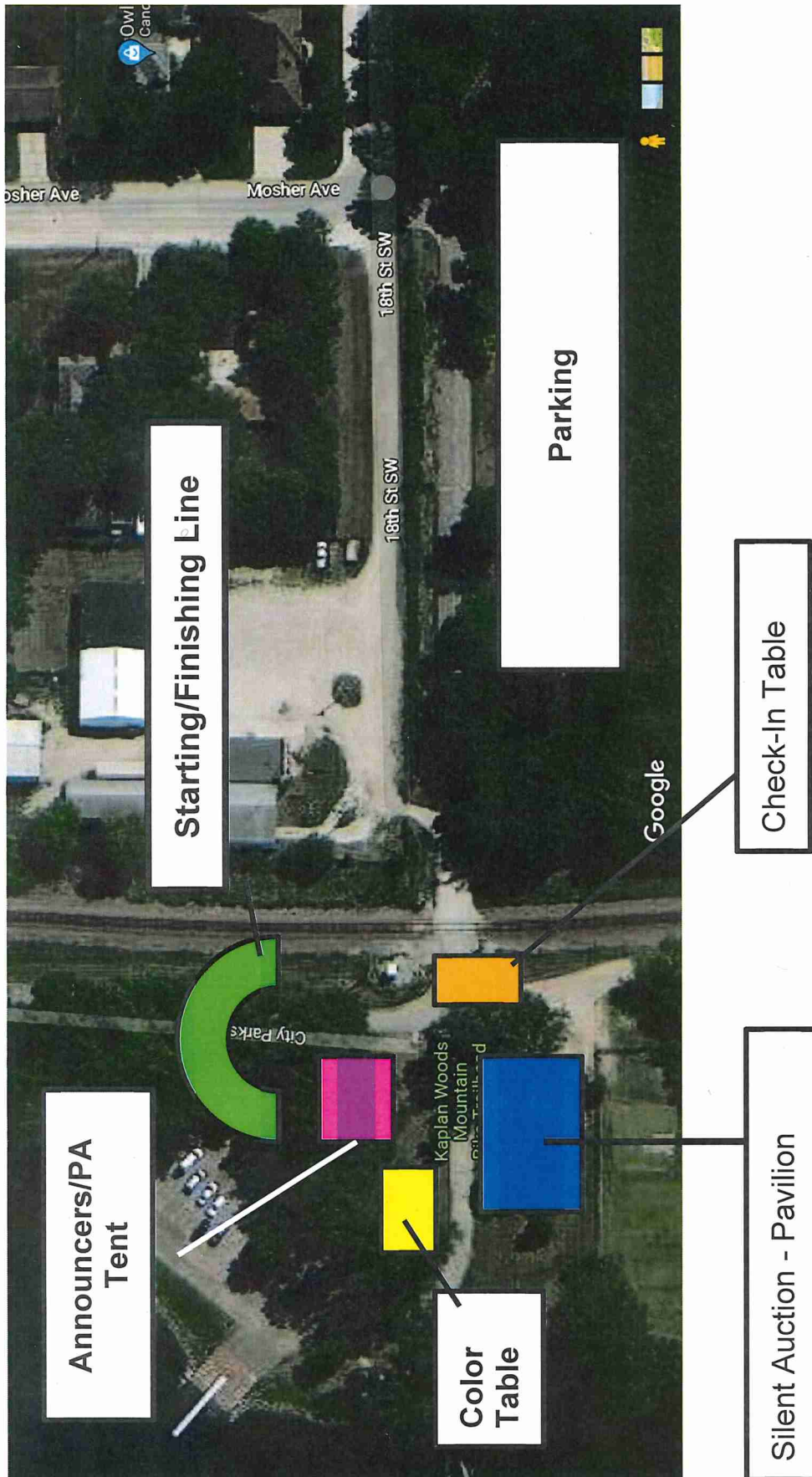
Jacob Kringen
jkringen@isd761.org

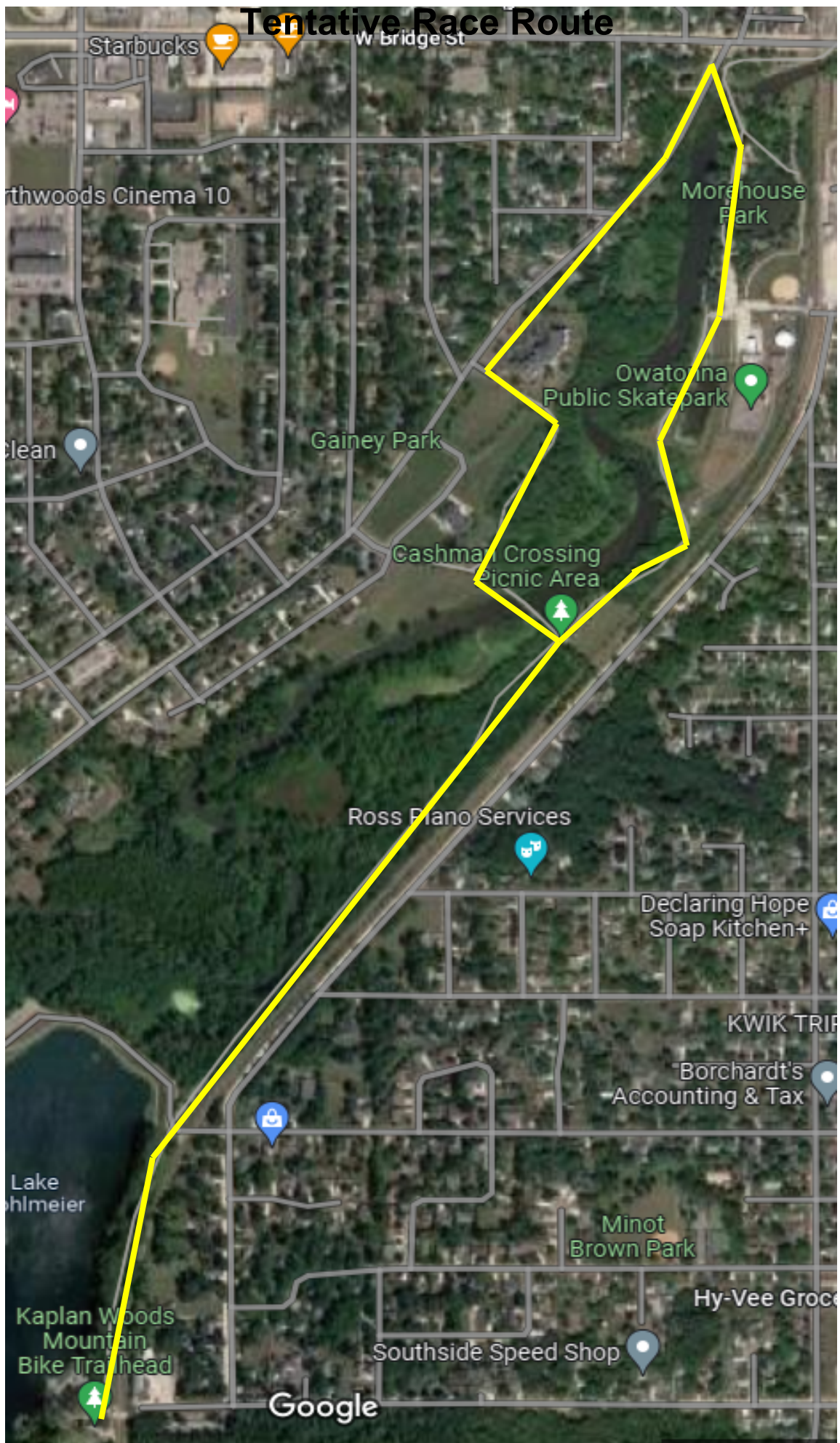
Owatonna High School NHS Advisers



CHARACTER • SCHOLARSHIP • LEADERSHIP • SERVICE

Tentative Starting/Finishing Line Set Up







Approved: _____
Denied: _____

SUMMARY EVENTS PERMIT APPLICATION

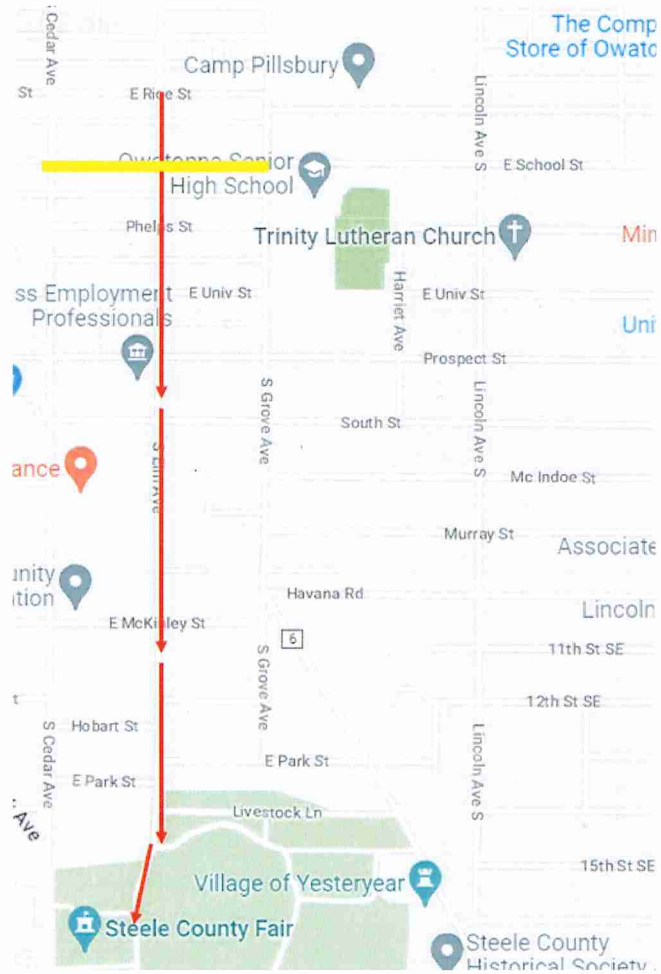
Date of Application: February 14, 2023

Date to Council: April 4, 2023

EVENT INFORMATION: Memorial Day Parade	FEE Amount: None
Event Dates/Times: <u>Monday, May 29, 2023</u> Time: <u>9:00 a.m. parade time</u> Set up begins at 8:00 a.m. and clean up should be completed by 11:00 a.m.	
Location (Address) of Event: Parade is on SE Elm beginning at E Rice Street and then south to the Four Season at the Steele County Fairgrounds.	
Estimated Attendance (Participants and spectators): 300+	
APPLICATION INFORMATION (Person/Group Responsible): Memorial Day Committee	
Primary Contact /Applicant Name: Terry Warner 269-7520 Bob Rezac 456-7636	
Items needed: Use of street and right-of-way, 4 street barricades, 26 cones and traffic control as in previous years.	
Department Notes: Fire Dept: approved, no comments. Public Works: approved, applicant call city shop, 507-774-7051, 2 days prior to event to arrange pick up of cones and barricades. Police Dept: Approved. Patrol Captain Drenth will contact Mr. Warner to review traffic control. Park and Rec: approved, no impact.	
Council Notes: City is a partner for this event, staff recommends fees waived. City Council Approval: _____ Date: _____ Kris M. Busse, City Administrator/City Clerk	

Parade route
→

Staging area
—





Approved: _____
Denied: _____

SUMMARY EVENTS PERMIT APPLICATION

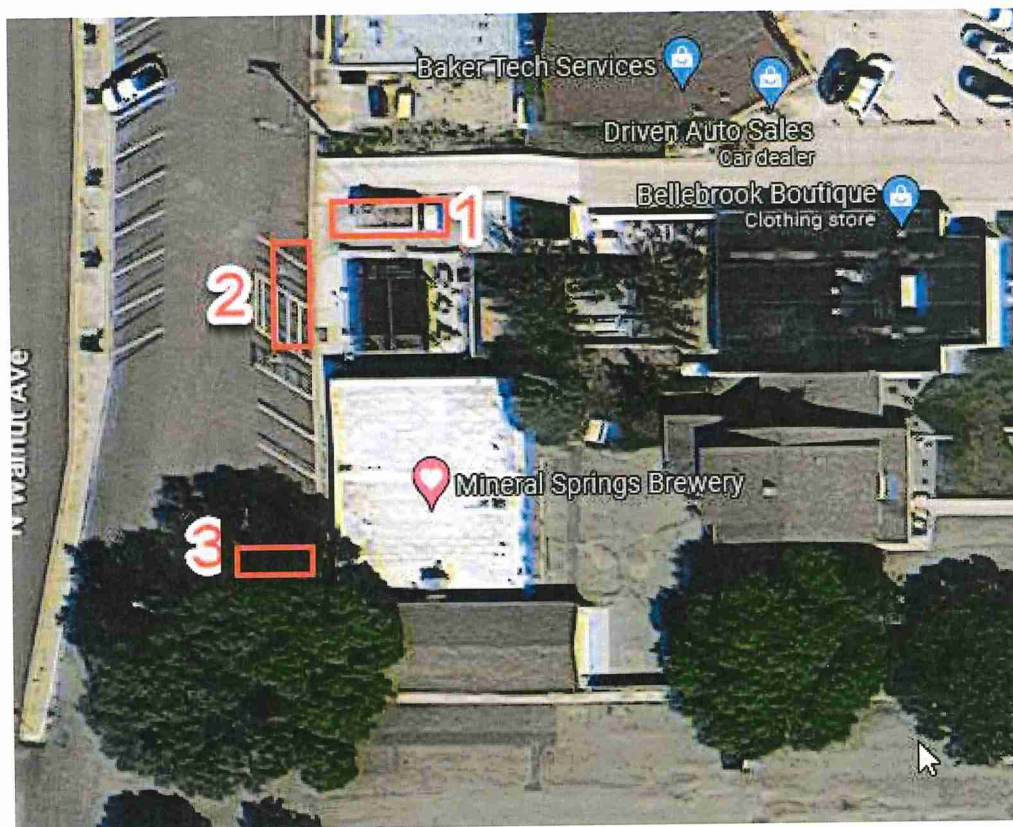
Date of Application: 2/08/2023

Date to Council: 4/04/2023

EVENT INFORMATION:	Food Truck Rally Mineral Springs Brewery	FEE AMOUNT: \$50 to Extend Premise of Liquor License
Event Dates: <u>Saturday, June 24, 2023</u> Rain Dates: <u>None – event is to offer variety of food choices, would continue to serve if raining.</u> Time: <u>Saturday: 11:00 am – 9:00 pm</u> Set Up: <u>Saturday, June 24th beginning at 8:00 a.m.</u> Clean Up: <u>right after 9:00 pm as the food trucks are leaving.</u>		
Location (Address) of Event: <u>111 N Walnut Avenue</u>		
Estimated Attendance (Participants and spectators): <u>300 during the day, open business hours 11-9</u>		
APPLICANT: Mineral Springs Brewery		
Contact: Bill Cronin (507) 213-9295		
Items requested: Use of City parking spaces in front of the brewery to park two food trucks. They plan to host three vendors (food trucks) at this event. City Code allows this, with an approved Event Permit. They will park one food truck on their site slab and two in parking spaces in front of the brewery (one is parallel to the sidewalk and one perpendicular as shown on the map attached. They do not plan for alcohol beyond their current premises, indoor and their patio area.		
Department Notes : Park & Rec: approved, no impact. Police: approved, no comment. Public Works: approved, no comment. Fire: approved, no comment.		
Council Notes:		
City Council Approval: _____ Date: _____ Kris M. Busse, City Administrator/City Clerk		

MSB Food Truck Rally – 6/24/2023
111 N Walnut Ave; Owatonna

Event Site Plan



The MSB site at 111 N Walnut Ave has capacity to manage one on-site food truck (location #1 on the site map above). This Food Truck Rally will accommodate two more, positioned proximate to MSB's site. This will create minimal traffic flow (both foot and vehicle) issues, as the setup is consistent with outer boundaries of MSB's property currently. Some barriers will be placed to stop parking from occurring immediately to the west of MSB's taproom (between truck space #2 and #3 above).



Approved: _____
Denied: _____
Withdrawn: _____

SUMMARY EVENTS PERMIT APPLICATION

Date of Application: February 3, 2023

Date to Council: April 4, 2023

EVENT INFORMATION: .5k Fun Run – OCC Young Professionals Association
FEE Amount: None

Event Dates/Times: Saturday, June 24, 2023
Set up begins at 9:30 a.m. at the Brewery

Time: 11:00 a.m. – 11:20 a.m.

Location (Address) of Event: on the trail along N Walnut Avenue from Mineral Springs Brewery to the Chamber of Commerce Office

Estimated Attendance (Participants and spectators): 50

APPLICATION INFORMATION (Person/Group Responsible): Owatonna Chamber of Commerce
- Young Professional Association

Primary Contact /Applicant Name: Derek Delaney 507-215-0930
Alternate Contact: Jason Van Houdt 507-461-1897

Item needed:

Use of the City's trail for twenty minutes. Participants will purchase tickets to receive entry into the race, a race t-shirt, and a free beer at Mineral Springs Brewery after the race,

Department Notes:

Park & Rec: Approved, no impact. The park crew will check this portion of the trail the day before the event.

Police: Approve, no comment.

Public Works: Approve, no comment.

Fire: Approve, no comment.

Council Notes:

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City Council Approval: _____ Date: _____
Kris M. Busse, City Administrator/City Clerk

0.5k Race Day Plan

*** This will include more detail as the event comes together*

9:30A – Volunteers show up to set up

10A – Onsite Registration; Registrants pick up “packet”

11A - Race Starts (see map below)

11:10A – Race ends

12P – Volunteers finish cleaning up





Approved: _____
Denied: _____

SUMMARY EVENTS PERMIT APPLICATION

Date of Application: 02/04/2023

Date to Council: 04/04/2023

EVENT INFORMATION: Wedding in Mineral Springs Park **FEE Paid:** Park Pavilion rental

Event Date: Saturday, July 1, 2023

Set up begin at 7:30 pm and done by 10:30 p.m.

Location (Address) of Event: Mineral Springs Park

Estimated Attendance (Participants and spectators): 150 people

APPLICATION INFORMATION: Karen Larson 507-696-2488
Jim Gresham 612-24-9972

Items needed:

City Park area, pavilion and parking area.

Music will stop prior to 10:00 pm

Caterer will provide food via food truck to wedding guests only, no cash sales offered to others within the park.

Department Notes :

Park & Rec: Approved, with the following notes:

Clean-up must be completed that evening, or an additional day's rental for the pavilion would be required.

Must call for locates before any staking for the tent or signs can be done.

Electrical is what is currently available at the park, we are unable to provide anything additional.

Note the park cannot be completely closed to the public.

Food to follow requirements from administrative review.

Police: Approved – no comment

Public Works: Approved

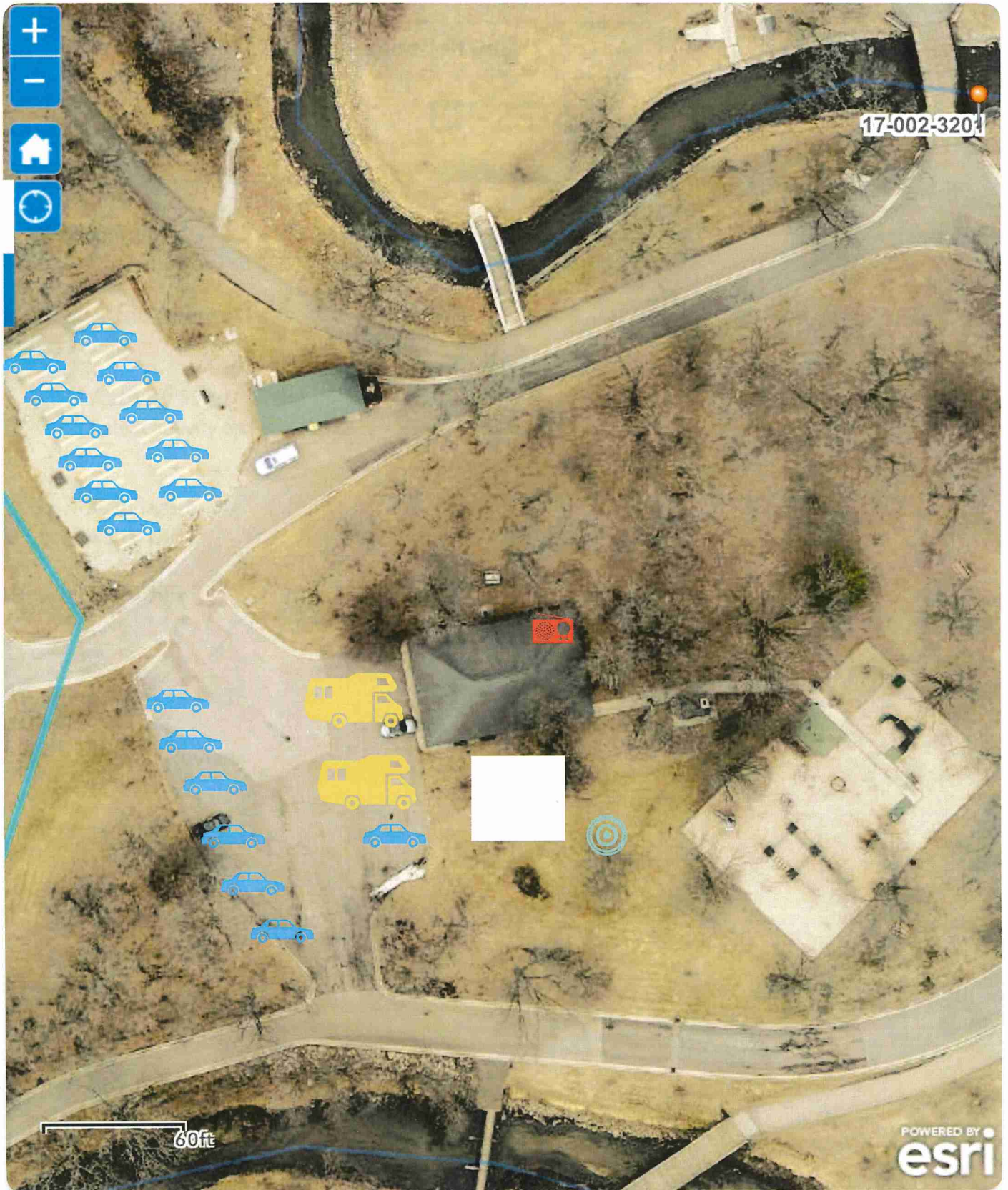
Fire: Approved

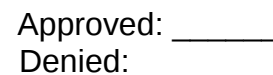
Council Notes:

Usually a Park Permit for events within City Park but processed as an Event Permit to acknowledge use of food truck during event.

City Council Approval: _____ Date: _____

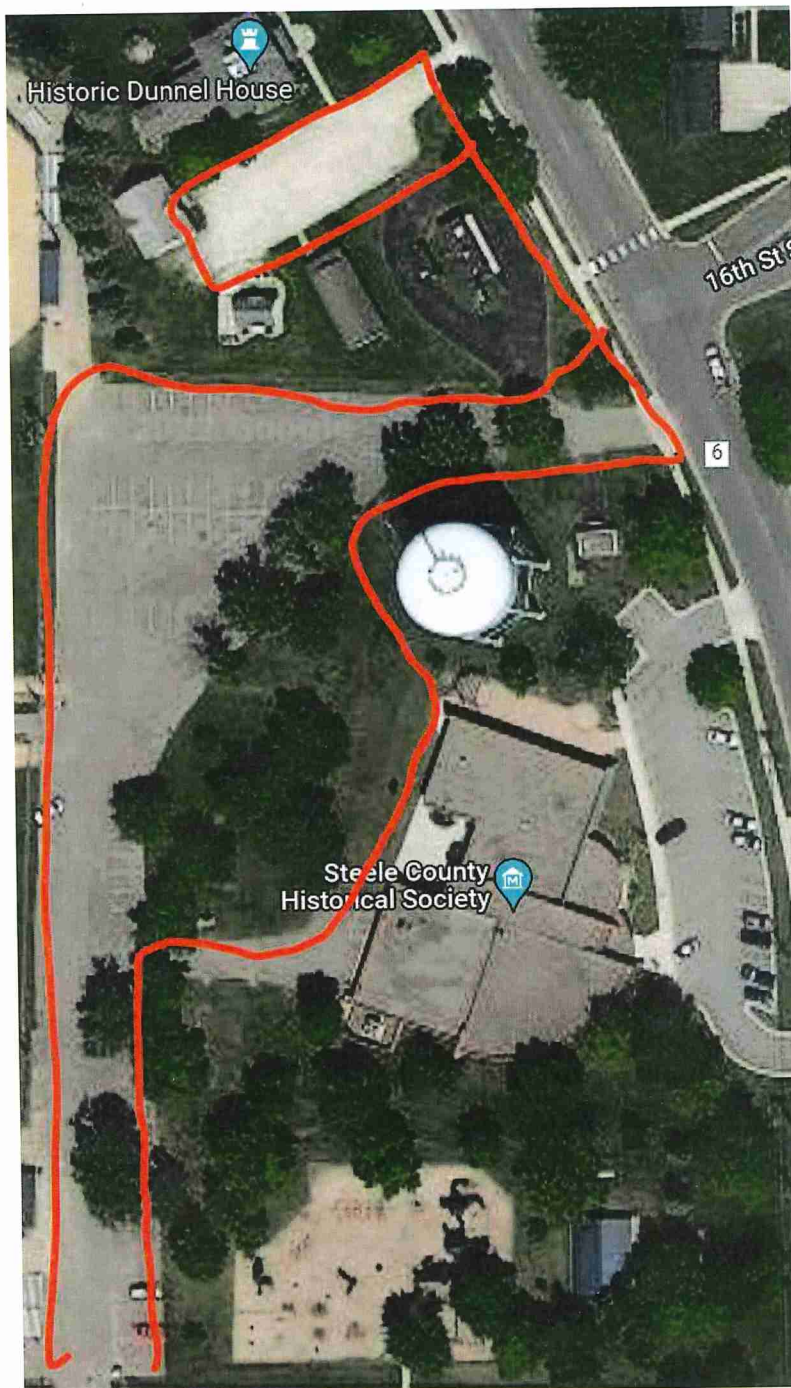
Kris M. Busse, City Administrator/City Clerk





Date of Application: February 22, 2023 Date to Council: April 4, 2023

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Miscellaneous



Statement of Work - Audit Services

November 23, 2022

This document constitutes a statement of work ("SOW") under the master service agreement ("MSA") dated November 23, 2022, or superseding MSA, made by and between CliftonLarsonAllen LLP ("CLA," "we," "us," and "our") and City of Owatonna ("you," "your," or "the entity"). We are pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services CLA will provide for the entity as of and for the year ended December 31, 2022.

Mary Reedy is responsible for the performance of the audit engagement.

Scope of audit services

We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely present component units, each major fund, and the aggregate remaining fund information, which collectively comprise the basic financial statements of City of Owatonna, and the related notes to the financial statements.

The Governmental Accounting Standards Board (GASB) provides for certain required supplementary information (RSI) to accompany the entity's basic financial statements.

The RSI will be subjected to certain limited procedures, but will not be audited.

We will also evaluate and report on the presentation of the supplementary information other than RSI accompanying the financial statements in relation to the financial statements as a whole.

Nonaudit services

We will also provide the following nonaudit services:

- Preparation of schedule of federal awards.
- Preparation of GASB 87 lease tool, if necessary

Audit objectives

The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the

United States of America (U.S. GAAP). Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Our audit will be conducted in accordance with U.S. GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards require us to be independent of the entity and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. Our audit will include tests of your accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express opinions and render the required reports.

We will perform procedures on the financial information of Owatonna Public Utilities Commission (or request other auditors to perform procedures on the financial information of Owatonna Public Utilities Commission) to enable us to express our opinions.

We will apply certain limited procedures to the RSI in accordance with U.S. GAAS. However, we will not express an opinion or provide any assurance on the RSI because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. We will also perform procedures to enable us to express an opinion on whether the supplementary information (as identified above) other than RSI accompanying the financial statements is fairly stated, in all material respects, in relation to the financial statements as a whole.

The objectives of our audit also include:

- Reporting on internal control over financial reporting and on compliance with the provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Reporting on internal control over compliance related to major programs and expressing an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Uniform Guidance.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over

compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

We will issue written reports upon completion of our audit of your financial statements and compliance with requirements applicable to major programs.

We will make reference to Abdo's audit of Owatonna Public Utilities Commission in our report on your financial statements.

Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from the engagement. If our opinions on the financial statements or compliance are other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements or material noncompliance caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements or an opinion on compliance, we retain the right to take any course of action permitted by professional standards, including declining to express opinions or issue reports, or withdrawing from the engagement.

As part of our audit, we will also perform the procedures and provide the report required by the Minnesota Legal Compliance Audit Guide for Political Subdivisions.

It is our understanding that our auditors' report will be included in your annual report which is comprised of introductory and statistical sections and that your annual report will be issued by June 30, 2023. Our responsibility for other information included in your annual report does not extend beyond the financial information identified in our opinion on the financial statements. We have no responsibility for determining whether such other information is properly stated and do not have an obligation to perform any procedures to corroborate other information contained in your annual report. We are required by professional standards to read the other information and consider whether a material inconsistency exists between the other information and the financial statements because the credibility of the financial statements and our auditors' report thereon may be undermined by material inconsistencies between the audited financial statements and other information. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Auditor responsibilities, procedures, and limitations

We will conduct our audit in accordance with U.S. GAAS, the standards for financial audits contained in *Government Auditing Standards*, and the Uniform Guidance.

Those standards require that we exercise professional judgment and maintain professional skepticism throughout the planning and performance of the audit. As part of our audit, we will:

- Identify and assess the risks of material misstatement of the financial statements and material noncompliance, whether due to fraud or error, design and perform audit procedures responsive to those risks, and evaluate whether audit evidence obtained is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement or a material noncompliance resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the amounts and disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on our evaluation of audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

Although our audit planning has not been concluded and modifications may be made, we have identified the following significant risk(s) of material misstatement as part of our audit planning:

- Management override of controls
- Improper revenue recognition

There is an unavoidable risk, because of the inherent limitations of an audit, together with the inherent limitations of internal control, that some material misstatements or noncompliance may not be detected, even though the audit is properly planned and performed in accordance with U.S. GAAS, Government Auditing Standards, and the Uniform Guidance. Because we will not perform a detailed examination of all transactions, material misstatements, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity, may not be detected. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not require auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management and those charged with governance of any material errors, fraudulent financial reporting, or misappropriation of assets that come

to our attention. We will also inform the appropriate level of management and those charged with governance of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a single audit.

Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting fraud or errors that are material to the financial statements and to preventing and detecting misstatements resulting from noncompliance with provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify deficiencies, significant deficiencies, or material weaknesses in internal control. However, we will communicate to you in writing significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we identify during the audit that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the entity's compliance with the provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

We will include in our report on internal control over financial reporting and on compliance relevant information about any identified or suspected instances of fraud and any identified or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements that may have occurred that are required to be communicated under *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards that may have a direct and material effect on each of the entity's major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the "OMB Compliance Supplement" for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs. The purpose of these procedures will be to express an opinion on the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

We will evaluate the presentation of the schedule of expenditures of federal awards accompanying the financial statements in relation to the financial statements as a whole. We will make certain inquiries of

management and evaluate the form, content, and methods of preparing the schedule to determine whether the information complies with U.S. GAAP and the Uniform Guidance, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We will compare and reconcile the schedule to the underlying accounting records and other records used to prepare the financial statements or to the financial statements themselves.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Management responsibilities

Our audit will be conducted on the basis that you (management and, when appropriate, those charged with governance) acknowledge and understand that you have certain responsibilities that are fundamental to the conduct of an audit.

You are responsible for the preparation and fair presentation of the financial statements, RSI, and the schedule of expenditures of federal awards in accordance with U.S. GAAP. Management is also responsible for identifying all federal awards received, understanding and complying with the compliance requirements, and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the requirements of the Uniform Guidance.

Management's responsibilities include the selection and application of accounting principles; recording and reflecting all transactions in the financial statements; determining the reasonableness of significant accounting estimates included in the financial statements; adjusting the financial statements to correct material misstatements; and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for 12 months beyond the financial statement date.

Management is responsible for compliance with applicable laws and regulations and the provisions of contracts and grant agreements, including compliance with federal statutes, regulations, and the terms and conditions of federal awards applicable to the entity's federal programs. Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are responsible for the design, implementation, and maintenance of effective internal control, including internal control over compliance, relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities and safeguarding assets to help ensure that appropriate goals and objectives are met; and that there is reasonable assurance that government programs are administered in compliance with compliance requirements.

You are responsible for the design, implementation, and maintenance of internal controls to prevent and

detect fraud; assessing the risk that the financial statements may be materially misstated as a result of fraud; and for informing us about all known or suspected fraud affecting the entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for implementing systems designed to achieve compliance with applicable laws and regulations and the provisions of contracts and grant agreements, including compliance with federal statutes, regulations, and the terms and conditions of federal awards applicable to the entity's federal programs; identifying and ensuring that the entity complies with applicable laws, regulations, contracts, and grant agreements, including compliance with federal statutes, regulations, and the terms and conditions of federal awards applicable to the entity's federal programs; and informing us of all instances of identified or suspected noncompliance whose effects on the financial statements should be considered.

You are responsible for taking timely and appropriate steps to remedy any fraud; noncompliance with provisions of laws, regulations, contracts, or grant agreements; or abuse that we may report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified, including noncompliance identified in audit findings; and to follow up and take prompt corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for our review.

You are responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, including amounts and disclosures, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters, and for the accuracy and completeness of that information (including information from within and outside of the general and subsidiary ledgers), and for ensuring management information and financial information is reliable and properly reported; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

You agree to inform us of events occurring or facts discovered subsequent to the date of the financial statements that may affect the financial statements.

Management is responsible for providing us with, or making arrangements to facilitate (1) unrestricted communication between us and the component auditor(s) to the extent permitted by law or regulation; (2) communications between the component auditor(s), those charged with governance of the component(s), and component management, including communications of significant deficiencies and material weaknesses in internal control; (3) communications between regulatory authorities and the component(s) related to financial reporting matters; (4) access to component information, those charged with governance of the component(s), component management, and the component auditor(s) (including relevant audit

documentation requested by us); and (5) permission to perform work, or request a component auditor to perform work, on the financial information of the component(s).

You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon or make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

Management is responsible for the preparation and fair presentation of other supplementary information in accordance with U.S. GAAP. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. You agree to provide us written representations related to the presentation of the supplementary information.

Management is responsible for the preparation of other information included in your annual report. You agree to provide the final version of such information to us in a timely manner, and if possible, prior to the date of our auditors' report. If the other information included in your annual report will not be available until after the date of our auditors' report on the financial statements, you agree to provide written representations indicating that (1) the information is consistent with the financial statements, (2) the other information does not contain material misstatements, and (3) the final version of the documents will be provided to us when available, and prior to issuance of the annual report by the entity, so that we can complete the procedures required by professional standards. Management agrees to correct material inconsistencies that we may identify. You agree to include our auditors' report in any document containing financial statements that indicates that such financial statements have been audited by us.

Management is responsible for providing us with a written confirmation concerning representations made by you and your staff to us in connection with the audit and the presentation of the basic financial statements and RSI. During our engagement, we will request information and explanations from you regarding, among other matters, the entity's activities, internal control, future plans, specific transactions, and accounting systems and procedures. The procedures we will perform during our engagement and the conclusions we reach as a basis for our report will be heavily influenced by the representations that we receive in the representation letter and otherwise from you. Accordingly, inaccurate, incomplete, or false

representations could cause us to expend unnecessary effort or could cause a material fraud or error to go undetected by our procedures. In view of the foregoing, you agree that we shall not be responsible for any misstatements in the entity's financial statements that we may fail to detect as a result of misrepresentations made to us by you.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies to us of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the "Audit objectives" section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other engagements or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Responsibilities and limitations related to nonaudit services

For all nonaudit services we may provide to you, management agrees to assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services. Management is also responsible for ensuring that your data and records are complete and that you have received sufficient information to oversee the services.

Use of financial statements

Should you decide to include or incorporate by reference these financial statements and our auditors' report(s) thereon in a future private placement or other offering of equity or debt securities, you agree that we are under no obligation to re-issue our report or provide consent for the use of our report in such a registration or offering document. We will determine, at our sole discretion, whether we will re-issue our report or provide consent for the use of our report only after we have performed the procedures we consider necessary in the circumstances. If we decide to re-issue our report or consent to the use of our report, we will be required to perform certain procedures including, but not limited to, (a) reading other information incorporated by reference in the registration statement or other offering document and (b) subsequent event procedures. These procedures will be considered an engagement separate and distinct from our audit engagement, and we will bill you separately. If we decide to re-issue our report or consent to the use of our report, you agree that we will be included on each distribution of draft offering materials and we will receive a complete set of final documents. If we decide not to re-issue our report or decide to withhold our consent to the use of our report, you may be required to engage another firm to audit periods covered by our audit reports, and that firm will likely bill you for its services. While the successor auditor may request access to our workpapers for those periods, we are under no obligation to permit such access.

If the parties (i.e., you and CLA) agree that CLA will not be involved with your official statements related to municipal securities filings or other offering documents, we will require that any official statements or other offering documents issued by you with which we are not involved clearly indicate that CLA is not involved with the contents of such documents. Such disclosure should read as follows:

CliftonLarsonAllen LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. CliftonLarsonAllen LLP also has not performed any procedures relating to this offering document.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website or submitted on a regulator website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial statements should not be relied on or distributed.

Engagement administration and other matters

We understand that your employees will prepare all confirmations, account analyses, and audit schedules we request and will locate any documents or invoices selected by us for testing. A list of information we expect to need for our audit and the dates required will be provided in a separate communication.

At the conclusion of the engagement, we will complete the auditor sections of the electronic Data Collection Form SF-SAC and perform the steps to certify the Form SF-SAC and single audit reporting package. It is management's responsibility to complete the auditee sections of the Data Collection Form. We will create the single audit reporting package PDF file for submission; however, it is management's responsibility to review for completeness and accuracy and electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse and, if appropriate, to pass-through entities. The Data Collection Form and the reporting package must be electronically submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the entity; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing confidential or sensitive information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the sole and exclusive property of CLA and constitutes confidential and proprietary information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to Minnesota Office of the State Auditor, or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of CLA personnel. Furthermore, upon request, we may provide copies or electronic versions of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by the Minnesota Office of the State Auditor. If we are aware that a federal or state awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Professional standards require us to be independent with respect to you in the performance of these services. Any discussion that you have with our personnel regarding potential employment with you could impair our independence with respect to this engagement. Therefore, we request that you inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence and objectivity. Further, any employment offers to any staff members working on this engagement without our prior knowledge may require substantial additional procedures to ensure our independence. You will be responsible for any additional costs incurred to perform these procedures.

Our audit engagement ends on delivery of our signed report. Any additional services that might be requested will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific SOW for that service.

Government Auditing Standards require that we make our most recent external peer review report publicly available. The report is posted on our website at www.CLAconnect.com/Aboutus/.

Fees

Our professional fees will be billed based on the time involved and the degree of responsibility and skills required. We will also bill for expenses (including travel, internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Based on our preliminary estimates, the total fees and expenses for the engagement should approximate \$32,750 plus 5% tech fee. There is an additional charge of \$1,000 for software usage of up to ten leases to implement GASB 87 plus \$250 per hour for assessing leases within the Association plus 5% tech fee. This estimate is based on anticipated cooperation from your personnel and their assistance with locating requested documents and preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the fees and expenses will likely be higher. Our invoices, including applicable state and local taxes, will be rendered each month as work progresses and are payable on presentation.

Unexpected circumstances

We will advise you if unexpected circumstances require significant additional procedures resulting in a substantial increase in the fee estimate.

Changes in accounting and audit standards

Standard setters and regulators continue to evaluate and modify standards. Such changes may result in new or revised financial reporting and disclosure requirements or expand the nature, timing, and scope of the activities we are required to perform. To the extent that the amount of time required to provide the services described in the SOW increases due to such changes, our fee may need to be adjusted. We will discuss such circumstances with you prior to performing the additional work.

Agreement

We appreciate the opportunity to provide to you the services described in this SOW under the MSA and believe this SOW accurately summarizes the significant terms of our audit engagement. This SOW and the MSA constitute the entire agreement regarding these services and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA related to audit services. If you have any questions, please let us know. Please sign, date, and return this SOW to us to indicate your acknowledgment and understanding of, and agreement with, the arrangements for our audit of your financial statements including the terms of our engagement and the parties' respective responsibilities.

Sincerely,

CliftonLarsonAllen LLP

Response:

This letter correctly sets forth the understanding of City of Owatonna.

CLA

ORG: _____

NAME: **Mary Reedy** _____

TITLE: **Principal** _____

SIGN: *Mary Reedy* _____

DATE: **November 23, 2022** _____

Client

ORG: **City of Owatonna** _____

NAME: **Kris Busse** _____

TITLE: **City Administrator** _____

SIGN: _____

DATE: _____

ORG: **City of Owatonna** _____

NAME: **Thomas A. Kuntz** _____

TITLE: **Mayor** _____

SIGN: _____

DATE: _____



Master Services Agreement

City of Owatonna
540 West Hills Circle
Owatonna, MN 55060
MSA Date: November 23, 2022

This master service agreement (“MSA”) documents the terms, objectives, and the nature and limitations of the services CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) will provide for City of Owatonna (“you,” or “your”). The terms of this MSA will apply to the initial and each subsequent statement of work (“SOW”), unless the MSA is changed in a communication that you and CLA both sign or is terminated as permitted herein.

1. Scope of Professional Services

CLA will provide services as described in one or more SOW that will reference this MSA. The SOW will describe the scope of professional services; the nature, limitations, and responsibilities related to the specific services CLA will provide; and the fees for such services.

If modifications or changes are required during CLA’s performance of requested services, or if you request that we perform any additional services, we will provide you with a separate SOW for your signature. Such SOW will advise you of the additional fee and time required for such services to facilitate a clear understanding of the services.

Our services cannot be relied upon to disclose all errors, fraud, or noncompliance with laws and regulations. Except as described in the scope of professional services section of this MSA or any applicable SOW, we have no responsibility to identify and communicate deficiencies in your internal controls as part of any services.

2. Management responsibilities

You acknowledge and understand that our role is to provide the services identified in an SOW and that management, and any other parties engaging CLA, have responsibilities that are fundamental to our undertaking to perform the identified services.

3. Fees and terms

See the applicable SOW for the fees for the services.

Work may be suspended if your account becomes 90 days or more overdue and will not be resumed

until your account is paid in full. If we elect to terminate our services for nonpayment, our engagements will be deemed to have been completed even if we have not completed the services. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Payments may be made utilizing checks, Bill.com, your online banking platform, CLA's electronic payment platform, or any other client initiated payment method approved by CLA. CLA's electronic online bill pay platform claconnect.com/billpay accepts credit card and Automated Clearing House (ACH) payments. Instructions for you to make direct bank to bank wire transfers or ACH payments will be provided upon request.

4. Other Fees

You also agree to compensate us for any time and expenses, including time and expenses of legal counsel, we may incur in responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings that we are asked to respond to on your behalf.

5. Finance charges and collection expenses

You agree that if any statement is not paid within 30 days from its billing date, the unpaid balance shall accrue interest at the monthly rate of one and one-quarter percent (1.25%), which is an annual percentage rate of 15%. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable.

6. Dispute Resolution

Any disagreement, controversy, or claim ("Dispute") that may arise out of any aspect of our services or relationship with you shall be submitted to non-binding mediation by written notice ("Mediation Notice") to the other party. In mediation, we will work with you to resolve any differences voluntarily with the aid of an impartial mediator.

The mediation will be conducted as specified by the mediator and agreed upon by the parties (i.e., you and CLA). The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the Dispute.

Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

7. Limitation of remedies

These limitation of remedies provisions are not applicable for any audit or examination services provided to you.

Our role is strictly limited to the services described in an SOW, and we offer no assurance as to the results or ultimate outcomes of any services or of any decisions that you may make based on our communications with you. You agree that it is appropriate to limit the liability of CLA, its partners, principals, directors, officers, employees, and agents (each a "CLA party").

You further agree that you will not hold CLA or any other CLA party liable for any claim, cost, or

damage, whether based on warranty, tort, contract, or other law, arising from or related to this MSA, the services provided under an SOW, the work product, or for any plans, actions, or results of an SOW, except to the extent authorized by this MSA. In no event shall any CLA party be liable to you for any indirect, special, incidental, consequential, punitive, or exemplary damages, or for loss of profits or loss of goodwill, costs, or attorney fees.

The exclusive remedy available to you shall be the right to pursue claims for actual damages that are directly caused by acts or omissions that are breaches by a CLA party of our duties owed under this MSA and the specific SOW thereunder, but any recovery on any such claims shall not exceed the fees actually paid by you to CLA pursuant to the SOW that gives rise to the claim.

8. Governing Laws, Jurisdiction, and Venue

The MSA is made under and shall be governed by the laws of the state of Minnesota, without giving effect to choice of law principles. This includes dispute resolution and limitation of remedies.

9. Time limitations

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any dispute that may arise between you and any CLA party. The parties (you and CLA) agree that, notwithstanding any statute or law of limitations that might otherwise apply to a dispute, including one arising out of this MSA or the services performed under an SOW, for breach of contract or fiduciary duty, tort, fraud, misrepresentation or any other cause of action or remedy, any action or legal proceeding by you against any CLA party must be commenced as provided below, or you shall be forever barred from commencing a lawsuit or obtaining any legal or equitable relief or recovery. An action to recover on a dispute shall be commenced within these periods ("Limitation Period"), which vary based on the services provided, and may be modified as described in the following paragraph:

Service	Time after the date we deliver the services or work product*
Tax Consulting Services	36 months
Tax Return Preparation	36 months
Examination, compilation, and preparation services related to prospective financial statements	12 months
Audit, review, examination, agreed-upon procedures, compilation, and preparation services other than those related to prospective financial information	24 months
All Other Services	12 months

* pursuant to the SOW on which the dispute is based

If the MSA is terminated or your ongoing relationship with CLA is terminated, then the applicable Limitation Period is the lesser of the above periods or 12 months after termination of MSA or your ongoing relationship with CLA. The applicable Limitation Period applies and begins to run even if you have not suffered any damage or loss, or have not become aware of the existence or possible existence of a dispute.

10. Confidentiality

Except as permitted by the “Consent” section of this MSA, CLA will not disclose any of your confidential, proprietary, or privileged information to any person or party, unless you authorize us to do so, it is published or released by you, it becomes publicly known or available other than through disclosure by us, or disclosure is required by law, regulation or professional standard. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us. You also consent to our disclosure of information regarding the nature of services we provide to you to another independent network member of CLA Global, for the limited purpose of complying with professional obligations regarding independence and conflicts of interest.

The Internal Revenue Code contains a limited privilege for confidentiality of tax advice between you and our firm. In addition, the laws of some states likewise recognize a confidentiality privilege for some accountant-client communications. You understand that CLA makes no representation, warranty or promise, and offers no opinion with respect to the applicability of any confidentiality privilege to any information supplied or communications you have with us, and, to the extent that we follow instructions from you to withhold such information or communications in the face of a request from a third party (including a subpoena, summons or discovery demand in litigation), you agree to hold CLA harmless should the privilege be determined not to apply to particular information or communications.

The workpapers and files supporting the services we perform are the sole and exclusive property of CLA and constitute confidential and proprietary information. We do not provide access to our workpapers and files to you or anyone else in the normal course of business. Unless required by law or regulation to the contrary, we retain our workpapers and files in accordance with our record retention policy that typically provides for a retention period of seven years. After this period expires, our workpapers and files will be destroyed. Furthermore, physical deterioration or catastrophic events may shorten the time our records are available. The workpapers and files of our firm are not a substitute for your records.

Pursuant to authority given by law, regulation or professional standards we may be requested to make certain workpapers and files available to a regulator for its regulatory oversight purposes. We will notify you of any such request, if permitted by law. Access to the requested workpapers and files will be provided to the regulator under the supervision of CLA personnel and at a location designated by our firm. Furthermore, upon request, we may provide copies of selected workpapers and files to such regulator. The regulator may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

11. Other provisions

You agree that CLA will not be assuming any fiduciary responsibility on your behalf during the course of this MSA, except as may be assumed in an SOW.

CLA may, at times, utilize external web applications to receive and process information from our clients; however, any sensitive data, including protected health information and personally identifiable information, must be redacted by you to the maximum extent possible prior to uploading the document or file. In the event that you are unable to remove or obscure all sensitive data, please contact us to discuss other potential options for transmitting the document or file.

CLA and certain owners of CLA are licensed by the California State Board of Accountancy. However, CLA has owners not licensed by the California State Board of Accountancy who may provide services under this MSA. If you have any questions regarding licensure of the personnel performing services under this MSA, please do not hesitate to contact us.

During the course of the engagement, there may be communication via fax or email. You are responsible to ensure that communications received by you or your personnel are secured and not shared with unauthorized individuals.

12. Consent to use financial information

We regularly aggregate anonymized client data and perform a variety of analyses using that aggregated data. Some of these analyses are published to clients or released publicly. However, we are always careful to preserve the confidentiality of the separate information that we obtain from each client, as required by the AICPA Code of Professional Conduct and various laws. Your acceptance of this MSA will serve as your consent to our use of City of Owatonna anonymized data in performing and reporting on these cost comparison, performance indicator and/or benchmarking analyses.

Unless authorized by law or the client consents, we cannot use a client's tax return information for purposes other than the preparation and filing of the client's tax return. By signing and dating this MSA, you authorize CLA to use any and all information furnished to CLA for or in connection with the preparation of the tax returns under this MSA, for a period of up to six (6) years from the date of this MSA, in connection with CLA's preparation of the types of reports described in the foregoing paragraph.

13. Consent to send you publications and other materials

For your convenience, CLA produces a variety of publications, hard copy and electronic, to keep you informed about pertinent business and personal financial issues. This includes published articles, invitations to upcoming seminars, webinars and webcasts, newsletters, surveys, and press releases. To determine whether these materials may be of interest to you, CLA will need to use your tax return information. Such tax information includes your name and address as well as the business and financial information you provided to us.

By signing and dating this MSA, you authorize CLA to use the information that you provide to CLA during the preparation of your tax returns to determine whether to offer you relevant materials. Your

consent is valid until further notice.

14. Subcontractors

CLA may, at times, use subcontractors to perform services under this MSA, and they may have access to your information and records. Any such subcontractors will be subject to the same restrictions on the use of such information and records as apply to CLA under this MSA.

15. Technology

CLA may, at times, use third-party software applications to perform services under this MSA. You acknowledge the software vendor may have access to your data.

16. Termination of MSA

This MSA shall continue for five years from November 23, 2022, unless terminated earlier by giving appropriate notice. Either party may terminate this MSA at any time by giving 30 days written notice to the other party.

Upon termination of the MSA, the provisions of this MSA shall continue to apply to all services rendered prior to termination.

17. Agreement

We appreciate the opportunity to be of service to you and believe this MSA accurately summarizes the significant terms of our relationship. This MSA, along with the applicable addendum(s) and SOW(s), constitute the entire agreement regarding services to be performed and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA. If you have any questions, please let us know. If you agree with the terms of our relationship as described in this MSA, please sign, date, and return.

CliftonLarsonAllen LLP

Mary Reedy

Principal

3202035534

mary.reedy@claconnect.com

Response:

This MSA correctly sets forth the understanding of City of Owatonna

CLA

ORG: _____

NAME: Mary Reedy

TITLE: Principal

SIGN: Mary Reedy

DATE: November 23, 2022

Client

ORG: City of Owatonna

NAME: Kris Busse

TITLE: City Administrator

SIGN: _____

DATE: _____

ORG: City of Owatonna

NAME: Thomas A. Kuntz

TITLE: Mayor

SIGN: _____

DATE: _____



Owatonna Degner Regional Airport

TO: Honorable Mayor and City Council Members, City Administrator
FROM: Dave Beaver, Airport Manager
DATE: March 23, 2023
RE: Farmland lease agreements for crop year 2023 and 2024

Purpose:

Council to approve farmland lease agreements.

Background:

The City of Owatonna has 133.0 acres rented under farmland lease agreements that are currently available for public bid on a two year schedule. This year an additional 88 acres was included in the bid process for a total of 221 acres. Bids were received for the five parcels for crop year 2023 and 2024. Based on the high bids received the following leases have been prepared:

Renter	Years	Bid Per Acre	Annual Payment
Andrew Hunt	2023-2024	13A x \$330.00 (EDA)	\$4,290.00
		13A x \$330.00 (EDA)	\$4,290.00
		62A x \$330.00 (EDA)	\$20,460.00
		45A x \$340.00	\$15,300.00
David Janke	2023-2024	88A x \$431.00	\$37,928.00
		Total	\$82,268.00

The lease form has been previously reviewed by the City Attorney. The agreements provide that the City reserves the right to take possession of all or part of the rented property if needed for other purposes. In that event, the tenant shall be compensated for any lost or damaged crop for that year.

Budget Impact:

<u>Description</u>	<u>2023</u>	<u>2024</u>
EDA Land (Industrial Park)	\$29,040.00	\$29,040.00
Airport	\$53,228.00	\$53,228.00
Total	\$82,268.00	\$82,268.00

Recommendation:

Staff recommends acceptance of the high bids received and approval of the lease agreements.



Parks, Trails, Recreation & Facilities Department

DATE: April 4, 2023
TO: Mayor and City Council
FROM: Jenna Tuma, Parks, Trails, Recreation & Facilities Director
SUBJECT: Wee Pals - Merrill Hall Lease Agreement

Purpose:

Council approval to renew the lease with Wee Pals Child Care Center, Inc. for space occupied in Merrill Hall.

Background:

Wee Pals Child Care Center, Inc. has leased various rooms/spaces within Merrill Hall for many years. This is a one-year lease effective May 1, 2023 for rooms/spaces occupied and outdoor space used for playground.

Budget Impact:

Rental income is based on the size of the area, which is consistent with other leases of City-owned properties. This lease includes a 5% rent increase to \$48,510 in equal monthly installments of \$4042.50.

Staff Recommendation:

Staff recommends Council approval of this lease.

Attachments:

1. WEEPALS 2023 Lease Agreement Merrill Hall

LEASE

THIS AGREEMENT, made this ____ day of _____, 2023, by and between the City of Owatonna, a municipal corporation of the State of Minnesota, hereinafter called Lessor, and WEE PALS CHILD CARE CENTER, INC., hereinafter called Lessee.

1. PREMISES.

That said Lessor, in consideration of the rents and covenants hereinafter provided, does hereby remise, lease, and let unto Lessee, and the said Lessee does hereby hire and take from Lessor the following described premises situated in the City of Owatonna West Hills property, located in the County of Steele, State of Minnesota, to-wit:

ROOMS 5, 6, 8, 11, 12, AND ROOMS 101, 102, 103, 104, 108, 109, 109 (A), 110 (JANITORIAL ROOM), 111, 112, 112 (A), AND 113, ALL IN THE LOWER AND MAIN LEVELS OF THE MERRILL BUILDING, AND OUTDOOR SPACE FOR A PLAYGROUND AREA

2. TERM.

The term of this lease shall be for a period of one (1) year, commencing on May 1, 2023, and expiring on the 31st day of April, 2024, for the following purposes:

Operation of a child care center.

3. RENT.

The annual term rent payable by Lessee to Lessor shall be \$48,510.00 payable in equal monthly installments of \$4,042.50, each in advance on or before the first day of each calendar month, commencing with the first day of the term, prorated if other than for a full month.

If Lessee pays for improvements to the building, which are deemed necessary by the Lessor for the general improvement of the building, credit for such pre-approved expenses by Lessee shall be spread as a credit toward the rent specified during this lease period.

4. ASSIGNMENT AND SUBLETTING.

Lessee agrees that it will not sublet the demised premises or any part thereof, and will not assign this lease or any interest therein, nor permit such lease to be transferred by operation of law or otherwise and that no act or acts will be done or suffered whereby the same may be or become sublet or assigned in whole or in part, unless the written consent of the Lessor endorsed hereon shall be first obtained in each and every case of underletting or assignment, as they shall from time to time accrue or be desired and that nothing whatever shall be held to be a waiver or supersede the necessity of such endorsement. Any assignment, sale in bankruptcy or insolvency of the Lessee may, at the option of the Lessor, be considered an assignment within the meaning of this lease and as a breach of the covenants hereof. The City Council hereby consents to subletting kitchen to responsible parties.

5. UTILITIES.

Lessor will pay for utility services to its space as determined by Owatonna Public Utilities directly and in full.

6. REPAIRS AND MAINTENANCE.

Lessee agrees to take the premises in their present condition and shall, at its own expense during the term of this lease, maintain the entire leased premises in a safe, clean, and presentable condition. The Lessor is to be responsible for maintenance of structural weight-bearing walls and maintenance and repair of the public sidewalk and entrances and exits to the leased premises. Lessor shall maintain and repair all water, sewer, gas and electric service lines running to the leased premises. Lessee shall be responsible for janitor service for common areas (restrooms, stairways and halls). Lessor shall provide labor with Lessee paying for light bulbs in Wee Pals space.

7. ERECTION AND MAINTENANCE OF SIGNS.

Lessee shall not erect or permit to be erected on said premises or on the exterior of any buildings any signs of any type without the written consent of the Lessor endorsed hereon.

8. TAXES

So long as the property remains tax exempt, neither party will have a tax obligation. Should this tax exempt status change or be modified in any respect by reason of the parties having entered into this lease or for any other reason which would return the demised premises to the tax rolls, Lessee will be obligated to pay and hold Lessor harmless any such real estate or other tax thereby incurred.

9. DAMAGE OR DESTRUCTION OF PREMISES.

In the event of damage to or destruction of the leased premises or a portion thereof by fire, or other cause sufficient to render the leased premises unsatisfactory for Lessee's operations or otherwise untenable, either party may terminate this lease by written notice of its intention to do so to the other party within thirty (30) days of such destruction or damage. Lessor will not be obligated to replace or repair the leased structure, and if it so elects to not rebuild, shall give Lessee notice of said fact and the lease shall thereupon automatically terminate. Should Lessor determine to make repairs to damages to the premises, then during the period commencing with the damage to the premises and ending with the completion of the repairs rendered necessary thereby, the rent payable hereunder shall abate and the obligation of the Lessee ever to pay the same shall cease to the extent and in proportion to the area rendered untenable by the injury to the premises or rendered untenable by repair work.

10. AMERICANS WITH DISABILITIES ACT.

Lessee acknowledges and agrees that, while Lessor has reviewed and approved the plans and specifications for Lessee's leasehold improvements, [and may construct Lessee's leasehold improvements for Lessee], Lessor assumes no responsibility for compliance of such plans and specifications, the leased premises or Lessee's leasehold improvements with the Americans with Disabilities Act of 1990 or the regulations promulgated thereunder ("ADA"), and Lessor shall not be responsible for any alterations or additions to the leased premises or any other portions of the building of which the leased premises or any other portions of the buildings of which the leased premises are a part which may be required by the ADA.

Lessee agrees to comply with the ADA, including without limitation by removing architectural barriers within the leased premises and the common areas of the building made necessary by Lessee's use of the leased premises and by strict conformance with the ADA in the design and construction of Lessee's leasehold improvements and any subsequent alterations. Lessee shall indemnify and shall hold Lessor harmless from any damages, loss or liability, including without

limitation the cost of barrier removal or alterations which may be performed by Lessor, resulting from the failure to Lessee to comply strictly with the requirements of the ADA.

In the event that the Wee Pals Board determines that ADA compliance would be impracticable or cost prohibitive, Lessee may terminate this lease agreement upon thirty (30) days written notice to Lessor.

11. INSURANCE.

Lessee shall at all times during the term of this lease and any extensions thereof, carry public liability insurance covering the leased premises, which insurance shall insure against liability for personal injury or death and property damage with minimal limits of bodily insurance of \$1,000,000 per occurrence, \$2,000,000 aggregate, together with the coverage set out in the attached Addendum No. 1. All such insurance policies shall be with a company and in a form acceptable to the Lessor and Lessee agrees to provide and keep filed on record with the City of Owatonna a certificate of insurance certifying to the existence of such policies.

The limits of liability provided for herein shall be \$1 Million combined single limit.

12. PEACEFUL SURRENDER.

Lessee covenants and agrees to keep and maintain the premises and its fixtures during the term of the lease and peaceably quit and deliver up the same to Lessor at the termination of this lease in as good order, condition, and state of repair as the same are at the date hereof, reasonable use and wearing thereof excepted. At its option and expense, Lessee may remove from the premises at termination the non-attached personal property as it may have installed, excluding specifically heating and air conditioning equipment.

13. LESSOR'S REMEDIES.

If the monthly rental payment, or any of them, whether demanded or not, are not paid within twenty (20) days after becoming due, or in the event Lessee files any petition in bankruptcy or insolvency or is adjudicated bankrupt or insolvent, or if any term, condition, or covenant of this lease on the part of Lessee to be by it performed shall be violated or neglected and such violation or neglect is not cured within twenty (20) days after written notice from Lessor, then in either of such cases, Lessee does hereby authorize and empower Lessor to cancel and annul this lease at once and to reenter and take possession of the premises immediately without any previous notice of intention to reenter, and to remove all persons and their property therefrom without such reentry working a forfeiture of the rents to be paid by Lessee.

14. NOTICES.

Whenever under this lease any demand, notice, or declaration of any kind is required or desirable, it shall be in writing, served or sent by mail with postage prepaid; if to Lessor, addressed to them at City Hall, Owatonna, Minnesota 55060; and if to Lessee, addressed to it at 560 Dunnell Drive, Owatonna, Minnesota 55060. Either party may, by like notice at any time and from time to time, designate a different address to which notices shall be sent. Such notices, demands, or declarations shall be deemed sufficiently served or given for all purposes hereunder when served or two (2) days after mailing as aforesaid.

15. NOTICE OF TERMINATION.

Notwithstanding the term hereof, either party hereto may terminate this agreement upon three (3) months written notice to the other party. In the event City serves notice upon the Lessee, Lessee

may stay in possession beyond the three (3) months as a holdover tenant only upon the express written consent of the Council. Otherwise, Lessee shall peaceably vacate the premises.

16. JOINT OR MUTUAL WAIVER OF SUBROGATION.

It is hereby understood and agreed by and between the undersigned parties that they do jointly and separately waive any and all right of recovery against the other for insured loss occurring at the property described herein.

17. OPTIONS TO RENEW.

Lessee is hereby granted one (1) option(s) to renew and extend the term of this lease for an additional period of one (1) year. Each optional term shall be at such rent and upon the terms and conditions as are agreed to between the parties upon undertaking such optional term.

18. PLAYGROUND.

Notwithstanding anything herein to be contrary regarding assignment and subletting. Any updates to the playground is contingent upon written certification the playground complies with American Society for Testing and Materials (ASTM) standards at the time of installation, and that Lessee shall maintain the playground to ASTM standards. Lessee shall certify that playground complies to the AMERICANS WITH DISABILITIES ACT. Lessor further acknowledges that said improvements are the property of Lessee and that Lessee shall be allowed to remove such improvements at any time and for any reason.

In the event the Wee Pals Board determines that ADA compliance would be impracticable or cost prohibitive, Lessee may terminate this lease agreement upon thirty (30) days written notice to Lessor.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

LESSOR: CITY OF OWATONNA

LESSEE: WEE PALS CHILD CARE CENTER, INC.

By: _____
Thomas A. Kuntz, Mayor

By: _____
Director

Attest: _____
Kris M. Busse, City Administrator/City Clerk

ADDENDUM NO. 1

Workers' Compensation and Employer's Liability :
Sexual misconduct

statutory coverage
\$1 Million per occurrence

LESSOR: CITY OF OWATONNA

LESSEE: WEE PALS CHILD CARE CENTER, INC.

By: _____
Thomas A. Kuntz, Mayor

By: _____
Marilee Pfarr, Director

Attest: _____
Kris M. Busse, City Administrator/City Clerk



Parks, Trails, Recreation & Facilities Department

DATE: April 4, 2023
TO: Mayor and City Council
FROM: Jenna Tuma, Parks, Trails, Recreation & Facilities Director
SUBJECT: Advanced Audio & Visual Agreement - Council Chambers Project

Purpose:

Enter into an agreement with Advance Audio & Lighting (AAL) for the Council Chambers audio and visual (AV) work and the temporary technology setup in the library.

Background:

On February 7, 2023, the City Council approved the AAL bid to perform the AV work on the Council Chambers project. Included in that Council packet was the bid, not the actual agreement.

The action for consideration today is for the Council to approve the agreement with Advance Audio & Lighting (AAL). The details of the agreement are attached.

Budget Impact:

There are no additional fees from the approved February 7, 2023, bid and the work is identified within the project budget.

Description of Work	12/2022 Budget	2/2023 Budget
Base Project Bid + Alternate No. 2	\$ 1,626,400	\$ 1,609,117
AV/IT - Commissioning and Equipment	\$ 158,000	\$ 152,800
Temp Library Setup		\$ 4,500
Temp. PEG Channel		\$ ~5,000
Soft Costs: permits, furniture & smallware's	\$ ~ 60,000	\$ ~60,000
Door Card Access	\$ ~35,000	\$ ~35,000
Professional Services	\$ 108,850	\$ 112,650
Contingency 10% Construction	\$ 162,640	\$ 162,640
Project Total:	\$ 2,150,890	\$ 2,141,707

Staff Recommendation:

Staff recommends approval of the Advanced Audio & Lighting agreement for \$157,300.

Attachments:

1. Sales and Installation Agreement - Council Chambers - AAL



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Sales and Installation Agreement

<u>VENDOR</u>		<u>CUSTOMER</u> (Principal place of business)	
Name:	Advanced Audio & Lighting Systems, Inc.	Name:	<u>City of Owatonna</u>
Street:	6707 N. Sheridan Rd.	Street:	<u>540 West Hills Circle</u>
City St. Zip:	Peoria, IL 61614	City St. Zip:	<u>Owatonna, MN 55060</u>
County:	Peoria	County:	<u>Steele</u>

Subject to the terms and conditions hereof, Vendor hereby agrees to sell and Customer hereby agrees to purchase and, if applicable, sublicense from Vendor, the products and materials described in this Agreement (the "System"). The System shall include (a) the equipment, parts and supplies identified in Addendum A hereto (the "Equipment"), and (b) a nonexclusive sublicense to use (in accordance with the terms provided by the owner thereof) the operating software provided in conjunction with the Equipment by the Equipment manufacturer (the "Programs").¹

TERMS OF SALE

I. PRICE-PAYMENT

The Purchase Price (a) for the Equipment (including the sublicense cost of the Programs, if any) is, plus taxes, if any (as described in the Terms and Conditions) and (b) for the Vendor services described herein is as set forth in the Terms and Conditions. All such amounts are payable in accordance with the Payment Terms set forth in Addendum B.

II. ADDENDA

The following addenda are attached hereto and are an integral part of this Agreement:

- A. Equipment and Programs
- B. Payment Terms
- C. Scope of Work and Deferrals

III. PLACE OF INSTALLATION

The System is to be installed/ delivered/ or commissioned at Customer's facility indicated below (the "Job Site") on or about –

Name:	<u>City of Owatonna – City Council Chambers</u>
Street:	<u>540 West Hills Circle</u>
City St. Zip:	<u>Owatonna, MN 55060</u>
County:	<u>Steele</u>



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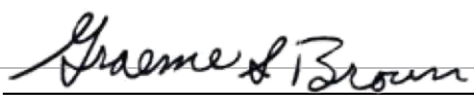
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IV. TERMS AND CONDITIONS

This Agreement is subject to the terms and conditions on the face hereof and the TERMS AND CONDITIONS attached hereto and the addenda referred to above, each of which is incorporated herein by this reference.

SIGNATURES

VENDOR AND CUSTOMER HAVE SIGNED THIS AGREEMENT (WHICH INCLUDES THE TERMS AND CONDITIONS ATTACHED HERETO, AND THE ADDENDA INDICATED ABOVE), ON THE DATES INDICATED, THIS AGREEMENT BEING ENTERED INTO UPON ACCEPTANCE BY VENDOR, IN Peoria Illinois, Peoria County.

<u>VENDOR</u>		<u>CUSTOMER</u> (Principal place of business)	
Name:	Advanced Audio & Lighting Systems, Inc.	Name:	_____
By:		By:	_____
Print Name:	Graeme S. Brown	Print Name:	_____
Date:	March 2, 2023	Date:	_____



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TERMS AND CONDITIONS

Section 1: Price, Charges, and Taxes

- 1.01 **Payment.** Customer and all responsible representatives empowered to do so shall pay to Vendor the purchase price and reimbursements and shall assume responsibility for the other charges and claims set forth in this Agreement in accordance with the payment schedule set forth in Addendum B hereto and elsewhere in this Agreement. Any reference in these Terms and Conditions to "this Agreement" refers to these Terms and Conditions together with the facing page and addenda hereto. Final payments shall be due upon the System's substantial completion. Substantial Completion shall be defined as a functioning system or systems in use, exclusive of any work yet to be completed from any Customer change order or small parts backorders.
- 1.02 **Taxes.** Customer shall report and pay all federal, state, and local taxes (excluding only those taxes based on net income derived by Vendor) designated, levied, or based (1) upon the purchase price or any other amounts payable under this Agreement; (2) on account of this Agreement; or (3) with respect to the System, the Equipment, or the Programs or the acquisition, ownership, or use by Customer of the System, the Equipment, or the Programs. Customer shall indemnify and hold harmless Vendor from all claims and liability resulting from Customer's failure to report or pay such amounts.
- 1.03 **Interest Charges.** Customer acknowledges that the monetary obligations of Customer to Vendor hereunder constitute a commercial account. Customer shall pay, in addition to all other amounts owed to Vendor, interest calculated at 4% percent per month on all amounts that have been due and payable by Customer to Vendor for 30 days or longer. Prior to charging these interest fees, Vendor shall have notified Customer as to the delinquent status of these and any other invoices and shall give Customer a 72-hour grace period in which to comply with full payment. If Vendor employs any legal process to recover any amount due and payable from Customer hereunder, Customer shall pay all costs of collection and reasonable attorney fees.
- 1.04 **Freight.** Vendor shall, unless it notifies Customer to the contrary, arrange for shipment or carriage of the System, collectively or by component, to Customer point of destination.

Section 2: Delivery, Inspection, and Installation

- 2.01 **Site Preparation.** Customer, at its sole expense and prior to delivery and/or installation of the System at Customer's address, shall prepare the Installation Site in an appropriate manner according to instructions provided by Vendor and shall cause the Installation Site to conform to any utility, climate control, reasonable accessibility and technology interface specifications, including but not limited to electrical circuiting and cable paths with conduit, pull lines, structural surfaces readiness, and other reasonable site conditions as specified by Vendor that Vendor or the manufacturers or vendors of the Equipment may require for work to commence. The site shall be certified as a safe working environment as set forth by OSHA regulations and conditions. Customer accepts sole responsibility and implicitly agrees to provide accurate Structural and/ or Mechanical Engineering from a licensed and bonded SE and/ or ME with proper certifications available and provided for inspection in the state where this work will originate for any of the structures adjoining, adjacent, used in combination with and for, and all surfaces for any direct or indirect attachments to which Equipment



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provided by Vendor shall be deployed.



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- 2.02 **Installation.** Vendor shall provide installation of the System at the Work Site if so specified in the Scope of Work document. This work is sole and exclusive and apart from any infrastructure required to facilitate the installation or work to be performed by any trades not included in the scope of the System installation, including but not limited to all carpentry, high voltage electrical, masonry, painting, trim and finish, additional engineering services, etc.

Section 3: Training And User Materials

- 3.01 **Training.** Customer shall select personnel suitable to operate and use the System and confirm that such personnel demonstrate the competence necessary to manage and operate the System. Vendor shall provide Customer's personnel with training and instruction concerning the operation and use of the System by conducting a training session at a mutually convenient time at Customer's facility.
- 3.02 **User Materials.** Vendor will furnish Customer with drawings, diagrams, specifications, documentation, and other materials, including user manuals, relating to the use and servicing of the System. Vendor reserves all right, title, and interest to any associated intellectual property rights which may or may not have been used to specify this System.

Section 4: Proprietary Protection Of Programs

- 4.01 **Reservation of Title.** This Agreement does not effect any transfer of title in the Programs, or any materials furnished or produced in connection therewith, including drawings, diagrams, specifications, input formats, source code, and user manuals. The Programs are provided, and are authorized to be installed, executed, and used only in machine-readable, object code form. Customer's rights in the Programs pursuant to the sub-license included in this Agreement are expressly limited to the use of the Programs by Customer at the Installation Site in connection with the Equipment.
- 4.02 **Restrictions on Use of Programs Generally.** Neither the Programs nor any materials provided to Customer in connection with the Programs may be copied, reprinted, transcribed, or reproduced, in whole or in part, without the prior written consent of Vendor. Customer shall not in any way modify or enhance the Programs, or any materials furnished or produced in connection therewith, without the prior written consent of Vendor.
- 4.03 **Duration of Duties and Return of Programs.** The duties and obligations of Customer hereunder shall remain in full force and effect for so long as Customer continues to control, possess, or use the Programs. Customer shall promptly return the Programs, together with all materials furnished or produced in connection therewith, upon (1) termination for any reason of this Agreement or Customer's license of the Programs or (2) abandonment or other termination of Customer's control, possession, or use of the Programs.



Section 5: Warranties And Limitations

5.01 Limited Warranty and Disclaimer

5.01.1 System and Equipment Warranties. Vendor warrants, for the benefit of Customer only, that at the time of completion of delivery and installation of the System at the Installation Site, the System shall conform in all material respects to the specifications supplied in writing by Vendor. Vendor warrants that it will be the owner of the Equipment when it is delivered, with the full right to sell the Equipment to Customer under the terms hereof. Vendor shall retain full ownership of all materials and Equipment until such a time as Customer has paid all monies due Vendor in accordance with this contract and all addenda, including but not limited to any job change orders incurred past the date of this contract. Vendor's sole obligation, and Customer's exclusive remedy, for any defect or nonconformity in the Equipment and the Programs shall be for Vendor to cooperate with Customer to provide it with the benefit, if any, of the warranty and support commitment of the third-party manufacturers and suppliers of the Equipment and the Programs. Customer, recognizing that Vendor is not the manufacturer of the Equipment or the Programs, expressly waives any claim against Vendor for any failure of the Equipment or Programs or any related patent, copyright or trademark infringement, with respect to the Equipment and the Programs. Customer may independently seek to obtain directly, from the manufacturers of the Equipment or the Programs, maintenance or repair of the Equipment or the Programs under any warranty or guarantee provided by such manufacturer. Customer acknowledges, unless Customer obtains separate service agreements with such manufacturers and suppliers or with a third-party maintenance vendor (such as Vendor) covering maintenance or repair of the Equipment and the Programs at the Installation Site, that such manufacturers and suppliers may require Customer to deliver defective Equipment or Programs to any authorized service centers for maintenance in accordance to all terms and conditions of the manufacturer's warranties.

5.01.2 Exclusive Remedy. As Customer's exclusive remedy for any nonconformity or defect in the System (or any other breach with respect to the condition or operation of the System) for which Vendor is responsible, Vendor shall, during the 24month period following the completion of delivery and installation of the System at the Installation Site, provide all reasonable efforts to correct or cure such nonconformity or defect in order that the System conforms in all material respects to the specifications supplied in writing by vendor.ⁱⁱ Customer shall have paid all due monies to Vendor in accordance with the billing cycles determined in Addendum B regardless of any implied manufacturer's warranty or remedial actions to satisfy any nonconformity or defect of said System.

5.01.3 Conditions Precedent. Vendor shall bear no responsibility for correcting, curing, or otherwise remedying any nonconformity or defect in the System (or any other breach with respect to the condition or operation of the System) if (1) the System is not properly maintained; (2) the System is not operated under normal conditions by qualified personnel; (3) the System incorporates spare or replacement parts other than those purchased under this Agreement; (4) the System has been altered, abused, misused, or tampered with; (5) the nonconformity or defect (or other breach with respect to the condition or operation of the System) has not been reported to Vendor within 30 days after termination of such 12 -month period referred to aboveⁱⁱⁱ; or (6) the nonconformity or defect (or other breach with respect to the condition or operation of the System) has arisen as a result of damage to the System occurring subsequent to delivery thereof to the Installation Site, unless, in any such case, such event or condition directly results from the fault or negligence of Vendor.



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5.01.4 Disclaimer. With the sole exception of the preceding undertakings, VENDOR DISCLAIMS ANY AND ALL PROMISES, REPRESENTATIONS, AND WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE SYSTEM (INCLUDING THE EQUIPMENT AND THE PROGRAMS), INCLUDING THE EXISTENCE OF ANY LATENT OR PATENT DEFECTS, AND ITS MERCHANTABILITY OR FITNESS AS SPECIFIED BY THE MANUFACTURER. VENDOR FURTHER DISCLAIMS ANY AND ALL PROMISES, REPRESENTATIONS, AND WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT PROVIDED BY ANY AND ALL MANUFACTURERS.

5.02 Limitation of Liability; Exclusion of Lost Profits and Consequential Damages. The liability of Vendor to Customer for any claim whatsoever related to the System or this Agreement, including any cause of action sounding in contract, tort, or strict liability, shall be limited to the exclusive remedy set forth in Section 5.01.2, above. In no event shall Vendor be liable to Customer for any loss of profits; any incidental, special, exemplary, or consequential damages. Advanced Audio & Lighting System, Inc. will protect and indemnify Customer, except in cases where Customer is 100% negligent, to the extent that the law and standard liability policy language will allow, for Bodily Injury, Property Damage, and Personal Injury claims arising out of and during the course of Advanced Audio and Lighting System's activities performed on behalf of Customer.

In addition, Advanced Audio and Lighting Systems, Inc. Waives their Right to Subrogate claims and related expenses paid by their Commercial General Liability and Excess Liability policies exclusively.

5.03 Force Majeure. Vendor shall not be responsible for delays or failures in its performance resulting from acts or omissions beyond its control or from any events, acts, or omissions attributable to the manufacturer of the Equipment or the Programs, the vendor of the Equipment to Vendor, the licensor of the Programs to Vendor, or any maintenance vendors. Appropriate and timely access to the jobsite for the Vendor shall not be impeded for the duration of the AVL portions of the installation, and delays, weather, work stoppage, union unrest and strike, or any other circumstance delaying the project shall not force the Vendor to incur any additional costs to complete the project under the Customer proposed completion deadlines. Overtime labor rates and any undue project costs as deemed by Vendor shall be due and implicitly agreed to under the terms and conditions of this contract, should delays be incurred and the Customer wishes to maintain a work schedule and completion timeline which would create these described conditions.

Section 6:Default

6.01 Events of Default. Any of the following shall constitute an "Event of Default" under this Agreement:

6.01.1 Customer's failure to pay to Vendor any charge, cost, or other payment accruing hereunder, if such delinquency has not been corrected within 30, days after Vendor has given Customer written notice of such delinquency.

6.01.2 Customer's failure to perform any other obligation set forth in this Agreement.

6.01.3 Any act or event whereby Customer (a) is or becomes insolvent, (b) is or becomes a party to any bankruptcy or receivership proceeding or any similar action affecting the financial condition or property of Customer, if such proceeding has not been dismissed within 30 days, or (c) makes a general assignment for the benefit of creditors.



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6.02 Effect of Default. Upon the occurrence of an Event of Default Vendor may (1) terminate this Agreement and invoke all rights Vendor possesses upon termination and (2) if Customer remains liable for any monetary obligation created under this Agreement, accelerate and declare all obligations of Customer created under this Agreement to be immediately due and payable by Customer as a liquidated sum and proceed against Customer in any lawful way for satisfaction of such sum, or repossess so much of the System as remains in Customer's possession.

6.03 Waiver. No delay or failure of either party in exercising any right hereunder, nor any partial exercise thereof, shall be deemed to constitute a waiver of any rights granted hereunder or at law. The presence or absence of an Event of Default shall in no way prejudice or abridge the right of Vendor to seek and obtain in appropriate circumstances stoppage of goods in transit or reclamation of goods after delivery.

Section 7: Risk of Loss

7.01 Customer shall bear the entire risk of loss or damage to any Equipment and Program after its delivery at Vendor's expense to the Installation Site and after Vendor's completion of the installation at the Installation Site. Except for loss or damage caused by Vendor, the occurrence of any such loss or damage shall not permit Customer to delay or reduce the payment of any fees or charges prescribed under this Agreement. Customer shall, at its own expense, obtain and maintain property and casualty insurance for the Equipment and the Programs against all risk of loss or damage after the installation. The amount of such insurance shall not be less than the replacement value cost of the Equipment and the Programs plus any additional labors at the prevailing site wage to re install or remedy any replacement items, inventory, or functions. For such purpose, Vendor agrees to provide Customer with replacement materials, to the extent available, for the prevailing value of materials, plus shipping and all applicable handling and installation costs. Customer assumes all responsibility for the suitability of the Work Site for storage of all materials, including but not limited to the Equipment, Programs, Software, and all Vendor issued company or employee tools, analysis or computer equipment, and vehicles while Vendor is completing any work, either segmented or concurrently.

Section 8: General

8.01 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.^{iv}

8.02 Entire Agreement; Amendments. This Agreement, including the addenda hereto, the facing page hereto and these Terms and Conditions, which are hereby incorporated herein by this reference, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes any and all prior and contemporaneous representations, proposals, agreements, negotiations, advertisements, statements, or understandings, whether oral or written. No amendment to this Agreement shall be binding on either party unless such amendment is in writing and executed by authorized representatives of both parties to this Agreement.

8.03 Notice. Any notices required or permitted under this Agreement shall be in writing and shall be effective when delivered in person or sent by registered or certified mail, return receipt requested, with proper postage affixed, or by personal courier to the address set forth in this Agreement or any more recent address of which the sending party has been apprised.



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6707 N. Sheridan Rd.
Peoria, IL 61614
309.691.7105
309.691.7181 fax
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8.04 Paragraph Headings. The paragraph headings contained herein are for the convenience of reference only and shall not be construed so as to affect the interpretation or construction of any substantive provision of this Agreement.



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ADDENDUM A

EQUIPMENT AND PROGRAMS

The equipment, parts, supplies and software to be obtained for and sold to Customer shall be as follows per original design specifications. All GUI and software materials are included in this equipment addendum and shall be licensed for particular use to the Customer. All programming and intellectual properties shall remain the sole and exclusive ownership of the Vendor unless otherwise agreed to in writing.

Audio Video Lighting Systems

<u>Manufacturer</u>	<u>Model No.</u>	<u>Quantities</u>	<u>Description</u>	<u>Status</u>
<u>SEE SALES ORDER SO-22858</u>				
<u>EQUIPMENT ATTACHED</u>				



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ADDENDUM B

PAYMENT TERMS and PRICING GUARANTEES

Pricing Guarantees shall be as follows: All pricing shall be guaranteed in respect to the system referenced to sales order for one hundred and eighty days from the issuance of this contract. Any increases incurred from delay of retainer or receiving by Vendor of signatory documents herein shall be incurred and shall be added on and charged back and Customer implicitly agrees to be responsible for and pay any of these additional charges.

This pertains only to the items listed herein, and are not inclusive of any change orders, or any additions or deletions that vary from this equipment list. This is not inclusive of any Performance or Guarantee Bonds for project completion, and these bonds will be issued at face value if requested in writing within 45 days prior to project commencement and charged back to Customer.

The Pricing Guarantee shall include all shipping and handling charges to the Customer jobsite, or the shop site of Vendor. This shall only include normal freight charges, and not be inclusive or reflect any expedited handling and shipping charges due to scheduling conflicts or schedule changes as requested by Customer. All attempts will be made to order all equipment in a timely fashion and allow for sufficient times for manufacturers to ship product.

Contract total: \$157,300.00 (One Hundred Fifty Seven, Three Hundred and 00/100)

Payment shall be based upon Payment requests will be made monthly based upon project progress for work completed and items stored or installed with 10% retainer.

The balance payments shall be made as follows: In full, including retainage, NET 30 days from project completion/Sign off.



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ADDENDUM C

Scope of Work and Deferrals

The scope of work shall be as follows: The Vendor shall provide all equipment as specified in Sales Order SO- 22858 . All transport to site, installation of all equipment, all low voltage system terminations,

commissioning of the equipment and optimization to factory specifications, and training of designated Customer appointed operators shall be inclusive unless otherwise noted. All high voltage work, structural support, verification of structural support suitability, carpentry, masonry, painting, and any other trade as deemed outside the scope of AVL installation or sales shall be by others as needed.

Customer acknowledges that any legacy equipment in this or any renovation may require additional repairs or even replacement to produce a fully functioning system. Vendor assumes no responsibility for the existing legacy equipment, nor warranties any legacy equipment performance, nor any suitability in this scope, nor fitness for purpose.



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Sales Order

Date	S.O. No.
3/2/2023	SO-22858

Name / Address
Owatonna City Hall 540 West Hills Circle Owatonna, MN 55060

Ship To

Project	P.O. No.
2022.11.11 Council Chambers AV	

Ship Via	Terms	Rep
	Net 30	GSB

Description	QTY	U/M
Crestron CP4N	1	ea
4-Series™ Control System		
Crestron C2N-IO Control Port Expansion Module		
Crestron TS-1070-B-S	2	ea
10.1 in. Tabletop Touch Screen, Black Smooth		
Crestron TST-902	1	ea
8.7" Wireless Touch Screen with table dock		
Arakis Networks AN-310-SW-R-24-POE 310 Series L2 Managed Gigabit Switch with Full PoE+ and Rear Ports	2	ea
BiAmp Tesira Server I/O 48x48, No AVB-1 No Cobranet	1	ea
BiAmp Tesira SIC-4 4 channel mic/line input card	5	ea
BiAmp Tesira SOC-4 4 channel mic/line output card	1	ea
BiAmp Tesira DAN-1 64x64 Dante™ module for use in SERVER or SERVER-IO chassis	1	ea
LEA Connect 354D	2	ea
4 Channel x 350 watt @ 40, 80, 70V and 100V per channel. Internal DSP w/ Crossovers and Dante, IoT Device with built in WiFi Hotspot, WiFi or FAST Ethernet connectivity and Highly Efficient Power Supply with Class D Output Stage		
Panduit CP24BLY..Mini-Com All Metal Shielded Modular Patch Panels 24 ports, 1RU, 19" rack mount	3	
Panduit CJS688TGY Category 6 Mini-Com® TX6™ PLUS Shielded Jack Module, Black	24	
Panduit CJ688TGBL - Category 6 Mini-Com® TX6™ PLUS 28/30 AWG Jack Module, Black	24	ea
Panduit CMBBL-X MINI-COM blank module, black, 10 pack	4	

Subtotal

Sales Tax (0.0%)

Total



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Sales Order

Date	S.O. No.
3/2/2023	SO-22858

Name / Address
Owatonna City Hall 540 West Hills Circle Owatonna, MN 55060

Ship To

Project	P.O. No.
2022.11.11 Council Chambers AV	

Ship Via	Terms	Rep
	Net 30	GSB

Description	QTY	U/M
C2G 00809	12	ea
Cat6 Snagless Shielded (STP) Network Patch Cable - Black 2'		
C2G 00812	12	ea
Cat6 Snagless Shielded (STP) Network Patch Cable - Black 5'		
C2G 00817	12	ea
Cat6 Snagless Shielded (STP) Network Patch Cable - Black 10'		
Martin C6.8T Featuring a 6.5" bass driver and a 0.8" dome tweeter	18	ea
Williams C7-2D US	1	ea
C-Series Multiloop Driver 10A 120V Networked with Dante		
Panasonic PT-FRZ50BU	1	ea
5,200 Lumens, 1DLP, WUXGA Resolution, 4K Input, Laser Projector - Black		
Chief Mfg. RPMA324	1	ea
Elite Custom Projector Mount with Keyed Locking (A version)		
Chief Mfg. CMA372 Offset Unistrut® Adapter	1	
Chief Mfg. CMS012018 12-18" Adjustable Extension Column	1	

Subtotal
Sales Tax (0.0%)
Total



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Sales Order

Date	S.O. No.
3/2/2023	SO-22858

Name / Address
Owatonna City Hall 540 West Hills Circle Owatonna, MN 55060

Ship To

Project	P.O. No.
2022.11.11 Council Chambers AV	

Ship Via	Terms	Rep
	Net 30	GSB

Description	QTY	U/M
Extron HD 4K 101 Plus	1	ea
4K/60 HDMI Cable Equalizer		
C2G 56783..6' HDMI cable optimized for HD	2	ea
Da-Lite 14764L	1	ea
Tensioned Advantage® 16:9 format 108"x192" video screen with Da-Mat front projection surface		
Samsung DM65E 65" 24/7 with three year in place warranty, 1900x1080, built in tuner, pricing includes freight costs	1	
Chief Mfg. MFQUB 2' MFP mobile cart	1	
Extron HD 4K 101 Plus	1	ea
4K/60 HDMI Cable Equalizer		
C2G 56783..6' HDMI cable optimized for HD	2	ea
Chief Mfg. LTM1U Large Fusion Micro-Adjustable Tilt Wall Mount* Note: An order requires 1 fhb5147 for each LTM1U	2	
Extron HD 4K 101 Plus	2	ea
4K/60 HDMI Cable Equalizer		
C2G 56783..6' HDMI cable optimized for HD	2	ea
Extron Cable Cubby 100 US AC	13	ea
Cable Access Enclosures for AV Connectivity and Power		

Subtotal

Sales Tax (0.0%)

Total



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Sales Order

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3/2/2023	SO-22858

Name / Address
Owatonna City Hall 540 West Hills Circle Owatonna, MN 55060

Ship To

Project	P.O. No.
2022.11.11 Council Chambers AV	

Ship Via	Terms	Rep
	Net 30	GSB

Description	QTY	U/M
C2G 56783	13	ea
6' HDMI cable optimized for HD		
West Penn 226 14/2 Stranded bare copper conductors, unshielded with overall jacket	2,000	ft
West Penn6350-BK RG/6 18G BC Digital Video Cable -- BLACK	200	ft
West Penn 4246 CAT6 23 AWG. - 4 PAIR Solid bare copper conductors, unshielded with an overall jacket	2,000	ft
West Penn 4245F CAT6 23 AWG. - 4 PAIR Solid bare copper conductors, Shielded with an overall jacket	2,000	ft
West Penn 291 Single Pair 22 AWG. Stranded tinned copper conductors, individually shielded with an overall jacket.	4,000	ft
Misc Hardware - Main Equipment Rack		
Misc Hardware - Loudspeakers		
Misc Hardware - Video Projector & Screen		
Misc Hardware - Flat Panel Video Screens		
Misc Hardware - Cable Cubbies mounting		
Misc Hardware - Remote Wireless Antenna		
Misc Hardware - Field Network connections		
Misc Hardware - Induction loop hardware		
Cable TV extension devices		
Whirlwind WP2B/0 Custom - 2 gang connector plate - TBD	4	ea
System documentation and 'As Built' drawings		
Service Call (1 hr minimum)	12	hr
Travel Time	24	hr
Trucking mileage charge	776	mi

Subtotal
Sales Tax (0.0%)
Total



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Sales Order

Date	S.O. No.
3/2/2023	SO-22858

Name / Address
Owatonna City Hall 540 West Hills Circle Owatonna, MN 55060

Ship To

Project	P.O. No.
2022.11.11 Council Chambers AV	

Ship Via	Terms	Rep
	Net 30	GSB

Description	QTY	U/M
Reimbursement for travel and work expenses		
Retrieval of legacy equipment		
Installation Labor - Shop testing of legacy equipment	36	
Installation Labor - Mounting & population of legacy equipment rack	16	
Installation Labor - Mounting of ceiling speakers	16	
Installation Labor - Mounting of video projector & screen	36	
Installation Labor - Mounting of flat panel video monitors	12	
Installation Labor - Mounting of "Cable Cubby" in council tables	24	
Installation Labor - Low voltage cable pulls	48	
Installation Labor - Final termination & verification	32	
Control system programming	40	hr
End User Training	8	
Reimbursement for travel and work expenses		
Travel Time - Primary Install	48	hr
Service Call (1 hr minimum)	16	hr
Travel Time	12	hr
Trucking mileage charge	776	mi
Reimbursement for travel and work expenses		
Commissioning		

Subtotal
Sales Tax (0.0%)
Total



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Sales Order

Date	S.O. No.
3/2/2023	SO-22858

Name / Address
Owatonna City Hall 540 West Hills Circle Owatonna, MN 55060

Ship To

Project	P.O. No.
2022.11.11 Council Chambers AV	

Ship Via

Terms	Rep
Net 30	GSB

Description	QTY	U/M
Service Call (1 hr minimum)	12	hr
Travel Time	12	hr
Trucking mileage charge	776	mi
Reimbursement for travel and work expenses		
First System Use Attendance		
Service Call (1 hr minimum)	8	hr
Travel Time	12	hr
Trucking mileage charge	776	mi
Reimbursement for travel and work expenses		
Follow Up Visit		
IMEG Commissioning		
Reimbursement for travel and work expenses		
Temporary AV System Rental - (April 1 - August 31, 2023)	1	day

Subtotal	\$157,300.00
Sales Tax (0.0%)	\$0.00
Total	\$157,300.00



Administration Department

DATE: April 4, 2023
TO: Mayor and City Council
FROM: Kris Busse, City Administrator
SUBJECT: Change Date of Council Meeting to Monday, June 19, 2023

Purpose:

Request Council approve changing the Tuesday, June 20, 2023 Council Meeting to Monday, June 19, 2023.

Background:

The League of Minnesota Cities Annual Conference begins Wednesday morning, June 21, 2023 in Duluth, MN. Council members, Mayor and City Administrator plan to attend this conference. The City Council meeting planned for Tuesday, June 20, 2023 at 7:00 p.m. should be changed to Monday, June 19, 2023 to accommodate travel plans.

Budget Impact:

None

Staff Recommendation:

Staff recommends approval to change this meeting date.

Attachments:

None

RECAP:

128,791.32	Southeast Service Coop - February health insurance premiums
26,003.03	Central Farm Service - Fuel
296,438.57	Everstrong Pay Est #4 Airport Hangar project
165,600.00	Horizon Commercial Pool Supply - Pay Est #2 River Springs mechanical
41,634.40	JJD - Pay Est #17 Cedar Ave
36,389.58	LMCIT - \$28,698 SCDIU property/casualty; \$7,691.58 claim
1,909,065.36	Rice Lake Costruction - Pay Est #9 - WWTP expansion
27,632.00	Vessco Inc (3) Ferric Chloride Pumps
20,550.32	WHKS & Co - storm water plan Feb services
352,000.00	Daikin Applied Americas MN Investment Fund (MIF) pass-thru grant
169,138.04	OTHER EXPENDITURES
<u>\$ 3,173,242.62</u>	<i>SUBTOTAL</i>
<u>84,484.75</u>	HRA HOUSING ASSISTANCE PAYMENTS
<u><u>\$ 3,257,727.37</u></u>	TOTAL EXPENDITURES PRESENTED FOR APPROVAL

NOTE: Checks over \$20,000 are detailed out individually

to

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
Cash Account: 999-19100-000-000-000000					
372532	02/20/23	FULLSTEAM	37.26	R	Wire Transfer
372533	02/20/23	GLOBAL PAYMENTS INTEGRATED	1,902.86	R	Wire Transfer
372534	02/20/23	MN DEPT OF LABOR AND INDUSTRY	1,995.76	R	Wire Transfer
372535	02/20/23	MN DEPT OF REVENUE	1,302.97	R	Wire Transfer
372536	02/20/23	PAYMENTECH	28.66	R	Wire Transfer
372537	02/20/23	SOUTHEAST SERVICE COOPERATIVE	128,791.32	R	Wire Transfer
372538	02/20/23	SYNCHRONY BANK - LOWE'S	2,151.64	0	Regular
372539	02/20/23	US BANK	18,152.97	R	Wire Transfer
372540	02/20/23	WEX BANK	1,650.54	R	Wire Transfer
372541	02/20/23	WEX HEALTH INC	349.25	R	Wire Transfer
372542	03/28/23	ABDO PUBLISHING	24.95	0	Regular
372543	03/28/23	AIRNAV LLC	520.00	0	Regular
372544	03/28/23	ALEXANDER LUMBER COMPANY	922.54	0	Regular
372545	03/28/23	ALICE SVOBODA	122.54	0	Regular
372546	03/28/23	AMERICAN ENGINEERING TESTING	6,144.35	0	Regular
372547	03/28/23	ANHORN'S GAS & TIRE	78.92	0	Regular
372548	03/28/23	ANN RUEHLING	177.17	0	Regular
372549	03/28/23	ANNA K MARTIN	111.64	0	Regular
372550	03/28/23	ANTHONY KOZIOLEK	19.32	0	Regular
372551	03/28/23	APG MEDIA OF SO MINNESOTA LLC	1,136.15	0	Regular
372552	03/28/23	ARAMARK UNIFORM SERVICES INC	260.87	0	Regular
372553	03/28/23	ARROW ACE HARDWARE	233.21	0	Regular
372554	03/28/23	BAKER & TAYLOR BOOKS	721.25	0	Regular
372555	03/28/23	BLACKSTONE PUBLISHING	34.94	0	Regular
372556	03/28/23	BOLTON & MENK INC	9,957.52	0	Regular
372557	03/28/23	C&D OIL SERVICES OF WASECA LLC	60.00	0	Regular
372558	03/28/23	CARQUEST	1,096.99	0	Regular
372559	03/28/23	CENTRAL FARM SERVICE	26,003.03	0	Regular
372560	03/28/23	CHRISTIAN SKJEVELAND	173.75	0	Regular
372561	03/28/23	CINTAS	97.01	0	Regular
372562	03/28/23	CLUB PROPHET SYSTEMS	25.00	0	Regular
372563	03/28/23	COALITION OF GREATER MN CITIES	340.00	0	Regular
372564	03/28/23	COLORS & GLASS INC	1,362.38	0	Regular
372565	03/28/23	CREATIVE EMPIRE LLC	3,789.68	0	Regular
372566	03/28/23	CRYTEEL TRUCK EQUIP	7,712.00	0	Regular
372567	03/28/23	DARYL D KANNE	182.54	0	Regular
372568	03/28/23	DEANS WESTSIDE TOWING	350.00	0	Regular
372569	03/28/23	EVERSTRONG CONSTRUCTION INC	296,438.57	0	Regular
372570	03/28/23	FASTENAL COMPANY	105.47	0	Regular
372571	03/28/23	FIRE PROTECTION SERVICES	7,348.02	0	Regular
372572	03/28/23	FIRST SUPPLY OWATONNA	1,452.86	0	Regular
372573	03/28/23	FLAHERTY & HOOD PA	3,620.00	0	Regular
372574	03/28/23	FLEETPRIDE	420.38	0	Regular
372575	03/28/23	FOUR SEASONS ELECTRIC	325.00	R	ACH

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
372576	03/28/23	GILLIAN WATKINS	91.27	0	Regular
372577	03/28/23	GOPHER/PLAY WITH A PURPOSE	1,259.20	0	Regular
372578	03/28/23	HAWKINS INC	1,501.00	0	Regular
372579	03/28/23	HILLYARD INC	690.87	0	Regular
372580	03/28/23	HORIZON COMMERCIAL POOL SUPPLY	165,600.00	0	Regular
372581	03/28/23	HOUSING AUTH MILWAUKEE	1,113.00	0	Regular
372582	03/28/23	HUBER SUPPLY CO INC	46.00	0	Regular
372583	03/28/23	I U O E LOCAL 70	57.26	0	Regular
372584	03/28/23	I/O SOLUTIONS INC	347.00	0	Regular
372585	03/28/23	IFACS	247.35	0	Regular
372586	03/28/23	INFO USA MARKETING INC	1,745.00	0	Regular
372587	03/28/23	INNOVATIVE OFFICE SOLUTIONS	366.53	0	Regular
372588	03/28/23	JEANETTE CLAWSON	40.00	0	Regular
372589	03/28/23	JJD COMPANIES LLC	41,634.40	0	Regular
372590	03/28/23	JO-ANN STORES LLC	1,000.00	0	Regular
372591	03/28/23	JOHN DEERE CREDIT	1,538.05	0	Regular
372592	03/28/23	JUDITH MEIXNER	75.00	0	Regular
372593	03/28/23	JUDY BUSKOVICK	91.27	0	Regular
372594	03/28/23	KENDELL DOORS & HARDWARE INC	1,024.00	0	Regular
372595	03/28/23	LAWSON AUTOMOTIVE LLC	39.98	0	Regular
372596	03/28/23	LAWSON PRODUCTS	93.62	0	Regular
372597	03/28/23	LEAGUE OF MN CITIES	1,050.00	0	Regular
372598	03/28/23	LEAGUE OF MN CITIES INS TRUST	36,389.58	0	Regular
372599	03/28/23	LEGACY SIGNS INC	415.00	0	Regular
372600	03/28/23	M-B COMPANIES INC	1,604.59	0	Regular
372601	03/28/23	MANKE'S OUTDOOR EQUIP & APPL	944.74	0	Regular
372602	03/28/23	MARV'S PICTURE FRAMES	90.00	0	Regular
372603	03/28/23	MARY RHOADES	91.27	0	Regular
372604	03/28/23	MCMASTER-CARR SUPPLY CO	47.31	0	Regular
372605	03/28/23	MCNEILUS STEEL INC	144.95	0	Regular
372606	03/28/23	MELVIN REINEKE	177.17	0	Regular
372607	03/28/23	METRONET	1,330.14	0	Regular
372608	03/28/23	MICHAEL A. OLDENBURG	741.00	0	Regular
372609	03/28/23	MID-STATES ORGANIZED CRIME	200.00	0	Regular
372610	03/28/23	MIKE'S REPAIR	1,015.50	0	Regular
372611	03/28/23	MINNEAPOLIS PHA	549.72	R	ACH
372612	03/28/23	MINNESOTA PUMP WORKS	455.00	0	Regular
372613	03/28/23	MN GOVT FINANCE OFFICERS ASSN	70.00	0	Regular
372614	03/28/23	MN OFFICE OF ADMIN HEARINGS	49.00	0	Regular
372615	03/28/23	MN POLLUTION CONTROL AGENCY	14,350.00	0	Regular
372616	03/28/23	MN VALLEY TESTING LABS INC	222.20	0	Regular
372617	03/28/23	MOBOTREX INC	987.00	0	Regular
372618	03/28/23	MOTOROLA SOLUTIONS INC	2,401.98	0	Regular
372619	03/28/23	MTI DISTRIBUTING INC	2,389.90	0	Regular
372620	03/28/23	NAPA AUTO PARTS	380.67	0	Regular

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
372621	03/28/23	NORTHLAND FARM SYSTEMS	526.48	0	Regular
372622	03/28/23	OFFICE OF MNIT SERVICES	420.00	0	Regular
372623	03/28/23	OWATONNA FIRE RELIEF ASSN	3,000.00	0	Regular
372624	03/28/23	OWATONNA METAL RECYCLING	11.50	0	Regular
372625	03/28/23	PARAGON PRINTING	523.75	0	Regular
372626	03/28/23	PDI	45.30	0	Regular
372627	03/28/23	PRESENCE TELEHEALTH PLLC	1,000.00	0	Regular
372628	03/28/23	RENT N SAVE	840.00	0	Regular
372629	03/28/23	RICE CO SOLID WASTE DEPT	102.00	0	Regular
372630	03/28/23	RICE COUNTY HRA MANAGEMENT	43.00	0	Regular
372631	03/28/23	RICE LAKE CONSTRUCTION GROUP	1,909,065.36	0	Regular
372632	03/28/23	SANCO EQUIPMENT	781.31	0	Regular
372633	03/28/23	SCHILLING SUPPLY CO	151.69	0	Regular
372634	03/28/23	SENIORPLACE INC	294.00	0	Regular
372635	03/28/23	SHERWIN WILLIAMS COMPANY	537.65	0	Regular
372636	03/28/23	SHI CORP	257.00	0	Regular
372637	03/28/23	SHOT IN THE DARK STUDIO	610.00	0	Regular
372638	03/28/23	SHRED RIGHT	374.00	0	Regular
372639	03/28/23	SOUTHEAST MN CODE OFFICIALS	160.00	0	Regular
372640	03/28/23	STATE INDUSTRIAL PRODUCTS	386.49	0	Regular
372641	03/28/23	STEELE CO ATTORNEY'S OFFICE	2,071.25	0	Regular
372642	03/28/23	STEELE COUNTY TREASURER	5,971.25	0	Regular
372643	03/28/23	STEWART DENISE	111.48	0	Regular
372644	03/28/23	SUMMIT COMPANIES	250.50	0	Regular
372645	03/28/23	SUPERIOR COMPANIES OF MN INC	739.00	0	Regular
372646	03/28/23	SWANK MOTION PICTURES INC	748.00	0	Regular
372647	03/28/23	SWEET TOWING	245.00	0	Regular
372648	03/28/23	SYNCHRONY BANK	230.08	0	Regular
372649	03/28/23	T-MOBILE	2,025.32	0	Regular
372650	03/28/23	TERMINIX	68.00	0	Regular
372651	03/28/23	TERRACON CONSULTANTS INC	5,255.00	0	Regular
372652	03/28/23	TEXAS REFINERY CORP	488.50	0	Regular
372653	03/28/23	TONY'S FLOORING - OWATONNA LLC	40.80	0	Regular
372654	03/28/23	TREASURY DIVISION, FINANCE	304.84	0	Regular
372655	03/28/23	TRI M GRAPHICS	1,293.05	0	Regular
372656	03/28/23	TRUCK CENTER COMPANIES LLC	1,497.89	0	Regular
372657	03/28/23	TURFWERKS	469.11	0	Regular
372658	03/28/23	VENTURE HYDRAULICS INC	356.02	0	Regular
372659	03/28/23	VERIZON WIRELESS	2,808.75	0	Regular
372660	03/28/23	VESSCO INC	27,632.00	0	Regular
372661	03/28/23	WALBRAN & FURNESS CHARTERED	4,721.75	R	ACH
372662	03/28/23	WASTE MANAGEMENT OF WI-MN	337.37	0	Regular
372663	03/28/23	WESTMOR FLUID SOLUTIONS LLC	2,740.41	0	Regular
372664	03/28/23	WHKS & CO	20,550.32	0	Regular
372665	03/28/23	WHKS & CO	2,670.00	0	Regular

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
372666	03/28/23	ZEP MANUFACTURING CO	167.36	0	Regular
372667	03/28/23	MATTHEW R HOKANSON	2,841.57	0	Regular
372668	03/28/23	MATTHEW R HOKANSON	2,916.67	0	Regular
372669	04/01/23	A&K LLC	700.00	R	ACH
372670	04/01/23	ADAMS REVOCABLE LIVING TRUST	544.00	R	ACH
372671	04/01/23	ALL AREA MANAGEMENT LLC	543.00	R	ACH
372672	04/01/23	APACHE APARTMENTS	602.00	R	ACH
372673	04/01/23	ARNFELT RENTS	59.00	R	ACH
372674	04/01/23	ATM PROPERTIES LLC	1,907.00	R	ACH
372675	04/01/23	AUSTIN HRA	1,703.00	0	Regular
372676	04/01/23	B-GROVE LLC	1,085.00	R	ACH
372677	04/01/23	BB BROTHERS HOLDINGS LLC	299.00	R	ACH
372678	04/01/23	BROWN CYNTHIA	509.00	R	ACH
372679	04/01/23	BRYCEN GREGOR	941.00	R	ACH
372680	04/01/23	CEDAR HILLS ESTATES	561.00	R	ACH
372681	04/01/23	CEDAR RIDGE APARTMENTS	732.00	R	ACH
372682	04/01/23	CEDAR ROSE ASSOCIATES LLC	254.00	R	ACH
372683	04/01/23	CEDAR RUN TOWN HOMES MDI #41	2,032.00	R	ACH
372684	04/01/23	CEDARDALE NORTH APARTMENTS	348.00	R	ACH
372685	04/01/23	CEDARDALE SOUTH APARTMENTS	262.00	R	ACH
372686	04/01/23	CEDARDALE WEST APARTMENTS	579.00	R	ACH
372687	04/01/23	CHAD EISCHENS	589.00	R	ACH
372688	04/01/23	CHRIS PROHASKI	993.00	R	ACH
372689	04/01/23	COMMON CENTS PROPERTIES LLC	340.00	R	ACH
372690	04/01/23	DAFYDD GWYN WILLIAMS	1,052.00	R	ACH
372691	04/01/23	DAN NECHVILLE	644.00	R	ACH
372692	04/01/23	DANIEL SCHLEGEL	483.00	R	ACH
372693	04/01/23	DONALD RIPPLE	982.00	R	ACH
372694	04/01/23	EEK LLC	391.00	R	ACH
372695	04/01/23	ELLINGSON RICHARD	807.00	R	ACH
372696	04/01/23	ELM STREET PROPERTIES	473.00	R	ACH
372697	04/01/23	ESSO PROPERTIES LLC	886.00	R	ACH
372698	04/01/23	FITZGERALD TLS PROPERTIES LLC	466.00	R	ACH
372699	04/01/23	GERALD BESSER & JANET BESSER	273.00	R	ACH
372700	04/01/23	IMAGE APARTMENT	2,477.00	R	ACH
372701	04/01/23	JASON HINNA	766.00	R	ACH
372702	04/01/23	JBLL EQUITIES LLC	1,771.00	R	ACH
372703	04/01/23	JOHN & DENISE SCHROEDER	485.00	R	ACH
372704	04/01/23	JOHNSON WINDOW & SIDING INC	3,046.00	R	ACH
372705	04/01/23	JPF PROPERTIES	1,100.00	R	ACH
372706	04/01/23	JULIE WERSAL	437.00	R	ACH
372707	04/01/23	KEG INVESTMENTS LLC	471.00	R	ACH
372708	04/01/23	KERR MCCAULEY INVESTMENT II	289.00	R	ACH
372709	04/01/23	KLEVOS GREG	837.00	R	ACH
372710	04/01/23	LAXMAN S SUNDAE	707.00	R	ACH

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
372711	04/01/23	LINCOLN SQUARE APARTMENTS	6,843.00	R	ACH
372712	04/01/23	LOFTS ON 3RD	526.00	R	ACH
372713	04/01/23	LWO LIMITED PARTNERSHIP #116	1,335.00	R	ACH
372714	04/01/23	MANCINI NICHOLAS	741.00	R	ACH
372715	04/01/23	MARQUARDT DENNIS	2,010.00	R	ACH
372716	04/01/23	MARTIN ALLAN	2,671.00	R	ACH
372717	04/01/23	MARTIN FAMILY LLC	546.00	R	ACH
372718	04/01/23	MCCAULEY PATRICK	835.00	R	ACH
372719	04/01/23	MIDWEST INVEST LLC	485.00	R	ACH
372720	04/01/23	MINNEAPOLIS PHA	917.40	R	ACH
372721	04/01/23	NECHVILLE SUSAN	1,807.00	R	ACH
372722	04/01/23	NORTH VIEW APARTMENTS	867.00	R	ACH
372723	04/01/23	NORTHCOURT APARTMENTS	1,375.00	R	ACH
372724	04/01/23	NORTHGATE	2,240.00	R	ACH
372725	04/01/23	NORTHWEST MANOR	1,023.00	R	ACH
372726	04/01/23	OLSEN RENTALS LLC	988.00	O	Regular
372727	04/01/23	OWATONNA PUBLIC UTILITIES	70.00	R	ACH
372728	04/01/23	PARK PLAZA LLC	1,067.00	R	ACH
372729	04/01/23	PARKVIEW OWATONNA LLC	325.00	R	ACH
372730	04/01/23	POSITIVE SHARE LLC	417.00	R	ACH
372731	04/01/23	PROHASKI PROPERTIES	903.00	R	ACH
372732	04/01/23	QUALITY RENTALS OF OWATONNA LL	631.00	R	ACH
372733	04/01/23	RAYMOND WILLMOTT	398.00	R	ACH
372734	04/01/23	SCOTT COUNTY CDA	2,488.80	R	ACH
372735	04/01/23	SMITH REAL ESTATE LLC	891.00	R	ACH
372736	04/01/23	SOUTH CENTRAL HUMAN RELATIONS	3,745.00	R	ACH
372737	04/01/23	ST CLOUD HRA	390.55	R	ACH
372738	04/01/23	SUBLAND INVESTMNTS & LIFESTYLE	573.00	R	ACH
372739	04/01/23	SUMMIT MANOR	293.00	R	ACH
372740	04/01/23	TM RENTALS II LLC	483.00	R	ACH
372741	04/01/23	TM RENTALS LLC	421.00	R	ACH
372742	04/01/23	TREND REALTY LLC	570.00	R	ACH
372743	04/01/23	USDA RURAL DEVELOPMENT	480.00	O	Regular
372744	04/01/23	USDA RURAL DEVELOPMENT	436.00	O	Regular
372745	04/01/23	WILLOW RUN I MDI #58	3,537.00	R	ACH
372746	04/01/23	WILLOW RUN II MDI #85	2,936.00	R	ACH
372747	04/01/23	YOUNGDAHL DEVELOPMENT LLC	1,613.00	R	ACH
372748	04/01/23	ZK INVESTORS LLC	2,182.00	R	ACH
372749	03/29/23	BUREAU CRIMINAL APPREHENSION	133.00	O	Regular
372750	03/29/23	DAIKIN APPLIED AMERICAS INC	352,000.00	R	ACH

130	Checks total:	2,665,041.56
80	ACH total:	438,474.22
0	EFTPS total:	
9	Wire transfer total:	154,211.59
0	Payment Manager total:	
219	GRAND TOTALS	3,257,727.37



Ordinances



Community Development Department

DATE: April 4, 2023
TO: Mayor and City Council
FROM: Greg Kruschke, Community Development Manager
SUBJECT: Ordinance 23-06 Vacate Portion of Drainage and Utility Easements - 2807 Timber Ridge Drive NE - Second/Final Reading

Purpose:

Request Council approval of Ordinance 23-06 to vacate a portion of a Drainage and Utility Easement at 2807 Timber Ridge Drive NE.

Background:

Staff Report attached.

Planning Commission held a public hearing and recommended approval with conditions as listed in the Staff Report.

Council approved the first reading of this proposed ordinance during their meeting on March 21, 2023; there have been no changes since.

Budget Impact:

None.

Staff Recommendation:

Staff recommends approval of Proposed Ordinance 23-06 as recommend by the Planning Commission.

Attachments:

1. Ord 23-06 Vacate Portion Drainage & Utility Easement - 2807 Timber Ridge Dr NE
2. PC Staff Report -Wetmore Easement Vacation

ORDINANCE NO. ____

AN ORDINANCE PURSUANT TO SECTION 6.2 OF THE HOME RULE CHARTER OF THE CITY OF OWATONNA, AND SECTION 675 OF THE 1992 ORDINANCE CODE OF THE CITY OF OWATONNA, VACATING A STREET, ALLEY, OR PUBLIC RIGHT-OF-WAY, OR ANY PART THEREOF, HEREIN DESCRIBED, AND PROVIDING FOR ITS RECORDING.

WHEREAS, there has been filed with the City Council a petition to vacate the premises hereinafter described; and

WHEREAS, a public hearing was held on March 14, 2023, on the said petition and after public notice was given, pursuant to Section 6.2 of the Home Rule Charter; and

WHEREAS, the proposed vacation does not destroy or interfere with the rights of any person, corporation, or municipality; and

WHEREAS, the City finds that the premises hereinafter described are no longer required for municipal purposes.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OWATONNA DO ORDAIN:

SECTION 1. That the following described portion of a Utility Easement:

That part of Lots 9 and 10, Block 2, MAJESTIC OAKS, according to the recorded plat thereof, Steele County, Minnesota, described as follows: The North 5.00 feet of said Lot 10 lying easterly of the West 10.00 feet of said Lot 10, which lies westerly of the East 10.0 feet of said Lot 10, AND the South 5.00 feet of said LOT 9 lying easterly of the West 10.00 feet of said Lot 9, which lies westerly of the East 10.00 feet of said Lot 10.

may be and hereby is vacated.

SECTION 2. The City Clerk shall cause this Ordinance to be filed for record in the offices of the City Clerk and the City Engineer of the City of Owatonna and its title added to Appendix IV of the 1992 Ordinance Code of the City of Owatonna.

SECTION 3. The City Clerk shall cause an original copy hereof to be filed for record and duly recorded in the office of the Steele County Recorder in and for Steele County, Minnesota.

SECTION 4. Effective Date. This Ordinance shall be in full force and effect from and after its passage and publication.

Passed and adopted this ____ day of _____, 2023, with the following vote:

Aye ____; No ____; Absent ____.

Approved and signed this ____ day of _____, 2023.

ATTEST:

Thomas A. Kuntz, Mayor

Kris M. Busse, City Administrator/City Clerk

March 10, 2023

To: Planning Commission
From: Community Development Department
RE: Request to vacate a portion of a Drainage & Utility Easement

Application Review:

Applicant: Christina Wetmore
Location of Property: 2807 Timber Ridge Drive NE
Legal Description: See Attached Survey
Report Attachments:
1. Location Map
2. Vacation Sketch & Description
3. Applicant's proposal
4. Overflow Drainage Plan

Proposed Development:

- ◆ Petition by Christina Wetmore to vacate a portion of a drainage and utility easement in order to construct a new house.
- ◆ The applicant would like to combine the two lots and vacate the easement in order to build over the lot line.
- ◆ This lot line contains the designed, but not yet constructed, emergency overflow for the subdivisions drainage.
- ◆ The City has met with the developer on getting this constructed through the development and why it should be completed. They are preparing plans and planning on constructing it this summer.
- ◆ The applicant will need to provide an engineered design of this emergency overflow before the City will recommend approval of this request.
- ◆ As it exists today, the house as proposed will be an island in the middle of a lake on a March rain or a significant rain fall event due to the grades to the north of the property.
- ◆ Without this being installed properly it will lead to drainage issues when the storm sewer cannot handle the rainfall.
- ◆ To date staff has not heard from any utility companies on this easement. The drainage appears to be the only concern.
- ◆ Once the engineered design is completed on the relocated waterway staff will have no issue with the vacation. However, without the design staff would not be in favor of this request.
- ◆ The applicant will also be required to dedicate a new easement over the drainage way.

Staff Recommendation:

Staff recommends approval of this vacation of a portion of a drainage and utility easement located on the property at 2807 Timber Ridge Drive NE as described above with the following conditions:

- 1) An easement shall be dedicated over the proposed drainageway prior to the permit being issued for construction of the home.
- 2) The drainageway shall be fully constructed prior to a Certificate of Occupancy being issued on the house.
- 3) All conditions in the City Engineer's letter dated March 14, 2023 be met.

Planning Commission:

VACA-23-1, which is request by Christina Wetmore to vacate a portion of a Drainage and Utility Easement at 2807 Timber Ridge Drive NW, was presented by Community Development Manager Greg Kruschke. (Refer to report on file.) Public hearing opened at 5:42 p.m. Dennis Wille, 2887 Timber Ridge Drive NE, said as he said he looks at some of the other lots, it seems like the elevations are in the center of those lots, verses following where that easement is plotted. It looks like water would have to go up hill in a few places on that easement. Kruschke said that was one of their concerns in vacating and moving it to the north because there is a high point that is to the north of this lot. There is going to be some excavation that has to happen to make this work, and that is part of this process. The developer needs to address that outside of the Wetmores' lot. All of this has been surveyed and they have shots through there on what will be required in order to construct this. That can't happen until the spring, but they're confident that it will be able to be regraded. Some of these side slopes will have to be redone—maybe two or three feet that needs to be excavated to form the swale. Joyce Mattison, 2887 Timber Ridge Drive NE, asked if it's up to the developer to regrade those other lots before construction can start. Kruschke said no, they will have to regrade this before the house is finished. Joyce Mattison asked if there is an agreement in place that they would do it. Kruschke said yes, they've met with the developer this last week and they are fully aware. Dennis Wille clarified that the high point has to be lowered two or three feet. Kruschke said that is an estimation. Dennis Wille said that is considerably higher than the low point of the lots in place to the north. Kruschke said that it will be fairly flat within that drainageway, but they will have to match those spot elevations. Dennis Wille said that changes his lot considerably because none of that has been done to this point. He said he's concerned about what that will all look like, because right now there is a lake in front of where they want to build their house and a lake to the south and a lake across the road to the east. He said if the intent is to make that water flow naturally, there is a lot of elevation change that will need to happen. Kruschke said that is what the engineers are designing. Generally speaking, when a subdivision is put in the majority of these things should be graded into that subdivision as it occurs. This one has been sort of piecemealed together, but this is something that is needed to protect those lots once constructed and the drainage ways so they don't have to rely on structures in case they fill up. The drainage channel overflows once the structures are at capacity. Dennis Wille said his concern is what it's going to look like – it's really going to change the area in his opinion. A lot of dirt work will need to happen. Kruschke said that is something the developers will have to work with the property owners on out there to

tie in some of the grades coming into that existing swale to get it in through those properties. Dennis Wille said that there's a high point on the vacant lot to the north. There's a high point between the existing lots to the east. It's lower close to the road. Kruschke said he understands what he's saying—there is a lot of dirt work that needs to be done. Dennis Wille said that would be a huge expense. Kruschke said that's on the developer to take care of it. Cia Grass, 2800 24th Avenue NE, said she and her husband Buzz live a little to the north and across the road from this parcel. She said they have a concerns. They have certainly had water issues since that development has taken place, but there is a county tile that they are aware of that goes directly through there. She would like to know how that will be a part of this development. Kruschke said that at this point they're not proposing any changes to the county tile. This is just constructing the emergency overflow, which is above ground drainage. Anything that's underground is not being addressed with this request. Cia Grass clarified that the county tile would not be impacted in any way. Kruschke said that is correct—not with this project. Dennis Wille said that he's heard rumors of county tile running through. He asked if there is any idea where that runs. Cia Grass had a map from the ACS office that identifies where it is. She said they have not had an opportunity to look at what they've gotten in the last few days and was hoping they'd have more time to look at and study how it may or may not affect the people who live nearby. Kruschke said that this group, the Planning Commission, holds public hearing on the request and all comments will go forward to the City Council meeting next week. All vacation requests require two readings at City Council. He said they can certainly reach out to City staff. This should have been done years ago. Karlene Just, 2820 Timber Ridge Drive NE, said that the drainage easement will be right in front of their house, and she said she doesn't know how water will go up to the pond. She said when her house was built, they went two feet lower than they needed to and ran into cattails. She said that the developer sold them swampland and she does not need anymore water coming near her. The fill alone to get that lot buildable was ridiculous. They had to put in a \$12,000 generator because if the sump pump would go out, their house would be destroyed. The City needs to look at what REO is selling, because it's not legitimate. She thought she was buying a buildable lot but has had \$15,000 in corrections because they sold her swampland. She's been told by the excavators that there are many lots up there that are equally as bad as hers. The lot to the south is estimated to have \$25,000 in corrections because that is the worst part of the swamp. This isn't a couple building a house on two lots, this is a developer. Kruschke said that the request is to vacate the easement and the developer will be constructing the emergency overflow drainage. Karlene Just asked who would be doing it. Kruschke said a combination of the home builder and the developer. Karlene Just said that nothing has been done right up there so far. She said that everybody needs to take a long look at this before anything is done. She said if you knew the amount of people up there who have tremendous water issues – it's a shame that the City has allowed this to happen. Not a lot of people can afford a \$15,000 correction, and you can't get a loan for that, so now you have a junk piece of property that who's going to buy? Nobody. She said all of the neighbors need a lot more detail with what's going to happen and how it's going to happen. Curt Broughten, 2700 24th Avenue NE, asked if the green line is the existing tile. Kruschke said that it won't be a tile, it's an emergency overflow that will be graded above ground. Curt Broughten said he's lived there 42 years and he could have told you where the swamps were. Adrian Seykora, 2722 24th Avenue NE, he said his concern with moving the easement is the tile lines. They were guaranteed by the county and the city that the county tile lines would be maintained. You might hit that tile line if you're digging down a few feet. Those tile lines need to be maintained. Joyce Mattison said she likes the idea of someone

building on two lots. She asked if the green line is the existing or proposed easement. Kruschke said that it's the existing easement, they are proposing to rotate and flip that "L" on the Wetmore's parcel. Joyce Mattison said there will be a foot and a half to two foot ditch when it's done. Kruschke said it will ebb and flow depending on existing contours as to how much needs to be excavated. Based on this design plan, they will have to hit those elevations on the engineered design. That will have to happen whether or not the easement is vacated. Joyce Mattison said that the correction is going to put the ditch in now. Kruschke said that is correct. There are already corrections that have been made, including the house being constructed on the east side of Timber Ridge, that is being constructed right now. They had to make some modifications. It will definitely be a change compared to what is there now. For some reason this was never installed. Dennis Wille said as it comes to the road, it's up hill. He asked for an idea of the elevation of that. Kruschke said that they're cutting through those high points to put that in. He said he's not an engineer or a surveyor, but the engineer designed it to these spots. Al Maas, general contractor, said that he has a survey that they're using. If you look at the very NE corner of Lot 9, the elevation is 1198.89. The back of Lot 8 is 1197.39. He said he thinks the grading has to go a little bit beyond the next lot. All of these lots have a 10 foot drainage and utility easement. He said that they are working with the City to get this corrected. There needs to be an emergency overflow no matter what. They all have to work together to correct the problem. It was never graded to match the plan. He said that it needs to be corrected. It won't be a county road ditch – it's a swale. The idea is that the people will be protected from it. The only way to solve this is to make sure this emergency drainage swale is created. Joyce Mattison asked if they would lose their big oak trees. They're ten feet from the property line and they will have to dig into their lot and that would affect the roots. Al Maas said that they want to move the overflow to the north which will move it away from the trees and that would help the trees. Philomena Seykora, 2722 24th Ave NE, said they've owned that property since December of 1978. They have seen the whole field under water. She said that there have been things that weren't being shared honestly with people who were buying land. She said the developer will work to do this swale, and she said her concern is that they're not going to do it properly. Who's going to pay for the damages or guarantee that once the swale is in we won't get water. We need to take more time to make sure this is done properly and right before they do it. Public hearing closed at 6:14. Eickhoff said that he understands the concerns. He said he bought a house on a hill specifically, so he didn't have water damage, and he's still had water damage. He said the issue in front of them is just moving the easement on this one lot, not the whole development. He said that they want to keep it moving forward. There are concerns about the overall structure and he said gets that, but the issue at hand is just moving this slightly north on the lot. Karlene Just asked if there was any way to hold the developer accountable. Kruschke said that they're working with the developer and design engineers. They are working on doing it. They can't go grade it today. The timeline is this has to be completed before the Wettmores are able to occupy their house, but that is the trigger to get this done. In talking to the developer, they realize what was done. This will be a lot more difficult to do at this point than it would have been if it was done during street construction. We will check and verify and require as-built drawings. Karlene Just said that she tried called two engineers three years ago because she wanted a calc map of land elevation for Majestic Oaks before it was developed, and to this day, no engineers called her back. She said she came to City Hall and said she needed a calc map of the area. All the engineers were gone and a gentleman came out and said that it's a private development and they had no information about it. She said that she wasn't going to stand there and argue as there were other people there,

but she can't believe that she could buy property and do whatever she wanted—the City has no business telling me what I can and can't do? One of the excavators that works up there went to where they do the mapping of the elevations and they refused to give him a map because they were worried that they were going to be sued because of the swamp land up there. She asked if that's allowed to happen in Owatonna. Kruschke said that he can't answer why they sold you a lot with poor soils but that is a private issue with the developers. As far as maps and contours, Steele County has two foot contours available for the entire county and there are general grading plans for a lot of developments. A due diligence process typically takes soil borings or tests beforehand. There are certainly a lot of private issues with the developer that the City does not get involved in. He recommended contacting the developer and her attorney on those issues. Karlene Just said that the City wouldn't give out the proper map to one of the excavators last fall. She said that it's kind of scary when the City isn't giving out the proper map. Kruschke said that the Wetmore's request is to vacate this drainage easement that goes through the proposed house area.

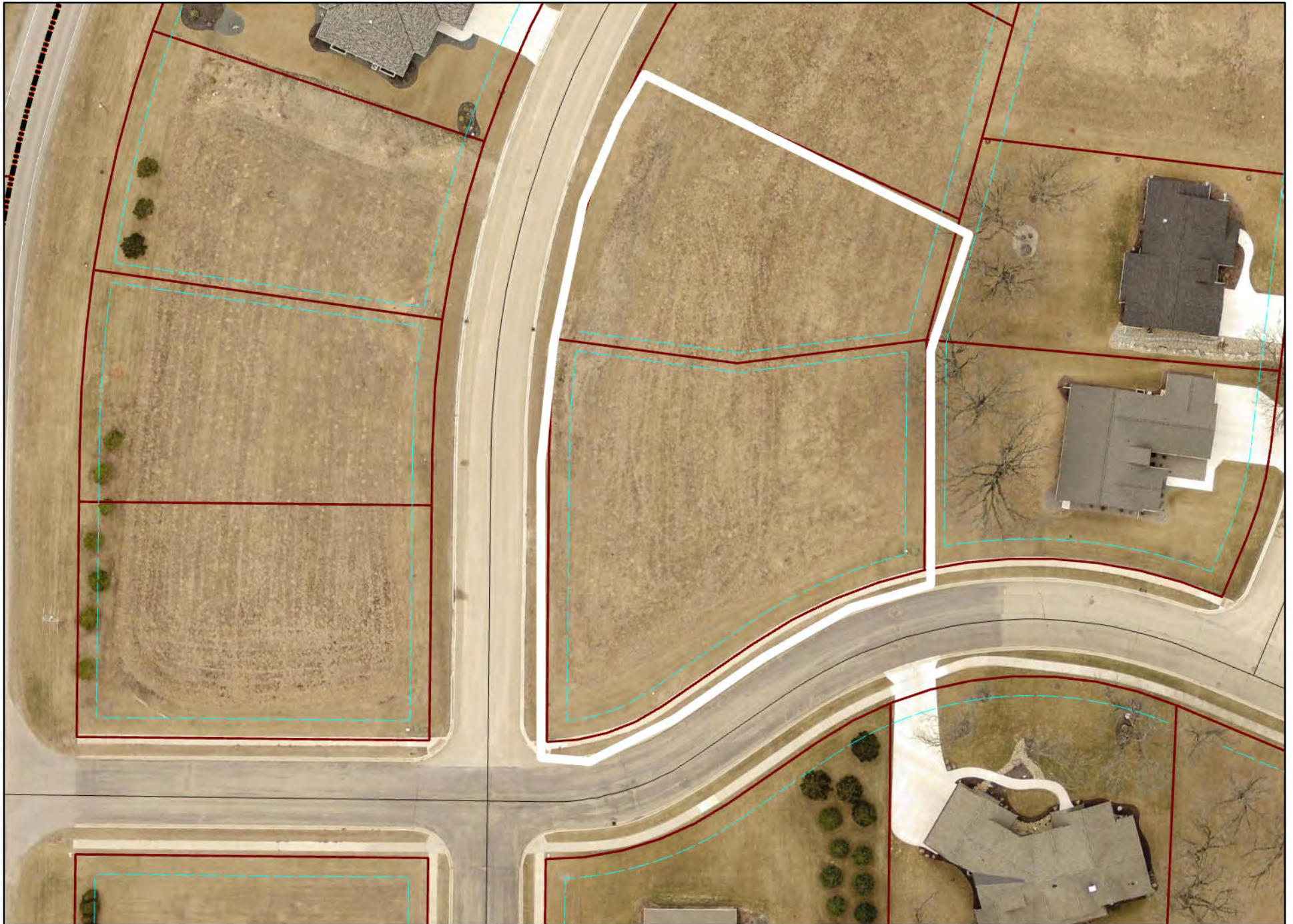
A motion was made by Eickhoff to recommend City Council approval of this request to vacate a drainage and utility easement with the following conditions:

- 1) The easement be dedicated over the proposed drainageway prior to permit being issued for the construction of the house.
- 2) The drainageway shall be fully constructed prior to a Certificate of Occupancy being issued on the house.
- 3) All conditions in the City Engineer's letter dated March 14, 2023 be met.

Effertz asked if they've been in conversation with the developer – just verbal agreements. Kruschke said that this is part of the conditions that the drainageway be fully constructed before the issuing of a Certificate of Occupancy. Generally speaking that happens when the street is constructed and that's when it should have happened. Al Maas questioned the condition that the drainageway has to be constructed prior to a Certificate of Occupancy being issued. He said he wants to make sure they're not holding the Wetmores responsible for this. He said he agrees that the developer needs to step up and fix their problem and he believes that the City needs to have an agreement with the developer that doesn't hold his clients captive. They need to be held accountable separately from this request. He said that he's asking to move the easement, which will be making it better. He said that he would hold the developer accountable and not hold the Wetmores hostage. Kruschke said that unfortunately the trigger is the vacation of the easement. The only other way to do that is to delay this request until that whole drainageway is constructed. In talking with the applicants earlier, that wasn't really an option. Unfortunately, it's putting the Wetmores at risk. If that's not acceptable, he would recommend tabling this request until we get this emergency overflow constructed as designed. Jeff Wetmore said they can't build a house there and then not be able to move into it. He asked what they can do if the developer doesn't do this. Kruschke said unfortunately that is the risk. The other option is we don't vacate the easement. Jeff Wetmore clarified that if the developer doesn't do this, they can't move into the house. Kruschke said that is the condition for the vacation. It's the trigger we have right now. We have pressure to apply to the developer. We met with them last week and they said they're going to do it all. They went and contracted the design. Christina Wetmore said shouldn't this be up to the City and shouldn't it be in writing, a contract, to make them accountable. Someone asked if it

could be vacated and the developer not required to do the ditch work. Kruschke said that they will not vacate it without a plan in place because the plan in place is the emergency overflow. Those are the conditions that the City is proposing. Without condition #2 in place, the City will recommend denying or tabling this action. The motion was seconded by Wilson.

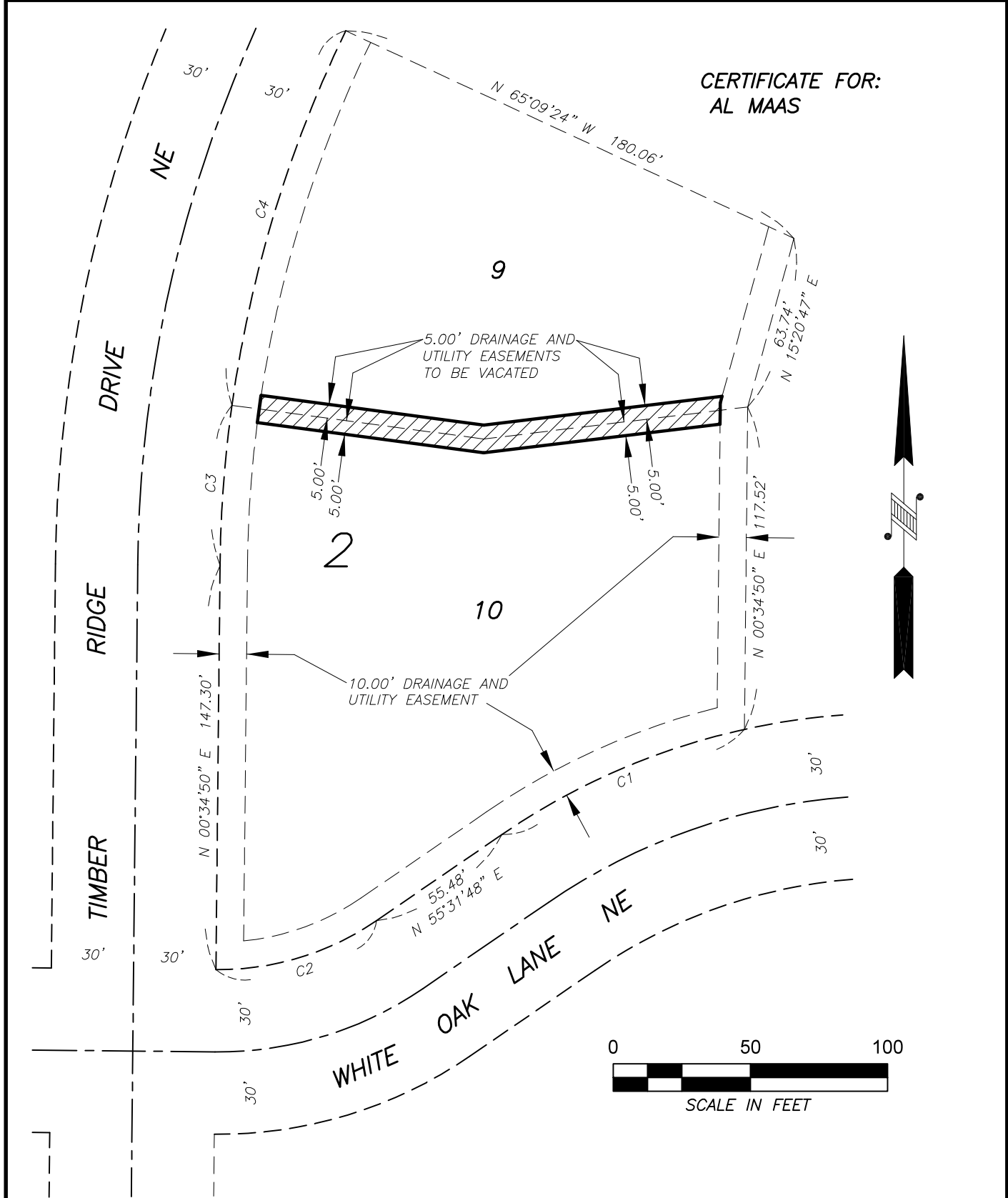
Commissioners voting Aye: Eickhoff, Rooks, and Wilson. Commissioners voting Nay: Effertz. 3-1, the motion carried.



VACA 23-1 Wetmore Easement Vacation
2807 Timber Ridge Drive NE

1:785

Date: 2/27/2023
Page 132 of 138



PROPOSED LEGAL DESCRIPTION OF EASEMENTS TO BE VACATED:
That part of Lots 9 and 10, Block 2, MAJESTIC OAKS, according to the recorded plat thereof, Steele County, Minnesota, described as follows: The North 5.00 feet of said Lot 10 lying easterly of the West 10.00 feet of said Lot 10, which lies westerly of the East 10.00 feet of said Lot 10, AND the South 5.00 feet of said Lot 9 lying easterly of the West 10.00 feet of said Lot 9, which lies westerly of the East 10.00 feet of said Lot 9.

I hereby certify that this survey, plan or report was prepared by me or under my direct supervision and that I am a duly Registered Land Surveyor under the laws of the State of Minnesota.

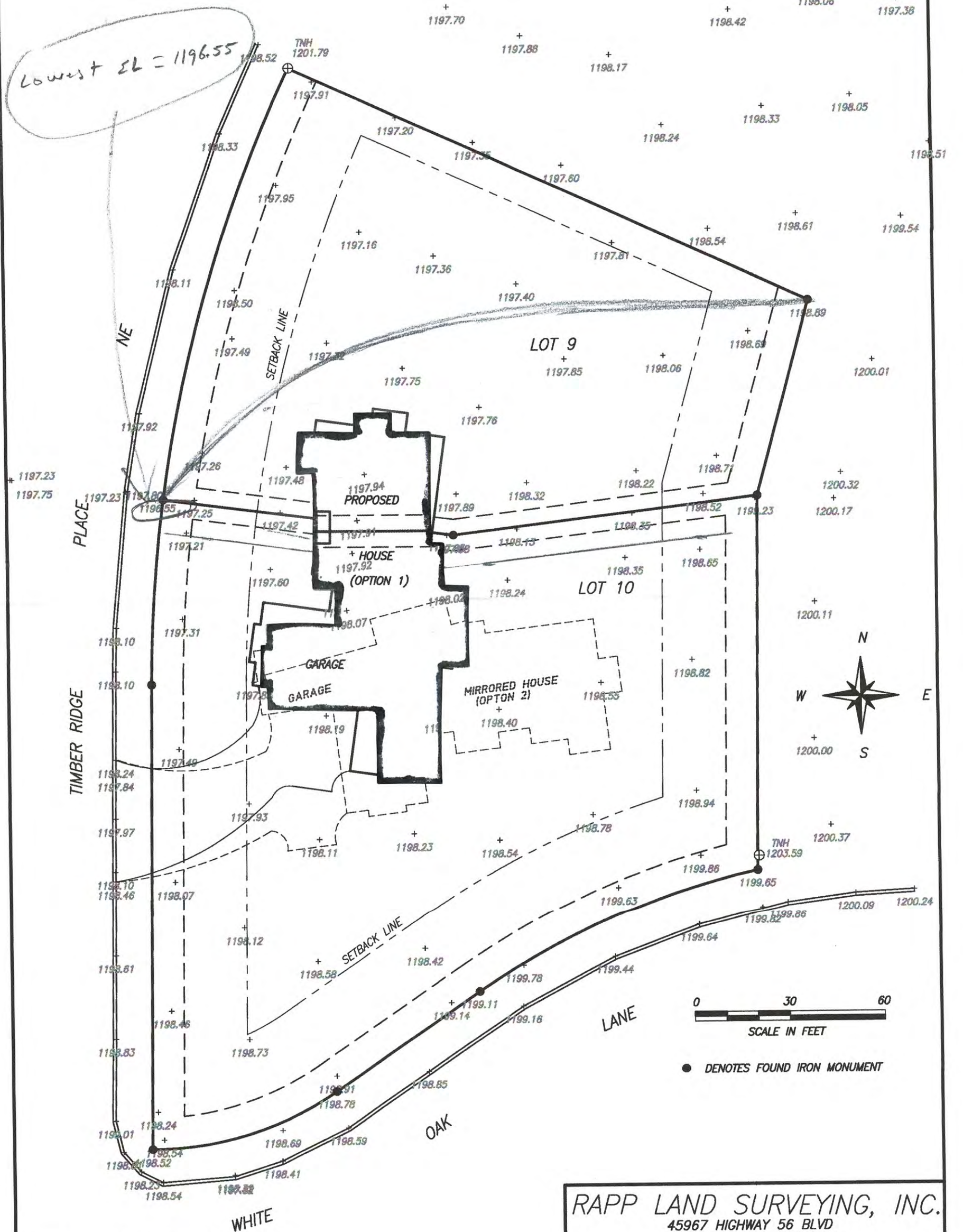
SEPTEMBER 19, 2022 David G. Rapp

Dated: David G. Rapp
Minnesota Registration No. 22044

RAPP LAND SURVEYING, INC.
45967 HIGHWAY 56 BLVD
KENYON, MN 55946
612-532-1263

DRAWN BY: BDR	DATE: 9-19-22	PROJECT NO. D22294
SCALE: 1"=50'	SHEET 1 of 1 sheet	BOOK/PAGE N/A

TOPO AND CONCEPT PLAN FOR:
AL MAAS



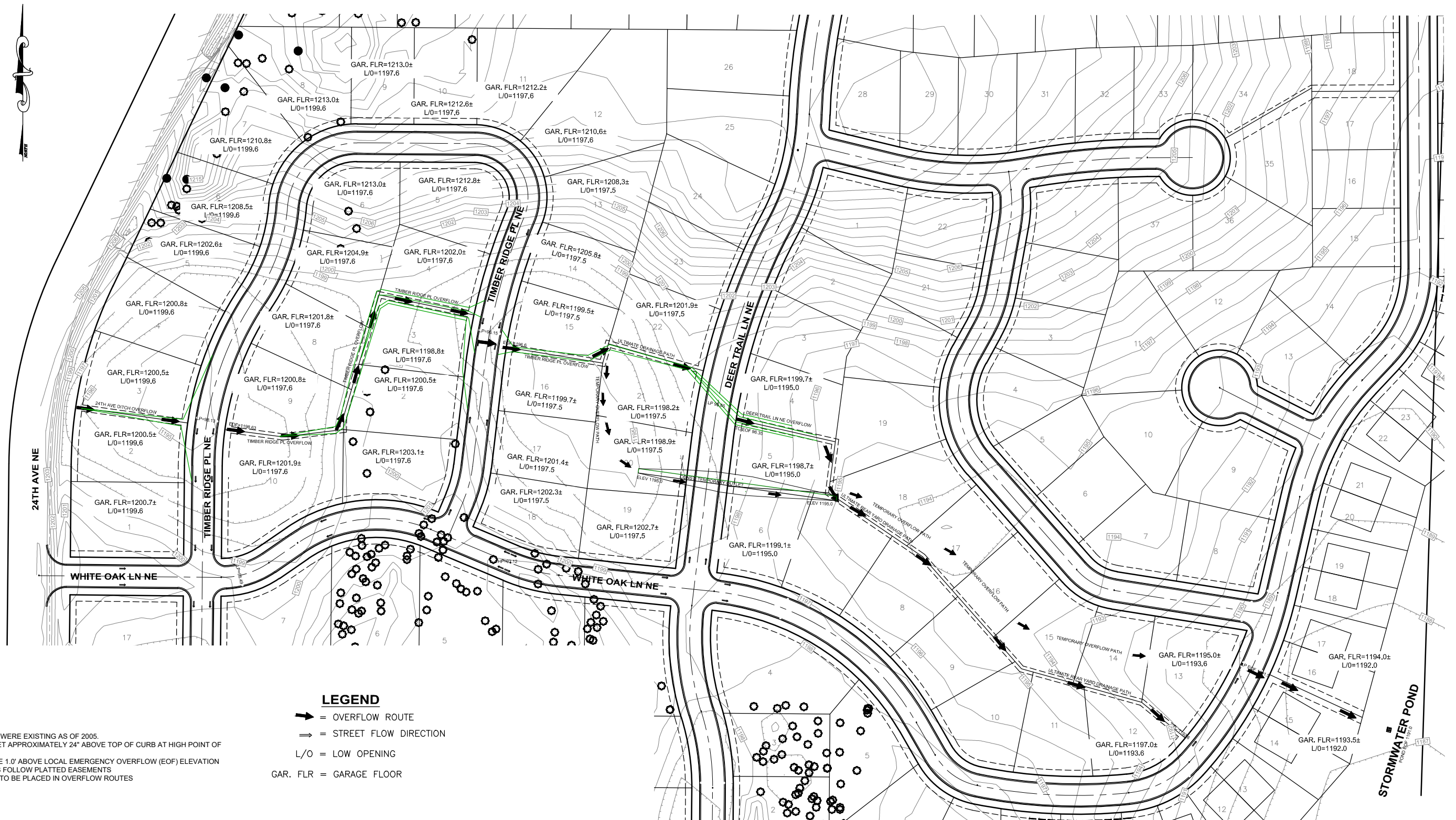
I hereby certify that this survey, plan or report was prepared by me or under my direct supervision and that I am a duly Registered Land Surveyor under the laws of the State of Minnesota.

FEBRUARY 27, 2023
Dated:

David G. Rapp
David G. Rapp
Minnesota Registration No. 22044

RAPP LAND SURVEYING, INC.
45967 HIGHWAY 56 BLVD
KENYON, MN 55946
612-532-1263

DRAWN BY: DGR	DATE: 2-27-23	PROJECT NO. D22294
SCALE: 1"=30'	SHEET 1 of 1 sheet	BOOK/PAGE BK: 57/35



NOTES:

1. CONTOURS SHOWN WERE EXISTING AS OF 2005.
2. GARAGE FLOORS SET APPROXIMATELY 24" ABOVE TOP OF CURB AT HIGH POINT OF ADJACENT STREET
3. L/O ELEVATIONS ARE 1.0' ABOVE LOCAL EMERGENCY OVERFLOW (EOF) ELEVATION
4. OVERFLOW ROUTES FOLLOW PLATTED EASEMENTS
5. NO OBSTRUCTIONS TO BE PLACED IN OVERFLOW ROUTES

LEGEND

- ➔ = OVERFLOW ROUTE
- - - = STREET FLOW DIRECTION
L/O = LOW OPENING
GAR. FLR = GARAGE FLOOR



DRAWINGS ON 11x17 SHEETS ARE HALF SCALE

REV.	BY	DATE



415 West North Street Owatonna, MN 56045-4598

DESIGNED: JHS
DRAWN: JHS
CHECKED: BJ
Date: MARCH 2016
DWG: 16-1029

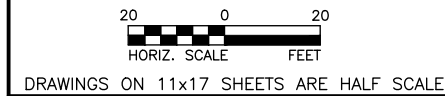
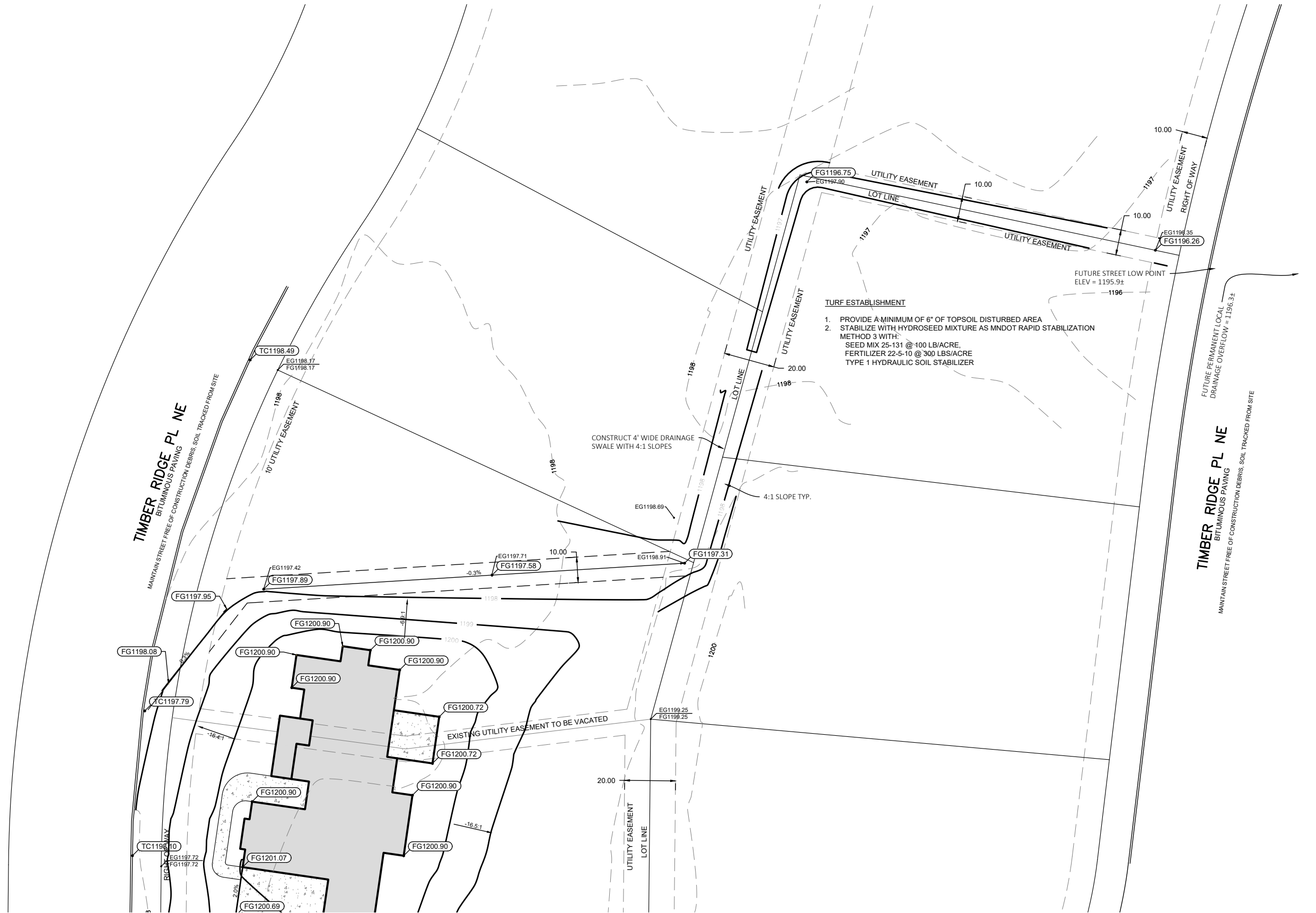
I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am a duly Licensed Professional Engineer under the laws of the State of Minnesota.

John H. Schulte V
License No. 44639 Date:

MAJESTIC OAKS REO DEVELOPMENT SURFACE OVER FLOW ROUTES & DRAINAGE PLAN TIMBER RIDGE PL NE
--

SHEET
1
OF
1

LEGEND
EG=EXISTING GRADE
FG=FINISH GRADE



REV.	BY	DATE

JONES HAUGH SMITH
Engineers + Surveyors
415 West North Street Owatonna, MN 56001
507-451-4598

DESIGNED: JHS
DRAWN: JHS
CHECKED: SAT
Date: 3/13/23
DWG: 23-1046

I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am a duly Licensed Professional Engineer under the laws of the State of Minnesota.

John H. Schulte V
License No. 44639 Date: 3/13/23

TIMBER RIDGE DRIVE NE BLOCK 2 STREET OVERFLOW GRADING BLOCK 2 MAJESTIC OAKS SITE PLAN	SHEET 1 OF 1
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Miscellaneous