

Owatonna City Council Minutes

November 5, 2025

On Wednesday, November 5, 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; Police Chief Mundal; 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 2-24 Street & Utility Project

Public Works Director Murphy requested City Council approval of Resolution 74-25 adopting the Proposed Assessments for the 2024 Street & Utility Project. Improvements were made on the following streets:

- McKinley Street W
- Anderson Place SW

There are Proposed Assessments on 28 parcels. Affected property owners were mailed notices and the Hearing Notice was published and posted as required by State Statute. Terms of the assessments were set for repayment over a 10-year period with an annual interest rate of 5.2% which is based on the 2024 bond issue true interest costs of 3.23%. The total project cost was \$1,512,769.24 including proposed assessments of \$90,516.40.

At _____ p.m. the Public Hearing was open for comments regarding these Proposed Assessments. With no comments heard, at ____ p.m., Council Member _____ made a motion to close the public hearing, Council Member _____ seconded the motion, all members voted aye in approval.

Resolution 74-25 Adopt Assessments – 2024 Street & Utility Project

Public Works Director Murphy requested Council approval of Resolution 74-25 to adopt the Proposed Assessments for the 2024 Street & Utility Project. The recommended term of repayment was set at ten (10) years at an interest rate of five and two tenths (5.2) percent per annum. Council Member _____ made motion for approval, Council Member _____ seconded the motion, and all members voted aye in approval.

Mayor Jessop

Mayor Jessop commented that he made Proclamation of DECA Week and also two Eagle Scout recognitions next week.

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 21, 2025

Library Board Minutes — September 18, 2025

Fire - Monthly Dashboard and Activity Report — September 2025

Event Permit - Lighted Holiday Parade & Lighting of the Trees in Central Park -
December 5, 2025

Event Permit - Turkey Trot - Bethel Church - November 22, 2025

Renew Lease Agreement - Steele County Healthy Seniors

This organization has leased office and storage space on the 3rd floor of West Hills Social Commons for many years. This agreement renews those spaces for the 2026 calendar year. The 2026 rental income will be \$2160, a 5% rent increase from the previous year. Healthy Seniors is issued key card and key access into the building and rental areas, requiring no additional staff cost.

Renew Facility Use Agreement - Owatonna Church of Christ

Owatonna Church of Christ has a long history of renting space at West Hills Social Commons for their Sunday church service and related functions. This agreement is a renewal for the 2026 calendar year. This group will have access to the facility for one hour, at no charge, prior to their Sunday service to coordinate the Multipurpose Room setup. The church is issued a key card and key access to the Social Commons and other authorized areas within the building and building staff is not needed. A rental fee of approximately \$8,000 per year will be received.

Change Order 1 - City Hall Masonry Repair - Innovative Masonry Restoration

Innovative Masonry Restoration is currently repairing and tuckpointing brick on the south and west sides of City Hall. This change will add the cubby near the exit and stairs on the southwest portion of the building to to the original scope and complete the south-facing portion. This project, GB-13-007 Capital Improvement Project (CIP) is part of a multi-year effort to address needed repairs and upkeep on the City Hall building, with \$100,000 approved for 2025.

LEC Snow and Ice Removal Service - From the Ground Up

The Owatonna Police Department and the dispatch center need snow and ice removal 24/7/365. Services will be billed upon completion and paid from the 2026 Facilities Operating Budget.

Fire Training Agreement - Riverland Community College

All firefighters maintain a minimum Emergency Medical Responder (EMR) level of certification for emergency medical response. This level of certification requires continuing training and recertification every two years. This contract is for Riverland Community College to provide refresher training. Cost of this contract is \$1,650 and is included in the Fire Department's Training Budge.

T-Hangar Lease Agreement - Matt Frank/Peak 8 Aviation LLC

The agreement provides for the rental of a T-Hangar unit in Building 1, Unit K at the airport for one year. The annual rental fee will be \$2,200.00.

Council Member _____ made a motion to approve the Consent Agenda Items, Council Member _____ 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:

28,393.16	AvFuel Corp - Airport fuel for resale
53,524.79	Nero Engineering - WWTF upgrade & expansion project - Sept 2025
23,925.00	Phone Station Inc - data cabling Velve Hall
614,473.33	Rice Lake Construction Group - WWTP Expansion - pay est #40
31,212.80	Short Elliott Hendrickson Inc - 18th Street SE Reconstruction & Trail Project
	- 18th Street SE Reconstruction & Trail Project - \$28,837.80
	- Airport Hangar code assessment/review - \$2,375.00
<u>272,578.83</u>	Other Expenditures
\$1,024,107.91	Subtotal
<u>106,851.71</u>	HRA Housing Assistance Payments
\$1,130,959.62	Total Expenditures presented for approval

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

Second Reading Proposed Ordinance 25-12 - Amend City Code Chapter 122: Cannabis Regulation

City Attorney Walbran requested approval of the proposed amendment to Code Chapter 122 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.

Council approved the first reading of this proposed ordinance during their last meeting on October 21, 2025 and was discussed during that meeting and tonight's meeting.

Council Member _____ made a motion for approval, Council Member _____ 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. This will be known as Ordinance 1678 to be effective upon publication.

Resolution 75-25: Approve Feasibility Report & Set Date for Public Hearing - 2026 18th Street SE

Public Works Director Murphy commented that during the last City Council Meeting on October 21, 2025, Council approved Resolution 58-25 ordering a Feasibility Report for the 2026 Improvement Project, the 18th Street SE Reconstruction Project. A feasibility report has

been prepared by city staff, the report discusses the reconstruction of a portion of 18th Street SE from Austin Road to just east of Cornerstone Lane. The need for this project is driven by aging infrastructure, improving safety, and providing multimodal transportation facilities to a corridor outlined in our Park and Trail System Master Plan. A Preliminary Assessment Hearing is requested for December 2, 2025. Current Estimate of the Total Project Cost is \$7,448,926.08 and the Preliminary Assessment total is \$451,836.84. Council Member _____ made a motion for approval, Council Member _____ seconded the motion and all members voted aye in approval.

STAFF REPRT

Troy Klecker, Community Development Director commented

PUBLIC COMMENTS

MAYOR AND COUNCIL COMMENTS:

Council Member Voss commented

Council Member Dotson commented

City Administrator Tuma reminded

Mayor Jessop commented

Council President Raney

At _____p.m., Council Member _____ made a motion to adjourn, Council Member _____ seconded the motion, all members present voted nay and the meeting was closed.

Respectfully submitted,

Jeanette Clawson, Administrative Coordinator