

Owatonna City Council Minutes

July 1, 2025

On Tuesday, July 1, 2025, at 7:00 p.m., Council President Raney called the regular session of the Owatonna City Council to order in the Chambers of the Charles S. Crandall Center. Present were Council Members Svenby, Voss, Dotson, Burbank, Boeke, McCann and Raney; Mayor Jessop; City Attorney Walbran; Public Works Director Murphy; Community Development Director Klecker; Finance Director Burns; Fire Chief Hoffman; Park Director Dieckmann; Human Resources Director Thamert; IT Technology Specialist Enz; Communications Manager Sheely; Assistant City Administrator Tuma; City Administrator Busse; and Administrative Coordinator Clawson.

Following the roll call, Council President Raney advised of changes to the Agenda after posting on Friday: the Tree Trimmer Permit for the Davey Tree Expert Company was moved to the next Council Meeting and two items were moved from Miscellaneous Action to Miscellaneous Consent: the Professional Services -Land Surveying and Civil Engineering Agreement – Jones Haugh & Smith and the Private Storm Sewer Agreement – Precision Built Homes. Council Member Svenby made a motion to approve the agenda with these changes, Council Member Boeke seconded the motion, all members voted aye in approval.

Proclamation - Rainbowatonna Pride Day - July 12, 2025

Mayor Jessop commented Rainbow Owatonna will host a Pride Day in Central Park on Saturday, July 12th. Celebrating Pride influences awareness and provides support and advocacy for the LGBTQ+ community and is an opportunity to take action and engage in dialogue to strengthen alliances, build acceptance and advance equal rights. He encouraged everyone within the community to work together to promote equal rights for all, regardless of sexual orientation or gender identity.

New Member Recommendations: Rebecca Rand to Housing Redevelopment Authority & James Joachim to Planning Commission

Mayor Jessop commented that interviews were held to fill a current opening on the Housing Redevelopment Authority and on the Planning Commission. Mayor Jessop recommended Rebecca Rand be appointed to the HRA, a term to end April 30, 2030; and James Joachim to the Planning Commission, a term to end April 30, 2028. Council Member Boeke made a motion to approve these recommendations, Council Member Dotson seconded the motion, and all members voted aye in approval. Both new members were present to receive the Oath of Office administered by Mayor Jessop.

Consent Agenda Items

Council President Raney 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 – June 17, 2025
- Planning Commission Minutes - June 24, 2025
- HRA Board Minutes - June 23, 2025

EDA Minutes - June 18, 2025

Weed/Nuisance Inspection Report - June 24, 2025

Event Permit - Music on Pearl & Exception to City's Noise Ordinance - July 18, 2025

Event Permit - Owatonna Walk to End Alzheimer's - September 27, 2025

Exempt Permit - Make-A-Wish Minnesota - Raffle - July 27, 2025

Exempt Permit - Minnesota Pheasants Inc - Steele County - Raffle - August 1-17, 2025

Exempt Permit - Eagles Ladies Auxiliary #1791 - Pull-Tabs - August 13-17, 2025

Exempt Permit - American Cancer Society, Inc. - Raffle - October 25, 2025

Temporary Liquor Permit - MSB at Downtown Thursday Event - July 24, 2025

Professional Services - Land Surveying and Civil Engineering Agreement - Jones, Haugh & Smith

The Sherwood Heights neighborhood has recently seen development of new single-family homes. With the provided information in accompanying grading permit applications, emergency overflow elevations were found to be substandard and could potentially cause flooding issues with existing homes. Staff have been working with homeowners to address the issue and are engaging with JHS to provide survey and design services to implement grading modifications that will lower the existing emergency overflow elevation. Reducing the overflow elevation will provide more protection to existing structures in the neighborhood. The cost will not to exceed \$4,750 without prior approval.

Private Storm Sewer Agreement - Precision Built Homes

Precision Built Homes requested a Private Storm Sewer Agreement for Lots 12, 13, & 14, Block 3 of Radel's Francis Addition to allow construction of a private storm sewer and connect to City storm sewer. Due to unique grading and rear yard drainage issues between Bellflower Ln NE and Mineral Springs Parkway NE, the undeveloped lots referenced are/were required to reduce drainage to the rear yards to the maximum extent practicable. The owner proposed private on-site storm sewer serving the three lots and drainage collection methods to reduce the volume of stormwater directed to the rear yard, improving the existing condition. This stormwater agreement requires the owner(s) to maintain the private facilities and continuously keep them in good working order. All maintenance responsibility lies with the property owners, and it is explicitly written that the City is held harmless from any liability resulting from the private facilities. The City will not incur any cost for this agreement.

Council Member McCann made a motion to approve these Consent Agenda items; Council Member Dotson seconded the motion; all members voted aye for approval.

Finance Report

Council Member Voss recapped payments made for amounts greater than \$20,000 during this period:

\$ 330,000.00 Aire Holdings LLC - Aire Apartments forgivable loan reimbursement #1 & 2
34,911.47 Crane Creek Asphalt – asphalt

48,675.00	Dorco Inc/Overhead Door Co – CIP Project - WWTP overhead door replacement
232,671.03	Environmental Equipment & Services - Tymco 600 Sweeper – Streetu#25219
25,595.22	Hawkins - chemicals
115,210.00	League of MN Cities Ins Trust - Quarterly Workers Comp premium - July - Sept 2025
168,528.29	Near North Title Group - purchase 502 Maple Dr
22,405.16	Owatonna Area Chamber of Commerce - Lodging Tax April 2025
184,804.00	Owatonna Motor - (4) 2025 Ford Explorers - police
62,997.19	Short Elliot Hendrickson
	- 2024 Roof Replacement Study Owatonna Regional Airport \$2,238.00
	- 18th St SE reconstruction services - April 2025 - \$60,759.19
149,592.74	Southeast Service Cooperative - June 2025 health ins premiums
28,530.00	SPS Companies Inc - CIP P&R-23-015 River Spring pool boilers replacement
156,968.25	Ulland Brothers Inc- project # 23002 - 18th Street SE Trail - pay est #1
513,334.40	Wencl Construction - project #25001 - Street & Utility - pay est #2
<u>308,985.44</u>	Other Expenditures
\$2,383,208.19	Subtotal
<u>104,778.00</u>	HRA Housing Assistance Payment
\$2,487,986.19	Total Expenditures presented for approval

Council Member Boeke made a motion to approve payment of all bills presented, Council Member McCann seconded the motion, all members voted aye in approval.

Second/Final Reading Proposed Ordinance 25-08 Amend Chapter 93, Health and Sanitation; Nuisances - Permits for Use of Designated Park Areas with Summary Publication

City Attorney Walbran requested approval of Proposed Ordinance 25-08 and Summary Publication to amend Chapter 93, Title IX, of the 2015 Ordinance Code by adding thereto "Permits for Use of Designated Park Area". This proposed ordinance follows two amendments made to our noise ordinances in February. § 93.209 entitled "Noise in Public Parks" and Ordinance § 95.030 adopting MPCA noise standards as required by statute. A City can't grant exclusive use of a park, but it may issue a permit for the rights to use designated areas such as a pavilion or green space for the event. Council approved the first reading of this proposed ordinance during their meeting on June 17, 2025, and there have been no changes since. Council Member Burbank made a motion for approval; Council Member McCann seconded the motion. With a roll call vote, voting aye were Council Members Svenby, Voss, Dotson, Burbank, Boeke, McCann and Raney; No Nays; the motion carried. This will be known as Ordinance 1675 to be effective upon publication on July 5, 2025.

First Reading Proposed Ordinance 25-09: Amend City Code Section 93.029, Noise in Public Parks

City Attorney Walbran presented Proposed Ordinance 25-09 for approval. This ordinance will correct a mistake made in Ordinance 1669. On February 18, 2025, the City Council amended City Code Section §93.029 entitled "Noise in Public Parks" prohibiting the use of sound amplification systems such as megaphones, bullhorns, and public address systems. The Council provided exceptions to the prohibition, including persons who have obtained a permit for such use as provided in Subsection (J). Inadvertently, Subsection 93.029(G), (ii) referred to Subsection (I) when the correct reference is to subsection (J). Proposed Ordinance 25-09 corrects this mistake. Council Member Voss made a motion for approval; Council Member Boeke seconded the motion. With a roll call vote, voting aye were Council Members Burbank, Boeke, McCann, Svenby, Voss, Dotson, and Raney; No Nays; the motion carried. The second/final reading of this proposed ordinance will be heard during the next Council Meeting.

Resolution 33-25 Set Owatonna Public Utilities Commissioner Compensation

City Administrator Busse presented a request received from Roger Warehime, General Manager at Owatonna Public Utilities (OPU) for an adjustment to compensation to the OPU Commissioners. Their current compensation of \$125 per month was established in 2013 and has remained unchanged since. After reviewing compensation levels across municipal utilities in Minnesota, we found a wide range—from \$0 to \$583 per month—with the average among those who provide compensation being \$215. Based on these comparisons, I am requesting that the City Council consider increasing the monthly compensation for OPU Commissioners to \$250. Council Member Svenby made a motion for approval, Council Member Boeke seconded the motion, all members voted aye in approval.

Resolution 34-25 MnDOT Grant Agreement - Airport Flex Wing Mower

Community Development Director Klecker requested approval of Resolution 34-25 authorizing the acceptance of MnDOT grant agreement for funding participation to purchase a new Flex Wing Mower for the airport. The purchase of this equipment has been identified as a need to replace the existing airport 2012 flex wing mower. The existing mower was purchased under a previous MnDOT grant and will be sold with the purchase of the new equipment. Because the mower to be replaced as purchased utilizing 66% state funding, this percentage of the proceeds from the sale will be due to be paid back to MnDOT Aeronautics. Associated costs to acquire the equipment are as follows:

New John Deere FC20R Flex Wing Rotary Mower

State: \$26,908.00 (70%)

City: 11,532.00 (30%)

\$38,440.00

Estimated sale value of existing 2012 mower purchased under grant S.P. 7401-89:

State: \$ 5,667.00 (66%)

City: 2,833.00 (34%)

\$ 8,500.00

The MnDOT Grant offer is for \$26,908.00, representing approximately 70% of the equipment cost. The city share of the airport equipment under the grant offer is \$11,532.00. The total cost to the city for the equipment will be approximately \$8,700 after the city share of the sale value of the existing mower is applied. Council Member Voss made a motion to accept this grant and equipment purchase, Council Member McCann seconded the motion, all members voted aye in approval.

Resolution 35-25 Wastewater Treatment Agreement - City of Medford

Public Works Director Murphy requested approval of the proposed wastewater treatment agreement with the City of Medford to collect Medford's sanitary waste and treat at Owatonna's Wastewater Treatment Facility. In 2023, the City of Owatonna revised its bonding request from the State to include regionalization of our already under construction Wastewater Treatment Facility Expansion project by including the City of Medford. The mutual benefits both communities would receive proved to strengthen our request and ultimately led to the legislature committing \$26.5M to both communities' projects. When taking on treatment responsibility with another collection system, the MPCA requires an agreement between the two parties that defines a multitude of items including, but not limited to, maintenance responsibility of each collection system and treatment facility, capacity allocation, and user rates and charges. The agreement presented is nearly complete. We are still working with Medford and their attorney on final language as well as determination of Medford Ordinance revisions and adoptions that will need to align with this agreement. Staff are asking for authorization to approve the agreement with pending potential non-substantive changes soon. We are requesting flexibility to allow both sides' attorneys to craft potential changes in the agreement as we go through final review. Medford has bid on their project and is looking to receive final approval from the MPCA to start construction. This approach allows for flexibility to modify language without having to come back to the Council. Staff will rely on City Attorney Walbran and our expert Counsel to determine if changes to the agreement language should be brought back to Council.

The city will receive a SAC Charge of \$1,195,944, a monthly service charge of \$10,328.16, and flow charges of \$2.47 per CCF for collecting and treating Medford's sanitary wastewater. All rates and charges are based on 2025 adopted rates.

Council Member Svenby thanked Public Work's Director Muphy and staff for their work on this project and agreement with the City of Medford. Council President Raney agreed and commented the Medford City Engineer was present during the Council Study Session to answer questions. Council Member Dotson made a motion to approve Resolution 35-25, Council Member Burbank seconded the motion, all members voted aye in approval.

Professional Services Agreement - Zoning & Subdivision Ordinance Update - Bolton & Menk

Public Works Director Murphy presented an agreement with Bolton & Menk to rewrite the city's Zoning and Subdivision Ordinances. As part of the 2050 Imagine Owatonna Comprehensive plan numerous items were recommended to update within the zoning and subdivision ordinances including deleting and adding zoning districts. As part of the implementation plan, this rewrite is moving in that direction.

Four proposals were received from consultant firms that responded to our Comprehensive Plan. Through an established interview and review committee two firms were interviewed. Following the interviews, City Staff unanimously recommending we move forward with Bolton & Menk for this process. Bolton and Menk's proposal is for roughly 12 months and will lead the city through this process. A kickoff meeting will be scheduled with Staff for July. The cost of the project is \$106,252. The current budget includes \$75,000 for this project and a budget adjustment request is pending for the remainder. The preliminary budget estimates for this project were \$150,000. Council Member Boeke made a motion for approval, Council Member Svenby seconded the motion, all members voted aye in approval.

Engineering Services Agreement – Sewer Rate Updates – Nero Engineering

Public Works Director Murphy requested approval of the Engineering Services Agreement with Nero Engineering providing professional services to update sanitary rate model and provide other miscellaneous engineering services. In 2021, Owatonna adopted a sewer rate model that incorporated the ongoing WWTF Expansion and Upgrade project. In 2023, after completing a comprehensive sewer plan, the sewer rate model was updated to incorporate the capital projects identified in the study. Additionally, the model has been updated to include revenue shortcomings from the original model, specialized rates for Viracon and bonding money received for the WWTF Expansion and Upgrade project. This proposal will include three years of rate model updates (2025, 2026, 2027) and other miscellaneous engineering services. The total contract is to not exceed \$21,598 without prior authorization. Council Member Voss made a motion for approval, Council Member Burbank seconded the motion, all members voted aye in approval.

STAFF REPORT

Park & Recreation Director Diekman gave a brief comparison of attendance at River Springs Water Park. The weather has been good and year-to-date attendance this year is higher than it was last year but less than what it was in 2023. The number of annual passes purchased this year is like those of last year. Participation at Brooktree Golf Course is similar to last year for green fees collected and the number of season passes purchased. There are several special events planned at RSWP, information is available on the city's website.

Director Diekmann then explained why the DNR recommends hunting 30 minutes before sunrise and 30 minutes after sunset. The primary reason is deer are crepuscular, meaning they are most active during these twilight periods. Allowing hunting during these times increases the likelihood of a successful harvest while aligning the natural animal behavior

PUBLIC COMMENTS

Melissa Zimmerman, 2525 Stony Creek Drive commented she hung two posters in her garage, similar posters hung 17 feet apart. The posters were placed at eye level, one on the wall near the rear of her van and the other near her van's front end. The poster hanging near the rear of her van now looks stressed and damaged by exhaust pollution. Some homes in our neighborhood are only 17 feet from the route proposed for the East Side Corridor Project. We have been assured our concerns will be addressed later and request the City Council change the proposed route to avoid a lot of our concerns. Seventeen feet isn't much but living so close to the traffic will cause damage to our lungs.

Gary Jones, 995 Ridge Road thanked Park & Rec Director Diekmann for the information about the hours the DNR allows for deer hunting. The hunters are required to pass an efficiency test' these tests are administered by the Park & Rec Department and not the DNR. Change the city's proficiency test to be done in the dark, if the tests were done 30 minutes after sunset, nobody would hit the targets.

Gale Jorgenson, 249 E Main Street commented she has been researching the history of her house, she found some pictures online from 1890 which look like her home. She shared some information she found about a battle within the city limit of Owatonna, a harsh battle involving 20,000 men fight within 20 acres. Tomorrow will be the 167 anniversary of the first MN Charge against the ridge, a reminder that freedom is continually being won.

John Thom, 1950 3rd Avenue NE commented he has lived in Owatonna since 1986. Some requirements of the City's Building Inspectors are excessive, additions cannot be on stilts, I have been required to put foundations under two buildings, two feet below grade, which added additional/unnecessary costs of \$15,000 to business. I am a builder, a logical thinker, some of the requirements do not make sense. Now, I have been advised renovations require a graspable railing and he distributed photocopies of various railing options.

MAYOR AND COUNCIL COMMENTS:

Council Member Voss wished everyone a safe and happy 4th of July and his mother a happy 90th birthday on July 3rd.

Council Member McCann commented he attended the LMC Annual Conference last week in Duluth and learned something during each session and thankful for the opportunity to attend.

Mayor Jessop thanked new commission/board members Rebecca Rand and Jim Joachim for volunteering to serve the community. He then reminded everyone of the Rainbowatonna Pride Day Event planned for next Saturday, July 12th in Central Park and encouraged everyone to attend.

City Administrator Busse reminded everyone this Thursday, July 3rd is a Downtown Thursday beginning at 5:00 p.m.

Council President Raney commented he also attended the LMC Conference in Duluth and thought the breakout sessions were very informative. He asked everyone to be safe

during the 4th of July festivities and then closed with a quote from Lech Walesa: "We hold our heads high, despite the price we have paid, because freedom is priceless.

At 7:48 p.m., Council Member Boeke made a motion to adjourn, Council Member Dotson seconded the motion and with no objection, the meeting ended.

Respectfully submitted,

Jeanette Clawson, Administrative Coordinator