# CITY COUNCIL MEETING

**Tuesday, October 7, 2025 at 7:00 PM**
**Council Chambers, City Hall at 540 West Hills Circle**
**Roll Call: Council Members Burbank, Boeke, McCann, Svenby, Voss, Dotson, and Raney**

**Prior to the meeting:**

5:00 p.m.- Study Session in Council Chambers, City Hall at 540 West Hills Circle. Troy Klecker, Community Development Director, will give updates on the Housing Redevelopment Authority (HRA) and the Economic Development Authority (EDA).

1. **INTRODUCTORY ACTIONS:** Call to Order; Roll Call and Pledge of Allegiance
   - 1.1. Council Agenda
   - 1.2. Mayor Jessop
     - 1.2.1. Proclamation - 2025 Foundation Week - September 30 - October 4, 2025
     - 1.2.2. Proclamation - 2025 Firefighter of the Year - Bonnie L. Hermel
     - 1.2.3. Proclamation - Domestic Violence Awareness Month - October 2025
2. **CONSENT AGENDA ITEMS**
   - 2.1. Minutes – Council Meeting – September 16, 2025
   - 2.2. Board/Commission Meeting Minutes
     - 2.2.1. Library Board Meeting — August 21, 2025
     - 2.2.2. Airport Commission Meeting - September 18, 2025
     - 2.2.3. HRA Board Meeting - September 22, 2025
   - 2.3. Department Reports:
     - 2.3.1. Fire - Monthly Dashboard and Activity Report - August 2025
     - 2.3.2. Police - Crime Clock and Activity Report - September 2025
     - 2.3.3. Building Inspection Monthly Report - September 2025
     - 2.3.4. Weed/Nuisance Inspection Report - October 1, 2025
   - 2.4. Licenses/Permits
     - 2.4.1. Temporary Liquor Permit - Owatonna Arts Center - November 14, 2025
     - 2.4.2. Excluded Bingo Permit - Purse Bingo - Early Edition Rotary - November 14, 2025
     - 2.4.3. Exempt Permit - St Mary's School of Owatonna Raffle - March 21, 2026
   - 2.5. Miscellaneous
     - 2.5.1. Tabled Item - Event Permit - Cedar Fest on October 11, 2025 - has been canceled
     - 2.5.2. Amend Resolution 52-25 2026 Proposed City Budget and Levy
     - 2.5.3. Lease Addendum - Wee Pals

2.5.4. Commercial Lease Renewal - Accelerated Aviation

**3. <u>ACTION ITEMS</u>**

3.1. Finance Report

3.2. Resolutions

3.2.1. Resolution 58-25: Order Feasibility Report — 18th Street SE Reconstruction Project

3.2.2. Resolution 59-25: Order Feasibility Report — Main Street Reconstruction and Rehabilitation

3.2.3. Resolution 60-25 Declare Costs — 2024 Street & Utility Project

3.2.4. Resolution 61-25: Set Public Hearing Date — 2024 Street & Utility Project Proposed Assessments

3.2.5. Resolution 62-25 Airport Maintenance and Operations Grant Agreement - MnDOT

3.2.6. Resolution 63-25 Award 2025 Fall Demolition Projects

3.2.7. Resolution 64-25 Authorize MnDOT Grant - Airport Taxilane and Parking Lot Reconstruction

3.2.8. Resolution 65-25: Award Sale of General Obligation Bonds 2025A

3.2.9. Resolution 66-25: Rescind Lakeside Foods Notice of Violation & Authorize Consent Agreement

3.2.10. Resolution 67-25 Legal Services Contract - Steele County Attorney's Office

3.2.11. Resolution 68-25 Joint Powers Agreement and Court Data Services Amendment for Prosecuting Attorney - State of Minnesota, Dept of Public Safety, BCA

3.2.12. Resolution 69-25 Declare Hazardous Building - 2008 Greenwood Dr. NE

3.3. Miscellaneous

3.3.1. Commercial Hangar Space Lease - Accelerated Aviation

3.3.2. Amendment One to Airport Sublease - John Klatt Airshow, Inc. & NavFleet Holding, LLC

3.3.3. Amendment Two to Airport Sublease - Fountain Aviation, LLC

3.3.4. Wastewater Treatment Facility IRA Energy Credit 80/20 Evaluation Services — Baker Tilly

**4. <u>PUBLIC COMMENTS:</u>** 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.

**5. <u>COUNCIL COMMENT AND GENERAL INFORMATION</u>**

**6. <u>ADJOURN</u>**

CITY OF OWATONNA

# Mayor Jessop

# Proclamation

**WHEREAS** The Owatonna Foundation began in 1958 and has established a goal to improve the quality of life for present and future generations of Owatonna residents; and

**WHEREAS** The Owatonna Foundation is committed to a strong leadership role in helping fundraising initiatives that engage our community and assist volunteers with energy, enthusiasm and success; and

**WHEREAS** The Owatonna Foundation touches the lives of every citizen in Owatonna and helps to shape the future of our community by funding projects that make a difference; and

**WHEREAS** The Owatonna Foundation makes our community stronger by distributing funds in the form of grants for specific "brick and mortar" community projects as well as through scholarships to help further the educational goals of individuals; and

**WHEREAS** More than 300 projects totaling over $14 million dollars have been invested through the Owatonna Foundation to improve the welfare of our community within the areas of Community, Arts, Recreation and Education.

**NOW THEREFORE I,** Matt Jessop, Mayor of the City of Owatonna, hereby proclaim September 30 through October 4, 2025 as

## OWATONNA FOUNDATION WEEK

And ask the Citizens of Owatonna to help recognize and support the Owatonna Foundation as they raise the visibility and awareness of the Owatonna Foundation's role in improving the quality of life in Owatonna.

Dated: September 23, 2025

By:_____

Matt Jessop, Mayor

CITY OF OWATONNA

# Proclamation

**WHEREAS** Bonnie Hermel was nominated by the city's fire staff and selected by Chief Hoffman as the

## **2025 Firefighter of the Year**; and

**WHEREAS** Bonnie is a Senior Administration Technician for the Fire Hall with exemplary organizational, IT and website skills. She represents the Fire Department on the city's Communication Task Force, Culture Team, Social Media User Group and the Website User Group. She is often asked to assist staff in other departments with technology issues or to tackle a new software program; and

**WHEREAS** Bonnie joined the Owatonna Fire Department in 2006 and has seen many staffing changes at the Fire Hall during the last nineteen years. A new Fire Chief, addition of an Assistant Fire Chief all new fire commanders, fire equipment operators and many new paid-on-call firefighters. Fire staff appreciate Bonnie's timely completion of tasks, one of which is to review and process their payroll timecards; and

**WHEREAS** Bonnie enjoys spending quality time with her husband Steve and son Parker. She likes to bake, read and attend her son's robotic team competitions.

**NOW THEREFORE I,** Matt Jessop, Mayor of the Great City of Owatonna, do hereby proclaim Thursday, October 9, 2025 as

## BONNIE HERMEL DAY

and call upon all Owatonna Citizens to thank Bonnie for her service. The Exchange Club of Owatonna will host the 2025 Firefighter Banquet on Thursday, October 9th at the Owatonna Eagles to recognize Bonnie for this honor and also acknowledge all of our city's firefighters that risk their lives for us each day.

Dated: October 9, 2025 By:

_____

Matt Jessop, Mayor

CITY OF OWATONNA

# Proclamation

**Whereas,** the crime of domestic violence violates an individual's privacy and dignity, security and humanity, due to systematic use of physical, emotional, sexual, psychological and economic control and/or abuse including abuse to children and the elderly, and

**Whereas,** the problems of domestic violence are not confined to any group or groups of people, but cut across all socio-economic, cultural, racial, sexual orientations, genders, age and societal barriers, and are supported by societal indifferences, and

**Whereas,** the impact of domestic violence is wide ranging, directly effecting individuals and society as a whole, here in this community, throughout the United States and the world, and

**Whereas,** it is battered women themselves who have been in the forefront of efforts to bring peace and equality to the home.

**Now therefore,** in recognition of the important work done by domestic violence programs, I, Matt Jessop, Mayor of the City of Owatonna do hereby proclaim the month of October to be

## *Domestic Violence Awareness Month*

and urge all Owatonna citizens to actively participate in the activities and programs that work toward improving victim safety and holding perpetrators of domestic abuse accountable for their actions against individual victims and our society as a whole.

Dated: October 7, 2025

Signed: _____

Matt Jessop,. Mayor

CITY OF OWATONNA

CITY OF OWATONNA

# Council Minutes

**Owatonna City Council Minutes**
**September 16, 2025 – DRAFT COPY**

On September 16, 2025 at 7:00 p.m., City Council President Rainey called the regular session of Owatonna City Council to order in the Chambers of the Charles S. Crandall Center. Present where Council Members Voss, Dotson, Burbank, Boeke, McCann, Svenby and Raney; Mayor Jessop, City Attorney Walbran, Public Works Director Murphy; Community Development Director Klecker; Finance Director Burns, Fire Chief Hoffman; IT Director Brown; It Specialist Enz; Communications Manager Sheeley, Assistant City Administrator/Human Resource Director Thamert, City Administrator Tuma, and Administrative Coordinator Clawson

Following roll call, Council Member Svenby made a motion to approve the agenda as presented, Council Member Dotson seconded the motion, all members present voted aye in approval.

**Mayor Jessop**

Mayor Jessop commented he has three proclamations to acknowledge:

1) 2025 Quilt of Valor Day – September 11th – eleven veterans were honored to receive quilts during the event hosted by the Owatonna Exchange Club.
2) Hunter Alexader Frank Day – September 13th - the HAF Memorial Foundation recognizes the life of Hunter Alexander Frank who gave his life in service to our country in 2020 while serving in the Navy in El Salvador.
3) Owatonna Foundation week – September 30-October 4, 2025, to recognize and support the Owatonna Foundation as they raise the visibility and awareness of their role in improving the quality of life in Owatonna. The Owatonna Foundation makes the community stronger by distributing funds int eh form of grants for specific community projects and through scholarships to help further the educational goals of individuals.

**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 – September 2, 2025
Library Board Meeting- June 26, 2025
Human Right Commission Meeting – August 12, 2025
Park Board Meeting – September 8, 2025
Airport Commission Minutes – August 21, 2025
Building Inspection Monthly Report – August 2025
Police Department Activity Report- August 2025
Weed/Nuisance Inspection Report- September 8. 2025
Event Permit- Trunk or Treat at Trinity Lutheran Church - October 29. 2025
Event Permit – Cedar Fest – October 11, 2025 with Extension of Premises for Grapeful Wine and Reggie's Brewhouse
Event Permit – Fire Department Open House October 5, 2025
Parks & Recreation Fees Manual - The Parks and Recreation Fees Manual is reviewed and modified periodically, with adjustments made as necessary and aligns with market

rates. Park Board approved the proposed changes at their September 8, 2025 meeting and recommended approval.

T-Hangar Lase Agreement – Robert Straw, Farmington MN – 1-year lease, Building 4, Unit G, $230.00/month.

ReLeaf Community Forestry Gant – Minnesota DNR - approval to proceed with grant application to encourage and promote the inventory, planting, assessment, maintenance, improvement, protection, utilization, and restoration of trees and forest resources to enhance community forest ecosystem health and sustainability as well as to reduce atmospheric carbon dioxide levels and promote energy conservation. Application is to (1) finish the tree inventory in maintained areas of city parks and along main trails and (2) to develop a portion of a tree management plan that will address dying, diseased and dangerous trees and limbs.

The tree inventory will include genus/species/type, condition, DBH in a format that will transfer into Cartegraph. The management plan, along with Cartegraph will drive forestry-related activities and maintain a healthy tree canopy. There is no matching funds required for this grant. The total amount requested is dependent on estimates received from contractors.

Administrative Coordinator Clawson advised the time on the Event Permit for the Open House at the Fire Hall, Item 2.4.3 has been changed to begin at noon and end at 2:00 p.m. on Sunday, October 5th Council Member Burbank made a motion to approve these Consent Agenda items; Council Member Boeke seconded the motion. Council Member Dotson requested Item 2.4.2, an Event Permit for Cedar Fest on October 11, 2025 with Extension of Premises for Grapeful Wine and Reggie's Brewhouse be tabled for receipt of additional information, in particular will it be required for streets to be blocked off the full day? Council Member Burbank amended his motion to approve all Consent Agenda with exception of Item 2.4.2, Council Member Boeke seconded this motion, all members voted aye in approval.

**Finance Report**

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

| | |
|---|---|
| $ 28,372.12 | AvFuel Corp - Airport fuel for resale |
| 22,305.90 | Central Farm Service - fleet fuel |
| 61,745.00 | EPA Audio Visual Inc - audio visual equipment - Gainey room - Library |
| 30,039.34 | Equity Builders & Construction - pay est #3 - dome hangar roof replacement |
| 24,468.40 | From the Ground Up - 2025 storm damage tree removal |
| 38,440.00 | Kibble Equipment (replacement check) FC20R Flex Wing Rotary Cutter - Airport |
| 207,306.00 | Pearson Brothers Inc - 25005 Street Maintenance - pay est #1 Final |
| 23,124.85 | Steve James Excavating Inc |
| | - Repair sanitary sewer service - 536 South St - $6,075.35 |
| | - Replace curb - Ridge Rd/11th Ave - $10,224.00 |
| | - Screen dirt - $1,140.00 - Street & Park dept |
| | - Repair manhole - 649 Woodhill Pl - $5,685.50 |
| 236,748.55 | Ulland Brothers Inc - 23002 18th Street SE Trail - pay est #3 |

| | |
|---|---|
| 35,606.00 | Wencl Construction - 25001 Street & Utility - pay est #4 |
| 214,872.76 | Other Expenditures |
| $923,028.92 | Total Expenditures Presented for Approval |

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

**Second/Final Reading Proposed Ordinance 25-10 Salary Adjustment - Elected Officials**

City Administrator Tuma requested approval of Proposed Ordinance 25-10 to amend Code Section 32.001 of the 2015 Code of Ordinances for the City of Owatonna. This will authorize an increase in the salaries to be paid to the City's Elected Officials beginning January 2027. The first reading was heard during the last City Council Meeting on September 2, 2025 and there have been no changes since.

Council Member Dotson commented he could not support this proposed wage increase for elected officials. During tonight's study session, discussion included the preliminary levy amount which will be presented later during this meeting; an increase in our salaries is not necessary, when there are many other things needed.

Council Member Burbank disagreed with Council Member Dotson, saying an increase in elected official's salaries is well deserved.

Council Members Svenby and Raney each commented that they would not be supporting this wage increase. With a roll call vote, voting aye were council members Burbank, Voss and McCann; voting nay were council members Dotson, Svenby, Boeke, and Raney nullifying the proposed ordinance.

**Second Reading Proposed Ordinance 25-11 Update Code Section 113 Alcoholic Beverage - Hours for Sunday On-Sales**

City Administrator Tuma requested approval of Proposed Ordinance 25-11 to amend Code Section 113, Alcoholic Beverages for the hours liquor can be sold on Sundays. The first reading of this proposed ordinance was heard during September 2nd City Council Meeting and there have been no changes since.

Sunday On-Sale Liquor service can begin at 8:00 a.m. This Amendments will clarify two sections of the city's 2015 Code of Ordinances in Chapter 113 - Alcoholic Beverages: Section 113.052(D)(6) and Section 113.056(B)(1)(b).

Council Member Dotson made a motion for approval; Council Member McCann seconded the motion. With a roll call vote, voting aye were Council Members Dotson, Burbank, Boeke, McCann, Svenby, Voss and Raney, the motion carried. This will be known as Ordinance 1677 to be effective upon publication.

**Resolution 52-25 Proposed 2026 City Budget and Levy**

Finance Director requested approval of Resolution 52-25 setting the Proposed Budget and Levy for 2026. The proposal is consistent with the City's strategic plan and aligns with the City's purpose, which is to create a better tomorrow, and value better together, community stewardship, and pride in our work. The 2026 proposed levy includes an increase of 13.0%.

The 2026 budget invests in our people, prepares for future public safety facilities, and addresses rising costs, all while maintaining the high service levels our community enjoys. Personnel costs make up 74% of the General Fund, and with a competitive job market, the City strives to offer wages and benefits that retain dedicated employees.

At the same time, we are managing higher costs for goods and services and planning for significant investment in new public safety facilities. These steps ensure that Owatonna continues to provide quality services and the best value for taxpayers today and into the future. The final levy amount and budget will be presented during the Annual Truth in Taxation Meeting on December 2nd at 6:00 p.m. TheCouncil can approve a final levy amount that is lower but not greater than this proposed levy amount, 13.0%. The 2026 Preliminary Budget amount is $48,354,551.

Council President Raney commented the proposed levy and budget were discussed during the Study Session prior to this meeting. Council Member Voss made a motion for approval; Council Member Boeke seconded the motion.

Council Member Dotson commented this proposed levy increase was a surprise to all council members. He thanked staff for their work in preparing the 2026 budget and believes there are some opportunities to lower this amount and plans to vote no on this item tonight.

Council McCann agreed with Council Member Dotson. He would like to slow down some of the proposed projects and said he will also be voting no tonight.

Council Member Svenby stated that he also agrees with these comments and will also be voting no.

Council Member Boeke commented that this is just a beginning point. During these next three months, we will be looking for ways to lower the budget requests and levy amount.

Council Member Voss commented that the budget preparation has been interesting process. He wants more information prior to the final budget approval in December. We need to start somewhere, a resolution must be approved prior to September 30th so we need to approve resolution to continue the budget process.

Council Member Randy commented there some valid points raised during the Study Session and he plans to support this resolution on the understanding that we will continue to work to lowering these amounts prior to approval of the Final Budget and Levy in December. A roll call vote was requested, voting aye were Council Members Burbank, Boeke, Voss and Raney; voting nay were Council Members Dotson, Svenby and McCann; the resolution was approved.

**Resolution 53-25 Proposed 2026 Housing & Redevelopment Authority Levy and Budget**

Finance Director Burns requested approval of Resolution 53-25 setting the Proposed 2026 Housing & Redevelopment Authority (HRA) Levy and Budget. The HRA is considered a special taxing district and its levy is adopted separately from the City levy. The City Council is required to adopt a proposed budget for the following year and certify its proposed property tax levy to the county auditor on or before September 30th. An overview of the proposed 2026 budget was presented to council on August 27. A more detailed presentation of the HRA budget and levy was presented to council on September 9.

The amount of the levy shall be an amount approved by the governing body of the city, but shall not exceed 0.0185 percent of estimated market value. Per the County Auditor & Assessor, the 2024 estimated market value was $2,741,293,500. The allowable levy would be $507,139 compared to the requested levy of $230,000. The final levy amount and budget will be presented on December 2nd at 6:00 p.m. Council can approve a final levy amount that is lower but not greater than the proposed levy amount. Council Member Boeke made a motion for approval, Council Member Burbank seconded the motion. With a roll call vote, voting aye were Council Members Burbank, Boeke, Voss and Raney; voting nay were Council Members Dotson, Svenby and McCann; the resolution was approved.

**Resolution 54-25 Declare Costs to be Assessed - Weed and Nuisance Compliance**

Fire Chief Hoffman requested approval of Resolution 54-25. The Owatonna Fire Department enforces the city codes for mowing weeds and grass, other harmful vegetation, and other services by using a mowing service to bring noncompliant properties into compliance. The total assessment amount of $5,483.30 will reimburse the city for the cost of weed and nuisance enforcement. The City's share of these costs will be $0. This resolution sets the public hearing to consider the proposed assessments on October 21, 2025. Council Member Dotson made a motion for approval, Council Member Boeke seconded the motion, all members voted aye in approval.

**Resolution 56-25 FAA Grant Agreement - Airport Taxilane and Parking Lot Reconstruction Project**

Community Development Director Klecker presented Resolution 56-25 to authorize use of an FAA Grant Agreement for the Airport Taxilane and Parking Lot Reconstruction Project. This project consists of the reconstruction of a taxilane pavement section in the hangar building area and the automobile parking lot and access road. Both pavement areas are beyond their useful life and deteriorated to the point that reconstruction is recommended by the engineer. Funding is available under Public Law 117-58—Infrastructure Investment and Jobs Act referred to as the Bipartisan Infrastructure Law (BIL). These funds are to be administered by the FAA and directed at airport infrastructure improvements. Signed grants are due back to the FAA Airport District Office (ADO) before the end of September 2025.

This project grant is anticipated but is not yet in hand from the FAA. Therefore, in order to meet the FAA deadline, this approval authorizes acceptance by signature of the City Administrator upon receipt. The anticipated FAA grant offer is $541,747.00 for all eligible project costs including engineering, construction, and administrative costs. Anticipated funding for this project is as follows:

| | |
|---|---|
| Federal Participation: | $ 541,747.00 |
| State Participation: | 49,566.00 |
| Local Participation: | 28,550.00 |
| Total: | $ 619,863.00 |

The project grant eligibility is generally 95% federal with an additional 2.5% state funding. There are certain portions of the work that are not federally eligible but would be state eligible. Based on these eligibility determinations, the local share of the project is anticipated to be $28,550.00. Council Member McCann made a motion for approval, Council Member Burbank seconded the motion, all members voted aye in approval.

**Resolution 57-25 Purchase Agreement - 515 W Bridge Street - ISD #761**

City Administrator Tuma presented a Purchase Agreement for the premises located at 515 West Bridge Street, the former Administration Building of Independent School District No. 761 (ISD 761). It is the intention of the City to use the property as the interim location for the Law Enforcement Center.

This Agreement is subject to and conditioned upon the City's determination, in its sole discretion, that the condition of the property, including the environmental condition of the property, is acceptable to the City for its intended use. The amount of the agreement is $260.000.

The Law Enforcement Center (LEC), located at the corner of Pearl Street and Elm Avenue, was formerly the site of the Owatonna Savings & Loan before it was converted to the LEC, which, until this year, housed both the City Police Department (OPD) and the Sheriff's Office. The OPD has outgrown the LEC building, which requires safety and facility upgrades and doesn't meet the current public safety needs. In 2026, the City plans to build new public safety facilities. The former School Administration building would serve as an interim location for OPD pending construction of the new facilities.

Council Member Boeke made a motion for approval, Council Member Burbank seconded the motion, all members voted aye in approval.

**Lease Agreement - 115 Rose Street East - Owatonna School District**

Community Development Director Klecker commented staff have been working with the School District, the Chamber of Commerce, Owatonna Area Business Development Center (OABDC) and Owatonna Public Utilities on a retail incubator in the Rose Street Center. This idea was presented to the Council at a previous study session. The concept is to have the OABDC run the facility with entrepreneurial classes and business consulting. There would also be a maker space and welcome center in the facility.

The retail portion of the facility would be run by the MainStreet Director. The retail portion would include retail booths inside the building and 10x12 retail shops in the parking lot. The goal is to provide the necessary assistance to start up retail businesses and continue to give them support so that they can eventually move to storefronts downtown. The Owatonna School District would continue owning the building and lease the facility to the City, under the direction of the EDA. The school district will maintain usage of the 2 garage buildings along the alley. This allows the facility to have contributed services from Owatonna Public Utilities.

The OABDC would then sublease the facility from the City. This lease is for one year and will renew automatically for one-year terms unless otherwise terminated. The EDA approved the lease at their last meeting. There are no anticipated costs for the City. The lease agreement

states that the City is responsible for maintenance of the building and any property taxes; however, those expenses will be passed on to the OABDC in the sublease and taxes will be paid by the renter. Council Member McCann made a motion for approval, Council Member Voss seconded the motion, all members voted aye in approval

**Sublease Agreement - 115 Rose Street East - Owatonna Area Business Development Center**

Community Development Director Klecker requested approval a proposed sublease agreement with Owatonna Area Business Development Center (OABDC) for use of the Rose Street Center. As sublessee, OABDC accepts the terms set forth in the lease with the School District and in this sublease. OABDC is planning on making some improvements to the facility before they occupy the space which will be at their own expense. OABDC is responsible for all costs associated with occupying the property with no anticipated costs to the City. Council Member Voss made a motion for approval, Council Member McCann seconded the motion, all members voted aye in approval.

**STAFF REPORT**

**Deanna Sheely, Communications Manager** gave an update of her recent tasks focusing on Communication Effectiveness, Community Events and Social Media. Following the July 28th windstorm, the Crisis Communication Plan approved in December 2023 was implemented allowing multiple departments to work together in an efficient and effective manner. A few changes are needed in the plan and a updated draft will be presented to Council for approval. She has been preparing communications regarding the 2026 Budget, the Spring/Summer Community Activity Guide and the 2026 State of the City Address. Next month, there will be a campaign to clear signs from the boulevards. She thanked the Communications Task Force for assisting her with the city's weekly newsletter, the Owatonna Update.

**PUBLIC COMMENTS**

**Gale Jorgenson, 249 E Main Street** commented she recently posted several "No Trespassing" signs on her property. She enjoys history and recently found record of the Owatonna City Council approving an ordinance in 1870 to prohibit animals from roaming within city limits. She requested council consider expanding this ordinance, her neighbor recently had a reptile (a large lizard) get away from his home and he did not notify her for several days. The city should have ordinances established for control and notification requirements for all animals. Fortunately, the lizard was captured when seen leaving her garage several days later and was returned to its owner.

**Matt Sennott, 2519 Stony Creek Drive** commented he represents the East Side Corridor Project. They are waiting for responses on several Data Requests which they submitted. They believe there is significant correspondence from a previous council member missing, he has been their group's most supportive elected official. They hope their requests will be finalized within the next few weeks and they can obtain the requested data.

**Melissa Zimmerman, 2525 Stony Creek Drive** said she submitted a Data Request for the resolution authorizing purchase of property within the east side corridor project area between 2015 and 2021. She received response that data does not exist but in 2018 Steele County records confirm the city obtained several parcels within this area. There was not a recorded copy of a resolution authorizing this transaction, so we are requesting a detailed explanation of the council approval for this property purchase.

**Gary Jones, 995 Ridge Road** commented he was recently using interactive artificial intelligence (AI) software and entered facts for an AI response. This process is used by many attorney's offices and is becoming more widely used. He asked if a deer hunt should be held in a city park or in an area surrounded by homes. The AI responses were "NO". He requested the city's Deer Management Program be changed to not include Mineral Springs Park.

**Randy Gladden, 1905 Linn Drive** commented his mother-in-law passed away in 2021 and he, as her Power of Attorney has been receiving her mail. His brother-in-law wasn't taking care of the backyard and let the grass get too long. He did not receive a warning letter asking him to correct the nuisance complaint but did receive an invoice for a completed mowing service which also included a $75 Administrative Fee. City staff advised him that a warning letter was mailed via regular mail, so the city has no proof of delivery. He believes all warning letters should be mailed by certified mail or hand delivered and requested the $75 Administrative Fee be waived.

**MAYOR AND COUNCIL COMMENTS:**

**Council Member Dotson** congratulated Mia Armstrong and Max Flemke, the 2025 OHS Homecoming Queen and King. He then asked staff and council to expand the length of Public Comments allowed during a Council Meeting from two minutes to three minutes; this would allow residents more time to speak and they would not rushed during their presentations.

**Council Member Burbank** agreed that it would be good to increase the length of time allowed for each Public Comment to three minutes.

**Council Member Boeke** commented the proposed levy amount set during the meeting was pretty high and cuts are anticipated prior to final approval. He will not support cuts to the HRA Budget and levy, the HRA provides funds to some of the most vulnerable residents, and they need this assistance.

**Council Member McCann** wished Council Member Boeke a happy birthday.

**Council Member Svenby** also wished Council Member Boeke a happy birthday and then said he also agreed with member's previous statements.

**Council Member Voss** thanked Public Works Director Murphy and staff for the tour of the Wastewater Treatment Facility prior to tonight's meeting. It is an impressive facility and there will be an open house planned next spring.

**Mayor Jessop** also wished Council Member Boeke a happy birthday and then said he attended the HAF Memorial last weekend at the fairgrounds. It was a nice tribute to a local kid who gave his life our country.

**City Administrator Tuma** commented that staff are ready to launch a 3-week campaign to clean up the boulevards and right-of-way. If you have any questions, you can call the City Administration Office.

**Council President Raney** reminded everyone the OHS Homecoming Parade will be downtown this Friday afternoon. He asked everyone to watch for small children and always be aware of where their kids are. Another activity planned this week is induction of new members to the OHS Hall of Fame. Council Member Boeke is a member of the OHS Hall of Fame. At 7:58 p.m., Council Member Svenby made a motion to adjourn, Council Member Burbank seconded the motion, but no members voted aye, and all members present voted nay.

With no additional comments, Council Member Raney stated closed door

At 8:02 p.m. Council Member Boeke made a motion for a short recess while chambers cleared, Council Member Svenby seconded the motion.

At 8:08 p.m., Council President called the meeting to order. Present were Council Members Dotson, Burbank, Boeke, McCann, Svenby, Voss and Raney; Mayor Jessop, Assistant City Administrator/Human Resource Director Thamert, Finance Director Burns, Public Works Director Murphy, IT Technology Enz, Administrative Coordinator Clawson, and representatives from SEH. Council Member Voss made a motion to go into a closed session to discuss acquisition of Right-of-Way or easement for the 20206 SE 18th Street Project. Council Member Boeke seconded the motion.

At 8:58 p.m., Council Member Dotson made a motion to return to open session. Council Member Burbank seconded the motion. Council Member Svenby made a motion to adjourn the meeting, Council Member Dotson seconded the motion, all members voted aye to end the meeting.

Respectfully submitted,

Jeanette Clawson, Administrative Coordinator

# Board - Commission Minutes

# LIBRARY BOARD MEETING MINUTES
**Thursday, August 21, 2025, at 4:30 PM**
**Gainey Room, Owatonna Public Library**

The Owatonna Public Library Board of Trustees held the monthly meeting on Thursday August 21, 2025. The meeting was held in the Owatonna Public Library Gainey Room at 4:30pm.

Present: Vice President Quinn Meyer, Trustee Karen Malin, Trustee Julianna Skluzacek, Trustee Annie Harman, Library Director Mark Blando, Administrative Technician Maria Hanson

Absent: President Amy Tapp, Librarian Darla Lager

1. **Call to Order**
   The meeting was called to order by Vice President Meyer at 4:38 PM

2. **Reminder of Open Meeting Law**
   The open meeting law applies to the board.

3. **Public Comments (Please limit comments to 3 minutes)**
   No public comment.

4. **Approval of Last Meeting Minutes**
   4.a. Library Board Minutes June 26, 2025 (No Quorum for July Meeting)
   Trustee Skluzacek moved, and Trustee Harman seconded to approve the minutes of the June 26, 2025, meeting. All ayes, motion approved.

5. **Children's Services Report**
   The last book fair of the summer reading program was today. It has been a successful summer for the "Color our World" reading program. We had lots of Owatonna Peoples Press report coverage for the children's programs this summer.

   Blando shared information from the children's services reports for the months of June and July. Highlights included our Summer Reading Program kickoff in June, 633 people attended on Friday, June 6th. Children picked up their reading logs this day and were

treated to ice cream and the Zoo Man show.

Other program highlights included library visits by Sustainable Safari, Ventriloquist James Wedgwood, Enso Daiko Drummers, Magician Jim Jays and The National Eagle Center. For the first book fair, 481 children picked up a book at the book fair. Children who had read for at least ten days were invited to choose a book. For the second book fair, 611 kids pick up books. It was really a great summer. Great work by Darla and the whole library staff involved.

## 6. Financial Reports

6.a. Financial Report – August

Our budget is on track; we are at 55 % for the year. We are currently in budget meetings and cycle. Blando is doing a line-by-line review with Emily and Kris. Next Tuesday Mark will present the library budget to city council members. Our budget is mainly status quo but SELCO did an evaluation of how much libraries are paying vs how much is checked out(use). There will be an increase in costs from $9000 to $22,000 for the year to accommodate the difference.

The library roof is the big CIP project. This is a three-year project to repair and replace the roof. The city currently has 16 buildings, and they are working on miscellaneous updates of these buildings. This will be a hard budget year for the city. Levy coming in. Owatonna Schools also have their levy this year.

Suggestion was made by Trustee Harman to seek opportunities with the Owatonna Foundation for renovation funding. They do a grant day. Blando is currently working on getting an RFP together for whole Library renovation. When this is done, he will ask for support. He is meeting with the city on Tuesday. He has also put in paperwork with the county. The library does get some funding from them.

Our HVAC system was very bad. The damper setting was not working right and had to be fixed and replaced. Also, a second compressor costing $15,000 was repaired. Building maintenance funds were used.

Mark will let the board know how budget meetings go and if levy will be set up next month.

## 7. Library Use Reports

7.a. Library Use Report – June- July

Total circulation for OPL was 17798

7.b. Library Services Report - June

7.c. Library Services Report- July

FREEGAL is currently being evaluated. This program is not used as much.

LIBBY has a 6 month wait for an eBook. More money should shorten waiting time.

7.d. Blooming Prairie Library Services Report – July

Total circulation for BP was 2123

Programs are well attended. The community does a great job of supporting the Blooming Prairie library.

**8. SELCO Updates**

The SELCO Meeting was cancelled this month. Blando has been in discussions with Steve Harzen and recently visited with him. New Blooming Prairie administrator started this week. Blando has not met him yet. Looking forward to restarting talks and to begin documenting things in writing.

**9. Upcoming Programs**

9.a. August Movie - Back to the Future

9.b. Book Tasting September 15 5:30-7:45 p.m. This is similar to a wine tasting, patrons are given a sample of books from different genres. More information will be coming soon.

Bad Art Night September 25 6:00-7:45PM – Playing around with format for this event. We will give attendees a starter description of an animal and then encourage them to create their own version of it based on the descriptions given.

Sept 13th 10:30-11:30 Canning Workshop

Author- Chad Lewis Sept 22nd 6:30 History of Halloween

Author - Doug Oman Sept 29th Libraries in Minnesota

Author - Drew Daywalt. Book The Day the Crayons Quit – October 8th – Blando asked by the Board to check if he is open to media conversations prior to his talk. Maybe a Chamber talk.

Paint night. We had 25 participants. This was very popular. The night included mocktails and a charcuterie board. This was an all-ages event. There was an article in the paper highlighting the event.

Our Adult summer reading program was very successful. 2828 books read by 566 participants. Most read book, One Golden Summer by Carley Fortune. We are going to do it again. Our circulation went up a bit during this time. Prizes were a great way to support local business.

**10. 125th Anniversary Planning**

Amazing staff working with program. See above for events.

**11. Library Updates**

A stained-glass tree used to be over the entrance by the Children's services but was taken down prior to the remodel. It has been found from storage and installed between the two floors of the library. Thanks to city staff it was installed in the stairway window and looks great both from the inside and outside!

A new bottle filler water fountain was installed in the adult services area. Due to the location of the new fountain, we needed to expand the area around it and so we ended up removing bookshelves near the fountain and made it more of an open seating area by new books sections. We are continuing to look at opening more areas in the library.

Our new Gainey room audio visual equipment installation is complete. The installation includes a new touch screen control unit with a quick share movable workstation connector, a smaller adjustable podium, new projector and microphones and the rewiring of all the speakers. There was no money this year to install cameras for video conferencing, hoping to add this next year.

The parking lot was seal coated.

Human rights commission putting on a Human book event downtown on September 4th. Mark will be participating.

**12. Library Renovation Update**

New AV equipment is complete.

Blando will be visiting with a consultant for the first part of September to go over the library renovation and create an RFP. The city has given us chunks of money for renovation throughout the year. OPL foundation has large funds for renovation and then looking into pulling in outside partners. Owatonna Foundation is a good resource.

Book drop area is crumbling. We will need to add concrete to fix this.

Motions to adjourn were made by Malin and seconded by Harman. All ayes. Meeting adjourned at 5:24 pm.

The next board meeting will be on Thursday, September 18, 2025, at 4:30pm

Respectfully submitted by Maria Hanson.

**Airport Commission Meeting Minutes**
**September 18, 2025 – Charles S. Crandall Center – Meeting Room, City Hall**
**"DRAFT"**

1. Call to Order

   Chair Thurnau called the meeting of the Airport Commission to order at 8:02 am.

2. Roll Call

   Commissioners Attending

| | |
|---|---|
| Anthony Louris | Vice Chair |
| Dave Purscell | Commissioner |
| Matt Thurnau | Chair |
| Madeleine Haberman | Commissioner |
| Greg Krueger | Commissioner |
| Daren Tarpenning | Commissioner |

   Commissioners Absent

| | |
|---|---|
| Tim McManimon | Commissioner |

   Staff Attending

| | |
|---|---|
| Dave Beaver | Airport Manager |
| Troy Klecker | Community Development Director |
| Kristen Kopp | Senior Administrative Technician |

   Visitors Attendings

| | |
|---|---|
| Melissa Underwood | SEH, Inc. |

3. Approval of Agenda

   Commissioner Haberman made a motion to approve the agenda and Commissioner Krueger seconded the motion. All Commissioners voting Aye, the motion carried.

4. Minutes

   Commissioner Louris made a motion to approve the minutes from August 21, 2025, Airport Commission meeting and Commissioner Haberman seconded the motion. All Commissioners voting Aye, the motion carried.

5. Action Items

   Chair Reports
   None

   Staff Reports

Airport Manager Beaver said activity continues to be brisk. Mr. Beaver presented the fuel volumes dispensed and reported that jet fuel numbers are up year to date. Accelerated Aviation is currently focusing a little more on multi-engine training. Regarding administrative items, he reported that staff has been working on the 2026 Budget. Klecker said the City Council approved an overall preliminary levy of 13% with a 4 to 3 vote. We might have to make some cuts, including possibly putting off the terminal roof with the $60,000 local match. The roof is due, but there is not an urgent problem or leaking now and we can probably wait a year on that. He said the main hangar roof and dome hangar bi-fold hangar door are more of a priority that are already included in the 2025 CIP budget. Mr. Beaver reported that Council approved a consent agenda item for a new T-hangar rental tenant. The pending Accelerated Aviation lease agreement for renewal and aircraft maintenance service will probably go to the next City Council meeting. There was a delay as a review was being completed confirming hangar occupancy classification.

Operationally, staff are just catching up with the mowing and grounds work as it's been so wet. The new mower is in the shop due to an alignment issue, which is covered by warranty. Staff are working on painting the walkway lighting fixtures for the T-38 display to complement the completed work from Apex Painting this summer on the aircraft part of the display. Commissioner Krueger said that the display looks very nice and asked if the Commission could send a thank you letter to Kevin Oyloe for all the work he did and how well they turned out. Thurnau said he can draft something and send it to Beaver. Thurnau asked how the new key cards are working with the automated vehicle gates. Beaver said they are working well, and he's received positive feedback from hangar tenants. Tarpenning asked where they're at with lease agreements policy review process. Beaver said that it is still a priority but needs to be completed as time permits. Purscell said that the Hangout at the Hangar was very well attended this last month.

Airport Parking Lot and Taxilane Reconstruction Project Update

Beaver said that City Council did approve a Resolution authorizing the acceptance of the FAA grant for this project at their last meeting. Ulland Brothers was awarded the contract earlier in the year contingent on receiving the required FAA and MnDOT grant agreements. This is late in the year for FAA grant issuance and offers just started to come into state airports last week. Airports lose a lot of time in construction season due to these delays. The State companion grant is anticipated to follow. The construction timing is tight due to the funding delays. There will have to be a pre-construction conference once the State grant is approved. Melissa Underwood said that everything is lined up with the contractor, they just need a formal go after the grant issuance and approval process is complete. Underwood reported that we've never seen grants this late, but our goal is still to do the project this calendar year. If not, the contractor has agreed to hold bid prices even if it did have to be pushed into the spring of 2026, but we would all prefer not to wait. Beaver said the construction project is anticipated to take 18 days, which still may be possible before weather conditions prohibit starting the pavement work.

Airport CIP Project Update

Underwood said that pre-applications for next year's projects are due October 1. She said the two other state projects that have already been approved for 2025 are updates to the Airport Zoning Ordinance and the Automated Fuel Card Reader. The state has accepted the requests, but we still have to do the grant applications and those are due before the end of

November. There was a discussion regarding the airport zoning update. Beaver said that the existing ordinance was completed in 1998 and is due for updates to accommodate for future development and continue to protect for obstruction hazards and non-compatible land uses. Beaver said that projects such as windfarms and other development projects are commonly reviewed to ensure compliance with airport zoning. Klecker said land just north of 26th Street was purchased by a conservation organization and given to the City to be a part of future park system. That will help us to preserve airspace for the extended runway.

6. Adjournment - Chair Thurnau adjourned the meeting at 8:36 am.

# MINUTES
# OWATONNA HOUSING AND REDEVELOPMENT AUTHORITY
# REGULAR MEETING on SEPTEMBER 22, 2025

The regular meeting of the Owatonna Housing and Redevelopment Authority was called to order at 4:00 pm in the Crandall Small Conference Room by Chairperson Olivo.

Members present were Nathan Dotson, Julie Fiske, Vicki Olivo, Rebecca Rand and Lindsay Schultz. Also, present were Community Development Director Troy Klecker, Housing Manager Ghassan Madkour, Council Member Voss and Senior Administrative Technician Kristen Kopp.

**Approval of the Minutes:** A motion was made by Fiske and seconded by Schultz to approve the minutes of the August 25, 2025, HRA Board meeting. All Commissioners voting Aye, the motion carried.

**Executive Director's Report:** Community Development Director Troy Klecker presented the Executive Director's Report. Ascend has less than 10 units left to rent out. Aire Apartments are under construction and will probably open up Summer 2026. They submitted an application for Eastgate 2 and will hear back in December. Two incentive programs were rolled out for Single Family Houses. One is an existing Single Family Lot Program in which we contribute $2,500 for existing lots that did not have an approved drainage plan. We issue reimbursement at the end of the project when the Certificate of Occupancy is issued. We have about 80 vacant lots that would fall under that program. The second program incentivizes developers to develop new Single Family Lots. The City would finance the equivalent costs of hard-surfacing streets, curbs and gutters, and sidewalks for up to five years with a low interest rate. That takes the capital needed up front, before even one house is built, and offsets about a third of those upfront costs up to five years. This is an incentive to motivate them to build within that five-year period. As houses are built, we recoup a percentage of that loan when each lot is sold. It is a loan agreement where we hold a lien against the lots. We had our first developer take advantage of that with Mineral Springs Estates. They are hoping to get going in the spring. The Partridge Avenue project, which is a project to get ten affordable Single-Family Houses started, was started by United Way. The costs for the cul-de-sac came in over $500,000 and $700,000 with contingencies. The cul-de-sac only generates six lots with the other four offsetting the cost to some degree. We submitted an application to the County, which has an affordable housing grant program. We might be looking at the HRA funding the difference. We are trying to get 10 lots with Single Family Homes in the ballpark of $250,000 or less for the buyer. There are other programs available to help bring the closing costs down. When we built that pond, the property was paid for by the HRA and our Stormwater fund. The intent was to put a pond in with the remaining portion to be used for affordable housing. When the pond project was constructed, the hole was dug and the fill was put on the property next to it and not disposed of. Therefore, there is a lot of fill that has to be removed to get it to a developable site. He is talking to Sean Murphy about using the Stormwater fund to pay for the fill to be removed as that should have been done at the time the stormwater pond was constructed. We will continue to work on that. We have seven years to use the funds, which means the ten houses need to be built in those seven years. Klecker said there is also a question of whether you make the lots available for a builder to build with this criteria. He said that affordable housing already exists in town and that is our existing housing stock. Every housing project helps because it gives more options.

**Old Business:** The Housing Choice Voucher program monthly report was presented by Madkour, including the City of Owatonna monthly balance sheet and revenue/expense report. He said HCV is still at a standstill for new vouchers. They are currently at 94 and are still trying to build a reserve. There are five people shopping for Mainstream and they are at 32. They just sent out four applications and are hoping to get all 40 vouchers filled before November 1. There will still be approximately $60,000 to $70,000 in that budget that we have not used. He will see if they can get more vouchers for this year. Bridges program is doing well and are currently overbudget, but he has hopes that it will balance out. There are 40 on Bridges regular and should be adding three to four by the end of the month. There was some discussion on Bridges Like. Klecker said that MN Prairie is breaking up and some of the programing is going to change. Steele County will be forming their own department internally. Madkour said that Bridges Like is coming from MN Prairie. He is not sure what will take place or when.

Madkour gave an update on Bring It Home Program and has a resolution for the Chair and Secretary to sign. Once they execute the contract is when our assistance begins. He said he wants to promote the program before it's available so that we don't lose time. He asked if there was any way they could start on January 1, 2026. The Bring It Home staff from MHFA will be sending these out in increments so that they are not overwhelmed on their end. He said he is excited about it because it will take on a new demographic and is looking forward to promoting family assistance. Madkour gave an update on NSPIRE. It was supposed to kick off on October 1, 2025. He emailed the rep at HUD and she said it sounds like they might be putting it off again. He got an email from HUD within hours of that conversation that they put it off until February 1, 2027. Dotson asked what is the most significant change. Madkour said that they've updated where smoke detectors and CO2s belong. They changed the description of what things mean. They are being stricter about community rooms and making sure windows and smoke and Co2 detectors work properly. They have to have an ambient thermometer with them and every room has to be at minimum 68 degrees in the winter. They are now requiring us to test every outlet that is exposed. A motion was made by Dotson and seconded by Fiske to approve the reports as presents. All Commissioners voting Aye, the motion carried.

**Other / New Business:** Madkour read the resolution for the Bring It Home Program. The Chair and Secretary signed the resolution.

Madkour read the resolution for the 2025 HUD Budget. The Chair and Secretary signed the resolution.

A motion was made by Schultz and seconded by Dotson to approve the resolution for the Bring It Home Program. All Commissioners voting Aye, the motion carried.

Madkour presented a Civil Rights certification that is part of our five-year plan and needs to be done annually. Vicki has already read through it. She said is says we agree to comply with all laws. She signed the certification along with Troy Klecker.

**Next Meeting:** The next meeting will be Monday, October 27, 2025.

**Adjournment:** There being no further business, a motion to adjourn was made by Dotson and seconded by Fiske. All Commissioners voting Aye, the motion carried. The meeting adjourned at 5:07 pm.

Respectfully Submitted,
Ghassan Madkour
Housing Managers

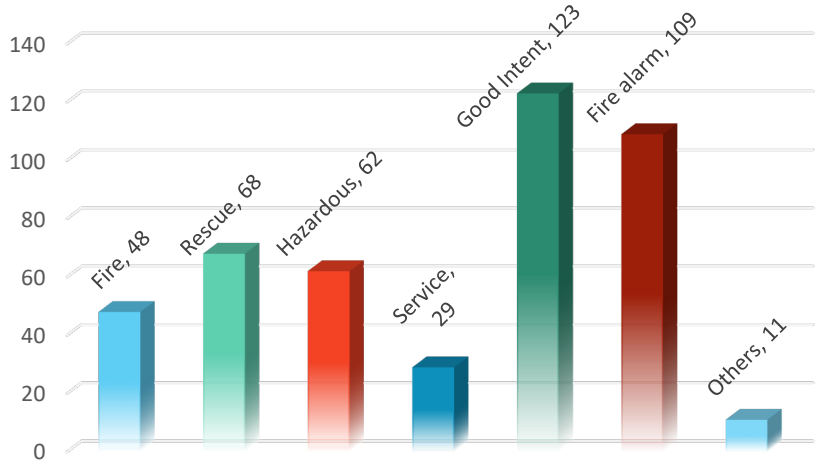
CITY OF OWATONNA

# Department Reports

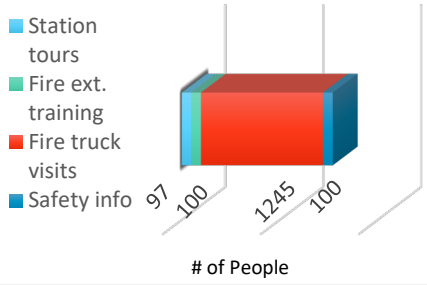
# OWATONNA FIRE DEPARTMENT DASHBOARD

## 2025 STATISTICS

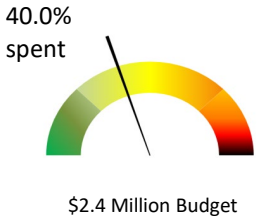
### Incidents by Type



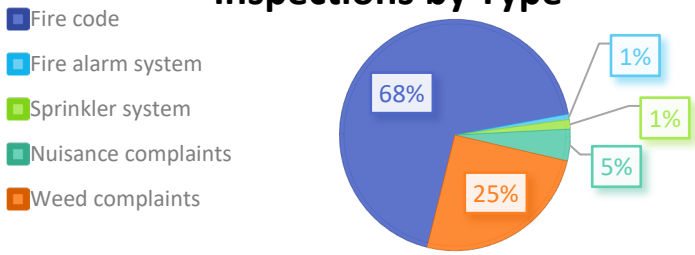

### Public Education




### Expenditures

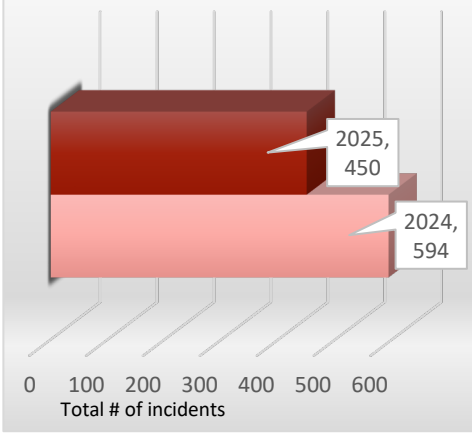



### Inspections by Type

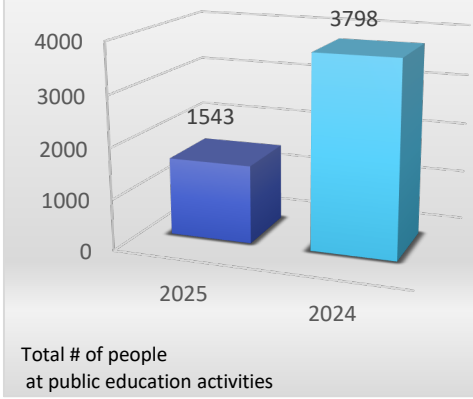



## 2025 VS 2024 STATISTICS

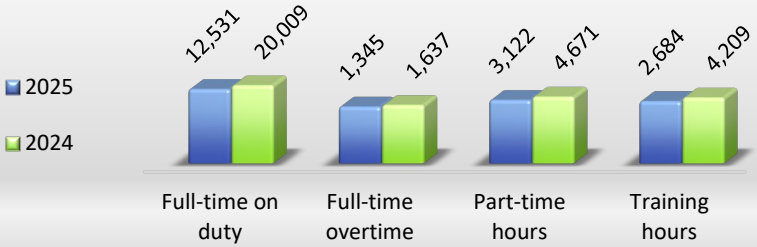
### Incidents



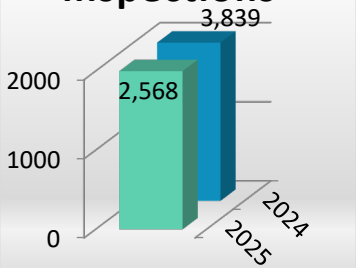

### Public Education



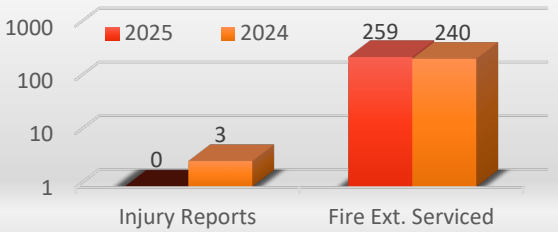

### Staff Hours




### Inspections




### Safety Services




Updated through August 2025

# 2025 OWATONNA FIRE DEPARTMENT MONTHLY ACTIVITY REPORT

| INSPECTION SERVICES | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | 2025 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Fire code inspections | 214 | 151 | 349 | 270 | 129 | 131 | 270 | 238 | | | | | 1752 | 2953 |
| Fire alarm inspections | 4 | 1 | 1 | 4 | 2 | 5 | 0 | 2 | | | | | 19 | 13 |
| Sprinkler system inspections | 7 | 3 | 1 | 4 | 12 | 1 | 3 | 3 | | | | | 34 | 66 |
| Nuisance inspections | 2 | 4 | 4 | 9 | 47 | 10 | 26 | 12 | | | | | 114 | 266 |
| Weed inspections | 0 | 0 | 0 | 0 | 140 | 179 | 161 | 169 | | | | | 649 | 742 |
| Sprinkler system permits issued | 3 | 2 | 3 | 2 | 1 | 4 | 4 | 2 | | | | | 21 | 26 |
| Fire alarm system permits issued | 1 | 1 | 0 | 3 | 3 | 0 | 3 | 2 | | | | | 13 | 21 |
| Hood/Suppression system permits issued | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | 2 | 2 |
| Plan reviews | 10 | 6 | 7 | 10 | 7 | 6 | 11 | 8 | | | | | 65 | 98 |
| Code reviews | 3 | 4 | 4 | 3 | 2 | 3 | 3 | 2 | | | | | 24 | 34 |
| # Knox boxes checked | 0 | 1 | 0 | 0 | 2 | 2 | 3 | 0 | | | | | 8 | 10 |

| PUBLIC EDUCATION SERVICES | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | 2025 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| # people given tours | 0 | 0 | 0 | 20 | 0 | 0 | 37 | 40 | | | | | 97 | 460 |
| # people given extinguisher demos | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 | | | | | 100 | 207 |
| # people at truck visits | 0 | 0 | 0 | 0 | 300 | 410 | 0 | 535 | | | | | 1245 | 1840 |
| # people fire safety information | 30 | 0 | 50 | 0 | 0 | 20 | 0 | 0 | | | | | 100 | 1289 |
| # people juvenile firesetters | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | | | | | 1 | 2 |

| EMERGENCY RESPONSE SERVICES | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | 2025 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Incidents | City incidents | 51 | 34 | 39 | 39 | 50 | 46 | 64 | 59 | | | | | 382 | 521 |
| | Rural incidents | 4 | 7 | 10 | 14 | 8 | 4 | 8 | 9 | | | | | 64 | 70 |
| | Mutual aid given | 2 | 0 | 0 | 1 | 0 | 0 | 0 | 1 | | | | | 4 | 3 |
| Monthly Totals | | 57 | 41 | 49 | 54 | 58 | 50 | 72 | 69 | | | | | 450 | 594 |
| | | | | | | | | | | | | | | | |
| Type of Incidents | Fire | 10 | 6 | 5 | 5 | 5 | 4 | 10 | 3 | | | | | 48 | 48 |
| | Rescue calls | 5 | 5 | 9 | 6 | 8 | 14 | 6 | 15 | | | | | 68 | 117 |
| | Hazardous conditions | 4 | 9 | 6 | 3 | 10 | 8 | 18 | 4 | | | | | 62 | 77 |
| | Service calls | 4 | 4 | 7 | 2 | 5 | 3 | 3 | 1 | | | | | 29 | 38 |
| | Good intent calls | 16 | 7 | 15 | 20 | 20 | 11 | 12 | 22 | | | | | 123 | 131 |
| | Fire alarms | 17 | 10 | 7 | 16 | 7 | 10 | 20 | 22 | | | | | 109 | 179 |
| | Others | 1 | 0 | 0 | 2 | 3 | 0 | 3 | 2 | | | | | 11 | 4 |
| Monthly Totals | | 57 | 41 | 49 | 54 | 58 | 50 | 72 | 69 | | | | | 450 | 594 |
| | | | | | | | | | | | | | | | |
| Total training hours | | 320.34 | 372.66 | 411.83 | 330.18 | 329.31 | 397.50 | 239.67 | 282.08 | | | | | 2684 | 4209 |

| SAFETY SERVICES | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | 2025 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| # injury reports | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | 0 | 3 |
| # lost work hours | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | 0 | 0 |
| # fire extinguishers serviced | 70 | 19 | 20 | 57 | 0 | 15 | 69 | 9 | | | | | 259 | 240 |
| | | | | | | | | | | | | | | |
| **TOTAL HOURS** | | | | | | | | | | | | | | |
| Full-time shift hours worked | 1528.00 | 1344.00 | 1797.75 | 1561.00 | 1585.25 | 1464.00 | 1562.25 | 1689.00 | | | | | 12531.25 | 20009.00 |
| Full-time overtime hours worked | 244.50 | 163.08 | 52.02 | 173.54 | 178.83 | 297.50 | 175.27 | 59.78 | | | | | 1344.52 | 1636.58 |
| Paid-on-Call hours worked | 388.25 | 389.75 | 447.00 | 408.50 | 376.75 | 390.75 | 376.00 | 345.25 | | | | | 3122.25 | 4671.00 |
| Monthly Hours Worked Total | 2160.75 | 1896.83 | 2296.77 | 2143.04 | 2140.83 | 2152.25 | 2113.52 | 2094.03 | | | | | 16998.02 | 26316.58 |

## 2025 OWATONNA FIRE DEPARTMENT MONTHLY ACTIVITY REPORT

| INSPECTION SERVICES | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | 2025 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Fire code inspections | | 214 | 151 | 349 | 270 | 129 | 131 | 270 | 238 | 0 | 0 | 0 | 0 | 1752 | 2953 |
| | Business/General | 14 | 25 | 43 | 18 | 22 | 20 | 17 | 31 | | | | | 190 | 495 |
| | Rental Record Review | 12 | 13 | 34 | 44 | 11 | 12 | 11 | 10 | | | | | 147 | 177 |
| | Rental Complaint | 1 | 1 | 1 | 3 | 2 | 2 | 2 | 2 | | | | | 14 | 18 |
| | Rental Units Insp | 187 | 112 | 271 | 205 | 94 | 97 | 240 | 195 | | | | | 1401 | 2263 |
| | Rental Licenses Issued | 24 | 20 | 19 | 26 | 15 | 24 | 21 | 17 | | | | | 166 | 350 |
| | Rental Insp | 57 | 33 | 53 | 50 | 44 | 40 | 45 | 37 | | | | | 359 | 633 |
| Fire alarm inspections | | 4 | 1 | 1 | 4 | 2 | 5 | 0 | 2 | | | | | 19 | 13 |
| Sprinkler system inspections | | 7 | 3 | 1 | 4 | 12 | 1 | 3 | 3 | | | | | 34 | 66 |
| Nuisance inspections | | 2 | 4 | 4 | 9 | 47 | 10 | 26 | 12 | | | | | 114 | 266 |
| Weed inspections | | 0 | 0 | 0 | 0 | 140 | 179 | 161 | 169 | | | | | 649 | 742 |
| Sprinkler system permits issued | | 3 | 2 | 3 | 2 | 1 | 4 | 4 | 2 | | | | | 21 | 26 |
| Fire alarm system permits issued | | 1 | 1 | 0 | 3 | 3 | 0 | 3 | 2 | | | | | 13 | 21 |
| Hood/Suppression system permits issued | | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | 2 | 2 |
| Plan reviews | | 10 | 6 | 7 | 10 | 7 | 6 | 11 | 8 | | | | | 65 | 98 |
| Code reviews | | 3 | 4 | 4 | 3 | 2 | 3 | 3 | 2 | | | | | 24 | 34 |
| # Knox boxes checked | | 0 | 1 | 0 | 0 | 2 | 2 | 3 | 0 | | | | | 8 | 10 |

| PUBLIC EDUCATION SERVICES | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | 2025 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| # people given tours | 0 | 0 | 0 | 20 | 0 | 0 | 37 | 40 | | | | | 97 | 460 |
| # people given extinguisher demos | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 | | | | | 100 | 207 |
| # people at truck visits | 0 | 0 | 0 | 0 | 300 | 410 | 0 | 535 | | | | | 1245 | 1840 |
| # people fire safety information | 30 | 0 | 50 | 0 | 0 | 20 | 0 | 0 | | | | | 100 | 1289 |
| # people juvenile firesetters | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | | | | | 1 | 2 |

| EMERGENCY RESPONSE SERVICES | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | 2025 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Incidents | City incidents | 51 | 34 | 39 | 39 | 50 | 46 | 64 | 59 | | | | | 382 | 521 |
| | Rural incidents | 4 | 7 | 10 | 14 | 8 | 4 | 8 | 9 | | | | | 64 | 70 |
| | Mutual aid given | 2 | 0 | 0 | 1 | 0 | 0 | 0 | 1 | | | | | 4 | 3 |
| Monthly Totals | | 57 | 41 | 49 | 54 | 58 | 50 | 72 | 69 | 0 | 0 | 0 | 0 | 450 | 594 |
| | | | | | | | | | | | | | | | |
| Type of Incidents | Fire | 10 | 6 | 5 | 5 | 5 | 4 | 10 | 3 | | | | | 48 | 48 |
| | Rescue calls | 5 | 5 | 9 | 6 | 8 | 14 | 6 | 15 | | | | | 68 | 117 |
| | Hazardous conditions | 4 | 9 | 6 | 3 | 10 | 8 | 18 | 4 | | | | | 62 | 77 |
| | Service calls | 4 | 4 | 7 | 2 | 5 | 3 | 3 | 1 | | | | | 29 | 38 |
| | Good intent calls | 16 | 7 | 15 | 20 | 20 | 11 | 12 | 22 | | | | | 123 | 131 |
| | Fire alarms | 17 | 10 | 7 | 16 | 7 | 10 | 20 | 22 | | | | | 109 | 179 |
| | Others | 1 | 0 | 0 | 2 | 3 | 0 | 3 | 2 | | | | | 11 | 4 |
| Monthly Totals | | 57 | 41 | 49 | 54 | 58 | 50 | 72 | 69 | 0 | 0 | 0 | 0 | 450 | 594 |
| | | | | | | | | | | | | | | | |
| Total training hours | | 320.34 | 372.66 | 411.83 | 330.18 | 329.31 | 397.50 | 239.67 | 282.08 | | | | | 2684 | 4209 |

| SAFETY SERVICES | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | 2025 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| # injury reports | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | 0 | 3 |
| # lost work hours | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | 0 | 0 |
| # fire extinguishers serviced | | 70 | 19 | 20 | 57 | 0 | 15 | 69 | 9 | | | | | 259 | 240 |
| | | | | | | | | | | | | | | | |
| **TOTAL HOURS** | | | | | | | | | | | | | | | |
| Full-time shift hours worked | | 1528.00 | 1344.00 | 1797.75 | 1561.00 | 1585.25 | 1464.00 | 1562.25 | 1689.00 | | | | | 12531.25 | 20009.00 |
| Full-time overtime hours worked | | 244.50 | 163.08 | 52.02 | 173.54 | 178.83 | 297.50 | 175.27 | 59.78 | | | | | 1344.52 | 1636.58 |
| | Full-time training hours on-duty | 94.00 | 94.75 | 94.50 | 99.25 | 59.00 | 68.75 | 57.00 | 66.25 | | | | | 633.50 | 1144.16 |
| | Full-time training hours overtime | 28.34 | 11.16 | 23.58 | 9.93 | 24.31 | 33.50 | 27.17 | 41.58 | | | | | 199.57 | 517.27 |
| Paid-on-Call hours worked | | 388.25 | 389.75 | 447.00 | 408.50 | 376.75 | 390.75 | 376.00 | 345.25 | | | | | 3122.25 | 4671.00 |
| | Paid-on-Call training hours | 198.00 | 266.75 | 293.75 | 221.00 | 246.00 | 295.25 | 155.50 | 174.25 | | | | | 1850.50 | 2547.50 |
| | Paid-on-Call incident hours | 190.25 | 123.00 | 153.25 | 187.50 | 130.75 | 95.50 | 220.50 | 171.00 | | | | | 1271.75 | 2123.50 |
| Monthly Hours Worked Total | | 2160.75 | 1896.83 | 2296.77 | 2143.04 | 2140.83 | 2152.25 | 2113.52 | 2094.03 | | | | | 16998.02 | 26316.58 |

## 2025 OWATONNA FIRE DEPARTMENT MONTHLY ACTIVITY REPORT

| INSPECTION SERVICES | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | 2025 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Fire code inspections | | 214 | 151 | 349 | 270 | 129 | 131 | 270 | 0 | 0 | 0 | 0 | 0 | 1514 | 1858 |
| | Business/General | 14 | 25 | 43 | 18 | 22 | 20 | 17 | | | | | | 159 | 186 |
| | Rental Record Review | 12 | 13 | 34 | 44 | 11 | 12 | 11 | | | | | | 137 | 104 |
| | Rental Complaint | 1 | 1 | 1 | 3 | 2 | 2 | 2 | | | | | | 12 | 14 |
| | Rental Units Insp | 187 | 112 | 271 | 205 | 94 | 97 | 240 | | | | | | 1206 | 1554 |
| | Rental Licenses Issued | 24 | 20 | 19 | 26 | 15 | 24 | 21 | | | | | | 149 | 195 |
| | Rental Insp | 57 | 33 | 53 | 50 | 44 | 40 | 45 | | | | | | 322 | 378 |
| Fire alarm inspections | | 4 | 1 | 1 | 4 | 2 | 5 | 0 | | | | | | 17 | 8 |
| Sprinkler system inspections | | 7 | 3 | 1 | 4 | 12 | 1 | 3 | | | | | | 31 | 41 |
| Nuisance inspections | | 2 | 4 | 4 | 9 | 47 | 10 | 26 | | | | | | 102 | 197 |
| Weed inspections | | 0 | 0 | 0 | 0 | 140 | 179 | 161 | | | | | | 480 | 437 |
| Sprinkler system permits issued | | 3 | 2 | 3 | 2 | 1 | 4 | 4 | | | | | | 19 | 26 |
| Fire alarm system permits issued | | 1 | 1 | 0 | 3 | 3 | 0 | 3 | | | | | | 11 | 21 |
| Hood/Suppression system permits issued | | 1 | 1 | 0 | 0 | 0 | 0 | 0 | | | | | | 2 | 2 |
| Plan reviews | | 10 | 6 | 7 | 10 | 7 | 6 | 11 | | | | | | 57 | 98 |
| Code reviews | | 3 | 4 | 4 | 3 | 2 | 3 | 3 | | | | | | 22 | 34 |
| # Knox boxes checked | | 0 | 1 | 0 | 0 | 2 | 2 | 3 | | | | | | 8 | 10 |

| PUBLIC EDUCATION SERVICES | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | 2025 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| # people given tours | 0 | 0 | 0 | 20 | 0 | 0 | 37 | | | | | | 57 | 460 |
| # people given extinguisher demos | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | | 0 | 207 |
| # people at truck visits | 0 | 0 | 0 | 0 | 300 | 410 | 0 | | | | | | 710 | 1840 |
| # people fire safety information | 30 | 0 | 50 | 0 | 0 | 20 | 0 | | | | | | 100 | 1289 |
| # people juvenile firesetters | 0 | 0 | 0 | 0 | 1 | 0 | 0 | | | | | | 1 | 2 |

| EMERGENCY RESPONSE SERVICES | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | 2025 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Incidents | City incidents | 51 | 34 | 39 | 39 | 50 | 46 | 64 | | | | | | 323 | 521 |
| | Rural incidents | 4 | 7 | 10 | 14 | 8 | 4 | 8 | | | | | | 55 | 70 |
| | Mutual aid given | 2 | 0 | 0 | 1 | 0 | 0 | 0 | | | | | | 3 | 3 |
| Monthly Totals | | 57 | 41 | 49 | 54 | 58 | 50 | 72 | 0 | 0 | 0 | 0 | 0 | 381 | 594 |
| | | | | | | | | | | | | | | | |
| Type of Incidents | Fire | 10 | 6 | 5 | 5 | 5 | 4 | 10 | | | | | | 45 | 48 |
| | Rescue calls | 5 | 5 | 9 | 6 | 8 | 14 | 6 | | | | | | 53 | 117 |
| | Hazardous conditions | 4 | 9 | 6 | 3 | 10 | 8 | 18 | | | | | | 58 | 77 |
| | Service calls | 4 | 4 | 7 | 2 | 5 | 3 | 3 | | | | | | 28 | 38 |
| | Good intent calls | 16 | 7 | 15 | 20 | 20 | 11 | 12 | | | | | | 101 | 131 |
| | Fire alarms | 17 | 10 | 7 | 16 | 7 | 10 | 20 | | | | | | 87 | 179 |
| | Others | 1 | 0 | 0 | 2 | 3 | 0 | 3 | | | | | | 9 | 4 |
| Monthly Totals | | 57 | 41 | 49 | 54 | 58 | 50 | 72 | 0 | 0 | 0 | 0 | 0 | 381 | 594 |
| | | | | | | | | | | | | | | | |
| Total training hours | | 320.34 | 372.66 | 411.83 | 330.18 | 329.31 | 397.50 | 239.67 | | | | | | 2401 | 4209 |

| SAFETY SERVICES | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | 2025 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| # injury reports | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | | 0 | 3 |
| # lost work hours | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | | 0 | 0 |
| # fire extinguishers serviced | | 70 | 0 | 19 | 57 | 0 | 0 | 0 | | | | | | 146 | 240 |
| | | | | | | | | | | | | | | | |
| **TOTAL HOURS** | | | | | | | | | | | | | | | |
| Full-time shift hours worked | | 1528.00 | 1344.00 | 1797.75 | 1561.00 | 1585.25 | 1464.00 | 1562.25 | | | | | | 10842.25 | 20009.00 |
| Full-time overtime hours worked | | 244.50 | 163.08 | 52.02 | 173.54 | 178.83 | 297.50 | 175.27 | | | | | | 1284.74 | 1636.58 |
| | Full-time training hours on-duty | 94.00 | 94.75 | 94.50 | 99.25 | 59.00 | 68.75 | 57.00 | | | | | | 567.25 | 1144.16 |
| | Full-time training hours overtime | 28.34 | 11.16 | 23.58 | 9.93 | 24.31 | 33.50 | 27.17 | | | | | | 157.99 | 517.27 |
| Paid-on-Call hours worked | | 388.25 | 389.75 | 447.00 | 408.50 | 376.75 | 390.75 | 376.00 | | | | | | 2777.00 | 4671.00 |
| | Paid-on-Call training hours | 198.00 | 266.75 | 293.75 | 221.00 | 246.00 | 295.25 | 155.50 | | | | | | 1676.25 | 2547.50 |
| | Paid-on-Call incident hours | 190.25 | 123.00 | 153.25 | 187.50 | 130.75 | 95.50 | 220.50 | | | | | | 1100.75 | 2123.50 |
| Monthly Hours Worked Total | | 2160.75 | 1896.83 | 2296.77 | 2143.04 | 2140.83 | 2152.25 | 2113.52 | | | | | | 14903.99 | 26316.58 |

| | Jan |
|---|---|
| General | |
| Rental initial | |
| Rental reinsp | |
| Rental units | |

# Owatonna Police Department Crime Clock
# September 2025

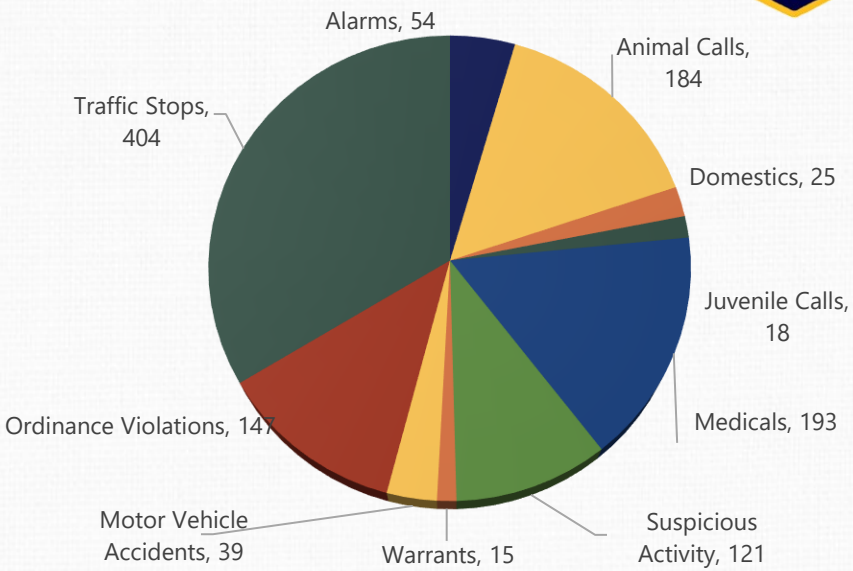
Calls for Service: 3,580

Average Daily Calls for Service: 119.33

Busiest Day: Tuesday

Average Hourly Calls for Service: 4.97

Busiest Hour: 2:00 PM



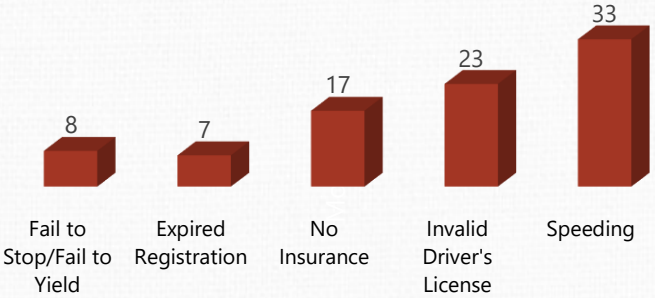

The Owatonna Police Department issued a total of 147 citations and 319 warnings in September.

Monthly Traffic Stops: 404

Average Daily Traffic Stops: 13.47

Average Hourly Traffic Stops: 0.56

**Top 5 Citation Types**




The above statistics are based on calls for service reports compiled monthly. Official crime data can be found via Minnesota Crime Data Explorer.

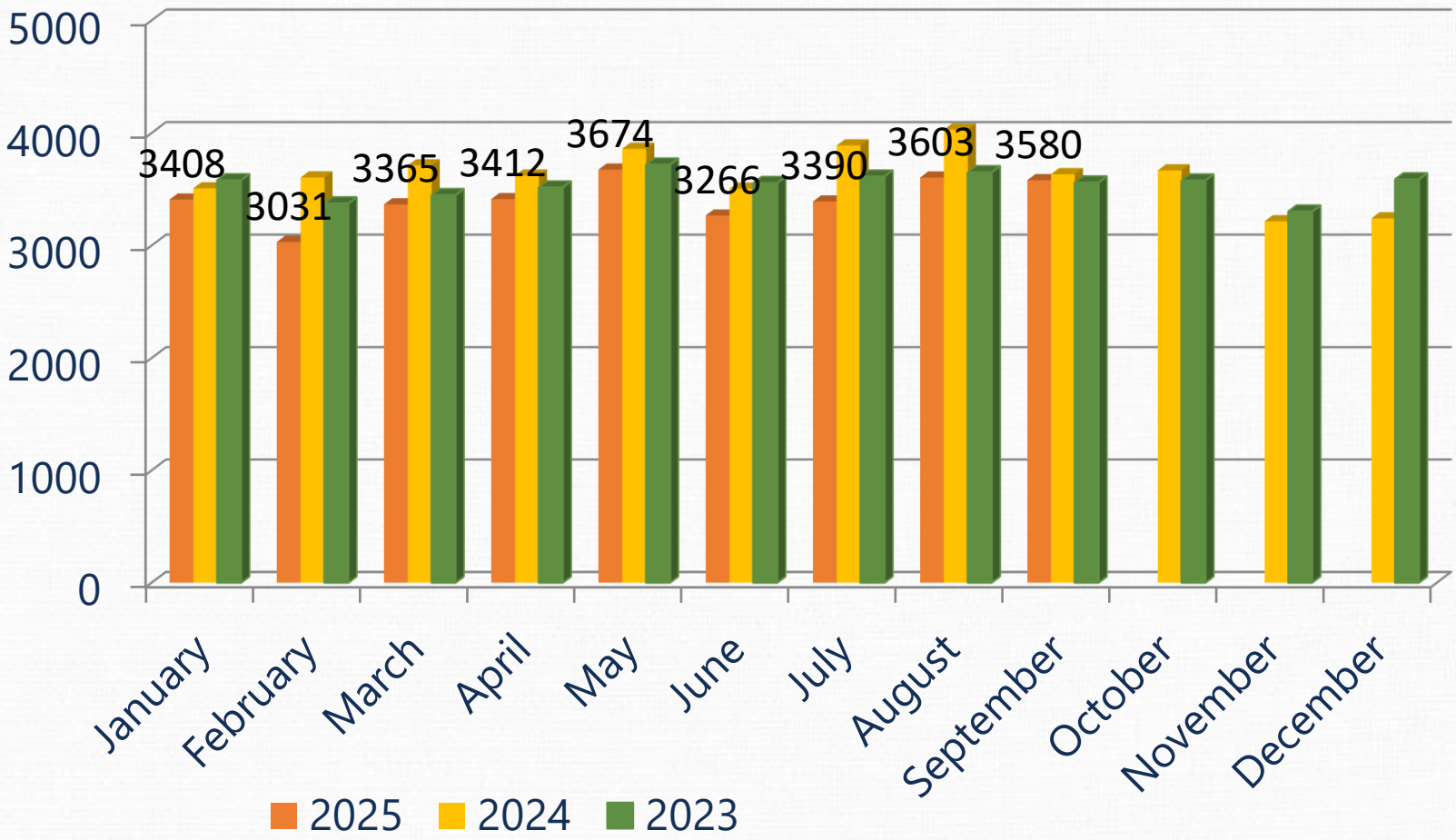
# Owatonna Police Department

## September 2025 Crime Statistics

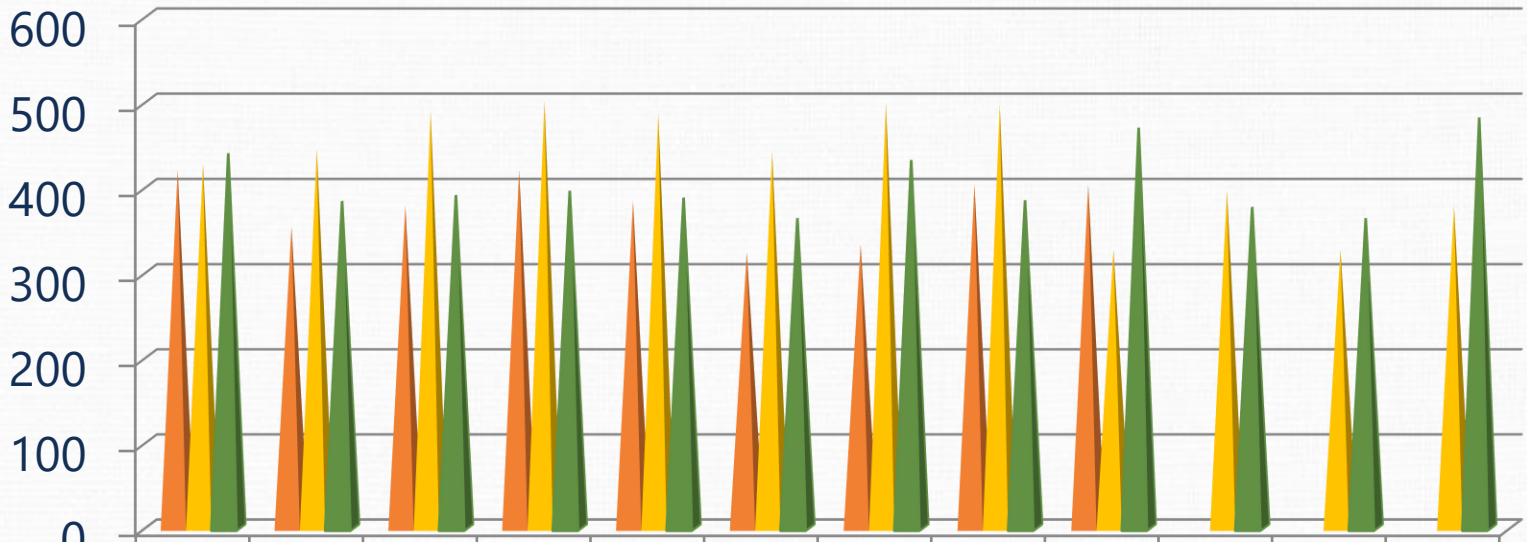
CITY OF OWATONNA

**The following statistics are based on calls for service reports compiled monthly. Official crime data can be found via Minnesota Crime Data Explorer.**

# Total Calls for Service

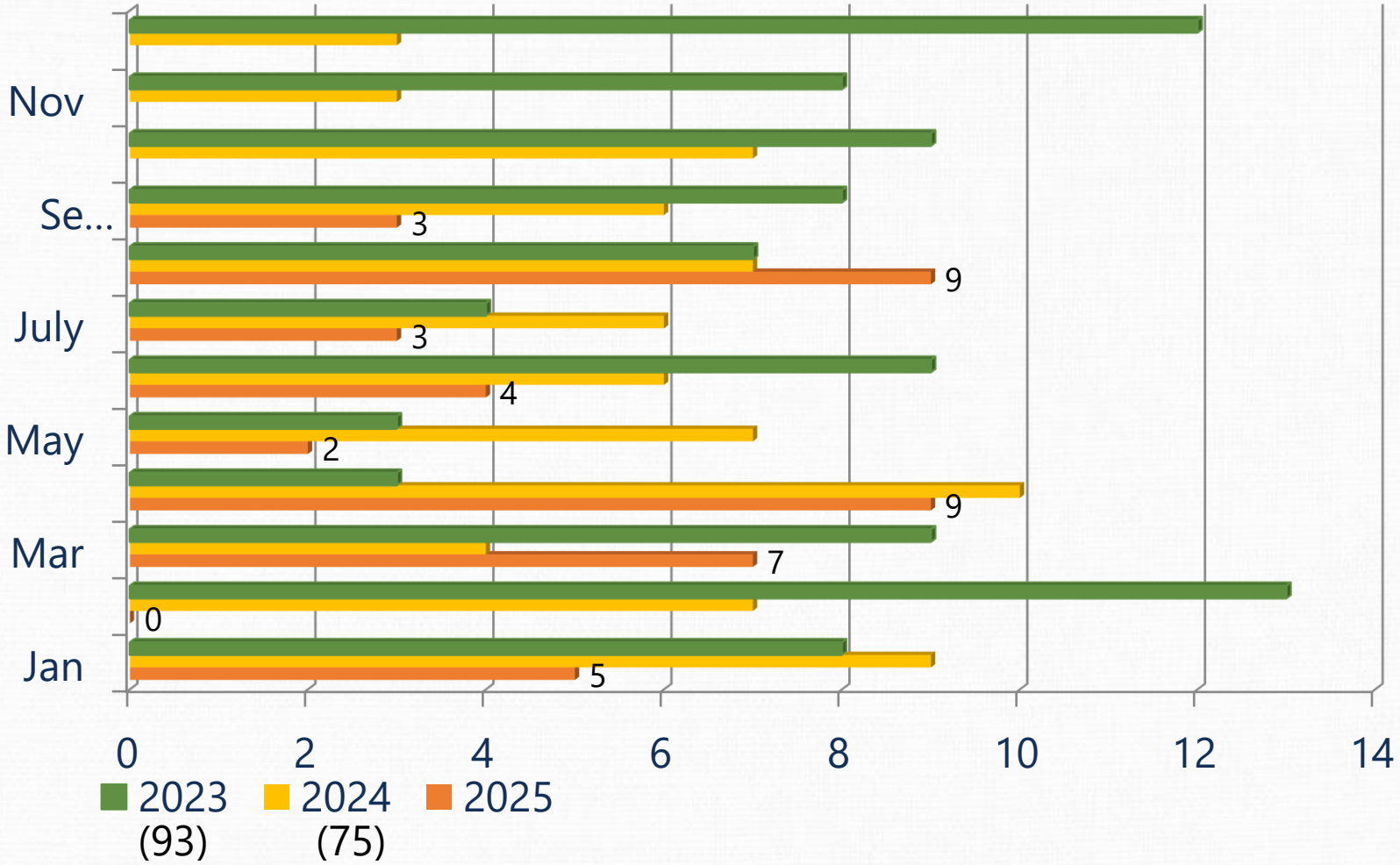


# Traffic Stops

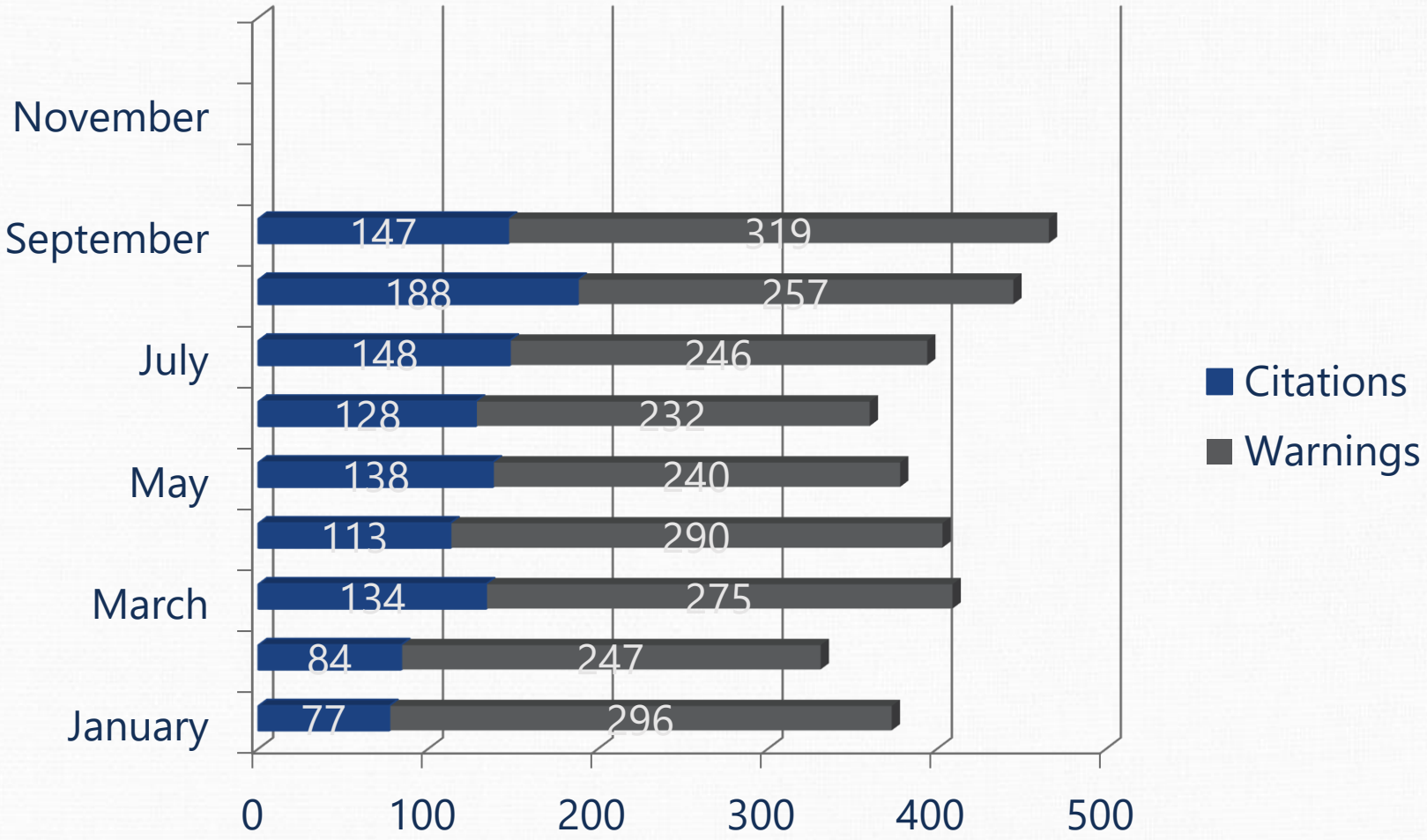



| | Jan | Feb | Mar | Apr | May | Jun | July | Aug | Sept | Oct | Nov | Dec |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2025 | 421 | 354 | 379 | 420 | 384 | 324 | 333 | 403 | 404 | | | |
| 2024 | 428 | 445 | 489 | 501 | 486 | 442 | 499 | 497 | 327 | 396 | 327 | 378 |
| 2023 | 440 | 384 | 391 | 396 | 388 | 364 | 432 | 385 | 470 | 377 | 364 | 482 |

# DWI


Nov
Se...
July
May
Mar
Jan
3
9
3
4
2
9
7
0
5
0
2
4
6
8
10
12
14
2023 (93)
2024 (75)
2025

# Citations and Warnings



# Group A Crimes

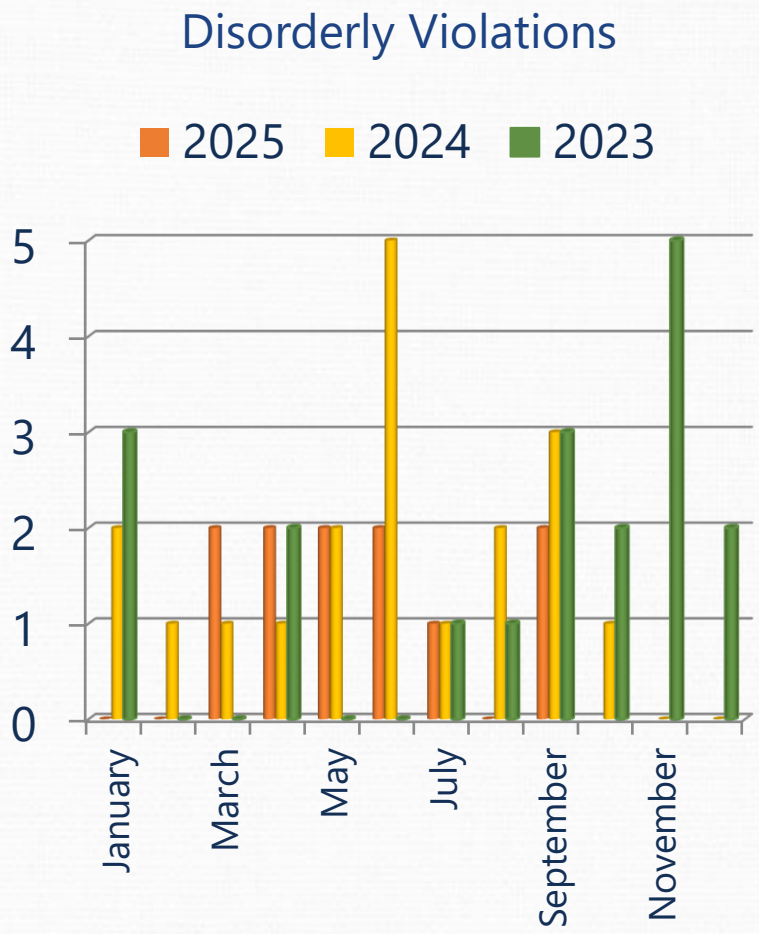
| | | | | | |
|---|---|---|---|---|---|
| Murder and Non-Negligent Manslaughter | 0 | Pocket-Picking | 14 | Identity Theft | 10 |
| Kidnapping/Abduction | 1 | Shoplifting | 22 | Hacking/Computer Invasion | 1 |
| Rape | 6 | Theft From Building | 2 | Embezzlement | 2 |
| Sodomy | 0 | Theft From Coin-Operated Machine or Device | 1 | Stolen Property Offenses | 3 |
| Fondling | 8 | Theft From Motor Vehicle | 28 | Destruction/Damage/Vandalism of Property | 47 |
| Robbery | 5 | Theft of Motor Vehicle Parts or Accessories | 1 | Drug/Narcotic Violations | 20 |
| Aggravated Assault | 23 | All Other Larceny | 41 | Drug Equipment Violations | 0 |
| Simple Assault | 72 | Motor Vehicle Theft | 24 | Incest | 1 |
| Intimidation (Assault) | 47 | Counterfeiting/Forgery | 11 | Pornography/Obscene Material | 3 |
| Arson | 1 | False Pretenses/Swindle/Confidence Game | 26 | Weapon Law Violations | 15 |
| Extortion/Blackmail | 0 | Credit Card/Automated Teller Machine Fraud | 7 | Human Trafficking, Commercial Sex Acts | 0 |
| Burglary/Breaking & Entering | 11 | Wire Fraud | 6 | Animal Cruelty | 1 |
| | | | | TOTAL: 460 | |

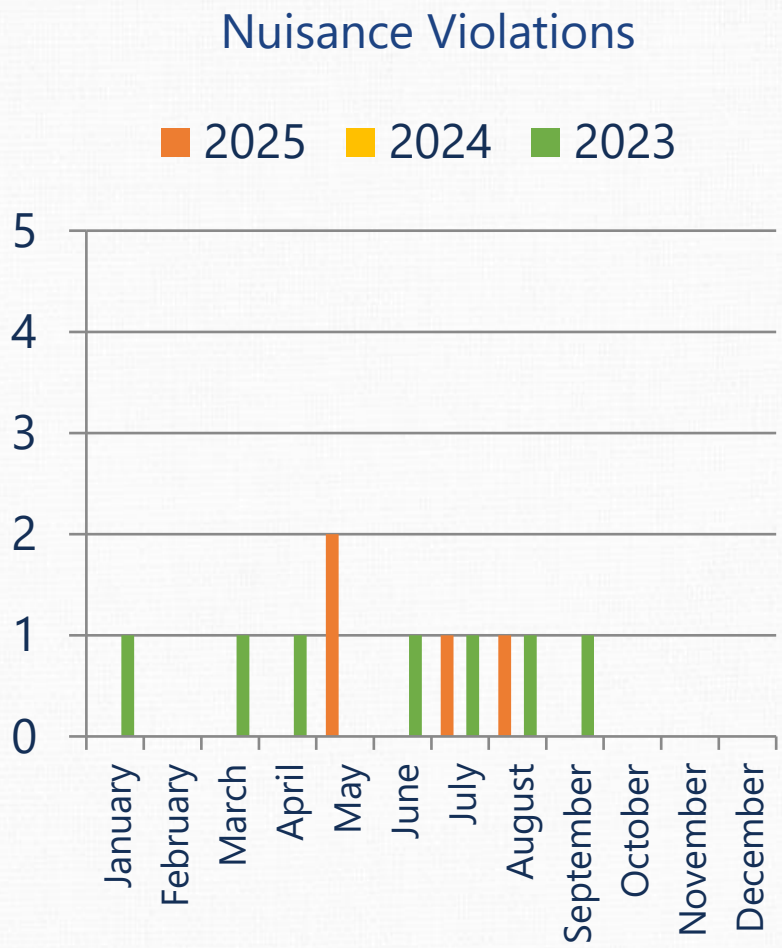
# Group B Crimes

| | |
|---|---|
| Curfew/Loitering/Vagrancy Violations | 12 |
| Disorderly Conduct | 54 |
| Driving Under the Influence | 82 |
| Family Offenses, Nonviolent | 6 |
| Liquor Law Violations | 29 |
| Trespass of Real Property | 11 |
| All Other Offenses | 119 |

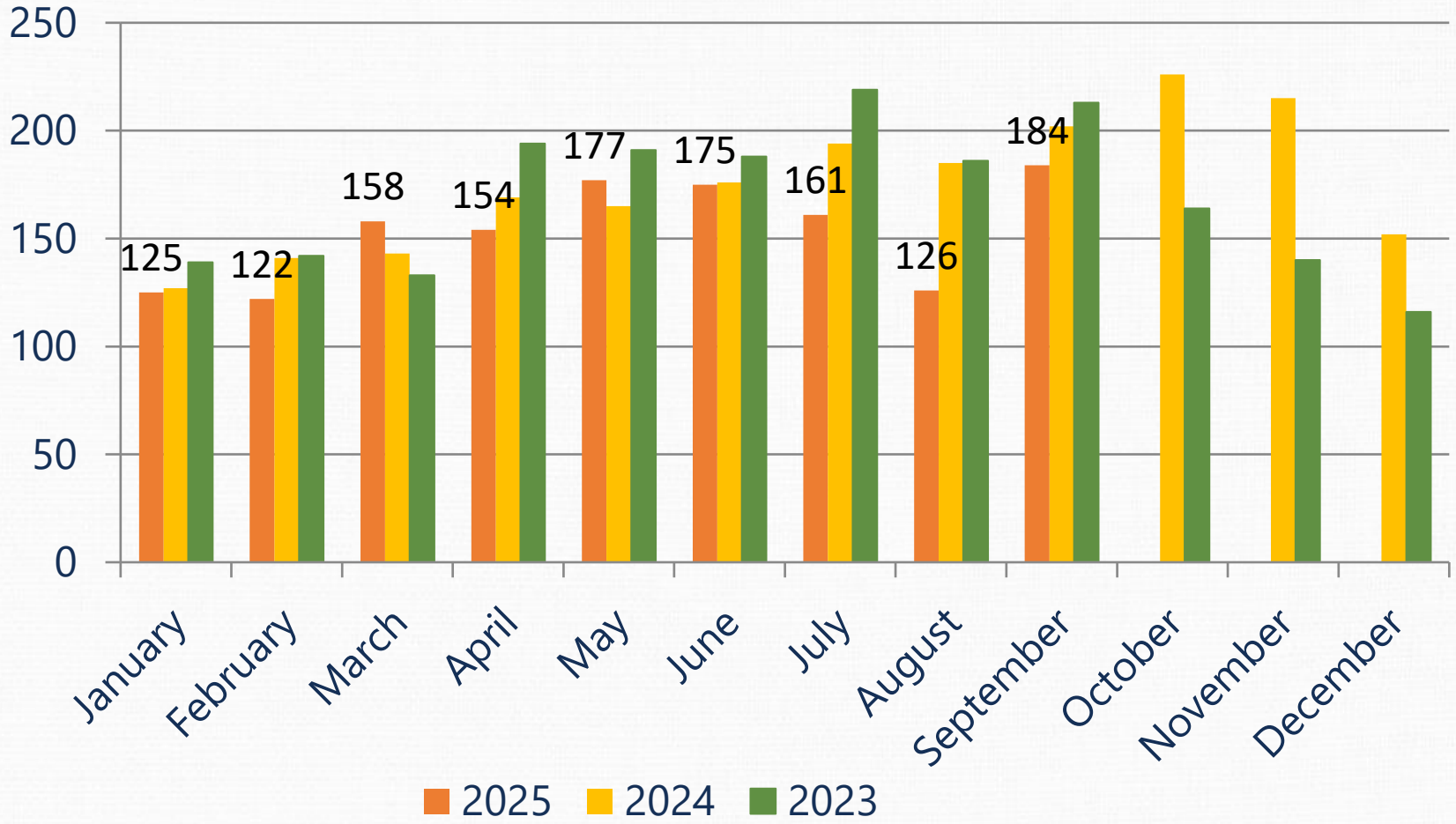
**Total: 313**

# Disorderly and Nuisance Violations



# Animal Control Calls



| COMPARISON REPORT OF BUILDING DONE IN CITY OF OWATONNA IN YEARS 2024 AND 2025 | | | | | | | | | | | | | Ken Beck, Building Official | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | DWELLINGS | | ACCESSORY | | COMMERCIAL | | ADD. & ALT. | | DUPLEX/APTS | | DEMO | | TOTAL | |
| Month | NO. | VALUE | NO. | VALUE | NO. | VALUE | NO. | VALUE | NO. | VALUE | NO. | | NO. | VALUE |
| Jan '24 | 0 | 0 | 2 | 6,500 | 33 | 7,806,205 | 95 | 763,150 | 0 | 0 | 0 | | 130 | 8,575,855 |
| Jan '25 | 0 | 0 | 0 | 0 | 22 | 13,865,031 | 85 | 566,740 | 0 | 0 | 0 | | 107 | 14,431,771 |
| 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 |
| Feb '25 | 1 | 317,000 | 1 | 500 | 40 | 15,540,396.00 | 185 | 1,110,858.11 | | | | | 227 | 16,968,754.11 |
| Mar '24 | 3 | 940,000 | 5 | 8,250 | 75 | 10,847,903 | 289 | $ 2,612,593.78 | | | | | 372 | $ 14,408,746.78 |
| Mar '25 | 1 | 317,000 | 14 | 51,721 | 59 | 17,995,810 | 278 | $ 1,975,163.16 | | | 2 | | 354 | $ 20,339,694.16 |
| Apr '24 | 3 | 940,000 | 19 | 81,750 | 107 | 44,321,109 | 446 | $ 3,981,714.59 | 0 | 0 | 0 | | 575 | $49,324,573.59 |
| Apr '25 | 6 | 1,502,000 | 25 | 102,117 | 73 | 22,381,515 | 395 | 3,025,025.86 | 0 | 0 | 3 | | 502 | 27,010,657.86 |
| May '24 | 3 | 940,000 | 38 | 235,738 | 125 | 46,373,553.00 | 586 | 5,141,328.01 | | | | | 752 | 52,690,619.00 |
| May '25 | 7 | 2,068,000 | 39 | 170,017 | 102 | 31,555,159.00 | 567 | 4,993,234.30 | | | 4 | | 719 | 38,786,410.30 |
| Jun '24 | 3 | 940,000 | 52 | 338,988.00 | 141 | 48,105,001.10 | 730 | 6,515,257.09 | 2 | 400,000 | 2 | | 930 | 56,299,246.19 |
| Jun '25 | 8 | 2,448,000 | 51 | 218,624.33 | 120 | 34,423,774.00 | 740 | 7,382,208.84 | | | 4 | | 923 | 44,472,607.17 |
| Jul '24 | 5 | 2,040,000 | 67 | 387,488.00 | 180 | 53,277,518.10 | 888 | 7,891,334.33 | 4 | 980,000 | 5 | | 1149 | 64,576,340.43 |
| Jul '25 | 10 | 3,298,000 | 70 | 340,568.33 | 141 | 37,792,700.00 | 923 | 9,366,792.64 | | | 4 | | 1148 | 50,798,060.97 |
| Aug '24 | 6 | 2,290,000 | 82 | 479,826.00 | 210 | 57,328,157.10 | 1058 | 9,938,435.49 | 4 | 980,000 | 5 | | 1,365 | 71,016,418.59 |
| Aug '25 | 10 | 3,298,000 | 86 | 404,032.00 | 166 | 41,045,386.00 | 1075 | 11,186,236.26 | | | 5 | | 1,342 | $55,933,654.26 |
| Sep '24 | 8 | 2,990,000 | 98 | 617,836.55 | 252 | 66,465,557.10 | 1187 | 11,171,273.45 | 4 | 980,000 | 6 | | 1,555 | 82,224,667.10 |
| Sep '25 | 11 | 3,623,000 | 102 | 464,032.00 | 189 | 41,567,217.38 | 1290 | 13,253,047.25 | | | 7 | | 1,599 | 58,907,296.63 |
| Oct '24 | 9 | 3,325,000 | 111 | 734,836.55 | 275 | 71,587,459.47 | 1,344 | 12,774,301.43 | 4 | 980,000 | 10 | | 1,753 | 89,401,597.45 |
| Oct '25 | | | | | | | | | | | | | | |
| Nov ' 24 | 10 | 3,675,000 | 117 | 763,486.55 | 297 | 73,111,653.47 | 1,441 | 13,487,903.07 | 4 | 980,000 | 10 | | 1,879 | 92,018,043.09 |
| Nov '25 | | | | | | | | | | | | | | |
| Dec '24 | 10 | 3,675,000 | 121 | 791,519.55 | 309 | 74,198,304 | 1,542 | 14,427,159.25 | 4 | 980,000 | 11 | | 1,997 | 94,071,983.27 |
| Dec '25 | | | | | | | | | | | | | | |

**Starting April 2023, Commerical and Industrial are combined

## Owatonna Building Inspection Department Comparison Report- Construction to Date 2024/2025

Construction Report for Permits Issued through September, 2025

| TYPE OF WORK | 2024 PERMITS ISSUED | PERMITS ISSUED FOR CONSTRUCTION COST | Units | 2025 PERMITS ISSUED | PERMITS ISSUED FOR CONSTRUCTION COST | Units |
|---|---|---|---|---|---|---|
| | | | | | | |
| NEW DWELLINGS | 8 | 2,990,000 | | 11 | 3,623,000 | |
| | | | | | | |
| ACCESSORY BUILDINGS | 98 | 617,836.55 | | 102 | 464,032.00 | |
| (INCLUDES GARAGES, UTIL. | | | | | | |
| BLDGS, SW. POOLS, ETC.) | | | | | | |
| | | | | | | |
| COMMERCIAL AND INDUSTRIAL PR | 252 | 66,465,557.10 | | 189 | 41,567,217.38 | |
| | | | | | | |
| RESIDENTIAL ADD. & ALT. | 1187 | 11,171,273.45 | | 1290 | 13,253,047.25 | |
| | | | | | | |
| DUPLEXES & APTS. | 4 | 980,000 | 0 | 0 | 0 | 0 |
| (INCLUDES ATTACHED SF) | | | | | | |
| | | | | | | |
| DEMOLITION PERMITS | 6 | 0 | | 7 | 0 | |
| | | | | | | |
| TOTAL PERMITS ISSUED | 1,555 | 82,224,667 | 0 | 1,599 | 58,907,297 | 0 |

## Weed/Nuisance Complaint Inspections

## OWATONNA FIRE DEPARTMENT

### September 10, 2025 to October 1, 2025

| Address | Complaint Description | Inspection Date | Violation Notice Sent | Correction Due Date | Violation Corrected Date | Comments | Staff Hours |
|---|---|---|---|---|---|---|---|
| 4 Avenue Southeast | Vacant lot 17-022-4102 with long grass and weeds per complaint picture 9621 as of Sept 15, 2025. | 9/15/2025 | | | 9/17/2025 | Has been cut. | 1 |
| El Dorado Street Southeast | Vacant lot 17-623-0109 with long grass and weeds per complaint picture 9603 as of 9/10/25. | 9/10/2025 | 9/12/2025 | 10/3/2025 | | | 0.5 |
| Fox Hollow Lane | Vacant lot 17-582-0404 with long grass and weeds per complaint picture 9630 as of Sept 16, 2025 | 9/16/2025 | 9/18/2025 | 10/10/2025 | | | 0.5 |
| Hartle Avenue | Vacant lot 17-022-4103 with long grass and weeds per complaint picture 9620 as of Sept 15, 2025. | 9/15/2025 | | | 9/17/2025 | Has been cut. | 1 |
| Park Drive | Vacant lot 17-338-0204 with long grass and weeds per complaint picture 9679 as of 9/29/25. | 9/29/2025 | 9/30/2025 | 10/15/2025 | | | 0.5 |
| Stony Creek Drive | Vacant lot 17-594-0309 with long grass and weeds per complaint picture 9632 as of Sept 16, 2025. | 9/16/2025 | 9/18/2025 | 10/10/2025 | | | 0.5 |
| Stony Creek Drive Northeast | Vacant lot 17-582-0305 with long grass and weeds per complaint picture 9631 as of Sept 16, 2025. | 9/16/2025 | 9/18/2025 | 10/10/2025 | | | 0.5 |
| 1039-1041 Oak Avenue South | Long grass/weeds per complaint location picture 9654 as of Sept 22, 2025, Sept 24, 2025 | 9/22/2025 | 9/24/2025 | 10/4/2025 | | | 0.5 |
| 1145 16 Street Southwest | Reinspection pictures: 9622 east side of house, 9623 west/back of house with long grass and weeds in all yards are still un-mowed as of Sept 15, 2025, Sept 18, 2025. Need to call the lawn mowing service<br>9/19/25 - Contacted mower. 9609 | 9/15/2025 | 9/3/2025 | 9/13/2025 | 9/24/2025 | Has been cut. | 1 |
| 116 Selby Avenue | Chair on boulevard | 9/22/2025 | | | 9/22/2025 | Has been removed. | 1 |
| 1278 Bellflower Lane Northeast | Complaint: Recycling / garbage bins are left in the road all the time. | 10/1/2025 | | | | | 0.5 |
| 133 14 Street Northeast | Long grass/weeds per complaint complaint picture 9674 as of 9/26/25 | 9/26/2025 | 9/30/2025 | 10/10/2025 | | | 0.5 |
| 136 Fremont Street West | Updated complaint picture (9657) of the front of house with removal complaint items and new items as of improvement as of Sept 22, 2025. Ok for now. | 9/22/2025 | | | 9/22/2025 | Have been removed. | 0.5 |
| 139 15 Street Northeast | Reinspection pictures 9655 (front of house), 9656 (west side of house) - all yards have long grass and weeds as of Sept 22, 2025. Need to call lawn mowing service as of 9/22/25.<br><br>9/22/25 - Contacted mower. 9609 | 9/22/2025 | | 9/20/2025 | 9/24/2025 | Has been cut. | 0.5 |
| 139 15 Street Northeast | Tree down in the back yard. Has been there since last fall. complaint picture 9661 of the east side of the complaint home as of 9/23/25. | 9/22/2025 | 9/23/2025 | 10/7/2025 | | | 0.5 |
| 1419 Cedar Avenue North | Long grass/weeds per complaint picture 9645 as of 9/18/25 | 9/18/2025 | 9/23/2025 | 10/3/2025 | | | 0.5 |

## Weed/Nuisance Complaint Inspections

## OWATONNA FIRE DEPARTMENT

### September 10, 2025 to October 1, 2025

| Address | Complaint Description | Inspection Date | Violation Notice Sent | Correction Due Date | Violation Corrected Date | Comments | Staff Hours |
|---|---|---|---|---|---|---|---|
| 1420 Nottingham Drive Southeast | Complaint: Tall weeds around home and property per complaint pictures 9637 (west side of house), 9638 (front of house and driveway), 9639 (backyard). | 9/18/2025 | 9/23/2025 | 10/3/2025 | | | 0.5 |
| 149 Holly Street West | Long grass/weeds per complaint location picture 9615 as of Sept 12, 2025 | 9/12/2025 | 9/16/2025 | 9/26/2025 | 9/17/2025 | Has been cut. | 1 |
| 1810 Cedar Avenue South | Complaint: Tall weeds on blvd per picture 9648 as of 9/22/25 | 9/22/2025 | 9/23/2025 | 10/3/2025 | | | 0.5 |
| 1900 Hartle Avenue Southeast | The vacant lot with long grass and weeds has been mowed as of Sept 11, 2025 | 9/11/2025 | | | 9/11/2025 | Has been cut. | 0.5 |
| 1922 Hemlock Avenue | The tall weeds in front of the base of the house has been cut as of Sept 15, 2025 | 9/15/2025 | | | 9/15/2025 | Has been cut. | 0.5 |
| 2104 Harbour Oak Drive Southeast | Vacant lot 17-593-0116 with long grass and weeds per complaint picture 9608 as of 9/10/25. | 9/10/2025 | 9/12/2025 | 10/3/2025 | | | 0.5 |
| 221 Beech Avenue | Reinspection picture 9619 of the complaint location with long grass and weeds in all yards as of Sept 15, 2025. Need to call the lawn mowing service | 9/15/2025 | | | 9/16/2025 | Has been cut. | 1 |
| 2210 Truman Avenue Southeast | Complaint: Household trash sitting in bags on driveway for a few weeks per complaint picture 9609 as 9/11/25. Weed/grass over grown per complaint picture 9610 as of 9/11/25. | 9/11/2025 | 9/16/2025 | 9/26/2025 | 9/16/2025 | Has been cut. | 1 |
| 2210 Truman Avenue Southeast | Complaint: Household trash sitting in bags on driveway for a few weeks per complaint picture 9609 as 9/11/25. Weed/grass over grown per complaint picture 9610 as of 9/11/25. | 9/11/2025 | 9/16/2025 | 9/26/2025 | 9/24/2025 | Trash bags have been removed. | 1 |
| 2215 Austin Road | Complaint: Weeds over 3' tall in all yards. Hasn't mowed all summer.<br><br>The complaint location appears to have a broken down pine tree just behind a business place on Austin Road. Complaint picture 9635 of the down tree as of Sept 17, 2025. Additional pictures of items (9649 - of the blvd grass and down tree). (9651 - of the blvd grass)<br><br>Reinspection pictures of the complaint location - 9650 (backyards), 9652 (driveway), 9653 (view of house-south side yard)<br><br>9/22/25 - Spoke with mower - the tree DOES belong to this property. Will send a separate violation notice to the property owner. 9609 | 9/17/2025 | 9/12/2025 | 9/22/2025 | 9/24/2025 | Has been cut. | 1 |

## Weed/Nuisance Complaint Inspections

## OWATONNA FIRE DEPARTMENT

### September 10, 2025 to October 1, 2025

| Address | Complaint Description | Inspection Date | Violation Notice Sent | Correction Due Date | Violation Corrected Date | Comments | Staff Hours |
|---|---|---|---|---|---|---|---|
| 2215 Austin Road | Tree down on the north side of the property near the business building (west side) per additional picture 9665 as of Sept 24, 2025. | 9/23/2025 | 9/23/2025 | 10/7/2025 | | | 0.5 |
| 2372 Haddonstone Lane Northeast | The vacant lot with long grass and weeds has been mowed as of Sept 10, 2025 | 9/10/2025 | | | 9/10/2025 | Has been cut. | 0.5 |
| 2392 Haddonstone Lane Northeast | Vacant lot 17-600-0112 with long grass and weeds per complaint picture 9612 as of 9/11/25.<br><br>Reinspection picture 9680 of the vacant lot that is not mowed as of 9/30/25. Need to call the mowing service as of 9/30/25 | 9/11/2025 | 9/16/2025 | 9/30/2025 | | Need to contact mower. | 0.5 |
| 2396 Haddonstone Lane Northeast | Vacant lot 17-600-0113 with long grass and weeds per complaint picture 9613 as of Sept 11, 2025.<br><br>Reinspection complaint picture 9681 with vacant lot 17-600-0113 as of Sept 30, 2025. Need to call the mowing service as of Sept 30, 2025 | 9/11/2025 | 9/16/2025 | 9/30/2025 | | Need to contact mower. | 0.5 |
| 241 Barney Street West | Long grass/weeds per complaint picture 9614 as of 9/12/25 | 9/12/2025 | | | 9/15/2025 | Has been mowed. | 1 |
| 2415 Briarwood Place Northeast | Vacant lot 17-594-0211 with long grass and weeds per complaint picture 9634 as of Sept 16, 2025. | 9/16/2025 | 9/18/2025 | 10/10/2025 | | | 0.5 |
| 242 14 Street Northeast | The complaint location with long grass and weeds in all yards has been mowed as of Sept 15, 2025 | 9/15/2025 | | | 9/15/2025 | Has been mowed. | 0.5 |
| 250 Barney Street West | The complaint location with pallets in the front yard has been removed as of Sept 15, 2025. The back yard has somewhat removed items as of Sept 15, 2025. | 9/15/2025 | | | 9/15/2025 | Have been removed. | 0.5 |
| 2574 Stony Creek Drive | Vacant lot 17-594-0306 with long grass and weeds per complaint picture 9633 as of Sept 16, 2025. | 9/16/2025 | 9/18/2025 | 10/10/2025 | | | 0.5 |
| 2610 Hemlock Avenue Northeast | Complaint: Tall grass per complaint picture 9666 (around house) and picture 9667 (driveway). | 9/24/2025 | 9/30/2025 | 10/10/2025 | | | 0.5 |
| 2795 Park Drive | Complaint: Tall grass per complaint picture 9646 of the business place as of 9/19/25 | 9/19/2025 | 9/23/2025 | 10/3/2025 | | | 0.5 |
| 308 Cedar Avenue South | The complaint location has cut the weeds around the power pole as of Sept 16, 2025 | 9/16/2025 | | | 9/16/2025 | Has been cut. | 0.5 |
| 407 Chestnut Avenue | The complaint location with long grass and weeds has been mowed as of Sept 15, 2025 | 9/15/2025 | | | 9/15/2025 | Has been cut. | 0.5 |

## Weed/Nuisance Complaint Inspections

## OWATONNA FIRE DEPARTMENT

### September 10, 2025 to October 1, 2025

| Address | Complaint Description | Inspection Date | Violation Notice Sent | Correction Due Date | Violation Corrected Date | Comments | Staff Hours |
|---|---|---|---|---|---|---|---|
| 412 Main Street East | 9624, 9625 shows the space between the two locations (416 and 412). The tall weeds remain in place in the whole backyard as of 9/15/25<br><br>Additional complaint picture 9636 of the east side of house with tall weeds as of Sept 18, 2025<br><br>Reinspection pictures of the complaint location as of Sept 26, 2025 - 9671 (east side of house with tall weeds), 9672 (backyard east side of complaint location), 9673 (backyard west side of complaint location)<br><br>Need to call weed cutting/removal service as of 9/26/25. | 9/15/2025 | 9/16/2025 | 9/26/2025 | | Need to contact mower. | 0.5 |
| 448 Bridge Street West | Long grass and weeds per complaint picture 9676 as of Sept 26, 2025 | 9/26/2025 | 9/30/2025 | 10/10/2025 | 9/29/2025 | Has been cut. | 1 |
| 505 State Avenue | Long grass/weeds in all yards per complaint pictures 9628, 9629 as of Sept 15, 2025 | 9/16/2025 | 9/18/2025 | 9/28/2025 | 9/22/2025 | Has been cut. | 1 |
| 506 Oak Avenue South | Complaint: Long grass/weeds per complaint picture 9670 as of Sept 25, 2025 | 9/25/2025 | 10/1/2025 | 10/11/2025 | 9/30/2025 | Has been cut. | 1 |
| 508 23 Street Northeast | Long grass/weeds per complaint picture 9668 as of 9/24/25 | 9/24/2025 | 9/30/2025 | 10/10/2025 | 9/29/2025 | Has been cut. | 1 |
| 540 Vine Street East | The chair on Vine Blvd has been removed as of 9/11/25.<br>the couch still on Blvd as of 9/11/25 | 9/11/2025 | | | 9/15/2025 | Chair has been removed. | 0.5 |
| 540 Vine Street East | The couch on the blvd area has been removed as of 9/15/25 | 9/15/2025 | | | 9/15/2025 | Couch has been removed. | 0.5 |
| 606 Hazel Lane | Additional complaint picture 9611 taken on Sept 11, 2025, of the long grass and weeds in the fenced in backyard | 9/11/2025 | 9/8/2025 | 9/18/2025 | 9/17/2025 | Has been cut. | 1 |
| 607 Hazel Lane | The complaint location with long grass and weeds has been mowed as of Sept 17, 2025 | 9/17/2025 | | | 9/17/2025 | Has been cut. | 0.5 |
| 610 20 Street Northeast | Has been mowed by contractor. | 9/11/2025 | | | 9/10/2025 | Has been cut. | 0.5 |
| 610 Bridge Street West | Complaint: Tall grass, hasn't been mowed in a month per complaint picture 9669 as of Sept 24, 2025 | 9/24/2025 | | | 9/29/2025 | Has been cut. | 0.5 |
| 613 Vine Street East | Long grass/weeds per complaint picture 9677 as of 9/29/25 | 9/29/2025 | 9/30/2025 | 10/10/2025 | | | 0.5 |
| 615 Hazel Lane | Has been mowed. | 9/11/2025 | | | 9/11/2025 | Has been mowed. | 0.5 |
| 645 Allan Avenue Southwest | Long grass/weeds per complaint picture 9647 as of Sept 19, 2025 | 9/19/2025 | | | 9/22/2025 | Has been mowed. | 1 |

## Weed/Nuisance Complaint Inspections

## OWATONNA FIRE DEPARTMENT

### September 10, 2025 to October 1, 2025

| Address | Complaint Description | Inspection Date | Violation Notice Sent | Correction Due Date | Violation Corrected Date | Comments | Staff Hours |
|---|---|---|---|---|---|---|---|
| 655 24 Street Northeast | Complaint: Tall grass. Backyard hasn't been mowed all summer. Per complaint picture 9658, 9659, 9660 of the east side of house View of backyard as of Sept 23, 2025<br><br>9/23/25 - Have permission to go on 665 24 St NE's property to see the back yard.<br><br>The backyard (per person at 665 24th St NE) is not mowed as of Sept 30, 2025. Will recheck the backyard again on Oct 4, 2025 at the 665 24th St NE | 9/23/2025 | 9/24/2025 | 10/4/2025 | | | 0.5 |
| 710 El Dorado Street Southeast | Vacant lot 17-619-0101 with long grass and weeds per complaint picture 9602 as of 9/10/25. | 9/10/2025 | 9/12/2025 | 10/3/2025 | | | 0.5 |
| 725 Escalade Lane Southeast | Vacant lot 17-619-0126 with long grass and weeds per complaint picture 9607 as of 9/10/25. | 9/10/2025 | 9/12/2025 | 10/3/2025 | | | 0.5 |
| 822 16 Street Southeast | Has been mowed by contractor. | 9/11/2025 | | | 9/10/2025 | Has been mowed. | 0.5 |
| 829 Escalade Lane Southeast | Vacant lot 17-619-0117 with long grass and weeds per complaint picture 9606 as of 9/10/25. | 9/10/2025 | 9/12/2025 | 10/3/2025 | | | 0.5 |
| 859 Escalade Lane Southeast | Vacant lot 17-619-0116 with long grass and weeds per complaint picture 9605 as of 9/10/25. | 9/10/2025 | 9/12/2025 | 10/3/2025 | | | 0.5 |
| 865 Escalade Lane | Vacant lot 17-619-0115 with long grass and weeds per complaint picture 9604 as of 9/10/25. | 9/10/2025 | 9/12/2025 | 10/3/2025 | | | 0.5 |
| 919 Vine Street East | Long grass/weeds per complaint picture 9678 as of 9/29/25 | 9/29/2025 | 9/30/2025 | 10/10/2025 | | | 0.5 |

CITY OF OWATONNA

# Licenses
# Permits

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 |
|---|---|---|
| Owatonna Art Center | January 1, 1974 | 6570631 |

| Organization Address (No PO Boxes) | City | State | Zip Code |
|---|---|---|---|
| 435 Garden View Lane | Owatonna | MN | 55060 |

| Name of person making application | Business phone | Home phone |
|---|---|---|
| Silvan Durbin | 507-451-0533 | |

Date(s) of event: Friday, November 14, 2025

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

| Organization officer's name | City | State | Zip Code |
|---|---|---|---|
| Beth Decoux | Owatonna | MN | 55060 |
| CJ Base | Owatonna | MN | 55060 |
| | | MN | |

Location where permit will be used. If an outdoor area, describe.
The Owatonna Arts Center will host their 31st annual wine-tasting event. They do hold On-Sale Wine and 3.2% Beer Licenses but a full On-Sale Liquor License is required for tasting events so request this Temporay Permit for this event.

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

If the applicant will carry liquor liability insurance please provide the carrier's name and amount of coverage.
North Risk Partners - $5000,.000 each co9mmon cause /per aggreate.

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

November 14, 2025
Permit Date

Event in conjunction with a community festival ☐ Yes ☒ No

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

26,735 - Mn State Demographer estimate - June 2024
Current population of city

Jenna Tuma, City Administrator
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***

MINNESOTA LAWFUL GAMBLING

# LG240B Application to Conduct Excluded Bingo

**No Fee**



## ORGANIZATION INFORMATION

Organization Name: Early Edition Rotary

Previous Gambling Permit Number: XB-94946-25-007

Minnesota Tax ID Number, if any:

Federal Employer ID Number (FEIN), if any:

Mailing Address: PO Box 394

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

Name of Chief Executive Officer (CEO): Jeff Elstad

* CEO Daytime Phone: 507-676-0411 CEO Email: jeelstad@gmail.com

(permit will be emailed to this email address unless otherwise indicated below)

Email permit to (if other than the CEO): rguthier@owatonna.org

## 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**

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

Rotary International District #5960

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: May 2, 2025

The proposed bingo event will be:

☑ one of four or fewer bingo events held this year. Dates: November 14, 2025

**-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 Roemhildt Daytime Phone:

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

Premises street address: 141 E. Rose St

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

# LG240B Application to Conduct Excluded Bingo

## 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: Owatonna

Signature of City Personnel: Jeanette Clawson

Title: Admin Clerk Date: 10-1-25

**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: Date: 10/1/25
(Signature must be CEO's signature; designee may not sign)

Print Name: JEFFREY S. EGSTAD

## 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*

# LG220 Application for Exempt Permit



An exempt permit may be issued to a nonprofit organization that:

- conducts lawful gambling on five or fewer days, and
- awards less than $50,000 in prizes during a calendar year.

If total raffle prize value for the calendar year will be $1,500 or less, contact the Licensing Specialist assigned to your county by calling 651-539-1900.

## Application Fee (non-refundable)

Applications are processed in the order received. If the application is postmarked or received 30 days or more before the event, the application fee is **$100**; otherwise the fee is **$150**.

Due to the high volume of exempt applications, payment of additional fees prior to 30 days before your event will not expedite service, nor are telephone requests for expedited service accepted.

## ORGANIZATION INFORMATION

Organization Name: St. Mary's School of Owatonna

Previous Gambling Permit Number: X-74007-25-003

Minnesota Tax ID Number, if any: _____

Federal Employer ID Number (FEIN), if any: 410744379

Mailing Address: 730 South Cedar Ave

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

Name of Chief Executive Officer (CEO): David Thamert

CEO Daytime Phone: 507-475-0879 CEO Email: dthamert@yahoo.com

(permit will be emailed to this email address unless otherwise indicated below)

Email permit to (if other than the CEO): clembke@stmarys-owatonna.org

## NONPROFIT STATUS

Type of Nonprofit Organization (check one):

☐ Fraternal ☑ Religious ☐ Veterans ☐ Other Nonprofit Organization

**Attach a copy of 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.)

☐ **A current calendar year Certificate of Good Standing**
Don't have a copy? Obtain this certificate from:
MN Secretary of State, Business Services Division
60 Empire Drive, Suite 100
St. Paul, MN 55103

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

☐ **IRS income tax exemption (501(c)) letter in your organization's name**
Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS toll free at 1-877-829-5500.

☑ **IRS - 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.

## GAMBLING PREMISES INFORMATION

Name of premises where the gambling event will be conducted (for raffles, list the site where the drawing will take place): St. Mary's School of Owatonna

Physical Address (do not use P.O. box): 730 South Cedar Ave

Check one:

☑ City: Owatonna Zip: 55060 County: Steele

☐ Township: _____ Zip: _____ County: _____

Date(s) of activity (for raffles, indicate the date of the drawing): March 21, 2026

Check each type of gambling activity that your organization will conduct:

☐ Bingo ☐ Paddlewheels ☐ Pull-Tabs ☐ Tipboards ☑ Raffle

**Gambling equipment** for bingo paper, bingo boards, raffle boards, paddlewheels, pull-tabs, and tipboards must be obtained from a distributor licensed by the Minnesota Gambling Control Board. EXCEPTION: Bingo hard cards and bingo ball selection devices may be borrowed from another organization authorized to conduct bingo. 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.

# LG220 Application for Exempt Permit

## 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

- [x] The application is acknowledged with no waiting period.
- [ ] The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).
- [ ] The application is denied.

Print City Name: Owatonna

Signature of City Personnel: Jeanette Clawson

Title: Admin Coordinator Date: 9/30/25

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

### COUNTY APPROVAL for a gambling premises located in a township

- [ ] The application is acknowledged with no waiting period.
- [ ] The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days.
- [ ] The application is denied.

Print County Name: _____

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 exempted gambling activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minn. 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. I acknowledge that the financial report will be completed and returned to the Board within 30 days of the event date.

Chief Executive Officer's Signature: _____ Date: 9-23-2025
(Signature must be CEO's signature; designee may not sign)

Print Name: David Thamert

## REQUIREMENTS

**Complete a separate application for:**
- all gambling conducted on two or more consecutive days; or
- all gambling conducted on one day.

Only one application is required if one or more raffle drawings are conducted on the same day.

**Financial report to be completed within 30 days after the gambling activity is done:**
A financial report form will be mailed with your permit. Complete and return the financial report form to the Gambling Control Board.

Your organization must keep all exempt records and reports for 3-1/2 years (Minn. Statutes, section 349.166, subd. 2(f)).

## MAIL APPLICATION AND ATTACHMENTS

**Mail application with:**

____ a copy of your proof of nonprofit status; and

____ application fee (non-refundable). If the application is postmarked or received 30 days or more before the event, the application fee is **$100**; otherwise the fee is **$150**. Make check payable to **State of Minnesota**.

**To:** Minnesota Gambling Control Board
1711 West County Road B, Suite 300 South
Roseville, MN 55113

**Questions?**
Call the Licensing Section of the Gambling Control Board at 651-539-1900.

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.

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

*An equal opportunity employer*

# Miscellaneous

DATE: October 7, 2025
TO: Mayor and City Council
FROM: Emily Burns, Finance Director
SUBJECT: Amend Resolution 52-25 2026 Proposed City Budget and Levy

**Purpose:**
To advise Council of an amendment/correction to Resolution 52-25 for the 2026 Proposed City Levy.

**Background:**
During the last council meeting, Council approved Resolution 52.25 setting the Proposed 2026 City Levy and Budget. A clerical error was noted in the amount shown as the Ad Valorem Tax. $21,940,620, is a combination of the requests for the Ad Valorem Tax, PER Rate Change and Debt Retirement:

| | | |
|---|---|---|
| | $19,134,358 | Ad Valorem Tax |
| | 2,537,000 | PERA Rate Change |
| + | 269,262 | Debt Retirement |
| | $21,940,620 | Amount shown on Resolution 52-25 as approved September 16, 2025 |

Correction was required prior to submitting the resolution to Steele County to meet the September 30th deadline. There is no change to the approved 2026 Proposed City Levy of 13%. The amended resolution shows the correct request for Direct Ad Valorem Tax in the amount of $19,134,358.

**Budget Impact:**
None.

**Staff Recommendation:**
No approval requested, this is an acknowledgment of the amended resolution.

**Attachments:**
1. Amended Resolution 52-25 2026 Proposed City Levy and Budget

RESOLUTION NO. 52-25

A RESOLUTION MAKING PROPOSED LEVY OF TAXES AND ADOPTING PROPOSED BUDGET FOR 2026

BE IT RESOLVED by the City Council of the City of Owatonna, County of Steele, Minnesota:

1. That there is hereby proposed to be levied upon all the taxable property in the City of Owatonna a direct ad valorem tax in the amount of $19,134,358 for general government, $ 269,262 PERA rate change, and $ 2,537,000 for debt retirement, which shall be spread upon the tax rolls and collected in the year 2026.

2. That a general fund budget of $ 31,767,940 in expenditures for fiscal year commencing January 1, 2026, is being proposed. This budget has been reviewed and potential funding sources identified as well as priorities and programs for 2026.

3. The city council will meet on December 2, 2025 at 6:00 pm to present details on the 2026 budget and receive input from public.

4. That the City Clerk is hereby instructed to transmit a certified copy of this resolution to the County Auditor of Steele County, Minnesota.

Passed and adopted this ____ day of _____, 2025, with

the following vote: Aye ___; No ___; Absent _____.

Approved and signed this _____ day of _____, 2025.

_____
Matt T. Jessop, Mayor

ATTEST:

_____
Jenna L. Tuma, City Administrator/City Clerk

DATE: October 7, 2025
TO: Mayor and City Council
FROM: Jeffrey Louks, Facilites Manager
SUBJECT: Lease Addendum - Wee Pals

**Purpose:**

Approve lease addendum for Wee Pals

**Background:**

Wee Pals Child Care leases space from the City of Owatonna in the Merrill Hall building. They would like to lease the last two rooms available in Merrill Hall to expand their child care capacity.

**Budget Impact:**

Lease payments will generate an additional $577 per month for November and December 2025 and will follow the yearly increases outlined in the original lease for the remainder of the lease term.

**Staff Recommendation:**

Staff recommends approval.

**Attachments:**

1. Wee Pals Lease Addendum 2025

# LEASE ADDENDUM

1. **THE PARTIES**. This Lease Addendum ("Addendum"), made effective as of November 1, 2025, is by and between:

   Landlord: City of Owatonna ("Landlord") and

   Tenant: Wee Pals Child Care Center ("Tenant").

   The Landlord and Tenant are each referred to herein as a "Party" and, collectively, as the "Parties."

2. **ORIGINAL LEASE**. This Addendum is being added to the lease agreement between the Parties, dated 11/01/2024, for the property located at 540 West Hills Circle, Owatonna, MN ("Original Lease").

3. **ADDITIONAL TERMS**. The following terms and conditions shall be added to the Original Lease: Tenant agrees to lease rooms 207 and 211, which total 1465 sq ft. The annual cost will be $6929.00 for the remainder of 2025, payable monthly ($577.00) before the first of each calendar month. The annual cost for the years 2026, 2027, 2028, and 2029 will follow the lease payment increases outlined in the original lease agreement.

   Except as specifically mentioned in this Addendum, all other terms and conditions of the Original Lease shall remain in full force and effect.

4. **EXECUTION**. This Addendum may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

**Landlord Signature**: _____ Date: _____

Print Name: City of Owatonna

**Tenant Signature**: Stephanie M. Hendricks Date: 9/26/2025

Print Name: Wee Pals Child Care Center

DATE: October 7, 2025
TO: Mayor and City Council
FROM: David Beaver, Airport Manager
SUBJECT: Commercial Lease Renewal - Accelerated Aviation

**Purpose:**
Request Council renew an Airport Commercial Use Terminal/Hangar Lease Agreement with Accelerated Aviation.

**Background:**
Accelerated Aviation has been operating a commercial flight school at the airport since February 2020 under a Commercial Use Terminal and Hangar Space Agreement. During the initial five years, the company has experienced significant growth.

The renewal agreement is for an additional five-year term expiring on September 30, 2030. Included is rental of available office (1,880 SF) and hangar (4,500 SF) premises in the airport terminal area facilities. This will increase the rented office area by approximately 260 square feet to help accommodate growth and service area needs. The Airport Commission has reviewed the proposed agreement and recommends approval.

**Budget Impact:**
Escalating per square foot rental rate structure to match the five-year term, projected combined annual office and hangar premises rental revenues:

| | |
|---|---|
| Year 1: | $ 33,036 |
| Year 2: | $ 34,632 |
| Year 3: | $ 36,228 |
| Year 4: | $ 37,824 |
| Year 5: | $ 39,420 |

This service will also provide continued revenues of fuel sales from aircraft operation.

**Staff Recommendation:**
Staff recommends approval.

**Attachments:**
1. Airport Commercial Use Terminal/Hangar Space Agreement

# AIRPORT COMMERCIAL USE TERMINAL / HANGAR SPACE LEASE

THIS AGREEMENT made this 7th day October of 2025 by and between the City of Owatonna, Minnesota, a municipal corporation, Lessor, hereinafter referred to as "City" and Accelerated Aviation Instruction LLC a Minnesota Company, Lessee, hereinafter referred to as "Lessee".

1. Lease of Airport Property; Premises. For and in consideration of the rents and covenants hereafter set forth, City leases to Lessee the following described premises at the City of Owatonna Municipal Airport, Steele County, Minnesota:

a. Terminal Office Space 1,880 Square Feet (SF) as depicted on Exhibit A which is made a part hereof and incorporated herein by reference.

b. Hangar Space. 4,500 Square Feet (SF) Dome Hangar #10, (Does Not Include Any Mezzanine/Upper Level Space), The aircraft stored within the hangar space provided shall be used only for the purposes of flight instruction, aircraft rental, and aircraft sales.

2. Use of the Airport. Lessee has the privilege of using the public portions of the Airport in common with other users. Lessee shall have the right to conduct all operations authorized pursuant to the terms of this Lease, provided, however, that this Lease shall not be deemed to grant to Lessee or those claiming under Lessee the exclusive right to use any part or portion of the airport other than the premises. Use of the airport is subject to rules, standards and conditions as now exist or may be enacted in the future by City, State of Minnesota, or the United States. Lessee is subject to customary fees and charges for such use as may be established from time to time by City. City reserves the right to enter at any time upon the premises for the purpose of inspection to determine compliance with the terms of this Lease. Reasonable effort will be made to notify Lessee of such entry before entry is made. If the City enters the premises in the absence of the Lessee, the City will ensure that access to the premises will be limited to authorized city personnel and that the premises will be secured following such access.

3. Term.

The term of this Agreement shall be for five (5) years commencing October 7, 2025 and ending September 30, 2030, unless earlier terminated. After the expiration of the initial (5) year term on September 30, 2030, unless terminated pursuant to Section 20, the City, at its sole discretion, may enter into a new Lease with Lessee upon terms then mutually acceptable to City and Lessee.

4. Rent.

a. **Office Space (1,880 Rentable Square Feet)** The office space annual rental rate shall be according to the following schedule:

| | | | | | |
|---|---|---|---|---|---|
| Year 1 | (10/7/25 – 09/30/26): | 1,880 SF x $8.00/SF = | $/YR | = | $ 1,253.00/Month |
| Year 2 | (10/7/26 – 09/30/27): | 1,880 SF x $8.25/SF = | $/YR | = | $ 1,292.00/Month |
| Year 3 | (10/7/27 – 09/30/28): | 1,880 SF x $8.50/SF = | $/YR | = | $ 1,332.00/Month |
| Year 4 | (10/7/28 – 09/30/29): | 1,880 SF x $8.75/SF = | $/YR | = | $ 1,371.00/Month |
| Year 5 | (10/7/29 – 09/30/30): | 1,880 SF x $9.00/SF = | $/YR | = | $ 1,410.00/Month |

b. **Hangar Space Dome Hangar #10 (4,500 Rentable Square Feet)** The hangar space annual rental rate shall be according to the following schedule:

| | | | | | |
|---|---|---|---|---|---|
| Year 1 | (10/7/25 – 09/30/26): | 4,500 SF x $4.00/SF = | $/YR | = | $ 1,500.00/Month |
| Year 2 | (10/7/26 – 09/30/27): | 4,500 SF x $4.25/SF = | $/YR | = | $ 1,594.00/Month |
| Year 3 | (10/7/27 – 09/30/28): | 4,500 SF x $4.50/SF = | $/YR | = | $ 1,687.00/Month |
| Year 4 | (10/7/28 – 09/30/29): | 4,500 SF x $4.75/SF = | $/YR | = | $ 1,781.00/Month |
| Year 5 | (10/7/29 – 09/30/30): | 4,500 SF x $5.00/SF = | $/YR | = | $ 1,875.00/Month |

c. During the term of this lease, Lessee shall pay a monthly rental fee as specified above due and payable on the first of the month for each month of occupancy.

Delinquency Charge. if required payments are received later than the tenth of the month, there shall be a 10% penalty charged.

d. All rental payments shall be made at Owatonna Degner Regional Airport, 3400 West Frontage Road, Owatonna, Minnesota, or such other place as City may designate. Upon expiration of this lease the rental rate for the Premises may be adjusted at the discretion of the City upon any subsequent renewal.

5. Use of Premises.

A. The Leased Premises shall be used only for the following purposes and for no other purpose by the Lessee: Check use(s).

___ Aircraft storage
X Aircraft sales
___ Sale of aircraft parts and accessories
___ Aircraft repair of Lessee owned aircraft
X Flight and ground instruction
___ Flying for charter or hire
X Aircraft rental
___ Construction of building
X Other (specify) Use of Hangar #10 for the storage of aircraft used for the purposes of flight instruction and rental. Office space to be used for the conduct of business operations for the flight school.

B. Use of the Leased Premises for any purpose not hereinbefore expressly provided shall constitute default hereunder and shall not be permitted except upon such terms as may be agreed upon between the parties hereto, and upon

the approval of the City given in writing to the Lessee. In the event of disapproval, the Lessee shall not conduct on the Leased Premises the business proposed to be conducted thereon.

6. Leasehold Improvements.

a. Trade Fixtures. During the term of this Lease, Lessee shall have the right, at its expense, to place in or on the premises trade Fixtures, furnishings, personal property, equipment and materials necessary to perform any services required or authorized hereunder. Said trade fixtures, furnishings, personal property, equipment and materials shall remain the property of Lessee.

b. Other Improvements. Any improvements requiring a permit including but not limited to internal structural changes, rebuilding, repair, fencing, outdoor signs, or additions shall be approved by Lessor in writing prior to the commencement of work. All such improvements shall remain property of the Lessor. In connection with such improvements, Lessee shall pay in full the cost of all labor and materials and will not suffer or permit any mechanics' liens to be made against the hangar, its appurtenances, or the title of the real estate which shall at all times remain in the City of Owatonna. If any lien is filed against the site, Lessee shall cause the satisfaction and release of such a lien within thirty (30) days of such filing or deliver to Lessor such security as Lessor may in its reasonable discretion require and Lessee commences promptly a contest of such a lien.

7. Operating Standards. In providing any of the authorized services or activities specified in this Lease, Lessee shall operate for the use and benefit of the public and shall meet or exceed the following standards:

A. Lessee shall furnish service on a fair, reasonable and nondiscriminatory basis to all users of the airport. Lessee shall furnish good, prompt and efficient service adequate to meet all reasonable demands for its services at the airport. Lessee shall charge a fair and nondiscriminatory market price for each unit of sale or service; provided, however, that Lessee shall be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

B. Lessee shall provide, at its sole expense, a reasonable and sufficient number of employees to provide effectively and efficiently the services required or authorized by this Lease.

C. Lessee shall control the conduct, demeanor and appearance of its employees, who shall be trained by Lessee and who shall possess such technical qualifications and hold such certificates or qualifications as may be required by any governmental authority in carrying out assigned duties. It shall be the responsibility of Lessee to maintain close supervision over its employees to assure a high standard of service to customers of Lessee.

D. Lessee shall comply with all federal, state and local laws, rules and regulations which may apply to the conduct of the business contemplated, including rules and regulations promulgated by City. Lessee shall maintain in effect and post in a prominent place all necessary and/or required licenses or permits.

E. Lessee may erect suitable advertising signs on the Leased Premises to advertise Lessee's business, provided that the location, form, type, size, and method of installation shall first be approved by the City and shall be in compliance with all applicable municipal ordinances and regulations.

F. Lessee agrees to comply with all rules and field regulations with respect to control of ground and air traffic and use of the airport which shall be set up from time to time by the Lessor, and the Lessee shall abide by all rules, regulations and orders of the Minnesota Department of Transportation and the Federal Aviation Administration and other lawful authorities with respect to aircraft operations on the said airport and with respect to the use of the Leased Premises. With respect to any municipal ordinance or other local regulation enacted by the City of Owatonna, Lessee shall be given prior notice of the adoption of such ordinance and regulation and the opportunity to be heard thereon, except where the ordinance or regulation is necessitated by an emergency or where the local ordinance or regulation is in response to the mandate of a federal, state or other governing body having paramount authority over the airport.

G. The Lessee shall keep and maintain the Premises in good condition, order, and repair, and shall surrender the same, upon the expiration of the Agreement, in the condition in which they are required to be kept; reasonable wear and tear and damage by the elements not caused by the Lessee's conduct excepted.

H. Hazardous Materials. Lessee shall not store hazardous materials on the leased premises except such materials as are normal and reasonably necessary for aircraft operation and maintenance. All hazardous materials shall be stored, handled, and disposed of properly in accordance with all federal, state, county, and municipal rules, and regulations. Any spill or discharge shall be immediately reported to Lessor or other appropriate agency. Improper storage, use, handling, or disposal of hazardous materials shall be grounds for termination of this Lease agreement.

I. Hangar Door to be Closed. The Lessee is responsible for ensuring that the bi-fold hangar door is closed and latched at all times, except when entering or exiting the hangar. The Lessee agrees not to operate the bi-fold door in wind conditions gusting in excess of 30mph (26 knots). The Lessee is responsible for, and holds the City harmless from, any damage or destruction to the door or to the hangar attributable to or caused wholly or partly by the Lessee's failure to comply with this provision.

J. Lessee shall be responsible for ensuring that the Premises or any part of the airport terminal common use areas are closed and locked when not in use and after during times other than airport posted hours of operation. This obligation shall apply whenever and only when these areas have been or remain open and unlocked due to the Lessee's use of the areas.

8. Non-Exclusive Right. It is not the intent of this Lease to grant to Lessee the exclusive right to provide any or all of the services described in Section 5 at any time during the term of this Lease. City reserves the right, at its sole discretion, to grant others certain rights and privileges upon the airport which are identical in part or in whole to those granted to Lessee.

9. Maintenance. Lessee shall keep and maintain the property in good order and repair and in a clean and neat condition. Lessee shall not permit any waste or nuisance on the leased premises or permit anything on the leased premises to interfere with the rights of other tenants of the City or users of the airport. In the event the premises are not properly maintained, the City, may after notice to the Lessee, cause the property to be maintained and the cost thereof will be billed to tenant as an administrative fee. In the event of non-payment the unpaid billing shall be certified for collection with the property taxes in the manner provided by law.

Lessee agrees to remove all accumulated snow and ice from sidewalk areas adjacent to the Office Building including the walks providing access to the street automobile parking lot. All accumulations of snow and ice shall be removed within 24 hours of snowfall.

10. Taxes, Assessments, and Other Charges. In addition to other charges identified in this Lease, the Lessee shall pay all taxes, assessments, licenses, fees, or other charges that may be levied or assessed upon the Lessee's property or building or any activity of the Lessee. Upon request by the City, the Lessee shall provide proof of such payment.

11. Insurance. Lessee shall maintain the following insurance coverages:

A. Comprehensive General Liability Insurance. Comprehensive general liability insurance, insuring Lessee against any liability arising out of this lease agreement, or the use, occupancy, or maintenance of the demised premises and all areas appurtenant to the demised premises and Product liability completed operations coverage for bodily injury and property damages arising out of the sale, distribution or service involving products or services that are provided. Such insurance shall be in the amount of not less than One Million Dollars ($1,000,000.00) per occurrence and a $2,000,000.00 aggregate for bodily injuries or deaths of persons or property damage occurring in and about the premises, not necessarily caused by aircraft, or in or about the Airport if caused by the act or omission of Lessee or those for whom Lessee is responsible. The insurance policy shall insure the hazards of the demised premises and operations conducted in and on the demised

premises, independent contractors and contractual liability (covering the indemnity included in this lease agreement).

B. Aircraft Liability Coverage. Aircraft liability coverage for bodily injury and property damages arising from operation of aircraft. Lessee must provide coverage for each aircraft used in the conduct of its business. The limits of coverage shall be not less than the following: Passenger bodily injury of $100,000.00 per person and $1,000,000.00 per occurrence.

C. Workers' Compensation. Lessee shall provide a certificate showing statutory Minnesota workers' compensation insurance including Employer Liability Coverage with the following limits: (1.)$500,000-Bodily Injury by disease per employee; (2) $500,000-Bodily Injury by disease aggregate; (3.) $500,000 –Bodily Injury by Accident.

D. Products Hazard and Completed Operations. $1,000,000.00 per occurrence and $2,000,000.00 aggregate.

E. Certificate of Insurance. The City shall be named as an additional insured on each policy and shall be provided with a certificate of insurance evidencing the coverage required. All such policies shall include an endorsement requiring not less than thirty (30) days written notice to the City prior to any cancellation or reduction in the amount or terms of coverage. All such policies shall be in a form reasonably satisfactory to City and shall be issued by a reliable insurance company, subject to approval by the City.

F. Any policy issued to the City of Owatonna providing duplicate or similar coverage shall be deemed excess over Lessee's policies.

Lessee shall not use or permit the Premises to be used in any manner that would void Lessee's or the City of Owatonna's insurance or increase the insurance risk. Lessee shall comply with all requirements imposed by the insurers for the City of Owatonna and Lessee.

12. Indemnification. To the fullest extent permitted by law, Lessee agrees to indemnify, defend, save and hold completely harmless the City of Owatonna or any of its agents, employees, or Airport Commission members responsible for any and all liabilities, losses, damages, suits, actions, claims, judgments, settlements, fines or demands of any person arising by reason of injury or death of any person, or damage to any property occasioned by fire, theft, rain, windstorm, hail, or from any other cause whatsoever, whether said cause be the direct, indirect, or merely a contributing factor in producing the loss to any airplane, automobile, personal property, parts, or surplus that may be located or stored in the hangars, aprons, field, or any other location at the airport; and Lessee agrees that the planes and the contents are to be stored, whether on the field or in the hangars, at Lessee's risk.

The provisions of this section shall survive expiration or earlier termination of this lease. The furnishing of the required insurance shall not be deemed to limit Lessee's obligations under this Section.

The Lessee shall defend, indemnify and hold the City of Owatonna harmless from any claims or liabilities as a result of Lessee's failure to procure and to keep in force the insurance required in the Lease.

13. Assignment; Sublease. Lessee agrees that it will not sublet the Leased Premises or any part thereof or the hangars located thereon and will not assign this Lease or any interest therein, nor permit such Lease to become transferred by operation of law or otherwise and that no act or acts will be done or suffered whereby the same may be or become sublet or assigned in whole or in part, unless the written consent of the Lessor endorsed hereon shall be first obtained in each and every case of subletting or assignment and that nothing whatever shall be held to be a waiver of supersede the necessity of such endorsement. Subletting for purposes of this paragraph does not include the rental of hangar space for airplane storage. The Lessor's consent to or denial of any sublease or assignment rests in its sole discretion.

Any assignments, sale in bankruptcy or insolvency of the Lessee may, at the option of the Lessor, be considered and assignment within the meaning of this agreement and as a breach of the covenants hereof.

14. Utilities. Lessee shall pay for all utilities for Dome Hangar #10.

A portion of the utilities in the leased space calculated on a prorated square foot basis for the office area and shall be paid by the City and is included in the rent provided for in Section 4 for Office Area.

15. Ground Control; Air Traffic. Lessee shall comply with all rules, minimum standards, and field regulations with respect to control of ground and air traffic and use of the airport as established by City from time to time and Lessee shall abide by all rules, regulations, and orders of the Minnesota Department of Transportation and the Federal Aviation Administration and other lawful authorities with respect to aircraft operations and use of the leased premises.

16. Minimum Standards. Lessee shall comply with the Owatonna Degner Regional Airport Minimum Standards now existing or as hereafter amended or adopted by the City of Owatonna.

17. Aviation Fuel. Lessee shall not have the right to sell, dispense, give or transfer aviation fuel, except to fuel aircraft owned or exclusively leased to Lessee. There shall be no storage of flammable materials, liquids or fuels in open containers in or upon the Leased Premises.

18. Parking of Vehicles**.** Lessee's private automobiles shall be allowed to be placed in the building for short periods of time. Auto parking on the apron or grass will not be permitted. All employee and customer automobile parking will be in the public vehicle parking lot.

19. Independent Contractor. In conducting its business hereunder, Lessee acts as an independent contractor and not as an agent of the City. The selection, retention, assignment, direction and payment of Lessee's employees shall be the responsibility of the Lessee.

20. Termination. This Lease shall be subject to termination by Lessor in the event of any one or more of the following events:

a. Institution of voluntary bankruptcy proceedings by the Lessee.

b. Institution of involuntary bankruptcy proceedings in which the Lessee thereafter is adjudged bankrupt.

c. Assignment for the benefit of creditors of the interest of the Lessee under this Lease.

d. Appointment of a receiver for the property or affairs of the Lessee.

e. If Lessee shall vacate the demised premises.

f. If Lessee shall refuse to take possession of the demised premises on the commencement date or shall permit the demised premises to remain unoccupied or unattended.

g. If Lessee shall fail to pay any installments of rent or other charges required to be paid by Lessee within ten (10) days after the same shall become due and payable, subject to the rights of redemption provided by law.

h. If Lessee shall fail to perform or observe any of its other obligations under this Lease for a period of thirty (30) days after written notice thereof to Lessee.

i. Any violation of state, federal or local law, statute, ordinance or regulation which results in a criminal conviction may result in the immediate termination, without further notice, of this Lease at Lessor's option.

j. This lease agreement may be cancelled and terminated by either party, without penalty, on giving a written notice of the intent to terminate to the other party four (4) months prior to the date of the intended termination, by sending the required notice to the party to be notified, postage prepaid, by certified mail return receipt requested, at the address specified for that party in the lease agreement, or by personal delivery to that party. This provision for termination

shall not operate nor become effective until lessee has been in possession of the demised premises under this lease agreement for at least twelve (12) months.

The giving of the notice required in this section shall not release either lessor or lessee from full and faithful performance of all terms and conditions of this lease agreement during the continuing occupancy of lessee after the notice of termination but before lessee actually vacates the demised premises.

21. General Provisions.

a. **Non Waiver**. The waiver of any breach, violation or default in or with respect to the performance or observance of the covenants and conditions contained herein shall not be taken to constitute a waiver of any subsequent breach, violation or default in or with respect to the same or any other covenants or condition hereof.

b. **Entire Agreement; Amendments**. This Lease represents the entire agreement between the parties and supersedes any prior agreements regarding the premises. This Lease may only be amended or modified if done in writing and executed by all parties to this Lease.

c. **Severability**. If a provision hereof shall be finally declared void or illegal by any court or administrative agency having jurisdiction, the entire Lease shall not be void, but the remaining provisions shall continue in effect as nearly as possible in accordance with the original intent of the parties.

d. **Heading**. The headings used in this Lease are intended for convenience of reference only and do not define or limit the scope or meaning or any provision of this Lease.

e. **Governing Law**. This Lease is to be construed in accordance with the laws of the State of Minnesota.

f. **Commitments to Federal and State Agencies**. Nothing in this Lease shall be construed to prevent City from making such commitments as it desires to the Federal Government or the State of Minnesota in order to qualify for the expenditure of Federal or State funds on the airport.

g. **Relationship of Parties**. Nothing contained in this Lease shall be deemed to create a partnership, association or joint venture between City and Lessee, or to create any other relationship between the parties other than that of Lessor and Lessee.

h. **Multiple Parties**. If more than one person or entity is named as the Lessee, the obligations of the Lessee shall be the joint and several responsibilities of all persons or entities named as lessee.

i. **Consent and Approvals**. Whenever in this Lease the consent or approval of City is required, such phrase means the formal approval or consent of City through a meeting of the Owatonna City Council. When the consent or approval of City's staff is required, such phrase means the consent or approval from the appropriate employee or agent of City.

j. N**otice**. Whenever under this Lease any notice is required, it shall be in writing and sent to; if the City addressed to the attention of the Airport Manager, 3400 West Frontage Road, Owatonna, MN 55060 and if to Lessee, addressed to Accelerated Aviation LLC, 3440 West Frontage Road, Owatonna, MN 55060.

IN WITNESS WHEREOF, the parties hereto have executed this Lease to be effective from the day and year first above written.

[remainder of this page intentionally left blank]

CITY OF OWATONNA, A MUNICIPAL
CORPORATION, CITY

By: _____
Matthew T. Jessop, Mayor Date

By: _____
Jenna L. Tuma, City Administrator Date

ACKNOWLEDGMENT

STATE OF MINNESOTA )
) ss.
COUNTY OF STEELE )

The foregoing instrument was acknowledged before me this _____ day of _____, 2025, by Matthew T. Jessop and Jenna L. Tuma, the Mayor and City Administrator of the City of Owatonna, Minnesota, a municipal corporation under the laws of the State of Minnesota, on behalf of the corporation.

_____
Notary Public

[remainder of this page intentionally left blank]

ACCELERATED AVIATION INSTRUCTION, LLC, LESSEE

By: _____
Date
Its:_____

By: _____
Date
Its:_____

ACKNOWLEDGMENT

STATE OF MINNESOTA )
) ss.
COUNTY OF STEELE )

The foregoing instrument was acknowledged before me this _____ day of _____, 2025, by _____ and _____ _____, the _____ and _____ of Accelerated Aviation Instruction, LLC, a Minnesota Company, under the laws of the State of Minnesota, on behalf of the company.

_____
Notary Public

CITY OF OWATONNA

# Finance Report

RECAP:

| | | |
|---|---|---|
| $ | 24,966.50 | Abdo Lapp |
| | | - Process evaluation component - $20,000.00 |
| | | - 2025 Payroll assessment $4,250.00 |
| | | - Cash & Investment reconciliation - $716.50 |
| | 32,800.00 | Carr's Tree Service Inc - tree work - storm damage |
| | 21,096.05 | Central Farm Service - fleet fuel |
| | 121,841.59 | Crane Creek - CIP P&R-23-012 - pavement Hoffman from North St to Bridge St |
| | 25,404.92 | Cyber Advisors |
| | | - Fortinet - network equipment Velve Hall remodel - $4,677.92 |
| | | - Fortinet - licensing renewal 2025-2026 - $20,727.00 |
| | 51,168.75 | Ehlers & Associates Inc |
| | | - PAYGO - Aug 2025 payment calculation - $7,817.50 |
| | | - TIF reporting 2024 OSA reports - $43,351.25 |
| | 136,437.93 | League of MN Cities Insurance Trust |
| | | - J Haycraft claim - $21,227.93 |
| | | - Quarterly Workers Comp premium - September - December 2025 - $115,210.00 |
| | 242,699.00 | Legence Subsidiary Holdings LLC (ICS) |
| | | - Public Safety Center - $238,554.00 |
| | | - Community Center $4,145.00 |
| | 20,310.85 | Marco Technologies - |
| | | - Purchase 6 copiers - various departments - $19,665.12 |
| | | - Copier service/usage fees - $645.73 |
| | 261,806.00 | Near North Title Group - purchase 515 Bridge St |
| | 79,124.67 | Nero Engineering - WWTF upgrade & expansion project - Aug 2025 |
| | 33,263.93 | Owatonna Area Chamber of Commerce - July lodging tax |
| | 2,569,941.45 | Rice Lake Construction Group - WWTP Expansion - pay est #39 |
| | 23,505.00 | Short Elliott Hendrickson Inc - 18th Street SE Reconstruction & Trail Project |
| | 153,696.14 | Southeast Service Cooperative - Sept 2025 health ins premiums |
| | 28,983.36 | US Bank - entire organization monthly credit card purchases - July/August 2025 |
| | 204,297.50 | Wencl Construction - 25001 Street & Utility - pay est #4 |
| | 392,857.72 | OTHER EXPENDITURES |
| $ | 4,146,923.55 | SUBTOTAL |
| | 113,836.00 | HRA HOUSING ASSISTANCE PAYMENTS |
| $ | 4,538,037.36 | TOTAL EXPENDITURES PRESENTED FOR APPROVAL |

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

| Check Number | Check Date | Vendor Name | Net Check Amount | Check Status | Check Type |
|---|---|---|---|---|---|
| | | Cash Account: 999-19100-000-000-000000 | | | |
| 384480 | 09/20/25 | CLOVER CONNECT | 1,956.71 | R | Wire Transfer |
| 384481 | 09/20/25 | GLOBAL PAYMENTS INTEGRATED | 11,371.68 | R | Wire Transfer |
| 384482 | 09/20/25 | MN DEPT OF LABOR AND INDUSTRY | 4,228.46 | R | Wire Transfer |
| 384483 | 09/20/25 | MN DEPT OF REVENUE | 8,339.82 | R | Wire Transfer |
| 384484 | 09/20/25 | SOUTHEAST SERVICE COOPERATIVE | 153,696.14 | R | Wire Transfer |
| 384485 | 09/20/25 | US BANK | 28,983.36 | R | Wire Transfer |
| 384486 | 09/20/25 | WEX BANK | 1,183.38 | R | Wire Transfer |
| 384487 | 09/20/25 | WEX HEALTH INC | 360.25 | R | Wire Transfer |
| 384488 | 09/23/25 | A H HERMEL CANDY & TOBACCO CO | 1,057.53 | R | ACH |
| 384489 | 09/23/25 | A TASTE OF THE BIG APPLE | 40.75 | O | Regular |
| 384490 | 09/23/25 | ABDO LLP | 24,966.50 | R | ACH |
| 384491 | 09/23/25 | ALEXANDER LUMBER COMPANY | 2,545.83 | O | Regular |
| 384492 | 09/23/25 | ANCOM | 1,296.30 | R | ACH |
| 384493 | 09/23/25 | APPLE INC | 479.00 | O | Regular |
| 384494 | 09/23/25 | ASPEN MILLS INCORPORATED | 128.51 | O | Regular |
| 384495 | 09/23/25 | AUTO-OWNERS INSURANCE CO | 4,027.00 | O | Regular |
| 384496 | 09/23/25 | AWARDS DIRECT INC | 17.15 | O | Regular |
| 384497 | 09/23/25 | BAKER & TAYLOR BOOKS | 204.61 | R | ACH |
| 384498 | 09/23/25 | BETH TIMM | 100.00 | O | Regular |
| 384499 | 09/23/25 | BLUEBEAM INC | 1,170.00 | R | ACH |
| 384500 | 09/23/25 | BORDER STATES INDUSTRIES INC | 94.80 | R | ACH |
| 384501 | 09/23/25 | CATFISH ENTERPRISES INC | 400.00 | O | Regular |
| 384502 | 09/23/25 | CAVALIER COACHES INC | 750.00 | O | Regular |
| 384503 | 09/23/25 | CDW GOVERNMENT INC | 623.34 | O | Regular |
| 384504 | 09/23/25 | CEDAR VALLEY SERVICES INC | 732.20 | R | ACH |
| 384505 | 09/23/25 | CENTRAL FARM SERVICE | 2,860.46 | O | Regular |
| 384506 | 09/23/25 | CENTRAL PK FRAMING & FINDS LLC | 143.51 | O | Regular |
| 384507 | 09/23/25 | CLAREYS SAFETY EQUIPMENT | 7,298.33 | R | ACH |
| 384508 | 09/23/25 | CLUB CAR LLC | 975.00 | O | Regular |
| 384509 | 09/23/25 | CORE & MAIN | 146.71 | O | Regular |
| 384510 | 09/23/25 | CORPORATE RECOGNITION | 157.30 | R | ACH |
| 384511 | 09/23/25 | COURT SPORTS AND MORE | 329.00 | R | ACH |
| 384512 | 09/23/25 | COVERALL OF THE TWIN CITIES | 2,455.00 | R | ACH |
| 384513 | 09/23/25 | CRANE CREEK ASPHALT | 89,208.18 | R | ACH |
| 384514 | 09/23/25 | CULLIGAN OF OWATONNA | 31.08 | R | ACH |
| 384515 | 09/23/25 | CURT’S TRUCK & DIESEL SERVICE | 2,604.69 | R | ACH |
| 384516 | 09/23/25 | CYBER ADVISORS | 25,404.92 | O | Regular |
| 384517 | 09/23/25 | DAVID GERHARTZ | 1,500.00 | O | Regular |
| 384518 | 09/23/25 | DELL MARKETING LP | 239.99 | R | ACH |
| 384519 | 09/23/25 | DEMCO | 65.69 | O | Regular |
| 384520 | 09/23/25 | DENISE STEWART | 101.70 | R | ACH |
| 384521 | 09/23/25 | DIAMOND VOGEL | 247.50 | R | ACH |
| 384522 | 09/23/25 | DISH | 268.67 | O | Regular |
| 384523 | 09/23/25 | DONALD L BROKMEIER | 100.00 | O | Regular |

A/P Check Register
Checks from to

| Check Number | Check Date | Vendor Name | Net Check Amount | Check Status | Check Type |
|---|---|---|---|---|---|
| 384524 | 09/23/25 | DORCO INC | 6,050.00 | R | ACH |
| 384525 | 09/23/25 | ECHOSAT INC | 46.66 | O | Regular |
| 384526 | 09/23/25 | EHLERS & ASSOCIATES INC | 51,168.75 | O | Regular |
| 384527 | 09/23/25 | FASTENAL COMPANY | 358.63 | R | ACH |
| 384528 | 09/23/25 | FIELD TRAINING SOLUTIONS | 295.00 | O | Regular |
| 384529 | 09/23/25 | FIRST SUPPLY OWATONNA | 379.05 | R | ACH |
| 384530 | 09/23/25 | FLAHERTY & HOOD PA | 137.50 | R | ACH |
| 384531 | 09/23/25 | FLOCK GROUP INC | 12,000.00 | O | Regular |
| 384532 | 09/23/25 | FOUR SEASONS ELECTRIC | 870.00 | R | ACH |
| 384533 | 09/23/25 | GENUINE PARTS COMPANY - NAPA | 3,994.62 | R | ACH |
| 384534 | 09/23/25 | GILLUND ENTERPRISE | 270.00 | O | Regular |
| 384535 | 09/23/25 | GOPHER/PLAY WITH A PURPOSE | 1,071.98 | R | ACH |
| 384536 | 09/23/25 | GRAINGER | 356.85 | R | ACH |
| 384537 | 09/23/25 | HAWKINS INC | 10.00 | R | ACH |
| 384538 | 09/23/25 | HC PROPERTIES OF MN LLC | 18,300.00 | R | ACH |
| 384539 | 09/23/25 | HILLYARD INC | 547.98 | O | Regular |
| 384540 | 09/23/25 | I U O E LOCAL 70 | 2,807.50 | O | Regular |
| 384541 | 09/23/25 | IFACS | 406.48 | R | ACH |
| 384542 | 09/23/25 | INNOVATIVE OFFICE SOLUTIONS | 316.78 | O | Regular |
| 384543 | 09/23/25 | JASON MARSHALL STAYTON | 590.00 | R | ACH |
| 384544 | 09/23/25 | JEFFREY MUNDALE | 149.99 | O | Regular |
| 384545 | 09/23/25 | JORDAN PAULSON | 50.00 | O | Regular |
| 384546 | 09/23/25 | KAREN HAERER | 50.00 | O | Regular |
| 384547 | 09/23/25 | KARI MARIE JACOTT LPCC | 1,275.00 | O | Regular |
| 384548 | 09/23/25 | KATHRYN MOUW MSW LICSW LADC | 900.00 | R | ACH |
| 384549 | 09/23/25 | KEEKER INC | 762.78 | R | ACH |
| 384550 | 09/23/25 | KIRI ANN FAUL | 665.00 | R | ACH |
| 384551 | 09/23/25 | LAWSON AUTOMOTIVE LLC | 1,081.69 | R | ACH |
| 384552 | 09/23/25 | LAWSON PRODUCTS | 670.45 | O | Regular |
| 384553 | 09/23/25 | LEAGUE OF MN CITIES | 250.00 | O | Regular |
| 384554 | 09/23/25 | LEAGUE OF MN CITIES INS TRUST | 115,210.00 | O | Regular |
| 384555 | 09/23/25 | LEAGUE OF MN CITIES INS TRUST | 703.00 | O | Regular |
| 384556 | 09/23/25 | LEGACY SIGNS INC | 175.00 | R | ACH |
| 384557 | 09/23/25 | LEGENCE SUBSIDIARY HOLDINGS LL | 242,699.00 | R | ACH |
| 384558 | 09/23/25 | LEILA KATH | 82.76 | O | Regular |
| 384559 | 09/23/25 | LISA MCKAY | 39.75 | O | Regular |
| 384560 | 09/23/25 | LOCKRIDGE GRINDAL NAUEN PLLP | 3,333.33 | O | Regular |
| 384561 | 09/23/25 | MACQUEEN EQUIPMENT CO | 1,280.49 | R | ACH |
| 384562 | 09/23/25 | MARCO TECHNOLOGIES LLC | 20,310.85 | R | ACH |
| 384563 | 09/23/25 | METRO SALES INC | 999.12 | O | Regular |
| 384564 | 09/23/25 | METRONET SYSTEMS HOLDINGS LLC | 39.70 | R | ACH |
| 384565 | 09/23/25 | MIDWEST TAPE LLC | 26.98 | R | ACH |
| 384566 | 09/23/25 | MINA ADSIT ARCHITECTURE & PLAN | 6,955.00 | R | ACH |
| 384567 | 09/23/25 | MINNESOTA ELEVATOR INC | 112.50 | R | ACH |
| 384568 | 09/23/25 | MN PUBLIC EMPLOYEES ASSOC | 1,344.00 | R | ACH |

| Check Number | Check Date | Vendor Name | Net Check Amount | Check Status | Check Type |
|---|---|---|---|---|---|
| 384569 | 09/23/25 | MRI SOFTWARE LLC | 75.00 | R | ACH |
| 384570 | 09/23/25 | MSL LANDSCAPING & FENCING | 925.00 | O | Regular |
| 384571 | 09/23/25 | MTI DISTRIBUTING INC | 3,692.94 | R | ACH |
| 384572 | 09/23/25 | NEAL AVERY | 50.00 | O | Regular |
| 384573 | 09/23/25 | NEAR NORTH TITLE GROUP | 300.00 | O | Regular |
| 384574 | 09/23/25 | NERO ENGINEERING | 79,124.67 | R | ACH |
| 384575 | 09/23/25 | NORTHLAND FARM SYSTEMS | 3,541.95 | R | ACH |
| 384576 | 09/23/25 | NORTHLAND SECURITIES INC | 1,035.00 | R | ACH |
| 384577 | 09/23/25 | OFFICE OF MNIT SERVICES | 840.00 | O | Regular |
| 384578 | 09/23/25 | OLMSTED MEDICAL CENTER | 158.00 | O | Regular |
| 384579 | 09/23/25 | OWATONNA AREA CHAMBER FOUNDATN | 2,590.00 | O | Regular |
| 384580 | 09/23/25 | OWATONNA AREA CHAMBER OF COMM | 33,263.93 | O | Regular |
| 384581 | 09/23/25 | OWATONNA AREA CHAMBER OF COMM | 150.00 | O | Regular |
| 384582 | 09/23/25 | OWATONNA HEATING & COOLING INC | 4,399.50 | R | ACH |
| 384583 | 09/23/25 | OWATONNA MOTOR COMPANY | 73.70 | O | Regular |
| 384584 | 09/23/25 | OWT HARDWARE | 209.81 | O | Regular |
| 384585 | 09/23/25 | PAAPE COMPANIES INC | 1,180.00 | R | ACH |
| 384586 | 09/23/25 | PAL'S MACHINING INC | 120.00 | R | ACH |
| 384587 | 09/23/25 | PAULA MADSON | 50.00 | O | Regular |
| 384588 | 09/23/25 | PLAISTED COMPANIES INC | 4,931.51 | O | Regular |
| 384589 | 09/23/25 | PLUNKETT'S PEST CONTROL INC | 1,378.49 | R | ACH |
| 384590 | 09/23/25 | PRESENCE TELEHEALTH PLLC | 211.00 | R | ACH |
| 384591 | 09/23/25 | RENEE L RUMLER LPCC | 525.00 | O | Regular |
| 384592 | 09/23/25 | RICE LAKE CONSTRUCTION GROUP | 2,569,941.45 | R | ACH |
| 384593 | 09/23/25 | SANCO EQUIPMENT | 156.34 | R | ACH |
| 384594 | 09/23/25 | SEAL KING | 10,150.00 | R | ACH |
| 384595 | 09/23/25 | SENIORPLACE INC | 188.00 | O | Regular |
| 384596 | 09/23/25 | SHERWIN WILLIAMS COMPANY | 362.52 | O | Regular |
| 384597 | 09/23/25 | SHI INTERNATIONAL CORP | 1,342.05 | O | Regular |
| 384598 | 09/23/25 | SHRED RIGHT | 89.50 | R | ACH |
| 384599 | 09/23/25 | SPLIT ROCK MANAGEMENT INC | 7,300.00 | R | ACH |
| 384600 | 09/23/25 | SPS COMPANIES INC | 1,923.85 | R | ACH |
| 384601 | 09/23/25 | ST CROIX RECREATION CO | 296.00 | R | ACH |
| 384602 | 09/23/25 | STEELE COUNTY TREASURER | 6,427.65 | O | Regular |
| 384603 | 09/23/25 | STEVE JAMES EXCAVATING INC | 1,700.00 | R | ACH |
| 384604 | 09/23/25 | STEWART COMPANIES INC | 321.77 | O | Regular |
| 384605 | 09/23/25 | STEWART SANITATION | 1,644.66 | O | Regular |
| 384606 | 09/23/25 | SYNCHRONY BANK | 1.99 | O | Regular |
| 384607 | 09/23/25 | SYNCHRONY BANK - LOWE'S | 1,617.79 | O | Regular |
| 384608 | 09/23/25 | T-MOBILE | 1,305.35 | O | Regular |
| 384609 | 09/23/25 | TAYLOR MADE GOLF COMPANY INC | 1,500.18 | O | Regular |
| 384610 | 09/23/25 | TEXAS REFINERY CORP | 542.50 | R | ACH |
| 384611 | 09/23/25 | THE PENWORTHY COMPANY | 340.42 | O | Regular |
| 384612 | 09/23/25 | THE RETROFIT COMPANIES INC | 110.00 | R | ACH |
| 384613 | 09/23/25 | THOMPSON SANITATION INC | 236.40 | R | ACH |

| Check Number | Check Date | Vendor Name | Net Check Amount | Check Status | Check Type |
|---|---|---|---|---|---|
| 384614 | 09/23/25 | UKG INC | 8,521.81 | R | ACH |
| 384615 | 09/23/25 | UNITED WAY | 190.00 | O | Regular |
| 384616 | 09/23/25 | USA TODAY | 9.00 | O | Regular |
| 384617 | 09/23/25 | VAN METER INC | 6.67 | O | Regular |
| 384618 | 09/23/25 | VAULT HEALTH | 505.08 | O | Regular |
| 384619 | 09/23/25 | VENTURE HYDRAULICS INC | 123.12 | R | ACH |
| 384620 | 09/23/25 | VERIFIED FIRST LLC | 310.00 | R | ACH |
| 384621 | 09/23/25 | VERIZON WIRELESS | 2,832.83 | O | Regular |
| 384622 | 09/23/25 | VESTIS FIRST AID | 139.56 | O | Regular |
| 384623 | 09/23/25 | VESTIS GROUP INC | 528.14 | O | Regular |
| 384624 | 09/23/25 | WALBRAN & FURNESS CHARTERED | 5,123.25 | R | ACH |
| 384625 | 09/23/25 | WAYNE STARMAN | 50.00 | O | Regular |
| 384626 | 09/23/25 | WEN-COL INC | 452.44 | O | Regular |
| 384627 | 09/23/25 | WEST PUBLISHING CORPORATION | 641.03 | R | ACH |
| 384628 | 09/23/25 | WOLFF AND SONS INC | 127.50 | R | ACH |
| 384629 | 09/23/25 | ZACHARY L PLEIN | 253.52 | O | Regular |
| 384630 | 09/23/25 | ZEP MANUFACTURING CO | 284.21 | R | ACH |
| 384631 | 10/01/25 | ACADEMY APARTMENTS OF OWA LLC | 1,024.00 | R | ACH |
| 384632 | 10/01/25 | ALL AREA MANAGEMENT LLC | 2,930.00 | R | ACH |
| 384633 | 10/01/25 | APACHE APARTMENTS | 667.00 | R | ACH |
| 384634 | 10/01/25 | ATM PROPERTIES LLC | 1,351.00 | R | ACH |
| 384635 | 10/01/25 | ATR HOLDINGS | 923.00 | R | ACH |
| 384636 | 10/01/25 | AUSTIN HRA | 1,249.00 | O | Regular |
| 384637 | 10/01/25 | BARRY GILLESPIE | 850.00 | R | ACH |
| 384638 | 10/01/25 | BRIANT PROPERTIES | 1,670.00 | R | ACH |
| 384639 | 10/01/25 | BROWN CYNTHIA | 524.00 | R | ACH |
| 384640 | 10/01/25 | BRYCEN GREGOR | 5,453.00 | R | ACH |
| 384641 | 10/01/25 | CAPELLE COMPANIES LLC | 564.00 | R | ACH |
| 384642 | 10/01/25 | CEDAR RIDGE APARTMENTS | 1,281.00 | R | ACH |
| 384643 | 10/01/25 | CEDAR ROSE ASSOCIATES LLC | 1,360.00 | R | ACH |
| 384644 | 10/01/25 | CEDAR RUN TOWN HOMES MDI #41 | 3,195.00 | R | ACH |
| 384645 | 10/01/25 | CEDARDALE NORTH APARTMENTS | 844.00 | R | ACH |
| 384646 | 10/01/25 | CEDARDALE SOUTH APARTMENTS | 248.00 | R | ACH |
| 384647 | 10/01/25 | CEDARDALE WEST APARTMENTS | 578.00 | R | ACH |
| 384648 | 10/01/25 | CHAD STANNARD | 548.00 | R | ACH |
| 384649 | 10/01/25 | CHASE BLUM | 629.00 | R | ACH |
| 384650 | 10/01/25 | CHRIS PROHASKI | 1,344.00 | R | ACH |
| 384651 | 10/01/25 | CHRIS PROHASKI II | 570.00 | R | ACH |
| 384652 | 10/01/25 | COMMON CENTS PROPERTIES LLC | 323.00 | R | ACH |
| 384653 | 10/01/25 | COOPERS COURT LLC | 449.00 | R | ACH |
| 384654 | 10/01/25 | DAKOTA STEARNS PROP LLC | 750.00 | R | ACH |
| 384655 | 10/01/25 | DANIEL SCHLEGEL | 486.00 | R | ACH |
| 384656 | 10/01/25 | EEK, LLC | 2,791.00 | R | ACH |
| 384657 | 10/01/25 | FREDRICKSON PROPERTIES | 1,348.00 | R | ACH |
| 384658 | 10/01/25 | IMAGE APARTMENT | 4,985.00 | R | ACH |

| Check Number | Check Date | Vendor Name | Net Check Amount | Check Status | Check Type |
|---|---|---|---|---|---|
| 384659 | 10/01/25 | J & P PROPERTIES | 454.00 | R | ACH |
| 384660 | 10/01/25 | JULIE WERSAL | 705.00 | R | ACH |
| 384661 | 10/01/25 | KEG INVESTMENTS LLC | 1,699.00 | R | ACH |
| 384662 | 10/01/25 | KEITH MARTIN | 1,400.00 | R | ACH |
| 384663 | 10/01/25 | KLEVOS GREG | 820.00 | R | ACH |
| 384664 | 10/01/25 | L&L LEGACY PROPERTIES | 1,344.00 | R | ACH |
| 384665 | 10/01/25 | LINCOLN SQUARE APARTMENTS | 6,372.00 | R | ACH |
| 384666 | 10/01/25 | LWO LIMITED PARTNERSHIP #116 | 5,175.00 | R | ACH |
| 384667 | 10/01/25 | MARQUARDT DENNIS | 2,386.00 | R | ACH |
| 384668 | 10/01/25 | MARTIN FAMILY LLC | 3,601.00 | R | ACH |
| 384669 | 10/01/25 | MCCAULEY CONSTRUCTION | 434.00 | R | ACH |
| 384670 | 10/01/25 | MOSSEE PROP INV LLC | 660.00 | R | ACH |
| 384671 | 10/01/25 | NECHVILLE SUSAN | 1,774.00 | R | ACH |
| 384672 | 10/01/25 | NORTH HILLS ESTATE LLC | 8,088.00 | R | ACH |
| 384673 | 10/01/25 | NORTHCOURT APARTMENTS | 742.00 | R | ACH |
| 384674 | 10/01/25 | NORTHGATE | 2,241.00 | R | ACH |
| 384675 | 10/01/25 | NORTHSTAR HOLDINGS LLC | 1,055.00 | R | ACH |
| 384676 | 10/01/25 | NORTHWEST MANOR | 6,435.00 | R | ACH |
| 384677 | 10/01/25 | NRB PROPERTIES | 451.00 | R | ACH |
| 384678 | 10/01/25 | OWATONNA PUBLIC UTILITIES | 240.00 | R | ACH |
| 384679 | 10/01/25 | PARKVIEW OWATONNA LLC | 573.00 | R | ACH |
| 384680 | 10/01/25 | PETER BIEL | 1,700.00 | R | ACH |
| 384681 | 10/01/25 | PHILLIP L BRUHA | 940.00 | R | ACH |
| 384682 | 10/01/25 | POSITIVE SHARE LLC | 552.00 | R | ACH |
| 384683 | 10/01/25 | PROHASKI PROPERTIES | 1,057.00 | R | ACH |
| 384684 | 10/01/25 | QUALITY RENTALS OF OWATONNA LL | 952.00 | R | ACH |
| 384685 | 10/01/25 | REDLINE DEVELOPMENT GRP LLC | 315.00 | R | ACH |
| 384686 | 10/01/25 | RICHARD ELLINGSON | 467.00 | R | ACH |
| 384687 | 10/01/25 | SIXSPARKS LLC | 484.00 | R | ACH |
| 384688 | 10/01/25 | SMITH REAL ESTATE LLC | 1,143.00 | R | ACH |
| 384689 | 10/01/25 | SPERO | 3,364.00 | R | ACH |
| 384690 | 10/01/25 | SUMMIT MANOR | 482.00 | R | ACH |
| 384691 | 10/01/25 | SUSAN I JOHNSON | 4,001.00 | R | ACH |
| 384692 | 10/01/25 | USDA RURAL DEVELOPMENT | 476.00 | O | Regular |
| 384693 | 10/01/25 | USDA RURAL DEVELOPMENT | 634.00 | O | Regular |
| 384694 | 10/01/25 | WILLOW RUN I MDI #58 | 3,287.00 | R | ACH |
| 384695 | 10/01/25 | WILLOW RUN II MDI #85 | 3,741.00 | R | ACH |
| 384696 | 10/01/25 | YOUNGDAHL DEVELOPMENT LLC | 2,582.00 | R | ACH |
| 384697 | 10/01/25 | ZK INVESTORS LLC | 2,076.00 | R | ACH |
| 384698 | 10/01/25 | NEAR NORTH TITLE GROUP | 261,806.00 | O | Regular |
| 384699 | 10/07/25 | ALEXANDER LUMBER COMPANY | 702.17 | O | Regular |
| 384700 | 10/07/25 | ALS GROUP USA CORP | 140.00 | R | ACH |
| 384701 | 10/07/25 | ANCOM | 257.70 | R | ACH |
| 384702 | 10/07/25 | APG MEDIA OF SO MINNESOTA LLC | 818.13 | O | Regular |
| 384703 | 10/07/25 | ARNOLD’S OF MANKATO INC | 190.00 | O | Regular |

A/P Check Register
Checks from to

| Check Number | Check Date | Vendor Name | Net Check Amount | Check Status | Check Type |
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| 384704 | 10/07/25 | ASPEN MILLS INCORPORATED | 149.70 | O | Regular |
| 384705 | 10/07/25 | AVFUEL CORPORATION | 11,872.98 | R | ACH |
| 384706 | 10/07/25 | AWARDS DIRECT INC | 43.00 | O | Regular |
| 384707 | 10/07/25 | BAKER & TAYLOR BOOKS | 134.54 | R | ACH |
| 384708 | 10/07/25 | BARBARA ZEMAN | 50.00 | O | Regular |
| 384709 | 10/07/25 | BARR ENGINEERING CO | 5,351.50 | R | ACH |
| 384710 | 10/07/25 | BOLTON & MENK INC | 8,463.50 | R | ACH |
| 384711 | 10/07/25 | BRODART CO | 49.02 | O | Regular |
| 384712 | 10/07/25 | BRYAN ROCK PRODUCTS INC | 5,920.74 | O | Regular |
| 384713 | 10/07/25 | CARR’S TREE SERVICE INC | 32,800.00 | O | Regular |
| 384714 | 10/07/25 | CAVALIER COACHES INC | 750.00 | O | Regular |
| 384715 | 10/07/25 | CDW GOVERNMENT INC | 256.68 | O | Regular |
| 384716 | 10/07/25 | CENTER POINT PUBLISHING | 79.86 | O | Regular |
| 384717 | 10/07/25 | CENTRAL FARM SERVICE | 21,096.05 | O | Regular |
| 384718 | 10/07/25 | CHRISTIAN SKJEVELAND | 173.75 | O | Regular |
| 384719 | 10/07/25 | CLUB CADDIE | 525.00 | R | ACH |
| 384720 | 10/07/25 | CORE & MAIN | 110.31 | O | Regular |
| 384721 | 10/07/25 | COURT SPORTS AND MORE | 7.00 | O | Regular |
| 384722 | 10/07/25 | CRANE CREEK ASPHALT | 32,633.41 | R | ACH |
| 384723 | 10/07/25 | CULLIGAN OF OWATONNA | 36.40 | R | ACH |
| 384724 | 10/07/25 | CURT’S TRUCK & DIESEL SERVICE | 356.25 | R | ACH |
| 384725 | 10/07/25 | CUSTOM COMMUNICATIONS INC | 729.50 | O | Regular |
| 384726 | 10/07/25 | DARCY R NICOLAI | 440.00 | O | Regular |
| 384727 | 10/07/25 | DENISE STEWART | 101.70 | R | ACH |
| 384728 | 10/07/25 | DOUGLAS S OHMAN | 700.00 | O | Regular |
| 384729 | 10/07/25 | EARL F ANDERSEN & ASSOC | 5,840.65 | O | Regular |
| 384730 | 10/07/25 | ERIC RICHARD SEYKORA | 450.00 | O | Regular |
| 384731 | 10/07/25 | EROSION CONTROL INC | 5,525.00 | O | Regular |
| 384732 | 10/07/25 | EYE MED VISION CARE | 547.19 | O | Regular |
| 384733 | 10/07/25 | FARMERS FEED AND PET SUPPLY | 165.96 | O | Regular |
| 384734 | 10/07/25 | FIRST SUPPLY OWATONNA | 123.76 | R | ACH |
| 384735 | 10/07/25 | FOUR SEASONS ELECTRIC | 3,610.97 | R | ACH |
| 384736 | 10/07/25 | GABRIEL NESS | 20.00 | O | Regular |
| 384737 | 10/07/25 | GALLAGHER BENEFIT SERVICES INC | 1,041.67 | R | ACH |
| 384738 | 10/07/25 | GENUINE PARTS COMPANY - NAPA | 847.95 | R | ACH |
| 384739 | 10/07/25 | GRAINGER | 682.80 | R | ACH |
| 384740 | 10/07/25 | GREAT PLAINS FIRE INC | 67.00 | O | Regular |
| 384741 | 10/07/25 | HAWKINS INC | 2,779.71 | R | ACH |
| 384742 | 10/07/25 | HEALTHPARTNERS INC | 5,709.14 | O | Regular |
| 384743 | 10/07/25 | HERITAGE CRYSTAL CLEAN LLC | 859.40 | O | Regular |
| 384744 | 10/07/25 | HORIZON COMMERCIAL POOL SUPPLY | 149.76 | R | ACH |
| 384745 | 10/07/25 | HUBER SUPPLY CO INC | 111.00 | O | Regular |
| 384746 | 10/07/25 | I U O E LOCAL 70 | 2,807.50 | O | Regular |
| 384747 | 10/07/25 | IFACS | 341.03 | R | ACH |
| 384748 | 10/07/25 | INNOVATIVE OFFICE SOLUTIONS | 354.39 | O | Regular |

| Check Number | Check Date | Vendor Name | Net Check Amount | Check Status | Check Type |
|---|---|---|---|---|---|
| 384749 | 10/07/25 | INSTY PRINTS | 511.38 | R | ACH |
| 384750 | 10/07/25 | INTERSTATE SERVICES INC | 80.00 | R | ACH |
| 384751 | 10/07/25 | JARDINE LOGAN & O'BRIEN | 1,100.00 | O | Regular |
| 384752 | 10/07/25 | JONES HAUGH & SMITH INC | 3,916.50 | O | Regular |
| 384753 | 10/07/25 | KATHRYN MOUW MSW LICSW LADC | 150.00 | R | ACH |
| 384754 | 10/07/25 | KEEKER INC | 57.24 | R | ACH |
| 384755 | 10/07/25 | KENNEDY & GRAVEN CHARTERED | 570.00 | O | Regular |
| 384756 | 10/07/25 | KRISTA BOLSTER | 200.00 | O | Regular |
| 384757 | 10/07/25 | KWIK TRIP INC | 95.95 | O | Regular |
| 384758 | 10/07/25 | L & L STREET RODS & SPORT TRUC | 240.00 | R | ACH |
| 384759 | 10/07/25 | LAW ENFORCEMENT & NARCOTICS SU | 3,149.00 | O | Regular |
| 384760 | 10/07/25 | LAWSON AUTOMOTIVE LLC | 804.22 | R | ACH |
| 384761 | 10/07/25 | LAWSON PRODUCTS | 96.93 | O | Regular |
| 384762 | 10/07/25 | LEAGUE OF MN CITIES INS TRUST | 21,227.93 | O | Regular |
| 384763 | 10/07/25 | LEGACY SIGNS INC | 3,072.50 | R | ACH |
| 384764 | 10/07/25 | MACQUEEN EQUIPMENT CO | 7,604.27 | R | ACH |
| 384765 | 10/07/25 | MADISON NATL LIF INS CO INC | 1,116.25 | O | Regular |
| 384766 | 10/07/25 | MANKE'S OUTDOOR EQUIP & APPL | 134.33 | R | ACH |
| 384767 | 10/07/25 | MARCO TECHNOLOGIES LLC | 375.84 | R | ACH |
| 384768 | 10/07/25 | MCMASTER-CARR SUPPLY CO | 350.18 | R | ACH |
| 384769 | 10/07/25 | METRO SALES INC | 142.85 | O | Regular |
| 384770 | 10/07/25 | METRONET SYSTEMS HOLDINGS LLC | 1,273.65 | R | ACH |
| 384771 | 10/07/25 | MICHAEL JOHNSON | 154.34 | O | Regular |
| 384772 | 10/07/25 | MIDWEST TAPE LLC | 362.09 | R | ACH |
| 384773 | 10/07/25 | MIKE'S REPAIR | 151.04 | R | ACH |
| 384774 | 10/07/25 | MN NCPERS GROUP LIFE INSURANCE | 384.00 | O | Regular |
| 384775 | 10/07/25 | MN PUBLIC EMPLOYEES ASSOC | 1,296.00 | R | ACH |
| 384776 | 10/07/25 | MN VALLEY TESTING LABS INC | 883.25 | R | ACH |
| 384777 | 10/07/25 | MOHS HOMES INC | 2,500.00 | O | Regular |
| 384778 | 10/07/25 | MTI DISTRIBUTING INC | 2,555.32 | R | ACH |
| 384779 | 10/07/25 | NANCY EARHART BURT | 300.00 | O | Regular |
| 384780 | 10/07/25 | NEAR NORTH TITLE GROUP | 100.00 | O | Regular |
| 384781 | 10/07/25 | NORTHERN SAFETY TECHNOLOGY INC | 100.89 | R | ACH |
| 384782 | 10/07/25 | NORTHLAND FARM SYSTEMS | 314.50 | R | ACH |
| 384783 | 10/07/25 | OFFICE OF MNIT SERVICES | 120.75 | O | Regular |
| 384784 | 10/07/25 | OLYMPIC FIRE PROTECTION CORP | 3,225.00 | R | ACH |
| 384785 | 10/07/25 | OWATONNA AREA BUSINESS DEV CTR | 10,000.00 | O | Regular |
| 384786 | 10/07/25 | OWATONNA FLOOR COVERING | 5,924.00 | O | Regular |
| 384787 | 10/07/25 | OWATONNA GLASS LLC | 153.04 | O | Regular |
| 384788 | 10/07/25 | OWATONNA HEATING & COOLING INC | 1,020.50 | R | ACH |
| 384789 | 10/07/25 | OWATONNA PEOPLE'S PRESS | 299.00 | O | Regular |
| 384790 | 10/07/25 | OWT HARDWARE | 259.47 | O | Regular |
| 384791 | 10/07/25 | PAAPE COMPANIES INC | 937.50 | R | ACH |
| 384792 | 10/07/25 | PAMELA SEASER | 50.00 | O | Regular |
| 384793 | 10/07/25 | PENGUIN MANAGEMENT, INC | 3,840.00 | O | Regular |

A/P Check Register
Checks from to

| Check Number | Check Date | Vendor Name | Net Check Amount | Check Status | Check Type |
|---|---|---|---|---|---|
| 384794 | 10/07/25 | POST-BULLETIN | 376.09 | O | Regular |
| 384795 | 10/07/25 | PRESENCE TELEHEALTH PLLC | 422.00 | R | ACH |
| 384796 | 10/07/25 | RENT N SAVE PORTABLE SERVICES | 1,565.00 | O | Regular |
| 384797 | 10/07/25 | RICE STEELE 911 CENTER | 60.00 | O | Regular |
| 384798 | 10/07/25 | RIVERLAND COMMUNITY COLLEGE | 4,905.00 | O | Regular |
| 384799 | 10/07/25 | SCHOLASTIC INC | 2,364.57 | R | ACH |
| 384800 | 10/07/25 | SENIORPLACE INC | 24.00 | O | Regular |
| 384801 | 10/07/25 | SHERWIN WILLIAMS COMPANY | 920.26 | O | Regular |
| 384802 | 10/07/25 | SHI INTERNATIONAL CORP | 373.50 | O | Regular |
| 384803 | 10/07/25 | SHORT ELLIOTT HENDRICKSON INC | 23,505.00 | R | ACH |
| 384804 | 10/07/25 | SHRED RIGHT | 44.75 | R | ACH |
| 384805 | 10/07/25 | SPHERION STAFFING LLC | 1,591.43 | O | Regular |
| 384806 | 10/07/25 | STAR TRIBUNE | 63.86 | R | ACH |
| 384807 | 10/07/25 | STEELE COUNTY RECORDER | 92.00 | O | Regular |
| 384808 | 10/07/25 | STEELE COUNTY TREASURER | 6,245.00 | O | Regular |
| 384809 | 10/07/25 | STEVE JAMES EXCAVATING INC | 85.07 | R | ACH |
| 384810 | 10/07/25 | STEWART COMPANIES INC | 131.42 | O | Regular |
| 384811 | 10/07/25 | STREICHER'S INC | 2,539.00 | O | Regular |
| 384812 | 10/07/25 | SUPERIOR FOODS AND CATERING | 500.00 | O | Regular |
| 384813 | 10/07/25 | SWEET TOWING | 75.00 | O | Regular |
| 384814 | 10/07/25 | T-MOBILE | 899.39 | O | Regular |
| 384815 | 10/07/25 | THE NEW YORK TIMES | 624.00 | O | Regular |
| 384816 | 10/07/25 | TJD REPAIR & SERVICE | 110.27 | O | Regular |
| 384817 | 10/07/25 | TRUCK CENTER COMPANIES LLC | 175.36 | O | Regular |
| 384818 | 10/07/25 | UNITED WAY | 55.00 | O | Regular |
| 384819 | 10/07/25 | VERIZON WIRELESS | 919.24 | O | Regular |
| 384820 | 10/07/25 | VESTIS FIRST AID | 528.31 | O | Regular |
| 384821 | 10/07/25 | VESTIS GROUP INC | 239.44 | O | Regular |
| 384822 | 10/07/25 | WALBRAN & FURNESS CHARTERED | 5,123.25 | R | ACH |
| 384823 | 10/07/25 | WASECA COUNTY HWY DEPT | 24.00 | O | Regular |
| 384824 | 10/07/25 | WEN-COL INC | 841.25 | O | Regular |
| 384825 | 10/07/25 | WENCL CONSTRUCTION INC | 204,297.50 | O | Regular |
| 384826 | 10/07/25 | WHKS & CO | 1,263.00 | R | ACH |
| 384827 | 10/07/25 | WIDSETH SMITH NOLTING & ASSOC | 8,888.10 | O | Regular |
| 384828 | 10/07/25 | XCEL ENERGY | 361.77 | O | Regular |
| 384829 | 10/07/25 | YOUTH 1ST INC | 1,250.00 | O | Regular |
| 384830 | 10/07/25 | ZERO WASTE USA INC | 4,250.00 | O | Regular |
| 384831 | 10/07/25 | RANDALL'S LICENSE BUREAU | 31.75 | O | Regular |

| | | |
|---|---|---|
| 161 | Checks total: | 945,210.41 |
| 183 | ACH total: | 3,382,707.15 |
| 0 | EFTPS total: | |
| 8 | Wire transfer total: | 210,119.80 |
| 0 | Payment Manager total: | |
| 352 | GRAND TOTALS | 4,538,037.36 |

# Resolutions

DATE: October 7, 2025
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Resolution 58-25: Order Feasibility Report — 18th Street SE Reconstruction Project

**Purpose:**
Requesting City Council approval of Resolution 58-25: Ordering the preparation of the 18th Street SE Reconstruction Feasibility Report.

**Background:**
The portion of 18th Street SE from Austin Road to just east of Cornerstone Lane is slated for reconstruction in 2026. The need is driven by aging infrastructure, improving safety, and providing multimodal transportation facilities to a corridor outlined in our Park and Trail System Master Plan. The feasibility report will discuss current infrastructure conditions and proposed improvements.

**Budget Impact:**
The project will be paid for by a combination of assessments, federal funds, state aid funds, a transportation alternative grant, sanitary sewer funds, stormwater funds, OPU funds and the general fund. Cost allocations and amounts will be explored in the feasibility report.

**Staff Recommendation:**
Staff recommends approval.

**Attachments:**
1. Resolution 58-25: Order Feasibility Report 18th Street SE Reconstruction

RESOLUTION NO. 58-25

RESOLUTION ORDERING PREPARATION OF REPORT ON
IMPROVEMENT ON 18th Street SE.

WHEREAS, it is proposed to improve the following streets as part of the 18th Street SE Reconstruction Project.

The 18th Street SE Reconstruction Project includes:

- 18th Street SE from Austin Rd to just east of Cornerstone Lane.

and to assess the benefited property for all or a portion of the cost of the improvements, pursuant to Minnesota Statutes, Chapter 429,

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OWATONNA MINNESOTA:

That the proposed improvement, called the 18th Street SE Reconstruction Project, be referred to Sean Murphy, City Engineer for the City of Owatonna, Minnesota, for study and that that person is instructed to report to the council will all convenient speed advising the council in a preliminary way as to whether the proposed improvement is necessary, cost-effective, and feasible; whether it should best be made as proposed or in connection with some other improvement; the estimated cost of the improvement as recommended; and a description of the methodology used to calculate individual assessments for affected parcels.

Passed and adopted this _____ day of _____ 2025, with the following vote:

Aye _____; No _____; Absent _____.

Approved and signed this _____ day of _____, 2025.

_____
Matthew T. Jessop, Mayor

ATTEST:

_____
Jenna L. Tuma, City Administrator/City Clerk

DATE: October 7, 2025
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Resolution 59-25: Order Feasibility Report — Main Street Reconstruction and Rehabilitation

**Purpose:**
Requesting City Council approval of Resolution 59-25: Ordering a Feasibility Report for the Main Street Reconstruction and Rehabilitation Project.

**Background:**
Steele County and the City of Owatonna are working together to improve Main Street (CSAH 48) between Oak Avenue and Grove Avenue. Steele County is leading the effort on this project as it is a County State Aid Highway. Significant pavement deterioration, aged underground infrastructure, pedestrian and vehicular safety, and improving signalized intersections are primary drivers of this project. The feasibility report will discuss current infrastructure conditions and proposed improvements in greater detail.

**Budget Impact:**
The project will be paid for by a combination of Steele County funds, assessments, state aid funds, sanitary sewer funds, stormwater funds, OPU funds and the general fund. Cost allocations and amounts will be explored in the feasibility report.

**Staff Recommendation:**
Staff recommends approval.

**Attachments:**
1. Res 59-25 Order Feasibility Report Main Street Reconstruction

RESOLUTION NO. 59-25

RESOLUTION ORDERING PREPARATION OF REPORT ON
IMPROVEMENT ON Main Street E (CSAH 48).

WHEREAS, it is proposed to improve the following streets as part of the Main Street E Reconstruction Project.

The Main Street E Reconstruction Project includes:

- Main Street (CSAH 48) between Oak Avenue and Grove Avenue

and to assess the benefited property for all or a portion of the cost of the improvements, pursuant to Minnesota Statutes, Chapter 429,

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OWATONNA MINNESOTA:

That the proposed improvement, called the Main Street E Reconstruction Project, be referred to Sean Murphy, City Engineer for the City of Owatonna, Minnesota, for study and that that person is instructed to report to the council will all convenient speed advising the council in a preliminary way as to whether the proposed improvement is necessary, cost-effective, and feasible; whether it should best be made as proposed or in connection with some other improvement; the estimated cost of the improvement as recommended; and a description of the methodology used to calculate individual assessments for affected parcels.

Passed and adopted this _____ day of _____ 2025, with the following vote:

Aye _____; No _____; Absent _____.

Approved and signed this _____ day of _____, 2025.

_____
Matthew T. Jessop, Mayor

ATTEST:

_____
Jenna L. Tuma, City Administrator/City Clerk

DATE: October 7, 2025
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Resolution 60-25 Declare Costs — 2024 Street & Utility Project

**Purpose:**
Requesting City Council approval of Resolution 60-25: Declaring costs for the 2024 Street & Utility Project with improvements to Anderson Place SW and McKinley Street SW.

**Background:**
Anderson Place SW and McKinley Street SW were reconstructed as part of the 2024 Street & Utility Project. The project was subject to assessments. A Preliminary Assessment Hearing was held on March 6, 2024 and on April 16, 2024, the city entered into a contract with Wencl Construction, Inc to complete the project at a contracted cost of $1,248,467.00. The project is now complete, and the final amount has been paid to the contractor.

**Budget Impact:**
The final cost of the project, including Change Orders, Quantity Changes, and the addition of Engineering and Administrative Costs, was $1,512,769.24 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 $90,516.40, which is 5.98% of the total project.

**Staff Recommendation:**
Staff recommends approval.

**Attachments:**
1. Resolution 60-25: Declare Costs 2024 Street and Utility Project

RESOLUTION NO. 60-25

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

WHEREAS, a contract has been let for the construction of 2024 Street & Utility Project and the contract price for such improvements is $1,248,467.00 and the quantity changes incurred or to be incurred in the making of such improvements amount to $19,938.00 so that the total cost of the improvements will be $1,268,405.00 The city per assessment policy adds engineering and administrative costs of $112,272.16 totaling $1,512,769.24.

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

1. The estimated cost of such improvements to be specially assessed is hereby declared to be $90,516.40.
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 _____, 2025, with the following vote:

Aye _; No __; Absent ___.

Approved and signed this ___ day of _____, 2025.

_____

ATTEST: Matthew T. Jessop, Mayor

_____

Jenna L. Tuma, City Administrator/City Clerk

DATE: October 7, 2025
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Resolution 61-25: Set Public Hearing Date — 2024 Street & Utility Project Proposed Assessments

**Purpose:**
To set a Proposed Assessment Public Hearing for the 2024 Street & Utility Project.

**Background:**
The requested hearing date is Wednesday November 5, 2025. 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 $90,516.40.

**Staff Recommendation:**
Staff recommends approval.

**Attachments:**
1. Resolution 61-25 Set Date for Public Hearing 2024 Proposed Assessments

RESOLUTION NO. 61-25

A RESOLUTION FOR HEARING ON PROPOSED ASSESSMENT

WHEREAS, by Resolution No., 60-25 passed by the Council on October 7, 2025, the City Clerk was directed to prepare a proposed assessment of the cost of the construction of the 2024 Street & Utility Project.

WHEREAS, a contract has been let for the construction of 2024 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 Wednesday, the 5th day of November, 2025, 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 _____ day of _____, 2025, with the following vote:

Aye _; No __; Absent ___.

Approved and signed this ___ day of _____, 2025.

_____

ATTEST: Matthew T. Jessop, Mayor

_____

Jenna L. Tuma, City Administrator/City Clerk

DATE: October 7, 2025
TO: Mayor and City Council
FROM: David Beaver, Airport Manager
SUBJECT: Resolution 62-25 Airport Maintenance and Operations Grant Agreement - MnDOT

**Purpose:**
To approve the State of Minnesota Airport Maintenance and Operation Grant Agreement for state fiscal year 2026 and 2027 (July 1, 2025 through June 30, 2027).

**Background:**
MnDOT Aeronautics provides grant funding to airports under the State Airport Maintenance and Operation agreements (M&O). The funding participation provides reimbursement for eligible expenses such as building repairs, mowing, equipment repair costs and utilities not to exceed an amount calculated by an airport infrastructure formula. These program funds are derived from the user supported State Airports Fund.

**Budget Impact:**
The Minnesota Department of Transportation (MnDOT) Office of Aeronautics will reimburse the City of Owatonna 75% of direct, actual maintenance and operation costs of the airport, not to exceed $69,313.48 per year. This is slightly higher than the previous M&O Agreement.

**Staff Recommendation:**
Staff recommends approval.

**Attachments:**
1. Resolution 62-25 MnDOT Grant - M&O Agreement
2. Airport Maintenance & Operations Agreement

RESOLUTION NO. 62-25

A RESOLUTION FOR AUTHORIZATION TO EXECUTE MINNESOTA DEPARTMENT OF TRANSPORTATION AIRPORT MAINTENANCE AND OPERATION GRANT AGREEMENT

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

1. That the State of Minnesota Agreement Number 1060351 "Airport Maintenance and Operation Grant Agreement," at the Owatonna Degner Regional Airport is hereby accepted.

2. That the Mayor and City Administrator are hereby authorized to execute this Agreement and any amendments on behalf of the City of Owatonna.

Passed and adopted this ___ day of _____, 2025, with

the following vote: Aye ____; No ____; Absent _____.

Approved and signed this _____ day of _____, 2025.

_____
Matthew T. Jessop, Mayor

ATTEST:

_____
Jenna L. Tuma, City Administrator/City Clerk

MnDOT Agreement No. 1060351

**STATE OF MINNESOTA**

**STATE AIRPORTS FUND**

**AIRPORT MAINTENANCE AND OPERATIONS GRANT AGREEMENT**

**State Project Number (S.P.):** A7401-MO26
**State Project Number (S.P.):** A7401-MO27

This Agreement is between the State of Minnesota, acting through its Commissioner of Transportation ("State") and City of Owatonna, 3400 West Frontage Road, Owatonna, MN 55060 acting through its City Council ("Grantee") ("Agreement").

## RECITALS

1. Minnesota Statutes §§360.015 and 360.305 authorize the State to provide financial assistance to airports for maintenance and operations activities.
2. Grantee owns, operates, or controls an airport ("Airport") in the state system, and desires financial assistance from the State for maintenance and operations activities for State Fiscal Year 2026 and State Fiscal Year 2027.
3. Grantee represents that it is duly qualified and agrees to perform all services described in this Agreement to the satisfaction of the State.

## AGREEMENT TERMS

1. **Term of Agreement and Survival of Terms**

   1.1. **Effective Date**. This Agreement will be effective on the date the State obtains all required signatures under Minnesota Statutes §16B.98, subdivision 5, whichever is later. As required by Minnesota Statutes §16B.98 Subd. 7, no payments will be made to Grantee until this Agreement is fully executed.

   1.2. **Expiration Date**. This Agreement will expire on June 30, 2027.

   1.3. **Survival of Terms**. All clauses which impose obligations continuing in their nature and which must survive in order to give effect to their meaning will survive the expiration or termination of this Agreement, including, but not limited to, the following clauses: Indemnification; State Audits; Government Data Practices; Governing Law, Jurisdiction and Venue; and Data Disclosure.

2. **Grantee's Duties**

   2.1. **Airport Use.** In accordance with Minnesota Statutes §360.305, subd. 4, Grantee must operate and maintain the Airport, for the use and benefit of the public, in a safe, serviceable manner for aeronautical purposes only for a period of one (1) year from the date Grantee receives final reimbursement under this Agreement.

   2.2. **Grounds Maintenance.** Grantee will keep the runway and the area around the lights at the Airport mowed and plowed. The grass must be mowed at least seven (7) feet beyond the lights and must not exceed six (6) inches in height on the landing area. The areas around any navigational aids must be sufficiently mowed and plowed to keep the area clear for vehicle access. If the Airport remains operational during the winter months, Grantee will keep at least one runway, associated taxiway, and apron area cleared of snow and ice to the same priority as arterial roads. Snowbanks must be limited in height so that aircraft wings, engines, and propellers will clear them. Landing strip markers and/or lights must remain visible.

2.3. **Periodic Paint Striping.** If the State contracts for the periodic paint striping of the Airport's runways and taxiways during the term of this Agreement, Grantee will cooperate with the marking operation. Grantee must coordinate seal coat pavement maintenance projects with the State to maximize the pavement marking life.

2.4. **Inspections.** Grantee will allow a representative of the State's Office of Aeronautics access to any area of the Airport necessary for the purpose of periodic inspections.

2.5. **Third-Party Contracting.** Grantee will comply with all applicable local, state, or federal laws, regulations, policies and procedures in the procurement of goods and services funded in whole or in part under this Agreement.

3. **Grantee's Assurances**

3.1. Grantee represents and warrants that Grantee has established a zoning authority for the Airport, and such authority has completed, or is in the process of and will complete, with due diligence, an airport zoning ordinance in accordance with Minnesota Statutes §§360.061 to 360.074.

3.2. Grantee will comply with all required grants management policies and procedures set forth in Minnesota Statutes §16B.97 subd. 4(a)(1).

4. **Consideration and Payment**

4.1. **Consideration.** State will pay for all eligible maintenance and operations costs incurred by Grantee under this Agreement as follows:

4.1.1. **Basis.** Grantee will be reimbursed for 75% of all eligible maintenance and operations costs not reimbursed by any other source. Eligible maintenance and operations costs will be determined at the sole discretion of State's Authorized Representative or their designee according to the State's Funding Eligibility Guidance, which is available at: https://www.dot.state.mn.us/aero/airportdevelopment/fundingandgrants.html

4.1.2. **Fiscal Year Obligations.** State has currently obligated $69,313.48 in each state fiscal year to reimburse 75% of eligible costs incurred by Grantee during each fiscal year and will be capped at this amount for each fiscal year. Any funding granted but not requested for reimbursement within the first fiscal year will not roll over into the second fiscal year.

4.1.3. **Total Obligation.** The State's total obligation for all compensation and reimbursements to Grantee under this Agreement will not exceed $138,626.97 (reflecting state fiscal years 2026 and 2027 combined obligations).

4.2. **Payment.**

4.2.1. **Invoices.** Grantee must submit detailed reimbursement requests for its eligible costs to the State's Authorized Representative on a quarterly basis or as otherwise directed by State's Authorized Representative. Invoices for expenses incurred after grant funds were encumbered by the State, but before the Effective Date of this Agreement, may not be submitted for reimbursement until after the Effective Date of this Agreement. The State's Office of Aeronautics will supply the reimbursement request forms that Grantee must submit. Reimbursement requests must be submitted according to the following schedule:

- Quarter 1 (Jul. 1st – Sept. 30th): **On or after October 1, and no later than November 15**;
- Quarter 2 (Oct. 1st – Dec. 31st): **On or after January 1, and no later than February 15;**
- Quarter 3 (Jan. 1st – Mar. 31st): **On or after April 1, and no later than May 15**; and
- Quarter 4 (Apr. 1st – Jun. 30th): **On or after July 1, and no later than August 15**.

The State may reject any costs submitted for reimbursement that the State determines, in its sole discretion, are not eligible maintenance and operations expenses. Any invoices not received by the State's Authorized Representative by December 31st of the fiscal year in which the expenses were incurred will be ineligible for reimbursement and rejected.

4.2.2. **All Invoices Subject to Audit.** All invoices are subject to audit, at the State's discretion.

4.2.3. **Progress Reports.** The State may, at its sole discretion, require Grantee to submit quarterly progress reports in addition to its invoices. If so requested, the State will provide a progress report form for Grantee's completion and submittal with its invoices.

4.2.4. **The State's Payment Requirements.** The State will promptly pay all valid obligations under this Agreement as required by Minnesota Statutes §16A.124. The State will make undisputed payments no later than thirty (30) days after receiving Grantee's invoices and progress reports, if requested by the State, for services performed. If an invoice is incorrect, defective or otherwise improper, the State will notify Grantee within ten (10) days of discovering the error. After the State receives the corrected invoice, State will pay Grantee within thirty (30) days of receipt of such invoice.

4.2.5. **Grant Monitoring Visit and Financial Reconciliation.** If the State's total obligation is greater than $50,000.00, the State will conduct at least one monitoring visit and financial reconciliation of Grantee's expenditures. If the State's total obligation is greater than $250,000.00, the State will conduct annual monitoring visits and financial reconciliations of Grantee's expenditures. The State's Authorized Representative will notify Grantee's Authorized Representative where and when monitoring visits and financial reconciliations will take place, which state employees and Grantee staff members should be present, as well as which, if any, of Grantee's contractors or consultants, or their agents, are required to participate. Grantee will be provided at least seven (7) days' notice prior to monitoring visits and/or financial reconciliations. Following a monitoring visit or financial reconciliation, Grantee will take timely and appropriate action on all deficiencies identified by the State. At least one monitoring visit and one financial reconciliation must be completed prior to final payment being made to Grantee.

4.2.6. **Closeout.** The State will determine, at its sole discretion, whether a closeout audit is required prior to final payment approval. If a closeout audit is required, final payment will be held until the audit has been completed. Monitoring of any capital assets acquired with grant funds will continue following grant closeout.

5. **Conditions of Payment.** All services provided by Grantee under this Agreement must be performed to the State's satisfaction, as determined at the sole discretion of State's Authorized Representative and in accordance with all applicable federal, state and local laws, ordinances, rules and regulations, including business registration requirements of the Office of the Secretary of State. Grantee will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state or local law. In the event the Airport fails to pass any periodic inspection conducted by a representative of the State's Office of Aeronautics, Grantee will not receive payment under this Agreement until all deficiencies identified by any such inspection have been rectified to the Office of Aeronautics' satisfaction.

6. **Authorized Representatives**

6.1. **State's Authorized Representative.** State's Authorized Representative will be:

Name/Title: Jenny Bahneman, Grants Specialist Coordinator
Address: Office of Aeronautics
395 John Ireland Boulevard, Mail Stop 410
Saint Paul, Minnesota 55155
E-Mail: jenny.bahneman@state.mn.us

State's Authorized Representative or their successor, will monitor Grantee's performance and has the authority to accept or reject the services provided under this Agreement. If the Grantee's duties are performed in a satisfactory manner, the State's Authorized Representative will accept each reimbursement request submitted for payment.

6.2. **Grantee's Authorized Representative.** Grantee's Authorized Representative will be:

Name/Title: Dave Beaver, Airport Manager
Address: 3400 West Frontage Road, Owatonna, MN 55060

Telephone: (507) 444-2448
E-Mail: david.beaver@owatonna.gov

If Grantee's Authorized Representative changes at any time during this Agreement, Grantee must immediately notify State.

7. **Assignment; Amendments; Waiver; Agreement Complete; Electronic Records; Certification**

   7.1. **Assignment.** Grantee may neither assign nor transfer any rights or obligations under this Agreement without the prior consent of the State and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this Agreement, or their successors in office.

   7.2. **Amendments.** An amendment to this Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original agreement, or their successors in office.

   7.3. **Waiver.** If the State fails to enforce any provision of this Agreement, such failure does not waive the provision or the State's right to subsequently enforce it.

   7.4. **Agreement Complete.** This Agreement contains all prior negotiations and agreements between the State and Grantee. No other prior understanding regarding this Agreement, whether written or oral, may be used to bind either party.

   7.5. **Electronic Records and Signatures.** The parties agree to contract by electronic means. This includes using electronic signatures and converting original documents to electronic records.

   7.6. **Certification.** By signing this Agreement, Grantee certifies that it is not suspended or debarred from receiving federal or state awards.

8. **Liability and Indemnification.** Each party is responsible for its own acts, omissions, and the results thereof to the extent authorized by law. Minnesota Statutes § 3.736 and other applicable law govern liability of the State. Minnesota Statutes Chapter 466 and other applicable law govern liability of Grantee. Notwithstanding the foregoing, Grantee will indemnify, hold harmless, and defend (to the extent permitted by the Minnesota Attorney General) the State against any claims, causes of actions, damages, costs, and expenses, including reasonable attorneys' fees, arising in connection with the services performed under this Agreement, asserted by, or resulting from the acts or omissions of Grantee's contractors, consultants, agents or any other third parties under the direct control of Grantee.

9. **State Audits.** Under Minnesota Statutes § 16B.98 subd. 8, the books, records, documents, and accounting procedures and practices of Grantee, or those of any other party relevant to this grant Agreement, or transactions resulting from this Agreement, are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six (6) years from the expiration of this Agreement or receipt and approval of all final reports, whichever is later. Grantee will take timely and appropriate action on all deficiencies identified by an audit.

10. **Government Data Practices.** Grantee and the State must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by the State under this Agreement, and as it applies to all data created, collected, received, stored, used, maintained or disseminated by Grantee under this Agreement. The civil remedies of Minnesota Statutes §13.08 apply to the release of the data referred to in this clause by either Grantee or the State. If Grantee receives a request to release the data referred to herein, Grantee must immediately notify the State and consult with the State as to how Grantee should respond to the request. Grantee's response to the request must comply with applicable law.

11. **Workers' Compensation.** Grantee certifies that it is in compliance with Minnesota Statutes §176.181, subd. 2, pertaining to workers' compensation insurance coverage. Grantee's employees and agents will not be considered state employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of Grantee's employees, as well as any claims made by any third party as a consequence of any act or omission on the part of Grantee's employees are in no way the State's obligation or responsibility.

12. **Governing Law, Jurisdiction and Venue.** Minnesota law, without regard to its choice-of-law provisions, governs this Agreement. Venue for all legal proceedings arising out of this Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

13. **Data Disclosure.** Under Minnesota Statutes §270C.65, and other applicable law, Grantee consents to disclosure of its social security number, federal employer tax identification number and Minnesota tax identification number, already provided to the State, to federal and state agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state laws which could result in action requiring Grantee to file state tax returns and pay delinquent state tax liabilities, if any, or pay other state liabilities.

14. **Termination and Suspension**

    14.1. **Termination by the State.** The State or Commissioner of Administration may unilaterally terminate this Agreement at any time, with or without cause, upon written notice to Grantee. Upon termination, Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

    14.2. **Termination for Cause.** The State may immediately terminate this Agreement if the State finds that there has been a failure to comply with the provisions of this Agreement, that reasonable progress has not been made, that fraudulent or wasteful activity has occurred, that Grantee has been convicted of a criminal offense relating to a state grant agreement, or that the purposes for which the funds were granted have not been or will not be fulfilled. The State may take action to protect the interests of the State of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

    14.3. **Termination for Insufficient Funding.** The State may immediately terminate this Agreement if it does not obtain funding from the Minnesota Legislature or if funding cannot be continued at a level sufficient to pay for the services contracted for under this Agreement. Termination must be by written or fax notice to Grantee. The State is not obligated to pay for any services that are performed after notice and effective date of termination. However, Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the Agreement is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State will provide Grantee notice of the lack of funding within a reasonable time of the State's receiving that notice.

    14.4. **Suspension.** The State may immediately suspend this Agreement in the event of a total or partial government shutdown due to its failure to pass an approved budget by the legal deadline. Work performed by Grantee during a period of suspension will be deemed unauthorized and undertaken at risk of non-payment.

15. **Fund Use Prohibited.** Grantee will not utilize any funds received pursuant to this Agreement to compensate, either directly or indirectly, any contractor, corporation, partnership, or business, however organized, which is disqualified or debarred from entering into or receiving a state contract. This restriction applies regardless of whether the disqualified or debarred party acts in the capacity of a general contractor, a subcontractor, or as an equipment or material supplier. This restriction does not prevent Grantee from utilizing these funds to pay any party who might be disqualified or debarred after Grantee has been awarded funds for the Project. For a list of disqualified or debarred vendors, see www.mmd.admin.state.mn.us/debarredreport.asp.

16. **Discrimination Prohibited by Minnesota Statutes §181.59**. Grantee will comply with the provisions of Minnesota Statutes §181.59 which requires that every agreement for or on behalf of the State, or any county, city, town, township, school, school district or any other district in the State, for materials, supplies or construction will contain provisions by which Grantee agrees that:

    16.1. In the hiring of common or skilled labor for the performance of any work under any agreement, or any sub-agreement, no contractor, material supplier, vendor, or other agent of Grantee will, by reason of race, creed or color, discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates;

16.2. No contractor, material supplier, vendor, or other agent of Grantee will, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified herein, or on being hired, prevent or conspire to prevent, the person or persons from the performance of work under any agreement on account of race, creed or color;

16.3. A violation of this Section is a misdemeanor; and

16.4. Any subsequent violations of this Section may result in the termination of this Agreement and any sub-agreements by the State, or any county, city, town, township, school, school district or other entity or person authorized to enter into agreements for employment, and all money due, or to become due, under this Agreement or any sub-agreements may be forfeited.

17. **Limitation.** Under this Agreement, the State is only responsible for disbursing funds. Nothing in this Agreement will be construed to make the State a principal, co-principal, partner, or joint venturer with respect to the Project(s) covered herein. The State may provide technical advice and assistance as requested by Grantee; however, Grantee will remain responsible for providing direction to its contractors and consultants and for administering its agreements with such entities. Grantee's consultants and contractors are not intended to be third party beneficiaries of this Agreement.

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**STATE ENCUMBRANCE VERIFICATION**

Individual certifies that funds have been encumbered as required by Minnesota Statutes §16A.15 and §16C.05.*

By:

SWIFT Contract (SC) ID No. _____

Purchase Order (PO) ID No. _____

*PO staged and to be encumbered with future State fiscal year funds.

**GRANTEE**

Grantee certifies that the appropriate persons have executed this Agreement on behalf of Grantee as required by applicable articles, bylaws, ordinances, or resolutions.

By: _____

Print Name:_____

Title: _____

Date: _____

By: _____

Print Name: _____

Title: _____

Date: _____

**DEPARTMENT OF TRANSPORTATION**
(with delegated authority)

By:

**MnDOT CONTRACT MANAGEMENT**

By:

DATE: October 7, 2025
TO: Mayor and City Council
FROM: Greg Kruschke, Community Development Manager
SUBJECT: Resolution 63-25 Award 2025 Fall Demolition Projects

**Purpose:**
Approve Resolution 63-25 to award the 2025 Fall Demolition Projects.

**Background:**
The City purchased the house at 315 Lemond Road as well as the house at 502 Maple Drive. All structures on the sites will be demolished and the utilities removed. The property will be filled and then seeded to finish the site. The City has a DNR Grant that assists in paying for structures to be demolished within the flood plain. Both houses are adjacent to other demolished properties. The DNR requires a deed restriction to be recorded to say permanent structures will not be built on these properties.

The City sent out an Invitation for Quotations on September 8, 2025. The invitation was sent to local contractors that have performed demolition work within the City or have expressed interest previously. The quotes were due at noon on September 30th.

All structures are required to be removed by December 1, 2025. Due to the time of year, if not completed this year, utility disconnection is required to be completed by June 1, 2026.

**Budget Impact:**
The low quote of $63,000 was received from Wencl Construction. A portion of the demolition costs will be reimbursed by the DNR.

**Staff Recommendation:**
Staff recommends approval.

**Attachments:**
1. Resolution 63-25 Award 2025 Fall Demolition Quotes
2. Demo Specs - 2025 Fall Demolition Projects

RESOLUTION NO. 63-25
A RESOLUTION ACCEPTING BIDS AND AWARDING CONTRACT

WHEREAS, pursuant to an Invitation for Quotes for the 2025 Fall Demo Quotes were received from three (3) companies. The following bids were received for the bid schedules:

| | 139 Pearl Street E | 502 Maple Dr | Total |
|---|---|---|---|
| JJD Companies | $39,650 | $47,900 | $87,550 |
| Steve James Construction | $33,200 | $38,900 | $71,100 |
| Wencl Construction | $28,000 | $35,000 | $63,000 |

WHEREAS, the lowest responsible bidder was Wencl Construction.

WHEREAS, City staff has reviewed the bids and recommends accepting the low bid for the project in the amount of $ 63,000.

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

1. The Mayor and Clerk are hereby authorized and direct Staff to enter into a contract with Wencl Construction in the name of the City of Owatonna for 2025 Fall demo Quotes according to the quote documents for the project.

Passed and adopted this _____ day of _____, 2025, with the following vote:

Aye __; No _____; Absent _____.

Approved and signed this ___ day of ____, 2025.

ATTEST: _____
Matthew Jessop, Mayor

_____
Jenna Tuma, City Administrator/City Clerk

# 2025 Fall Demolition Projects

## Invitation for Quotations

September 8, 2025

### Overview

The City of Owatonna invites contractors to bid for demolition and removal at 315 LEMOND RD & 502 MAPLE DR, Owatonna, MN 55060.

### Scope of work

- Removal of structures located at 315 LEMOND RD & 502 MAPLE DR
- Removal of foundations
- Disconnection of all utilities at the main
- Removal of any and all debris from the property
- Removal of miscellaneous trees, shrubbery, landscaping, and stumps
- Restoration of the property to surrounding grade

**DATE QUOTES ARE DUE: TUESDAY, SEPTEMBER 30, 2025 AT NOON**

### Instructions

All bidders shall examine all documents and shall visit all of the sites informing themselves of all existing conditions under which the work is to be performed. They shall record their own investigations relative to the structure of the grounds, existing buildings, obstacles that may be encountered, and any other relevant matters which may affect the work of bidding.

The Contractor shall provide a brief statement of qualifications of his/her demolition work experience with residential structures. The City of Owatonna shall have the right to take such steps, as it deems necessary, to determine the ability of the bidder to perform the work.

All quotes shall be directed to Greg Kruschke prior to the deadline listed above. Quotes can be e-mailed to greg.kruschke@owatonna.gov or can be delivered or mailed to the following address:

City of Owatonna
ATTN: Greg Kruschke, Community Development Manager
540 West Hills Circle
Owatonna, MN 55060

All quotes will be considered by the City Council at a regular meeting at **7:00 p.m. on October 7, 2025** at the City Council Chambers, 540 West Hills Circle, Owatonna, Minnesota during the course of the meeting and at the convenience of the City Council. Please note that the lowest total quotation for **all** properties will be presented and recommended to the City Council.

Appointments to view the structures must be scheduled by contacting Greg Kruschke at (507) 774-7317. Appointments can be scheduled between 8:00 a.m. and 4:30 p.m. Monday through Friday. **It is required that you view each property with the City to ensure all expectations are understood and met.**

The Council reserves the right to (1) defer acceptance of any quote, not to exceed 40 days, (2) reject any or all quotes, and (3) waive any information and technicalities.

## Contractor Requirements and Demolition Procedures

A. General conditions
    1. This write-up identifies demolition work to be performed at the above subject properties.
    2. The contractor shall submit an approximate timeline of its proposed schedule for the demolition in conjunction with this bid. **All work shall be completed by June 1, 2026. Structure removals by DECEMBER 1, 2025. Utility disconnection is required to be completed by June 1, 2026.**
    3. Any and all changes to the accepted bid shall be made and approved in writing by the City of Owatonna.
    4. The City of Owatonna has contracted to have all known asbestos removed from the property prior to this contract commencing. Reports are available for viewing from the City of Owatonna.
    5. All work shall be done in accordance with state and local code requirements, and necessary permits must be secured. Permits include demolition permits (MPCA & City), as well as any documents associated with these permits. **THE CONTRACTOR IS RESPONSIBLE FOR ALL REQUIRED STATE & LOCAL (City, OPU, & County) PERMITS.**
    6. The City has provided SWPPP documentation for each property as part of this package.
    7. Bidding Contractors shall have and maintain the following insurance requirements during the period of demolition:
        i. Commercial General Liability policy providing coverage for bodily injury and property damage shall be an amount of not less than $1,000,000 per occurrence. This will include but not be limited to the following coverage:

premises – operations, products/completed operation hazard, broad form blanket contractual, broad form property damage and coverage for acts of independent contractors. Coverage to include explosions, collapse, and underground exposures.

ii. The Contractor agrees to maintain a worker's compensation policy for all employees.

iii. Additional liability insurance required shall include a comprehensive automobile policy, including owned, non-owned, and hired vehicles in an amount of not less than $1,000,000 each occurrence.

iv. Contractor shall provide *Umbrella Liability Policy* with limit per occurrence of at least $1,000,000.

v. All such policies shall name the City of Owatonna as an additional insured.

8. A final contract shall be made between the contractor and the City of Owatonna in conjunction with the bid. The eventual contract shall include provisions for work completion dates, equal opportunity, and final job payment.
9. The contractor shall notify adjacent property owners before work commences.
10. The contractor shall avoid damaging sidewalks, streets, curbs, pavements, utilities, structures or any other property (except which is to be removed) either on or adjacent to the sites. The contractor shall repair at his/her expense any damage caused by operations not included in the original scope of work.
11. The contractor shall provide during demolition all necessary barricades and fencing at the demolition sites during demolition as necessary to ensure safe conditions. This requirement will apply continuously and will not be limited to normal working hours.

B. Demolition and Site Clearance

1. Remove from site all structure to include but not limited to roof, walls, floors, signs, decks, garages, sheds, stoops, mechanical systems, foundation walls, and footings.
2. Cut off, remove, and dispose of trees, brush, stumps and roots. Trees to be removed are wrapped with a white ribbon.
3. Clearing and grubbing operations must occur in a manner that will not damage or jeopardize the surrounding plant life and property.
4. Haul away any other items on site to include debris, tree limbs, vegetation, etc.
5. Remove from site all concrete slabs, steps, walk to sidewalk, etc.
6. The footings and foundation shall be removed in their entirety. The remaining hole from the foundations **shall be filled and/or graded** to match the surrounding grade unless otherwise noted. Demolition rubble will not be permitted in the backfill. A clean hole inspection is required.
7. All accessory structures, their foundations, and any remnant foundations shall be removed in their entirety.
8. All fences shall be removed in their entirety, including posts and footings. The post foundations shall be filled and consist of clay fill with a quality compaction in the

area of the removed foundations. This area shall be reasonably leveled with its surroundings.

C. Site specific detail & finishing
   1. 315 Lemond Road
      i. All trees marked with a white ribbon shall be removed.
      ii. All brush shall be removed in its entirety, including their stumps.
      iii. The foundation area shall be graded to match the surroundings. The goal is no fill brought in and creating a mowable area.
      iv. Driveway shall be removed in its entirety.
      v. The driveway curb cut shall remain and not be replaced unless damaged.
      vi. Sewer and water services shall be disconnected at the main
   2. 506 MAPLE DRIVE
      i. Foundation will need to be filled to the natural grade.
      ii. All trees marked with a white ribbon shall be removed.
      iii. The fencing along the rear property line will be removed.
      iv. Sewer and water services shall be disconnected at the main.
      v. Driveway shall be removed in its entirety.
      vi. The driveway curb shall be removed and replaced with curbing to match the surrounding curb.

D. Prior to the starting of work of removal of buildings, the Contractor will arrange to have any and all existing municipal water service, sanitary sewer service connections, gas, and electrical lines into the buildings cut off and permanently sealed in accordance with all regulations and ordinances of the City of Owatonna. **The City will require that the water and sanitary sewer services be disconnected at the main.** The Contractor shall make arrangements with the utility or public service companies for removal of meters and other equipment owned by such company. The Contractor will be responsible for maintaining or otherwise providing utility services to properties outside of or immediately adjacent to the property on which they are performing the wrecking operations. The contractor is responsible for obtaining a street opening permit, repairing the street, and any associated fees in order to accomplish the required work.

E. The Contractor is responsible for locating the utilities for their respective disconnections. This may involve tracing the lines out of the house foundation to the mains, televising, or other methods to locate the service. This City does not guarantee the accuracy of the service location records.

F. The Contractor is responsible for coordination and removal of all private utilities such as Cable, Phone, Fiber Optic, etc.

G. The Contractor will be responsible for the maintenance and the condition of adjacent structures affected by the demolition operations and will be responsible for all damage incurred there from.

H. The razing of buildings or structure as required under the terms set forth in this contract shall be performed in a coordinated and safe manner as herein provided and particularly:

1. No combustible debris shall be thrown, stored, or burned on adjacent parcels, sidewalks, streets, or alleys. Debris created from wrecking must be disposed of as demolition or removal work proceeds.
2. Dropping of brick, stone, or concrete walls, or other materials on adjacent property, sidewalks, streets, or alleys is forbidden. All wrecking operations, storing, or processing of debris outside the boundaries of the properties covered by this contract are forbidden.
3. No existing wall or partially demolished wall with a height of eight feet or more, without adequate lateral support of any width or length, shall remain standing after working hours. Workers shall not be allowed to work below a piece of operating equipment.
4. Where excavations must be left temporarily, they shall be left in such a manner so as to avoid hazard to persons or property. The grade adjacent to foundation walls shall be sloped gradually in order that there shall be no sharp drop to the level of the basement hole, or where the adjacent grade cannot be sloped, open holes and foundations shall be protected by secured fences and barricades.
5. The use of explosives in the performance of the work under this contract is prohibited.
6. The contractor is to provide protective fencing around the perimeter of partially demolished structures left temporarily, overnight, or for an extended period.

I. The operations of the Contractor shall be done in such a manner as to avoid fires and other hazards to persons and property, and interference with the use of other buildings or interruption of free passage to and from such buildings. Upon completion of the work at the buildings and until time of final acceptance, the Contractor shall maintain the premises. The cleaning up of the premises shall include the removal and disposal of any rubbish, refuse, or other trash or materials lying within the property areas, whether or not such conditions have resulted from operation under this contract.

J. The contractor will be required to maintain a source of water to adequately dampen and water down the structures as the demolition operations proceeds. Under no circumstances will dust and debris be allowed to blow or scatter from the demolition site as a result of the contractor's operations.

K. All barricades and fencing must be kept free of advertising and miscellaneous bills, and hazardous conditions.

L. Before commencing demolition work, the Contractor will be required to present a Plan of Operations for the wrecking of each structure for the review by the City of Owatonna.

M. The Contractor shall remove all walls including foundation walls, partition walls, columns, piers, beams, or other projects. All building components shall be removed from the property in their entirety.

N. All erosion and sediment control shall be installed per the attached plans prior to commencing demolition.

O. Downstream inlet protection shall be in place prior to beginning construction activities.

P. In no case shall synthetic matting be used in the seeding or erosion control. All matting shall be free of the fish line type material.
Q. All scrub brush shall be removed from the properties. There are a number of trees, stumps and shrubbery to be removed.
R. All items within this contract shall be **completed and invoiced by the dates listed above. If utility disconnection is completed in 2026, all billing shall be within 30 days of completion.**
S. The Contractor shall meet all local, state, and federal regulations at all times during this demolition project.
T. The contractor will take pictures during the demolition process and submit to the City upon completion or notify the City so pictures can be taken during the demolition.
U. Upon completion of the final inspection by the City of Owatonna's Building Official and Community Development Manager and acceptance of the work, the Building Official shall execute a certificate over his signature that the whole work provided for in this Agreement has been completed and accepted by the City under the terms and conditions thereof, whereupon the entire balance found to be due to the Contractor, including the retained percentage shall be paid to the Contractor within thirty-one (31) days after final completion and final acceptance by the City.

## City of Owatonna Proposal Form

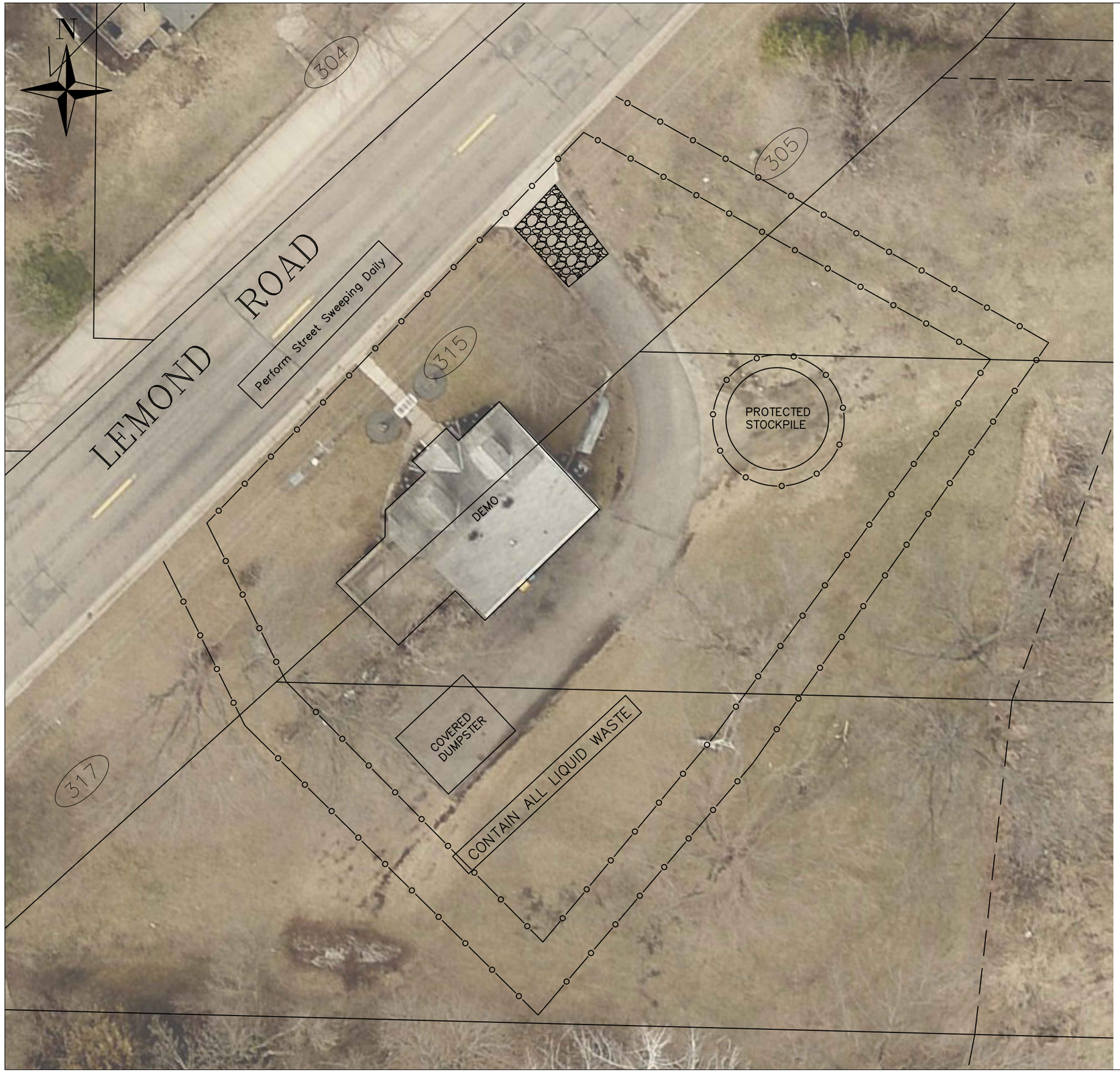
| **Address: 315 Lemond Road** | | |
|---|---|---|
| | Mobilization | $ |
| | Disconnection of services | $ |
| | Equipment time | $ |
| | Tree Removal | $ |
| | Disposal fees | $ |
| | Site grading | $ |
| | Seeding and erosion control | $ |
| | Miscellaneous labor | $ |
| | Profit and overhead | $ |
| | **TOTAL** | **$** |

| **Address: 502 MAPLE DR** | | |
|---|---|---|
| | Mobilization | $ |
| | Disconnection of services | $ |
| | Curb Replacement | $ |
| | Equipment time | $ |
| | Tree Removal | $ |
| | Disposal fees | $ |
| | Site grading | $ |
| | Seeding and erosion control | $ |
| | Miscellaneous labor | $ |
| | Profit and overhead | $ |
| | **TOTAL** | $ |

| | | |
|---|---|---|
| | **COMBINED TOTAL (all properties)** | **$** |

## Signature

| | |
|---|---|
| Contractor Name/Representative | |
| Authorized by: | Date: |




## KEY

- Perimeter Control
- Construction Ent.
- IP – Inlet Protection

General SWPPP

1. Contractor responsible for installation, maintenance and inspections of all stormwater BMP's.
2. Inspections will be performed at a minimum of every 7 days and after 0.5" rainfall, including ultimate discharge point.
3. Street sweeping of all hard surfaces to be performed daily.
4. All dewatering activities must be treated properly prior to discharge.
5. All solid and liquid construction waste to be collected, stored and disposed properly, no ground contact shall be allowed.
6. Site stabilization shall be initiated immediately once construction activity ceases and shall be complete no later than 14 days.
7. Temporary and winter stabilization may be required.
8. If deemed necessary a rock construction entrance may be required.
9. All stormwater BMP's must be in place prior to start of construction, Water Quality Specialist to verify.

Site Stabilization

1. Provide minimum 4" topsoil over all disturbed areas designated to receive seed or sod.
2. If seeding, provide seed mixture 25–151 and Type 3 Mulch with disc anchoring and/or Cat. 3 erosion control blankets on slopes 1:3 or greater.
3. If project extends beyond November 15th provide winter mulching.
4. All BMP's to remain in place until stabilization complete and approved by Water Quality Specialist.

SWPPP Quantities

| Estimated BMP Quantities | | |
|---|---|---|
| 8" Sediment Control Log (Straw Type) | 950 | LF |
| Inlet Protection (Pre–Manufactured with overflow) | 1 | EA |
| Rapid Stabilization Method 3 | 10,500 | SF |
| Waste Containment | 1 | EA |
| Street Sweeping | 1 | LUMP |

| | |
|---|---|
| SURVEY | GPS |
| DRAWN | MLS |
| DESIGNED | MLS |
| APPROVED | SPM |
| DATE | SEP. 2025 |
| PROJ. NO. | N/A |

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA

PRINT NAME: SEAN P. MURPHY

SIGNATURE: _____

DATE: _____ LIC. NO. 56604

**CITY OF OWATONNA**
**ENGINEERING DEPARTMENT**
540 WEST HILLS CIRCLE
Owatonna, MN 55060
Phone: 507-444-4350
Fax: 507-444-4351

**CITY OF OWATONNA**
**315 LEMOND ROAD HOUSE DEMOLITION**
**2025**
**STORMWATER POLLUTION PREVENTION PLAN**

315 LEMOND
1"=10'
SHEET NUMBER
**1 OF 1**

## KEY

- Perimeter Control
- Construction Ent.
- IP – Inlet Protection

General SWPPP

1. Contractor responsible for installation, maintenance and inspections of all stormwater BMP's.
2. Inspections will be performed at a minimum of every 7 days and after 0.5" rainfall, including ultimate discharge point.
3. Street sweeping of all hard surfaces to be performed daily.
4. All dewatering activities must be treated properly prior to discharge.
5. All solid and liquid construction waste to be collected, stored and disposed properly, no ground contact shall be allowed.
6. Site stabilization shall be initiated immediately once construction activity ceases and shall be complete no later than 14 days.
7. Temporary and winter stabilization may be required.
8. If deemed necessary a rock construction entrance may be required.
9. All stormwater BMP's must be in place prior to start of construction, Water Quality Specialist to verify.

Site Stabilization

1. If providing gravel surface, grade to drain. Remaining areas to receive stabilization at noted below. Complete immediately following demolition.
2. Provide minimum 4" topsoil over all disturbed areas designated to receive seed or sod.
3. If seeding, provide seed mixture 25–151 and Type 3 Mulch with disc anchoring and/or Cat. 3 erosion control blankets on slopes 1:3 or greater.
4. If project extends beyond November 15th provide winter mulching.
5. All BMP's to remain in place until stabilization complete and approved by Water Quality Specialist.

SWPPP Quantities

| Estimated BMP Quantities | | |
|---|---|---|
| 8" Sediment Control Log (Straw Type) | 635 | LF |
| Inlet Protection (Pre–Manufactured with overflow) | 2 | EA |
| Rapid Stabilization Method 3 | 8300 | SF |
| Waste Containment | 1 | EA |
| Street Sweeping | 1 | LUMP |

| | |
|---|---|
| SURVEY | GPS |
| DRAWN | MLS |
| DESIGNED | MLS |
| APPROVED | SPM |
| DATE | SEP. 2025 |
| PROJ. NO. | N/A |

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA

PRINT NAME: SEAN P. MURPHY

SIGNATURE: _____

DATE: _____ LIC. NO. 56604

**CITY OF OWATONNA**
**ENGINEERING DEPARTMENT**
540 WEST HILLS CIRCLE
Owatonna, MN 55060
Phone: 507-444-4350
Fax: 507-444-4351

**CITY OF OWATONNA**
**502 MAPLE DRIVE HOUSE DEMOLITION**
**2025**
**STORMWATER POLLUTION PREVENTION PLAN**

**502 MAPLE DR**
**1"=10'**

SHEET NUMBER
**1 OF 1**

DATE: October 7, 2025
TO: Mayor and City Council
FROM: David Beaver, Airport Manager
SUBJECT: Resolution 64-25 Authorize MnDOT Grant - Airport Taxilane and Parking Lot Reconstruction

**Purpose:**
To approve Resolution 64-25 authorizing the acceptance of the anticipated MnDOT Grant Agreement for the airport taxilane and parking lot reconstruction.

**Background:**
Resolution 56-25 accepting FAA Grant Funding Participation for this project was approved during the September 16, 2025, City Council Meeting. This resolution authorizes acceptance of the anticipated state companion grant for the project.

The project consists of the reconstruction of a taxilane pavement section in the hangar building area and the automobile parking lot and access road. Both pavement areas are beyond their useful life and deteriorated to the point that reconstruction is recommended by the engineer.

**Budget Impact:**
The anticipated MnDOT grant offer is for $ 49,566.00 for all eligible project costs including engineering, construction, and administrative costs. Anticipated funding for this project is as follows:

| | |
|---|---|
| Federal Participation: | $ 541,747.00 |
| State Participation: | $ 49,566.00 |
| Local Participation: | $ 28,550.00 |
| Total: | $ 619,863.00 |

**Staff Recommendation:**
Staff recommends approval of Resolution 64-25 and authorizes appropriate signatures upon receipt of the anticipated MnDOT Grant in the amount of $49,566.00.

**Attachments:**
1. Res 64-25 Accept MnDOT Grant - Airport Taxilane and Parking Lot Reconstruction Project

RESOLUTION NO. 64-25

A RESOLUTION TO EXECUTE MINNESOTA DEPARTMENT OF TRANSPORTATION GRANT AGREEMENT FOR AIRPORT IMPROVEMENT EXCLUDING LAND ACQUISITION

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

1. That the State of Minnesota, "Grant Agreement for Airport Improvement Excluding Land Acquisition," for State Project No. 7401-107 for Taxilane and Parking Lot Reconstruction at the Owatonna Degner Regional Airport is hereby accepted.

2. That the Mayor and City Administrator are hereby authorized to execute this Agreement and any amendments on behalf of the City of Owatonna upon receiving the grant in the amount of $49,566.00.

Passed and adopted this ____ day of _____, 2025, with

the following vote: Aye ____; No _____; Absent _____.

Approved and signed this _____ day of _____, 2025.

_____
Matthew T. Jessop, Mayor

ATTEST:

_____
Jenna L. Tuma, City Administrator/City Clerk

DATE: October 7, 2025
TO: Mayor and City Council
FROM: Emily Burns, Finance Director
SUBJECT: Resolution 65-25: Award Sale of General Obligation Bonds 2025A

**Purpose:**
To award the sale of general obligation street reconstruction bonds.

**Background:**
The council had previously authorized Ehlers & Associates Inc. through Council Resolution 51-25 to solicit proposals for the issuance of bonds to finance the 2025 street reconstruction and overlay activities. On October 7, 2025, the city council will review the proposals received. The city's municipal advisor, Todd Hagen, Sr Municipal Advisor at Ehlers & Associates, Inc. will present details of the proposals during the City Council Meeting.

The City will be in compliance with its debt policy.

**Budget Impact:**
2025 street projects will be funded.
**Staff Recommendation:**
Staff recommends the adoption of Resolution 65-25 awarding the sale of the bonds.

**Attachments:**
1. Resolution 65-25 Award Sale of General Obligation Bonds 2025A
2. Sale Day Report - GO Bonds 2025A

RESOLUTION NO. 65-25

A RESOLUTION AWARDING THE SALE OF GENERAL OBLIGATION STREET RECONSTRUCTION BONDS, SERIES 2025A, IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,570,0000; FIXING THEIR FORM AND SPECIFICATIONS; DIRECTING THEIR EXECUTION AND DELIVERY; AND PROVIDING FOR THEIR PAYMENT

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

Section 1. Sale of Bonds.

1.01. Authorization. Pursuant to a resolution adopted by the City Council on September 2, 2025, the City authorized the issuance of its General Obligation Street Reconstruction Bonds, Series 2025A (the "Bonds"), to provide financing for the reconstruction of Linn Drive SW from 18th Street SW to Oakdale Drive SW, Oakdale Street, Ridge View Place NW, Ridge Road NE from Parkview Place NE to Leona Place NE, Ridgewood Place NE, 10th Avenue NE, 11th Avenue NE from Park Ridge NE to Cherry Street, Cotter Place, Mary Place, Prairie Lane from Ridge Road NE to Jerake Place NE, Hidden Place, Jerake Place NE, Leona Place and 13th Street NE from St. Paul Road to 7th Avenue NE in the City (the "Street Reconstruction") described in the City's five (5) year street reconstruction plan, approved by the City Council on September 2, 2025 (the "Street Reconstruction Plan"), pursuant to Minnesota Statutes, Chapter 475, as amended, specifically Section 475.58, subdivision 3b (the "Act"). The City did not receive a qualified petition for a referendum on the issuance of the Bonds within thirty (30) days of the public hearing held on September 2, 2025.

1.02. Award to the Purchaser and Interest Rates. A tabulation of bids received for the purchase of the Bonds is attached hereto as EXHIBIT A. The proposal of Northland Securities, Inc., Minneapolis, Minnesota (the "Purchaser"), to purchase the Bonds is hereby found and determined to be a reasonable offer and is hereby accepted, the proposal being to purchase the Bonds at a price of $1,692,407.54 (par amount of $1,570,000.00, plus original issue premium of $135,626.80, less underwriter's discount of $13,219.26), plus accrued interest, if any, to date of delivery for Bonds bearing interest as follows:

| Year | Interest Rate | Year | Interest Rate |
|---|---|---|---|
| 2027 | 5.000% | 2032 | 5.000% |
| 2028 | 5.000 | 2033 | 5.000 |
| 2029 | 5.000 | 2034 | 4.000 |
| 2030 | 5.000 | 2035 | 4.000 |
| 2031 | 5.000 | 2036 | 4.000 |

True interest cost: 3.0629622%

1.03. Purchase Contract. Any amount paid by the Purchaser over the minimum purchase price shall be credited to the Debt Service Fund hereinafter created or deposited in the Construction Fund hereinafter created, as determined by the Senior Finance Director of the City (the "Finance Director") in consultation with the City's municipal advisor. The good faith deposit of the Purchaser shall be retained and deposited until the Bonds have been delivered and shall be deducted from the purchase price paid at settlement. The Mayor of the City (the "Mayor") and the City Administrator/City Clerk of the City (the "City Administrator") are directed to execute a contract with the Purchaser on behalf of the City.

1.04. Terms and Principal Amounts of the Bonds. The City will forthwith issue and sell the Bonds pursuant to the Act, in the total principal amount of $1,570,0000, originally dated October 30, 2025, in the denomination of $5,000 each or any integral multiple thereof, numbered No. R-1, upward, bearing interest as above set forth, and maturing serially on February 1 in the years and amounts as follows:

| Year | Amount | Year | Amount |
|---|---|---|---|
| 2027 | $110,000 | 2032 | $160,000 |
| 2028 | 135,000 | 2033 | 170,000 |
| 2029 | 140,000 | 2034 | 180,000 |
| 2030 | 145,000 | 2035 | 185,000 |
| 2031 | 155,000 | 2036 | 190,000 |

1.05. Optional Redemption. The City may elect on February 1, 2033, and on any day thereafter to prepay Bonds due on or after February 1, 2034. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify DTC (as defined in Section 7 hereof) of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

Section 2. Registration and Payment.

2.01. Registered Form. The Bonds will be issued only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof, is payable by check or draft issued by the Registrar described herein.

2.02. Dates; Interest Payment Dates. Each Bond will be dated as of the last interest payment date preceding the date of authentication to which interest on the Bond has been paid or made available for payment, unless (i) the date of authentication is an interest payment date to which interest has been paid or made available for

payment, in which case the Bond will be dated as of the date of authentication, or (ii) the date of authentication is prior to the first interest payment date, in which case the Bond will be dated as of the date of original issue. The interest on the Bonds is payable on February 1 and August 1 of each year, commencing August 1, 2026, to the registered owners of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not such day is a business day.

2.03. Registration. The City will appoint a bond registrar, transfer agent, authenticating agent and paying agent (the "Registrar" and the "Paying Agent"). The effect of registration and the rights and duties of the City and the Registrar with respect thereto are as follows:

(a) Register. The Registrar must keep at its principal corporate trust office a bond register in which the Registrar provides for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Bonds. Upon surrender for transfer of a Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an agent duly authorized by the registered owner in writing, the Registrar will authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until that interest payment date.

(c) Exchange of Bonds. When Bonds are surrendered by the registered owner for exchange the Registrar will authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity as requested by the registered owner or the owner's attorney in writing.

(d) Cancellation. Bonds surrendered upon transfer or exchange will be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When a Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the Bond until the Registrar is satisfied that the endorsement on the Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar will incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The City and the Registrar may treat the person in whose name a Bond is registered in the bond register as the absolute

owner of the Bond, whether the Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the Bond and for all other purposes, and payments so made to a registered owner or upon the owner's order will be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. The Registrar may impose a charge upon the owner thereof for a transfer or exchange of Bonds sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to the transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. If a Bond becomes mutilated or is destroyed, stolen or lost, the Registrar will deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of the mutilated Bond or in lieu of and in substitution for any Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that the Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar an appropriate bond or indemnity in form, substance and amount satisfactory to it and as provided by law, in which both the City and the Registrar must be named as obligees. Bonds so surrendered to the Registrar will be cancelled by the Registrar and evidence of such cancellation must be given to the City. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it is not necessary to issue a new Bond prior to payment.

(i) Redemption. In the event any of the Bonds are called for redemption, notice thereof identifying the Bonds to be redeemed will be given by the Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) in accordance with the requirements of DTC to the registered owner of each Bond to be redeemed at the address shown on the registration books kept by the Registrar and by publishing the notice if required by law. Failure to give notice by publication or by mail to any registered owner, or any defect therein, will not affect the validity of the proceedings for the redemption of Bonds. Bonds so called for redemption will cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the place of payment at that time.

2.04. Appointment of Initial Registrar. The City appoints Bond Trust Services Corporation, Minneapolis, Minnesota, as the initial Registrar. The Mayor and the City Administrator are authorized to execute and deliver, on behalf of the City, a contract with the Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company authorized by law to conduct such business, the resulting corporation is authorized to act as successor Registrar. The City agrees to pay the reasonable and customary charges of the Registrar

for the services performed. The City reserves the right to remove the Registrar upon thirty (30) days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar must deliver all cash and Bonds in its possession to the successor Registrar and must deliver the bond register to the successor Registrar. On or before each principal or interest due date, without further order of the City Council, the Finance Director must transmit to the Registrar monies sufficient for the payment of all principal and interest then due.

2.05. Execution, Authentication and Delivery. The Bonds will be prepared under the direction of the Finance Director and executed on behalf of the City by the signatures of the Mayor and the City Administrator, provided that those signatures may be printed, engraved or lithographed facsimiles of the originals. If an officer whose signature or a facsimile of whose signature appears on the Bonds ceases to be such officer before the delivery of a Bond, that signature or facsimile will nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. Notwithstanding such execution, a Bond will not be valid or obligatory for any purpose or entitled to any security or benefit under this resolution unless and until a certificate of authentication on the Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on a Bond is conclusive evidence that it has been authenticated and delivered under this resolution. When the Bonds have been so prepared, executed and authenticated, the Finance Director will deliver the same to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser is not obligated to see to the application of the purchase price.

Section 3. Form of Bond.

3.01. Execution of the Bonds. The Bonds will be printed or typewritten in substantially the form set forth in EXHIBIT B attached hereto.

3.02. Approving Legal Opinion. The City Administrator is authorized and directed to obtain a copy of the proposed approving legal opinion of Kutak Rock LLP, Minneapolis, Minnesota, and cause the opinion to be printed on or accompany each Bond.

Section 4. Payment; Security; Pledges and Covenants.

4.01. Debt Service Fund. The Bonds are payable from the General Obligation Street Reconstruction Bonds, Series 2025A Debt Service Fund (the "Debt Service Fund") hereby created. The Debt Service Fund shall be administered and maintained by the Finance Director as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. Ad valorem taxes hereinafter levied for the Street Reconstruction (the "Taxes") are hereby pledged to the Debt Service Fund. There is also appropriated to the Debt Service Fund amounts over the minimum purchase

price of the Bonds paid by the Purchaser, to the extent designated for deposit in the Debt Service Fund in accordance with Section 1.03 hereof.

4.02. Construction Fund. The City hereby creates the General Obligation Street Reconstruction Bonds, Series 2025A Construction Fund (the "Construction Fund"). Proceeds of the Bonds, less the appropriations made in Section 4.01 hereof, together with Taxes and any other funds appropriated for the Street Reconstruction collected during the Street Reconstruction, will be deposited in the Construction Fund to be used solely to defray expenses of the Street Reconstruction and the payment of principal and interest on the Bonds prior to the completion and payment of all costs of the Street Reconstruction. When the Street Reconstruction is completed and the cost thereof paid, the Construction Fund is to be closed and any funds remaining may be deposited in the Debt Service Fund.

4.03. General Obligation Pledge. For the prompt and full payment of the principal of and interest on the Bonds, as the same respectively become due, the full faith, credit and taxing powers of the City will be and are hereby irrevocably pledged. If the balance in the Debt Service Fund is ever insufficient to pay all principal and interest then due on the Bonds and any other bonds payable therefrom, the deficiency will be promptly paid out of monies in the general fund of the City which are available for such purpose, and such general fund may be reimbursed with or without interest from the Debt Service Fund when a sufficient balance is available therein.

4.04. Pledge of Tax Levy. For the purpose of paying the principal of and interest on the Bonds, there is levied a direct annual irrepealable ad valorem tax upon all of the taxable property in the City, which will be spread upon the tax rolls and collected with and as part of other general taxes of the City. The Taxes will be credited to the Debt Service Fund above provided and will be in the years and amounts set forth in EXHIBIT C attached hereto.

4.05. Certification to County Auditor as to Debt Service Fund Amount. It is hereby determined that the estimated collections of Taxes will produce at least five percent (5%) in excess of the amount needed to meet when due the principal and interest payments on the Bonds. The tax levy herein provided is irrepealable until all of the Bonds are paid, provided that at the time the City makes its annual tax levies the Finance Director may certify to the Director of Property Tax & Elections of Steele County, Minnesota (the "County Auditor") the amount available in the Debt Service Fund to pay principal and interest due during the ensuing year, and the County Auditor will thereupon reduce the levy collectible during such year by the amount so certified.

4.06. Registration of Resolution. Bond Counsel is authorized and directed, on behalf of the City, to file a certified copy of this resolution with the County Auditor and to obtain the certificate required by Section 475.63 of the Act.

Section 5. Authentication of Transcript.

5.01. City Proceedings and Records. The officers of the City are authorized and directed to prepare and furnish to the Purchaser and to the attorneys approving the Bonds, certified copies of proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Bonds, and such instruments, including any heretofore furnished, may be deemed representations of the City as to the facts stated therein.

5.02. Certification as to Official Statement. The Mayor, the City Administrator, and the Finance Director are authorized and directed to certify that they have examined the Official Statement prepared and circulated in connection with the issuance and sale of the Bonds and that to the best of their knowledge and belief the Official Statement is a complete and accurate representation of the facts and representations made therein as of the date of the Official Statement.

5.03. Other Certificates. The Mayor, the City Administrator, and the Finance Director are hereby authorized and directed to furnish to the Purchaser at the closing such certificates as are required as a condition of sale. Unless litigation shall have been commenced and be pending questioning the Bonds or the organization of the City or incumbency of its officers, at the closing the Mayor, the City Administrator, and the Finance Director shall also execute and deliver to the Purchaser a suitable certificate as to absence of material litigation, and the Finance Director shall also execute and deliver a certificate as to payment for and delivery of the Bonds.

5.04. Electronic Signatures. The electronic signature of the Mayor, the City Administrator, and/or the Finance Director to this resolution and to any certificate authorized to be executed hereunder shall be as valid as an original signature of such party and shall be effective to bind the City thereto. For purposes hereof, (i) "electronic signature" means a manually signed original signature that is then transmitted by electronic means; and (ii) "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a portable document format ("pdf") or other replicating image attached to an electronic mail or internet message.

Section 6. Tax Covenant.

6.01. Tax-Exempt Bonds. The City covenants and agrees with the holders from time to time of the Bonds that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest on the Bonds to become subject to taxation under the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated thereunder, in effect at the time of such actions, and that it will take or cause its officers, employees or agents to take, all affirmative action within its power that may be necessary to ensure that such interest will not become subject to taxation under the Code and applicable Treasury

Regulations, as presently existing or as hereafter amended and made applicable to the Bonds.

6.02. No Rebate Required.

(a) The City will comply with requirements necessary under the Code to establish and maintain the exclusion from gross income of the interest on the Bonds under Section 103 of the Code, including without limitation requirements relating to temporary periods for investments, limitations on amounts invested at a yield greater than the yield on the Bonds, and the rebate of excess investment earnings to the United States if the Bonds (together with other obligations reasonably expected to be issued in calendar year 2025) exceed the small issuer exception amount of $5,000,000.

(b) For purposes of qualifying for the small issuer exception to the federal arbitrage rebate requirements, the City hereby finds, determines, and declares that the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the City (and all subordinate entities of the city) during the calendar year in which the Bonds are issued and outstanding at one time is not reasonably expected to exceed $5,000,000, all within the meaning of Section 148(f)(4)(D) of the code.

6.03. Not Private Activity Bonds. The City further covenants not to use the proceeds of the Bonds or to cause or permit them or any of them to be used, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

6.04. Qualified Tax-Exempt Obligations. In order to qualify the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the City makes the following factual statements and representations:

(a) the Bonds are not "private activity bonds" as defined in Section 141 of the Code;

(b) the City designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;

(c) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) which will be issued by the City (and all subordinate entities of the City) during calendar year 2025 will not exceed $10,000,000; and

(d) not more than $10,000,000 of obligations issued by the City during calendar year 2025 have been designated for purposes of Section 265(b)(3) of the Code.

6.05. Procedural Requirements. The City will use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designations made by this section.

Section 7. Book-Entry System; Limited Obligation of City.

7.01. The Depository Trust Company. The Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Bond for each of the maturities set forth in Section 1.04 hereof. Upon initial issuance, the ownership of each Bond will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns ("DTC"). Except as provided in this section, all of the outstanding Bonds will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC.

7.02. Participants. With respect to Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the City, the Registrar and the Paying Agent will have no responsibility or obligation to any broker dealers, banks and other financial institutions from time to time for which DTC holds Bonds as securities depository (the "Participants") or to any other person on behalf of which a Participant holds an interest in the Bonds, including but not limited to any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person (other than a registered owner of Bonds, as shown by the registration books kept by the Registrar), of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a registered owner of Bonds, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The City, the Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered in the registration books kept by the Registrar as the holder and absolute owner of such Bond for the purpose of payment of principal, premium and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bonds, and for all other purposes. The Paying Agent will pay all principal of, premium, if any, and interest on the Bonds only to or on the order of the respective registered owners, as shown in the registration books kept by the Registrar, and all such payments will be valid and effectual to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, or interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of Bonds, as shown in the registration books kept by the Registrar, will receive a certificated Bond evidencing the obligation of this resolution. Upon delivery by DTC to the City Administrator of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words "Cede & Co." will refer to such new nominee of DTC; and upon receipt of such a notice, the City Administrator will promptly deliver a copy of the same to the Registrar and Paying Agent.

7.03. Representation Letter. The City has heretofore executed and delivered to DTC a Blanket Issuer Letter of Representations (the "Representation Letter") which shall govern payment of principal of, premium, if any, and interest on the Bonds and notices with respect to the Bonds. Any Paying Agent or Registrar subsequently appointed by the City with respect to the Bonds will agree to take all action necessary for all representations of the City in the Representation Letter with respect to the Registrar and Paying Agent, respectively, to be complied with at all times.

7.04. Transfers Outside Book-Entry System. In the event the City, by resolution of the City Council, determines that it is in the best interests of the persons having beneficial interests in the Bonds that they be able to obtain Bond certificates, the City will notify DTC, whereupon DTC will notify the Participants, of the availability through DTC of Bond certificates. In such event the City will issue, transfer and exchange Bond certificates as requested by DTC and any other registered owners in accordance with the provisions of this resolution. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the City will issue and the Registrar will authenticate Bond certificates in accordance with this resolution and the provisions hereof will apply to the transfer, exchange and method of payment thereof.

7.05. Payments to Cede & Co. Notwithstanding any other provision of this resolution to the contrary, so long as a Bond is registered in the name of Cede & Co., as nominee of DTC, payments with respect to principal of, premium, if any, and interest on the Bond and all notices with respect to the Bond will be made and given, respectively in the manner provided in DTC's Operational Arrangements, as set forth in the Representation Letter.

Section 8. Continuing Disclosure.

8.01. Execution of Continuing Disclosure Certificate. "Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate executed by the Mayor and City Administrator and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

8.02. City Compliance with Provisions of Continuing Disclosure Certificate. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this resolution, failure of the City to comply with the Continuing Disclosure Certificate is not to be considered an event of default with respect to the Bonds; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this section.

Section 9. Defeasance. When all Bonds and all interest thereon have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the holders of the Bonds will cease, except that the pledge of the full faith and credit of the City for the prompt and full payment of the principal of and interest on the Bonds will remain in full force and effect. The City may discharge all Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full. If any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

(The remainder of this page is intentionally left blank.)

The question was on the adoption of the resolution and upon vote being taken thereon, the following members voted in favor thereof:

and the following voted against the same:

Passed and adopted this ____ day of _____, 2025, with the following vote:

Aye _____; No _____; Absent _____.

Approved and signed this ____ day of _____, 2025.

_____
Matt T. Jessop, Mayor

ATTEST:

_____
Jenna L. Tuma, City Administrator/City Clerk

# EXHIBIT A

# PROPOSALS

## BID TABULATION

**$1,715,000* General Obligation Street Reconstruction Bonds, Series 2025A**

**City of Owatonna, Minnesota**

**SALE:** October 7, 2025

**AWARD:** NORTHLAND SECURITIES, INC.

**Rating:** Moody's Investor's Service "Aa1"

Tax Exempt - Bank Qualified

| NAME OF INSTITUTION | MATURITY (February 1) | COUPON RATE | REOFFERING YIELD | PRICE | TRUE INTEREST RATE |
|---|---|---|---|---|---|
| NORTHLAND SECURITIES, INC. | | | | $1,848,103.00 | 3.0553% |
| Minneapolis, Minnesota | 2027 | 5.000% | 2.510% | | |
| | 2028 | 5.000% | 2.430% | | |
| | 2029 | 5.000% | 2.450% | | |
| | 2030 | 5.000% | 2.480% | | |
| | 2031 | 5.000% | 2.540% | | |
| | 2032 | 5.000% | 2.680% | | |
| | 2033 | 5.000% | 2.810% | | |
| | 2034 | 4.000% | 2.880% | | |
| | 2035 | 4.000% | 3.020% | | |
| | 2036 | 4.000% | 3.180% | | |
| BAIRD | | | | | 3.1153% |
| Milwaukee, Wisconsin | | | | | |

* Subsequent to bid opening the issue size was decreased to $1,570,000.
Adjusted Price: $1,692,407.54 Adjusted Net Interest Cost: $311,482.60 Adjusted TIC: 3.0629%

**EXHIBIT B**

**FORM OF BOND**

No. R-____ UNITED STATES OF AMERICA $_____

STATE OF MINNESOTA

COUNTY OF STEELE

CITY OF OWATONNA

GENERAL OBLIGATION STREET RECONSTRUCTION BOND

SERIES 2025A

| Rate | Maturity | Date of Original Issue | CUSIP |
|---|---|---|---|
| ___% | February 1, 20__ | October 30, 2025 | |

Registered Owner: Cede & Co.

The City of Owatonna, Minnesota, a duly organized and existing municipal corporation in Steele County, Minnesota (the "City"), acknowledges itself to be indebted and for value received hereby promises to pay to the Registered Owner specified above or registered assigns, the principal sum of $_____ on the maturity date specified above, with interest thereon from the date hereof at the annual rate specified above (calculated on the basis of a 360 day year of twelve 30 day months), payable February 1 and August 1 in each year, commencing August 1, 2026, to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft by Bond Trust Services Corporation, Minneapolis, Minnesota, as Bond Registrar, Paying Agent, Transfer Agent and Authenticating Agent, or its designated successor under the resolution described herein. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the City have been and are hereby irrevocably pledged.

The City may elect on February 1, 2033, and on any day thereafter to prepay Bonds due on or after February 1, 2034. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify The Depository Trust Company ("DTC") of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

This Bond is one of an issue in the aggregate principal amount of $1,570,0000 all of like original issue date and tenor, except as to number, maturity date, redemption privilege, and interest rate, all issued pursuant to a resolution adopted by the City Council on October 7, 2025 (the "Resolution"), for the purpose of providing money to defray the expenses incurred and to be incurred in undertaking street reconstruction activities, pursuant to and in full conformity with the home rule charter of the City and the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Chapter 475, as amended, specifically Section 475.58, subdivision 3b. The principal hereof and interest hereon are payable from ad valorem taxes, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred. The full faith and credit of the City are irrevocably pledged for payment of this Bond and the City Council has obligated itself to levy additional ad valorem taxes on all taxable property in the City in the event of any deficiency in taxes pledged, which additional taxes may be levied without limitation as to rate or amount. The Bonds of this series are issued only as fully registered Bonds in denominations of $5,000 or any integral multiple thereof of single maturities.

The City Council has designated the issue of Bonds of which this Bond forms a part as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the City at the principal office of the Bond Registrar, by the registered owner hereof in person or by the owner's attorney duly authorized in writing upon surrender hereof together with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or the owner's attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange the City will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The City and the Bond Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Bond Registrar will be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by home rule charter of the City and the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the City in accordance with its terms, have been done, do exist, have happened and have been performed as so required, and that the issuance of this

Bond does not cause the indebtedness of the City to exceed any constitutional, charter, or statutory limitation of indebtedness.

This Bond is not valid or obligatory for any purpose or entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon has been executed by the Bond Registrar by manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, the City of Owatonna, Steele County, Minnesota, by its City Council, has caused this Bond to be executed on its behalf by the facsimile or manual signatures of the Mayor and City Administrator and has caused this Bond to be dated as of the date set forth below.

Dated: October 30, 2025

**CITY OF OWATONNA, MINNESOTA**

| | |
|---|---|
| (Facsimile) | (Facsimile) |
| Matt Jessop, Mayor | Jenna Tuma, City Administrator |

---

**CERTIFICATE OF AUTHENTICATION**

This is one of the Bonds delivered pursuant to the Resolution mentioned within.

**BOND TRUST SERVICES CORPORATION**

By _____
Authorized Representative

---

**ABBREVIATIONS**

The following abbreviations, when used in the inscription on the face of this Bond, will be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

TEN ENT -- as tenants by entireties

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT
_____ Custodian _____
(Cust) (Minor)
under Uniform Gifts or Transfers to Minors Act, State of _____

Additional abbreviations may also be used though not in the above list.

_____

**ASSIGNMENT**

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and all rights thereunder, and does hereby irrevocably constitute and appoint _____ attorney to transfer the said Bond on the books kept for registration of the within Bond, with full power of substitution in the premises.

Dated: _____ _____

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

_____

NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP"), the New York Stock Exchange, Inc. Medallion Signatures Program ("MSP") or other such "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, SEMP or MSP, all in accordance with the Securities Exchange Act of 1934, as amended.

The Registrar will not effect transfer of this Bond unless the information concerning the assignee requested below is provided.

Name and Address: _____

_____

_____
(Include information for all joint owners if this Bond is held by joint account.)

Please insert social security or other identifying number of assignee

_____

_____

**PROVISIONS AS TO REGISTRATION**

The ownership of the principal of and interest on the within Bond has been registered on the books of the Registrar in the name of the person last noted below.

| Date of Registration | Registered Owner | Signature of Officer of Registrar |
|---|---|---|
| | Cede & Co.<br>Federal ID #13-2555119 | |

# EXHIBIT C

# TAX LEVY SCHEDULE

## Tax Levy Schedule

| Tax Levy Year | Tax Collect Year | Bond Pay Year | Total P+I | Net New D/S | P & I @105% | Net Levy |
|---|---|---|---|---|---|---|
| 2024 | 2025 | 2026 | - | - | - | - |
| 2025 | 2026 | 2027 | 201,390.14 | 201,390.14 | 211,459.65 | 211,459.65 |
| 2026 | 2027 | 2028 | 202,450.00 | 202,450.00 | 212,572.50 | 212,572.50 |
| 2027 | 2028 | 2029 | 200,700.00 | 200,700.00 | 210,735.00 | 210,735.00 |
| 2028 | 2029 | 2030 | 198,700.00 | 198,700.00 | 208,635.00 | 208,635.00 |
| 2029 | 2030 | 2031 | 201,450.00 | 201,450.00 | 211,522.50 | 211,522.50 |
| 2030 | 2031 | 2032 | 198,700.00 | 198,700.00 | 208,635.00 | 208,635.00 |
| 2031 | 2032 | 2033 | 200,700.00 | 200,700.00 | 210,735.00 | 210,735.00 |
| 2032 | 2033 | 2034 | 202,200.00 | 202,200.00 | 212,310.00 | 212,310.00 |
| 2033 | 2034 | 2035 | 200,000.00 | 200,000.00 | 210,000.00 | 210,000.00 |
| 2034 | 2035 | 2036 | 197,600.00 | 197,600.00 | 207,480.00 | 207,480.00 |
| **Total** | **-** | **-** | **$2,003,890.14** | **$2,003,890.14** | **$2,104,084.65** | **$2,104,084.65** |

## Bond Data

| | |
|---|---|
| Dated Date | 10/30/2025 |
| Call Date | 2/01/2033 |

STATE OF MINNESOTA )
)
COUNTY OF STEELE ) SS.
)
CITY OF OWATONNA )

I, being the duly qualified and acting City Administrator/City Clerk of the City of Owatonna, Steele County, Minnesota (the "City"), do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the City Council of the City held on October 7, 2025, with the original minutes on file in my office and the extract is a full, true and correct copy of the minutes insofar as they relate to the issuance and sale of the City's General Obligation Street Reconstruction Bonds, Series 2025A, in the original aggregate principal amount of $1,570,0000.

WITNESS My hand officially as such City Administrator/City Clerk and the corporate seal of the City this _____ day of October, 2025.

_____
Jenna Tuma, City Administrator/City Clerk
City of Owatonna, Minnesota

(SEAL)

October 7, 2025

SALE DAY REPORT FOR:

# City of Owatonna, Minnesota

## $1,570,000 General Obligation Street Reconstruction Bonds, Series 2025A

Prepared by:

Ehlers
3001 Broadway Street, Suite 320
Minneapolis, MN 55413

Dan Tienter,
Senior Municipal Advisor

Todd Hagen,
Senior Municipal Advisor

Jason Aarsvold,
Senior Municipal Advisor

BUILDING COMMUNITIES. IT'S WHAT WE DO.

# Competitive Sale Results

**PURPOSE**: Fixed rate, tax-exempt financing for certain street reconstruction projects in the City.

**RATING:** Moody's Investor's Service "Aa1"

**NUMBER OF BIDS:** 2

**LOW BIDDER:** Northland Securities, Inc., Minneapolis, Minnesota

## COMPARISON FROM LOWEST TO HIGHEST BID:
### (TIC as bid)

**LOW BID:** 3.0553%
**HIGH BID:** 3.1153%

**INTEREST DIFFERENCE:** $10,116.07

| Summary of Sale Results: | |
|---|---|
| Principal Amount*: | $1,570,000 |
| Underwriter's Discount: | $13,219 |
| Reoffering Premium: | $135,627 |
| True Interest Cost: | 3.0629% |
| Costs of Issuance: | $53,650 |
| Yield: | 2.43%-3.18% |

**NOTES:** * After bid opening, the issue size was decreased by $145,000 due to a reduction in the costs of issuance, underwriter's discount and the receipt of a premium bid.

**CLOSING DATE:** October 30, 2025

**CITY COUNCIL ACTION:** Adopt a resolution awarding the sale of $1,570,000 General Obligation Street Reconstruction Bonds, Series 2025A to Northland Securities.

## SUPPLEMENTARY ATTACHMENTS

- Bid Tabulation
- Sources and Uses of Funds/Updated Debt Service Schedules
- Rating Report
- BBI Graph
- Bond Resolution (Distributed in City Council Packets)

# BID TABULATION

## $1,715,000* General Obligation Street Reconstruction Bonds, Series 2025A

## City of Owatonna, Minnesota

**SALE:** October 7, 2025

**AWARD:** NORTHLAND SECURITIES, INC.

**Rating:** Moody's Investor's Service "Aa1"

Tax Exempt - Bank Qualified

| NAME OF INSTITUTION | MATURITY (February 1) | COUPON RATE | REOFFERING YIELD | PRICE | TRUE INTEREST RATE |
|---|---|---|---|---|---|
| NORTHLAND SECURITIES, INC. | | | | $1,848,103.00 | 3.0553% |
| Minneapolis, Minnesota | 2027 | 5.000% | 2.510% | | |
| | 2028 | 5.000% | 2.430% | | |
| | 2029 | 5.000% | 2.450% | | |
| | 2030 | 5.000% | 2.480% | | |
| | 2031 | 5.000% | 2.540% | | |
| | 2032 | 5.000% | 2.680% | | |
| | 2033 | 5.000% | 2.810% | | |
| | 2034 | 4.000% | 2.880% | | |
| | 2035 | 4.000% | 3.020% | | |
| | 2036 | 4.000% | 3.180% | | |
| BAIRD | | | | | 3.1153% |
| Milwaukee, Wisconsin | | | | | |

* Subsequent to bid opening the issue size was decreased to $1,570,000.
Adjusted Price: $1,692,407.54 Adjusted Net Interest Cost: $311,482.60 Adjusted TIC: 3.0629%

# City of Owatonna, Minnesota

$1,570,000 General Obligation Street Reconstruction Bonds, Series 2025A

## Sources & Uses

**Dated 10/30/2025 | Delivered 10/30/2025**

### Sources Of Funds

| | |
|---|---|
| Par Amount of Bonds | $1,570,000.00 |
| Reoffering Premium | 135,626.80 |
| **Total Sources** | **$1,705,626.80** |

### Uses Of Funds

| | |
|---|---|
| Total Underwriter's Discount (0.842%) | 13,219.26 |
| Costs of Issuance | 53,650.00 |
| Deposit to Project Construction Fund | 1,638,757.54 |
| **Total Uses** | **$1,705,626.80** |

# City of Owatonna, Minnesota

$1,570,000 General Obligation Street Reconstruction Bonds, Series 2025A

## Debt Service Schedule

| Date | Principal | Coupon | Interest | Total P+I | Fiscal Total |
|---|---|---|---|---|---|
| 10/30/2025 | - | - | - | - | - |
| 08/01/2026 | - | - | 54,915.14 | 54,915.14 | - |
| 02/01/2027 | 110,000.00 | 5.000% | 36,475.00 | 146,475.00 | 201,390.14 |
| 08/01/2027 | - | - | 33,725.00 | 33,725.00 | - |
| 02/01/2028 | 135,000.00 | 5.000% | 33,725.00 | 168,725.00 | 202,450.00 |
| 08/01/2028 | - | - | 30,350.00 | 30,350.00 | - |
| 02/01/2029 | 140,000.00 | 5.000% | 30,350.00 | 170,350.00 | 200,700.00 |
| 08/01/2029 | - | - | 26,850.00 | 26,850.00 | - |
| 02/01/2030 | 145,000.00 | 5.000% | 26,850.00 | 171,850.00 | 198,700.00 |
| 08/01/2030 | - | - | 23,225.00 | 23,225.00 | - |
| 02/01/2031 | 155,000.00 | 5.000% | 23,225.00 | 178,225.00 | 201,450.00 |
| 08/01/2031 | - | - | 19,350.00 | 19,350.00 | - |
| 02/01/2032 | 160,000.00 | 5.000% | 19,350.00 | 179,350.00 | 198,700.00 |
| 08/01/2032 | - | - | 15,350.00 | 15,350.00 | - |
| 02/01/2033 | 170,000.00 | 5.000% | 15,350.00 | 185,350.00 | 200,700.00 |
| 08/01/2033 | - | - | 11,100.00 | 11,100.00 | - |
| 02/01/2034 | 180,000.00 | 4.000% | 11,100.00 | 191,100.00 | 202,200.00 |
| 08/01/2034 | - | - | 7,500.00 | 7,500.00 | - |
| 02/01/2035 | 185,000.00 | 4.000% | 7,500.00 | 192,500.00 | 200,000.00 |
| 08/01/2035 | - | - | 3,800.00 | 3,800.00 | - |
| 02/01/2036 | 190,000.00 | 4.000% | 3,800.00 | 193,800.00 | 197,600.00 |
| **Total** | **$1,570,000.00** | **-** | **$433,890.14** | **$2,003,890.14** | **-** |

### Yield Statistics

| | |
|---|---|
| Bond Year Dollars | $9,706.86 |
| Average Life | 6.183 Years |
| Average Coupon | 4.4699325% |
| Net Interest Cost (NIC) | 3.2088911% |
| True Interest Cost (TIC) | 3.0629622% |
| Bond Yield for Arbitrage Purposes | 2.8030208% |
| All Inclusive Cost (AIC) | 3.6690913% |

### IRS Form 8038

| | |
|---|---|
| Net Interest Cost | 2.8264999% |
| Weighted Average Maturity | 6.187 Years |

# City of Owatonna, Minnesota

$1,570,000 General Obligation Street Reconstruction Bonds, Series 2025A

## Tax Levy Schedule

| Tax Levy Year | Tax Collect Year | Bond Pay Year | Total P+I | Net New D/S | P & I @105% | Net Levy |
|---|---|---|---|---|---|---|
| 2024 | 2025 | 2026 | - | - | - | - |
| 2025 | 2026 | 2027 | 201,390.14 | 201,390.14 | 211,459.65 | 211,459.65 |
| 2026 | 2027 | 2028 | 202,450.00 | 202,450.00 | 212,572.50 | 212,572.50 |
| 2027 | 2028 | 2029 | 200,700.00 | 200,700.00 | 210,735.00 | 210,735.00 |
| 2028 | 2029 | 2030 | 198,700.00 | 198,700.00 | 208,635.00 | 208,635.00 |
| 2029 | 2030 | 2031 | 201,450.00 | 201,450.00 | 211,522.50 | 211,522.50 |
| 2030 | 2031 | 2032 | 198,700.00 | 198,700.00 | 208,635.00 | 208,635.00 |
| 2031 | 2032 | 2033 | 200,700.00 | 200,700.00 | 210,735.00 | 210,735.00 |
| 2032 | 2033 | 2034 | 202,200.00 | 202,200.00 | 212,310.00 | 212,310.00 |
| 2033 | 2034 | 2035 | 200,000.00 | 200,000.00 | 210,000.00 | 210,000.00 |
| 2034 | 2035 | 2036 | 197,600.00 | 197,600.00 | 207,480.00 | 207,480.00 |
| **Total** | **-** | **-** | **$2,003,890.14** | **$2,003,890.14** | **$2,104,084.65** | **$2,104,084.65** |

### Bond Data

| | |
|---|---|
| Dated Date | 10/30/2025 |
| Call Date | 2/01/2033 |

CREDIT OPINION
2 October 2025

Send Your Feedback

**Contacts**

Isabella Romano +1.312.706.9960
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Gera M. McGuire +1.312.706.9977
*Associate Managing Director*
gera.mcguire@moodys.com

Cameron Hoyh +1.312.706.9996
*Associate Lead Analyst*
cameron.hoyh@moodys.com

**CLIENT SERVICES**

| | |
|---|---|
| Americas | 1-212-553-1653 |
| Asia Pacific | 852-3551-3077 |
| Japan | 81-3-5408-4100 |
| EMEA | 44-20-7772-5454 |

# City of Owatonna, MN

Update to credit analysis

## Summary

The City of Owatonna, MN (Aa1) has a strong and growing local economy and low leverage. The city has a consistently strong financial position across governmental and business type activities, supported by sound budgetary management and solid revenue trends.

## Credit strengths

» Strong financial profile with reserves that consistently exceed 60% of revenue

» Very low leverage and fixed costs

## Credit challenges

» Resident income and full value per capita metrics slightly trail Aa1 rated peers nationally

» Outstanding capital needs may require larger than typical borrowing in the next few years

## Rating outlook

We do not assign outlooks to local governments with this amount of debt.

## Factors that could lead to an upgrade

» Strong regional economic growth that drives improved resident incomes to levels more in line with Aaa rated peers

» An available fund balance ratio above 75% of revenue

## Factors that could lead to a downgrade

» A long-term liabilities ratio approaching 200% of revenue

» An available fund balance ratio approaching 35% of revenue

## Key indicators

Exhibit 1
**Owatonna (City of) MN**

| | 2021 | 2022 | 2023 | 2024 | Aa Medians |
|---|---|---|---|---|---|
| **Economy** | | | | | |
| Resident income ratio (%) | 117.7% | 121.4% | 120.6% | N/A | 114.1% |
| Full Value ($000) | $2,341,078 | $2,634,377 | $2,960,024 | $3,327,395 | $2,888,367 |
| Population | 26,366 | 26,400 | 26,462 | N/A | 22,430 |
| Full value per capita ($) | $88,792 | $99,787 | $111,859 | N/A | $125,640 |
| Annual Growth in Real GDP | 4.6% | -1.4% | 0.7% | N/A | 2.0% |
| **Financial Performance** | | | | | |
| Revenue ($000) | $109,035 | $102,963 | $126,182 | $130,183 | $52,335 |
| Available fund balance ($000) | $71,299 | $62,630 | $78,165 | $83,279 | $29,526 |
| Net unrestricted cash ($000) | $75,830 | $72,355 | $85,013 | $91,234 | $41,432 |
| Available fund balance ratio (%) | 65.4% | 60.8% | 61.9% | 64.0% | 57.1% |
| Liquidity ratio (%) | 69.5% | 70.3% | 67.4% | 70.1% | 79.6% |
| **Leverage** | | | | | |
| Debt ($000) | $21,116 | $17,917 | $41,130 | $43,748 | $37,305 |
| Adjusted net pension liabilities ($000) | $65,318 | $49,844 | $43,234 | $32,367 | $45,496 |
| Adjusted net OPEB liabilities ($000) | $909 | $963 | $797 | $898 | $4,376 |
| Other long-term liabilities ($000) | $3,417 | $3,273 | $3,487 | $3,603 | $1,726 |
| Long-term liabilities ratio (%) | 83.2% | 69.9% | 70.3% | 61.9% | 210.2% |
| **Fixed costs** | | | | | |
| Implied debt service ($000) | $1,461 | $1,481 | $1,251 | $2,857 | $2,477 |
| Pension tread water contribution ($000) | $1,506 | $1,488 | $2,830 | N/A | $1,199 |
| OPEB contributions ($000) | $84 | $63 | $68 | $32 | $179 |
| Implied cost of other long-term liabilities ($000) | $153 | $240 | $229 | $242 | $115 |
| Fixed-costs ratio (%) | 2.9% | 3.2% | 3.5% | 4.6% | 9.6% |

For definitions of the metrics in the table above please refer to the US Cities and Counties Methodology or see the Glossary in the Appendix below. Metrics represented as N/A indicate the data were not available at the time of publication. The medians come from our most recently published US Cities and Counties Median Report.
The real GDP annual growth metric cited above is for the Steele County, Minnesota.
*Sources: US Census Bureau, Owatonna (City of) MN's financial statements and Moody's Ratings, US Bureau of Economic Analysis*

## Profile

The City of Owatonna is in Steele County, about 65 miles southwest of the Twin Cities metropolitan area. The city encompasses an area of about 15 square miles and serves more than 26,500 residents. The city provides a range of municipal services including police and fire protection, construction and maintenance of streets and other infrastructure, and other recreational and cultural activities. The city also provides water, sewer, stormwater, gas, and electric services along with the operation of the aquatic center.

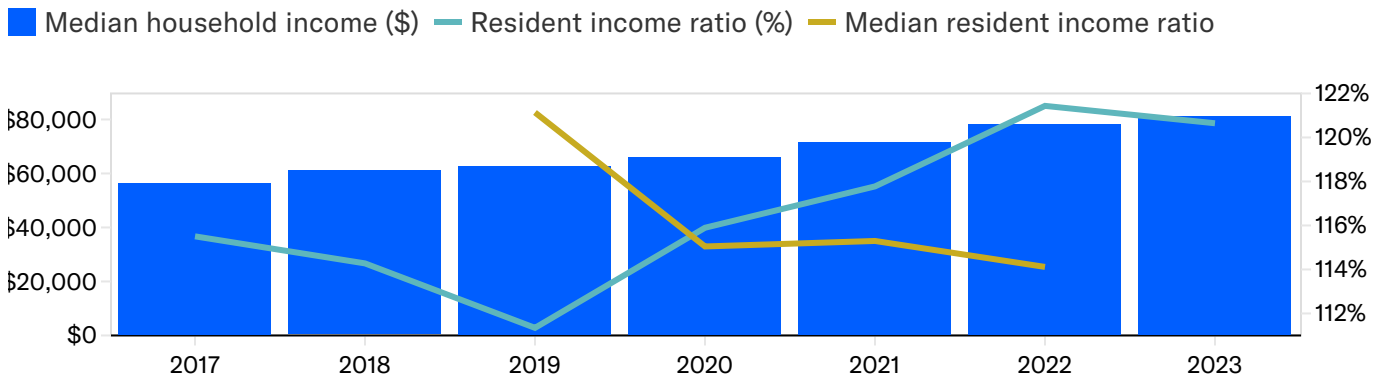
## Detailed credit considerations

The city's local economy is growing, benefiting from its position between the Twin Cities and Rochester. Since fiscal 2020, the tax base has grown by an annual average of 7%, driven by significant residential and commercial expansion. Resident incomes and full value per capita somewhat trail higher rated peers but have been improving for several years. The long-term liabilities ratio is low at just 63% of revenue, however a significant capital project (two emergency facilities) starting in fiscal 2026 could increase leverage to more moderate levels. The city will utilize both bond financing and reserves to pay for the nearly $61 million project, however the exact structure of funding is still being determined.

Reserves will remain strong though may decline somewhat as the city uses a portion for future capital projects. The available fund balance ratio is a strong 64% of revenue, supported by strong budgetary management and increased utility revenues. Business type activities represent roughly 72% of operations, with the electric and gas utilities making up the largest portion of operations. All utilities have positive operations, with ongoing rate studies supporting ample coverage. Fiscal 2025 is on track for balanced operations, with similar performance expected for fiscal 2026.

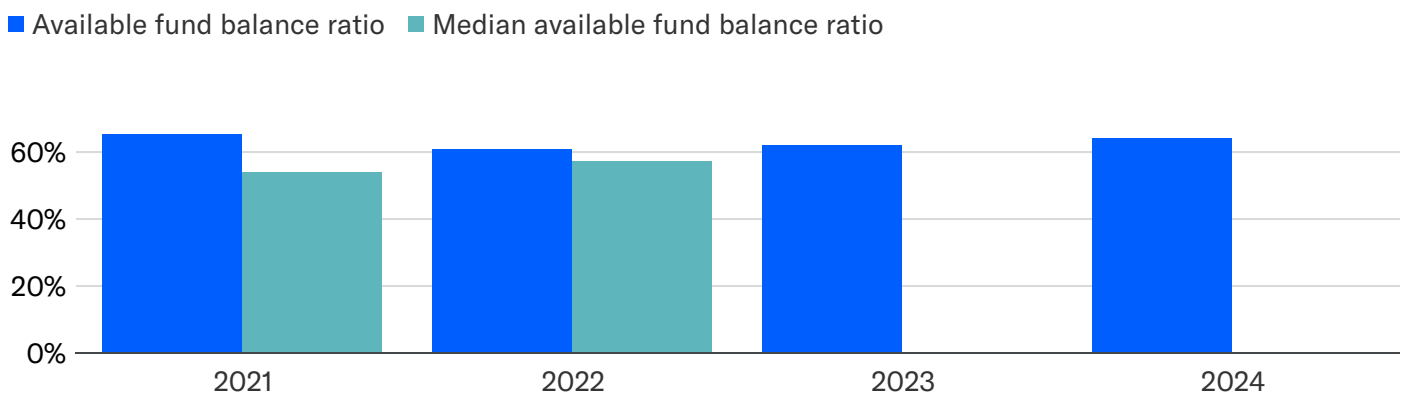
This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on https://ratings.moodys.com for the most updated credit rating action information and rating history.

Exhibit 2
**Resident Income**



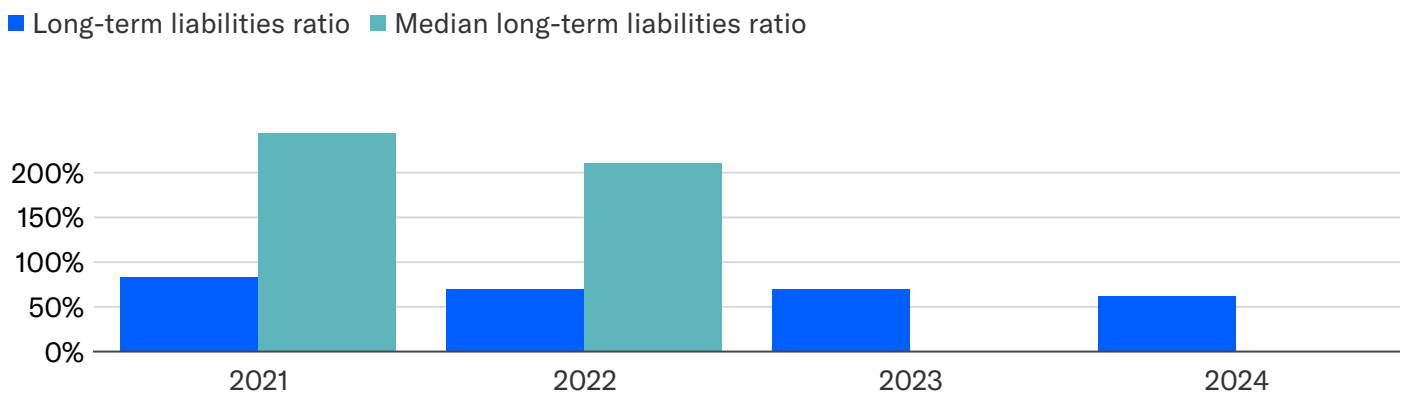

*Source: US Census Bureau - American Community Survey 5-Year Estimates; US Bureau of Economic*

Exhibit 3
**Fund Balance Ratio**




*Source: Audited financial statements; Moody's Ratings*

Exhibit 4
**Total Primary Government - Long Term Liabilities**




*Source: Audited financial statements; Moody's Ratings*

## ESG considerations

### Environmental

Environmental considerations are factored into the city's credit quality but are not major drivers at this time.

### Social

Social considerations such as wealth and income are drivers of the city's credit quality and are discussed in the detailed credit considerations.

### Governance

Governance is a key credit consideration for all local government issuers. The city has a formal fund balance policy that requires reserves to be maintained at or above 45% of subsequent year's expenditures in reserve. The city has multi-year capital projections, along with responsive budget management.

## Rating methodology and scorecard factors

The US Cities and Counties Methodology includes a scorecard, which summarizes the rating factors generally most important to city and county credit profiles. Because the scorecard is a summary, and may not include every consideration in the credit analysis for a specific issuer, a scorecard-indicated outcome may or may not map closely to the actual rating assigned.

Exhibit 5
**Owatonna (City of) MN**

| | Measure | Weight | Score |
|---|---|---|---|
| **Economy** | | | |
| Resident income ratio | 120.6% | 10.0% | Aaa |
| Full value per capita | 130,115 | 10.0% | Aa |
| Economic growth metric | -2.6% | 10.0% | Baa |
| **Financial Performance** | | | |
| Available fund balance ratio | 64.0% | 20.0% | Aaa |
| Liquidity ratio | 70.1% | 10.0% | Aaa |
| **Institutional Framework** | | | |
| Institutional Framework | Aaa | 10.0% | Aaa |
| **Leverage** | | | |
| Long-term liabilities ratio | 61.9% | 20.0% | Aaa |
| Fixed-costs ratio | 4.6% | 10.0% | Aaa |
| **Notching factors** | | | |
| No notchings applied | | | |
| Scorecard-Indicated Outcome | | | Aa1 |
| **Assigned Rating** | | | **Aa1** |

The Economic Growth metric cited above compares the five-year CAGR of real GDP for Steele County, Minnesota Metropolitan Statistical Area to the five-year CAGR of real GDP for the US.
*Sources: US Census Bureau, Owatonna (City of) MN's financial statements and Moody's Ratings*

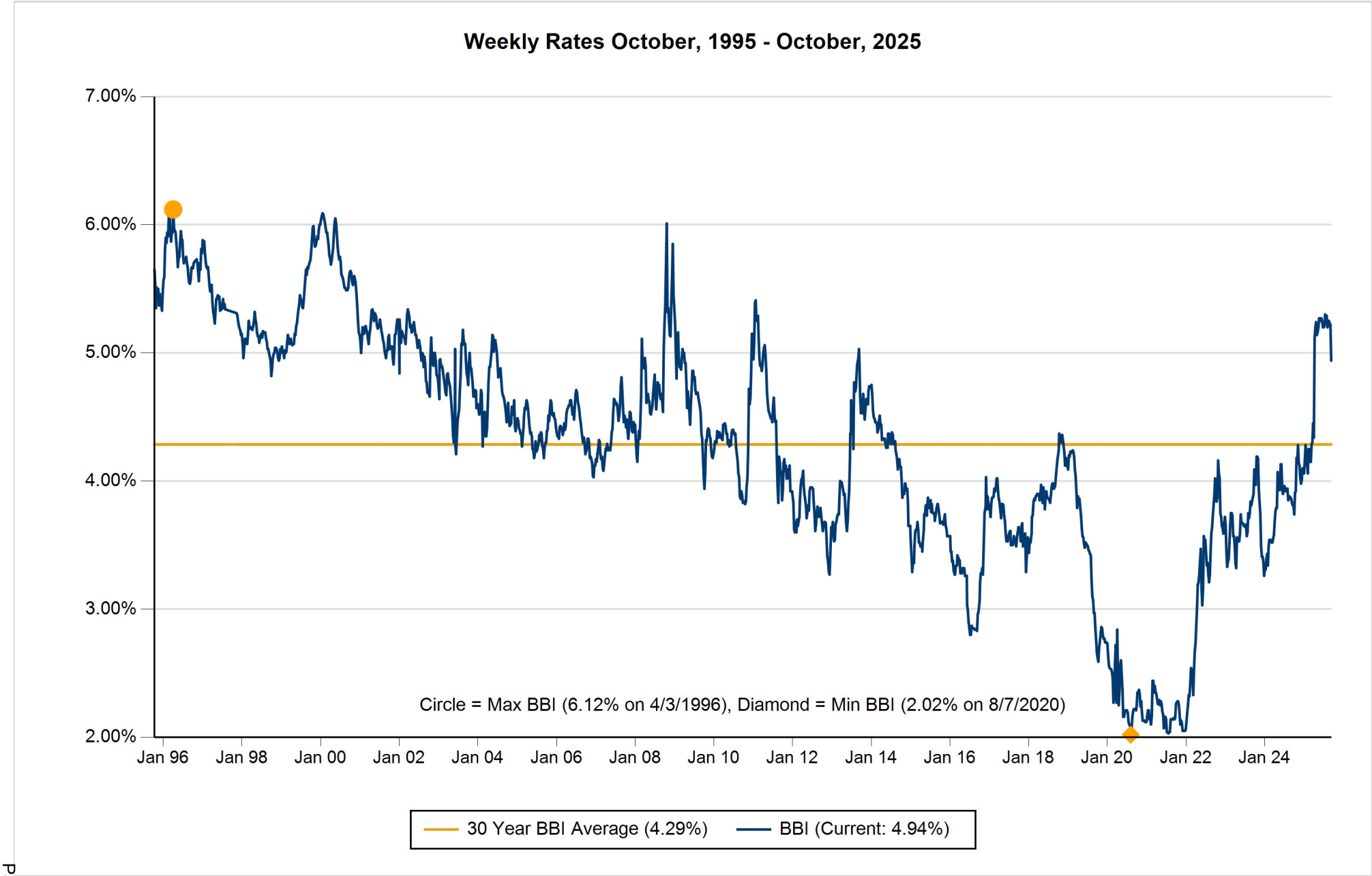
# Appendix

Exhibit 6
**Key Indicators Glossary**

| | Definition | Typical Source* |
|---|---|---|
| **Economy** | | |
| Resident income ratio | Median Household Income (MHI) for the city or county, adjusted for Regional Price Parity (RPP), as a % of the US MHI | MHI: US Census Bureau - American Community Survey 5-Year Estimates<br>RPP: US Bureau of Economic Analysis |
| Full value | Estimated market value of taxable property in the city or county | State repositories; audited financial statements; continuing disclosures |
| Population | Population of the city or county | US Census Bureau - American Community Survey 5-Year Estimates |
| Full value per capita | Full value / population | |
| Economic growth metric | Five year CAGR of real GDP for Metropolitan Statistical Area or county minus the five-year CAGR of real GDP for the US | Real GDP: US Bureau of Economic Analysis |
| **Financial performance** | | |
| Revenue | Sum of revenue from total governmental funds, operating and non-operating revenue from total business-type activities, and non-operating revenue from internal services funds, excluding transfers and one-time revenue, e.g., bond proceeds or capital contributions | Audited financial statements |
| Available fund balance | Sum of all fund balances that are classified as unassigned, assigned or committed in the total governmental funds, plus unrestricted current assets minus current liabilities from the city's or county's business-type activities and internal services funds | Audited financial statements |
| Net unrestricted cash | Sum of unrestricted cash in governmental activities, business type activities and internal services fund, net of short-term debt | Audited financial statements |
| Available fund balance ratio | Available fund balance (including net current assets from business-type activities and internal services funds) / Revenue | |
| Liquidity ratio | Net unrestricted cash / Revenue | |
| **Leverage** | | |
| Debt | Outstanding long-term bonds and all other forms of long-term debt across the governmental and business-type activities, including debt of another entity for which it has provided a guarantee disclosed in its financial statements | Audited financial statements; official statements |
| Adjusted net pension liabilities (ANPL) | Total primary government's pension liabilities adjusted by Moody's to standardize the discount rate used to compute the present value of accrued benefits | Audited financial statements; Moody's Ratings |
| Adjusted net OPEB liabilities (ANOL) | Total primary government's net other post-employment benefit (OPEB) liabilities adjusted by Moody's to standardize the discount rate used to compute the present value of accrued benefits | Audited financial statements; Moody's Ratings |
| Other long-term liabilities (OLTL) | Miscellaneous long-term liabilities reported under the governmental and business-type activities entries | Audited financial statements |
| Long-term liabilities ratio | Debt + ANPL + ANOL + OLTL / Revenue | |
| **Fixed costs** | | |
| Implied debt service | Annual cost to amortize city or county's long-term debt over 20 years with level payments | Audited financial statements; official statements; Moody's Ratings |
| Pension tread water contribution | Pension contribution necessary to prevent reported unfunded pension liabilities from growing, year over year, in nominal dollars, if all actuarial assumptions are met | Audited financial statements; Moody's Ratings |
| OPEB contribution | City or county's actual contribution in a given period | Audited financial statements |
| Implied cost of OLTL | Annual cost to amortize city or county's other long-term liabilities over 20 years with level payments | Audited financial statements; Moody's Ratings |
| Fixed-costs ratio | Implied debt service + Pension tread water + OPEB contributions + Implied cost of OLTL / Revenue | |

*Note: If typical data source is not available then alternative sources or proxy data may be considered. For more detailed definitions of the metrics listed above please refer to the US Cities and Counties Methodology .
*Source: Moody's Ratings*

# 30 YEAR TREND IN MUNICIPAL BOND INDICES




The Bond Buyer "20 Bond Index" (BBI) shows average yields on a group of municipal bonds that mature in 20 years and have an average rating equivalent to Moody's Aa2 and S&P's AA.

***Source: The Bond Buyer***

EHLERS
PUBLIC FINANCE ADVISORS

DATE: October 7, 2025
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Resolution 66-25: Rescind Lakeside Foods Notice of Violation & Authorize Consent Agreement

**Purpose:**
Requesting City Council approval of Resolution 50-25 to rescind the Notice of Violation to Lakeside Foods issued on May 6, 2025 with Resolution 23-25 for violations of the City's Code of Ordinances and the Industrial Wastewater Discharge Permit.

**Background:**
The City issued Lakeside Foods a formal Notice of Violation ("NOV") on or about May 6, 2025, alleging violations of the Permit and City ordinance as a result of a discharge event that occurred between August and September of 2023. On June 4, 2025 Lakeside Foods filed a petition of appeal of the NOV and also provided the City with new information and analysis about the amount of flow and pollutant loading estimated to have occurred between August and September of 2023.

Based on the information provided by Lakeside Foods and to resolve Lakeside Foods' petition of appeal, the City has determined it has good cause to rescind and withdraw Resolution 23-25 dated May 6, 2025 (authorizing issuance of the NOV) and the NOV itself dated May 6, 2025, and all findings respectively. The included Administrative Consent Agreement outlines the resolution both parties developed and agreed to. The agreement comes with terms to help prevent an event like this from occurring again.

**Budget Impact:**
Rescinding and withdrawing the Notice of Violation will result in a user fee charge of $191,293.50 and $22,000 in investigation costs.

**Staff Recommendation:**
Staff recommends approval.

**Attachments:**
1. Res 66-25 Rescind NOV - Consent Agreement- Lakeside Foods
2. Lakeside Foods Admin Consent Agreement 2025.09.16 (Final)

RESOLUTION NO. 66-25

A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF OWATONNA IN THE MATTER OF LAKESIDE FOODS INDUSTRIAL WASTEWATER DISCHARGE PERMIT

WHEREAS, pursuant to Sections 50 and 51 of its Code of Ordinances, the Council of the City of Owatonna (the "City"), and its authorized agents and representatives, have the authority to regulate and control connections to its wastewater treatment system and all domestic and industrial wastewater discharges to that system;

WHEREAS, Lakeside Foods is a Significant Industrial User of the City's wastewater treatment facility ("WWTF") and regulated by the City pursuant to an Industrial Wastewater Discharge Permit (the "Permit") with an effective date of January 1, 2021;

WHEREAS, the City issued Lakeside Foods a formal Notice of Violation ("NOV") on or about May 6, 2025, alleging violations of the Permit and City ordinance as a result of a discharge event that occurred between August and September of 2023;

WHEREAS, on June 4, 2025 Lakeside Foods filed a petition of appeal of the NOV and also provided the City with new information and analysis about the amount of flow and pollutant loading estimated to have occurred between August and September of 2023;

WHEREAS, based on the new information provided by Lakeside Foods and so as to resolve Lakeside Foods' petition of appeal, the City has determined it has good cause to rescind and withdraw Resolution 23-25 dated May 6, 2025 (authorizing issuance of the NOV) and the NOV itself dated May 6, 2025, and all findings respectively therein;

WHEREAS, the City and Lakeside Foods have further agreed to the terms and conditions of the attached Administrative Consent Agreement to resolve the City's claims and Lakeside Foods' petition of appeal ;

NOW, THERFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL THAT:

That the City Council hereby rescinds and withdraws Resolution 23-25 dated May 6, 2025 and the NOV issued to Lakeside Foods dated May 6, 2025, and all findings respectively therein; and

The City Council hereby authorizes execution of the attached Administrative Consent Agreement pursuant to Chapter 50 and 51 of City Code.

Passed and adopted this ____ day of _____ 2025, with the following vote:

Aye ____; No ____; Absent ____.

Approved and signed this _____ day of _____, 2025.

_____
Matthew T. Jessop, Mayor

ATTEST:

_____
Jenna L. Tuma, City Administrator/City Clerk

**CITY OF OWATONNA MINNESOTA**
**ADMINISTRATIVE CONSENT AGREEMENT WITH LAKESIDE FOODS**

**IN THE MATTER OF:** Lakeside Foods Industrial Wastewater Discharge Permit

## I. PARTIES.

This Administrative Consent Agreement ("Agreement") applies to and is binding upon the following parties:

a. Lakeside Foods Inc., 900 N. Cedar Ave, Owatonna, MN 55060.

b. The City of Owatonna, MN ("City").

## II. PURPOSE AND SCOPE OF AGREEMENT

The purpose of this Agreement is to resolve disputed matters between the City and Lakeside Foods related to a discharge event that occurred between August and September of 2023. By entering this Agreement, Lakeside Foods is settling a disputed matter between itself and the City and does not admit to any violations of its Wastewater Discharge Permit or City Code and agrees to comply with all provisions of its Wastewater Discharge Permit, City Code, and this Agreement.

## III. AUTHORITY

This Agreement is entered pursuant to City Code, including but not limited to Chapters 50 and 51 and other applicable state and local law. Unless otherwise explicitly stated, the definitions in City Code apply to this Agreement.

## IV. BACKGROUND

a. Pursuant to Sections 50 and 51 of its Code of Ordinances, the City and its authorized agents and representatives, have the authority to regulate and control connections to its wastewater treatment system and all domestic and industrial wastewater discharges to that system.

b. Lakeside Foods is a Significant Industrial User of the City's wastewater treatment facility ("WWTF") and regulated by the City pursuant to an Industrial Wastewater Discharge Permit (the "Permit") with an effective date of January 1, 2021.

c. In August of 2023 the City's wastewater treatment facility began receiving elevated loadings of biochemical oxygen demand (BOD) and total suspended solids (TSS) as confirmed by routine testing.

d. The significant increase in loading of BOD and TSS started causing problems for the City's WWTF and required the City to incur costs to investigate and treat the BOD and TSS loads.

e. The City initiated an investigation and determined that a previously unknown connection allowed Lakeside Foods' wastewater to bypass its pretreatment process resulting in the increase loading to the City's system between August and September of 2023. Given the circumstances of the discharge, the exact amount of excess BOD and TSS loading is unknown.

f. The Parties jointly agree that a reasonable estimation of such BOD and TSS loading during the incident is as follows:

| Lakeside Foods Contribution | | BOD (lb/month) | TSS (lb/month) |
|---|---|---|---|
| **Monthly Total (Avg*31)** | **8/2023** | **136,975** | **53,254** |
| **Monthly Total (Avg*30)** | **9/2023** | **168,796** | **95,732** |

g. Lakeside Foods agrees to pay the user charge reflected below, based on the above loading estimate and the City's applicable Heavy Industrial User rates is as follows:

| User Charge - Standard Heavy Industrial Rates | | BOD | TSS |
|---|---|---|---|
| **Heavy Industrial Rates (per 1000 lb/parameter)** | | **$481.95** | **$294.84** |
| | | | |
| **Monthly User Charge to Lakeside** | **8/2023** | **$66,015.06** | **$15,701.41** |
| | **9/2023** | **$81,351.41** | **$28,225.62** |
| **Total User Charge by Parameter** | | **$147,366.47** | **$43,927.03** |
| **Total User Charge payable by Lakeside** | | **$191,293.50** | |

h. The City alleges it has incurred costs to investigate and treat the loading from the 2023 discharge event not otherwise compensated by the user charge in subpar. (g), above. The City estimated those costs at $44,000, but after discussion with Lakeside Foods, the City has agreed to accept, and Lakeside agrees to pay $22,000 (in addition to the applicable user charge outlined above) to address these costs.

i. Lakeside Foods further agrees to complete the actions outlined below in subpar. V(b).

## V. REQUIREMENTS

a. Within 60 days of executing this Agreement, Lakeside Foods shall issue payment to the City in the amount of **$213, 293.50** (the user charge of $191, 293.50 plus the agreed upon additional costs of $22,000).

b. Within 90 days of the effective date, Lakeside Foods will submit a proposed Corrective Action Plan with a detailed schedule to complete the below corrective actions for review and approval by the City. Lakeside Foods shall complete all the corrective actions identified below within the timelines contained in the Corrective Action Plan approved by the City. The schedule in the approved Corrective Action Plan may be modified in writing by mutual consent of the Parties without a formal modification of this Agreement. The Corrective Action Plan, upon approval by the City, is hereby incorporated by reference into this Agreement. The actions that must be addressed in the Corrective Action Plan are as follows:

i. Development of Slug Discharge Plan. Lakeside Foods shall develop and submit a Slug Discharge Plan to the City for approval that, at minimum, contains the following:
   - An evaluation of options for real-time identification of slug loads (e.g. excessive BOD and TSS);
   - Evaluation and identification of process changes, if any, that can be implemented to minimize the risk of future slug loads:
   - A schedule for implementation of recommended actions, if any.

ii. Televising all sanitary, storm and wastewater piping and conveyance systems. Lakeside Foods shall complete comprehensive televising of all internal and exterior sanitary, storm, and wastewater piping and conveyance systems that deliver water or wastewater to the City's storm sewer, sanitary sewer, or wastewater treatment facility. Once completed, Lakeside Foods shall develop and submit to the City a map or plan drawing of all storm, sanitary and wastewater pipe and conveyances that deliver water or wastewater to the City's storm sewer, sanitary sewer, or wastewater treatment facility. Lakeside shall complete this televising and mapping within three years of the Effective Date, unless this deadline is extended by mutual agreement of the parties.

iii. System condition assessment. Lakeside shall retain a qualified third-party contractor to complete a sanitary piping and conveyance system condition assessment.

iv. Permitting and limited use agreement for use of public right-of-way. Lakeside Foods shall obtain a permit from and execute a limited use agreement with the City for all facilities within City right-of-way or easement, including but not limited to, conveyance features, above ground structures, small utilities, and others as specified by the City.

v. Plans for spray irrigation. Lakeside Foods shall provide the City with a copy of all plans (design documents, drawings and as-builts) that it currently possesses for the force main to the spray irrigation field.

vi. Removal of connections. Lakeside Foods shall remove all non-contact cooling water connections from the City's sanitary sewer system.

## VI. OTHER TERMS AND CONDITIONS

a. Reservation of rights. The City reserves the right to enforce this Agreement or take any action authorized by law, including taking enforcement action related to the 2023 discharge event, if Lakeside Foods fails to comply with the terms and conditions of this Agreement. Further, the City reserves the right to seek to enjoin violations of this Agreement and to exercise its enforcement and/or emergency powers pursuant to City Code, its NPDES permit, and other applicable laws, if the conduct of Lakeside Foods warrants such action. Lakeside Foods fully reserves all rights, claims and defenses related to any enforcement action taken by the City and does not waive any such rights, claims or defenses by entering into this Agreement.

b. Notice of Noncompliance with Agreement. The Parties understand and agree that failure to comply with the requirements of this Agreement, including the failure to

timely complete the City approved Corrective Action Plan, constitutes a violation of its Wastewater Discharge Permit and City Code, and, subject to subpar. V(d), the City may pursue enforcement as provided by § 51.99 of the City Code (as amended). Prior to pursuing any enforcement action, the City shall provide Lakeside Foods a notice of the alleged violation and a reasonable opportunity to cure.

c. Hold harmless. Lakeside Foods agrees to indemnify, save and hold the City, its agents and employees harmless from all claims or causes of actions arising from or on account of acts or omissions of Lakeside Foods, its officers, employes, agents or contractors in implementing the activities conducted pursuant to this agreement. The City agrees to indemnify, save and hold Lakeside Foods, its agents, contractors and employees harmless from all claims and causes of action arising from or on account of acts or omissions of the City or the City's officers, employees, agents or contractors.

d. Dispute resolution. Any disputes between the Parties arising out of this Agreement shall first be addressed by good faith negotiations. If the dispute cannot be resolved by good faith negotiations, the dispute shall be elevated to the City Administrator or Mayor and the corporate director of operations or similar level at Lakeside Foods. If the dispute is not resolved at that level, the Parties shall seek to resolve the dispute via mediation, before any action at law is filed. The Parties shall share equally in the cost of a third-party mediator to be selected by the parties. If mediation is unsuccessful in resolving the dispute, then the parties may take whatever action is available at law.

e. Amendments. Except for modification of the correction action schedule in the Corrective Action Plan referenced in subpar. V(b), this agreement may be amended only by a written agreement executed by the Parties.

f. Effective Date. The effective date of the Agreement shall be the day it is signed by the City. This Agreement is conditioned upon the City adopting a resolution rescinding the Notice of Violation issued on or about May 6, 2025 ("NOV") and shall become null and void should the City fail to do so.

g. Termination. The provisions of this Agreement shall be deemed satisfied and terminated when Lakeside Foods receives written notice from the City that Lakeside Foods has demonstrated, to the satisfaction of the City, that all terms and conditions of the Agreement (and Corrective Action Plan) have been completed.

**BY THEIR SIGNATURES BELOW, THE UNDERSIGNED REPRESENT THAT THEY HAVE AUTHORITY TO BIND THE PARTIES THEY REPRESENT**

**FOR THE CITY OF OWATONNA**

| | |
|---|---|
| _____ | _____ |
| Mayor, Matt Jesop | Date |
| _____ | _____ |
| Jenna Tuma, City Administrator | Date |

**FOR LAKESIDE FOODS**

| | |
|---|---|
| _____ | _____ |
| Jeromy Nickelsen, Plant Manager | Date |

DATE: October 7, 2025
TO: Mayor and City Council
FROM: Jeffrey Mundale, Police Chief
SUBJECT: Resolution 67-25 Legal Services Contract - Steele County Attorney's Office

**Purpose:**
Request Council approval of Resolution 67-25 for the Steele County Attorney's Office to provide criminal prosecution, some government data practices, and civil representation to the City of Owatonna and its police department.

**Background:**
The last known written contracts for prosecution services were dated in 1978 with Ruth & Schreiner Law Office, as independent contractors. On November 8, 1999, with city agreement, the practice of Ruth, Schreinder & Long assigned services to Steele County. Verbal agreements were made to adjust the reimbursement rate to Steele County for prosecution services at the same rate the City compensated its employees for a cost of living adjustment.

Steele County has expanded legal services to the City and seeks to update the Legal Services Agreement and monthly fee structure. County Attorney Jarrett estimated services to the City involve one full-time attorney and half of a full-time equivalent support staff.

**Budget Impact:**
Paid and budgeted in the City Administrator's Budget. As outlined in Section 3:

2026: $14,500.00 monthly or $174,000.00 annually
2027: $15,900.00 monthly or $190,800.00 annually
2028: $16,747.50 monthly or 200,970.00 annually
2029: $17,584.87 monthly or $211,018.44 annually
2030: $18,112.41 monthly or $217,348.92 annually

**Staff Recommendation:**
Staff recommends approval.

**Attachments:**
1. Resolution 67-25 Contract Legal Services - Steele Co Atty Office
2. Agreement for Legal Services

RESOLUTION NO. 67-25

A RESOLUTION TO EXECUTE AN AGREEMENT FOR LEGAL SERVICES – STEELE COUNTY ATTORNEY'S OFFICE

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

1. That the Agreement for Legal Services with the Steele County Attorney's Office to provide criminal prosecution, some government data practices, and civil representation to the City of Owatonna and its police department is hereby accepted.

2. That the Mayor and City Administrator are hereby authorized to execute this Agreement and any amendments on behalf of the City of Owatonna.

Passed and adopted this ___day of ___, 2025, with the following vote:

Aye ___ ; No ___; Absent ____.

Approved and signed this _____day of _____, 2025.

_____
Matthew T. Jessop, Mayor

ATTEST:

_____
Jenna L. Tuma, City Administrator/City Clerk

**Agreement for Legal Services**
**Between the City of Owatonna and**
**Steele County Attorney's Office**

THIS AGREEMENT is made and entered into by and between the County of Steele, State of Minnesota ("County"), through the Steele County Attorney's Office ("Attorney"), and the City of Owatonna, State of Minnesota ("City").

**NOW, THEREFORE**, in consideration of the mutual undertakings and agreements hereinafter set forth, the County, through the Attorney, and the City agree as follows:

1. **SERVICES AND RELATIONSHIP.**

    a. The Attorney shall furnish and perform criminal prosecution legal services for the City.

    b. The Attorney shall provide legal advice to the City's Police Department Records Unit regarding the Minnesota Data Practices Act and gun permitting.

    c. The Attorney shall represent the City Police Department in cases involving Extreme Risk Protection Orders brought by the City's Chief of Police or designee.

    d. The services are estimated to take 1.0 attorney FTE and .5 support staff FTE.

    e. The Attorney is not a City employee. The Attorney is free to contract with other entities.

2. **TERM.**

    a. The Attorney shall serve at the pleasure of the City Council, and this Agreement may be terminated without cause by action of the City Council, provided that the City shall give the County ninety (90) days written notice before the termination becomes effective.

    b. The County may terminate this Agreement at any time, provided that the County shall give the City ninety (90) days written notice before the termination becomes effective.

3. **FEES**.

    a. Attorney will provide criminal prosecution services to the City, billed monthly at the following rates:

2026: $14,500.00 a month
2027: $15,950.00 per month
2028: $16,747.50 per month
2029: $17,584.87 per month
2030: $18,112.41 per month

4. DATA PRACTICES
   a. All data collected, created, received, maintained, or disseminated for any purposes by the activities of the City or County because of this contract is governed by the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as amended, the Minnesota Rules implementing such act now in force or as adopted, as well as federal regulations on data privacy.

5. MERGER AND MODIFICATION.

   a. It is understood and agreed that the entire Agreement between the parties is contained here and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter. All items referred to in this Agreement are incorporated or attached and are deemed to be part of this Agreement.

   b. Any material alterations, variations, modifications, or waivers of provisions of this Agreement shall be valid only when they have been reduced to writing as an amendment and signed by the parties.

6. MISCELLANEOUS.

   a. *Governing Law*: This agreement shall be governed by the laws of the State of Minnesota.
   b. *Assignment*: The Attorney may not assign or refer any of the legal services to be performed hereunder with the written consent of the City.
   c. *Conflicts*: The Attorney shall handle any conflict that arise with the City in the same manner as the Attorney handles conflicts with County cases. If a conflict develops, the Attorney may withdraw from prosecution and obtain another prosecution office to handle the matter.
   d. *Effective Date*: This Agreement shall become effective upon it execution by the City, County, and Attorney, and the new rates will take effect on January 1 of each respective year.

Dated:_____ **City of Owatonna**

By:_____
Mayor

By:_____
City Administrator

Dated:_____ **County of Steele**

By:_____
Chairperson

By:_____
County Administrator

Dated:_____ **County Attorney**

By:_____
Robert J. Jarrett
Steele County Attorney

DATE: October 7, 2025
TO: Mayor and City Council
FROM: Jeffrey Mundale, Police Chief
SUBJECT: Resolution 68-25 Joint Powers Agreement and Court Data Services Amendment for Prosecuting Attorney - State of Minnesota, Dept of Public Safety, BCA

**Purpose:**
Request Council approval of Resolution 68-25 approving the Joint Powers Agreement (JPA) which authorizes the city's prosecuting attorney (Steele County Attorney's Office) working on behalf of the City of Owatonna to access the Minnesota Criminal Justice Data Communications Network (CJDN) and Court Records by completing the Court Data Services Agreement.

**Background:**
The Steele County Attorney's Office serves as the City of Owatonna's prosecuting authority for misdemeanor, gross misdemeanor and felony level crimes. As such, the Steele County Attorney's Office needs access to the CJDN and Court Records to fulfill their duties while acting on behalf of the City.

**Budget Impact:**
None.

**Staff Recommendation:**
Staff recommends approval of Resolution 68-25 approving this Joint Powers Agreement and Court Data Services Subscriber Amendment to the CJDN Subscriber Agreement.

**Attachments:**
1. Resolution 68-25 BCA JPAs - Prosecuting Attorney
2. State of MnJPA
3. Court Data Services Subscriber Amendment to CJDN Subscriber Agreement

RESOLUTION NO. 68-25

RESOLUTION APPROVING STATE OF MINNESOTA JOINT POWERS AGREEMENTS WITH THE CITY OF OWATONNA ON BEHALF OF ITS CITY ATTORNEY AND POLICE DEPARTMENT

WHEREAS the City of Owatonna on behalf of its Prosecuting Attorney and Police Department desires to enter into Joint Powers Agreements with the State of Minnesota, Department of Public Safety, Bureau of Criminal Apprehension to use systems and tools available over the State's criminal justice data communications network for which the City is eligible. The Joint Powers Agreements further provide the city with the ability to add, modify and delete connectivity, systems and tools over the five-year life of the agreement and obligates the city to pay the costs for the network connection.

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

1. That the State of Minnesota Joint Powers Agreements by and between the State of Minnesota acting through its Department of Public Safety, Bureau of Criminal Apprehension and the City of Owatonna on behalf of its Prosecuting Attorney and Police Department, are hereby approved.
2. That the Chief of Police, Jeff Mundale, or his successor, is designated the Authorized Representative for the Police Department. The Authorized Representative is also authorized to sign any subsequent amendment or agreement that may be required by the State of Minnesota to maintain the City's connection to the systems and tools offered by the State.
3. That the Steele County, Robert J. Jarrett, or his successor, is designated the Authorized Representative for the Prosecuting Attorney. The Authorized Representative is also authorized to sign any subsequent amendment or agreement that may be required by the State of Minnesota to maintain the City's connection to the systems and tools offered by the State.
4. That Matt Jessop, the Mayor for the City of Owatonna, and Jenna Tuma, the City Administrator/City Clerk, are authorized to sign the State of Minnesota Joint Powers Agreements.

Passed and adopted this _____ day of _____, 2025, with the following vote:

Aye _____; No _____; Absent _____.

Approved and signed this _____ day of _____, 2025.

_____

Matt Jessop, Mayor

ATTEST:

_____

Jenna Tuma, City Administrator/City Clerk

# State of Minnesota
# Joint Powers Agreement

This Agreement is between the State of Minnesota, acting through its Department of Public Safety on behalf of the Bureau of Criminal Apprehension ("BCA"), and the City of Owatonna on behalf of its Prosecuting Attorney ("Governmental Unit"). The BCA and the Governmental Unit may be referred to jointly as "Parties."

**Recitals**

Under Minn. Stat. § 471.59, the BCA and the Governmental Unit are empowered to engage in agreements that are necessary to exercise their powers. Under Minn. Stat. § 299C.46, the BCA must provide a criminal justice data communications network to benefit political subdivisions as defined under Minn. Stat. § 299C.46, subd. 2 and subd. 2(a). The Governmental Unit is authorized by law to utilize the criminal justice data communications network pursuant to the terms set out in this Agreement. In addition, BCA either maintains repositories of data or has access to repositories of data that benefit authorized political subdivisions in performing their duties. The Governmental Unit wants to access data in support of its official duties.

The purpose of this Agreement is to create a method by which the Governmental Unit has access to those systems and tools for which it has eligibility, and to memorialize the requirements to obtain access and the limitations on the access.

**Agreement**

**1 Term of Agreement**

**1.1 Effective Date.** This Agreement is effective on the date the BCA obtains all required signatures under Minn. Stat. § 16C.05, subdivision 2.

**1.2 Expiration Date.** This Agreement expires five years from the date it is effective.

**2 Agreement Between the Parties**

**2.1 General Access.** BCA agrees to provide Governmental Unit with access to the Minnesota Criminal Justice Data Communications Network (CJDN) and those systems and tools which the Governmental Unit is authorized by law to access via the CJDN for the purposes outlined in Minn. Stat. § 299C.46.

**2.2 Methods of Access.**

The BCA offers three (3) methods of access to its systems and tools. The methods of access are:

A. **Direct access** occurs when individual users at the Governmental Unit use the Governmental Unit's equipment to access the BCA's systems and tools. This is generally accomplished by an individual user entering a query into one of BCA's systems or tools.

B. **Indirect Access** occurs when individual users at the Governmental Unit go to another Governmental Unit to obtain data and information from BCA's systems and tools. This method of access generally results in the Governmental Unit with indirect access obtaining the needed data and information in a physical format like a paper report.

C. **Computer-to-Computer System Interface** occurs when the Governmental Unit's computer exchanges data and information with BCA's computer systems and tools using an interface. Without limitation, interface types include: state message switch, web services, enterprise service bus and message queuing.

For purposes of this Agreement, Governmental Unit employees or contractors may use any of these methods to use BCA's systems and tools as described in this Agreement. Governmental Unit will select a

method of access and can change the methodology following the process in Clause 2.10.

**2.3 Federal Systems Access.** In addition, pursuant to 28 CFR §20.30-38 and Minn. Stat. §299C.58, BCA may provide Governmental Unit with access to the Federal Bureau of Investigation (FBI) National Crime Information Center.

**2.4 Governmental Unit Policies.** Both the BCA and the FBI's Criminal Justice Information Systems (FBI-CJIS) have policies, regulations and laws on access, use, audit, dissemination, hit confirmation, logging, quality assurance, screening (pre-employment), security, timeliness, training, use of the system**,** and validation. Governmental Unit has created its own policies to ensure that Governmental Unit's employees and contractors comply with all applicable requirements. Governmental Unit ensures this compliance through appropriate enforcement. These BCA and FBI-CJIS policies and regulations, as amended and updated from time to time, are incorporated into this Agreement by reference. The policies are available at https://bcanextest.x.state.mn.us/launchpad/.

**2.5 Governmental Unit Resources.** To assist Governmental Unit in complying with the federal and state requirements on access to and use of the various systems and tools, information is available at https://sps.x.state.mn.us/sites/bcaservicecatalog/default.aspx. Additional information on appropriate use is found in the Minnesota Bureau of Criminal Apprehension Policy on Appropriate Use of Systems and Data available at https://bcanextest.x.state.mn.us/launchpad/cjisdocs/docs.cgi?cmd=FS&ID=795&TYPE=DOCS.

**2.6 Access Granted.**

A. Governmental Unit is granted permission to use all current and future BCA systems and tools for which Governmental Unit is eligible. Eligibility is dependent on Governmental Unit (i) satisfying all applicable federal or state statutory requirements; (ii) complying with the terms of this Agreement; and (iii) acceptance by BCA of Governmental Unit's written request for use of a specific system or tool.

B. To facilitate changes in systems and tools, Governmental Unit grants its Authorized Representative authority to make written requests for those systems and tools provided by BCA that the Governmental Unit needs to meet its criminal justice obligations and for which Governmental Unit is eligible.

**2.7 Future Access.** On written request from the Governmental Unit, BCA also may provide Governmental Unit with access to those systems or tools which may become available after the signing of this Agreement, to the extent that the access is authorized by applicable state and federal law. Governmental Unit agrees to be bound by the terms and conditions contained in this Agreement that when utilizing new systems or tools provided under this Agreement.

**2.8 Limitations on Access.** BCA agrees that it will comply with applicable state and federal laws when making information accessible. Governmental Unit agrees that it will comply with applicable state and federal laws when accessing, entering, using, disseminating, and storing data. Each party is responsible for its own compliance with the most current applicable state and federal laws.

**2.9 Supersedes Prior Agreements.** This Agreement supersedes any and all prior agreements between the BCA and the Governmental Unit regarding access to and use of systems and tools provided by BCA.

**2.10 Requirement to Update Information.** The parties agree that if there is a change to any of the information whether required by law or this Agreement, the party will send the new information to the other party in writing within 30 days of the change. This clause does not apply to changes in systems or tools provided under this Agreement.

This requirement to give notice additionally applies to changes in the individual or organization serving the Governmental Unit as its prosecutor. Any change in performance of the prosecutorial function must be provided to the BCA in writing by giving notice to the Service Desk, BCA.ServiceDesk@state.mn.us.

**2.11 Transaction Record.** The BCA creates and maintains a transaction record for each exchange of data utilizing its systems and tools. In order to meet FBI-CJIS requirements and to perform the audits described in Clause 7, there must be a method of identifying which individual users at the Governmental Unit conducted a

particular transaction.

If Governmental Unit uses either direct access as described in Clause 2.2A or indirect access as described in Clause 2.2B, BCA's transaction record meets FBI-CJIS requirements.

When Governmental Unit's method of access is a computer-to-computer interface as described in Clause 2.2C, the Governmental Unit must keep a transaction record sufficient to satisfy FBI-CJIS requirements and permit the audits described in Clause 7 to occur.

If a Governmental Unit accesses data from the Driver and Vehicle Services Division in the Minnesota Department of Public Safety and keeps a copy of the data, Governmental Unit must have a transaction record of all subsequent access to the data that are kept by the Governmental Unit. The transaction record must include the individual user who requested access, and the date, time and content of the request. The transaction record must also include the date, time and content of the response along with the destination to which the data were sent. The transaction record must be maintained for a minimum of six (6) years from the date the transaction occurred and must be made available to the BCA within one (1) business day of the BCA's request.

**2.12 Court Information Access.** Certain BCA systems and tools that include access to and/or submission of Court Records may only be utilized by the Governmental Unit if the Governmental Unit completes the Court Data Services Subscriber Amendment, which upon execution will be incorporated into this Agreement by reference. These BCA systems and tools are identified in the written request made by the Governmental Unit under Clause 2.6 above. The Court Data Services Subscriber Amendment provides important additional terms, including but not limited to privacy (see Clause 8.2, below), fees (see Clause 3 below), and transaction records or logs, that govern Governmental Unit's access to and/or submission of the Court Records delivered through the BCA systems and tools.

**2.13 Vendor Personnel Screening.** The BCA will conduct all vendor personnel screening on behalf of Governmental Unit as is required by the FBI CJIS Security Policy. The BCA will maintain records of the federal, fingerprint-based background check on each vendor employee as well as records of the completion of the security awareness training that may be relied on by the Governmental Unit.

## 3 Payment

The Governmental Unit currently accesses the criminal justice data communications network described in Minn. Stat. §299C.46. No charges will be assessed to the agency as a condition of this agreement.

If Governmental Unit chooses to execute the Court Data Services Subscriber Amendment referred to in Clause 2.12 in order to access and/or submit Court Records via BCA's systems, additional fees, if any, are addressed in that amendment.

## 4 Authorized Representatives

The BCA's Authorized Representative is the person below, or her successor:

| | |
|---|---|
| Name: | Diane Bartell, Deputy Superintendent |
| Address: | Minnesota Department of Public Safety; Bureau of Criminal Apprehension<br>1430 Maryland Avenue<br>Saint Paul, MN 55106 |
| Telephone: | 651.793.2590 |
| Email Address: | Diane.Bartell@state.mn.us |

The Governmental Unit's Authorized Representative is the person below, or his/her successor:

| | |
|---|---|
| Name: | Robert J. Jarrett, County Attorney |
| Address: | 303 S Cedar Ave<br>Owatonna, MN 55060 |
| Telephone: | 507.444.7780 |
| Email Address: | SCAO@SteeleCountyMN.gov |

**5 Assignment, Amendments, Waiver, and Agreement Complete**

**5.1 Assignment.** Neither party may assign nor transfer any rights or obligations under this Agreement.

**5.2 Amendments.** Any amendment to this Agreement, except those described in Clauses 2.6 and 2.7 above must be in writing and will not be effective until it has been signed and approved by the same parties who signed and approved the original agreement, their successors in office, or another individual duly authorized.

**5.3 Waiver.** If either party fails to enforce any provision of this Agreement, that failure does not waive the provision or the right to enforce it.

**5.4 Agreement Complete.** This Agreement contains all negotiations and agreements between the BCA and the Governmental Unit. No other understanding regarding this Agreement, whether written or oral, may be used to bind either party.

**6 Liability**

Each party will be responsible for its own acts and behavior and the results thereof and shall not be responsible or liable for the other party's actions and consequences of those actions. The Minnesota Torts Claims Act, Minn. Stat. § 3.736 and other applicable laws govern the BCA's liability. The Minnesota Municipal Tort Claims Act, Minn. Stat. Ch. 466 and other applicable laws, governs the Governmental Unit's liability.

**7 Audits**

**7.1** Under Minn. Stat. § 16C.05, subd. 5, the Governmental Unit's books, records, documents, internal policies and accounting procedures and practices relevant to this Agreement are subject to examination by the BCA, the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Agreement.

Under Minn. Stat. § 6.551, the State Auditor may examine the books, records, documents, and accounting procedures and practices of BCA. The examination shall be limited to the books, records, documents, and accounting procedures and practices that are relevant to this Agreement.

**7.2** Under applicable state and federal law, the Governmental Unit's records are subject to examination by the BCA to ensure compliance with laws, regulations and policies about access, use, and dissemination of data.

**7.3** If the Governmental Unit accesses federal databases, the Governmental Unit's records are subject to examination by the FBI and BCA; the Governmental Unit will cooperate with FBI and BCA auditors and make any requested data available for review and audit.

**7.4** If the Governmental Unit accesses state databases, the Governmental Unit's records are subject to examination by the BCA: the Governmental Unit will cooperate with the BCA auditors and make any requested data available for review and audit.

**7.5** To facilitate the audits required by state and federal law, Governmental Unit is required to have an inventory of the equipment used to access the data covered by this Agreement and the physical location of each.

**8 Government Data Practices**

**8.1 BCA and Governmental Unit.** The Governmental Unit and BCA must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data accessible under this Agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Governmental Unit under this Agreement. The remedies of Minn. Stat. §§ 13.08 and 13.09 apply to the release of the data referred to in this clause by either the Governmental Unit or the BCA.

**8.2 Court Records.** If Governmental Unit chooses to execute the Court Data Services Subscriber Amendment referred to in Clause 2.12 in order to access and/or submit Court Records via BCA's systems, the following provisions regarding data practices also apply. The Court is not subject to Minn. Stat. Ch. 13 but is subject to the *Rules of Public Access to Records of the Judicial Branch* promulgated by the Minnesota Supreme Court. All parties acknowledge and agree that Minn. Stat. § 13.03, subdivision 4(e) requires that the BCA and the Governmental Unit comply with the *Rules of Public Access* for those data received from Court under the Court Data Services Subscriber Amendment. All parties also acknowledge and agree that the use of, access to or submission of Court Records, as that term is defined in the Court Data Services Subscriber Amendment, may be restricted by rules promulgated by the Minnesota Supreme Court, applicable state statute or federal law. All parties acknowledge and agree that these applicable restrictions must be followed in the appropriate circumstances.

## 9 Investigation of Alleged Violations; Sanctions

For purposes of this clause, "Individual User" means an employee or contractor of Governmental Unit.

**9.1 Investigation**. The Governmental Unit and BCA agree to cooperate in the investigation and possible prosecution of suspected violations of federal and state law referenced in this Agreement. Governmental Unit and BCA agree to cooperate in the investigation of suspected violations of the policies and procedures referenced in this Agreement. When BCA becomes aware that a violation may have occurred, BCA will inform Governmental Unit of the suspected violation, subject to any restrictions in applicable law. When Governmental Unit becomes aware that a violation has occurred, Governmental Unit will inform BCA subject to any restrictions in applicable law.

**9.2 Sanctions Involving Only BCA Systems and Tools.**

The following provisions apply to BCA systems and tools not covered by the Court Data Services Subscriber Amendment. None of these provisions alter the Governmental Unit internal discipline processes, including those governed by a collective bargaining agreement.

**9.2.1** For BCA systems and tools that are not covered by the Court Data Services Subscriber Amendment, Governmental Unit must determine if and when an involved Individual User's access to systems or tools is to be temporarily or permanently eliminated. The decision to suspend or terminate access may be made as soon as alleged violation is discovered, after notice of an alleged violation is received, or after an investigation has occurred. Governmental Unit must report the status of the Individual User's access to BCA without delay. BCA reserves the right to make a different determination concerning an Individual User's access to systems or tools than that made by Governmental Unit and BCA's determination controls.

**9.2.2** If BCA determines that Governmental Unit has jeopardized the integrity of the systems or tools covered in this Clause 9.2, BCA may temporarily stop providing some or all the systems or tools under this Agreement until the failure is remedied to the BCA's satisfaction. If Governmental Unit's failure is continuing or repeated, Clause 11.1 does not apply and BCA may terminate this Agreement immediately.

**9.3 Sanctions Involving Only Court Data Services**

The following provisions apply to those systems and tools covered by the Court Data Services Subscriber Amendment, if it has been signed by Governmental Unit. As part of the agreement between the Court and the BCA for the delivery of the systems and tools that are covered by the Court Data Services Subscriber Amendment, BCA is required to suspend or terminate access to or use of the systems and tools either on its

own initiative or when directed by the Court. The decision to suspend or terminate access may be made as soon as an alleged violation is discovered, after notice of an alleged violation is received, or after an investigation has occurred. The decision to suspend or terminate may also be made based on a request from the Authorized Representative of Governmental Unit. The agreement further provides that only the Court has the authority to reinstate access and use.

**9.3.1** Governmental Unit understands that if it has signed the Court Data Services Subscriber Amendment and if Governmental Unit's Individual Users violate the provisions of that Amendment, access and use will be suspended by BCA or Court. Governmental Unit also understands that reinstatement is only at the direction of the Court.

**9.3.2** Governmental Unit further agrees that if Governmental Unit believes that one or more of its Individual Users have violated the terms of the Amendment, it will notify BCA and Court so that an investigation as described in Clause 9.1 may occur.

**10 Venue**

Venue for all legal proceedings involving this Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

**11 Termination**

**11.1 Termination.** The BCA or the Governmental Unit may terminate this Agreement at any time, with or without cause, upon 30 days' written notice to the other party's Authorized Representative.

**11.2 Termination for Insufficient Funding**. Either party may immediately terminate this Agreement if it does not obtain funding from the Minnesota Legislature, or other funding source; or if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written notice to the other party's authorized representative. The Governmental Unit is not obligated to pay for any services that are provided after notice and effective date of termination. However, the BCA will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. Neither party will be assessed any penalty if the agreement is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. Notice of the lack of funding must be provided within a reasonable time of the affected party receiving that notice.

**12 Continuing Obligations**

The following clauses survive the expiration or cancellation of this Agreement: Liability; Audits; Government Data Practices; 9. Investigation of Alleged Violations; Sanctions; and Venue.

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***The Parties indicate their agreement and authority to execute this Agreement by signing below.***

**1. GOVERNMENTAL UNIT**

Name: _____
(PRINTED)

Signed: _____

Title: _____
(with delegated authority)

Date: _____

Name: _____
(PRINTED)

Signed: _____

Title: _____
(with delegated authority)

Date: _____

**2. DEPARTMENT OF PUBLIC SAFETY, BUREAU OF CRIMINAL APPREHENSION**

Name: _____
(PRINTED)

Signed: _____

Title: _____
(with delegated authority)

Date: _____

**3. COMMISSIONER OF ADMINISTRATION**
As delegated to the Office of State Procurement

By: _____

Date: _____

# COURT DATA SERVICES SUBSCRIBER AMENDMENT TO CJDN SUBSCRIBER AGREEMENT

This Court Data Services Subscriber Amendment ("Subscriber Amendment") is entered into by the State of Minnesota, acting through its Department of Public Safety, Bureau of Criminal Apprehension, ("BCA") and the City of Owatonna on behalf of its Prosecuting Attorney ("Agency"), and by and for the benefit of the State of Minnesota acting through its State Court Administrator's Office ("Court") who shall be entitled to enforce any provisions hereof through any legal action against any party.

**Recitals**

This Subscriber Amendment modifies and supplements the Agreement between the BCA and Agency, SWIFT Contract number 264621, of even or prior date, for Agency use of BCA systems and tools (referred to herein as "the CJDN Subscriber Agreement"). Certain BCA systems and tools that include access to and/or submission of Court Records may only be utilized by the Agency if the Agency completes this Subscriber Amendment. The Agency desires to use one or more BCA systems and tools to access and/or submit Court Records to assist the Agency in the efficient performance of its duties as required or authorized by law or court rule. Court desires to permit such access and/or submission. This Subscriber Amendment is intended to add Court as a party to the CJDN Subscriber Agreement and to create obligations by the Agency to the Court that can be enforced by the Court. It is also understood that, pursuant to the Master Joint Powers Agreement for Delivery of Court Data Services to CJDN Subscribers ("Master Authorization Agreement") between the Court and the BCA, the BCA is authorized to sign this Subscriber Amendment on behalf of Court. Upon execution the Subscriber Amendment will be incorporated into the CJDN Subscriber Agreement by reference. The BCA, the Agency and the Court desire to amend the CJDN Subscriber Agreement as stated below.

The CJDN Subscriber Agreement is amended by the addition of the following provisions:

1. **TERM; TERMINATION; ONGOING OBLIGATIONS.** This Subscriber Amendment shall be effective on the date finally executed by all parties and shall remain in effect until expiration or termination of the CJDN Subscriber Agreement unless terminated earlier as provided in this Subscriber Amendment. Any party may terminate this Subscriber Amendment with or without cause by giving written notice to all other parties. The effective date of the termination shall be thirty days after the other party's receipt of the notice of termination, unless a later date is specified in the notice. The provisions of sections 5 through 9, 12.b., 12.c., and 15 through 24 shall survive any termination of this Subscriber Amendment as shall any other provisions which by their nature are intended or expected to survive such termination. Upon termination, the Subscriber shall perform the responsibilities set forth in paragraph 7(f) hereof.

2. **Definitions**. Unless otherwise specifically defined, each term used herein shall have the meaning assigned to such term in the CJDN Subscriber Agreement.

**a.** **"Authorized Court Data Services"** means Court Data Services that have been authorized for delivery to CJDN Subscribers via BCA systems and tools pursuant to an Authorization Amendment to the Joint Powers Agreement for Delivery of Court Data Services to CJDN Subscribers ("Master Authorization Agreement") between the Court and the BCA.

**b.** **"Court Data Services"** means one or more of the services set forth on the Justice Agency Resource webpage of the Minnesota Judicial Branch website (for which the current address is www.courts.state.mn.us) or other location designated by the Court, as the same may be amended from time to time by the Court.

**c.** "**Court Records**" means all information in any form made available by the Court to Subscriber through the BCA for the purposes of carrying out this Subscriber Amendment, including:

i. "**Court Case Information**" means any information in the Court Records that conveys information about a particular case or controversy, including without limitation Court Confidential Case Information, as defined herein.

ii. "**Court Confidential Case Information**" means any information in the Court Records that is inaccessible to the public pursuant to the Rules of Public Access and that conveys information about a particular case or controversy.

iii. "**Court Confidential Security and Activation Information"** means any information in the Court Records that is inaccessible to the public pursuant to the Rules of Public Access and that explains how to use or gain access to Court Data Services, including but not limited to login account names, passwords, TCP/IP addresses, Court Data Services user manuals, Court Data Services Programs, Court Data Services Databases, and other technical information.

iv. "**Court Confidential Information**" means any information in the Court Records that is inaccessible to the public pursuant to the Rules of Public Access, including without limitation both i) Court Confidential Case Information; and ii) Court Confidential Security and Activation Information.

**d.** "**DCA**" shall mean the district courts of the state of Minnesota and their respective staff.

**e.** "**Policies & Notices**" means the policies and notices published by the Court in connection with each of its Court Data Services, on a website or other location designated by the Court, as the same may be amended from time to time by the Court. Policies & Notices for each Authorized Court Data Service identified in an approved request form under section 3, below, are hereby made part of this Subscriber Amendment by this reference and provide additional terms and conditions that govern Subscriber's use of Court Records accessed through such services, including but not limited to provisions on access and use limitations.

**f.** "**Rules of Public Access**" means the Rules of Public Access to Records of the Judicial Branch promulgated by the Minnesota Supreme Court, as the same may be amended from time to time, including without limitation lists or tables published from time to time by the Court entitled *Limits on Public Access to Case Records or Limits on Public Access to Administrative Records*, all of which by this reference are made a part of this Subscriber Amendment. It is the obligation of Subscriber to check from time to time for updated rules, lists, and tables and be familiar with the contents thereof. It is contemplated that such rules, lists, and tables will be posted on the Minnesota Judicial Branch website, for which the current address is www.courts.state.mn.us.

**g.** "**Court**" shall mean the State of Minnesota, State Court Administrator's Office.

**h.** **"Subscriber"** shall mean the Agency.

**i.** "**Subscriber Records**" means any information in any form made available by the Subscriber to the Court for the purposes of carrying out this Subscriber Amendment.

**3. REQUESTS FOR AUTHORIZED COURT DATA SERVICES.** Following execution of this Subscriber Amendment by all parties, Subscriber may submit to the BCA one or more separate requests for Authorized Court Data Services. The BCA is authorized in the Master Authorization Agreement to process, credential and approve such requests on behalf of Court and all such requests approved by the BCA are adopted and incorporated herein by this reference the same as if set forth verbatim herein.

**a.** **Activation**. Activation of the requested Authorized Court Data Service(s) shall occur promptly following approval.

**b.** **Rejection**. Requests may be rejected for any reason, at the discretion of the BCA and/or the Court.

**c.** **Requests for Termination of One or More Authorized Court Data Services**. The Subscriber may request the termination of an Authorized Court Data Services previously requested by submitting a notice to Court with a copy to the BCA. Promptly upon receipt of a request for termination of an Authorized Court Data Service, the BCA will deactivate the service requested. The termination of one or more Authorized Court Data Services does not terminate this Subscriber Amendment. Provisions for termination of this Subscriber Amendment are set forth in section 1. Upon termination of Authorized Court Data Services, the Subscriber shall perform the responsibilities set forth in paragraph 7(f) hereof.

**4. SCOPE OF ACCESS TO COURT RECORDS LIMITED.** Subscriber's access to and/or submission of the Court Records shall be limited to Authorized Court Data Services identified in an approved request form under section 3, above, and other Court Records necessary for Subscriber to use Authorized Court Data Services. Authorized Court Data Services shall only be used according to the instructions provided in corresponding Policies & Notices or other materials and only as necessary to assist Subscriber in the efficient performance of Subscriber's duties

required or authorized by law or court rule in connection with any civil, criminal, administrative, or arbitral proceeding in any Federal, State, or local court or agency or before any self-regulatory body. Subscriber's access to the Court Records for personal or non-official use is prohibited. Subscriber will not use or attempt to use Authorized Court Data Services in any manner not set forth in this Subscriber Amendment, Policies & Notices, or other Authorized Court Data Services documentation, and upon any such unauthorized use or attempted use the Court may immediately terminate this Subscriber Amendment without prior notice to Subscriber.

**5. GUARANTEES OF CONFIDENTIALITY.** Subscriber agrees:

**a.** To not disclose Court Confidential Information to any third party except where necessary to carry out the Subscriber's duties as required or authorized by law or court rule in connection with any civil, criminal, administrative, or arbitral proceeding in any Federal, State, or local court or agency or before any self-regulatory body.

**b.** To take all appropriate action, whether by instruction, agreement, or otherwise, to insure the protection, confidentiality and security of Court Confidential Information and to satisfy Subscriber's obligations under this Subscriber Amendment.

**c.** To limit the use of and access to Court Confidential Information to Subscriber's bona fide personnel whose use or access is necessary to effect the purposes of this Subscriber Amendment, and to advise each individual who is permitted use of and/or access to any Court Confidential Information of the restrictions upon disclosure and use contained in this Subscriber Amendment, requiring each individual who is permitted use of and/or access to Court Confidential Information to acknowledge in writing that the individual has read and understands such restrictions. Subscriber shall keep such acknowledgements on file for one year following termination of the Subscriber Amendment and/or CJDN Subscriber Agreement, whichever is longer, and shall provide the Court with access to, and copies of, such acknowledgements upon request. For purposes of this Subscriber Amendment, Subscriber's bona fide personnel shall mean individuals who are employees of Subscriber or provide services to Subscriber either on a voluntary basis or as independent contractors with Subscriber.

**d.** That, without limiting section 1 of this Subscriber Amendment, the obligations of Subscriber and its bona fide personnel with respect to the confidentiality and security of Court Confidential Information shall survive the termination of this Subscriber Amendment and the CJDN Subscriber Agreement and the termination of their relationship with Subscriber.

**e.** That, notwithstanding any federal or state law applicable to the nondisclosure obligations of Subscriber and Subscriber's bona fide personnel under this Subscriber Amendment, such obligations of Subscriber and Subscriber's bona fide personnel are founded independently on the provisions of this Subscriber Amendment.

**6. APPLICABILITY TO PREVIOUSLY DISCLOSED COURT RECORDS.** Subscriber acknowledges and agrees that all Authorized Court Data Services and related Court Records disclosed to Subscriber prior to the effective date of this Subscriber Amendment shall be subject to the provisions of this Subscriber Amendment.

**7. LICENSE AND PROTECTION OF PROPRIETARY RIGHTS.** During the term of this Subscriber Amendment, subject to the terms and conditions hereof, the Court hereby grants to Subscriber a nonexclusive, nontransferable, limited license to use Court Data Services Programs and Court Data Services Databases to access or receive the Authorized Court Data Services identified in an approved request form under section 3, above, and related Court Records. Court reserves the right to make modifications to the Authorized Court Data Services, Court Data Services Programs, and Court Data Services Databases, and related materials without notice to Subscriber. These modifications shall be treated in all respects as their previous counterparts.

**a. Court Data Services Programs.** Court is the copyright owner and licensor of the Court Data Services Programs. The combination of ideas, procedures, processes, systems, logic, coherence and methods of operation embodied within the Court Data Services Programs, and all information contained in documentation pertaining to the Court Data Services Programs, including but not limited to manuals, user documentation, and passwords, are trade secret information of Court and its licensors.

**b. Court Data Services Databases.** Court is the copyright owner and licensor of the Court Data Services Databases and of all copyrightable aspects and components thereof. All specifications and information pertaining to the Court Data Services Databases and their structure, sequence and organization, including without limitation data schemas such as the Court XML Schema, are trade secret information of Court and its licensors.

**c. Marks.** Subscriber shall neither have nor claim any right, title, or interest in or use of any trademark used in connection with Authorized Court Data Services, including but not limited to the marks “MNCIS” and “Odyssey.”

**d. Restrictions on Duplication, Disclosure, and Use.** Trade secret information of Court and its licensors will be treated by Subscriber in the same manner as Court Confidential Information. In addition, Subscriber will not copy any part of the Court Data Services Programs or Court Data Services Databases, or reverse engineer or otherwise attempt to discern the source code of the Court Data Services Programs or Court Data Services Databases, or use any trademark of Court or its licensors, in any way or for any purpose not specifically and expressly authorized by this Subscriber Amendment. As used herein, "trade secret information of Court and its licensors" means any information possessed by Court which derives independent economic value from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use. "Trade secret information of Court and its licensors" does not, however, include information which was known to Subscriber prior to Subscriber’s receipt thereof, either directly or indirectly, from Court or its licensors, information which is independently developed by Subscriber without reference to or use of information received from Court or its licensors, or information which would not qualify as a trade secret under Minnesota law. It will not be a violation of this section 7, sub-section d, for Subscriber to make up to one copy of training materials and configuration documentation, if any, for each individual authorized to access, use, or configure Authorized Court Data Services, solely for its own use in connection with this Subscriber Amendment. Subscriber will take all steps reasonably necessary to protect the copyright, trade secret, and trademark rights of Court and its licensors and Subscriber will advise its bona fide personnel who are permitted access to any of the Court Data Services Programs and Court Data Services Databases, and trade secret information of Court and its licensors, of the restrictions upon duplication, disclosure and use contained in this Subscriber Amendment.

**e. Proprietary Notices.** Subscriber will not remove any copyright or proprietary notices included in and/or on the Court Data Services Programs or Court Data Services Databases, related documentation, or trade secret information of Court and its licensors, or any part thereof, made available by Court directly or through the BCA, if any, and Subscriber will include in and/or on any copy of the Court Data Services Programs or Court Data Services Databases, or trade secret information of Court and its licensors and any documents pertaining thereto, the same copyright and other proprietary notices as appear on the copies made available to Subscriber by Court directly or through the BCA, except that copyright notices shall be updated and other proprietary notices added as may be appropriate.

**f. Title; Return.** The Court Data Services Programs and Court Data Services Databases, and related documentation, including but not limited to training and configuration material, if any, and logon account information and passwords, if any, made available by the Court to Subscriber directly or through the BCA and all copies, including partial copies, thereof are and remain the property of the respective licensor. Except as expressly provided in section 12.b., within ten days of the effective date of termination of this Subscriber Amendment or the CJDN Subscriber Agreement or within ten days of a request for termination of Authorized Court Data Service as described in section 4, Subscriber shall either: (i) uninstall and return any and all copies of the applicable Court Data Services Programs and Court Data Services Databases, and related documentation, including but not limited to training and configuration materials, if any, and logon account information, if any; or (2) destroy the same and certify in writing to the Court that the same have been destroyed.

**8. INJUNCTIVE RELIEF**. Subscriber acknowledges that the Court, Court's licensors, and DCA will be irreparably harmed if Subscriber's obligations under this Subscriber Amendment are not specifically enforced and that the Court, Court's licensors, and DCA would not have an adequate remedy at law in the event of an actual or threatened violation by Subscriber of its obligations. Therefore, Subscriber agrees that the Court, Court's licensors, and DCA shall be entitled to an injunction or any appropriate decree of specific performance for any actual or threatened violations or breaches by Subscriber or its bona fide personnel without the necessity of the Court, Court's licensors, or DCA showing actual damages or that monetary damages would not afford an adequate remedy. Unless Subscriber is an office, officer, agency, department, division, or bureau of the state of Minnesota, Subscriber shall be liable to the Court, Court's licensors, and DCA for reasonable attorneys fees incurred by the Court, Court's licensors, and DCA in obtaining any relief pursuant to this Subscriber Amendment.

**9. LIABILITY.** Subscriber and the Court agree that, except as otherwise expressly provided herein, each party will be responsible for its own acts and the results thereof to the extent authorized by law and shall not be responsible for the acts of any others and the results thereof. Liability shall be governed by applicable law. Without limiting the foregoing, liability of the Court and any Subscriber that is an office, officer, agency, department, division, or bureau of the state of Minnesota shall be governed by the provisions of the Minnesota Tort Claims Act, Minnesota Statutes, section 3.376, and other applicable law. Without limiting the foregoing, if Subscriber is a political subdivision of the state of Minnesota, liability of the Subscriber shall be governed by the provisions of Minn. Stat. Ch. 466 (Tort Liability, Political Subdivisions) or other applicable law. Subscriber and Court further acknowledge that the liability, if any, of the BCA is governed by a separate agreement between the Court and the BCA dated December 13, 2010 with DPS-M -0958.

**10. AVAILABILITY.** Specific terms of availability shall be established by the Court and communicated to Subscriber by the Court and/or the BCA. The Court reserves the right to terminate this Subscriber Amendment immediately and/or temporarily suspend Subscriber's Authorized Court Data Services in the event the capacity of any host computer system or legislative appropriation of funds is determined solely by the Court to be insufficient to meet the computer needs of the courts served by the host computer system.

**11**. [reserved]

**12. ADDITIONAL USER OBLIGATIONS.** The obligations of the Subscriber set forth in this section are in addition to the other obligations of the Subscriber set forth elsewhere in this Subscriber Amendment.

**a. Judicial Policy Statement.** Subscriber agrees to comply with all policies identified in Policies & Notices applicable to Court Records accessed by Subscriber using Authorized Court Data Services. Upon failure of the Subscriber to comply with such policies, the Court shall have the option of immediately suspending the Subscriber's Authorized Court Data Services on a temporary basis and/or immediately terminating this Subscriber Amendment.

**b. Access and Use; Log.** Subscriber shall be responsible for all access to and use of Authorized Court Data Services and Court Records by Subscriber's bona fide personnel or by means of Subscriber's equipment or passwords, whether or not Subscriber has knowledge of or authorizes such access and use. Subscriber shall also maintain a log identifying all persons to whom Subscriber has disclosed its Court Confidential Security and Activation Information, such as user ID(s) and password(s), including the date of such disclosure. Subscriber shall maintain such logs for a minimum period of six years from the date of disclosure, and shall provide the Court with access to, and copies of, such logs upon request. The Court may conduct audits of Subscriber's logs and use of Authorized Court Data Services and Court Records from time to time. Upon Subscriber's failure to maintain such logs, to maintain accurate logs, or to promptly provide access by the Court to such logs, the Court may terminate this Subscriber Amendment without prior notice to Subscriber.

**c. Personnel.** Subscriber agrees to investigate, at the request of the Court and/or the BCA, allegations of misconduct pertaining to Subscriber's bona fide personnel having access to or use of Authorized Court Data Services, Court Confidential Information, or trade secret information of the Court and its licensors where such persons are alleged to have violated the provisions of this Subscriber Amendment, Policies & Notices, Judicial Branch policies, or other security requirements or laws regulating access to the Court Records.

**d. Minnesota Data Practices Act Applicability**. If Subscriber is a Minnesota Government entity that is subject to the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, Subscriber acknowledges and agrees that: (1) the Court is not subject to Minn. Stat. Ch. 13 (see section 13.90) but is subject to the Rules of Public Access and other rules promulgated by the Minnesota Supreme Court; (2) Minn. Stat. section 13.03, subdivision 4(e) requires that Subscriber comply with the Rules of Public Access and other rules promulgated by the Minnesota Supreme Court for access to Court Records provided via the

BCA systems and tools under this Subscriber Amendment; (3) the use of and access to Court Records may be restricted by rules promulgated by the Minnesota Supreme Court, applicable state statute or federal law; and (4) these applicable restrictions must be followed in the appropriate circumstances.

**13. FEES; INVOICES.** Unless the Subscriber is an office, officer, department, division, agency, or bureau of the state of Minnesota, Subscriber shall pay the fees, if any, set forth in applicable Policies & Notices, together with applicable sales, use or other taxes. Applicable monthly fees commence ten (10) days after notice of approval of the request pursuant to section 3 of this Subscriber Amendment or upon the initial Subscriber transaction as defined in the Policies & Notices, whichever occurs earlier. When fees apply, the Court shall invoice Subscriber on a monthly basis for charges incurred in the preceding month and applicable taxes, if any, and payment of all amounts shall be due upon receipt of invoice. If all amounts are not paid within 30 days of the date of the invoice, the Court may immediately cancel this Subscriber Amendment without notice to Subscriber and pursue all available legal remedies. Subscriber certifies that funds have been appropriated for the payment of charges under this Subscriber Amendment for the current fiscal year, if applicable.

**14. MODIFICATION OF FEES.** Court may modify the fees by amending the Policies & Notices as provided herein, and the modified fees shall be effective on the date specified in the Policies & Notices, which shall not be less than thirty days from the publication of the Policies & Notices. Subscriber shall have the option of accepting such changes or terminating this Subscriber Amendment as provided in section 1 hereof.

**15. WARRANTY DISCLAIMERS.**

**a. WARRANTY EXCLUSIONS.** EXCEPT AS SPECIFICALLY AND EXPRESSLY PROVIDED HEREIN, COURT, COURT'S LICENSORS, AND DCA MAKE NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, INCLUDING BUT NOT LIMITED TO THE WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE OR MERCHANTABILITY, NOR ARE ANY WARRANTIES TO BE IMPLIED, WITH RESPECT TO THE INFORMATION, SERVICES OR COMPUTER PROGRAMS MADE AVAILABLE UNDER THIS AGREEMENT.

**b. ACCURACY AND COMPLETENESS OF INFORMATION.** WITHOUT LIMITING THE GENERALITY OF THE PRECEDING PARAGRAPH, COURT, COURT'S LICENSORS, AND DCA MAKE NO WARRANTIES AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN THE COURT RECORDS.

**16. RELATIONSHIP OF THE PARTIES.** Subscriber is an independent contractor and shall not be deemed for any purpose to be an employee, partner, agent or franchisee of the Court, Court's licensors, or DCA. Neither Subscriber nor the Court, Court's licensors, or DCA shall have the right nor the authority to assume, create or incur any liability or obligation of any kind, express or implied, against or in the name of or on behalf of the other.

**17. NOTICE.** Except as provided in section 2 regarding notices of or modifications to Authorized Court Data Services and Policies & Notices, any notice to Court or Subscriber

hereunder shall be deemed to have been received when personally delivered in writing or seventy-two (72) hours after it has been deposited in the United States mail, first class, proper postage prepaid, addressed to the party to whom it is intended at the address set forth on page one of this Agreement or at such other address of which notice has been given in accordance herewith.

**18. NON-WAIVER.** The failure by any party at any time to enforce any of the provisions of this Subscriber Amendment or any right or remedy available hereunder or at law or in equity, or to exercise any option herein provided, shall not constitute a waiver of such provision, remedy or option or in any way affect the validity of this Subscriber Amendment. The waiver of any default by either Party shall not be deemed a continuing waiver, but shall apply solely to the instance to which such waiver is directed.

**19. FORCE MAJEURE.** Neither Subscriber nor Court shall be responsible for failure or delay in the performance of their respective obligations hereunder caused by acts beyond their reasonable control.

**20. SEVERABILITY.** Every provision of this Subscriber Amendment shall be construed, to the extent possible, so as to be valid and enforceable. If any provision of this Subscriber Amendment so construed is held by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, such provision shall be deemed severed from this Subscriber Amendment, and all other provisions shall remain in full force and effect.

**21. ASSIGNMENT AND BINDING EFFECT.** Except as otherwise expressly permitted herein, neither Subscriber nor Court may assign, delegate and/or otherwise transfer this Subscriber Amendment or any of its rights or obligations hereunder without the prior written consent of the other. This Subscriber Amendment shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns, including any other legal entity into, by or with which Subscriber may be merged, acquired or consolidated.

**22. GOVERNING LAW.** This Subscriber Amendment shall in all respects be governed by and interpreted, construed and enforced in accordance with the laws of the United States and of the State of Minnesota.

**23. VENUE AND JURISDICTION.** Any action arising out of or relating to this Subscriber Amendment, its performance, enforcement or breach will be venued in a state or federal court situated within the State of Minnesota. Subscriber hereby irrevocably consents and submits itself to the personal jurisdiction of said courts for that purpose.

**24. INTEGRATION**. This Subscriber Amendment contains all negotiations and agreements between the parties. No other understanding regarding this Subscriber Amendment, whether written or oral, may be used to bind either party, provided that all terms and conditions of the CJDN Subscriber Agreement and all previous amendments remain in full force and effect except as supplemented or modified by this Subscriber Amendment.

IN WITNESS WHEREOF, the Parties have, by their duly authorized officers, executed this Subscriber Amendment in duplicate, intending to be bound thereby.

## 1. SUBSCRIBER (AGENCY)

Subscriber must attach written verification of authority to sign on behalf of and bind the entity, such as an opinion of counsel or resolution.

Name: _____
(PRINTED)

Signed: _____

Title: _____
(with delegated authority)

Date: _____

Name: _____
(PRINTED)

Signed: _____

Title: _____
(with delegated authority)

Date: _____

## 2. DEPARTMENT OF PUBLIC SAFETY, BUREAU OF CRIMINAL APPREHENSION

Name: _____
(PRINTED)

Signed: _____

Title: _____
(with delegated authority)

Date: _____

## 3. COMMISSIONER OF ADMINISTRATION

delegated to Materials Management Division

By: _____

Date: _____

## 4. COURTS

Authority granted to Bureau of Criminal Apprehension

Name: _____
(PRINTED)

Signed: _____

Title: _____
(with authorized authority)

Date: _____

DATE: October 7, 2025
TO: Mayor and City Council
FROM: City Atty Mark Walbran
SUBJECT: Resolution 69-25 Declare Hazardous Building - 2008 Greenwood Dr. NE

**Purpose:**
The purpose of proposed Resolution No. 69-25 is to designate the building located at 2008 Greenwood Dr. NE as a hazardous building and order that the hazardous conditions therein be abated.

**Background:**
The residence located at 2008 Greenwood Dr. NE has been vacant for over a year. Upon inspection the Owatonna Fire Department determined that the building is in violation of the following City ordinances:

- Code § 151.11(g), Unsanitary Conditions throughout the house;
- Code § 151.06 Subd. A, Substandard Buildings: ceiling is falling down, supported by wooden posts.
- Code § 151.11 Subd. A, General Requirements: flooring soft and spongy;
- Code § 93.002 Subd. E, Public Nuisance: cat feces and garbage throughout the house, and
- Code § 151.07 Subd. B, Leaking Roof.

**Budget Impact:**
In the event it becomes necessary for the City to remedy the violations, the City may recover the costs by a special assessment pursuant to Minn. Stats. §§ 429.061-429.081.

**Staff Recommendation:**
It is recommended the Council adopt Resolution 69-25.

**Attachments:**
1. Resolution 69-25 Declare Hazardous Building - 2008 Greenwood Dr NE

RESOLUTION NO. 69-25

A RESOLUTION DECLARING THAT THE HOUSE LOCATED AT 2008 GREENWOOD DRIVE NORTHEAST, OWATONNA, MINNESOTA IS A HAZARDOUS BUILDING AND ORDERING THE ABATEMENT OF HAZARDOUS CONDITIONS THEREIN.

WHEREAS, Ms. A. P. Kirkhus, a single person, herein "Owner", is the owner of the home located at 2008 Greenwood Drive Northeast, Owatonna, Minnesota, legally described as follows:

Lot 10, Block 2, Schultz Addition No. 2, Owatonna, Minnesota
(Parcel ID. No. 17-274-021), herein ("Property").

WHEREAS, on 3/13/2024, the Owatonna Fire Department, (herein "OFD"), in response to a complaint, inspected the premises and reported there were holes in the roof and miscellaneous items in the driveway;

WHEREAS, follow-up inspections on March 28, 2024, April 17, 2025 and May 23, 2024 showed no improvement to the Property;

WHEREAS, on July 10, 2024 in a telephone call with the OFD Inspector, the Owner stated she was in a health facility in Faribault and that she intended to remove the items from the driveway, and was advised by the Inspector that Minn. Prairie might provide assistance in reroofing the house;

WHEREAS, on July 24, 2025 a dwelling inspection showed no improvement to the Property.

WHEREAS, on August 14, 2024, Owatonna Police Department, ("OPD"), was contacted and advised that that there was a large number of cats in the home and that the home was not livable for either humans or animals. OPD officers contacted the Owner who was at home and who allowed the Officers to enter and consented to the Officer's request to look through the residence. They observed:

1. numerous adult cats;
2. wooden beams holding up the living room ceiling;
3. large holes in the ceiling and walls throughout the house;
4. the ceiling appearing to collapse in on itself;
5. the living room covered in trash waist high;
6. two bedrooms and the bathroom was covered with trash; and
7. the floors felt like it was bending under the Inspector's body weight and could give out under him in different places of the house.

The officers confirmed there were eight adult cats and three kittens on the Property.

WHEREAS, following an inspection on August 21, 2024, OFD determined that the Property was in violation of the following City Ordinances:

- Code § 151.11(g), Unsanitary Conditions throughout the house;
- Code § 151.06 Subd. A, Substandard Buildings: ceiling is falling down, supported by wooden posts.
- Code § 151.11 Subd. A, General Requirements: flooring soft and spongy;
- Code § 93.002 Subd. E, Public Nuisance: cat feces and garbage throughout the house, and
- Code § 151.07 Subd. B, Leaking Roof.

WHEREAS, Minn. Stat. § 463.15 defines Hazardous Building or Hazardous Property as follows:

> "Hazardous Building" or "Hazardous Property" means any building or property, which because of inadequate maintenance, dilapidation, physical damage, unsanitary conditions, or abandonment, constitutes a fire hazard or hazard to public safety or health.

WHEREAS, the Owner no longer resides in the home and lives in an assisted living facility.

WHEREAS, the home has been vacant for over a year.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OWATONNA AS FOLLOWS:

<u>ORDER</u>

1. Pursuant to the foregoing findings and in accordance with Minn. Stats. §§ 463.15-463.261 the Council hereby declares that the building located at 2008 Greenwood Drive Northeast, is a Hazardous Building; and further the Council orders that the above named Owner hire a licensed contractor to (1) inspect the property and prepare plans and specifications ("Plans") to abate the hazardous conditions or (2) if repair is not economically feasible, to raze or remove the building, and include a timeline for commencement and completion of the work. The Plans shall be submitted to the Building Official <u>within 30 days</u> from the date of service of this Order.

2. Service of this Order shall be made upon the Owner of record or the legal representative and upon any occupying tenants and lien holders of record as provided in the manner for service of a Summons in a civil action.

3. If no Answer is served within 21 days from the date of service, the City may move the Court for enforcement of the Order. If such motion is made, the Court, upon the evidence, shall enter judgement accordingly fixing the time after which the City may proceed with the enforcement of the Order and the Court Administrator shall cause a copy of the judgment to be mailed to the Owner and other persons upon whom the original Order was served.

4. That the work necessary to abate the hazards on the premises shall be completed no later than 60 days of the date the Building Official approves the Plans. All work shall be completed in compliance with all applicable codes and regulations of the City.

5. That if the work specified here is not completed within 60 days of the date of the Building Officials approval of the Plans, then a Motion for Summary Enforcement of the Order will be made to the District Court of Steele County unless corrective action is taken, or unless an Answer is filed by said Owner with the District Court within 21 days from the date of service of this Resolution. If an Answer is filed and served by the Owner the action has priority over all pending civil actions and shall be tried forthwith. If the Order is sustained following the trial, the Court shall enter judgment and fix a time after which the building must be razed or repaired or the hazardous condition removed or corrected in compliance with the Order as originally filed or modified by the Court. The Court Administrator shall cause a copy of the Judgment to be mailed forthwith to the persons upon whom the original Order was served.

6. If the Owner has not complied within the time limit as ordered by the Court, the City may proceed to have the building repaired, razed, or removed or the hazardous condition to the be removed as set forth in the judgment. The cost of the repairs, razing, correction, or removal may be a lien against the real estate on which the building is located or the hazardous condition exists or recovered by obtaining a judgment against the Owner of the real estate, all pursuant to Minn. Stat. § 463.21.

7. In accordance with Minn. Stat. § 463.24, the Owner or occupants shall remove any and all personal property and/or fixtures that will unreasonably interfere with the work necessary to abate the hazards within a reasonable time, notice of which will be mailed to the Owner. If the property and/or fixtures are not removed and the City enforces this Order, the City may sell personal property, fixtures, and/or salvage materials at a public auction after three days' posted notice.

8. That all enforcement costs incurred by the City will be specially assessed against the property and collect4ed in accordance with Minn. Stat. §§ 463.22, 463.15 to 463.261.

9. That the City Attorney is authorized to proceed with the enforcement of this Order as provided in Minn. Stat. §§ 463.15 to 463.261.

Passed and adopted this _____ day of _____, 2025, with the following vote:

Aye _____; No _____; Absent _____.

Approved and signed this _____ day of _____, 2025.

_____
Matt Jessop, Mayor

ATTEST:

_____
Jenna Tuma, City Administrator

# Miscellaneous

DATE: October 7, 2025
TO: Mayor and City Council
FROM: David Beaver, Airport Manager
SUBJECT: Commercial Hangar Space Lease - Accelerated Aviation

**Purpose:**
Request Council approval of an Airport Commercial Use Hangar Space Lease Agreement and two amendments to current subleases.

**Background:**
Accelerated Aviation Instruction, LLC, has been operating a commercial flight school at the airport since February of 2020. The company continues to grow and is seeking to provide the additional commercial service of aircraft repair and maintenance under the business entity of Fountain Aviation, LLC. This service is complimentary to their existing business model and provides for an additional desired service at the airport.

This agreement allows for the rental of 6,400 SF (east half) of the airport's main heated hangar facility for an initial one-year term that is renewable for up to a five-year total term. This will allow for additional space for aircraft storage used for flight instruction and also allow additional room to provide space for the required service of aircraft repair and maintenance in existing facilities owned by the company.

Under the agreement, the Lessee is required to provide the commercial service of repair and maintenance of based and transient aircraft at the airport and employ one or more certified aircraft mechanics to include a designated airworthiness inspector on site during regular business hours. To accomplish this, the following additional actions are required:

1. Approve Amendment to Sublease One of Airport Commercial Hangar Lease - Lot #27 which was sublet to NavFleet Holdings, LLC on February 2, 2021 requires a brief bridge amendment to allow for public aircraft repair and maintenance until the new Lease on this lot becomes effective on January 2, 2026.

2. Approve Amendment to Sublease Two of Airport Commercial Hangar Lease – Lot #27 subletting to Fountain Aviation, LLC from NavFleet Holdings, LLC. All three business entities (Accelerated, NavFleet Holdings, Fountain) are controlled by the same owners.

The Airport Commission reviewed the proposed three agreements and recommends approval.

**Budget Impact:**

The agreement provides for an escalating per square foot rental rate structure with the initial year's introductory revenue of $6,396. Thereafter, upon renewal of the additional four-year term the rate is established to increase to match the rate for other similarly leased spaces at the airport as follows:

| | |
|---|---|
| Year 1: | $ 6,396 |
| Year 2: | $ 12,792 |
| Year 3: | $ 19,200 |
| Year 4: | $ 25,596 |
| Year 5: | $ 31,992 |

**Staff Recommendation:**

Staff recommends approval of the Lease Agreement and Amendments to Sublease subject to Change of Occupancy application approval.

**Attachments:**

1. Commercial Use Hangar Space Lease - Accelerated Aviation

# AIRPORT COMMERCIAL HANGAR SPACE LEASE

THIS AGREEMENT made this 7th day October of 2025 by and between the City of Owatonna, Minnesota, a municipal corporation, Lessor, hereinafter referred to as "City" and Accelerated Aviation Instruction, LLC a Minnesota Company, Lessee, hereinafter referred to as "Lessee".

1. Lease of Airport Property; Premises. For and in consideration of the rents and covenants hereafter set forth, City leases to Lessee the following described premises at the City of Owatonna Municipal Airport, Steele County, Minnesota:

a. Hangar Space. 6,400 Square Feet (SF) Main Hangar #11 East Side, The aircraft stored within the hangar space provided shall be used only for the purposes of flight instruction and aircraft rental or for provision of commercial public service of aircraft maintenance.

2. Use of the Airport. Lessee has the privilege of using the public portions of the Airport in common with other users. Lessee shall have the right to conduct all operations authorized pursuant to the terms of this Lease, provided, however, that this Lease shall not be deemed to grant to Lessee or those claiming under Lessee the exclusive right to use any part or portion of the airport other than the premises. Use of the airport is subject to rules, standards and conditions as now exist or may be enacted in the future by City, State of Minnesota, or the United States. Lessee is subject to customary fees and charges for such use as may be established from time to time by City. City reserves the right to enter at any time upon the premises for the purpose of inspection to determine compliance with the terms of this Lease. Reasonable effort will be made to notify Lessee of such entry before entry is made. If the City enters the premises in the absence of the Lessee, the City will ensure that access to the premises will be limited to authorized city personnel and that the premises will be secured following such access.

3. Term.

The initial term of this Agreement shall be for one (1) year commencing October 7, 2025 and ending September 30, 2026, unless earlier terminated. After the expiration of the initial one (1) year term on September 30, 2026, unless terminated pursuant to Section 22, the Lessee shall have the option to renew for an additional four (4) year term expiring September 30, 2030 provided that at the sole discretion of the City the premises are not needed for airport or other general aviation purposes. The rent for the initial term and any subsequent renewal is established as shown in Section 4.

4. Rent.

a. **Hangar Space Main Hangar #11 East Side (6,400 Rentable Square Feet)** The hangar space annual rental rate shall be according to the following schedule:

Accelerated Aviation Instruction, LLC
Initial Term (10/07/25–09/30/26): 6,400 SF x $1.00/SF = $ 6,400/YR = $ 533.00/Month

YR 2 (10/07/26 – 09/30/27): 6,400 SF x $2.00/SF = $12,800/YR = $ 1,066.00/Month
YR 3 (10/07/27 – 09/30/28): 6,400 SF x $3.00/SF = $19,200/YR = $ 1,600.00/Month
YR 4 (10/07/28 – 09/30/29): 6,400 SF x $4.00/SF = $25,600/YR = $ 2,133.00/Month
YR 5 (10/07/29 – 09/30/30): 6,400 SF x $5.00/SF = $32,000/YR = $ 2,666.00/Month

b. During the term of this lease, Lessee shall pay a monthly rental fee as specified above due and payable on the first of the month for each month of occupancy.

Delinquency Charge. if required payments are received later than the tenth of the month, there shall be a 10% penalty charged.

c. All rental payments shall be made at Owatonna Degner Regional Airport, 3400 West Frontage Road, Owatonna, Minnesota, or such other place as City may designate. Upon expiration of this lease the rental rate for the Premises may be adjusted at the discretion of the City upon any subsequent renewal.

5. Use of Premises.

A. The Leased Premises shall be used only for the following purposes and for no other purpose by the Lessee: Check use(s).

X Aircraft storage
___ Aircraft sales
___ Sale of aircraft parts and accessories
___ Aircraft maintenance and repair
X Flight and ground instruction
___ Flying for charter or hire
X Aircraft rental
___ Construction of building
X Other (specify) Use of Main Hangar #11 (east side) for the storage of aircraft used for the purposes of flight instruction.

B. Lessee agrees to use the Premises primarily for the purpose of storage of aircraft and aircraft-related maintenance equipment and property. Painting is prohibited. Use of Premises for any other non-aviation purpose without the consent of the City is strictly prohibited and may require removal of non-aviation personal property.

No explosives or combustible materials will be permitted within or about the Premises except for the fuel in aircraft tanks or small containers of lubricants, cleaning material and other aviation-related material stored in approved containers. Utilization of a remote system for any liquid capture, collection and separation must be used. Lessee shall abide by all State, Federal and local laws regulating the storage and transportation of flammable liquids, gases and liquids stored in cylinders, and protection of the environment.

C. Use of the Leased Premises for any purpose not hereinbefore expressly provided shall constitute default hereunder and shall not be permitted except upon such terms as may be agreed upon between the parties hereto, and upon the approval of the City given in writing to the Lessee. In the event of disapproval, the Lessee shall not conduct on the Leased Premises the business proposed to be conducted thereon.

6. Leasehold Improvements.

a. Trade Fixtures. During the term of this Lease, Lessee shall have the right, at its expense, to place in or on the premises trade Fixtures, furnishings, personal property, equipment and materials necessary to perform any services required or authorized hereunder. Said trade fixtures, furnishings, personal property, equipment and materials shall remain the property of Lessee.

b. Other Improvements. Any improvements requiring a permit including but not limited to internal structural changes, rebuilding, repair, fencing, outdoor signs, or additions shall be approved by Lessor in writing prior to the commencement of work. All such improvements shall remain property of the Lessor. In connection with such improvements, Lessee shall pay in full the cost of all labor and materials and will not suffer or permit any mechanics' liens to be made against the hangar, its appurtenances, or the title of the real estate which shall at all times remain in the City of Owatonna. If any lien is filed against the site, Lessee shall cause the satisfaction and release of such a lien within thirty (30) days of such filing or deliver to Lessor such security as Lessor may in its reasonable discretion require and Lessee commences promptly a contest of such a lien.

7. Operating Standards. In providing any of the authorized services or activities specified in this Lease, Lessee shall operate for the use and benefit of the public and shall meet or exceed the following standards:

A. Lessee shall provide commercial service of repair and maintenance of based and transient aircraft in the Approved Premises described in Exhibit A hereto attached and made part of hereof for this service at the Owatonna Degner Regional Airport. The Lessee agrees to maintain and operate an aircraft repair shop employing one or more A&P mechanic(s) and a designated airworthiness inspector. Repair and service times shall generally be from 8:00AM to 5:00PM Monday through Friday and on an as-requested basis.

The following aircraft repair and maintenance activities within any hangar premises on the airport used by the Lessee for providing aircraft repair and maintenance are prohibited unless expressed written permission is granted from the Lessor:

- Doping
- Hot work including torching and welding
- Fuel transfers
- No fuel tank maintenance or repair work unless aircraft are defueled

- Aircraft Painting and Spray Finishing
- Total fuel capacity of all aircraft within the hangar will remain below 1,600 gallons

The Lessee shall provide a Certificate of Insurance evidencing Hangar Keepers coverage in the amount not less than the greater of $150,000.00 per aircraft and $300,000.00 per occurrence, or the full current market value of all non-owned aircraft in the Lessee's care, custody, or control. This coverage shall be maintained at any location on the Owatonna Degner Regional Airport where the Lessee performs aircraft repair, maintenance, or any other services involving non-owned aircraft. This requirement, along with all other insurance obligations, shall be maintained in accordance with Section 11 of the Lease Agreement.

B. Lessee shall control the conduct, demeanor and appearance of its employees, who shall be trained by Lessee and who shall possess such technical qualifications and hold such certificates or qualifications as may be required by any governmental authority in carrying out assigned duties. It shall be the responsibility of Lessee to maintain close supervision over its employees to assure a high standard of service to customers of Lessee.

C. Lessee shall comply with all federal, state and local laws, rules, regulations, and codes which may apply to the conduct of the business contemplated, including rules and regulations promulgated by City. Lessee shall maintain in effect and post in a prominent place all necessary and/or required licenses or permits.

D. Lessee may erect suitable advertising signs on the Leased Premises to advertise Lessee's business, provided that the location, form, type, size, and method of installation shall first be approved by the City and shall be in compliance with all applicable municipal ordinances and regulations.

E. Lessee agrees to comply with all rules and field regulations with respect to control of ground and air traffic and use of the airport which shall be set up from time to time by the Lessor, and the Lessee shall abide by all rules, regulations and orders of the Minnesota Department of Transportation and the Federal Aviation Administration and other lawful authorities with respect to aircraft operations on the said airport and with respect to the use of the Leased Premises. With respect to any municipal ordinance or other local regulation enacted by the City of Owatonna, Lessee shall be given prior notice of the adoption of such ordinance and regulation and the opportunity to be heard thereon, except where the ordinance or regulation is necessitated by an emergency or where the local ordinance or regulation is in response to the mandate of a federal, state or other governing body having paramount authority over the airport.

F. The Lessee shall keep and maintain the Premises in good condition, order, and repair, and shall surrender the same, upon the expiration of the Agreement, in the condition in which they are required to be kept; reasonable wear and tear and damage by the elements not caused by the Lessee's conduct excepted.

G. Hazardous Materials. Lessee shall not store hazardous materials on the leased premises except such materials as are normal and reasonably necessary for aircraft operation and maintenance. All hazardous materials shall be stored, handled, and disposed of properly in accordance with all federal, state, county, and municipal rules, and regulations. Any spill or discharge shall be immediately reported to Lessor or other appropriate agency. Improper storage, use, handling, or disposal of hazardous materials shall be grounds for termination of this Lease agreement.

H. Hangar Door to be Closed. The Lessee is responsible for ensuring that the bi-fold hangar door is closed and latched at all times, except when entering or exiting the hangar. The Lessee agrees not to operate the bi-fold door in wind conditions gusting in excess of 30mph (26 knots). The Lessee is responsible for, and holds the City harmless from, any damage or destruction to the door or to the hangar attributable to or caused wholly or partly by the Lessee's failure to comply with this provision.

I. Commercial Operator's License. The Lessee shall maintain, and provide the Lessor with proof of, a valid Minnesota Department of Transportation (MnDOT Aeronautics) Commercial Operators License prior to commencing commercial operations.

J. Lessee shall be responsible for ensuring that the Premises or any part of the airport terminal common use areas are closed and locked when not in use and after during times other than airport posted hours of operation. This obligation shall apply whenever and only when these areas have been or remain open and unlocked due to the Lessee's use of the areas.

8. Non-Exclusive Right. It is not the intent of this Lease to grant to Lessee the exclusive right to provide any or all of the services described in Section 5 at any time during the term of this Lease. City reserves the right, at its sole discretion, to grant others certain rights and privileges upon the airport which are identical in part or in whole to those granted to Lessee.

9. Maintenance. Lessee shall keep and maintain the property in good order and repair and in a clean and neat condition. Lessee shall not permit any waste or nuisance on the leased premises or permit anything on the leased premises to interfere with the rights of other tenants of the City or users of the airport. In the event the premises are not properly maintained, the City, may after notice to the Lessee, cause the property to be maintained and the cost thereof will be billed to tenant as an administrative fee. In the event of non-

payment the unpaid billing shall be certified for collection with the property taxes in the manner provided by law.

10. Taxes, Assessments, and Other Charges. In addition to other charges identified in this Lease, the Lessee shall pay all taxes, assessments, licenses, fees, or other charges that may be levied or assessed upon the Lessee's property or building or any activity of the Lessee. Upon request by the City, the Lessee shall provide proof of such payment.

11. Insurance. Lessee shall maintain the following insurance coverages:

A. Comprehensive General Liability Insurance. Comprehensive general liability insurance, insuring Lessee against any liability arising out of this lease agreement, or the use, occupancy, or maintenance of the demised premises and all areas appurtenant to the demised premises and Product liability completed operations coverage for bodily injury and property damages arising out of the sale, distribution or service involving products or services that are provided. Such insurance shall be in the amount of not less than One Million Dollars ($1,000,000.00) per occurrence and a $2,000,000.00 aggregate for bodily injuries or deaths of persons or property damage occurring in and about the premises, not necessarily caused by aircraft, or in or about the Airport if caused by the act or omission of Lessee or those for whom Lessee is responsible. The insurance policy shall insure the hazards of the demised premises and operations conducted in and on the demised premises, independent contractors and contractual liability (covering the indemnity included in this lease agreement).

B. Aircraft Liability Coverage. Aircraft liability coverage for bodily injury and property damages arising from operation of aircraft. Lessee must provide coverage for each aircraft used in the conduct of its business. The limits of coverage shall be not less than the following: Passenger bodily injury of $100,000.00 per person and $1,000,000.00 per occurrence.

C. Products Hazard and Completed Operations: $1,000,000.00 per occurrence and $2,000,000.00 aggregate

E. Workers' Compensation. Lessee shall provide a certificate showing statutory Minnesota workers' compensation insurance including Employer Liability Coverage with the following limits: (1.)$500,000-Bodily Injury by disease per employee; (2) $500,000-Bodily Injury by disease aggregate; (3.) $500,000 –Bodily Injury by Accident.

F. Certificate of Insurance. The City shall be named as an additional insured on each policy and shall be provided with a certificate of insurance evidencing the coverage required. All such policies shall include an endorsement requiring not less than thirty (30) days written notice to the City prior to any cancellation or reduction in the amount or terms of coverage. All such

policies shall be in a form reasonably satisfactory to City and shall be issued by a reliable insurance company, subject to approval by the City.

G. Any policy issued to the City of Owatonna providing duplicate or similar coverage shall be deemed excess over Lessee's policies.

Lessee shall not use or permit the Premises to be used in any manner that would void Lessee's or the City of Owatonna's insurance or increase the insurance risk. Lessee shall comply with all requirements imposed by the insurers for the City of Owatonna and Lessee.

12. Indemnification. To the fullest extent permitted by law, Lessee agrees to indemnify, defend, save and hold completely harmless the City of Owatonna or any of its agents, employees, or Airport Commission members responsible for any and all liabilities, losses, damages, suits, actions, claims, judgments, settlements, fines or demands of any person arising by reason of injury or death of any person, or damage to any property occasioned by fire, theft, rain, windstorm, hail, or from any other cause whatsoever, whether said cause be the direct, indirect, or merely a contributing factor in producing the loss to any airplane, automobile, personal property, parts, or surplus that may be located or stored in the hangars, aprons, field, or any other location at the airport; and Lessee agrees that the planes and the contents are to be stored, whether on the field or in the hangars, at Lessee's risk.

The provisions of this section shall survive expiration or earlier termination of this lease. The furnishing of the required insurance shall not be deemed to limit Lessee's obligations under this Section.

The Lessee shall defend, indemnify and hold the City of Owatonna harmless from any claims or liabilities as a result of Lessee's failure to procure and to keep in force the insurance required in the Lease.

13. Assignment; Sublease. Lessee agrees that it will not sublet the Leased Premises or any part thereof or the hangars located thereon and will not assign this Lease or any interest therein, nor permit such Lease to become transferred by operation of law or otherwise and that no act or acts will be done or suffered whereby the same may be or become sublet or assigned in whole or in part, unless the written consent of the Lessor endorsed hereon shall be first obtained in each and every case of subletting or assignment and that nothing whatever shall be held to be a waiver of supersede the necessity of such endorsement. The Lessor's consent to or denial of any sublease or assignment rests in its sole discretion.

Any assignments, sale in bankruptcy or insolvency of the Lessee may, at the option of the Lessor, be considered and assignment within the meaning of this agreement and as a breach of the covenants hereof.

14. Utilities. Lessee shall pay for utilities in the leased portion of the hangar. The utility cost for the leased space shall be metered and billed direct to Lessee or prorated on a square foot basis relative to the utility cost for the entire hangar and billed to the Lessee.

15. Ground Control; Air Traffic. Lessee shall comply with all rules, minimum standards, and field regulations with respect to control of ground and air traffic and use of the airport as established by City from time to time and Lessee shall abide by all rules, regulations, and orders of the Minnesota Department of Transportation and the Federal Aviation Administration and other lawful authorities with respect to aircraft operations and use of the leased premises.

16. Minimum Standards. Lessee shall comply with the Owatonna Degner Regional Airport Minimum Standards now existing or as hereafter amended or adopted by the City of Owatonna.

17. Aviation Fuel. Lessee shall not have the right to sell, dispense, give or transfer aviation fuel. There shall be no storage of flammable materials, liquids or fuels in open containers in or upon the Leased Premises.

18. Parking of Vehicles**.** Lessee's private automobiles shall be allowed to be placed in the building for short periods of time. Auto parking on the apron or grass will not be permitted. All employee and customer automobile parking will be in the public vehicle parking lot.

19. Waste Disposal. Lessee shall cause to be removed at its own expense all junk, waste, garbage, and rubbish, and warrants that such items and materials will be disposed of lawfully. Lessee may deposit the same temporarily in suitable containers in area as designated by the Lessor awaiting its collection for removal.

20. Independent Contractor. In conducting its business hereunder, Lessee acts as an independent contractor and not as an agent of the City. The selection, retention, assignment, direction and payment of Lessee's employees shall be the responsibility of the Lessee.

21. Surrender of Possession. Upon the expiration of the term of this Agreement, or earlier termination, the Lessee will yield possession of the Premises to the City without further notice. The Lessee agrees to leave the Premises in good condition, ordinary wear and tear excepted.

22. Termination. This Lease shall be subject to termination by Lessor in the event of any one or more of the following events:

a. Institution of voluntary bankruptcy proceedings by the Lessee.

b. Institution of involuntary bankruptcy proceedings in which the Lessee thereafter is adjudged bankrupt.

c. Assignment for the benefit of creditors of the interest of the Lessee under this Lease.

d. Appointment of a receiver for the property or affairs of the Lessee.

e. If Lessee shall vacate the demised premises.

f. If Lessee shall refuse to take possession of the demised premises on the commencement date or shall permit the demised premises to remain unoccupied or unattended.

g. If Lessee shall fail to pay any installments of rent or other charges required to be paid by Lessee within ten (10) days after the same shall become due and payable, subject to the rights of redemption provided by law.

h. If Lessee shall fail to perform or observe any of its other obligations under this Lease for a period of thirty (30) days after written notice thereof to Lessee.

i. Any violation of state, federal or local law, statute, ordinance or regulation which results in a criminal conviction may result in the immediate termination, without further notice, of this Lease at Lessor's option.

23. General Provisions.

a. **Non Waiver**. The waiver of any breach, violation or default in or with respect to the performance or observance of the covenants and conditions contained herein shall not be taken to constitute a waiver of any subsequent breach, violation or default in or with respect to the same or any other covenants or condition hereof.

b. **Entire Agreement; Amendments**. This Lease represents the entire agreement between the parties and supersedes any prior agreements regarding the premises. This Lease may only be amended or modified if done in writing and executed by all parties to this Lease.

c. **Severability**. If a provision hereof shall be finally declared void or illegal by any court or administrative agency having jurisdiction, the entire Lease shall not be void, but the remaining provisions shall continue in effect as nearly as possible in accordance with the original intent of the parties.

d. **Heading**. The headings used in this Lease are intended for convenience of reference only and do not define or limit the scope or meaning or any provision of this Lease.

e. **Governing Law**. This Lease is to be construed in accordance with the laws of the State of Minnesota.

f. **Commitments to Federal and State Agencies**. Nothing in this Lease shall be construed to prevent City from making such commitments as it desires to the Federal Government or the State of Minnesota in order to qualify for the expenditure of Federal or State funds on the airport.

g. **Relationship of Parties**. Nothing contained in this Lease shall be deemed to create a partnership, association or joint venture between City and Lessee, or to create any other relationship between the parties other than that of Lessor and Lessee.

h. **Multiple Parties**. If more than one person or entity is named as the Lessee, the obligations of the Lessee shall be the joint and several responsibilities of all persons or entities named as lessee.

i. **Consent and Approvals**. Whenever in this Lease the consent or approval of City is required, such phrase means the formal approval or consent of City through a meeting of the Owatonna City Council. When the consent or approval of City's staff is required, such phrase means the consent or approval from the appropriate employee or agent of City.

j. N**otice**. Whenever under this Lease any notice is required, it shall be in writing and sent to; if the City addressed to the attention of the Airport Manager, 3400 West Frontage Road, Owatonna, MN 55060 and if to Lessee, addressed to:

Accelerated Aviation Instruction, LLC
3442 Frontage Rd
Owatonna, MN 55060

IN WITNESS WHEREOF, the parties hereto have executed this Lease to be effective from the day and year first above written.

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CITY OF OWATONNA, A MUNICIPAL
CORPORATION, CITY

By: _____
Matthew T. Jessop, Mayor Date

By: _____
Jenna L. Tuma, City Administrator Date

ACKNOWLEDGMENT

STATE OF MINNESOTA )
) ss.
COUNTY OF STEELE )

The foregoing instrument was acknowledged before me this _____ day of _____, 2025, by Matthew T. Jessop and Jenna L. Tuma, the Mayor and City Administrator of the City of Owatonna, Minnesota, a municipal corporation under the laws of the State of Minnesota, on behalf of the corporation.

_____
Notary Public

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ACCELERATED AVIATION INSTRUCTION, LLC, LESSEE

By: _____
Date
Its:_____

By: _____
Date
Its:_____

ACKNOWLEDGMENT

STATE OF MINNESOTA )
) ss.
COUNTY OF STEELE )

The foregoing instrument was acknowledged before me this _____ day of _____, 2025, by _____ and _____ _____, the _____ and _____ of Accelerated Aviation Instruction, LLC, a Minnesota Company, under the laws of the State of Minnesota, on behalf of the company.

_____
Notary Public

# AMENDMENT ONE TO SUBLEASE OF AIRPORT COMMERCIAL USE HANGAR LEASE

THIS AMENDMENT ONE to Sublease of Airport Commercial Hangar Lease by, between, and among, John Klatt Airshows, Inc., Lessee, and NavFleet Holdings, LLC, Sublessee and City of Owatonna, City.

## RECITALS

1. On August 20, 2008, City and Lessee entered into a Hangar Lease for 30 years, expiring on August 14, 2038 to Lot 27, Airport Subdivision No. 1, as depicted in Exhibit A.

2. On February 2, 2021, Lessee entered into a Sublease with Sublessee for a term of 5 years expiring January 2, 2026.

3. Sublessee desires that Section 6.b "Use of Premises" be amended to include "Commercial Service of Repair and Maintenance of Based and Transient Aircraft".

4. Both Sublessor and the City consent to the amendment.

## COVENANTS

NOW, THEREFORE, Sublessor, Sublessee and City agree that Section 6, subparagraph b, is hereby amended to include:

Commercial Service of repair and maintenance of based and transient aircraft.

Sublessee shall provide commercial service of repair and maintenance of based and transient aircraft. The Sublessee agrees to maintain and operate an aircraft repair shop employing one or more A&P mechanic(s) and a designated airworthiness inspector. Repair and service times shall generally be from 8:00AM to 5:00PM Monday through Friday and on an as-requested basis.

The following aircraft repair and maintenance activities within any hangar premises on the airport used by the Sublessee for providing aircraft repair and maintenance are prohibited unless expressed written permission is granted from the City:

- Doping

- Hot work including welding and torching
- Fuel transfers
- No fuel tank maintenance or repair unless aircraft are defueled
- Aircraft painting and spray finishing
- Total fuel capacity of all aircraft within the hangar will remain below 1,600 gallons

No explosives or combustible materials will be permitted within or about the Premises except for the fuel in aircraft tanks or small containers of lubricants, cleaning material and other aviation-related material stored in approved containers. Utilization of a remote system for any liquid capture, collection and separation must be used. Lessee shall abide by all State, Federal and local laws regulating the storage and transportation of flammable liquids, gases and liquids stored in cylinders, and protection of the environment.

The Sublessee shall provide a Certificate of Insurance evidencing Hangar Keepers coverage in the amount not less than the greater of $150,000.00 per aircraft and $300,000.00 per occurrence, or the full current market value of all non-owned aircraft in the Sublessee's care, custody, or control. This coverage shall be maintained at any location on the Owatonna Degner Regional Airport where the Sublessee performs aircraft repair, maintenance, or any other services involving non-owned aircraft.

The Sublessee should also provide a Certificate of Insurance for Products Hazard and Completed Operations with coverages of $1,000,000 per occurrence and $2,000,000 aggregate.

IN WITNESS WHEREOF, each party has signed this Amendment on the date beneath its signature.

This Amendment shall be effective on the date of the last party to sign the same.

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CITY OF OWATONNA, MINNESOTA,
A MUNICIPAL CORPORATION, LESSOR

By: _____
Matthew T. Jessop, Mayor Date

By: _____
Jenna L. Tuma, City Administrator Date

ACKNOWLEDGMENT

STATE OF MINNESOTA )
) ss.
COUNTY OF STEELE )

The foregoing instrument was acknowledged before me this _____ day of _____, 2025, by Matthew T. Jessop and Jenna L. Tuma, the Mayor and City Administrator of the City of Owatonna, Minnesota, a municipal corporation under the laws of the State of Minnesota, on behalf of the corporation.

_____
Notary Public

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NAVFLEET HOLDINGS, LLC,
SUBLESSEE

By: _____
Clayton Petersen, its Manager/Member Date

ACKNOWLEDGMENT

STATE OF MINNESOTA )
) ss.
COUNTY OF STEELE )

The foregoing instrument was acknowledged before me this _____ day of _____, 2025, by Clayton Petersen, a Member/Manager of NavFleet Holdings, LLC a Limited Liability Company under the laws of the State of Minnesota, on behalf of the company.

_____
Notary Public

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JOHN KLATT AIRSHOWS, INC., LESSEE
AND SUBLESSOR

By: _____
John R. Klatt, its President Date

STATE OF MINNESOTA )
) ss.
COUNTY OF STEELE )

The foregoing instrument was acknowledged before me this _____ day of _____, 2025, by John R. Klatt, the President of Klatt Airshows, Inc., a Minnesota corporation under the laws of the State of Minnesota, on behalf of the corporation.

_____
Notary Public

THIS INSTRUMENT WAS DRAFTED BY:
Mark M. Walbran (#113712)
P.O. Box 273
Owatonna, MN 55060
Phone: (507) 451-1173

# AMENDMENT TWO TO SUBLEASE OF AIRPORT COMMERCIAL HANGAR LEASE

THIS AMENDMENT TWO to Sublease of Airport Commercial Hangar Lease is entered into by, between, and among John Klatt Airshows, Inc., Lessee and Sublessor, NavFleet Holdings, LLC, Sublessee and Assignor, Fountain Aviation, LLC, Assignee and Sublessee, and the City of Owatonna, (City), for the hangar located at 3425 West Frontage Road, Owatonna, MN 55060.

## RECITALS

1. On August 20, 2008, City and Lessee entered into a Hangar Lease for 30 years, expiring on August 14, 2038, for Lot 27, Airport Subdivision No. 1, as depicted in Exhibit A.
2. On February 2, 2021, Lessee entered into a Sublease with NavFleet Holdings, LLC for a term of 5 years, expiring January 2, 2026.
3. On October 7, 2025, the parties amended the Sublease to include commercial service of repair and maintenance of based and transient aircraft, as outlined in Amendment One.
4. NavFleet Holdings, LLC, the current Sublessee and owner of the hangar, desires to assign the Sublease to the hangar to Fountain Aviation, LLC, as the new Sublessee, under the same terms and conditions as the existing Sublease, including Amendment One.
5. Fountain Aviation, LLC agrees to comply with all requirements set forth by the City of Owatonna, as outlined in the original Lease, Sublease, and Amendment One.
6. Lessee and the City consent to this Amendment and the substitution of Fountain Aviation, LLC as the new Sublessee.

## COVENANTS

NOW, THEREFORE, Lessee, Sublessor, Sublessee, and City agree as follows:

1. **Substitution of Sublessee**: NavFleet Holdings, LLC, as Sublessee and Assignor, hereby assigns the Sublessee to the hangar located at 3425 West Frontage Road, Owatonna, MN 55060, to Fountain Aviation, LLC, as Assignee and new Sublessee, effective on the date of the last party to sign this Amendment. Fountain Aviation, LLC assumes all rights, obligations, and responsibilities of the Sublessee under the Sublease dated February 2, 2021, and Amendment One.
2. **Continued Compliance with Amendment One**: Fountain Aviation, LLC agrees to abide by the terms of the Lease, Sublease, and Amendment One, including but not limited to:
    (a) Providing commercial service of repair and maintenance of based and transient aircraft.
    (b) Maintaining and operating an aircraft repair shop employing one or more A&P mechanic(s) and a designated airworthiness inspector, with repair and service times generally from 8:00 AM to 5:00 PM, Monday through Friday, and on an as-requested basis.
    (c) Prohibiting the following activities within the hangar without express written permission from the City:

- Doping
- Hot work, including welding and torching
- Fuel transfers
- Fuel tank maintenance or repair unless aircraft are defueled
- Aircraft painting and spray finishing
- Total fuel capacity of all aircraft within the hangar exceeding 1,600 gallons

(d) Ensuring no explosives or combustible materials are permitted within or about the Premises, except for fuel in aircraft tanks or small containers of lubricants, cleaning material, and other aviation-related material stored in approved containers.

(e) Utilizing a remote system for any liquid capture, collection, and separation.

(f) Abiding by all State, Federal, and local laws regulating the storage and transportation of flammable liquids, gases, and liquids stored in cylinders, and protection of the environment.

(g) Providing a Certificate of Insurance evidencing Hangar Keepers coverage in an amount not less than the greater of $150,000.00 per aircraft and $300,000.00 per occurrence, or the full current market value of all non-owned aircraft in the Sublessee's care, custody, or control. This coverage shall be maintained at any location on the Owatonna Degner Regional Airport where the Sublessee performs aircraft repair, maintenance, or any other services involving non-owned aircraft. Providing Certificate of Insurance for Products Hazard and Completed Operation with coverages of $1,000,000 per occurrence and $2,000,000 per aggregate.

3. **Term**: The Sublease term shall remain as set forth in the original Sublease, expiring on January 2, 2026, unless otherwise extended or terminated by mutual agreement of the parties and with the City's consent.
4. **City Consent**: The City of Owatonna consents to the substitution of Fountain Aviation, LLC as the Sublessee, provided all terms and conditions of the original Hangar Lease, Sublease, and Amendment One are met.
5. **No Other Changes**: Except as modified herein, all other terms and conditions of the original Sublease and Amendment One remain in full force and effect.

IN WITNESS WHEREOF, each party has signed this Amendment on the date beneath its signature.

This Amendment shall be effective on the date of the last party to sign the same.

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CITY OF OWATONNA, MINNESOTA,
A MUNICIPAL CORPORATION, LESSOR

By: _____
Matthew T. Jessop, Mayor Date

By: _____
Jenna L. Tuma, City Administrator Date

ACKNOWLEDGMENT

STATE OF MINNESOTA )
) ss.
COUNTY OF STEELE )

The foregoing instrument was acknowledged before me this _____ day of _____, 2025, by Matthew T. Jessop and Jenna L. Tuma, the Mayor and City Administrator of the City of Owatonna, Minnesota, a municipal corporation under the laws of the State of Minnesota, on behalf of the corporation.

_____
Notary Public

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NAVFLEET HOLDINGS, LLC,
SUBLESSEE

By: _____
Clayton Petersen, its Manager/Member Date

ACKNOWLEDGMENT

STATE OF MINNESOTA )
) ss.
COUNTY OF STEELE )

The foregoing instrument was acknowledged before me this _____ day of _____, 2025, by Clayton Petersen, a Member/Manager of NavFleet Holdings, LLC a Limited Liability Company under the laws of the State of Minnesota, on behalf of the company.

_____
Notary Public

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FOUNTAIN AVIATION, LLC, SUBLESSEE

By: _____
Clayton Petersen, its Manager/Member Date

ACKNOWLEDGMENT

STATE OF MINNESOTA )
) ss.
COUNTY OF STEELE )

The foregoing instrument was acknowledged before me this _____ day of _____, 2025, by Clayton Petersen, a Member/Manager of Fountain Aviation, LLC, a Limited Liability Company under the laws of the State of Minnesota, on behalf of the company.

_____
Notary Public

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JOHN KLATT AIRSHOWS, INC., LESSEE
AND SUBLESSOR

By: _____
John R. Klatt, its President Date

STATE OF MINNESOTA )
) ss.
COUNTY OF STEELE )

The foregoing instrument was acknowledged before me this _____ day of _____, 2025, by John R. Klatt, the President of Klatt Airshows, Inc., a Minnesota corporation under the laws of the State of Minnesota, on behalf of the corporation.

_____
Notary Public

DATE: October 7, 2025
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Wastewater Treatment Facility IRA Energy Credit 80/20 Evaluation Services — Baker Tilly

**Purpose:**
Requesting City Council approval of the Baker Tilly agreement for IRA Energy Credit 80/20 Valuation Services.

**Background:**
The City of Owatonna may be eligible for a federal tax credit if the digester updates made as part of the Wastewater Treatment Facility Expansion qualify under the Inflation Reduction Act 2022 ("IRA22"). Baker Tilly will support the City's assessment of the Project's eligibility to qualify for an Investment Tax Credit ("ITC"), the City has requested that Baker Tilly provide an appraisal rendering an opinion of the fair market value, as of a date preceding commencement of the Project (the "Valuation Date"), of certain digester assets that will continue to be utilized upon completion of the Project (the "Digester Assets"). 80 percent of the total value of the asset be new, and the existing components not updated may not exceed 20 percent of the total value in order to be eligible for an ITC.

See the attached proposal for additional information.

**Budget Impact:**
The project fees are estimated to total $30,000. $15,000 will be due upon execution of the agreement and the remainder upon project completion. Costs will be paid for using Sanitary Sewer Funds.

**Staff Recommendation:**
Staff recommends approval.

**Attachments:**
1. Agreement - Baker Tilly - IRA Energy Credit 80/20 Valuation

# Scope of Work – Appendix B
# IRA Energy Credit 80/20 Valuation

This Statement of Work ("SOW") is entered into as of the date of signature ("Effective Date"), by and between Baker Tilly Advisory Group, LP ("Baker Tilly") and City of Owatonna, Minnesota ("Client") pursuant to the terms of the February 20, 2024 Master Services Agreement between Baker Tilly US, LP (now Baker Tilly Advisory Group, LP) and Client (the "Agreement").

Unless otherwise noted, all capitalized terms used herein shall have the meanings set forth in the Agreement. Any conflict between the terms of the Agreement and this SOW will be resolved in favor of the Agreement, unless this SOW explicitly states that it is intended to modify the conflicting terms.

Upon the termination of this SOW, Baker Tilly shall no longer be obligated to provide the services described herein.

**Our Understanding:**

The Client is renovating a two-digester system to increase biogas production along with upgrading, cleaning, and conditioning the biogas into renewable natural gas ("RNG") for connection to a nearby pipeline (the "Project").

**Scope of Services:**

The Client is aware that it may be eligible for a federal tax credit if the Project qualifies under the Inflation Reduction Act 2022 ("IRA22"). To support the Client's assessment of the Project's eligibility to qualify for an Investment Tax Credit ("ITC"), the Client has requested that Baker Tilly provide an appraisal rendering an opinion of the fair market value, as of a date preceding commencement of the Project (the "Valuation Date"), of certain digester assets that will continue to be utilized upon completion of the Project (the "Digester Assets").

For purposes of our report, with the Client's consent, "fair market value" is defined by the IRS as "the price that property would sell for on the open market. It is the price that would be agreed on between a willing buyer and a willing seller, with neither being required to act, and both having reasonable knowledge of the relevant facts." No representation is made herein, or directly or indirectly by our report, as to any legal matter or as to the sufficiency of said definitions or any other assumptions or considerations set forth herein for any purpose other than setting forth the scope of Baker Tilly's engagement hereunder.

**Purpose:**

We understand that our conclusions will be used by the Client to compare the value of the Digester Assets to the Project (the "80/20 Assessment") in pursuit of the ITC as part of the IRA22. The scope of our engagement does not include the valuation of any business or other intangible assets. The services to be provided by Baker Tilly are solely for the purposes and users defined above and may not be used for any other purposes or by any other users.

**Fees:**

Our fees are based upon the hours expected to be expended by each engagement team member at each member's applicable hourly billing rate in the expected timeframe. Our fees are $30,000 for this SOW, payable s follows: (a) upon the execution of this SOW, $15,000; and (b) upon delivery of the final invoice, the remainder of the fee; provided, however, that, even if Baker Tilly has not delivered a draft report, Baker Tilly will be entitled to receive the fee set forth in subsection (b) of this sentence on and after 30

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

days after the date Baker Tilly notifies the Client that it is prepared to deliver its draft conclusions. The foregoing fee does not include the appraisal of intangible assets or any liabilities of any party, if such an appraisal is required. No portion of the fee is contingent upon any conclusions reached in our analysis.

In addition, the Client shall, upon Baker Tilly's request, reimburse Baker Tilly for its reasonable out-of-pocket expenses, including, without limitation, our standard 5% technology charge, plus travel and subsistence and other out-of-pocket expenses related to the engagement and incurred in providing professional services.

**Acknowledgement:**

The parties have executed this SOW as of the signature date.

| **Baker Tilly Advisory Group, LP** | **City of Owatonna, Minnesota** |
|---|---|
| By: | By: |
| Name: | Name: |
| Title: | Title: |
| Date: | Date: |