

Owatonna City Council Minutes September 5, 2023

On Tuesday, September 5, 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, Boeke, Dotson, Svenby, and Schultz; Mayor Kuntz; Community Development Manager Kruschke; Public Works Director Murphy; Park and Rec, and Facilities Director Tuma; IT System Administrator Sticken; City Attorney Walbran; City Administrator Busse and Administrative Coordinator Clawson.

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

Mayor Kuntz requested the Letter of Resignation received from Hussein Osman from the City's Housing and Redevelopment Authority (HRA) be accepted. Council Member Voss made a motion to accept this resignation, Council Member Burbank seconded the motion, and all members voted aye in approval. Council Member Boeke thanked Mr. Osman for his service to the City on the HRA.

Mayor Kuntz proclaimed Thursday, September 7th as the 2023 Quilt of Valor Day. Seven veterans will be recognized and receive quilts during this event hosted by the Owatonna Exchange Club at Torey's. A copy of the proclamation is included in tonight's meeting packet and will be available on the City's website.

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 - August 15, 2023

Minutes - EDA Meeting - July 19, 2023

Weed/Nuisance Inspection Report - August 30, 2023

Tree Trimmer's Permit - Albert Lea & Austin Tree Service

Exempt Permit - Calendar Raffle - Owatonna Exchange Club - December 14, 2023

Trunk or Treat - Trinity Lutheran Church - October 26, 2023

Relay for Life & 5k Run - September 23, 2023

Quote - Asphalt Crack Repair & Crack Seal - North Straight River Parkway

Three quotes were received and Seal King provided the low bid of \$14,573.60.

Work Order #11 – Professional Engineering Services - Airport Security Fencing & Gates – Bolton & Menk Inc.

This project will involve the installation of 5' chain link fencing around the building, hangar area and airport frontage per FAA specifications. Automatic gates will be positioned to allow for access control to the airside apron and aircraft movement areas which will also include tenant access systems. Engineering services proposed under Work Order No. 11 shall be provided on an actual cost basis but

not exceed \$13,900.00 for all phases of the project. Funding participation for this Work Order will be Federal (90%) at \$ 12,510.00; State (5%) at \$695.00 and Local (5%) at \$695.00.

Council Member Dotson made a motion to approve these Consent Agenda items, Council Member Boeke seconded the motion, and all members voted aye for 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 \$1,572,903.97. Council Member Boeke made a motion to approve payment of all bills presented, Council Member Burbank seconded the motion, and all members present voted aye in approval. Council Member Boeke commented he was uncertain the number of streets repaired from the hot mix purchased from Crane Creek Asphalt; he wanted to thank Public Works Director Murphy and his staff for doing a great job repairing the City's streets.

Second/Final Reading Proposed Ordinance 23-15: RZ-4 and Minor PUD at 130 Front Street

Community Development Director Klecker presented Proposed Ordinance 23-15 for the second/final reading. Application No. RZ-4 was received on behalf of Matt Olson to rezone property at 130 Front Street E from I-1, Light Industrial District to B-3, Central Business District as well as a minor PUD for the purposes of providing a mixed-use facility of barbell warehousing and a golf simulator entertainment venue. The Council approved the first reading of this ordinance during their August 15, 2023 meeting and there have been no changes since. Council Member Raney made a motion for approval, Council Member Voss seconded the motion. With a roll call vote, voting aye were Council Members Svenby, Voss, Dotson, Burbank, Boeke, Raney and Schultz; no nay votes; and the motion carried. This will be known as Ordinance 1654 and effective upon publication.

First Reading Proposed Ordinance 23-16: Amend Chapter 133 to Permit an Archery Hunt for Deer Management

City Attorney Walbran requested approval of the first reading of Proposed Ordinance 23-16. During their regular City Council Meeting on May 2, 2023, the Council approved the 2023 Annual Deer Culling Event between the dates of September 23 to November 19, 2023, and from November 20 to December 17, 2023. Under Title XIII, Chapter 133, § 133.01, of the City's Ordinance Code, entitled "WEAPONS AND DANGEROUS DEVICES", it is unlawful to discharge any weapon of any kind within the corporate limits of the City, except as enumerated in the Exclusions. To permit the archery hunt to cull the deer population within the City as authorized by the DNR, it is necessary to amend the Ordinance to provide for an additional exclusion to permit a controlled archery hunt within designated areas in the City parks for the Deer Management Plan as approved by the DNR. Council Member Dotson made a motion for approval, Council Member Boeke seconded the motion. With a roll call vote, voting aye were Council Members Svenby, Voss, Dotson, Burbank, Boeke, Raney, and Schultz; no nay votes; and the motion carried. The second/final reading of this proposed ordinance will be heard during the next City Council Meeting on September 19, 2023.

First Reading Proposed Ordinance 23-17: RZ-5 Rezone from B-2 to I-1 at 3745 Hoffman Drive NW

Community Development Director requested approval of the first reading of Proposed Ordinance 23-17, Application No. RZ-5 received from Cameron Peterson of Paul's Transports. This is a request to rezone the property located at 3745 Hoffman Drive NW from B-2, Community Business District to I-1, Light Industrial District, for the purpose of operating a trucking business. A public hearing was held during the Planning Commission Meeting and the neighbor to the south of this property expressed some concerns with drainage and identification of the property lines. These issues will be handled within the permits issued for the property improvements. Council Member Raney commented the Planning Commission Minutes noted grading was done at this property without obtaining a Grading Permit and he questioned how someone worked on this property without the property owner's permission. Klecker commented that this is not a unique incident, property lines are not often well-defined, and some cities do not require Grading Permits. Often a contractor is unaware of our requirements and will begin work on a project. We do stop them and require that they file and obtain a Grading Permit to complete their job. Council Member Boeke made a motion for approval, Council Member Burbank seconded the motion. With a roll call vote, voting aye were Council Members Svenby, Voss, Dotson, Burbank, Boeke, Raney, and Schultz; no nay votes; and the motion carried. The second/final reading of this proposed ordinance will be heard during the next City Council Meeting on September 19, 2023.

Resolution 75-23 Authorize General Obligation Street Reconstruction Bonds - 2023B

Doug Green, Director at Baker Tilly and consultant to the City for bonds presented Resolution 75-23. This resolution provides for the sale of General Obligation Street Reconstruction Bonds, Series 2023B. These bonds, totaling \$2,600,000 will finance the following street projects:

1. 2022 Street & Utility project including Selby, 15th Street NE, Selby, and Linn
2. 2023 Street & Utility project including Butternut Ave SW, Riverview Place SW, and School Street E
3. Portions of Havana Road and the 18th Street Roundabout projects not funded by state aid

The City's 2022 project was small, and the City was able to cover the costs until this bonding cycle for cost efficiencies. These bonds will be repaid over ten years through a combination of assessments and a debt service levy. Items included in tonight's Council Packet show the terms for the proposal, instructions to bidders, and presale information. The bonds are scheduled for sale on October 3, 2023, with results presented during the Council Meeting that evening. Prior to the sale, a review/update of the City's credit rating will be completed. Anticipating the interest rate will be 3.0-3.5%, which is slightly higher than the interest rate of the last bonds sold by the City in 2021. Council Member Svenby made a motion to approve Resolution 75-23, Council Member Voss seconded the motion, and all members voted aye in approval.

Community Development Director Klecker commented that the next three resolutions are all in regard to the Airport Security Fencing and Gate Project. The project includes

construction of approximately 3,500 linear feet of 5' chain line fencing, manual maintenance access gates, and two automated gates with access control at the airport. The FAA grant agreement is for 90% funding participation for all eligible project costs including engineering, construction, and administrative costs. Funding is available under the Public Law 117-58-Infrastructure Investment and Jobs Act referred to as the Bipartisan Infrastructure Law (BIL). These funds are to be administered by the FAA and directed to airport infrastructure improvements. The project grant is anticipated but not yet in hand and the signed grants are due back to the FAA Airport District Office (ADO) by September 18th. Our next City Council meeting is scheduled on the 19th so this request for approval to authorize acceptance by signature of the City Administrator upon receipt. Anticipated funding for this project is \$231,005.00 with federal participation \$188,224.00, state participation \$25,763.00, and local participation \$ 17,018.00. Staff recommends approval of Alternate 1 be chosen in the quote to provide a more professional look with a black vinyl fence. Council Member Svenby asked if there will be fencing between the three south hangar buildings. Klecker responded there is currently fencing there which will be replaced during this project to provide a consistent look. Council Member Burbank asked why it is necessary to have fencing at the airport. Klecker commented that the airport is adjacent to the interstate and located between two interstate exits. There have been incidents involving people driving on the runways and vehicles loitering in the parking lot. We do want to provide a welcoming environment and also want to provide some security. Council Member Raney confirmed access to the parking lot will remain open. Klecker responded that the long-term plan is to completely enclose the airport, which would also include eight-foot fencing to restrict wildlife, but there has not been any timeline set to complete this additional phase of the project.

Resolution 76-23 Accept FAA Grant Agreement – Airport Security Fencing and Gate Project

Council Member Raney made a motion to approve Resolution 76-23 authorizing acceptance of the anticipated FAA Grant agreement for \$188,224. Council Member Dotson seconded the motion, all members voted aye in approval.

Resolution 77-23 Accept MnDOT Grant Agreement – Airport Security Fencing and Gate Project

Council Member Boeke made a motion to approve Resolution 77-23 authorizing acceptance of the MnDOT Grant agreement for \$25,763.00. Council Member Voss seconded the motion, all members voted aye in approval.

Resolution 78-23 Accept Bid and Award Contract - Airport Security Fencing and Gate Project

Council Member Svenby made a motion to approve Resolution 78-23 to accept the bid received from Century Fence Company with Alternate #1 contingent on securing the anticipated federal and state funds. Council Member Boeke seconded the motion, all members voted aye in approval.

Resolution 79-23: Accept Parkland Donation for Dartt's Park - Maureen Henderson

Community Development Director Klecker requested approval of Resolution 79-23 to accept a parkland donation for Dartt's Park. Maureen Casey Henderson owns 1.19 acres of land just east of Dartt's Park. The land was part of her childhood home on Parkview Place NE. After the house was sold, this parcel was retained by Ms. Henderson because of the fond childhood memories she had of this property. The property is a natural wooded area and Ms. Henderson would like it to be maintained as a natural wooded area and not developed as active parkland within Dartt's Park. There are stipulations within the resolution to ensure that the property is maintained as a natural wooded area, including demarcation signs around the parcel. The City will be responsible for the demarcation signs and property maintenance. Council Member Boeke questioned if the property is on both sides of Maple Creek. Klecker displayed a plat of the area showing this property is all located on the park side of the creek. Council Member Raney made a motion for approval to accept this parkland donation. Council Member Burbank seconded the motion, and all members voted aye in approval. Council Member Boeke expressed a heartfelt thank you to Ms. Henderson for this property donation.

On-Sale Wine and Malt Liquor Licenses - The Smokin Silverback

City Administrator Busse requested approval of the applications received from Ben Meyer for an On-Sale Wine License and a Malt Liquor License at The Smokin Silverback at 1832 S Cedar Avenue. The restaurant opened earlier this year and building renovations are now completed for issuance of the Final Certificate of Occupancy. A background verification was completed, and Captain Mundale has no objection to the issuance of these licenses. These licenses will become effective upon receipt of all required items (payment of license fees and Certificate of Liability Coverage) to be effective for the remainder of the current licensing period which will expire on June 30, 2024. Council Member Dotson made a motion for approval, Council Member Voss seconded the motion, and all members voted aye in approval.

Facility Use Agreement - Use of Council Chambers - Owatonna Independent School District #761

City Administrator Busse presented a Lease Agreement with Owatonna School District 761 for use of the Council Chambers. The City has offered the school district use of the new chambers for their board meetings. Sharing this facility provides the community with cost-effective use of the newly remodeled space. This provides a way in which the city and school district can work together for the betterment of the Owatonna taxpayer. The three-year lease outlines the specifics of the days and times of use along with insurance requirements, indemnification language, and other details of use. There will be no rent charged to the school district for use of the chambers. Council Member Svenby commented that the City has invested a lot of money in new technology within this room and would like the agreement to include a clause to share future technology repairs and/or updates. City Administrator Busse commented that this is a three-year agreement, and this clause could be included when the agreement is renewed. Council Member Svenby commented that the school won't use the room until October and suggested tabling the agreement until the next Council Meeting. Council Member Boeke

commented consideration could be given to wear and tear on all items in the room. Park and Rec and Facilities Director Tuma commented she isn't certain what the length of the warranty on technology is but is often only a 90-day period. Tuma suggested approving the lease and preparing a memorandum about technology use costs and/or repairs. Council Member Svenby agreed and asked City Administrator Busse to discuss consideration of future technology costs with the school district. Council Member Voss made a motion to approve the agreement as presented, Council Member Raney seconded the motion and all members voted aye for approval.

Voting Operations, Technology and Election Resources Agreement - Steele County

City Administrator Busse requested authorization to enter into the Agreement with Steele County for expenses directly related to elections. During the 2023 Legislative Session, \$1.25 million was allocated annually for expenses directly related to elections statewide. Steele County will receive an allocation of \$9,264.31 and will retain seventy-five percent as the local Commissioner of Elections and administrator of absentee voting for the statewide general elections. The remaining funds are shared among cities, towns, and townships within the county per population; Owatonna's share of funds will be \$1,602.94. This agreement will authorize the deduction of this amount from the annual cost of voting equipment maintenance, or we purchase election items and file for reimbursement from the County up to this amount. Staff recommends approval of this agreement with Option 1 to authorize a deduction of \$1,602.94 from the cost of voting machine maintenance costs. Council Member Burbank made a motion for approval, Council Member Boeke seconded the motion, and all members voted aye for approval.

American Engineering Testing WWTF Environmental Observation and Testing Agreement Amendment

Public Works Director Murphy requested approval of the amended agreement with American Engineering Testing (AET) for Environmental Observation and Testing Services for the WWTP Expansion. AET has been assisting with screening and manifesting impacted debris and soils removed from the WWTF site since July 2022. The volume of debris encountered and staff time has increased the initial estimated amount. The proposed increases include \$18,000 for asbestos inspections and report prep; \$19,000 for soil removal oversight and manifesting, \$3,000 for project oversight and reporting. The total adjustment amount is \$40,000 for the total amended contract amount now \$88,352.00. Council Member Boeke commented that this amendment will double the original proposal. Public Works Director Murphy commented that the unforeseen costs are justified, it was hard to anticipate the amount of debris encountered. Council Member Burbank commented he isn't surprised as this site was previously a City Dump. Council Member Raney made a motion to approve this amendment to the agreement, Council Member Boeke seconded the motion, all members voted aye in approval.

Temporary Traffic Control at 18th Street SE and CSAH 48

Public Works Director Murphy requested approval of Temporary Traffic Control changes needed until the completion of the CSAH 48 and 18th St. SE roundabout project near

the new Owatonna High School. Due to unforeseen circumstances, the roundabout at 18th Street SE and CSAH 48 (Bixby Road) is not completed and this week, classes commenced at the new Owatonna High School on 18th Street SE. The delay has created the need for City and County officials to implement temporary traffic changes to provide a safe alternative route to the high school. This includes installing additional temporary stop signs at 18th Street SE and Hayes Avenue SE to make the T-intersection an all-way stop. "No Parking" signs will be placed on Hayes Avenue SE from Havana Road to 18th Street SE to improve visibility for traffic. City and County staff will monitor traffic patterns near the High School and adjust traffic controls, if needed. Weather permitting, the new roundabout is expected to be open to traffic in November. Cost incurred by the City for these additional traffic amenities will be approximately \$700 plus staff time to coordinate and install. Council Member Raney commented that the railroad is responsible for delays in completing this project. The City, County, and School have all tried to proceed with this project's completion, but the railroad has created many hurdles creating time delays and now we face traffic issues. Council Member Boeke made a motion to approve the temporary traffic controls, Council Member Voss seconded the motion, and all members voted aye in approval.

Garbage & Refuse Hauling License - Bin Pro Dumpster Rentals - Janesville MN

City Administrator Busse requested approval of the application received from Peder Lehrke for a Garbage & Refuse Hauling License. Mr. Lehrke's company, Bin Pro Dumpster Rentals, is located in Janesville, MN, is a rental-only business offering 10yd, 15yd, 20yd, and 30yd roll off dumpster containers and does not provide residential services. A background verification was completed and based on this investigation, Chief Mundale has no objections to the issuance of this license. Fees received include the \$75 annual license fee for one vehicle, \$50 application fee, and \$100 background verification required for new license holders. Council Member Raney made a motion for approval, Council Member Boeke seconded the motion, and all members voted aye for approval.

STAFF COMMENTS

Community Development Director Klecker commented that staff are working with Stantec on the Comprehensive Plan. Currently, there are opportunities available to participate in public engagement sessions creating the visualization of the community's future. Currently, there are a lot of projects in process, some will be completed prior to year-end but many will be carried into next year. Through referrals from DEED, the City has been submitting a number of development proposals for future industrial projects. Some projects are just too big for us. and we can't compete for them but hopefully, the City of Owatonna will be chosen for some of these projects.

Public Works Director Murphy commented three new staff members recently began their duties: Scott Soderlind, Senior Maintenance Worker began on August 28; Nick Blum, Senior Maintenance Worker also began on August 28, and Melissa Maxa, Wastewater Forewoman at the Wastewater Treatment Plant began September 1. The Havana Road project is now complete; the 2022 Street and Utility Project received the last lift of asphalt today so this project should be done within a few days and the 2023 Street and Utility Project also started today on Butternut and Riverview. Progress

continues on the WWTP Project and there haven't been any new price escalations incurred. This week, Public Work staff members will be participating in the Downtown Thursday event and will be available to meet the public and answer their questions. He reminded everyone that school just started and asked everyone to pay attention to pedestrians. Pedestrians do have the right to cross at any defined intersection regardless of if the crosswalk is marked. An advertisement was just posted this week for engineering positions within our department.

Park & Recreation and Facilities Director Tuma commented last week 36 applications were received to fill 34 spots available in the 2023 Deer Management Program. Applicants will now complete proficiency testing. Last year we received feedback regarding signage for this event and this year there will be more signs posted and they will include multiple languages. Transitioning from summer to fall, Brooktree will be celebrating its 60th anniversary with a tournament on October 1st. For the next few days, we are offering golf for Buck a Hole as we are aerating at the course.

PUBLIC COMMENTS

Matt Sennott, 2519 Stony Creek Drive, commented he has concerns about the proposal for 29th Avenue East to become the City's East Side Corridor. He expressed similar concerns during the last City Council Meeting and doesn't believe placing a highway where a residential street is planned makes sense. We want to plan for future development, we want advanced planning and fiscal responsibility with advanced planning as this area is developed.

Melissa Zimmerman, 2525 Stony Creek Drive, commented she will comment about the proposed east side corridor and Imagine Owatonna. Previous proposals for 29th Avenue to serve as the East Side Corridor have failed. The corridor should be built where structures exist over Maple Creek which is 34th Avenue. Residents have wanted 34th Avenue to serve as the east side corridor for decades and should be considered for this purpose.

COUNCIL COMMENT AND GENERAL INFORMATION

Council Member Dotson commented that school just started and asked drivers to look out for kids walking along the streets.

Council President Schultz also asked everyone to take care of the little kids as they are out and about.

ADJOURNMENT

At 8:16 p.m., Council Member Raney made a motion to adjourn, Council Member Voss seconded the motion, and with no objection heard the meeting ended.

Respectfully submitted,
Jeanette Clawson, Administrative Coordinator