

Owatonna City Council Minutes

May 2, 2023

Tuesday, May 2, 2023 at 7:00 p.m. Council President Schultz called the regular session of the Owatonna City Council to order in the Gainey Room at the Owatonna Public Library. Present were Council Members Raney, Voss, Burbank, Dotson, Svenby and Schultz; Mayor Kuntz; Community Development Director Klecker; Public Works Director Murphy; IT System Administrator O'Connor, City Attorney Walbran; and Administrative Specialist Clawson. Council Member Boeke was unable to attend.

Council Agenda

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

Board/Commissioner Member Recognitions

Mayor Kuntz presented recognition awards to these individuals for their years of service:

James Keltgen	Airport Commission	8 years
Justin Lindee	Airport Commission	6 years
Sharon West	Airport Commission	10 years
Kirby Knutson	Fire Civil Service and Fire Code of Appeals	3+ years
Ryan Gillespie	Human Rights Commission	6 years
Susie Effertz	Human Rights Commission	3+ years
Matt Kottke	Owatonna Public Utilities	10 years
Greg Posch	Park Board	4+ years
Meredith Mattison	Library Board	9 years
Christy Tyrhus	Library Board	5+ years
Jim Linder	Shade Tree Commission	11+ years
Roger A. Wacek	Shade Tree Commission	12 years

Present to accept a small token of appreciation were Sharon West, Ryan Gillespie, Matt Kottke, Jim Linder and Roger A. Wacek.

Board/Commissioner Reappointments and New Member Recommendations

Mayor Kuntz requested reappointment of Board/Commission Members:

Housing & Redevelopment Authority: Vicki Olivo
Park & Rec Board: Jonathan Douglas
Planning Commission: John Eickhoff, Rachel Springer and Kelly Rooks
West Hills Commission: Dan Gorman

New Member Appointments recommended by Mayor Kuntz were:

Airport Commission: Daren Tarpenning, Anthony Louris, Madeleine Haberman
Fire Civil Service & Fire Board Code of Appeals: Gordon Henricksen
Human Rights Commission: Mustafe Ismael and Edgar Esquivel
Owatonna Public Utilities Commission – 4th Ward: Gregory Vetter
Park & Rec Board: Nan Silkunas
Library Board: Amy Tapp and Quinn Meyer
Shade Tree Commission: Caleb Whalen and Doug Elsner

Council Member Raney made a motion to approve these reappointments and new member recommendations, Council Member Voss seconded the motion, all members present voted aye for approval.

Mayor Kuntz administered the Oath of Office to new board/commission members present: Daren Tarpenning, Anthony Louris, Mustafe Ismael, Gregory Vetter, Amy Tapp, Quinn Meyer, and Doug Elsner.

Proclamation – National Day of Prayer

Mayor Kuntz made a proclamation that the National Day of Prayer will be this Thursday, May 4, 2023. Our nation's great strengths is the freedom to exercise our faiths freely and prayer is an essential act of worship and a daily discipline for many Americans.

Proclamation – National Travel and Tourism Week

Mayor Kuntz proclaimed the week of June 8-14, 2023 as the National Travel and Tourism Week in Owatonna. Travel enables success for all industries, including manufacturing, agriculture, defense, healthcare and more by driving sales growth, innovation, education and operations that move our economy, our nation and Owatonna forward.

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 - City Council Meeting - April 18, 2023
- Minutes - OPU Meeting - March 28, 2023
- Minutes - Planning Commission - April 11, 2023
- Minutes - Human Rights Commission Meeting - April 11, 2023
- Minutes - West Hills Commission Meeting - April 20, 2023
- Fire Department Monthly Dashboard and Activity Report - March 2023
- Exempt Permit - Raffle - June 16, 2023 - Owatonna Fire Relief Association
- Exempt Permit - Raffle - July 14, 2023 - Community Pathways of Steele County
- Exempt Permit - Raffle - September 21, 2023 - Ducks Unlimited Steele County
- Retail Fireworks Permit - Target #1068
- Renew Tree Trimmer Permit - Asplundh Tree Expert LLC
- Amend Event Permit - 2023 Safety Camp - June 8-9, 2023
- Amend Event Permit - 2023 Memorial Day Parade - Canceled
- Event Permit - 2023 Harry Wenger Marching Band Festival - June 17, 2023
- Event Permit - Event Permit - 2Classic Car Show - May 3, 2023
- Event Permit - Alley Cafe - Central Park Coffee Co
- Event Permit - Smokin' in Steele Blues & BBQ - June 2 & 3, 2023
- Event Permit - Juneteenth Celebration - June 17, 2023 in Manthey Park
- Event Permit - Owatonna Chamber After Hours - June 27, 2023
- 2023 Annual Deer Cull proposed to occur between October 2 – November 19, 2023 and November 20 – December 17, 2023. Parks available for archers are: Cashman Park, Hammann Park, Kaplan's Woods Park, Kaplan's Woods Parkway, Kriesel Park, Leo Rudolph Nature Reserve, Manthey Park, Maple Creek Parkway, Mineral Springs Park, Nass Woods Park and North Straight River Parkway. Park maps with predetermined stand locations and where signs are located are prepared before registration opens.
- DNR Outdoor Recreation Grant - \$5,000 No Child Left Inside grant to support and increase efforts to expand programming that connects young people to the outdoors. In 2022, the City implemented an archery program that provides opportunities for young people and families seeking ways to enhance adaptability and inclusivity in this program. This grant will allow the purchase of additional equipment, supplies and staff training for the enhancement to the archery program.
- Substantially Completed Project - 18004 Mosher Avenue
- Substantially Completed Project - 22005 Maple Creek Estates

Fire Department Prairie Burn Exercise – May 3, 2023 -Minnesota Pheasants Inc. – Steele County Chapter
Mutual Lease Cancellation Agreement - Airport Lot 8 - Peter Dahl
Airport Non-Commercial Use Hanger Land Lease Agreement - Terry Barta
Renew License Agreement - Bird Rides, Inc.
Amendment 2 - Software Services Agreement - OpenGov, Inc. - change the contract to unlimited users for maximum utilization of Cartegraph.

Council Member Svenby commented he requested additional information about the Harry Wenger Band Festival and made a motion to table this Event Permit. Council Member Voss seconded the motion, and all members present voted aye in approval. Council Member Raney commented he supports the application received for an alley café at Central Coffee; however, he requests this item also tabled until a written policy for outdoor patio space on public property is approved. Council President Schultz commented he prefers to not set a precedence and agrees a written policy in place for outdoor patios usage on public property and right of way should be first approved. Additional outdoor seating was needed during 2020 because of Covid restrictions. During 2021 and 2022, this café was authorized because the N Cedar Streetscape Project was in process and this outdoor amenity promoted shopping to the downtown area. Council Member Svenby seconded this motion, all members present voted aye in approval. Council Member Burbank made a motion to approve the Consent Agenda with the exception of these two items. Council Member Voss seconded the motion, all members present approved.

Finance Report

Council Member Raney recapped payments made for amounts greater than \$20,000 during this period. The total amount of bills presented was \$823,867.62. Council Member Burbank made a motion to approve payment of all bills presented, Council Member Voss seconded the motion Council Member Dotson questioned if a second Bearcat vehicle was purchased for the SCDIU. Council President Schultz explained this payment was for the first/only SCDIU vehicle. Production was delayed and delivery just completed. The City of Owatonna serves as the fiduciary agent for the SCDIU and contributed \$30,000 towards this purchase. Funds were received from other entities for Owatonna to issue the full payment amount. With no additional comments, all members present voted aye in approval.

Second/Final Reading Proposed Ordinance 23-07: CenterPoint Minnesota Gas Franchise Agreement

City Attorney Walbran requested approval of Proposed Ordinance 23-07. During the April 18, 2023 Council Meeting, the first reading of this ordinance was approved and there have been no changes since. This ordinance will renew the franchise agreement with CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas (CenterPoint Energy). Council Member Raney made a motion for approval, Council Member Dotson seconded the motion. With a roll call vote, voting aye were Council Members Dotson, Burbank, Raney, Svenby, Voss and Schultz; No nay votes cast, the motion carried. This will be known as Ordinance 1646 to be effective upon publication.

Summary Publication – Ordinance 1646 CenterPoint Minnesota Gas Franchise Agreement

City Attorney Walbran commented that new Ordinance 1646 is lengthy and requested approval of a Summary Publication. Council Member Voss made a motion for approval, Council Member Raney seconded the motion all members present voted aye for approval.

Resolution 32-23: Approve Plans & Authorize Bids for the 2023 Street & Utility Project

Public Works Director Murphy requested approval of Resolution 32-23 approving the plans, specifications, and authorization to advertise for bids for the 2023 Street & Utility Project. The project

involves various levels of reconstruction on Butternut Avenue, Riverview Place, and School Street. The existing street improvements have exceeded their useful life. Council authorized staff to prepare the plans and specifications for this project with Resolution 22-23 following the Public Hearing held on March 7, 2023. The proposed bid opening date is May 31, 2023 with approval of bids by council on June 6, 2023. The 2023 Street & Utility Project will be financed through a combination of City Funds and Special Assessments. Council Member Raney made a motion for approval, Council Member Burbank seconded the motion, all members present voted aye for approval.

Resolution 33-23: Approve Plans & Authorize Bids for the 2023 Havana Road Project

Public Works Director Murphy presented Resolution 33-23 for approval of the plans, specifications, and authorization to advertise for bids for the 2023 Havana Road Project. The project involves reconstruction of Havana Road from Truman Avenue to Smith Avenue. The existing street improvements have exceeded their useful life. Council authorized staff to prepare the plans and specifications for this project with resolution 21-23 following the Public Hearing held on March 7, 2023. The proposed bid opening date is May 31, 2023 with approval of bids by council on June 6, 2023. Budget Impact: The 2023 Havana Road Project will be financed through a combination of State Aid Funds, City Funds, and Special Assessments. Council Member Boeke made a motion for approval, Council Member Burbank seconded the motion, all members present voted aye for approval.

Resolution 34-23: Order Main Street Reconstruction and Rehabilitation Feasibility Report

Public Works Director Murphy requested Council approval of Resolution 34-23 ordering a Feasibility Report for the Main Street Reconstruction and Rehabilitation Project. Main Street (CSAH 48) from Oak Avenue to Chambers Avenue needs rehabilitation and possibly reconstruction. Steele County is leading the effort on this project as it is a County State Aid Highway. Significant pavement deterioration and less than optimal intersection controls have been on the radar of the City and County and are proposing to move forward with evaluation and obtaining recommendations for improvements. This is a joint project with Steele County. Costs will be paid for using a combination of special assessments, state aid funds and city funds. Council Member Voss commented there have been several open houses with a lot of residents attending, Murphy commented plans can be viewed on the Steele County website. Council Member Voss made a motion for approval, Council Member Dotson seconded the motion, all members present voted aye for approval.

Resolution 35-23: Approve Plans - CSAH 48 at 18th Street Roundabout

Public Works Director Murphy requested Council approval of Resolution 35-23 to approve the plans and specifications prepared by WSB for the construction of a roundabout at CSAH 48 and 18th Street SE. Resolution 30-21 approved a joint project with Steele County and ISD 761 for construction of a roundabout at 18th Street SE and CSAH 48. The next phase of the project is approving the plans followed by advertising for bids. Bids will be advertised and received by Steele County. The goal is for the roundabout to be open before school commences in the fall of 2023. The project will be paid for by state aid construction funds and costs are in line with preliminary estimates. Council Member Dotson commented he has concerns regarding the design for this roundabout, this will be a high traffic intersection near the new high school. Murphy advised a full-sized roundabout is being proposed, we have worked through some issues with the smaller mid-sized roundabouts in town, but this will be full sized. We have had time to review plans to be sure the needs of the city, county, school and community are met; plans allow use of semi-tractor trailers and large ag equipment. Council Member Raney commented the school referendum included plans for city, county and school to each pay one-third of the roundabout costs, this was planned to be \$700,000. This memo shows the city's cost estimate to be \$1.2 million, that is an increase of \$500,000. Murphy confirmed costs will be divided equally between the city, county and school. This

higher estimate was used in the Steele County CIP last August, at that time we were negotiating with the railroad for layout and design and included a high estimate for costs with anticipated land acquisitions needed. Plans finalized with the railroad and included a smaller area, there will be some inflation factors added to the original \$700,000 estimated in 2021 but will be less than \$1.2 million. Council Member Voss asked if this project depletes the City's State Aid Funds; Murphy responded, no, there are other roads needing and using these funds. Council Member Burbank made a motion for approval, Council Member Raney seconded the motion, all members present voted aye for approval.

Resolution 36-23: Approve Final Plat - Skjeveland Addition

Community Develop Director Klecker requested approval of the Final Plat for the Skjeveland Addition. Chris Skjeveland and Mathy Construction are requesting plat approval of Skjeveland Addition, a two-lot industrial plat. The applicants are platting the property to accommodate a sale of land to Skjeveland to allow them to own what they have been leasing since 2016. Operations on both properties will not change from what they are today. The applicant is also adding a 20' strip of land south of the property into this plat. This piece of land is currently unplatted even though it is owned by Mathy. When combining platted and unplatted land, it is all required to be replatted. The Planning Commission held a public hearing on this request and recommend approval with these conditions:

- 1) The final plat shall be recorded within 60 days.
- 2) The title opinion shall be approved by the City Attorney prior to recording of the final plat.
- 3) All conditions of C-1389 shall still apply to the Skjeveland property regarding their outdoor storage.

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

Resolution 37-23: Approve Purchase Agreement – Grace Baptist Church

Community Develop Director Klecker requested approval of Resolution 37-23 authorizing the Purchase Agreement for property from Grace Baptist Church just north of Manthey Park. When Miracle Field and adaptive playground were constructed at Manthey Park, there were also plans to add a secondary driveway to 3rd Avenue NE. This plan required the purchase of property from Grace Baptist Church. Discussions have continued with the Church that included the value of the land, how to replace the soccer field that was lost with the construction of the Miracle Field, removal of the Church garage that is in the way of the new access, drainage and how to provide separation between the Church property and Manthey Park. Those discussions have led to the proposed Purchase Agreement. Under the Purchase Agreement, the City would pay Grace Baptist Church \$170,000 for 1.85 acres of land. The land would be used for an access driveway that would connect 24th Street NE to 3rd Avenue NE, a future trail along the north side of 24th Street NE from Cedar Avenue to Manthey Park and a mid-sized soccer field. The City will need to construct a fence along the north side of the soccer field, ensure all tile lines remain connected to the storm water system and ensure there are no assessments now and into the future to the Church for this driveway. The City will also need to plat the property in order to split this property from the Church. The Church will move the garage from its current location at their expense. The plan is for this project to be constructed in 2024. The property will need to be subdivided so there will be future public hearings held on this matter. The soccer field will be a mid-sized field similar to those used teams in grades 5-8, the intent is for this field to be available for public use. Council Member Raney made a motion for approval, Council Member Dotson seconded the motion, all members present voted aye for approval.

Obstruction Permit at Vine Street & N Cedar Avenue - Mohs Contracting

Public Works Director Murphy requested Council consideration of a request from Mohs Contracting to

obtain an extended Obstruction Permit on the corner of Vine Street and Cedar Avenue North for a dumpster to remain in the City Right of Way during the project at the former Jerry's Supper Club Building. An extension was previously issued on October 18, 2022 and expired on April 15, 2023. Kevin Springborg, Field Superintendent at Mohs Contracting advised there was a delay in construction start and unforeseen circumstances that led to additional required work. This project is anticipated to be done mid-June 2023. The proposed location of the obstruction has been identified as the least obstructive to pedestrian traffic and as the most direct route out of the building. Three parking spaces will be used along the south side of the building on Vine Street. The permit holder acknowledges that the area around the obstruction must be maintained. Engineering staff propose an initial fee of \$200 for the first two-week period and \$50 for each two-week period after, until the obstruction has been removed, for an estimated fee of \$375. \$775 in fees was collected for the previous permit at this site. Council Member Dotson made a motion for approval, Council Member Voss seconded the motion, all members present voted aye for approval. .

Obstruction Permit at Federated Insurance - Benike Construction

Public Works Director Murphy requested the Council consider a request from Benike Construction to obtain an extended Obstruction Permit on the corner of East Broadway Street and North Elm Avenue. This is request for a dumpster to remain in the City Right of Way for the duration of the project at Federated Insurance, which is anticipated to end late this year, 2023. The location of the dumpster has been identified as the safest and most direct route out of the building. An extension to the original permit, applied for on July 28, 2021, was approved by the Council on September 7, 2021. An additional extension was approved by the Council on August 16, 2022 and expired on April 15, 2023. The permit holder acknowledges that the area around the dumpster must be maintained. Engineering staff proposes an initial fee of \$200 for the first two-week period and \$50 for each two-week period after, until the obstruction has been removed, for an estimated fee of \$1,850. \$1,207.14 in fees has previously been collected. Murphy commented that the applicant has a parking lot close to the building, but requests continued use of the public right of way. Council Member Schultz commented he would support their request to extend this permit if there weren't any problems over the winter with this dumpster at this location. Council Member Svenby commented he would also support this request, but future requests should not be as private space is available for their use. Council Members Burbank and Dotson each commented that the current location is the easiest for the contractors to use. Council Member Voss made a motion for approval, Council Member Dotson seconded the motion, all members present voted aye for approval. .

Stormwater Facility Maintenance Easement Agreement - Home2Suites

Public Works Director Murphy presented a stormwater facility maintenance agreement with Home2Suites for their new facility located at 230 Allan Avenue. The City requires that on-site stormwater management must be maintained by the property owner to meet the requirements of the MS4 permit held by the City. The property owner agrees to the terms and conditions as outlined in the agreement. Council Member Voss made a motion to approve this agreement, Council Member Burbank seconded the motion, all members voted aye in approval.

Professional Service Agreement - 2050 Comprehensive Plan – Stantec

Community Development Director Klecker requested approval of the contract for Comprehensive Planning Services with Stantec for services related to the 2050 Comprehensive Plan. The City is commencing a Comprehensive Planning process. As part of this project, the City will be hiring a consultant to lead this process. The City received seven responses to our Request for Proposal and interviewed four firms. Following this interview process, Stantec was chosen to be the consultant on this project. Following the execution of the contract, Stantec will commence the process as laid out in their proposal. This will encompass the next 12-18 months and include numerous opportunities for community engagement throughout this process. Ultimately, the consultant will draft a final plan that

the City will use to guide development, regulation, and funding for the foreseeable future. Council Member Svenby made a motion to approve this agreement, Council Member Burbank seconded the motion, all members voted aye in approval.

Staff Comments

Community Development Director Klecker commented that the month of April is now past, and we are one-third into the year 2023. We have issued a value of \$41,000,000 New Construction Building Permits which is a really good start, this is more than half of total value of permits issued last year. Construction of single-family homes is running slow but hopefully when the new development area begins, we will see those numbers up. Projects in process include:

Monson Eye Clinic – have issued the Certificate of Occupancy

Westlake Apartments – four garages and one building are up

Baldwin Supply in the Industrial Park – have issued a Certificate of Occupancy

Storage Units on 26th Street - nearly complete

Cemstone – Walls up and fully enclosed

CDI – waiting on delivery of windows

North Cedar Apartments – framing complete and working on roof trusses

Profinium Bank – installing dry wall and interior walls

Jersey's Mike – waited for spring weather and now have footings poured

Roma's – working on the interior, installing their kitchen, they hope to be open in July

The City Council Chamber Project has groundwork started with some of underground utility work be completed.

Public Works Director Murphy commented staff in Public Works have been very busy. Work continues on the Wastewater Treatment Facility, we just received another drone video showing progress made during April, which will be added to our website for viewing. The second half of the City's 2022 Street & Utility Project on NE 15th Street began last week, and we are working with the county on several projects in process. We receive a lot of permit applications at this time of the year and keep busy.

Public Comments

Doug Elsner, 1030 Minnesota Avenue, asked if there are currently other full-sized roundabouts in the City similar to the roundabout proposed at intersection of 18th Street and Bixby Road. Public Works Director Murphy responded that the roundabout on the corner of 26th Street and State Avenue is a full-size roundabout.

Mayor and Council Comments:

Council Member Raney thanked the City's Culture Team for hosting the 2023 Employee Recognition Event last week. This event was well attended, and several employees were recognized for 25 and 35 years of service to the City. He also thanked IT System Administrator Tim O'Connor for helping with the video screen operation during tonight's meeting. Hopefully the Council Chamber Project goes as planned and we will have only nine more council meetings at this location.

Council Member Voss thanked Administrative Specialist Clawson for the work she does, this last week she assisted researching information about the proposed roundabout project.

Mayor Kuntz extended an invitation to council members that he received from Federated Insurance. There will be a celebration for the 100th anniversary of the Charles I Buxton Building on Tuesday, May 16th with an open house from 4 pm -6 pm. Guests will hear about the history of the building, walk through on a self-guided tour and enjoy root beer floats.

Council President Schultz commented this was a good meeting as we were able to get a lot done tonight.

Adjournment

At 8:07 p.m., Council Member Raney made a motion to adjourn, Council Member Dotson seconded the motion and with no objection, the meeting ended.

Respectfully submitted,

Jeanette Clawson, Administrative Specialist