

## **Owatonna City Council Minutes**

### **October 21, 2025**

On Tuesday, October 21, 2025 at 7:00 p.m., City Council President Raney called the regular session of Owatonna City Council to order in the Chambers of the Charles S. Crandall Center. Present were Council Members Voss, Dotson, Burbank, Boeke, McCann, Svenby and Raney; Mayor Jessop; City Attorney Walbran; Public Works Director Murphy; Community Development Director Klecker; Fire Chief Hoffman; Police Chief Mundale, Finance Director Burns; IT Specialist Enz; Assistant City Administrator 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 Boeke seconded the motion, all members voted aye in approval.

#### **Public Hearing - Proposed Assessments on Unpaid Costs for Grass/Weed Compliance**

Fire Chief Hoffman commented that the 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 Assessment Roll currently includes twenty parcels with a total proposed assessment amount of \$5,326.80. On September 16, 2025, Council approved Resolution 54-25 declaring unpaid costs for assessment at \$5,483.30; however, a payment of \$156.50 has been received. These assessments will reimburse the city for costs of weed and nuisance enforcement. The City's share of these costs will be \$0. At 7:02 p.m. the Public Hearing was open for comments regarding the Proposed Assessments. With no comments heard, at 7:03 p.m., Council Member Voss made a motion to close the public hearing, Council Member Dotson seconded the motion, all members voted aye in approval.

#### **Resolution 70-25 Proposed Assessments - Unpaid Grass/Weed Compliance Costs**

Fire Chief requested Council approval of Resolution 70-25 to adopt the Proposed Assessments for unpaid weed and nuisance expenditures incurred by the City. The recommended term of repayment was set at one (1) year at an interest rate of five and one half (5.5) percent per annum. Council Member Voss made a motion for approval, Council Member Burbank seconded the motion, and all members voted aye in approval.

#### **Mayor Jessop**

Mayor Jessop commented that prior tonight's meeting, he attended the Community Kickoff Event for Red Ribbon Week at the Owatonna High School. The 2025 Red Ribbon Week is this week, October 20-25, 2025. You can wear and display red ribbons to encourage a drug-free lifestyle during Red Ribbon Week and all year long, to make a visible statement that we are strongly committed to a drug-free society.

#### **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 – October 7, 2025

Exempt Permit - Turkey Bingo, Owatonna Fire Relief Association - November 15, 2025

Five-Year Renewal Agreement – OpenGov ERP Software

OpenGov ERP has been in use by the City since 2021, providing essential support for financial management, budgeting, procurement, and public transparency. The platform is used by multiple departments and is integral to the City's daily operations and long-term planning. The proposed five-year agreement includes the following annual costs:

2026 \$178,249.64

2027 \$183,597.13

2028 \$189,105.04

2029 \$194,778.19

2030 \$200,621.54

This five-year agreement for ERP software services, with a 3% annual increase, supports the City's financial operations, transparency initiatives, and long-term digital modernization goals.

Council Member Boeke made a motion to approve the Consent Agenda Items, Council Member Svenby seconded this motion, all members present voted aye in approval.

### **Finance Report**

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

21,575.54 Central Farm Service - fleet fuel

613,230.42 Crane Creek

- 25007 CIP overlay - est #1-final - \$538,337.44

- asphalt - \$74,892.98

34,950.00 Fairbo Air Conditioning & Heating

- tube heaters mechanical area & parks shop

159,943.22 From the Ground Up - July 2025 storm damage tree removal

32,577.60 Innovative Masonry Restoration - masonry repair & tuckpointing - pay est #1

60,449.23 Legence Subsidiary Holdings LLC (ICS)

- Public Safety Center - \$56,065.00

- Community Center \$4,384.23

32,739.62 Owatonna Area Chamber of Commerce - August lodging tax

155,629.92 Southeast Service Cooperative - October 2025 health ins premiums

231,282.02 Other Expenditures

\$ 1,342,477.57 Total Expenditures Presented for Approval

Council Member Boeke made a motion to approve payment of all bills presented, Council Member Svenby seconded the motion. Council Member Burbank inquired if a portion of the payment to From the Ground Up would be reimbursed by the state. Chief Hoffman confirmed this expenditure was included in the total submitted and anticipates a

reimbursement of 75%. This contracted labor, city staff and equipment costs were included in the total amount submitted which was in excess of \$800,000 for the city. With no additional comments, all members voted aye in approval.

### **First Reading Proposed Ordinance 25-12 - Amend City Code Chapter 122: Cannabis Regulation**

City Attorney Walbran commented that the proposed amendment to Code Chapter 122 was discussed during the Study Session prior to the meeting and requested approval of the first reading to amended Code Chapter 122 to limit sales of low potency hemp products to establishments open to persons age 21-and over.

This year, the state legislature adopted an amendment requiring businesses selling low potency hemp products (LPHP) which were previously required to be registered with the Minnesota Department of Health under Minn. Stat. § 151.72 to be licensed instead. There are currently 43 LPHP retailers in Steele County, 12 of which are within our city limits.

On Monday, October 7, the City and County working group met again, including the County and City Administrators, OPD Chief, Community Development Director, Sheriff, and County Public Health Officials, to discuss whether our respective cannabis ordinances should be amended to include restrictions on the sale of LPHP products. It was the consensus of those at the meeting that it would be a hardship on existing LPHP retailers to comply with the adult use cannabis setbacks. Only 2 retailers would meet the current regulations. It was also the consensus of the group that "limiting youth access to such products is an important public health priority". Thus, we recommend that both the County Board and City Council amends their respective ordinances to only allow existing LPHP retailers which are open only to persons age 21 or older to register with the County once they are licensed by the Office of Cannabis Management (OCM). Any new license LPHP retailers seeking registration with the County will be required to meet the setbacks in effect at the time of registration. Similar to the adult use registration rules, registration approved for LPHP retailers would be limited to their existing location and would not be transferable.

Council Member Boeke made a motion for approval, Council Member McCann seconded the motions. With a roll call vote, voting aye were Council Members Burbank, Boeke, McCann, Svenby, Voss, Dotson and Raney and with no nay votes, the motion carried. The second reading of this proposed ordinance will be heard during the next Council Meeting on November 5<sup>th</sup>.

Council Member Dotson commented there were several unanswered questions during tonight's Study Session and requested additional discussion be included in the Study Session prior to the next meeting. Chief Mundale commented most of the change is mandated by state statute, the city can be more restrictive than the state statute and asked Council to provide list of their questions prior to the Study Session to prepare complete response.

### **Resolution 71-25 - Steele County Emergency Operation Plan**

Fire Chief Hoffman commented that rather than developing and maintaining a separate Emergency Operation Plan (EOP) for the City of Owatonna, we participate with and are included in the Steele County Plan along with all the other communities in the county.

We are currently in the four-year planning cycle, this plan was last brought to council last in October 2021. We have just received approval from the state of Minnesota Department of Homeland Security and Emergency Management. The next step is to request local adoption of the Emergency Operation Plan by resolution. Steele County Emergency & Risk Management Director Kristen Sailer is also present to answer your questions.

With no questions presented, Council Member Voss made a motion to approve Resolution 71-25, Council Member Boeke seconded the motion and all members voted aye in approval.

### **Resolution 72-25 Select Vendor for Paid Family Medical Leave - Madison National Life Insurance Company**

Human Resource Director Boss requested approval of Resolution 72-25 to select Madison National Life Insurance Company as the city's vendor for the Paid Family and Medical Leave (PFML) private plan, effective January 1, 2026. Effective January 1, 2026, Minnesota employers are required to participate in the Paid Family and Medical Leave (PFML) program under Minnesota Statutes, Chapter 268B, which provides partial wage replacement during qualifying family or medical leave. Employers may either participate in the state-administered plan or provide coverage through an approved private plan substitute.

The City intends to meet this requirement through a private plan administered by Madison National Life Insurance Company, the City's current long-term disability carrier. Madison National Life, through National Insurance Services (NIS), has provided a quote for PFML coverage at a rate of 0.78% of wages, with a one-year rate guarantee effective January 1, 2026. Under state law, premium contributions are shared between employers and employees; however, the city recommends funding 100% of the PFML premium for 2026 at estimated cost of \$140,000.

Council Member Svenby commented that the city should not bear full cost for this premium as it is not required by the state. He prefers the cost be split 50/50 between the city and employees, the employee's portion could be processed similar to tax deductions from the employee's pay.

Council Member Dotson agreed with Council Member Svenby's statement adding that employees also have a stake in this coverage requirement and should contribute towards the cost.

Human Resource Director Boss responded there are several reasons why the city has proposed covering 100% of the 2026 PFML premiums. This will ensure:

- Retention and Recruitment: Offering this benefit at no cost strengthens our overall compensation package, helping attract and retain quality employees in a highly competitive job market.

- **Employer of Choice:** Providing full coverage demonstrates the City's commitment to employee well-being and work-life balance, reinforcing our reputation as a supportive and forward-thinking employer, and aligns with our strategic plan.
- **Reduced Abuse and Operational Stability:** When employees contribute financially, there's often greater motivation to maximize leave usage since they are paying into the program. Covering the cost removes that incentive and supports more responsible and needs-based use of the benefit.
- **Workforce Stability:** By supporting employees during significant life events, the City helps reduce burnout and turnover, which in turn supports quality of service and lessens the strain of staffing shortages.
- **Administrative Simplicity:** Covering the full premium eliminates the need for payroll deductions or contribution tracking, reducing administrative complexity.

Council Member Voss thanked her for the explanation and said that he had also wanted employees to contribute towards this premium but now understands why it is proposed for city to pay in 2026 premium in full. Council Member McCann added that he was also totally against the city paying the full premium amount but after hearing the reasons why the city should pay the first year's premium in full, he will also support this but wants potential employee cost sharing in future years. Council Member Raney commented there have been many on-going changes to the required PMFL coverage, currently there is only a one-year plan available, prefers to agree with this plan and not have to reconsider the 2026 labor contracts, and also wants shared payment options considered next year. Council Member Voss made a motion to approve Resolution 72-25, Council Member Boeke seconded the motion, with five members voting aye and two nays, the motion was approved.

### **Resolution 73-25 Brazos Electronic Citation Software – LOGIS**

Police Chief Mundale requested council approval of Resolution 73-25 to support Local Government Information Systems (LOGIS) for new citation software, there are no known alternatives at this time. The Steele-Rice 911 Center and many government units are served by LOGIS, a Joint Powers, intergovernmental consortium that provides police and fire software technology and support for tools such as mobile Computer-Aided Dispatch systems (CAD), mapping, records management systems (RMS), and field-based reporting (FBR).

The LOGIS Police Executive Steering Committee (PESC) has recommended upgrading its electronic citation software, currently APS/Ticketwriter, to Brazos on behalf of its member agencies for the following reasons:

- (1) Limitations to the current APS Product.
- (2) Lack of updated functionality, no future improvements or enhancements to the software.
- (3) Software security concerns were identified.

A LOGIS public safety development fund will contribute \$204,640 for new software integration. Each member agency is responsible for annual subscription fees based on their

agency's mobile licenses. OPD currently pays \$2,601.00 for mobile ticket writer software. The addition of the Brazos software will increase our citation software annual cost to \$7,413.00, a \$4,812.00 annual increase starting in FY2026. There is a need for this type of software to make electronic citations.

Council President Raney commented the 2026 Proposed Budget includes funding for new body cams and asked if this will be a separate additional program. Chief Mundale responded they will work together as both use CAD software. The LOGIS product allows integration to auto tag incidents which will assist in identifying files. Currently discovery issues occur if they manually mislabeled a file so they are asked to take time to properly tag information during calls, this software should shorten the length of our service calls. Council Member Burbank made a motion to approve Resolution 73-25, Council Member McCann seconded the motion, and all members voted aye in approval.

### **Letter of Support - Owatonna Area Chamber of Commerce Opposition to Diversion of Birthing Services from Owatonna**

City Administrator Tuma requested approval of a Letter of Support to the Owatonna Area Chamber of Commerce for their opposition expressed to Mayo Clinic Health System proposal to divert birthing services from Owatonna. Growing and attracting families is vital to the health of our community needs and economy, and losing local delivery services undermines that effort. Council Member Dotson made a motion for approval, Council Member Boeke seconded the motion.

Council Member Burbank commented he was disappointed when he saw the e-mail that Mayo was going to shut down birthing at the hospital. Owatonna is a gem in this area of the state and with several hospitals closed in other cities, I would be disappointed if I was younger wanting to start a family and these services are available close by. Hopefully Mayo will look at the Quality of Life offered within Owatonna and reconsider this.

Council President Raney said he was also disappointed, the city has done many things to revitalize the city and serves as a regional hub. It is frustrating that a city with a population of 27,000 would be without birthing services. There is no city around us that do, we are in a birthing desert, this proposal to stop this service has to be stopped. Mayo has announced they plan to stop births in Owatonna as of Nov 16<sup>th</sup>, hopefully Allina and Mayo management realize this is wrong and can work this out.

Mayor Jessop commented that the Owatonna Hospital was founded in 1901, over the last 124 years, the city has grown and is now being stripped of local health care services. We have lost the Hospice House, the sleep lab, many specialists and specialized services. The loss of maternity care will have a lasting effect on Owatonna. Not only the city but people will also be affected, not just the care providers. It's time to put patients and not profits concern and time to give the citizens of Owatonna the care they deserve. I implore the leaders of Allina and Mayo to sit down and work this out, it will create problems for a lot of people and must be figured out. With no additional comments all members voted aye to approve the Letter of Support to the Owatonna Area Chamber of Commerce.

### **STAFF REPR**

**Ryan Brown, IT Director** commented that many staff utilize the OpenGov software. Staff have put a lot of effort into use of this software, and it is going well but there are also areas we can improve. He provided a presentation prepared by OpenGov which shared successes and opportunities they observed during review of the city's software usage. Five areas reviewed were: Financial Management, Budgeting and Reporting, Procurement, Asset Management and Permitting & Licensing.

Use of OpenGov supports the city's Core Values of Better Together, Community Stewardship and Pride in our Work. Council Member McCann asked if staff is recognizing the opportunities available? Director Brown responded it takes time to train staff and for them to become comfortable with the program. This process will continue for several years and each year it will become better. OpenGov touches every aspect of our business, and it will take time for all departments to get up to full usage of the software programs.

### **PUBLIC COMMENTS**

**Ashley Thorson, 233 Woodbridge Pl NE**, commented she has lived in Owatonna for 10 years. She moved here because the clinic when she was a women's healthcare provider. She is currently not providing these services but now chooses to live here because of what this community offers her family with three small children. The decision Mayo announced this last week for the Owatonna campus, will have long term impact on the growth of this city. The longer it takes to change their decision, there is a higher risk of losing highly specialized staff. Hopefully, this can be resolved quickly, there is some incredible talent here which we would hate to lose. The city needs to help reach a solution and I appreciate that the city is trying to help resolve this issue because this will make a big impact on the city if birth services are stopped.

**Brad Meier, OCC President/CEO** thanked Ms. Thorson for her comments and also thanked the city for jumping into action on this matter. Today there was a meeting with the Mayor, City Administrator and Council Vice President Voss attending and I believe we will see some changes.

### **MAYOR AND COUNCIL COMMENTS:**

**Council Member Voss** commented that a basic task of council is to listen to the people, and he has heard that basic birthing services are essential to this community. I appreciate the collaboration between the city and the Chamber, hoping everyone will stay calm with clear thoughts and this matter can be resolved.

**Council Member Dotson** commented that Halloween is next week and asked everyone to be mindful of kids out in their costumes.

**City Administrator Tuma** reminded everyone that November 15<sup>th</sup> is the beginning of winter parking ordinance and that the next City Council Meeting date was changed to

Wednesday, November 5th, because of the Special School Election on Tuesday, November the 4<sup>th</sup>.

**Mayor Jessop** commented that today he received a text from a friend asking what he could do to help change Mayo's proposal to stop birthing services in Owatonna. If these services would not have been available, his daughter would not be either. This is one story, one factual incident, without a center we could lose a lot, and this is something we cannot afford to do.

**Council President Raney** congratulated Annie Harmon and her husband, Josiah Hult on the birth of their daughter Harper, who is now in the NICU in Rochester. Sending a letter is not enough, we are hoping for a successful resolution. Both sides need to come to the table and the sooner we can do that, there is a better chance of being successful.

At 8:05 p.m., Council Member McCann made a motion to adjourn, Council Member Burbank seconded the motion, all members present voted aye and the meeting was closed.

Respectfully submitted,

Jeanette Clawson, Administrative Coordinator