

Owatonna City Council Minutes

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, Voss, 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 present 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 Accessory Structure in a Side Yard -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 Resolution 16-24 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 the 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 34th Avenue 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