CITY COUNCIL MEETING

Wednesday, March 6, 2024 at 7:00 PM
Chambers in the Charles S. Crandall Center
540 West Hills Circle
Roll Call: Council Members Voss, Dotson, Burbank, Boeke, Raney, Svenby & Schultz

PLEASE NOTE: At 5:00 p.m. Council will tour Merrill Hall and then meet in a Study Session in Chambers of the Charles S. Crandall Center at 540 West Hills Circle to discuss facility planning. If time permits, there will also be general updates of the City's various boards and commissions.

1. **INTRODUCTORY ACTIONS:** Call to Order; Roll Call and Pledge of Allegiance
   - 1.1. Council Agenda
   - 1.2. Public Hearing - 2024 Street & Utility Project
     - 1.2.1. Resolution 18-24: Receive Report and Order 2024 Improvements
   - 1.3. Mayor Kuntz
     - 1.3.1. Charter Commission Member Reappointments
     - 1.3.2. Proclamation - Women of Achievement Month - Owatonna Business Women
2. **CONSENT AGENDA ITEMS**
   - 2.1. Minutes – Council Meeting – February 20, 2024
   - 2.2. Minutes - Board/Commission Meetings
     - 2.2.1. OPU Commission Meeting - December 20, 2023 (Revised)
     - 2.2.2. OPU Commission Meeting - January 23, 2024
     - 2.2.3. EDA Minutes - January 17, 2024
     - 2.2.4. Airport Commission Meeting - February 8, 2024
     - 2.2.5. Planning Commission Minutes - February 13, 2024
     - 2.2.6. Human Rights Commission Meeting - February 13, 2024
   - 2.3. Department Reports
     - 2.3.1. Building Inspection Monthly Reports - February 2024
   - 2.4. Licenses/Permits
     - 2.4.1. Excluded Bingo - Purse Bingo - Early Edition Rotary-Owatonna - April 13, 2024
     - 2.4.2. Temporary Liquor Permit - Corky's EarlyBird Softball Tournament - May 3-5, 2024 - Knights of Columbus
   - 2.5. Event Permits
     - 2.5.1. TraLo Driver Appreciation - August 10, 2024 - includes Exception to the City's Noise Ordinance

2.5.2. Bike Ride - Girl Scout Troop #47951 - August 24, 2024

2.6. Miscellaneous

2.6.1. Jones, Haugh & Smith Proposal - Bathymetric Survey Lot 13, Block 1, North Bluff Estates

2.6.2. Farm Land Lease Agreements - Crop Year 2024

2.6.3. Pierringer Release and Settlement Agreement Between City of Owatonna and Brandon Fandel

3. ACTION ITEMS

3.1. Finance Report

3.2. Ordinances

3.2.1. Second/Final Reading Proposed Ordinance 24-01: VACA-24-1 Vacate Portion of a Drainage & Utility Easement - 1213 Elm Ave N

3.3. Resolutions:

3.3.1. Resolution 19-24: Declare Costs for the 2023 Street & Utility Project

3.3.2. Resolution 20-24: Set Public Hearing Date for the 2023 Street & Utility Project

3.3.3. Resolution 21-24: Set Date for Public Hearing - Host Approval to Issue Revenue Obligations - City of Bethel for Ecumen Obligated Group

3.3.4. Resolution 22-24: Request to Defer Special Assessment

3.4. Miscellaneous

3.4.1. Master Agreement - Airport Architectural & Engineering Services - Short Elliott Hendrickson, Inc.

4. STAFF REPORTS

5. PUBLIC COMMENTS: Please limit comments to 2 minutes. Please approach the microphone, sign-in and state your name and address for the record after being acknowledged by the Council President. Speakers will be limited to two minutes to deliver their comments. Those speaking are asked to conduct themselves in a respectful manner as they deliver their comments. Audience members are asked to refrain from reacting to comments. The City Council will not respond directly to comments in this venue or take immediate action in response to them.

6. COUNCIL COMMENT AND GENERAL INFORMATION

7. ADJOURN

NOTICE OF PUBLIC HEARINGS ON IMPROVEMENT
CITY OF OWATONNA, MINNESOTA

TO WHOM IT MAY CONCERN:

Notice is hereby given that the City Council of the City of Owatonna, Minnesota, will hold hearings during the City Council Meeting to be held on Wednesday, March 6, 2024, beginning at 7:00 p.m. in Chambers at the Charles S. Crandall Center, 540 West Hills Circle.

This public hearing is to consider the making of the 2024 Street & Utility Project. The project involves reconstruction of:

- McKinley Street SW - Linn Avenue SW to Lilac Avenue SW
- Anderson Place SW

the current estimated cost of such improvement is $1,855,930.97; the total cost to be assessed is currently estimated at $90,516.40.

pursuant to Minn. Stat§§ 429.011 to 429.111.

Reasonable estimates of the impact of Preliminary Assessments will be available at this hearing. Such persons as desire to be heard with reference to these proposed improvements will be heard during these hearings.

BY ORDER OF THE OWATONNA CITY COUNCIL

February 6, 2024

Kris M Busse

Kris M. Busse, City Administrator/City Clerk

DATE: March 6, 2024
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Resolution 18-24: Receive Report and Order 2024 Improvements

Purpose:
Requesting City Council approval of the resolution authorizing the preparation of plans and specifications for the 2024 Street & Utility Project with improvements to McKinley Street SW and Anderson Place SW.

Background:
On January 16, 2024, City Council approved Resolution 6-24: Ordering Preparation of the 2024 Street & Utility Project. Property owners were mailed notice of the Preliminary Assessment and Public Hearing on February 16, 2024. Additional project information was available, presented and explained to those present at an informational meeting held February 27, 2024.

Completion of the project is anticipated to be in the Fall of 2024. Following project completion, the property owners may pay the assessment in full within 30 days of billing for no interest to accrue. If not paid, the assessment amount will be certified to Steele County Assessor for collection with property taxes over a 10-year period with an annual interest rate which will be set at the Proposed Assessment Hearing.

Budget Impact:
The 2024 Street & Utility Project will be financed through a combination of City Funds, OPU Funds and Special Assessments. The total cost is currently estimated at $1,855,930.97; the total cost to be assessed is currently estimated at $90,516.40. Approximately 24 property owners will be affected.

Staff Recommendation:
Staff recommends approval.

Attachments:
1. Res 18-24 Ordering Improvements - Authorizing Plans

RESOLUTION NO. 18-24

A RESOLUTION RECEIVING REPORT AND ORDERING 2024 IMPROVEMENTS

WHEREAS, pursuant to Resolution No. 6-24 of the Council adopted January 16, 2024, a report has been presented by the City Engineer and a public hearing held on March 6, 2024, with reference to the construction of proposed Improvement No. 24001, the 2024 Street & Utility Project with improvements to McKinley Street SW and Anderson Place SW.

WHEREAS, ten days' mailed notice and two weeks' published notice of the hearing was given, and the hearing was held thereon on the 6th day of March, 2024, at which all persons desiring to be heard were given an opportunity to be heard thereon,

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Owatonna, Minnesota:

1. That the Council has considered said improvements in accordance with the report and the assessment of abutting property for all or a portion of the cost of the improvements pursuant to Minnesota Statutes, Chapter 429, at an estimated total cost of the improvements of $1,855,930.97.

The City Engineer is hereby designated as the engineer for these improvements. He shall prepare plans and specifications for the making of such improvements.

The city council declares its official intent to reimburse itself for the costs of the improvement from the proceeds of tax-exempt bonds.

Passed and adopted this ____ day of _____, 2024, with the following vote:

Aye ___; No ____; Absent ____

Approved and signed this ____ day of _____, 2024.

_____

ATTEST: Thomas A. Kuntz, Mayor

_____

Kris M. Busse, City Administrator/City Clerk

Mayor Kuntz

DATE: March 6, 2024
TO: Mayor and City Council
FROM: Thomas A. Kuntz
Mayor
SUBJECT: Charter Commission Member Reappointments

Purpose:
Advise Council of recommendation to reappoint five members on the City's Charter Commission.

Background:
Terms of five members of the Charter Commission expired December 31, 2023. Each member was contacted and has agreed to serve another four-year term. This recommendation will be sent to City Attorney Walbran with a request to prepare an Order for Appointment for approval by the Chief Judge of the Third Judicial District.

Commission Member - Representing Ward
Walter Hansen - Fist Ward
Brian Whited - Second Ward
Vern Wilker - Third Ward
Dan Overlie - Fourth Ward
Roland Truelson - Fifth Ward

Additional Charter Commission Members whos' terms will expire December 31, 2025 are Nick Lewis, John Havelka, Brad Bloomerader, Sharon Klein and Ken Henricksen.

Budget Impact:
None

Staff Recommendation:
Staff recommends approval, the Charter Commission meets annually, their next meeting will be on April 15, 2024.

Attachments:
None

Mayor's Proclamation

WHEREAS throughout history, women have played an integral role in shaping the Owatonna community, contributing to its growth, prosperity, and well-being; and

WHEREAS the countless achievements, sacrifices, and leadership of women in Owatonna have significantly advanced our city's development and progress; and

WHEREAS we recognize the invaluable contributions of women from all walks of life - pioneers, educators, activists, entrepreneurs, artists, caregivers, and beyond who have enriched our community with their talents, ideas and resilience; and

WHEREAS on this month and every month, we honor the spirit and the determination of women who have worked tirelessly to build a bright future for generations to come; and

WHEREAS we affirm our commitment to fostering an inclusive, equitable and supportive environment where all individuals, regardless of gender, can thrive and contribute to the success of Owatonna; and

WHEREAS the Owatonna Business Women will recognize women in all areas of their careers at the annual Woman of Achievement event on March 16, naming:

Young Careerist: Tess Brown

Lifetime Achievement Recipient: Linda Breyer

Nominated for Woman of Achievement:

Beth Fink, Deb Gillard, Ryan Gillespie, Karen Hale and Vanessa Jensen

NOW THEREFORE I, Thomas A Kuntz, Mayor of the great city of Owatonna, hereby proclaim the month of March 2024 as

OWATONNA BUSINESS WOMEN
WOMAN OF ACHIEVEMENT MONTH

in the city of Owatonna and I urge all citizens to join in this recognition and celebration of the important role of women in our community.

Dated: March 6, 2024 By:

_____

Thomas A. Kuntz, Mayor

CITY OF OWATONNA

Owatonna City Council Minutes – DRAFT COPY
February 20, 2024

On Tuesday, February 20, 2024, at 7:00 p.m., Council President Schultz called the regular session of the Owatonna City Council to order in the Chambers of the Charles S. Crandall Center. Present were Council Members Raney, Svenby, Dotson, Burbank, Boeke, and Schultz; Mayor Kuntz; Public Works Director Klecker; Finance Director Moen; Parks & Facilities Director Tuma; Police Chief Mundale; Officer Matt Lounsbury; IT System Administrator O'Connor; City Attorney Walbran; City Administrator Busse and Administrative Coordinator Clawson. Council Member Dotson was unable to attend,

Following the Pledge of Allegiance, Council President Schultz welcomed everyone to the meeting and then asked for a moment of silence, to recognize the tragic deaths of three emergency responders in Burnsville on Sunday. Schultz commented several resolutions were added to the agenda since posting on Friday: Resolution 12-24 to support the Application for Regional Park Designation in Greater Minnesota and Resolutions 16-24 and 17-24 regarding the parkland donation to Dartt's Park. Council Member Boeke made a motion to approve the agenda with these items added, Council Member Svenby seconded the motion; all members presented voted aye in approval.

Mayor Kuntz – Proclamation for World Understanding and Peace Month

Mayor Kuntz commented that during the Noon Rotary Meeting on February 19th, he made proclamation of February as World Understanding and Peace Month in Owatonna. He encouraged recognition of Rotary International for its 119 years of service to improving the human condition in local communities around the world. Thanks, were also expressed to District 5960 Rotary Clubs of Owatonna and Owatonna Early Edition for their continued support locally, nationally, and internationally.

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 – February 6, 2024
- HRA Meeting – January 22, 2024
- Airport Commission Meeting – January 11, 2024
- Library Board Meeting – January 18, 2024
- Retail Fireworks License – Fleet Farm
- Event Permit – 2nd Annual 0.5K Fun Run - OCC Young Professionals - June 22, 2024
- Event Permit - National Day of Prayer - May 2, 2024
- License and Service Agreement - Club Car Connect
  - A Connect Software License and Service Agreement for use of Visage operating software to use the Club Car Connect 10-inch LCD Touchscreen, GPS, Connectivity Module, and Golfer Experience Module. This is a 4-year agreement, mirroring the

timeline of the fleet lease agreement approved by the Council in June 2023. This agreement completes the Club Car Lease agreement process. There are no additional fees, the Club Car Connect software subscription is included in the Club Car Lease Agreement.

Engagement Letter and Scope of Services - Baker Tilly

Baker Tilly serves as the City's municipal advisor; this agreement defines the expectations for both parties.

Liability Coverage Waiver - League of Minnesota Cities Insurance Trust (LMCIT)

The City of Owatonna serves as the fiscal agent for the South-Central Drug Investigative Unit (SCDIU). Required during annual renewal of property and liability insurance policy with the League of Minnesota Cities Insurance Trust (LMCIT) is decision to waive or not to waive the statutory tort liability limits to the extent of the coverage purchased as established by Minnesota Stat. §466.04. Staff recommends that member agencies do not waive monetary limits on municipal tort liability.

Merrill Hall Asbestos Abatement Agreement - Environmental Plant Services (EPS)

Agreement for abatement of asbestos-containing materials in specific areas undergoing construction changes in Merrill Hall. This includes the demolition of existing structures and modifications necessary for new installations. The project does not entail completely removing all asbestos from Merrill Hall but focuses on the affected zones and future phases will address the remaining areas. The specified work areas include:

- Boiler Room: Removal of all asbestos-containing materials found in pipes, insulation, boiler interiors, and related components within boiler units, additionally, floor tiles and adhesive materials in the boiler room, adjacent areas, and hallways will be abated. This also involves the disposal of the boiler units themselves.
- Basement Level: The plan calls for removing asbestos-containing insulation on the heating system pipes across the basement, particularly on steam and condensate lines.
- First Level: Similar to the basement, the first level will see asbestos removal from thermal system pipe insulation, focusing on steam and condensate lines as per the demolition plan.
- Second Level: The procedure mirrors the basement and first level, targeting asbestos- containing insulation on the heating system pipes.

IEA managed the bidding process and received bids from three qualified contractors, Environmental Plant Services (EPS) submitted the lowest bid at $53,833.

Renew License Agreement – Micromobility Vehicle Sharing Operations - Bird Rides, Inc.

Extend the current license agreement with Bird Rides, Inc to December 31, 2024, for micromobility vehicles, 100 scooters. Current insurance and $3,000 annual license fee were received to renew this License Agreement.

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

Finance Report

Council Member Raney recapped payments made for amounts greater than $20,000 during this period. The total amount of bills presented was $2,745,772.38, Council Member Boeke made a motion to approve payment of all bills presented, Council Member Burbank seconded the motion, all members present voted aye in approval.

First Reading Proposed Ordinance 24-01 VACA-24-1 Vacating a Portion of a Drainage & Utility Easement - 1213 Elm Ave N

Community Development Director Klecker presented the first reading of Proposed Ordinance 24-01. This is request received from Brent Sherwin to vacation a portion of a drainage and utility easement at 1213 Elm Avenue N. During the process to sell this property, the title company discovered the existing garage encroaches on an easement along the north property line. The garage was built prior to the easement being platted and there are no utilities under the garage. This easement vacation is just around the foundation of the garage and the remainder of the easement remains. OPU has an underground electric line just north of the garage and there is also an underground communications line within the easement area.

The Planning Commission held a public hearing for comments and recommend approval. Council Member Burbank made a motion for approval, Council Member Voss seconded the motion. With a roll call vote, those voting aye were Council Members Svenby, Voss, Burbank, Boeke, Raney and Schultz; there were no votes opposing approval. The second/final reading of this proposed ordinance will be heard during the next Council Meeting on March 6th.

Resolution 11-24: Life Fitness Donation to Police Department

Police Chief Mundale introduced Kelly Anderson, Human Resource Manager at Life Fitness. Ms. Anderson commented Life Fitness strives to help others. We hope this equipment will help the LEC with their fitness and is an expression of our gratitude for what they do for our community. Chief Mundale thanked her and Plant Manager John Champlin, this strength equipment will be exclusively used for the police department fitness room. The gift includes the following:

- Hammer Dumbbell Set 5-50 LB
- Hammer Dumbbell Set 55-75 LB
- Optima Three Tier Dumbbell Rack
- Cybex Adjustable Bench

The total value of this donation is $6,681

Chief Mundale requested approval of Resolution 11-24 accepting this donation of

strength equipment. Council Member Svenby made a motion for approval, Council Member Voss seconded the motion, all members present voted aye for approval. Council Member Raney expressed thanks to Ms. Anderson and Life Fitness for their donation to the city.

Resolution 12-24: Support Application - Regional Park Designation in Greater Minnesota

Parks & Facilities Director Tuma requested approval of Resolution 12-24 to support an application to the Greater Minnesota Regional Park and Trail Commission for Regional Significance for the current Kaplan's Woods, Kaplan's Woods Parkway, Lake Kohlmier and Morehouse Parks/areas. In District 6, there are currently five parks designated as regionally significant. Owatonna's regional park area provides many unique opportunities not available in District 6, including Mountain Bike Trails, access to the Straight River and other recreational and nature opportunities. This is the first step in the process, the application is due this Friday and we should know by Fall if accepted, then we would develop a Master Park Plan for this Regional Park. Council Member Raney made a motion for approval, Council Member Boeke second the motion, all members present voted aye for approval.

Resolution 13-24: VAR-16 Request Accessory Structure in a Side Yard at 609 Lincoln Ave S

Community Development Director Klecker presented Resolution 13-24 to authorize VAR-16 for an accessory structure in a side yard at 609 Lincoln Ave S. Trinity Lutheran Church is planning to build a pavilion for outdoor services. This which will be part of a larger outdoor courtyard in the Southwest corner of the property. This courtyard area will also contain gardens, fountains, sidewalks, and paths. The 780 square foot structure will be open air on 3 sides and will have a back storage room on the north end. There will be a 30' west setback and will match the existing west line of the primary church building.

The Planning Commission held a public hearing and recommended approval. Council Member Voss asked if there would be a fence constructed along Lincoln Avenue; concerned this space might be used by the daycare. Klecker commented there hasn't been any mention of a fence.

Council Member Burbank made a motion for approval, Council Member Raney seconded the motion. Council Member Svenby commented he is a member of Trinity Lutheran Church and will abstain from voting on this matter, other members present voted aye for approval.

Resolution 14-24: CUP-12 - Adult Day Care at 120 Broadway Street W

Community Development Director Klecker requested approval of Resolution 14-24 authorizing Conditional Use Permit 12. Ibrahim Hussein requests to open an Adult Day Care facility at 120 Broadway Street W in a commercial zoned district. Approximately 1200

square feet in the existing building would be designated for Adult Day care use to provide care and supervision to adults during the day while allowing them to return to their homes in the evenings. The day care may service up to 26 clients with plans to be open from 9 a.m. – 3 p.m. No additional parking is required for this building as it is an existing building within the B-3 District. Public Parking is available around this use.

The Planning Commission held a public hearing with questions received from two neighboring property owners. The Planning Commission does recommend approval of this Conditional Use Permit. Council Member Raney made a motion for approval, Council Member Boeke seconded the motion. all members present voted aye for approval.

Resolution 15-24: Pension Increase Request - Owatonna Fire Fighters Relief Association

City Administrator Busse presented a request from the Owatonna Fire Fighters Relief Association for a $1,000/year increase in their retirement pension. Annually, the Relief Association reviews the percent funded of the account. Fund requirements, previously approved by the Council, require a minimum balance of 120% funded with additional fund percentages to increase the pension lump sum. After the proposed increase of $1,000, the fund will be over 148% funded. Council Member Voss made a motion for approval, Council Member Svenby seconded the motion, all members present voted aye for approval.

Resolution 16-24: Revoke Resolution 79-23 to Accept Land Donation for Dart's Park Resolution and Resolution 17-24: Accept Land Donation for Dartt's Park

Community Development Director Klecker requested approval of Resolutions 16-24 and 17-24 regarding a land donation for Dartt's Park. Last fall, the City Council approved Resolution 79-23 to accept the donation of property from Maureen Henderson adjacent to Dartt's Park. Our staff has expressed concerns about the maintenance requirements within the resolution and felt expectations may not be the same for all parties. Staff expressed a need to modify the resolution before accepting the property. Therefore, after discussion with the donor, the resolution has been modified to allow normal parkland maintenance of this property without expressly noting specific maintenance requirements in the resolution. The donated property will remain a wooded area, which is the main concern of this donor. The wording in this resolution clarifies that the property will be used as normal parkland and maintained like the rest of the park. The City will be maintaining this property as parkland.

Council Member Boeke made a motion to approve Resolution16-24 to Revoke Resolution 79-23. Council Member Voss seconded the motion all members present voted aye for approval.

Council Member Svenby made a motion to approve Resolution 17-24 accepting the land donation for Dartt's Park. Council Member Burbank seconded the motion all members present voted aye for approval.

5-Year Capital Improvement Plan 2024-2028

Finance Director Moen commented each year the 5-Year Capital Improvement Plan is reviewed and updated to ensure that critical needs are being met. This also confirms the cost, scope and timing of projects are coordinated. Effective use of the CIP process provides for project identification, planning, evaluation, scope definition, design, public discussion, cost estimating, and financial planning. The CIP projects are designed to prevent the deterioration of the City's existing infrastructure and prepare for anticipated future growth.

The first year of the plan is the only year appropriated by the City Council. The 2024 projects were approved as part of the budget adoption on December 19, 2023. The remaining four years serve as a guide for planning purposes and are subject to review on an annual basis. Funding is not guaranteed to occur in the year planned, the final decision to fund a project is made by the City Council.

Council Member Raney made a motion for approval, Council Member Boeke seconded the motion all members present voted aye for approval. This 5-Year Plan, 2024-2028, is available on the city's website and a printed copy is available at the library.

Authorize Purchase of Property - 1370 Cherry Street

Community Development Director Klecker requested authorization to purchase property located at 1370 Cherry Street. The property at 1370 Cherry Street is directly across the street from the golf course with a single-family house on approximately 2.5 acres of land. This property offers potential opportunities for future improvements at Brooktree, which currently lacks parking space and a driving range. The property was placed on an online auction, staff bid on the property and was the highest bidder. The total purchase amount is $288,762.60, the bank is owed $275,012 plus a $13,750.60 buyer fee due to the online company. The assessed value of the property is $308,500. Council Member Raney made a motion for approval, Council Member Boeke seconded the motion, all members voted aye in approval.

STAFF COMMENTS

Community Development Director Klecker commented that the EDA offers various programs. This is the fourth year for their Forgivable Loan Program, they just allocated an additional $100,000 to this program. Downtown business owners can request funds to improve the exterior or interior of their buildings. Grants are awarded up to $10,000 for exterior improvements and/or $10,000 for interior improvements. Contact Lisa Cochran at the Owatonna Chamber of Commerce Office for information or Sean Williams, Executive Director at the Owatonna Area Business Development Center. This month, Building Inspection staff completed some continuing education training. During January, the

valuation of the Building Permits issued was $8.5 million so currently appears on track to reach our goal of $100 million this year.

Finance Director Moen commented she has been busy closing the books for 2023 in preparation for audits. Annually, two audits are completed, one for the HRA and one for the City; these audits are now 4-5 weeks away. She is also preparing bonding for the proposed 2024 projects.

Parks & Facilities Director Tuma commented that the Spring/Summer Activity Guide was mailed last week, and registration began today. Registrations can be completed online or in person at the Park & Rec Office in the Social Commons

Police Chief Mundale Public commented audits are also in process at the Law Enforcement Center. Bi-annual audit completed by an independent consultant for body-worn cameras. This is the fourth year that our officers have used body-worn cameras, the audit results should be received in six weeks. The MN Police Officer Standards and Training Post Board is also completing audits for Mandatory Policies and Mandatory Training. We are in process of a Sergeant Promotion which should be completed within the next month. Next week, we will be represented at the funeral for the two Burnsville police officers and first responder killed this week, we want to show our support to Burnsville, and the officer's families and friends.

PUBLIC COMMENTS

Matt Sennett, 2519 Stoney Creek Drive commented he believes plan to use 29th Avenue as the east side corridor is not fair as it would place strain on residents. When the west side corridor was built, there were no residential buildings and owners since have chosen to build by the freeway. In 1991 when 26th Street was built, there were only a few buildings along the road and no residential, now there are many. If 29th Avenue is used on the east side, there would be 100' or less to children's bedrooms. It is not fair, the east side expansion is needed but need but for current residents to be treated fairly, we ask you choose 34th Avenue as the path for this project.

Melissa Zimmerman, 2525 Stoney Creek Dr commented that when 26th Street was built, it was 0.6 to 1 mile away from residents and 100' away from the farmhouse. Many believe the current option to use 34th Avenue as the east beltline is limited but it looks comparable to what 26th Street was. The 26th Street Project was well thought out and the current 29th Avenue plan is not; it includes plans to build in space that the city has already used. The plan to use 29th Avenue is not like the plan used for 26th Street 30 years ago but the use of 34thAvenue is and should be used before this opportunity is lost.

Roger Wacek, 646 E Vine Street commented he is trying to understand the need to spend millions of dollars on an eastern bypass. Interstate 35 provides a western bypass, Highway 14 provides a southern bypass, we just spent millions of dollars on downtown renovations and now we want to spend millions more for an eastern bypass or an east side corridor to bypass downtown. An eastern bypass will offer savings in travel time for a few vehicles and a place to add to our recreational trails but questioning if needed.

Gary Jones, 995 Ridge Road commented that timing is everything and unfortunately, bowhunters and park goers want to use the parks at the same time. Bowhunters are usually out early in the day and late afternoons. Disc golfers often begin games in Mineral Springs Park after 3:30 when done with school or work, they often play to sundown or later. There was a tree stand in Leo Rudolph which was very close to the path used by many to walk their dogs late in the day. The timing is too similar for these uses.

MAYOR AND COUNCIL COMMENTS:

Council Member Boeke commented he visited the library today and encouraged everyone to stop in to see the current display in observance of Black History Month.

Council Member Raney commented the incident in Burnsville killing two police officers and a first responder this last Sunday is extremely sad. When an officer takes an Oath, they are willing to go in harm's way to protect but it is heartbreaking when something like this happens. When you see a police officer or first responder, say thanks. We are very fortunate to have the officers we have here in Owatonna.

Mayor Kuntz commented he agrees with Council Member Raney's comments and added that expressing a thank you does go a long way. He thanked the city's Police Officers and Fire Fighters for their hard work and efforts to keep our community safe. He then thanked Life Fitness for their equipment donation to the LEC for officer's use.

Council President Schultz commented the next City Council Meeting will be held on Wednesday, March 6th. The 2024 MN Presidential Nominating Primary Election will be held on Tuesday, March 5th so no public meetings are allowed between 6:00 p.m. and 8:00 p.m. on the day of a local Election.

At 7:47 p.m., Council Member Boeke 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

CITY OF OWATONNA

Board Commisison

The Owatonna Public Utilities Commission met in rescheduled session in the Morehouse Conference Room at the Owatonna Public Utilities. The meeting was rescheduled due to the Christmas holiday. Present were Commissioners Zirngible, Rossi, Doyal, Johnson and Vetter. Also present were General Manager Warehime; City Administrator Busse; Director, Finance & Administration Olson; Director, Engineering & Field Services Fenstermacher; Director, Information Technology & Meter Baum; Manager, Human Resources Madson; Manager, Facilities, Gas & Water Engineering & Operations Prokopec; Supervisor, Accounting Linders; Executive, Communications & Administration Coordinator Schmoll; Key Accounts/Energy Conservation Officer Hendricks; OPU Employees Lori Jerpbak and Dan Cammock.

President Zirngible called the meeting to order and led the Pledge of Allegiance. He then asked for approval of the agenda and consent agenda. The consent agenda items contained minutes from the November 28, 2023 Commission meeting, and the Contributed Services report as of November 30, 2023. Commissioner Doyal moved to approve the agenda and consent agenda items. Commissioner Rossi seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Finance Committee – Commissioner Doyal reported the Finance Committee met, reviewed, and approved disbursements totaling $5,668,824.20. Two work orders were closed with one going a little over budget. Overall, work order expenditures are 7% under budget.

Personnel Committee – Commissioner Rossi reported the Personnel Committee met and received a staffing update. The position of Business Analyst Engineer is posted, and the open Meter Serviceworker position was filled by former employee, Dan Cammock. Other reports the Personnel Committee received were regarding the Gallup Q12 survey and the upcoming re-evaluation of Hay Points for all positions.

City Administrator Report

City Administrator Busse reported the City Council adopted an 8% levy increase for 2024. In 2023, building permit evaluations totaled over $108 million in development for the City. Owatonna is recognized as the sixth largest city in greater Minnesota and ranked #6 for the best places to live in Minnesota. Ms. Busse updated the Commission on the traffic light by the plant that was out and discussed the importance of TIFs for businesses. She noted, they help with retaining, and expanding, businesses in Owatonna which in turn helps to increase the tax capacity. OPU's help in developing an appropriate rate helps in the decision for larger customers to develop in Owatonna and is part of the success story.

Renewable Energy Credit (REC) Purchase Program – Commercial
Renewable Energy Credit (REC) Purchase Program – Residential

Key Accounts/Energy Conservation Officer Hendricks presented the REC program policies for both Commercial/Industrial and Residential to the Commission. He noted there were minor changes needed to indicate the energy credits are taxable. After discussion, Commissioner Rossi moved to approve the Commercial/Industrial and Residential Renewable Energy Credit Purchase program changes. Commissioner Doyal seconded the motion. All Commissioners voting Aye, the motion passed for both policies.

Acceptable Use Policy
Mobile Device Policy
Mobile Phone Stipend Policy

General Manager Warehime noted the three policies are being presented for informational purposes. Staff is looking for input from the Commission and will bring them back in January with any changes. Director,

Information Technology & Meter Services Baum discussed the reason for the policy changes and discussed the changes from the existing to the new. He noted, the biggest reason for the changes is for security reasons. With the constant technology changes including the addition of artificial intelligence, and the ongoing expansion of the Authenticator app, language is needed in the policy to cover those security changes. The majority of the changes cleaned up language by simplifying, adding, or replacing outdated language. Other changes included adding data security language to encompass the Authenticator app. The language for the Stipend Policy was removed from the Mobile Device policy and put into its own policy. The Stipend policy language changes from an approval-based opt-in option to an opt-out option for employees and includes language on device security. Mr. Baum explained the reasoning behind the amount of stipend. City Administrator Busse shared how things are handled at the City, noting department heads have to carry two phones. Mr. Baum explained what would happen if an employee's personal device is lost or stolen, and how access to OPU's information would be locked out. The Commission directed staff to use AI to help make the policies even clearer and asked them to bring them back next month. A discussion was held regarding personal and business use of devices.

General Manager/Staff Report

General Manager Warehime shared a potential opportunity to purchase a building for future expansion needs. The building is currently in a guaranteed lease agreement until 2031, but the owner is interested in selling it. If purchased, it could provide potential income until 2031 and then be used for expansion to solve OPU's need for additional space for inventory and equipment, and allow OPU to vacate its facilities along the river on the north side of Bridge St. There is also an opportunity to work with the current tenant so that OPU could use some portion of the space before 2031.

Director, Engineering & Field Services Fenstermacher reported SMMPA is looking at a new 49 MW generation facility site to help meet capacity needs by 2028. They are considering Owatonna for this new facility. Mr. Fenstermacher also reported squirrels remain the biggest driving factor for outages with 29 squirrel related outages in 2023, double our five-year average. Mr. Fenstermacher concluded by giving an update on the grid resiliency grant, noting it is a federal grant program and we didn't get it. 80% of applicants didn't get the grant so the group will be resubmitting for round 2.

Director, Information Technology & Metering Baum updated the Commission on the cameras for the security system, noting the cameras are anticipated to arrive in February and an agreement has been reached with a local contractor to mount the cameras.

Commission Roundtable

The Commission did not have anything further to discuss.

Adjournment

There being no further business to come before the Commission, the meeting adjourned at 5:00 p.m.

Respectfully submitted,

Tammy Schmoll
Executive, Communications & Administration Coordinator

Commission on a few solar customer statistics. Mr. Warehime turned the discussion over to Mr. Hendricks. Mr. Hendricks reported eight solar customers were added in 2023 bringing our total interconnected solar arrays up to 68. Of those 68, one is commercial, and one is multi-family. Mr. Hendricks further discussed the capacity and energy produced from solar arrays in Owatonna and discussed the affect different weather patterns have on the net export capacity. Commissioner Vetter asked how long it takes for customers to get connected once, they've requested it. Mr. Hendricks replied, if everything goes smoothly, just over a month from start to finish. Discussion ensued surrounding the renewable energy credits and who gets to claim them. Mr. Hendricks wrapped up by discussing the average retail rate.

General Manager Warehime presented an overview of the 2024 Strategic Plan to the Commission. He began by noting we have had this strategic plan for years and just continue to revamp it every year. He first showed the picture of the future, and noted the changes made this year. He next discussed the details of the four focus areas; One OPU is really about culture; the next one is Technology and we did not make any changes to that one this year; the third one is Proactive Growth Strategies and the last one is Reliability, Security and Resiliency. Each focus area is then assigned key initiatives which Mr. Warehime discussed in detail.

Commissioner Vetter inquired as to what takes so long with the service territory acquisition and is it worth it to us to take over those areas. General Manager Warehime noted the negotiation between the two parties is what takes the longest regarding service territory acquisitions, and the short answer is yes, it is worth it to us, as long as the terms of the agreement make sense. Discussion ensued around how service territories were set, who set them, how often they get changed and the process for acquiring territory.

General Manager Warehime reported about one half million dollars was saved over the Martin Luther King weekend in natural gas costs due to the strategy we developed back in 2021. He concluded by discussing the development of the history book, and asked if any Commissioners wanted to be involved as well as had a discussion regarding potentially moving the February Commission meeting. Mr. Warehime will get back to the Commission.

Director, Engineering & Field Services Fenstermacher discussed the outage at the Ascend project and noted 2200 customers were without power for about 2 hours. Since then, we held an after-action review and had some frank conversations with the general contractor, as well as the excavator contractor, regarding safety and how to mitigate risks going forward. We then sent them a follow-up letter.

Director, Information Technology & Metering Baum updated the Commission on the equipment upgrade for the Morehouse Conference Room. He noted they are looking for a three-day block to schedule the work in the room sometime in February.

Commission Roundtable

There was not anything further from the Commission.

Adjournment

There being no further business to come before the Commission, the meeting adjourned at 4:47 p.m.

Respectfully submitted,

Ann Ringhofer,
Customer Service Rep. on behalf of Executive, Communications and Administration Coordinator Schmoll

EDA
Minutes
January 17, 2024

The Owatonna Economic Development Authority met in regular session at 4:00 PM in the Charles S. Crandall Center – Meeting Room at City Hall Building with President Raney presiding. Commissioners present: Andrew Cowell, Brenda DeVinny, Pat McDermott, Corey Mensink, Kevin Raney, and Doug Voss. Commissioners absent: Dan Boeke. Also present were Troy Klecker, Brad Meier, Lisa Cochran, Glenda Smith, Sean Williams, Dave Beaver, and Kristen Kopp.

Approval of Minutes. Commissioner DeVinny moved approval of the minutes of the December 20, 2023 meeting with second by Commissioner Cowell. All Commissioners voting Aye, the motion passed.

Klecker said that Tom Peterson resigned from EDA and the Mayor appointed Pat McDermott to take his place. McDermott said he's the director of manufacturing operations at Climate by Design. He was born and raised in Owatonna and served on a number of boards.

Treasurer's Report. Troy Klecker presented the revenue and expense reports for December. He said this is not a final report as invoices are trickling in yet. It will be close, though. The good things are, lodging tax revenue is up this year—more than what we budgeted. That's a good sign. We had an oddity, a grant that was funneled through our budget that kind of throws things off a bit. There were some consulting fees and we were under budget on that, as well. In the end, we'll be under budget, it's just a matter of by how much. Our activity is pretty consistent year after year. There isn't a lot of deviation. The most deviation is consulting fees. We've budgeted for about three projects every year. There are usually 12-15 projects going on at a time. Those are either incentives or EDA Land projects. He said all of the public parking lots are City owned, except for one. The parking lot by Curly Girls is rented from Brian Stendel and has been for many years. There has been some discussion on whether we should own that. He hasn't been in the position taxwise to sell it. The lease will end the end of April. The fund balance is pretty good, and we've got the ability to do some things. Cowell said he still thinks there is opportunity for the south corridor. He said that he believes the vet clinic is moving their operations out of that area. It would be an idea of where to begin, to kind of get the ball rolling. He said that corridor and where the Budget Inn is next to Perkins, would be interesting projects. Klecker said he's had many discussions with developers about that. It has the highest potential for development. To be along and interstate at an interchange next to a Walmart. Raney said that utilities earmarks $100,000 a year for beautification of corridors. Would that be an opportunity to do that? Klecker said they did adopt that for a five-year period and we're beyond that. They're doing some burying of lines by Ascend. If there is another area, that would be a separate conversation. OPU has always been very good at working with us on projects. Raney said he agrees with Cowell, right off the interstate along old 14 would be intriguing. He said we should expect a pretty good return on investment should we acquire that. Klecker said that is one small piece of property. (The hotel) He said that is best suited for a developer as it is probably too large for us. Cowell asked if there was a Phase 2 environmental study on the building across from the Chamber office. Klecker said we did complete that. There is some vapor concerns that could be

fixed with the flooring (sealing it). The tank sits in the right of way of the street, toward the Chamber, which adds a little twist to it all. There are some soils corrections that will have to be done. There has been much discussion on that. There are some possibilities with a developer. We're working with a local business as a possible tenant. His hope is we can get a project without having to acquire anything. That is the role of the EDA—to throw out development ideas and figure out if it's something we should do or not. Mensink asked if we are still in the process of acquiring the US Bank parking lot. Klecker said the City Attorney is working on presenting a counter purchase agreement back. The goal is to get that purchase agreement together, have them agree on it, and go to bid by the end of February and do a construction project this summer. The layout is figured out. It will be two parking lots separated by a drive going to US Bank's property. One lot will be short-term and the other long-term. We'd also be acquiring the green space next to US Bank and we'd create a walkway there. Raney asked about the property owner north of Perkins. Klecker said we have a ton of I-35 frontage available for commercial development. Conceptually there is a lot of potential. The owner wants to sell a bigger chunk to a developer who has key businesses that will help make the rest of his property more valuable. Maybe a mall with three or four tenants. Mensink asked if there was an update on Scooters. Klecker said it's a different franchisee and they will pursue the store just as it was approved. There is still the odd piece of property that may end up sitting there. That will be a summer 2024 project.

Loan Report. Sean Williams presented the loan report for December. He said there was an email outage in mid-December, which has been rectified. Klecker said they did approve HotWorx forgivable loan. Williams said there were a number of checks that were going to be cut at that City Council meeting. There is a permit for 206 W Rose that is waiting for approval. The PFHS at 301 N Cedar is waiting for materials to arrive. There is an entrepreneur at 605 N Cedar who is putting in an ADA compliant ramp on the building and has booked the contractor to start next week. Williams explained that he can't start work until the loan is approved by the EDA. There is no precedent with moving forward and he said he would rather wait and get the forgivable loan. He said his recommendation is to tell him to wait and follow the process. He said literally yesterday was the first time we've heard about it. Cochran said she talked to him as well and told him to get the application in as soon as possible. The Commissioners agreed that he should follow the process and apply for the loan. He said that they built out an online application, which was sent to the EDA members. Klecker said that has all of the information on the Forgivable Loan Program. He said he thought it was very well done. Klecker said that for the Cars N Credit EDA MIF Flood Recovery Loan still has a balance of one more payment. They thought they were done, and we thought they were done, but their payments started one month after the payment plan, and they have one more payment to make. We've made contact with them that there is one more payment and that should be coming in.

OACCT / OPED Report. Chamber Director Brad Meier presented the OACCT Report for December. He said they received a $40,000 grant for work experience over the summer months. OPED conducted their strategic planning process. They'll bring more detail back to this group. He highlighted some business changes.

MainStreet. MainStreet Director Lisa Cochran presented the quarterly MainStreet Report. She said this quarter was not as happy as third quarter as there were some business closures. They're

excited the hardware store is going to Ace. She said new holiday banners will go up in 2024. She said she loves working with businesses and building owners. She excited to be working with Sean and having a full time position is good for the loan program. She said they ended the year with a successful holiday parade. She's really excited for 2024 and doing what they do even better. She thanked the EDA for their support.

Tourism. Tourism Director Glenda Smith presented the quarterly Tourism Report. She said lodging tax revenue is a little higher than budgeted. At the end of the year, they ended up with an average occupancy rate of (48.1%). The number of trips coming to Owatonna increased by 3.1%. Visitor days decreased by 11%. She said they want to find ways to continue to bring people into town. She spoke about branding and creating a seamless visitor process. They've been working on the new Visitor Guide. She said she went to the Chicago Travel Show. They are working with an organization called Bandwango. They've reached out to restaurants and retail for a challenge. She highlighted Play Easy, a free program that matches tournament planners to tournament venues. Raney said he likes that occupancy is up and asked what the average is. Smith said we're lower than the average, but not too far off. Klecker said the occupancy rate will go down when Home 2 Suites and Double Tree open. Smith said that construction was at least 20% of the occupancy at one point.

OABDC Report. Sean Williams presented the OABDC Report. He said that they had a strategic planning session. Consulting hours were down in December because we were limited in contract hours with the regional office. For this year, we've contracted for 150 hours of consulting. Hopefully we'll pass that 150. The SBDC is a federal program that funds half of their consulting hours. Last year they secured a grant through DEED for the other half. CDI moved out of the center today. What is reassuring about that is the new tenants have offset their revenue. They're working on a couple ideas to generate some activity out there. He connected with an individual who is interested in running the maker space. He said they're also converting an office to a drop-in office.

Airport Report. Airport Manager Dave Beaver presented the quarterly Airport Report.
He said 2023 was a good year and they continue to see good numbers on fuel volumes. Activity has been good and the flight school has been busy. They're hopefully filling some of the hotels as their students are sometimes here for months. They are budgeting to be self-sufficient. Operational revenues are covering the expenses. They finished the T-hangar last year and it's fully occupied. The security fence is in process. The Airport Commission is interested in discussions on economic development and how the airport can support Ihlenfeld's property. They have a very long runway and that's driving their performance. They're interested in bringing corporations into town. There are only two airports in the Cities that have runways longer than us, and that's MSP and downtown St. Paul. Raney said he sees the airport as an economic driver in Owatonna. Is the Airport Commission working toward short-term and long-term economic goals. Beaver said that's a great question. They've discussed their next steps. They're looking at their master plan and talking about a mechanic school. He said he and Klecker have talked about that. Klecker said that they had a plan to fill the vacant hangar space and be self-sufficient. We've accomplished both of those goals. They're at a good point to reassess.

EDA Projects. Community Development Director Troy Klecker presented the EDA Projects for December. He said that he took CDI off the list because they are in the building now. This is typically our slowest time of year. We'll have an update from Oscar at the next meeting.

New Business: Approve the 2024 Forgivable Loan Program. Klecker said they sent out what Sean had put together. We've had discussions at the last couple meetings. We'd be looking at $100,000 for 2024. Criteria would be much the same. Looking to get rid of application fee. There is the question if someone has already used the program and is looking to do another project, would they be eligible? There has been some discussion on second floors. Williams said that 12 month deadline was in the application the whole time, but not enforced. Klecker said we're at a point we can enforce that now. Raney asked if it meets expectations if someone comes in, can they go through the process in 12 months. Mensink said some of these projects got much more involved than anticipated. Raney said we do not have a fine. Klecker said they can ask for an extension. Raney said that Martin's is still not done. Mensink said on the flip side, if the catalyst wasn't there, it wouldn't get done. Cochran said she will be meeting with Al. Cowell said we're in a new environment than we were before. There aren't as many projects for architects. That has eased. Overall access to contractors has eased. A lot has to do with the interest rates. Cowell said a 12-month time frame is fine for 2024. Mensink said we might have to adjust on the fly if needed. Mensink said why not apply for a second one—our dollars are getting leveraged. He said this isn't a perpetual program. Klecker said the message is we have money set aside for this year and this year only. Voss said it seems more important to go by location. Mensink said this may not be something we continue. Klecker said there is a five-year period before it's forgiven. Some of the very first ones we did are at the five-year point. Technically you could owe some of that money should you leave. Mensink said you're leveraging your dollars over and over. He said he doesn't see a big issue. Raney asked if a first time applicant earn more points. Cochran said they don't usually come in at the same time. Mensink said if it's a competitive situation that could factor in. Cochran said that there is already $20,000 for 605 N. Cedar. There are a few who will reapply. She said there is a potential to use all $100,000. Mensink said there are other projects that could use it downtown. Raney asked if we should use language for a second time loan. Meier said we used to have to beg people to put a nickel in. You have erred on the side of generosity and it's been good. Cowell said the language in the loan indicates it's a one-time use. Klecker said if we want to allow it, we'd have to change the wording. Mensink said you could evaluate as needed. Cowell said there's always been more demand than supply. If that flips, we could change it. Mensink said he agreed with that. Maybe someone new will be slower to act. He suggested leaving it in and we can reevaluate and adjust. We can restrict it on the front end to encourage new applicants. Cochran said there can always be some sort of adjustment made. Mensink said we've pivoted almost every time. The idea is to get the money out. Cowell said he's all for the second story. Mensink said for sure if it's office space. He said he likes the idea of windows. Raney asked if it's maintenance or upgrading your apartment. Klecker said they could specify commercial use of second floor. He said that doesn't have to be tied into this. Do you have a commercial second floor contest? We did a retail challenge. Maybe this would be a separate program. Klecker said this is all to bring people downtown. Klecker said he likes keeping it separate. Meier said they can talk to other MainStreets and get some ideas. Raney said his suggestion is to put that under new business in February.

A motion was made by Mensink and seconded by DeVinny to approve the 2024 EDA Forgivable Loan Program for $100,000 total, removing the application fee, and specifying new applicants. All Commissioners voting Aye, the motion carried.

Schedule Next Meeting. The next EDA meeting is scheduled for **February 21, 2024** at 4:00 PM in Charles S. Crandall Center – Meeting Room at City Hall.

Adjournment. There being no further business, a motion was made by Commissioner Mensink and seconded by Commissioner Cowell to adjourn the meeting at 5:29 pm. All Commissioners voting Aye, the motion passed.

Airport Commission Meeting Minutes
February 8, 2024 – Owatonna Degner Regional Airport
"DRAFT"

1. Call to Order

   Chair Thurnau called the meeting of the Airport Commission to order at 5:00 PM.

2. Roll Call

   Attending

Madeleine Haberman	Commissioner
Anthony Louris	Vice Chair
Tim McManimon	Commissioner
Daren Tarpenning	Commissioner
Matt Thurnau	Chair
Dave Beaver	Airport Manager

3. Approval of Agenda

   Commissioner Haberman made a motion to approve the agenda and Commissioner Tarpenning seconded the motion. The motion was approved.

4. Minutes

   Commissioner Haberman made a motion to approve the minutes from the January 11, 2024 Airport Commission meeting and Commissioner Louris seconded the motion. The motion was approved.

5. Action Items

   Chair Reports
   There were no Chair Reports.

   Staff Reports
   Airport Manager Beaver provided a brief report on airport activities, recent business arrivals, and activity at Accelerated Aviation flight school. Mr. Beaver presented a graph showing an increase in the number of operations over the last year to date. Mr. Beaver reported on other activities and explained that with busier activity and flight training there have been a small number of reports of non-standard procedures in the airport aircraft traffic pattern. This may be from based or transient aircraft. There was a brief discussion regarding lease review to ensure that language was included that may help address any aircraft operating concerns as may be applicable. Mr. Beaver will provide a copy of the typical hangar lease at the airport for review.

   2024 Farm Land Lease Rates
   Mr. Beaver explained that the rate for farm land parcels not included in the bid process is currently at $247 per acre. There was a discussion regarding the farm land rental rate for the

acres of non-bid parcels at the airport. Factors such as the University of MN Extension office data, parcel farmability, and other considerations were discussed. Mr. Beaver presented data from the University of MN Extension office regarding average cropland rental rates for Steele County and discussed the anticipated average range estimates and percent increases per acre for 2024. After discussion, Commissioner Haberman made a motion to recommend an approximate 3% increase adjustment for the 2024 farm-land rental rates for non-bid parcels to $255.00 per acre and Commissioner Tarpenning seconded. The motion was approved.

Consultant Selection Committee Update

Airport Manager Beaver presented an update on the airport consultant selection process for architectural, engineering, and planning services. Mr. Beaver explained that the FAA requires airports to work through a competitive selection process approximately every five years and that Statements of Qualifications (SOQ) for these services were received on December 21, 2023. Mr. Beaver explained that two submittals were evaluated by the selection committee including two members of the Airport Commission and staff. This evaluation consisted of reviewing the written submittals and in person interviews.

Commissioner Tarpenning and Commissioner Louris provided a brief overview of the qualifications considered including firm capabilities, role of key personnel, and other factors. There was a brief discussion regarding the scoring of the proposals and interviews with the recommendation of selection of Short Elliot Hendrickson (SEH).

After discussion, Commissioner Haberman made a motion to recommend approval of entering into a base agreement with Short Elliot Hendrickson (SEH) of St. Paul, MN for airport architectural, engineering, and planning services based upon qualifications with agreement contingent upon negotiation of consulting fees and a mutual understanding of scope of services for a five-year term, the motion was seconded by Commissioner Louris. The motion was approved.

6. Adjournment

The Airport Commission meeting was adjourned at 6:10 PM.

OWATONNA PLANNING COMMISSION MINUTES FOR FEBRUARY 13, 2024

The Owatonna Planning Commission met in regular session at 5:30 p.m. in the Charles S. Crandall Center – Chambers at City Hall with Chairperson Kelly Rooks conducting the meeting. Present at roll call were Commissioners Mark Meier, Rachel Springer-Gasner, Kelly Rooks, John Eickhoff, and Mark Wilson. Commissioners Dave Effertz and Nick Peake were absent. Community Development Manager Greg Kruschke and Administrative Technician Kristen Kopp were also present.

A motion was made by Meier and seconded by Springer-Gasner to approve the minutes of the regular meeting of January 9, 2024. All Commissioners voting Aye, the motion carried.

Application CUP-12, which is a request by Ibrahim Hussein to open an Adult Day Care facility on the subject property located at 120 Broadway Street West, was presented by Community Development Manager Greg Kruschke. (Refer to report on file.) As of the time of the report, staff had heard from two neighbors, both asking clarifying questions. One requested her email be included in the packet. He's spoken with two people since who were just wondering what an adult daycare is. Public hearing opened at 5:34 p.m. Jerry Besser, property owner of 114 Cedar Avenue North, said he's all for an adult daycare. His concern is that they've invested a lot of money in the streetscape and encourage people to stroll, shop, and eat downtown. This area is more retail space and he said he just questioned having an adult daycare in the downtown area. He said it would be better located outside of the downtown area. He said he's at the age where he might not be too far from needing that kind of service. He said he's also concerned about traffic on Broadway and asked if they'd be coming and going all day. Kruschke said they'd be coming and going during the hours of operation from 9 a.m. to 3 p.m. Public hearing closed at 5:36 p.m. Springer-Gasner asked if drop offs would just be on Broadway or would they have access off the back alley. Kruschke said they could use both doors. Meier said he thinks 26 cars hit and miss over a certain timeframe probably wouldn't be noticed too much with the existing traffic down there. He said it would be one thing if there were 26 cars parked all day, but cars just coming and going isn't a whole lot more added to morning traffic. Eickhoff said he thinks there is definitely a need in the community for this. A motion was made by Eickhoff and seconded by Springer-Gasner to recommend City Council approval of this Conditional Use Permit to allow an Adult Day Care facility at 120 Broadway Street West with the following provisions:

1) The use shall not exceed 26 clients without amending this Conditional Use Permit.
2) All signs shall have sign permits and meet the requirements of the B-3 District.
3) All building code requirements shall be met.

All Commissioners voting Aye, the motion carried.

A Request by Brent Sherwin to Vacate a Portion of a Utility Easement at 1213 Elm Avenue North was presented by Community Development Manager Greg Kruschke. (Refer to report on file.) He said he's had a number of comments from neighbors asking for clarifying information. They haven't heard any concerns with what is being requested. Public hearing opened at 5:39 p.m. No comments were made regarding this request. Public hearing closed at 5:40 p.m. A motion was made by Eickhoff and seconded by Wilson to recommend City Council approval of this vacation of a portion of a utility easement as described in the staff report. All Commissioners voting Aye, the motion carried.

VAR -16, which is a request by Trinity Lutheran Church to allow an accessory structure to be constructed in a side yard at 609 Lincoln Avenue South, was presented by Community Development Manager Greg Kruschke. The applicant is proposing a 780 square foot outdoor pavilion structure. The proposed structure

will be part of a larger outdoor courtyard in the Southwest corner of the property. (Refer to report on file.) John Eickhoff abstained from this request due to a potential conflict of interest. Kruschke said that they haven't heard anything from neighbors about this request. Public hearing opened at 5:43 p.m. No comments were made regarding this request. Public hearing closed 5:44 p.m. Kruschke said we haven't had any calls on this request. A motion was made by Meier and seconded by Wilson to recommend City Council approval of Application No. VAR-16 with the following conditions:

1) A building permit will be needed for the pavilion building.
2) Separate events shall not be held at the same times for the building and the pavilion.

All Commissioners voting Aye, the motion carried.

Community Development Manager Kruschke provided updates on previous items. He said the last request for a sign variance for NewLife was approved by City Council and is probably already up.

Community Development Manager Kruschke provided the January Building Reports.

Kruschke said there are items for the March 12 meeting, but we will be cancelling the March 26 meeting due to quorum issues.

A motion was made by Meier to adjourn was seconded by Springer-Gasner at 5:45 p.m. All Commissioners voting Aye, the motion carried.

Respectfully Submitted,

_____

Greg Kruschke
Community Development Manager

Owatonna Human Rights Commission
Minutes – Draft Copy

The Owatonna Human Rights Commission (OHRC) met on Tuesday, February 13, 2024, in the Meeting Room of the Charles S. Crandall Center. Chairman Commissioner Cords called the meeting to order at 5:31 p.m. Commissioner Vanoosbree took roll call with Commissioners Cords, Gunderson, Esquivel, Ismael and Vanoosbree; City Administrator Busse and Administrative Coordinator Clawson present. Commissioners Leon and Emanuelson were unable to attend.

Following the Pledge of Allegiance, Commissioner Cords welcomed everyone to the meeting and requested the agenda be accepted as presented. Commissioner Vanoosbree made a motion to approve Minutes of the last OHRC Meeting on January 9, 2024. Commissioner Gunderson seconded the motion, all members present voted aye for approval.

COMMISSIONER COMMENTS

Commissioner Cords commented that he and Commissioner Gunderson spoke at the Chamber's Business Leadership Meeting today. They provided information about the establishment of the Owatonna Human Rights Commission and the process of membership appointments. Rebecca Moore and Brian Coleman were present representing AGE and assisted in promoting the OHRC Commission.

Commissioner Vanoosbree commented that she attended the Family Fun and Games event hosted by RainbowOwatonna on Sunday, February 11th at the Middle School. Protesters from a church in Northfield were present trying to intimidate attendees when they arrived. They also made hateful comments over a loud portable audio system and left shortly after the event started. She suggested that prior to future events, review of the City's Code regarding the level of noise allowed when using a portable audio system be shared with the event organizers and notify law enforcement about the event planned. Administrative Coordinator Clawson commented that when an Event Permit is requested, all city departments are part of the review/approval process; there was no Event Permit applied for this event as it wasn't on city owned property and didn't require use of city items.

Commissioner Vanoosbree commented AGE is hosting a Puzzle Night for Black History Month on Wednesday, February 28th at the Middle School. Teams can consist of up to four members, there is a $20 entry fee per team. Contestants will be asked trivia questions with winners receiving extra time to complete their puzzle. The first team to complete the 500-piece puzzle wins, there will be prizes awarded.

ITEMS of DISCUSSION

Recap of the 2024 MLK Jr. Day Event – January 15, 2024

Commissioner Cords presented a summary of the survey responses received. Most comments about the food and speaker were favorable, there was a sufficient amount of food with a lot left over. Several asked the same speaker to participate at next year's event. Suggestions for improvement included holding the event at a larger venue with better audio quality. Riverland Community College co-sponsored the event and was disappointed the presentation was not

recorded; the speaker did not want a portion of her speech to be used out of content and doesn't allow recordings. Another suggestion was to play music or video while people were arriving and/or eating. Estimate 120 attended and received favorable publicity so anticipate the 2025 event will be larger, will want to begin planning early and use Eventbrite for preregistration. Suggested site options were: the Middle School, Trinity Lutheran Church, or the ISD #761 Foundation Room at the High School.

OHRC Member Terms to end April 30, 2024

Current terms of Commissioners Cords, Emanuelson and Vanoosbree expire at the end of April. This is the second consecutive full term for each, so they are not eligible for reappointment per City Code. The Application for new members will be posted on the City's website during the first week of March.

ADJOURNMENT

At 6:15 p.m., Commissioner Gunderson made a motion to adjourn, Commissioner Ismael seconded the motion, and the meeting was adjourned. The next meeting will be held on Tuesday, March 12, 2024, at 5:30 p.m. in the Meeting Room of the Charles S. Crandall Center.

Respectfully submitted,

Jeanette Clawson, Administrative Coordinator

Department Reports

Owatonna Building Inspection Department Comparison Report- Construction to Date 2023/2024

Construction Report for Permits Issued through February 2024

TYPE OF WORK	2023 PERMITS ISSUED	PERMITS ISSUED FOR CONSTRUCTION COST	Units	2024 PERMITS ISSUED	PERMITS ISSUED FOR CONSTRUCTION COST	Units
NEW DWELLINGS	0	0	0	2	700,000	
ACCESSORY BUILDINGS	5	16,600.00		4	7,500.00	
(INCLUDES GARAGES, UTIL. BLDGS, SW. POOLS, ETC.)						
COMMERCIAL AND INDUSTRIAL PR	15	5,561,730.00		52	8,218,972.00	
RESIDENTIAL ADD. & ALT.	66	494,614.00		198	1,725,152.62	
DUPLEXES & APTS.	0	0	0	0	0	0
(INCLUDES ATTACHED SF)						
DEMOLITION PERMITS	0	0		0	0	
TOTAL PERMITS ISSUED	86	6,072,944	0	256	10,651,625	0

COMPARISON REPORT OF BUILDING DONE IN CITY OF OWATONNA IN YEARS 2023 AND 2024														Ken Beck, Building Official	
	DWELLINGS		ACCESSORY		COMMERCIAL		INDUSTRIAL		ADD. & ALT.		DUPLEX/APTS		DEMO	TOTAL	
Month	NO.	VALUE	NO.	VALUE	NO.	VALUE	NO.	VALUE	NO.	VALUE	NO.	VALUE	NO.	NO.	VALUE
Jan '23	0	0	5	16,600	8	443,880	7	5,117,850	66	494,614	0	0	0	86	6,072,944
Jan '24	0	0	2	6,500	33	7,806,205		** see below	95	763,150	0	0	0	130	8,575,855
Feb '23	0	0	8	24,850	22	1,113,838.30	11	25,861,730.75	136	834,982.70	0	0	0	177	27,835,401.75
Feb '24	2	700,000	4	7,500	52	8,218,972.00			198	1,725,152.62	0	0	0	256	10,651,624.62
Mar '23	1	200,000	17	44,100	42	2,497,648	20	26,251,710	243	$ 7,323,261.26	0	0	0	323	$ 36,316,719.26
Mar '24															
Apr '23	4	1,968,586	26	96,900	74	31,047,283		**see below	329	8,699,343.89	0	0	1	434	41,812,112.89
Apr '24															
May '23	4	1,968,586	37	132,400	94	36,206,219.51		**see below	463	11,204,959.76			1	599	49,512,165.27
May '24															
Jun '23	4	1,968,586	52	189,068.67	113	45,164,773.51		**see below	594	12,314,075.39	0	0	8	771	59,636,503.57
Jun '24															
Jul '23	5	2,168,586	69	242,168.67	132	46,905,945.51			714	13,185,484.99	2	400,000	8	930	62,902,185.17
Jul '24															
Aug '23	6	2,568,586	75	257,168.67	162	51,045,367.26			847	14,208,880.97	4	12,400,000	9	1,103	80,480,004
Aug '24															
Sep '23	9	3,587,126	83	333,668.67	197	64,081,192.67			990	15,576,116.82	4	12,400,000	9	1,292	95,978,104.16
Sep '24															
Oct '23	16	6,739,916	94	382,984.89	217	66,611,382.67			1,153	17,005,042.02	4	12,400,000	10	1,494	103,139,325.55
Oct '24															
Nov '23	21	8,119,916	101	424,984.89	235	69,172,169.67			1,281	17,958,715.07	4	12,400,000	13	1,655	108,075,785.63
Nov ' 24															
Dec '23	21	8,119,916	106	430,584.89	252	71,144,770.64			1,365	18,435,507.88	4	12,400,000	13	1,761	110,530,779.41
Dec '24															

**Starting April 2023, Commerical and Industrial are combined

CITY OF OWATONNA

Licenses Permits

MINNESOTA LAWFUL GAMBLING

LG240B Application to Conduct Excluded Bingo

No Fee

11/17
Page 1 of 2

ORGANIZATION INFORMATION

Organization Name: Early Edition Rotary - Owatonna

Previous Gambling Permit Number: XB-944946-23-004

Minnesota Tax ID Number, if any: _____

Federal Employer ID Number (FEIN), if any: 91-2079541

Mailing Address: P.O. box 394

City: Owatonna State: MN Zip: 55060 County: Steele

Name of Chief Executive Officer (CEO): Steve Grubish, President, Early Edition Rotary

CEO Daytime Phone: 507-363-1629 (cell) CEO Email: sgrubish13@gmail.com
(permit will be emailed to this email address unless otherwise indicated below)

Email permit to (if other than the CEO): darrenr@drdarren owatonna.com

NONPROFIT STATUS

Type of Nonprofit Organization (check one):

☐ Fraternal ☐ Religious ☐ Veterans ☒ Other Nonprofit Organization

Attach a copy of at least one of the following showing proof of nonprofit status:

(DO NOT attach a sales tax exempt status or federal employer ID number, as they are not proof of nonprofit status.)

☒ **Current calendar year Certificate of Good Standing** Rotary International District #5960

Don't have a copy? This certificate must be obtained each year from:

MN Secretary of State, Business Services Division
60 Empire Drive, Suite 100
St. Paul, MN 55103
#2472309-2

Secretary of State website, phone numbers:
www.sos.state.mn.us
651-296-2803, or toll free 1-877-551-6767

☐ **Internal Revenue Service-IRS income tax exemption 501(c) letter in your organization's name**

Don't have a copy? Obtain a copy of your federal income tax exempt letter by having an organization officer contact the IRS at 877-829-5500.

☐ **Internal Revenue Service-Affiliate of national, statewide, or international parent nonprofit organization (charter)**

If your organization falls under a parent organization, attach copies of both of the following:
1. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling; and
2. the charter or letter from your parent organization recognizing your organization as a subordinate.

EXCLUDED BINGO ACTIVITY

Has your organization held a bingo event in the current calendar year? ☐ Yes ☒ No

If yes, list the dates when bingo was conducted: _____

The proposed bingo event will be:

☒ one of four or fewer bingo events held this year. Dates: Saturday, April 13, 2024

-OR-

☐ conducted on up to 12 consecutive days in connection with a:

- ☐ county fair Dates: _____
- ☐ civic celebration Dates: _____
- ☐ Minnesota State Fair Dates: _____

Person in charge of bingo event: Darren Roenbildt Daytime Phone: 507-451-7580

Name of premises where bingo will be conducted: Eagles Club Aerie 1791

Premises street address: 141 East Rose Street

City: Owatonna If township, township name: _____ County: Steele

LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT (required before submitting application to the Minnesota Gambling Control Board)

CITY APPROVAL for a gambling premises located within city limits

On behalf of the city, I approve this application for excluded bingo activity at the premises located within the city's jurisdiction.

Print City Name: City of Owatonna

Signature of City Personnel: Jeanette Clawson

Title: Admin Coordinator Date: 2/27/24

The city or county must sign before submitting application to the Gambling Control Board.

COUNTY APPROVAL for a gambling premises located in a township

On behalf of the county, I approve this application for excluded bingo activity at the premises located within the county's jurisdiction.

Print County Name: N/A

Signature of County Personnel: _____

Title: _____ Date: _____

TOWNSHIP (if required by the county)
On behalf of the township, I acknowledge that the organization is applying for excluded bingo activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minnesota Statutes, Section 349.213.)

Print Township Name: _____

Signature of Township Officer: _____

Title: _____ Date: _____

CHIEF EXECUTIVE OFFICER'S SIGNATURE (required)

The information provided in this application is complete and accurate to the best of my knowledge.

Chief Executive Officer's Signature: Steve T Grubish Date: 2/27/24

(Signature must be CEO's signature; designee may not sign)

Print Name: Steve Grubish

MAIL OR FAX APPLICATION & ATTACHMENTS

Mail or fax application and a copy of your proof of nonprofit status to:

Minnesota Gambling Control Board
1711 West County Road B, Suite 300 South
Roseville, MN 55113
Fax: 651-639-4032

An excluded bingo permit will be mailed to your organization. Your organization must keep its bingo records for 3-1/2 years.

Questions?
Call a Licensing Specialist at 651-539-1900.

Bingo hard cards and bingo number selection devices may be borrowed from another organization authorized to conduct bingo. Otherwise, bingo hard cards, bingo paper, and bingo number selection devices must be obtained from a distributor licensed by the Minnesota Gambling Control Board. To find a licensed distributor, go to ***www.mn.gov/gcb*** and click on ***Distributors*** under the ***LIST OF LICENSEES*** tab, or call 651-539-1900.

This form will be made available in alternative format (i.e. large print, braille) upon request.

Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process the application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to Board members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.

An equal opportunity employer

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	Date of organization	Tax exempt number
Knights of Columbus	January 1, 1904	9760494

Organization Address (No PO Boxes)	City	State	Zip Code
820 S Elm	Owatonna	MN	55060

Name of person making application	Business phone	Home phone
Mark Cunningham	507-451-6103	507-676-2638

Date(s) of event: Friday, May 3 - Sunday, May 5, 2024

Type of organization: ☐ Microdistillery ☐ Small Brewer ☒ Club ☐ Charitable ☐ Religious ☐ Other non-profit

Organization officer's name	City	State	Zip Code
Dustin Reese	Owatonna	MN	55060
David Lee	Owatonna	MN	55060
Joel Elbert	Owatonna	MN	55060

Location where permit will be used. If an outdoor area, describe.
Steele County Fairground Ball Diamonds

If the applicant will contract for intoxicating liquor service give the name and address of the liquor license providing the service.
mp

If the applicant will carry liquor liability insurance please provide the carrier's name and amount of coverage.
Club carries insurance with Insurance Advisors, $1,000.,000/incident

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

May 3, May 4 & May 5, 2024
Permit Date

Event in conjunction with a community festival ☐ Yes ☒ No

jeanette.clawson@owatonna.gov
City or County E-mail Address

27,554
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***

CITY OF OWATONNA

Event Permits

EP-24-6

Events Permit Application

Status: Active

Submitted On: 2/13/2024

Primary Location

No location

Applicant

Cristie Coulombe
507-446-8633
cristie@traloinc.com
PO BOX 3525 CO RD 45
Owatonna, mn 55060

Event Information

Driver Appreciation - TraLo Companies
August 10, 2024
5:00 pm - Midnight
Request Exception to City's Noise Ordinance to allow outdoor music past 10:00 pm.

Event Contact*

Cristie Coulombe

Location of Event*

Tralo Companies at 3525 CO ROAD 45, OWATONNA, MN

Description of Event*

Driver Appreciation Party

Event Set Up Date

08/10/2024

Event Set Up Time*

4:00 pm

Actual Event Date*

08/10/2024

Actual Event Time*

5:00-12:00pm

Clean Up Date*

08/10/2024

Clean Up Time

12:00-1:00am

Rain Date: In the event of inclement weather, will the event be postponed or canceled?*

Canceled

Estimated Attendance*

200

Is this event a dance?*

Yes

Application Information

Sponsoring Organization Name*

Tralo Companies

Mailing Address*

PO BOX 738

City*

owatonna

State*

mn

Zip*

55060

Website Address*

traloinc.com

Primary Contact

Name*

Cristie

Phone Number*

507-446-8633

Cell Phone

Email Address*

cristie@traloinc.com

Music - what Type

two live bands

Will sound amplification be used?*

Yes

Type*

speakers?

Hours*

5:00-12:00pm

Will sound be amplified after 10:00pm?*

Yes

Sound amplified after 10:00 p.m. will require an Exception to the City's Noise Ordinance. There is a $150 fee for an Exception to the City's Noise Ordinance which must be paid with this Event Application

Will a stage or tent(s) be set up?*

Yes

Dimensions*

30x50

Fees may apply. No staking without approval.

Will there be temporary fencing?*

No

Will merchandise/food items be sold?*

No

Will food be prepared on site?*

Yes

Will alcohol be sold?*

No

Is this a request for a temporary permit?*

Yes

Will there be a fireworks display?*

No

Describe power needs and location of power source*

generators/ we provide

Describe level of advertisement*

none. its a private event

Have adjacent property owners been notified of this event?*

Yes

Signatures required.

Will the event need barricade(s)?

No

Will the event need cones?*

No

Size Needed*

Small

Will Central Park Stage be used?*

No

Will there be any horses?*

No

Describe trash removal and cleanup plan during and after event*

we do all that with our dumpsters.

Will event need traffic control?*

No

Describe crowd control procedure to ensure the safety of participants and spectators*

its all family/ friends of tralo. we havent had any incidents yet.

Will "No Parking" signs be needed?*

No

Will event need security?*

No

Will event need Emergency Medical Services?*

No

Describe the emergency action plan if severe weather should arise?*

we can go in the office.

Please provide contact information for responsible party during event to advise of severe weather notifications:

Name*

cristie

Phone Number*

612-240-6050

Email*

cristie@traloinc.com

List any other pertinent information

Excited that you allow us to do this event for the company. everyone enjoys it so much!

CITY SERVICES - Afer reviewing the event application, City Services may be required for the event

Applicant Signature

The sponsor(s) of this event hereby agrees to save the City, its agents, officials and employees harmless from and against all damages to persons or property, all expenses and other liability that may result from this activity. ***Depending on the size of and scope of the event a "Certificate of Insurance" may be required.*** *If insurance is required, the policy must be kept in force during the event of at least the statutory limits for municipalities covering claims that might be brought against the event that arise out of the events authorized and to name the City as an additional insured on their policy "as their interest may appear." As the sponsor or authorized representative, I certify that the information provided is true to the best of my knowledge and agree to pay the permit fee for this event based upon the information provided in this application. I realize my submittal of this application request constitutes a contract between myself and the City of Owatonna and is a release of Liability.*

Signature of Applicant*

Cristie Coulombe
Feb 13, 2024

Internal Use

Special Provisions

Fire Department Approval / Comments / Notes

Approved, no impact. Please see Temporary Use of Tents (owatonna.gov) (https://www.owatonna.gov/DocumentCenter/View/7695/Temporary-Use-of-Tents-PDF) for Fire Code information on the temporary use of tents.

Park & Rec. Department Approval / Comments / Notes

Approved, no impact.

Police Department Approval / Comments / Notes

No staffing or budget impact.

Public Works Department Approval / Comments / Notes

Approved, no impact.

Building & Inspection

Approved, no impact.

Date to Council

– Consent Agenda Item March 6, 2024

Council Notes

Request for Exception to City Noise Ordinance has been approved by City Administrator Busse. Letters sent to property owners within 350' of the event site to advise of this request for an exception to the City's Noise Ordinance, there will be outdoor music past 10:00 pm; no opposing statements were received.

Items Needed

Exception to the City's Noise Ordinance. A Temporary Liquor Permit was granted to the Knights of Columbus for this event during the February 20th Council Meeting.

Attachments

Site Plan REQUIRED
2024 driver party layout.PNG
Uploaded by Cristie Coulombe on Feb 13, 2024 at 10:17 AM

History

Date	Activity
2/13/2024, 9:55:55 AM	Cristie Coulombe started a draft of Record EP-24-6

45
TOILET
TraLo
FOOD
PARKING
BAR
TENT
STAGE
N County Rd 45
45
Layers
Google

EP-24-7

Events Permit Application

Status: Active

Submitted On: 2/18/2024

Primary Location

No location

Applicant

Jodie Smith
507-413-0334
jodiems2@hotmail.com
1340 Oakview Drive
Owatonna, MN 55060

Event Information

Bike Ride - Girl Scouts
Manthey Park to the Blast
August 24, 2024
Begin at 10:00 am
Request traffic assistance to cross N Cedar Avenue

Event Contact*

Jodie Smith

Location of Event*

Manthey Park along North Straight River trail to The Blast

Description of Event*

Fun bike ride and walk

Event Set Up Date

08/24/2024

Event Set Up Time*

6 am

Actual Event Date*

08/24/2024

Actual Event Time*

10 am

Clean Up Date*

08/24/2024

Clean Up Time

1 pm

Rain Date: In the event of inclement weather, will the event be postponed or canceled?*

Postponed

Reschedule Date

08/25/2024

Estimated Attendance*

250

Is this event a dance?*

No

Application Information

Sponsoring Organization Name*

N/A

Mailing Address*

1340 Oakview Drive

City*

Owatonna

State*

MN

Zip*

55060

Website Address*

N/A

Primary Contact

Name*

Jodie Smith

Phone Number*

5074130334

Cell Phone

5072138686

Email Address*

Jodiems2@hotmail.com

Primary On-site Contact

Name*

Jodie Smith

Cell Phone*

5072138686

Alternate On-site Contact

Name*

Matt Smith

Cell Phone*

5072138547

Refer Media or Citizen Inquiries To:

Name*

Jodie Smith

Phone*

5072138686

Event Features

City Streets or Right-of-Way*

Yes

Start/End Time*

9:50 am-10:20 am

Date*

08/24/2024

Name of Requested Street(s)*

Cedar Ave to 26th Street

Alleys*

No

City Sidewalks or Trails*

Yes

Start/End Time*

10 am-12pm

Date*

08/24/2024

Public Parking Lots or Spaces*

No

Parks*

Yes

Start/End Time*

9:30am - 1200pm

Date*

08/24/2024

Name of Requested Park(s)*

Manthey Park, North Straight River Trail

Will any signs/banners be put up?*

Yes

Number and Size*

No more than 20 poster board-sized signs in park and along trail during the event

Will there be any inflatables?*

No

Will there be entertainment?*

Yes

What Type*

Yard games and possibly music at finish

Will sound amplification be used?*

Yes

Type*

Megaphone at start, speakers for music at end

Hours*

0.5

Will sound be amplified after 10:00pm?*

No

Sound amplified after 10:00 p.m. will require an Exception to the City's Noise Ordinance. There is a $150 fee for an Exception to the City's Noise Ordinance which must be paid with this Event Application

Will a stage or tent(s) be set up?*

Yes

Dimensions*

10x10 ft canopy

Fees may apply. No staking without approval.

Will there be temporary fencing?*

No

Will merchandise/food items be sold?*

No

Will food be prepared on site?*

No

Will alcohol be sold?*

No

Is this a request for a temporary permit?*

Yes

Will there be a fireworks display?*

No

Describe power needs and location of power source*

None

Describe level of advertisement*

Fliers, newspaper, radio

Have adjacent property owners been notified of this event?*

No

Will the event need barricade(s)?

No

Will the event need cones?*

No

Size Needed*

Small

Will Central Park Stage be used?*

No

Will there be any horses?*

No

Describe trash removal and cleanup plan during and after event*

Volunteers will be responsible for this immediately following the event

Will event need traffic control?*

Yes

Contact Owatonna Police Department for assistance, 507-451-8232

Describe crowd control procedure to ensure the safety of participants and spectators*

Volunteers to ensure participants are following rules and spectators do not loiter on trail

Will "No Parking" signs be needed?*

No

Will event need security?*

No

Will event need Emergency Medical Services?*

No

Describe the emergency action plan if severe weather should arise?*

Event postponement to 8/25/24 or cancellation if severe weather expected. If unexpectedly arises during event, there will be a communication cascade through volunteers to ensure all participants are notified of cancellation in a timely manner.

Please provide contact information for responsible party during event to advise of severe weather notifications:

Name*

Jodie Smith

Phone Number*

5072138686

Email*

Jodiems2@hotmail.com

List any other pertinent information

This will be a fun bike ride/walk (no racing) from Manthey Park along the North Straight River Trail south to The Blast. Participants would park at Manthey, where the start will be. Start will be a soft start (no "3-2-1-go") starting at 10 am. We will need road closure from Manthey entrance to 26th Street just from 10am (race start) until all participants make it to the trail (appx 20 minutes). The ride finish will be at the grassy area just north of the bridge by The Blast. We will have yard games there and possibly music. The Blast has donated free ice cream cones for all participants.

CITY SERVICES - Afer reviewing the event application, City Services may be required for the event

---

Applicant Signature

The sponsor(s) of this event hereby agrees to save the City, its agents, officials and employees harmless from and against all damages to persons or property, all expenses and other liability that may result from this activity. ***Depending on the size of and scope of the event a "Certificate of Insurance" may be required.*** *If insurance is required, the policy must be kept in force during the event of at least the statutory limits for municipalities covering claims that might be brought against the event that arise out of the events authorized and to name the City as an additional insured on their policy "as their interest may appear." As the sponsor or authorized representative, I certify that the information provided is true to the best of my knowledge and agree to pay the permit fee for this event based upon the information provided in this application. I realize my submittal of this application request constitutes a contract between myself and the City of Owatonna and is a release of Liability.*

Signature of Applicant*

Jodie Marie Smith
Feb 18, 2024

Internal Use

Special Provisions

Fire Department Approval / Comments / Notes

Approved, no impact

Park & Rec. Department Approval / Comments / Notes

Approved, the trails are not closed to the public for any event, but signage is appreciated and we could post a couple of days prior to notify the public.

Police Department Approval / Comments / Notes

Approved. SGT DuChene will contact applicant for police crossing help.

Public Works Department Approval / Comments / Notes

Approved, no impact.

Building & Inspection

Approved, no impact.

Date to Council

Consent Agenda Item - March 6, 2024 City Council Meeting

Council Notes

Items Needed

Attachments

Site Plan REQUIRED
965BDB5F-981F-41A3-8768-346A604A958D.jpeg
Uploaded by Jodie Smith on Feb 18, 2024 at 3:21 PM

History

Date	Activity
2/18/2024, 1:25:43 PM	Jodie Smith started a draft of Record EP-24-7
2/18/2024, 3:27:50 PM	Jodie Smith submitted Record EP-24-7

Miscellaneous

DATE: March 6, 2024
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Jones, Haugh & Smith Proposal - Bathymetric Survey Lot 13, Block 1, North Bluff Estates

Purpose:
Requesting City Council approval of a proposal received from Jones, Haugh & Smith (JHS) for surveying services on an existing stormwater treatment facility in part of Lot 13, Block 1, North Bluff Estates.

Background:
JHS will be collecting data and preparing a topographic survey of the current conditions. Assuming dredging or grading is needed, JHS would make a 2nd trip to collect data and update the previous topographic survey.

Budget Impact:
The proposal for the survey data collection and drawings is $3,900.00. Costs will be paid for with Stormwater Funds.

Staff Recommendation:
Staff recommends approval.

Attachments:
1. Jones Haugh & Smith Proposal

JONES HAUGH SMITH
Engineers+Surveyors

PRINCIPALS
Steven J. Thompson, P.L.S.
Brian J. Johnson, P.E.
Steven J. Penkava, P.E.
John H. Schulte V, P.E.
Scott Tuchtenhagen P.L.S.

Established 1945

February 26, 2024

City of Owatonna
Attn: Bradley Rademacher
540 West Hills Circle
Owatonna MN 55060

RE: Bathymetric survey Lot 13, Block 1, North Bluff Estates, Owatonna, MN

Dear Mr. Rademacher:
We appreciate the opportunity to submit our proposal for surveying services on an existing stormwater treatment facility in part of Lot 13, Block 1, North Bluff Estates. We understand that we will be collecting data and preparing a topographic survey of the current conditions. Assuming dredging or grading is needed, we would make a 2nd trip to collect data and update the previous topographic survey. Our estimate for survey data collection and drawings is $3,900.00.

Thank you for your request and we look forward to working with you.

Sincerely,
JONES, HAUGH & SMITH INC.
PROFESSIONAL ENGINEERS & SURVEYORS

Scott A. Tuchtenhagen L.S.

PROPOSAL ACCEPTANCE
We hereby accept the proposed services and authorize Jones Haugh & Smith to proceed:

Signed: _____ Printed Name: _____

Firm: _____

Dated: _____

OWATONNA
Degner Regional Airport

TO: Honorable Mayor and City Council Members, City Administrator
FROM: Dave Beaver, Airport Manager
DATE: February 28, 2024
RE: Farm land lease agreements for crop year 2024

Purpose:
To approve farm land lease agreement renewals for crop year 2024.

Background:
The 2024 annual farm land rental agreements for 152.5 acres of land at the airport have been prepared. Historically, these parcels have not been included in the biennial bid process for various reasons related to each piece including access, size and shape, and adjacent property considerations. Moving forward, staff is evaluating the applicability of including more of these parcels in the bid process.

The Airport Commission recommends a rate of $255.00/acre for 2024 representing an approximate 3% per acre increase. The rate review and determination is based on recent bids received, University of MN Extension office data, parcel farmability, and other market considerations. The lease form has been previously reviewed by the City Attorney and the following leases have been prepared:

Renter	Year	$255.00/Acre	Annual Payment
Bob Cole	2024	50A x $255.00 15A x $255.00 20A x $255.00	$12,750.00 $3,825.00 $5,100.00
Dan Morgan	2024	23A x $255.00	$5,865.00
Alison Jaster	2024	16A x $255.00	$4,080.00
Duane Schroeder	2024	20.5A x $255.00	$5,227.50
Andy Michaletz	2024	8A x $255.00	$2,040.00
		Total	**$38,887.50**

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:
The farm land rental agreements provide for a 2024 revenue of $38,887.50.

Recommendation:
Staff recommends approval.

PIERRINGER RELEASE AND SETTLEMENT AGREEMENT
BETWEEN
CITY OF OWATONNA
AND
BRANDON FANDEL

This *Pierringer* Release and Settlement Agreement (hereinafter "Agreement") is made and entered into by and between the City of Owatonna, Minnesota (hereinafter "City"), a municipal corporation, and Brandon Fandel.

Recitals

WHEREAS, Brandon Fandel was employed by the City as Patrol Officer until September 8, 2021 - the effective date of his removal from employment with the City; and

WHEREAS, Brandon Fandel was determined to be eligible for duty disability benefits by the Public Employees Retirement Association (PERA);

WHEREAS, the City filed a Petition for Review (Petition) with PERA to initiate a contested case under Minnesota Statutes Section 299A.465, subd. 1(b)(2) asserting that PERA erred in its determination that Brandon Fandel was eligible for duty disability benefits under the statute, which requires the City to continue to provide health coverage and payment of its contribution to Brandon Fandel's health coverage until he reaches age 65;

WHEREAS, the City of Minneapolis was joined as a party to the contested case matter.

WHEREAS, the contested case matter, entitled City of Owatonna and City of Minneapolis v. Brandon Fandel and Minnesota Public Employees Retirement Association, in the Office of Administrative Hearings, Case No. OAH 22-3600-37928 is pending (hereinafter "Contested Case Matter"); and

WHEREAS, City and Brandon Fandel mutually agree that it is in the best interests of the City and Brandon Fandel that the City withdraw its Petition in accordance with the terms and conditions specified below in this Agreement and avoid the time, expense, effort, and risk of proceeding with the Contested Case Matter.

Agreement

NOW, THEREFORE, in consideration of the mutual covenants and agreements to be performed, as hereinafter set forth, City and Brandon Fandel agree as follows:

Article 1. Payments

Section 1.1. Consideration

In consideration for Brandon Fandel's waivers and releases described in Article 2 of this Agreement, City will do the following:

(1) Establish a Voluntary Employee Beneficiary Association (VEBA) trust-fund account, assigning Brandon Fandel as the beneficiary, and deposit a full and final, one-time lump sum payment of $16,666.67 into the VEBA account. City makes no representations to Brandon Fandel as to the relevant administrative costs or any other costs associated with maintaining the VEBA account. The lump sum payment, subject to any required deductions and/or withholdings, will be deposited into the VEBA account on the first check-run date that is at least 5 calendar days after: (1) the expiration of the 15-day period provided in Article 6, Section 6.2 of this Agreement; and (2) the issuance of an order from the Office of Administrative Hearing dismissing the City from the Contested Case Matter. City makes no representations to Brandon Fandel as to the proper tax treatment of this payment to him.

(2) Issue a full and final, one-time lump sum payment of $8,333.33 to the Law Firm of Meuser, Yackley & Rowland, P.A. by check, which will be submitted by U.S. mail to Meuser, Yackley & Rowland, P.A. at 10400 Viking Drive, Suite #250 Eden Prairie, MN 55344. The check, subject to any required deductions and/or withholdings, will be issued on the first check-run date that is at least 5 calendar days after: (1) the expiration of the 15-day period provided in Article 6, Section 6.2 of this Agreement; and (2) the issuance of an order from the Office of Administrative Hearing dismissing the City from the Contested Case Matter. The check must be cashed or deposited by the Law Firm of Meuser, Yackley & Rowland, P.A. on a business day no later than 30 calendar days after receipt of the check. City makes no representations to the Law Firm of Meuser, Yackley & Rowland, P.A. as to the proper tax treatment of this payment to them.

Section 1.2. No Other Compensation or Benefits

It is the express intent of the parties to release the City from OAH Case No.: 22-3600-37928, *City of Owatonna and City of Minneapolis vs. Brandon Fandel and Public Employees Retirement Association of Minnesota.*

This Agreement is not intended as full compensation for this matter arising out of Brandon Fandel's eligibility for benefits under Minnesota Statutes Section 299A.465. Brandon Fandel expressly preserves and retains any cause of action he may have against any other person or entity other than the City.

However, this Agreement settles and satisfies that percentage of Brandon Fandel's total claim against all parties arising from his eligibility of duty disability benefits, which shall be determined by trial or other disposition of this or any other action to be the percentage of causal fault or

responsibility, or any other liability, for which the City is found to be liable. It is the intention of the parties to this settlement agreement to extinguish any potential liability on the part of the City for contribution or indemnity which might be claimed by the City of Minneapolis.

It is the intention of the parties that this Agreement be construed in accordance with the principles stated in *Pierringer v. Hoger*, 21 Wis. 2d 182, 124 N.W.2d 106 (1963), as approved by the Wisconsin Supreme Court, and *Frey v. Snelgrove*, 269 N.W.2d 918 (Minn. 1978), as interpreted and approved by the Minnesota Supreme Court.

Article 2. Brandon Fandel's Waiver and Release

Section 2.1 Brandon Fandel knowingly and voluntarily waives his right to pursue and releases to the extent not prohibited by law the City and its affiliated bodies, officers, officials, employees, agents, or other constituents from: (i) any claims for City-provided health coverage or payments for contributions to his health insurance coverage, including, but not limited to, claims under Minn. Stat. § 299A.465, as it may be amended, or any other law, regulation, rule, or the like specifying continued City-provided health coverage or City payments for contributions to his health insurance coverage; and (ii) any and all grievances, claims, demands, actions, hearings, liability, damages or rights of any kind, whether known or unknown, that he has asserted or may assert, directly arising out of or resulting from acts or occurrences that occur on or before the effective date of this Agreement related to Brandon Fandel's employment with City, City health insurance coverage or contributions, or compensation or benefits, including, but not limited to, those grievances, claims, demands, actions, hearings, liability, damages or rights arising under City's ordinances, personnel policies, or group insurance policies, Title VII of the Civil Rights Act, Family and Medical Leave Act, Americans with Disabilities Act, Rehabilitation Act of 1973, 42 U.S.C. § 1983, Age Discrimination in Employment Act, Veterans Preference Act, Minnesota Human Rights Act, Public Employment Labor Relations Act, Minnesota Occupational Health and Safety Act, Minnesota Whistleblower Act, the Minnesota and federal Fair Labor Standards Acts, Minnesota Government Data Practices Act, Minnesota Open Meeting Law, and common law.

Section 2.2 Brandon Fandel agrees not to further pursue damages against the City in the Contested Case Matter, and agrees to execute a Stipulation for Dismissal with Prejudice in this action dismissing the City in consideration of payments specified in Article 1 of this Agreement. Brandon Fandel agrees to hold the City harmless, to indemnify the City for or any claims, demands or causes of action by any person or entity, including the City of Minneapolis, for contribution or indemnity, whether alleged to arise by reason of judgment, or settlement, or reallocation of fault in the event of insolvency or uncollectability of any award, or otherwise.

Section 2.3 If Brandon Fandel does not rescind the waiver and release of the claims set forth in Section 2.1 of this Agreement with regard to claims arising under the Age Discrimination in Employment Act, 29 U.S.C. §§ 621-34, within 7 calendar days of execution of this Agreement, then the waiver and release specified in Section 2.1 related to such claims under the Age Discrimination in Employment Act apply to acts or occurrences that occur on or before the fifteenth calendar day after the effective date of this Agreement related to Brandon Fandel's employment with City or demotion therefrom or compensation or benefits.

Section 2.4 If Brandon Fandel does not rescind the waiver and release of the claims set forth in Section 2.1 of this Agreement with regard to claims arising under the Minnesota Human Rights Act, Minn. Stat. §§ 363A.01-41, within 15 calendar days of execution of this Agreement, then the waiver and release specified in Section 2.1 related to such claims under the MHRA apply to acts or occurrences that occur on or before the fifteenth calendar day after the effective date of this Agreement related to Brandon Fandel's employment with City or demotion therefrom or compensation or benefits.

Article 3. Pending Contested Case Matter

Brandon Fandel and City understand that this is not an agreement to dismiss the Contested Case Matter now pending against the City of Minneapolis, which action is to remain pending. This *Pierringer* release only releases, and is only intended to release, all claims against the City of Owatonna.

Article 4. Prohibition on Disclosing Certain Data or Making Certain Statements

Brandon Fandel will not release, discuss, or comment on the following data: (1) not public, nonpersonnel City data; or (2) private data that identifies other City employees. Brandon Fandel will not make any disparaging or defamatory statements concerning any aspect of his employment relationship with City to the extent such statements are not protected speech. City will not make any disparaging or defamatory statements concerning any aspect of its employment relationship with Brandon Fandel. This Article does not apply to any data disclosed by the City to a party requesting or compelling disclosure of such data if required by law.

Article 5. No Reinstatement

Brandon Fandel is not entitled to any reinstatement to employment with the City.

Article 6. Consideration and Rescission

Section 6.1. Brandon Fandel has 21 calendar days from February 8, 2024 - the date he received this Agreement - in which to consider this Agreement pursuant to the Age Discrimination in Employment Act, 29 U.S.C. §§ 621-34.

Section 6.2. Brandon Fandel has the right to rescind the release of the claims set forth in Article of this Agreement with regard to claims arising under the Minnesota Human Rights Act, Minn. Stat. §§ 363A.01-41, within 15 calendar days of execution of this Agreement, and with regard to his rights arising under the Age Discrimination in Employment Act, 29 U.S.C. §§ 621-34, within 7 calendar days of execution of this Agreement. These rescission periods shall run concurrently. In order to be effective, the rescission or rejection must:

A. Be in writing;

B. Be delivered to:

City:	Brandon Fandel:
City Administrator Busse 540 West Hills Circle, Owatonna, MN 55060	1138 Sumac Avenue Owatonna, MN 55060

C. If delivered by mail, the rescission must be postmarked within the required period, properly addressed to City of Owatonna City Administrator or Brandon Fandel, as applicable, as set forth above, and sent by certified mail, return receipt requested.

Section 6.3. If Brandon Fandel rescinds the release of claims or payment in accordance with this article, he will not receive the consideration set forth in Section 1.1 of this Agreement. But, all other provisions of this Agreement will be in full force and effect.

Article 7. Entire Agreement

This Agreement constitutes the entire agreement among the parties hereto regarding the Pierringer release and settlement. No representations, warranties, covenants, or inducements have been made to any party concerning this Agreement, other than the representations, covenants, or inducements contained and memorialized in this Agreement. This Agreement supersedes all prior negotiations and oral and written agreements and understandings with respect thereto.

Article 8. Amendment, Modification, or Termination

This Agreement or any of its terms may only be amended, modified, or terminated by a written instrument signed by or on behalf of all of the parties hereto or their successors in interest.

Article 9. Governing Law and Severability

Section 9.1. This Agreement is governed by the laws of the State of Minnesota, both as to interpretation and performance. The rule of construction of interpreting a contract against its drafter will not apply to this Agreement.

Section 9.2. If any provision, or any portion thereof, contained in this Agreement is held unconstitutional, invalid, or unenforceable by any branch of government with authority over such provision or portion thereof, the remainder of this Agreement shall be deemed severable, shall not be affected, and shall remain in full force and effect.

Article 10. No Precedent or Practice

This Agreement is solely for the purposes of resolving the matters described in this Agreement. The terms of this Agreement do not have any precedential value beyond this Agreement nor establish any practice.

Article 11. No Admission of Liability or Wrongdoing

Neither City nor Brandon Fandel admits to any legal liability or violation of any contract or law, or that it or he has engaged in any wrongdoing in this matter. Nothing in this Agreement shall be construed to be an admission by either City or Brandon Fandel of any liability, violation, or wrongdoing.

Article 12. Attorney's Fees, Costs, and Disbursements

Each party is responsible for its/his attorney's fees, costs, and disbursements in reaching this Agreement and no party will seek an award of attorney's fees, costs, or disbursements against a party hereto incurred in reaching this Agreement.

Article 13. Binding Effect and No Assignment

This Agreement is binding upon, and inures, to the benefit of the successors, executors, heirs and legal representatives of the parties hereto. This Agreement is not assignable by any party. Any purported assignment by any party shall be null and void and not operate to relieve such party of its obligations hereunder.

Article 14. Counterparts

This Agreement may be executed in counterparts. Facsimile, photocopied, scanned, or electronic signatures shall be considered as valid signatures as of the date affixed to the signature.

Article 15. Representations of Parties

The respective parties hereto hereby represent that this Agreement has been duly authorized and, upon execution, will constitute a valid and binding contractual obligation, enforceable in accordance with its terms, of each of the parties hereto.

Article 16. Headings

The headings of the paragraphs of this Agreement are not binding and are for reference only and do not limit, expand or otherwise affect the contents of this Agreement.

Article 17. Remedies

The parties will negotiate in good faith all disputes and/or claims between them related to the validity, interpretation, application or the like of this Agreement in good faith for a period of 30 calendar days from the date of notice from a party of a dispute or claim prior to proceeding to formal dispute resolution or exercising their rights under law. Any party that desires to resolve a dispute of claim if it is unresolved after the 30-calendar day negotiation period must first submit the dispute or claim to mediation utilizing a mediator in the State of Minnesota, Bureau of Mediation Services or Minnesota District Court Rule 114 Roster as selected by the alleged aggrieved party. Any party that desires to resolve a dispute of claim if it is unresolved after participating in mediation, either party may bring a legal action in court against the other party for appropriate equitable relief and damages, but not attorneys' fees. In addition, the City may suspend the terms set forth in Section 1.1 of this Agreement if there is a dispute.

Article 18. Indemnification

City makes no representation as to the taxability of the amount paid to Brandon Fandel. Brandon Fandel agrees to pay federal or state taxes, if any, which are required by law to be paid by him in regards to this Agreement. Brandon Fandel agrees to indemnity City and hold it harmless from any penalties, taxes, or interest assessed against it by any government agency as a result of it or Brandon Fandel's non-payment of taxes on any amounts paid to Brandon Fandel under the terms of this Agreement.

Article 19. Voluntary and Knowing Action

Brandon Fandel acknowledges that: (1) he has read and understands the contents of this Agreement; (2) he has been given a fair opportunity to discuss and negotiate the terms of this Agreement; (3) he is advised to consult an attorney before signing this Agreement; (4) he agrees with the Agreement's

provisions and is voluntarily and without duress entering into this Agreement; and (5) he has been given at least 21 days to consider this Agreement. If Brandon Fandel signs the Agreement before the expiration of the 21-day period, it is because he has decided voluntarily that he does not need any additional time to decide whether to sign the Agreement.

Article 20. Execution and Effective Date

This Agreement is executed and effective on the latest date affixed to the signatures.

_____ Dated: 2/22/24
Brandon Fandel

Accepted on behalf of the City of Owatonna

By: _____ Dated: ___ Its Mayor

By: _____ Dated: _____
Its City Administrator

RECAP:

$	226,063.81	MN Public Facilities Authority - 2/20 MPFA interest payment 2010 G.O. Bonds - $8,224.43 - 2/20 MPFA interest payment 2023 G.O. Bonds - $217,839.38
	144,183.44	Southeast Service Cooperative - Feb 2024 health ins premiums
	186,054.00	Towmaster - Western Star Tandem Plow build - u# 24252
	103,678.02	Truck Center Companies LLC - Western Star Tandem Plow Unit - U #24252
	21,802.67	US Bank - Entire organization monthly credit card purchases Dec 2023 - Jan 2024
	225,985.98	OTHER EXPENDITURES
$	907,767.92	TOTAL EXPENDITURES PRESENTED FOR APPROVAL

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

A/P Check Register
Checks from to

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
		Cash Account: 999-19100-000-000-000000			
376880	02/20/24	FULLSTEAM	89.52	R	Wire Transfer
376881	02/20/24	GLOBAL PAYMENTS INTEGRATED	1,275.24	R	Wire Transfer
376882	02/20/24	MN DEPT OF LABOR AND INDUSTRY	3,230.81	R	Wire Transfer
376883	02/20/24	MN DEPT OF REVENUE	1,940.53	R	Wire Transfer
376884	02/20/24	PAYMENTECH	34.34	R	Wire Transfer
376885	02/20/24	SOUTHEAST SERVICE COOPERATIVE	144,183.44	R	Wire Transfer
376886	02/20/24	US BANK	21,802.67	R	Wire Transfer
376887	02/20/24	WEX BANK	1,282.64	R	Wire Transfer
376888	02/20/24	WEX HEALTH INC	363.00	R	Wire Transfer
376889	02/20/24	MN PUBLIC FACILITIES AUTHORITY	226,063.81	R	Wire Transfer
376890	02/27/24	ACRE	2,878.29	O	Regular
376891	02/27/24	ADVANCED ENGINEERING & ENVIRON	9,230.50	O	Regular
376892	02/27/24	AFLAC	2,731.16	R	ACH
376893	02/27/24	ALEXANDER LUMBER COMPANY	1,252.87	O	Regular
376894	02/27/24	AMERICAN RED CROSS	184.00	O	Regular
376895	02/27/24	ANHORN'S GAS & TIRE	109.90	O	Regular
376896	02/27/24	ARAMARK UNIFORM SERVICES INC	223.98	O	Regular
376897	02/27/24	AUTO TRIM DESIGN OF OWATONNA	350.00	O	Regular
376898	02/27/24	BAKER & TAYLOR BOOKS	1,237.03	R	ACH
376899	02/27/24	BENJAMIN METCALF	23.93	O	Regular
376900	02/27/24	BLACKSTONE PUBLISHING	417.20	R	ACH
376901	02/27/24	CARQUEST	112.58	O	Regular
376902	02/27/24	CEMSTONE PRODUCTS CO	83.10	O	Regular
376903	02/27/24	CENGAGE LEARNING INC/GALE	50.40	R	ACH
376904	02/27/24	CENTER MASS INC	589.94	O	Regular
376905	02/27/24	CENTRAL FARM SERVICE	492.50	O	Regular
376906	02/27/24	CITY OF BLOOMING PRAIRIE	1,904.75	R	ACH
376907	02/27/24	CLUB CADDIE	1,500.00	O	Regular
376908	02/27/24	COL MARKETING	555.00	O	Regular
376909	02/27/24	COURT SPORTS AND MORE	697.90	R	ACH
376910	02/27/24	CULLIGAN OF OWATONNA	31.08	R	ACH
376911	02/27/24	CUSHMAN MOTOR CO INC	130.51	O	Regular
376912	02/27/24	D & M CONSTRUCTION LLC	53.73	R	ACH
376913	02/27/24	DELL MARKETING LP	279.50	R	ACH
376914	02/27/24	EVERSTRONG CONSTRUCTION INC	5,000.00	O	Regular
376915	02/27/24	EYE MED VISION CARE	412.24	O	Regular
376916	02/27/24	FARIBAULT DAILY NEWS	314.60	O	Regular
376917	02/27/24	FARMERS FEED AND PET SUPPLY	69.99	O	Regular
376918	02/27/24	FIRE PROTECTION SERVICES	3,064.18	O	Regular
376919	02/27/24	FIRST HOSPITAL LABORATORIES IN	500.00	O	Regular
376920	02/27/24	FIRST SUPPLY OWATONNA	489.56	R	ACH
376921	02/27/24	FLAHERTY & HOOD PA	2,430.00	R	ACH
376922	02/27/24	FOUR SEASONS ELECTRIC	4,375.45	R	ACH
376923	02/27/24	GOPHER/PLAY WITH A PURPOSE	606.10	R	ACH

A/P Check Register
Checks from to

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
376924	02/27/24	GRAINGER	26.29	R	ACH
376925	02/27/24	HD SUPPLY INC	2,088.18	R	ACH
376926	02/27/24	HEALTHPARTNERS INC	4,621.26	O	Regular
376927	02/27/24	I U O E LOCAL 70	2,981.50	O	Regular
376928	02/27/24	IFACS	204.21	R	ACH
376929	02/27/24	INNOVATIVE OFFICE SOLUTIONS	273.69	O	Regular
376930	02/27/24	INSIDE SWING LLC	5,000.00	O	Regular
376931	02/27/24	INTOXIMETERS	270.00	O	Regular
376932	02/27/24	JENI MCGEE	750.00	O	Regular
376933	02/27/24	JOHN'S APPLIANCE & A/C SERVICE	480.00	R	ACH
376934	02/27/24	JONES HAUGH & SMITH INC	778.28	O	Regular
376935	02/27/24	JOSEPH L MBELE	500.00	O	Regular
376936	02/27/24	KWIK TRIP INC	132.55	O	Regular
376937	02/27/24	L & L STREET RODS & SPORT TRUC	15,000.17	R	ACH
376938	02/27/24	LAWSON AUTOMOTIVE LLC	157.29	R	ACH
376939	02/27/24	LAWSON PRODUCTS	53.88	O	Regular
376940	02/27/24	LEGACY SIGNS INC	240.00	R	ACH
376941	02/27/24	LEGENCE SUBSIDIARY HOLDINGS LL	10,875.00	R	ACH
376942	02/27/24	M-R SIGN CO INC	119.00	R	ACH
376943	02/27/24	MACQUEEN EQUIPMENT CO	2,286.02	R	ACH
376944	02/27/24	MARCO TECHNOLOGIES LLC	518.58	R	ACH
376945	02/27/24	MARTIN EQUIPMENT INC	1,000.00	O	Regular
376946	02/27/24	MARTIN-MCALLISTER	1,500.00	R	ACH
376947	02/27/24	MATTHEW R HOKANSON	6,990.10	R	ACH
376948	02/27/24	MCNEILUS STEEL INC	868.07	R	ACH
376949	02/27/24	METRO SALES INC	1,531.97	O	Regular
376950	02/27/24	MIDWEST TAPE LLC	1,554.65	O	Regular
376951	02/27/24	MINNESOTA LIFE	2,880.45	O	Regular
376952	02/27/24	MN DEPT NATURAL RESOURCES	28.30	O	Regular
376953	02/27/24	MN DEPT OF HEALTH	35.00	O	Regular
376954	02/27/24	MN DEPT OF LABOR AND INDUSTRY	100.00	O	Regular
376955	02/27/24	MN FIRE SERVICE CERT BOARD	25.00	O	Regular
376956	02/27/24	MN NCPERS GROUP LIFE INSURANCE	432.00	O	Regular
376957	02/27/24	MN POLLUTION CONTROL AGENCY	14,350.00	R	ACH
376958	02/27/24	MN PUBLIC EMPLOYEES ASSOC	1,584.00	R	ACH
376959	02/27/24	MN RECREATION & PARK ASSN	1,755.00	R	ACH
376960	02/27/24	MN VALLEY TESTING LABS INC	913.00	R	ACH
376961	02/27/24	MTI DISTRIBUTING INC	11,914.81	R	ACH
376962	02/27/24	NAPA AUTO PARTS	363.69	R	ACH
376963	02/27/24	NEAR NORTH TITLE GROUP	100.00	O	Regular
376964	02/27/24	NORTHERN SAFETY TECHNOLOGY INC	730.80	R	ACH
376965	02/27/24	NORTHLAND FARM SYSTEMS	1,175.97	O	Regular
376966	02/27/24	NSI LAB SOLUTIONS	137.00	O	Regular
376967	02/27/24	NUSS TRUCK & EQUIPMENT	79.53	O	Regular
376968	02/27/24	O'REILLY AUTOMOTIVE INC	14.23	O	Regular

A/P Check Register
Checks from to

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
376969	02/27/24	OAK GLENN	451.96	O	Regular
376970	02/27/24	OCEANID	100.00	O	Regular
376971	02/27/24	OWATONNA AREA CHAMBER OF COMM	17,155.91	O	Regular
376972	02/27/24	OWATONNA HEATING & COOLING INC	3,261.98	O	Regular
376973	02/27/24	OWATONNA MOTOR COMPANY	2,366.47	O	Regular
376974	02/27/24	OWATONNA PUBLIC UTILITIES	1,982.87	R	ACH
376975	02/27/24	PRESENCE TELEHEALTH PLLC	362.00	R	ACH
376976	02/27/24	PRIME GARAGE DOOR & MORE LLC	1,450.00	R	ACH
376977	02/27/24	QUADIENT FINANCE USA INC	1,506.25	O	Regular
376978	02/27/24	RENT N SAVE PORTABLE SERVICES	881.40	R	ACH
376979	02/27/24	Sandra McConn Hall	168.13	O	Regular
376980	02/27/24	SAFEWARE INC	1,243.90	O	Regular
376981	02/27/24	SCOTT F LIMBERG	400.00	R	ACH
376982	02/27/24	SE MN ASSN OF REGIONAL TRAILS	25.00	O	Regular
376983	02/27/24	SENIORPLACE INC	238.00	O	Regular
376984	02/27/24	SHERWIN WILLIAMS COMPANY	335.90	O	Regular
376985	02/27/24	SHI INTERNATIONAL CORP	23.70	O	Regular
376986	02/27/24	STEELE COUNTY TREASURER	6,191.29	O	Regular
376987	02/27/24	STEWART DENISE	164.28	O	Regular
376988	02/27/24	SYMBOL ARTS LLC	135.00	R	ACH
376989	02/27/24	SYNCHRONY BANK	446.01	O	Regular
376990	02/27/24	SYNCHRONY BANK - LOWE'S	1,631.05	O	Regular
376991	02/27/24	T-MOBILE	1,274.35	O	Regular
376992	02/27/24	TEMPLE ELECTRIC MOTOR SERV INC	1,225.90	R	ACH
376993	02/27/24	THOMPSON SANITATION INC	159.00	O	Regular
376994	02/27/24	TITLE 365 COMPANY	14,438.13	R	Wire Transfer
376995	02/27/24	TJD REPAIR & SERVICE	96.95	O	Regular
376996	02/27/24	TOR SPERLING	400.00	R	ACH
376997	02/27/24	TOWMASTER	186,054.00	R	ACH
376998	02/27/24	TRI M GRAPHICS	384.20	R	ACH
376999	02/27/24	TRUCK CENTER COMPANIES LLC	103,678.02	O	Regular
377000	02/27/24	TURFWERKS	3,461.27	R	ACH
377001	02/27/24	ULINE	4,257.62	O	Regular
377002	02/27/24	UNITED WAY	100.00	O	Regular
377003	02/27/24	VAN METER INC	11.85	O	Regular
377004	02/27/24	VENTURE HYDRAULICS INC	42.00	R	ACH
377005	02/27/24	VERIZON WIRELESS	4,692.16	O	Regular
377006	02/27/24	WALBRAN & FURNESS CHARTERED	5,331.86	R	ACH
377007	02/27/24	WASECA COUNTY HWY DEPT	110.13	O	Regular
377008	02/27/24	ZARNOTH BRUSH WORKS	1,330.00	R	ACH
377009	02/27/24	ZEP MANUFACTURING CO	131.94	R	ACH

A/P Check Register
Checks from to

70	Checks total:	201,223.28
49	ACH total:	291,840.51
0	EFTPS total:	
11	Wire transfer total:	414,704.13
0	Payment Manager total:	
130	GRAND TOTALS	907,767.92

Ordinances

DATE: March 6, 2024
TO: Mayor and City Council
FROM: Greg Kruschke, Community Development Manager
SUBJECT: Second/Final Reading Proposed Ordinance 24-01: VACA-24-1 Vacate Portion of a Drainage & Utility Easement - 1213 Elm Ave N

Purpose:
Request Council approval of Proposed Ordinance 24-01 to vacate a portion of a drainage and utility easement at 1213 Elm Avenue N.

Background:
See attached staff report.

The Planning Commission recommends approval of vacating a portion of the drainage and utility easement at 1213 Elm Ave N.

City Council approved the first reading of this proposed ordinance during their meeting on February 20, 2024, there have been no changes since. This will be the second/final reading required for approval.

Budget Impact:
None.

Staff Recommendation:
Staff recommends approval. This will be known as Ordinance #1660 to be effective upon passage and publication.

Attachments:
1. Ord 24-01 Vacate Portion of a Utility Easement -1213 N Elm Easement
2. PC Staff Report -Sherwin Easement Vacation

Proposed Ordinance No. 24-01

ORDINANCE NO. 1660

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 February 13, 2024, 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:

All that part the existing drainage and utility easement on the north side of Lot 1, Block 1, HABERMAN ADDITION, as the same is platted and recorded in the Office of the Steele County Recorder, Steele County, Minnesota; described as follows:

Commencing at the northwest corner of said Lot 1; thence South 01°46'35" East a distance of 6.00, on the west line of said Lot 1 to the south line of said drainage and utility easement; thence North 89°48'52" East a distance of 74.26 feet, on said south line to a point on the exterior face of the existing building wall, said point being the point of beginning;

thence North 01°47'58" West a distance of 2.99 feet, to the northwest corner of said exterior wall;

thence North 88°08'58" East a distance of 28.28 feet, to the northeast corner of said exterior wall;

thence South 01°28'46" East a distance of 3.81 feet, on said exterior building wall to the south line of said easement;

thence South 89°48'52" West a distance of 28.27 feet, to the point of beginning.

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 _____, 2024, with the following vote:

Aye _____; No _____; Absent _____.

Approved and signed this _____ day of _____, 2024.

_____
Thomas A. Kuntz, Mayor

ATTEST:

_____
Kris M. Busse, City Administrator/City Clerk

February 9, 2024

To: Planning Commission
From: Community Development Department
RE: Request to vacate a portion a utility easement

Application Review:

Applicant: Brent Sherwin

Location of Property: 1213 Elm Avenue N

Legal Description: See Attached Survey

Report Attachments:
1. Location Map
2. Vacation Sketch & Description

Proposed Development:

- Petition by Brent Sherwin to vacate a portion of a drainage and utility easement along the north property line of 1213 Elm Avenue N.
- In closing on the property it was discovered that the existing garage encroaches on an easement. The title company is requiring the situation to be resolved.
- In researching the property it appears that the garage was built prior to the easement being platted.
- OPU has an underground electric line just to the north of the garage. Work was completed on this a few years ago.
- There is also an underground communications line within this easement area.
- There are no utilities under the garage. The easement vacation will just be around the foundation of the garage. The remainder of the easement will remain.
- No other changes are proposed at this time.

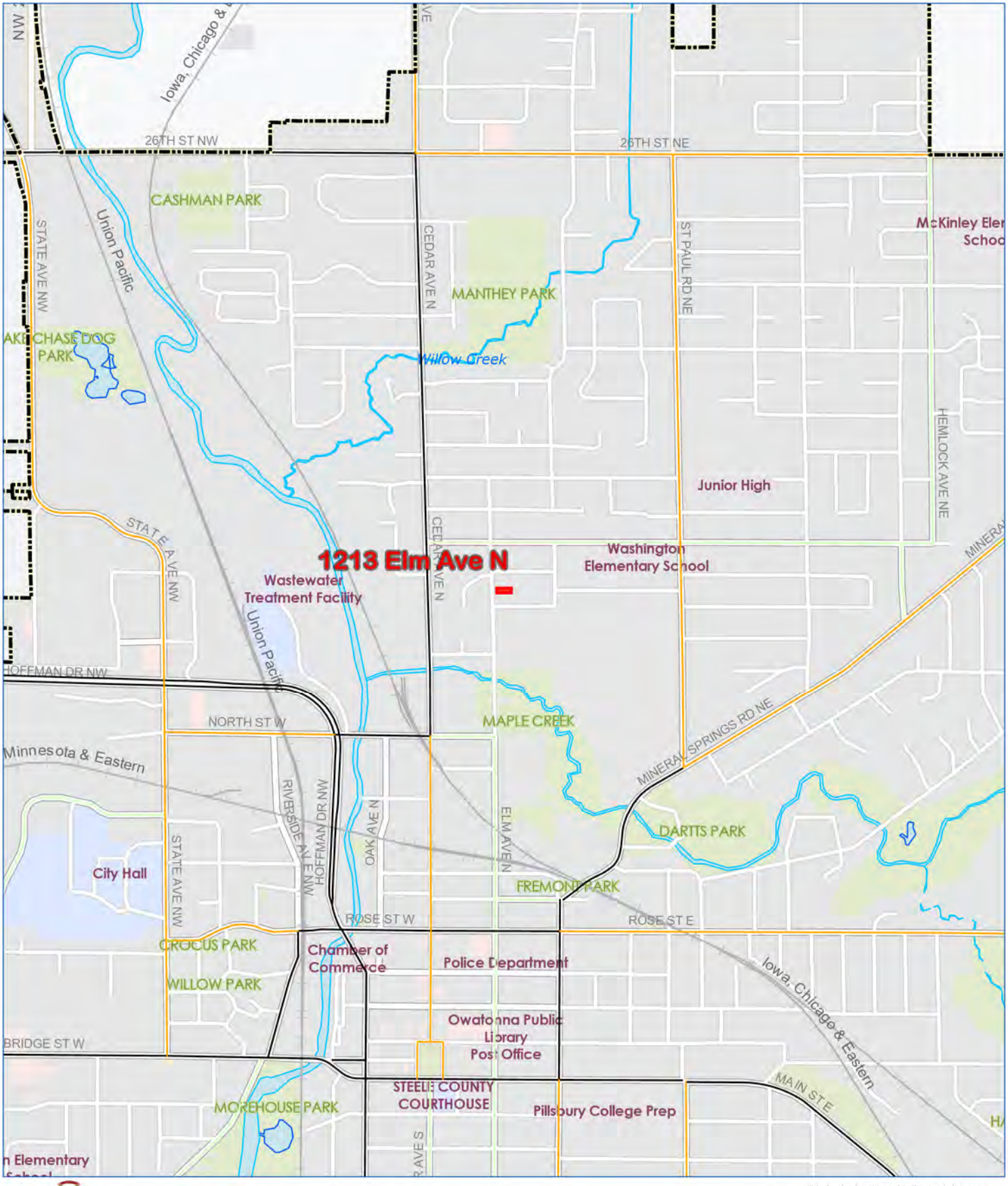
Staff Recommendation:

Staff recommends approval of this vacation of a portion of a utility easement as described above.

Planning Commission:

A Request by Brent Sherwin to Vacate a Portion of a Utility Easement at 1213 Elm Avenue North was presented by Community Development Manager Greg Kruschke. (Refer to report on file.) He said he's had a number of comments from neighbors asking for clarifying information. They haven't heard any concerns with what is being requested. Public hearing opened at 5:39 p.m. No comments were made regarding this request. Public hearing closed at 5:40 p.m. A motion was made by Eickhoff and seconded by Wilson to recommend City Council approval of this vacation of a portion of a utility easement as described in the staff report. All Commissioners voting Aye, the motion carried.

1213 Elm Ave N
City of Owatonna



CITY OF OWATONNA

Site

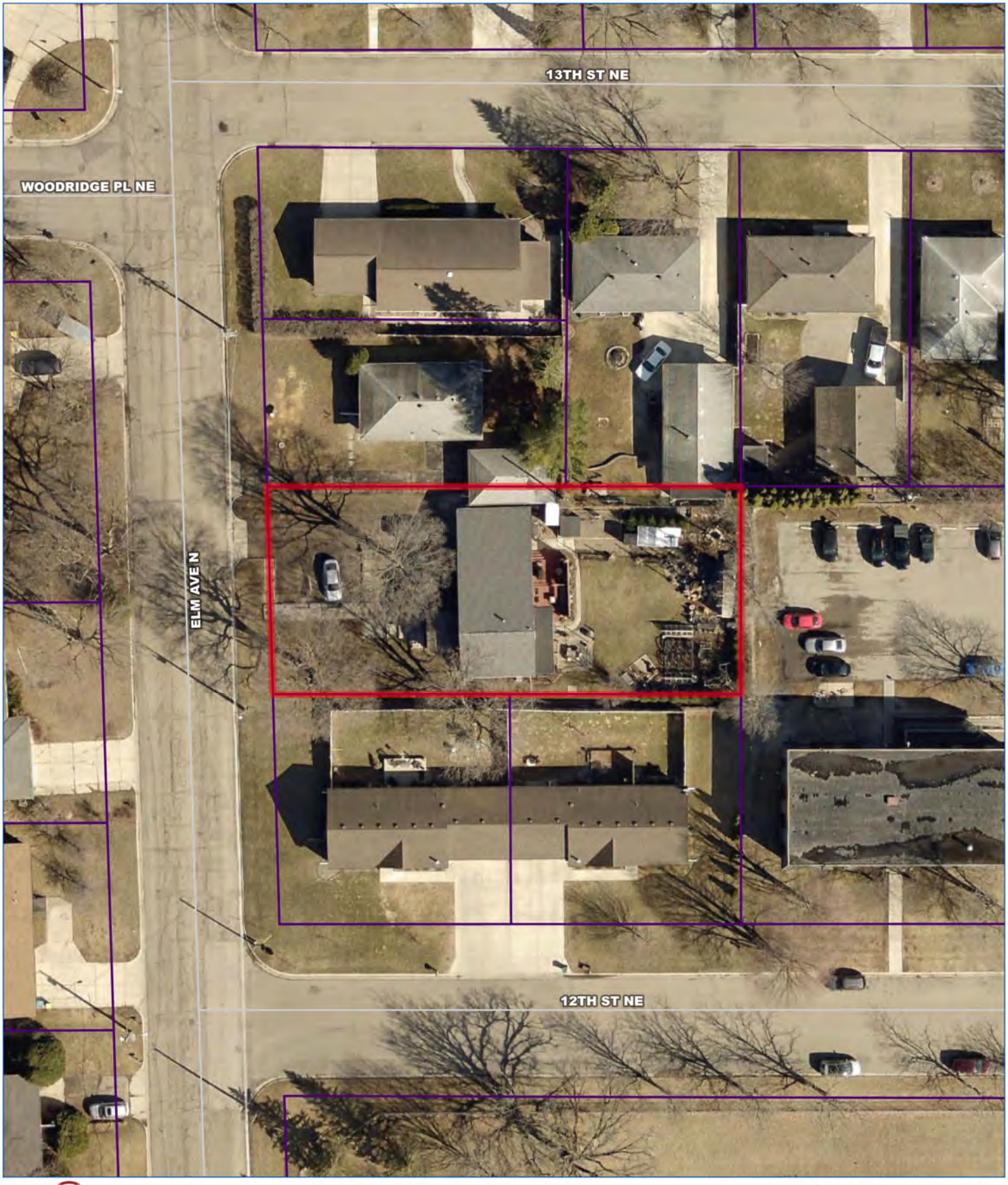
Municipal Limits

This drawing is neither a legally recorded map nor a survey and is not intended to be used as one. This information is a compilation of records, information, and data located in various city, county, and state offices and other sources, affecting the area shown, and is to be used for reference purposes only.

January 31, 2024

1213 Elm Ave N
City of Owatonna

PIN: 17-235-0101
Acres: 0.332 ac.



CITY OF OWATONNA

1:600

0 50 100 Feet

This drawing is neither a legally recorded map nor a survey and is not intended to be used as one. This information is a compilation of records, information, and data located in various city, county, and state offices and other sources, affecting the area shown, and is to be used for reference purposes only.

January 31, 2024

PROPOSED EASEMENT VACATION

PART OF LOT 1, BLOCK 1, HABERMAN ADDITION
OWATONNA, STEELE COUNTY, MINNESOTA

PREPARED EASEMENT VACATION DESCRIPTION

All that part the existing drainage and utility easement on the north side of Lot 1, Block 1, HABERMAN ADDITION, as the same is platted and recorded in the Office of the Steele County Recorder, Steele County, Minnesota; described as follows:

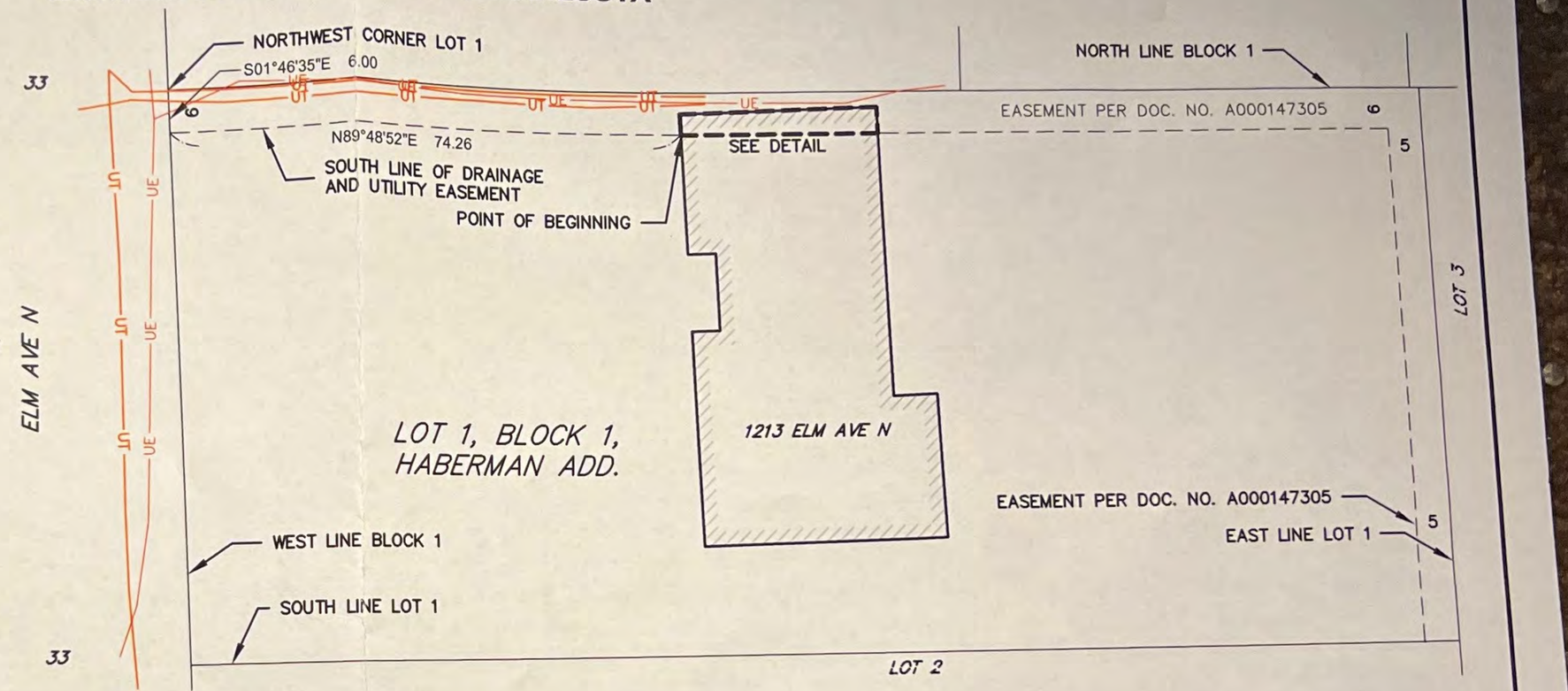
Commencing at the northwest corner of said Lot 1; thence South 01°46'35" East a distance of 6.00, on the west line of said Lot 1 to the south line of said drainage and utility easement; thence North 89°48'52" East a distance of 74.26 feet, on said south line to a point on the exterior face of the existing building wall, said point being the point of beginning;

thence North 01°47'58" West a distance of 2.99 feet, to the northwest corner of said exterior wall;

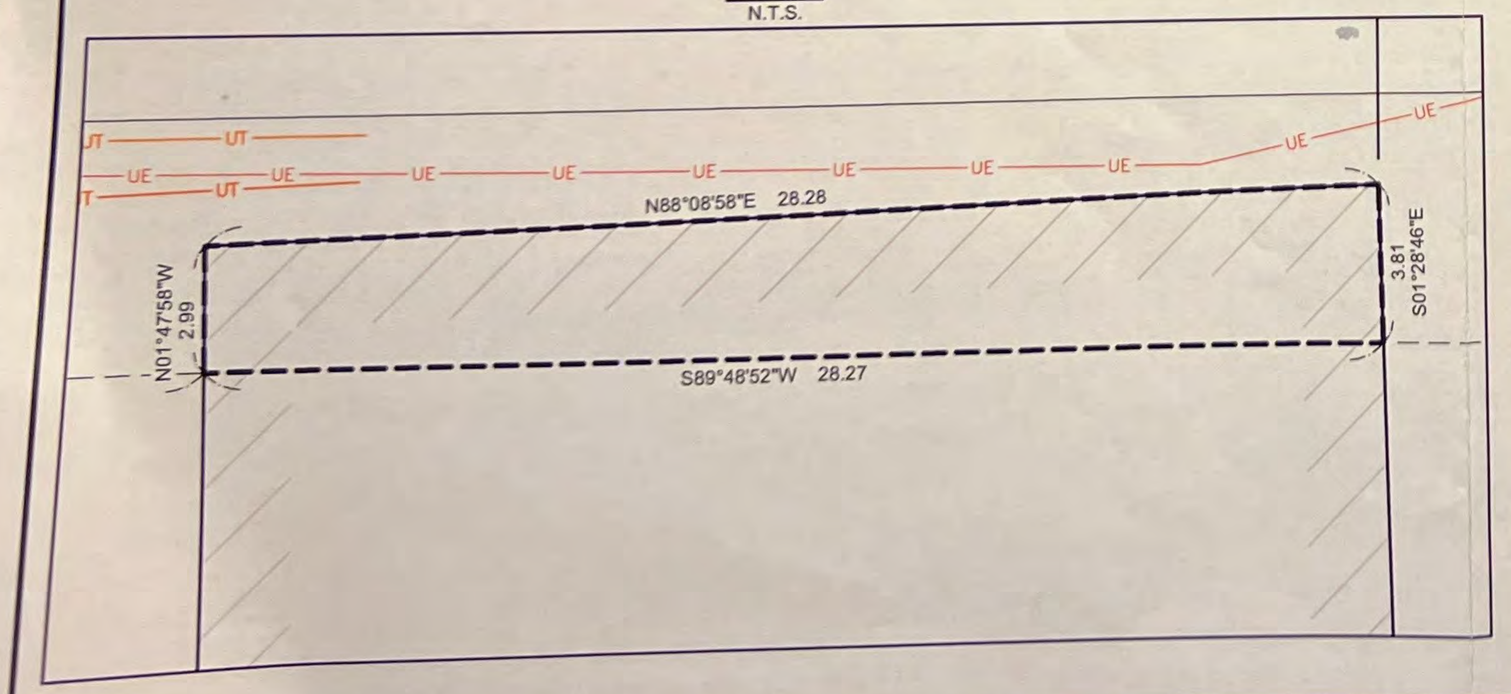
thence North 88°08'58" East a distance of 28.28 feet, to the northeast corner of said exterior wall;

thence South 01°28'46" East a distance of 3.81 feet, on said exterior building wall to the south line of said easement;

thence South 89°48'52" West a distance of 28.27 feet, to the point of beginning.



DETAIL
N.T.S.



LEGAL DESCRIPTION OF RECORD
Lot 1, Block 1, HABERMAN ADDITION,
OWATONNA, MINNESOTA

LEGEND:
—UT— = Underground Telephone
—UE— = Underground Electric

0 20
10 40
SCALE IN FEET

FOR: BRENT SHERWIN

Date: 01/11/2024 Revised date:-
Drawn by: SAT Survey:-
Field Book:- Page 1 of 1
Coord-System: MNDOT CO. NAD83 (11)
Job No: 23-1239 File: -

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

Scott A. Tuchtenhagen
Date: 1/12/24
L.S. No. 52646

JONES HAUGH SMITH
Engineers + Surveyors
515 South Washington Ave.
Albert Lea, MN 56007
507-373-4876
415 West North Street
Owatonna, MN 55060
507-451-4598

1-22-2024

TO: City of Owatonna

I am requesting an easement vacation for the Northside of my Home at 2012 N Elm Ave.

The existing Garage encroaches on the existing easement. The Garage was pre-existing to my purchase of the home and prior to the seller of the home to me. I have now sold the home but to close the deal I must have the Easement vacated to allow the home to be sold and title insurance issued.

I am working with the new owners Elizabeth A. Mettille and Nickolas R. Johnson to get this done.

Per our agreement I am initiating this action as guided by the city officials.

Please contact me with any concerns or additional needs to move this forward.

Brent Sherwin

bsherwin@northpointfresh.com

651-605-5736

Resolutions

DATE: March 6, 2024
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Resolution 19-24: Declare Costs for the 2023 Street & Utility Project

Purpose:
To declare costs for the 2023 Street & Utility Project. The area improved being:

- School Street E
- Butternut Ave SW
- Riverview Place SW

Background:
A Preliminary Assessment Hearing was held on March 7th, 2023. On June 6, 2023, the city entered into a contract with Wencl Construction to complete the project with a contracted cost of $1,112,754.35.

The project is now considered substantially completed with a warranty begin date of December 21, 2023.

Budget Impact:
The final cost of the project, which includes Quantity Changes was $1,004,224.40 and will be paid for with a combination of City Funds, OPU Reimbursements, and Special Assessments.

The City of Owatonna will collect the assessments as reimbursement for expenses incurred as provided by our policies and state statute. Staff will prepare a Proposed Assessment Roll naming the affected property owners and the amount to be specially assessed to their property. The proposed assessment amount is $116,365.08 (11.59%).

Staff Recommendation:
Staff recommends approval.

Attachments:
1. Res 19-24: Declare Costs - Order Preparation of Assessment

RESOLUTION NO. 19-24

A RESOLUTION DECLARING COST TO BE ASSESSED AND
ORDERING PREPARATION OF PROPOSED ASSESSMENT

WHEREAS, a contract has been let for the construction of the 2023 Street & Utility Project and the contract price for such improvements is $1,112,754.35 and the contract changes incurred in the making of such improvements amount to -$108,529.95 so that the total cost of the improvements will be $1,004,224.40.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Owatonna, Minnesota:

1. The cost of such improvements to be specially assessed is hereby declared to be $116,365.08.

2. The City Clerk, with the assistance of the City Engineer, shall forthwith calculate the proper amount to be specially assessed for such improvements against every assessable lot, piece, or parcel of land within the district affected, without regard to cash valuation, as provided by law, and she shall file a copy of such proposed assessment in her office for public inspection.

3. The Clerk shall, upon the completion of such proposed assessment, notify the Council thereof.

Passed and adopted this ___ day of _____, 2024, with the following vote:

Aye _; No __; Absent ____.

Approved and signed this ___ day of _____ 2024.

_____

ATTEST: Thomas A. Kuntz, Mayor

_____

Kris M. Busse, City Administrator/City Clerk

DATE: March 6, 2024
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Resolution 20-24: Set Public Hearing Date for the 2023 Street & Utility Project

Purpose:
To set a Proposed Assessment Public Hearing for the 2023 Street & Utility Project.

Background:
The requested hearing date is Tuesday April 2, 2024. This is the next step in the process of approving costs for assessments as outlined in the Special Assessment Guide based on Minnesota State Statute 429.061, Subd 1. Staff will mail notice to the affected properties and provide public notice as required by State Statute.

Budget Impact:
The proposed assessment amount is $116,365.08.

Staff Recommendation:
Staff recommends approval.

Attachments:
1. Res 20-24 Set Public Hearing Date 2023 Street & Utility

RESOLUTION NO. 20-24

A RESOLUTION FOR HEARING ON PROPOSED ASSESSMENT

WHEREAS, by Resolution No., 19-24 passed by the Council on March 6, 2024 the City Clerk was directed to prepare a proposed assessment of the cost of the construction of the 2023 Street & Utility Project.

WHEREAS, a contract has been let for the construction of 2023 Street & Utility Project.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Owatonna, Minnesota:

1. A hearing shall be held at a regular City Council meeting to be held on in the Council Chambers of the City Hall Building at 7:00 p.m. to pass upon such Tuesday, the 2nd day of April, 2024, proposed assessment and at such time and place all persons owning property affected by such improvement will be given an opportunity to be heard with reference to such assessment.

2. The City Clerk is hereby directed to cause a notice of the hearing on the proposed assessment to be published once in the official newspaper at least two weeks prior to the hearing, and she shall state in the notice the total cost of the improvement. She shall also cause mailed notice to be given to the owner of each parcel described in the assessment roll not less than two weeks prior to the hearings.

3. No appeal as to the amount of an assessment to a specific parcel of land may be made unless the owner has either filed a signed written objection to that assessment with the City Clerk prior to the hearing or has presented the written objection to the presiding officer at the hearing.

Passed and adopted this 6th day of March, 2024, with the following vote:

Aye ___; No ___; Absent ____

Approved and signed this 6th day of March, 2024.

ATTEST: Thomas A. Kuntz, Mayor

Kris M. Busse, City Administrator/City Clerk

Kennedy & Graven CHARTERED

Fifth Street Towers
150 South Fifth Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300 telephone
(612) 337-9310 fax
kennedy-graven.com
Affirmative Action, Equal Opportunity Employer

JULIE A. EDDINGTON
Attorney at Law
Direct Dial: (612) 337-9213
Email: jeddington@kennedy-graven.com

February 28, 2024

Rhonda Moen, Finance Director
City of Owatonna
540 West Hills Circle
Owatonna, MN 55060

Re: Resolution calling public hearing on granting host approval for facilities to be financed and refinanced with the proceeds revenue obligations to be issued by the City of Bethel for the benefit of the Ecumen Obligated Group

Dear Rhonda,

Second Century Housing, a Minnesota nonprofit corporation ("Second Century Housing"), whose sole member is Ecumen, a Minnesota nonprofit corporation ("Ecumen"), owns Ecumen Brooks, a 50-unit independent living, assisted living, and memory care community located at 2480 St. Paul Road, Owatonna, Minnesota ("Ecumen Brooks"), which is managed by Ecumen. Owatonna Senior Living, LLC, a Minnesota limited liability company ("Owatonna Senior Living"), whose sole member is Ecumen, owns Ecumen CountrySide, a 61-unit independent living and assisted living community located at 650 El Dorado Street, Owatonna, Minnesota ("Ecumen CountrySide"), which is managed by Ecumen. Ecumen Brooks was refinanced with proceeds of the Variable Rate Demand Housing Refunding Revenue Bonds (Second Century Housing Project), Series 2003A (the "Series 2003A Bonds"), issued by the City of Owatonna (the "City") in the original aggregate principal amount of $4,120,000 on June 30, 2003. Ecumen CountrySide was refinanced with proceeds of Housing and Health Care Revenue Refunding Bonds (Ecumen – Second Century and Owatonna Senior Living Project), Series 2014B (the "Series 2014B Bonds"), issued by the City in the original aggregate principal amount of $6,775,000 on December 18, 2014. Second Century Housing, Owatonna Senior Living, and Pines of Hutchinson, LLC, a Minnesota limited liability company ("Pines of Hutchinson," and collectively with Second Century Housing and Owatonna Senior Living, the "Borrowers"), whose sole member if Ecumen, have proposed to refinance Ecumen Brooks and Ecumen CountrySide (together, the "Owatonna Project"), thereby refinancing the outstanding Series 2003A Bonds and Series 2014B Bonds, and several other senior housing communities owned by the Borrowers and located in Hutchinson and Saint Peter, Minnesota and finance capital improvements to all of these senior housing communities. To do this, the Borrowers have proposed that the City of Bethel (the "Issuer") issue one or more series of tax-exempt and taxable revenue obligations (the "Bonds") in the estimated principal amount not to exceed $25,000,000 and loan the proceeds thereof to the Borrowers.

In order for the Issuer to issue the Bonds, the City must grant "host approval" to the issuance of the Bonds, following a duly noticed public hearing, under Minnesota Statutes, Chapter 462C, as amended (the "Housing Act"), Minnesota Statutes, Sections 471.59 and 471.656, as amended (the "Joint Powers Act"), and the Internal Revenue Code of 1986, as amended (the "Code"). Enclosed is a resolution for consideration by the City Council on March 6, 2024, which calls for a public hearing to be conducted by the City Council on

March 19, 2024 for purposes of granting host approval to the issuance of the Bonds by the Issuer and consenting to the redemption and prepayment of the Series 2003A Bonds and the Series 2014B Bonds.

If the City Council authorizes the Issuer to issue the Bonds, the Bonds will be issued as conduit revenue bonds of the Issuer secured solely by the revenues derived from the loan or other revenue agreements executed by the Borrowers and from other security provided by the Borrowers, including an obligation issued on behalf of the Ecumen Obligated Group (currently expected to consist of the Borrowers) under a master trust indenture. Ecumen will serve as the agent of the Ecumen Obligated Group but will not be a financial member. The Bonds will not constitute a general or moral obligation of the City and will not be secured by or payable from any property or assets of the City and will not be secured by any taxing power of the City. The Bonds will not be subject to any debt limitation imposed on the City and the issuance of the Bonds will not have any adverse impact on the credit rating of the City, even in the event that the Borrowers encounter financial difficulties with respect to the Owatonna Project and the other facilities to be financed and refinanced.

The issuance of the Bonds by the Issuer will not affect the City's ability to issue general obligation or conduit revenue bonds in calendar year 2024. Furthermore, the issuance of the Bonds by the Issuer will not affect the ability of the City to issue and designate bonds as qualified tax-exempt obligations (or "bank qualified") for purposes of Section 265(b)(3) of the Code in calendar year 2024.

The Borrower will pay the out-of-pocket expenses of the City with respect to this transaction.

Please contact me if you have questions regarding the foregoing.

Sincerely,

Julie Eddington

CITY OF OWATONNA, MINNESOTA

RESOLUTION NO. 21-24

RESOLUTION CALLING A PUBLIC HEARING FOR THE PURPOSE OF PROVIDING HOST APPROVAL FOR THE ISSUANCE OF REVENUE OBLIGATIONS BY THE CITY OF BETHEL FOR THE BENEFIT OF THE ECUMEN OBLIGATED GROUP

BE IT RESOLVED by the City Council of the City of Owatonna, Minnesota (the "City") as follows:

Section 1. Recitals.

1.01. Pursuant to Minnesota Statutes, Chapter 462C, as amended (the "Housing Act"), the City is authorized to carry out the public purposes described in the Housing Act by providing for the issuance of revenue bonds to provide funds to finance or refinance multifamily housing developments.

1.02. Minnesota Statutes, Section 471.656, as amended, authorizes a municipality to issue obligations to finance the acquisition or improvement of property located outside of the corporate boundaries of such municipality if the obligations are issued under a joint powers agreement between the municipality issuing the obligations and the municipality in which the property to be acquired or improved is located. Pursuant to Minnesota Statutes, Section 471.59, as amended, by the terms of a joint powers agreement entered into through action of their governing bodies, two or more municipalities may jointly or cooperatively exercise any power common to the contracting parties or any similar powers, including those which are the same except for the territorial limits within which they may be exercised and the joint powers agreement may provide for the exercise of such powers by one or more of the participating governmental units on behalf of the other participating units.

1.03. Second Century Housing, a Minnesota nonprofit corporation ("Second Century Housing"), Owatonna Senior Living, LLC, a Minnesota limited liability company ("Owatonna Senior Living"), and Pines of Hutchinson, LLC, a Minnesota limited liability company ("Pines of Hutchinson," and collectively with Second Century Housing and Owatonna Senior Living, the "Borrowers"), the sole member of each of Second Century Housing, Owatonna Senior Living, and Pines of Hutchinson is Ecumen, a Minnesota nonprofit corporation ("Ecumen"), have proposed that the City approve the issuance by the City of Bethel, Minnesota (the "Issuer") of one or more series of tax-exempt and taxable revenue obligations (the "Bonds") in the estimated aggregate principal amount not to exceed $25,000,000. The Bonds will be issued in accordance with the terms of the Housing Act and Minnesota Statutes, Sections 471.59 and 471.656, as amended (the "Joint Powers Act," and together with the Housing Act, the "Act").

1.04. The Borrowers intend to apply a portion of the proceeds of the Bonds in the estimated principal amount not to exceed $2,500,000 to (i) refund the outstanding principal amount of the Variable Rate Demand Housing Refunding Revenue Bonds (Second Century Housing Project), Series 2003A (the "Series 2003A Bonds"), issued by the City in the original

aggregate principal amount of $4,120,000 on June 30, 2003 pursuant to the Housing Act, the proceeds of which were used to refinance Ecumen Brooks, a 50-unit independent living, assisted living, and memory care community located at 2480 St. Paul Road in the City ("Ecumen Brooks"), which is owned by Second Century Housing and managed by Ecumen; (ii) finance capital improvements to Ecumen Brooks; and (iii) finance capitalized interest during the construction of the capital improvements to Ecumen Brooks.

1.05. The Borrowers intend to apply a portion of the proceeds of the Bonds in the estimated principal amount not to exceed $6,300,000 to (ii) refund the outstanding principal amount of the Housing and Health Care Revenue Refunding Bonds (Ecumen – Second Century and Owatonna Senior Living Project), Series 2014B (the "Series 2014B Bonds"), issued by the City in the original aggregate principal amount of $6,775,000 on December 18, 2014 pursuant to the Housing Act, the proceeds of which were used to refinance Ecumen CountrySide, a 61-unit independent living and assisted living community located at 650 El Dorado Street in the City ("Ecumen CountrySide"), which is owned by Owatonna Senior Living and managed by Ecumen; (iii) finance capital improvements to Ecumen CountrySide; and (iii) finance capitalized interest during the construction of the capital improvements to Ecumen CountrySide.

1.06. Prior to the issuance of the Bonds by the Issuer, the City Council is required to (i) conduct a public hearing in accordance with the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), with respect to the proposed issuance of the Bonds; (ii) consent to the issuance of the Bonds by the Issuer pursuant to the requirements of Section 147(f) of the Code and the regulations promulgated thereunder; and (iii) approve the issuance of the Bonds by the Issuer to refinance, among other things, Ecumen Brooks and Ecumen CountrySide (together, the "Owatonna Project") and to finance, among other things, the capital improvements (the "Capital Improvements") to the Owatonna Project.

Section 2. Required Actions.

2.01. The City Council will meet at 7:00 p.m. on Tuesday, March 19, 2024, to conduct a public hearing and consider the proposed issuance of the Bonds by the Issuer in accordance with the Act to, among other things, refinance the Series 2003A Bonds and the Series 2014B Bonds, refinance the Owatonna Project, and finance the Capital Improvements to the Owatonna Project.

2.02. Kennedy & Graven, Chartered, as bond counsel to the Issuer, is hereby authorized and directed to publish on behalf of the City a notice of the public hearing, in substantially the form attached hereto as EXHIBIT A, in the *Owatonna People's Press*, the official newspaper of and a newspaper of general circulation in the City. The notice shall be published once at least seven (7) days prior to the date of the public hearing.

2.03. The Borrowers shall pay to the City any and all costs paid or incurred by the City in connection with the Bonds, the refinancing of the Owatonna Project, and the financing of the Capital Improvements to the Owatonna Project, whether or not the financing is carried to completion, and whether or not the Bonds or operative instruments are executed and delivered.

Passed and adopted this _____ day of _____, 2024, with the following vote:

Aye _____; No _____; Absent _____.

Approved and signed this ___ day of _____, 2024.

_____
Thomas A. Kuntz, Mayor

ATTEST:

_____
Kris M. Busse, City Administrator/City Clerk

EXHIBIT A

NOTICE OF PUBLIC HEARING

CITY OF OWATONNA, MINNESOTA

NOTICE OF A PUBLIC HEARING TO BE CONDUCTED BY THE CITY OF OWATONNA WITH RESPECT TO THE ISSUANCE OF REVENUE OBLIGATIONS BY THE CITY OF BETHEL FOR THE BENEFIT OF THE ECUMEN OBLIGATED GROUP

NOTICE IS HEREBY GIVEN that the City Council of the City of Owatonna, Minnesota (the "City"), will hold a public hearing on Tuesday, March 19, 2024, at or after 7:00 p.m. in the Council Chambers of the City Administration Building, located at 540 West Hills Circle in the City, to consider a proposal that the City grant host approval to the issuance of one or more series of tax-exempt and taxable revenue obligations (the "Bonds"), in the estimated aggregate principal amount not to exceed $25,000,000, by the City of Bethel, Minnesota (the "Issuer") under Minnesota Statutes, Chapter 462C, as amended, and Minnesota Statutes, Sections 471.59 and 471.656, all as amended, for the benefit of one or more members of an obligated group expected to consist of Second Century Housing, a Minnesota nonprofit corporation ("Second Century Housing"), Owatonna Senior Living, LLC, a Minnesota limited liability company ("Owatonna Senior Living"), and Pines of Hutchinson, LLC, a Minnesota limited liability company ("Pines of Hutchinson," and collectively with Second Century Housing and Owatonna Senior Living, the "Obligated Group"). The sole member of each of Second Century Housing, Owatonna Senior Living, and Pines of Hutchinson is Ecumen, a Minnesota nonprofit corporation ("Ecumen"). Ecumen is expected to serve as the agent of the Obligated Group but will not be a financial member of the Obligated Group.

A portion of the proceeds of the Bonds in the estimated principal amount not to exceed $6,300,000 will be used to (i) refinance Ecumen CountrySide, a 61-unit independent living and assisted living community located at 650 El Dorado Street in the City ("Ecumen CountrySide"); (ii) finance capital improvements to Ecumen CountrySide; and (iii) finance capitalized interest during the construction of the capital improvements to Ecumen CountrySide. A portion of the proceeds of the Bonds in the estimated amount not to exceed $2,500,000 will be used to (a) refinance Ecumen Brooks, a 50-unit independent living, assisted living, and memory care community located at 2480 St. Paul Road in the City ("Ecumen Brooks"); (b) finance capital improvements to Ecumen Brooks; and (c) finance capitalized interest during the construction of the capital improvements to Ecumen Brooks. Ecumen CountrySide is owned by Owatonna Senior Living and is managed by Ecumen, and Ecumen Brooks is owned by Second Century Housing and is managed by Ecumen. Proceeds of the Bonds will also be used to refinance other facilities owned and operated by the members of the Obligated Group, finance capital improvements to such facilities, finance capitalized interest during the construction of such capital improvements, fund required reserves, and pay costs of issuance of the Bonds.

The Bonds will be special, limited obligations of the Issuer, and the Bonds and interest thereon will be payable solely from the revenues and assets pledged to the payment thereof. No holder of any Bonds will ever have the right to compel any exercise of the taxing power of

the City to pay the Bonds or the interest thereon, nor to enforce payment against any property of the City. The Bonds are to be payable solely from revenues and security provided by the Obligated Group and pledged to the payment of the Bonds.

At the time and place fixed for the public hearing, the City Council will give all persons who appear at the hearing an opportunity to express their views with respect to the proposal. In addition, interested persons may direct any questions or file written comments respecting the proposal with the City Administrator, at or prior to said public hearing.

Dated: [Date of Publication]

BY ORDER OF THE CITY COUNCIL OF THE CITY OF OWATONNA, MINNESOTA

/s/ Kris Busse
City Administrator
City of Owatonna, Minnesota

DATE: March 6, 2024
TO: Mayor and City Council
FROM: Jeanette Clawson, Administrative Coordinator
SUBJECT: Resolution 22-24: Request to Defer Special Assessment

Purpose:
Request Council approval Resolution 22-24 approving an application received to defer an assessment approved for the 2022 Street and Utility Project.

Background:
The City's Special Assessment Policy provides for a deferment of a special assessment with conditions: the applicant must be the owner and occupant of the property and their annual income from all sources shall not exceed the very low-income limits as determined for Steele County by the Department of Housing and Urban Development (HUD). If the Council approves a deferment, a lien will be filed against the property. The assessment and interest payments will become due upon the occurrence of any of the following events:

1) Death of the owner (if the spouse is not otherwise eligible).
2) Sale, transfer, or subdivision of the property.
3) Loss of homestead status of the property
4) Determination by the council that requiring an immediate or partial payment would impose no hardship.

Council approved assessments for the 2022 Street and Utility Project on November 7, 2023. Staff is requesting an exception to the 30-day application deadline because of extenuating concerns. Staff reviewed the application, including documentation of income, and have determined it does meet all requirements.

Property Identification Number	Special Assessment Amount
17-148-0303	$4,680.00

Budget Impact:
None, this defers and does not waive these assessments.

Staff Recommendation:
Staff recommends approval.

Attachments:
1. Res 22-24 Authorize Deferrment of Special Assessment - 2022 Street & Utility Project

RESOLUTION NO. 22-24
A RESOLUTION DEFERRING ASSESSMENT
2022 STREET AND UTILITY PROJECT

WHEREAS, pursuant to proper notice duly given as required by law, the Council has met and heard and passed upon all objections to the proposed assessment against abutting properties for the cost of construction of the 2022 Street and Utility Project and adopted Resolution 106-23 on November 7, 2023; and

WHEREAS, assessments may be deferred as provided in Minnesota Statues, Section 435.193 through 435.195; and

WHEREAS, pursuant to provisions of Minn. Stat. Chapter 429, the City Council is authorized to defer assessments; and

WHEREAS, application has been received from the property owner(s) requesting deferment of the assessment approved for their property for construction of the 2022 Street and Utility Project:

1) Tax Parcel Number: 17-148-0303 Assessment Amount: $4,680.00

NOW THEREFORE, pursuant to Minn. Stats §435 and 429, be it hereby resolved:

The City shall cause to be recorded with the office of the Steele County Recorder a certificate containing the legal descriptions of the affected properties and of the amounts so deferred. Every assessment the payment of which is so deferred when it becomes payable shall be divided into no more than 10 annual installments and in no event shall the last installment be payable later than 30 years after the levy of the assessment, at which time the assessment shall be fully paid. Interest on the deferred assessment for the period of deferment may be payable annually at the same times as the principal installments of the assessment would have bene payable if not deferred or interest for this period may be added to the principal amount of the assessment when it becomes payable.

The Clerk shall notify the County of the deferment of assessment(s) approved.

Passed and adopted this _____ day of March, 2024, with the following vote:

Aye ___; No ____; Absent ____.

Approved and signed this _____ day of March, 2022.

ATTEST: _____
Thomas A. Kuntz, Mayor

_____
Kris M. Busse, City Administrator/City Clerk

Miscellaneous

OWATONNA
Degner Regional Airport

DATE: Honorable Mayor and City Council Members, City Administrator
TO: Dave Beaver, Airport Manager
FROM: February 28, 2024
RE: Agreement with Short Elliott Hendrickson, Inc. for airport architectural and engineering services

Purpose:
To approve the master agreement with SEH, Inc., of St. Paul, MN.

Background:
Statements of Qualification (SOQ) for professional services were received on December 21, 2023. The firms that submitted SOQ's included:

- Bolton & Menk, Burnsville, MN
- Short Elliott Hendrickson, Inc., St. Paul, MN

A selection review panel consisting of city staff and Airport Commission members completed the evaluation of the submittals including a careful review of the written SOQ's and an interview of the two firms. A competitive qualifications-based selection process was utilized consistent with Federal Aviation Administration (FAA) guidance for airport sponsors with federal grant program obligations. The FAA recommends that airport sponsors complete this process every five years.

After evaluation, the selection panel recommends the selection of SEH, Inc.for airport consulting services. Bolton and Menk has previously provided these services since 2011. The services are limited to those projects that have been identified in the airport CIP for approximately a five-year term. The Airport Commission has reviewed the recommendation of the selection panel and recommends approval.

Budget Impact:
There is no budget impact involved with the master agreement. The consultant will be paid for services based on agreed upon work orders describing scope of services and budget for individual project services as may be required.

Recommendation:
Staff recommends approval of the master agreement.

Master Agreement for Professional Services

This Master Agreement for Professional Services is effective as of February 26, 2024 between the City of Owatonna, Minnesota. ("Client") and Short Elliott Hendrickson Inc., a Minnesota corporation, located at 3535 Vadnais Center Drive, St. Paul, Minnesota ("Consultant") for Engineering and Planning services at the Owatonna Degner Regional Airport.

By entering into this Agreement, Client agrees to utilize the professional services of Consultant and Consultant agrees to provide the professional services described in this Agreement, exhibits or attachments. The attached General Conditions of the Agreement for Professional Services (General Conditions Rev. 05.15.22) shall apply to all work performed by Consultant on behalf of Client. Individual projects requested by Client on an as needed basis and accepted by Consultant will be described in Supplemental Letter Agreements ("SLA") with other optional exhibits and attachments cited. Nothing herein shall be deemed to require Client to retain Consultant or require Consultant to provide services beyond those specified in Supplemental Letter Agreements.

The following optional exhibits may be attached to an SLA: Exhibit A-1 for Hourly Payments, Exhibit A-2 or A-3 for Lump Sum Payments, and Exhibit B for Resident Project Representative Duties/Responsibilities.

This Master Agreement for Professional Services, General Conditions, Exhibits, and Attachments to Exhibits (collectively referred to as the "Agreement") represent the entire understanding between Client and Consultant and supersedes all prior contemporaneous oral or written agreements with respect to the services to be provided by Consultant hereunder. In the event of a conflict between the documents, this document and the attached General Conditions shall take precedence over all Exhibits unless alternate terms have been specifically agreed to on the SLA under "Other Terms and Conditions". The SLA shall take precedence over Exhibits. This Agreement may not be amended except by written agreement signed by the authorized representatives of each party.

Short Elliott Hendrickson Inc.	**City of Owatonna**
By: _____	By: _____
Title: Regional Practice Center Lead	Title: _____

General Conditions of the Agreement for Professional Services

SECTION I – SERVICES OF CONSULTANT

A. General

1. Consultant agrees to perform professional services as set forth in the Agreement for Professional Services or Supplemental Letter Agreement ("Services"). Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the Client or the Consultant. The Consultant's services under this Agreement are being performed solely for the Client's benefit, and no other party or entity shall have any claim against the Consultant because of this Agreement or the performance or nonperformance of services hereunder.

B. Schedule

1. Unless specific periods of time or dates for providing services are specified, Consultant's obligation to render Services hereunder will be for a period which may reasonably be required for the completion of said Services.
2. If Client has requested changes in the scope, extent, or character of the Project or the Services to be provided by Consultant, the time of performance and compensation for the Services shall be adjusted equitably. The Client agrees that Consultant is not responsible for damages arising directly or indirectly from delays beyond Consultant's control. If the delays resulting from such causes increase the cost or the time required by Consultant to perform the Services in accordance with professional skill and care, then Consultant shall be entitled to a equitable adjustment in schedule and compensation.

C. Additional Services

1. If Consultant determines that any services it has been directed or requested to perform are beyond the scope as set forth in the Agreement or that, due to changed conditions or changes in the method or manner of administration of the Project, Consultant's effort required to perform its services under this Agreement exceeds the stated fee for the Services, then Consultant shall promptly notify the Client regarding the need for additional Services. Upon notification and in the absence of a written objection, Consultant shall be entitled to additional compensation for the additional Services and to an extension of time for completion of additional Services absent written objection by Client.
2. Additional Services, including delivery of documents, CAD files, or information not expressly included as deliverables, shall be billed in accord with agreed upon rates, or if not addressed, then at Consultant's standard rates.

D. Suspension and Termination

1. If Consultant's services are delayed or suspended in whole or in part by Client, or if Consultant's services are delayed by actions or inactions of others for more than 60 days through no fault of Consultant, then Consultant shall be entitled to either terminate its agreement upon seven days written notice or, at its option, accept an equitable adjustment of compensation provided for elsewhere in this Agreement to reflect costs incurred by Consultant.
2. This Agreement may be terminated by either party upon seven days written notice should the other party fail substantially to perform in accordance with its terms through no fault of the party initiating the termination.
3. This Agreement may be terminated by either party upon thirty days' written notice without cause. All provisions of this Agreement allocating responsibility or liability between the Client and Consultant shall survive the completion of the Services hereunder and/or the termination of this Agreement.
4. In the event of termination, Consultant shall be compensated for Services performed prior to termination date, including charges for expenses and equipment costs then due and all termination expenses.

SECTION II – CLIENT RESPONSIBILITIES

A. General

1. The Client shall, in proper time and sequence and where appropriate to the Project, at no expense to Consultant, provide full information as to Client's requirements for the Services provided by Consultant and access to all public and private lands required for Consultant to perform its Services.
2. The Consultant is not a municipal advisor and therefore Client shall provide its own legal, accounting, financial and insurance counseling, and other special services as may be required for the Project. Client shall provide to Consultant all data (and professional interpretations thereof) prepared by or services performed by others pertinent to Consultant's Services, such as previous reports; sub-surface explorations; laboratory tests and inspection of samples; environmental assessment and impact statements, surveys, property descriptions; zoning; deed; and other land use restrictions; as-built drawings; and electronic data base and maps. The costs associated with correcting, creating or recreating any data that is provided by the Client that contains inaccurate or unusable information shall be the responsibility of the Client.
3. Client shall provide prompt written notice to Consultant whenever the Client observes or otherwise becomes aware of any changes in the Project or any defect in Consultant's Services. Client shall promptly examine all studies, reports, sketches, opinions of construction costs, specifications, drawings, proposals, change orders, supplemental agreements, and other documents presented by Consultant and render the necessary decisions and instructions so that Consultant may provide Services in a timely manner.
4. Client shall require all utilities with facilities within the Project site to locate and mark said utilities upon request, relocate and/or protect said utilities to accommodate work of the Project, submit a schedule of the necessary relocation/protection activities to the Client for review, and comply with agreed upon schedule. Consultant shall not be liable for damages which arise out of Consultant's reasonable reliance on the information or services furnished by utilities to Client or others hired by Client.
5. Consultant shall be entitled to rely on the accuracy and completeness of information or services furnished by the Client or others employed by the Client and shall not be liable for damages arising from reasonable reliance on such materials. Consultant shall promptly notify the Client if Consultant discovers that any information or services furnished by the Client is in error or is inadequate for its purpose.
6. Client agrees to reasonably cooperate, when requested, to assist Consultant with the investigation and addressing of any complaints made by Consultant's employees related to inappropriate or unwelcomed actions by Client or Client's employees or agents. This shall include, but not be limited to, providing access to Client's employees for Consultant's investigation, attendance at hearings, responding to inquiries and providing full access to Client files and information related to Consultant's employees, if any. Client agrees that Consultant retains the absolute right to remove any of its employees from Client's facilities if Consultant, in its sole discretion, determines such removal is advisable. Consultant, likewise, agrees to reasonably cooperate with Client with respect to the foregoing in connection with any complaints made by Client's employees.
7. Client acknowledges that Consultant has expended significant effort and expense in training and developing Consultant's employees. Therefore, during the term of this Agreement and for a period of two years after the termination of this Agreement or the completion of the Services under this Agreement, whichever is longer, Client shall not directly or indirectly: (1) hire, solicit or encourage any employee of Consultant to leave the employ of Consultant; (2) hire, solicit or encourage any consultant or independent contractor to cease work with Consultant; or (3) circumvent Consultant by conducting business directly with its employees. The two-year period set forth in this section shall be extended commensurately with any amount of time during which Client has violated its terms.

SECTION III – PAYMENTS

A. Invoices

1. Undisputed portions of invoices are due and payable within 30 days. Client must notify Consultant in writing of any disputed items within 15 days from receipt of invoice. Amounts due Consultant will be increased at the rate of 1.0% per month (or the maximum rate of interest permitted by law, if less) for invoices 30 days past due. Consultant reserves the right to retain Services or deliverables until all invoices are paid in full. Consultant will not be liable for any claims of loss, delay, or damage by Client for reason of withholding Services, deliverables, or Instruments of Service until all invoices are paid in full. Consultant shall be entitled to recover all reasonable

costs and disbursements, including reasonable attorney's fees, incurred in connection with collecting amounts owed by Client.
2. Should taxes, fees or costs be imposed, they shall be in addition to Consultant's agreed upon compensation.
3. Notwithstanding anything to the contrary herein, Consultant may pursue collection of past due invoices without the necessity of any mediation proceedings.

SECTION IV – GENERAL CONSIDERATIONS

A. Standards of Performance

1. The standard of care for all professional engineering and related services performed or furnished by Consultant under this Agreement will be the care and skill ordinarily exercised by members of Consultant's profession practicing under similar circumstances at the same time and in the same locality. Consultant makes no warranties, express or implied, under this Agreement or otherwise, in connection with its Services.
2. Consultant neither guarantees the performance of any Contractor nor assumes responsibility for any Contractor's failure to furnish and perform the work in accordance with its construction contract or the construction documents prepared by Consultant. Client acknowledges Consultant will not direct, supervise or control the work of construction contractors or their subcontractors at the site or otherwise. Consultant shall have no authority over or responsibility for the contractor's acts or omissions, nor for its means, methods, or procedures of construction. Consultant's Services do not include review or evaluation of the Client's, contractor's or subcontractor's safety measures, or job site safety or furnishing or performing any of the Contractor's work.
3. Consultant's Opinions of Probable Construction Cost are provided if agreed upon in writing and made on the basis of Consultant's experience and qualifications. Consultant has no control over the cost of labor, materials, equipment or service furnished by others, or over the Contractor's methods of determining prices, or over competitive bidding or market conditions, Consultant cannot and does not guarantee that proposals, bids or actual construction cost will not vary from Opinions of Probable Construction Cost prepared by Consultant. If Client wishes greater assurance as to construction costs, Client shall employ an independent cost estimator.

B. Indemnity for Environmental Issues

1. Consultant is not a user, generator, handler, operator, arranger, storer, transporter, or disposer of hazardous or toxic substances. Therefore the Client agrees to hold harmless, indemnify, and defend Consultant and Consultant's officers, directors, subconsultant(s), employees and agents from and against any and all claims; losses; damages; liability; and costs, including but not limited to costs of defense, arising out of or in any way connected with, the presence, discharge, release, or escape of hazardous or toxic substances, pollutants or contaminants of any kind at the site.

C. Limitations on Liability

1. The Client hereby agrees that to the fullest extent permitted by law, Consultant's total liability to the Client for all injuries, claims, losses, expenses, or damages whatsoever arising out of or in any way related to the Project or this Agreement from any cause or causes including, but not limited to, Consultant's negligence, errors, omissions, strict liability, breach of contract or breach of warranty shall not exceed five hundred thousand dollars ($500,000). In the event Client desires limits of liability in excess of those provided in this paragraph, Client shall advise Consultant in writing and agree that Consultant's fee shall increase by 1% for each additional five hundred thousand dollars of liability limits, up to a maximum limit of liability of five million dollars ($5,000,000).
2. Neither Party shall be liable to the other for consequential damages, including without limitation lost rentals; increased rental expenses; loss of use; loss of income; lost profit, financing, business, or reputation; and loss of management or employee productivity, incurred by one another or their subsidiaries or successors, regardless of whether such damages are foreseeable and are caused by breach of contract, willful misconduct, negligent act or omission, or other wrongful act of either of them. Consultant expressly disclaims any duty to defend Client for any alleged actions or damages.
3. It is intended by the parties to this Agreement that Consultant's Services shall not subject Consultant's employees, officers or directors to any personal legal exposure for the risks associated with this Agreement. The Client agrees that as the Client's sole and exclusive remedy, any claim, demand or suit shall be directed and/or asserted only against Consultant, and not against any of Consultant's individual employees, officers or directors, and Client knowingly waives all such claims against Consultant individual employees, officers or directors.
4. Causes of action between the parties to this Agreement pertaining to acts or failures to act shall be deemed to have accrued, and the applicable statutes of limitations shall commence to run, not later than either the date of Substantial Completion for acts or failures to act occurring prior to substantial completion or the date of issuance of the final invoice for acts or failures to act occurring after Substantial Completion. In no event shall such statutes of limitations commence to run any later than the date when the Services are substantially completed.

D. Assignment

1. Neither party to this Agreement shall transfer, sublet or assign any rights under, or interests in, this Agreement or claims based on this Agreement without the prior written consent of the other party. Any assignment in violation of this subsection shall be null and void.

E. Dispute Resolution

1. Any dispute between Client and Consultant arising out of or relating to this Agreement or the Services (except for unpaid invoices which are governed by Section III) shall be submitted to mediation as a precondition to litigation unless the parties mutually agree otherwise. Mediation shall occur within 60 days of a written demand for mediation unless Consultant and Client mutually agree otherwise.
2. Any dispute not settled through mediation shall be settled through litigation in the state and county where the Project at issue is located.

SECTION V – INTELLECTUAL PROPERTY

A. Proprietary Information

1. All documents, including reports, drawings, calculations, specifications, CADD materials, computers software or hardware or other work product prepared by Consultant pursuant to this Agreement are Consultant's Instruments of Service ("Instruments of Service"). Consultant retains all ownership interests in Instruments of Service, including all available copyrights.
2. Notwithstanding anything to the contrary, Consultant shall retain all of its rights in its proprietary information including without limitation its methodologies and methods of analysis, ideas, concepts, expressions, inventions, know how, methods, techniques, skills, knowledge, and experience possessed by Consultant prior to, or acquired by Consultant during, the performance of this Agreement and the same shall not be deemed to be work product or work for hire and Consultant shall not be restricted in any way with respect thereto. Consultant shall retain full rights to electronic data and the drawings, specifications, including those in electronic form, prepared by Consultant and its subconsultants and the right to reuse component information contained in them in the normal course of Consultant's professional activities.

B. Client Use of Instruments of Service

1. Provided that Consultant has been paid in full for its Services, Client shall have the right in the form of a nonexclusive license to use Instruments of Service delivered to Client exclusively for purposes of constructing, using, maintaining, altering and adding to the Project. Consultant shall be deemed to be the author of such Instruments of Service, electronic data or documents, and shall be given appropriate credit in any public display of such Instruments of Service.
2. Records requests or requests for additional copies of Instruments of Services outside of the scope of Services, including subpoenas directed from or on behalf of Client are available to Client subject to Consultant's current rate schedule. Consultant shall not be required to provide CAD files or documents unless specifically agreed to in writing as part of this Agreement.

C. Reuse of Documents

1. All Instruments of Service prepared by Consultant pursuant to this Agreement are not intended or represented to be suitable for reuse by the Client or others on extensions of the Project or on any other Project. Any reuse of the Instruments of Service without written consent or adaptation by Consultant for the specific purpose intended will be at the Client's sole risk and without liability or legal exposure to Consultant; and the Client shall release Consultant from all claims arising from such use. Client shall also defend, indemnify, and hold harmless Consultant from all claims, damages, losses, and expenses including attorneys' fees arising out of or resulting from reuse of Consultant documents without written consent.