



CITY COUNCIL MEETING
Wednesday, February 4, 2026 at 7:00 PM
Council Chambers, Charles S. Crandall Center
at City Hall, 540 West Hills Circle.
Roll Call: Council Members Svenby, Voss, Dotson,
Burbank, Boeke, McCann, and Raney

Prior to the Council Meeting:

- 4:30 p.m. – Closed Session to discuss Security and Emergency Preparedness Communication.
- 5:00 p.m. - Study Session in the Chambers of the Charles S. Crandall Center begins with a presentation on the 2026 State of the City. Then there will be discussion on topics including the Rural Fire Association, Wastewater Treatment Facility Rates and a proposed ordinance amendment regarding the use of UTV/ATV (Utility Task Vehicle/ All-Terrain Vehicles) within city limits. If time permits, there may also be updates about various boards and commissions.

1. INTRODUCTORY ACTIONS: Call to Order, Roll Call, and Pledge of Allegiance

- 1.1. Council Agenda
- 1.2. Public Hearing - Proposed Assessments - 2025 Street & Utility Project
 - 1.2.1. Resolution 19-26 Adopt Assessments - 2025 Street & Utility Project
- 1.3. Mayor Jessop

2. CONSENT AGENDA ITEMS

- 2.1. Minutes – Council Meetings
 - 2.1.1. City Council Meeting - January 6, 2026
 - 2.1.2. City Council Meeting - January 20, 2026
- 2.2. Minutes - Boards/Commissions
 - 2.2.1. Library Board Minutes - November 20, 2025
 - 2.2.2. Airport Commission Minutes - January 22, 2026
 - 2.2.3. HRA Board Minutes - January 26, 2026
- 2.3. Department Reports
 - 2.3.1. Finance Report
- 2.4. Miscellaneous
 - 2.4.1. Donation to Fire Department - Olmsted Medical Center
 - 2.4.2. Donation to Parks & Rec Department - Taylormade Golf Company
 - 2.4.3. Memorandum of Understanding - Huskies Bullpen Club
 - 2.4.4. Stormwater Facility Maintenance Agreement - Northstar Property, LLC

2.4.5. Supplemental Letter of Agreement to Airfield Pavement Maintenance Agreement - SEH, Inc.

2.4.6. Vehicle Purchase - IT Department - Marthaler Honda of Owatonna

2.4.7. Annual Microsoft License Renewal - SHI

2.4.8. Annual Software Renewal Agreement - CivicPlus

3. ACTION ITEMS

3.1. Resolutions

3.1.1. Resolution 20-26 Set Date for Public Hearing to Adopt CIP Plan with Intent to Issue Bonds - Police and Fire Facilities

3.1.2. Resolution 21-26 Convey Property - Lot 1 Block 1, Stamo Addition - Redline Development Group LLC & Stadheim Properties of Owatonna LLC

3.2. Miscellaneous

3.2.1. Professional Services Agreement - Gray Box Engineering LLC

3.2.2. Software Subscription Agreement - Smarsh

3.2.3. ACE Modern IT Agreement - Marco

4. STAFF REPORTS - Ryan Brown, Interim Park & Rec Director

5. PUBLIC COMMENTS: Please limit comments to three (3) 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 three 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.

6. COUNCIL COMMENT AND GENERAL INFORMATION

7. ADJOURN

NOTICE OF HEARING ON PROPOSED ASSESSMENT

NOTICE IS HEREBY GIVEN that the City Council of the City of Owatonna, Minnesota, will hold hearing at a regular City Council meeting to be held at 7:00 p.m. on Wednesday, February 4, 2026, in the Chambers at the Charles S. Crandall Center, 540 West Hills Circle to pass upon the proposed assessment against benefited properties for the 2025 Street & Utility Project.

The proposed assessments are on file for public inspection at the office of the City Clerk. Written or oral objections will be considered at the hearing. If you have a question or believe that the measurement or calculation is in error, we would appreciate it if you would call the City Engineer's Office or the City Clerk's Office to discuss the proposed assessment before the hearing.

An owner may appeal an assessment to District Court pursuant to Minnesota Statutes, Section 429.081, by serving notice of the appeal upon the Mayor or Clerk of the City within 30 days after the adoption of the assessment and filing such notice with the District Court within ten days after service upon the Mayor or Clerk. No such 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 proposed assessment with the City Clerk prior to the hearing or has presented the written objection to the presiding officer at the hearing.

Declared costs of improvement of the 2025 Street & Utility Project were \$2,187,378.69 of which \$234,916.24, is proposed to be specially assessed.

The City Council has provided that anyone 65 years of age, or older, owning and occupying a homestead, may ask for and receive deferment of a special assessment against that homestead if that person meets the criteria established by the Council on April 2, 2012. Forms requesting this deferment are available at the office of the City Clerk.

By Order of the Council: January 6, 2026



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



DATE: February 4, 2026
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Resolution 19-26 Adopt Assessments - 2025 Street & Utility Project

Purpose:

Requesting City Council approval of Resolution 19-26: Adopt Assessments for the 2025 Street & Utility Project with improvements to the following streets:

- Linn Drive SW
- Oakdale Street SW

Background:

Following notice to affected property owners and the public, a public hearing regarding the proposed assessments was held on Wednesday, February 4, 2026. Upon approval, notices of final assessment will be drafted and sent to affected property owners.

The assessments will be repaid over a 10-year period. Since this project was completed in 2025, the recommended interest rate is 5.0% which is based on the 2025 bond issue true interest costs of 3.06%. State statute recommends setting assessment interest rates 1%-2% above the current bond issue rate.

Budget Impact:

The total of the Proposed Assessments is \$234,916.24.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. Resolution 19-26: Adopt Assessments 2025 Street and Utility Project

RESOLUTION NO. 19-26

A RESOLUTION ADOPTING ASSESSMENT

WHEREAS, pursuant to proper notice duly given as required by law, the Council has met and heard and passed upon all objections to the proposed assessment against abutting property for the cost of construction of the 2025 Street & Utility Project.

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

1. Such proposed assessment as amended, a copy of which is attached hereto and made a part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefited by the proposed improvement in the amount of the assessment levied against it.

2. Such assessment shall be payable in equal annual installments extending over a period of 10 (ten) years, the first of the installments to be payable on or before the first Monday in January 2027, and shall bear interest at the rate of 5 (five) percent per annum from the date of the adoption of this assessment resolution. To the first installment shall be added interest on the entire assessment from the date of this resolution until December 31, 2027. To each subsequent installment, when due, shall be added interest for one year on all unpaid installments.

3. The owner of any property so assessed may, at any time prior to certification of the assessment to the county auditor pay the whole of the assessment on such property, with interest accrued to the date of payment, to the City Finance Department, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of this resolution; and he/she may, at any time thereafter, pay to the county auditor the entire amount of the assessment remaining unpaid, with interest accrued to December 31st of the year in which such payment is made. Such payment must be made on or before March 6, 2026 or interest will be charged through December 31 of the next succeeding year.

4. The clerk shall forthwith transmit a certified duplicate of this assessment to the county auditor to be extended on the property tax lists of the county. Such assessments shall be collected and paid over in the same manner as other municipal taxes.

Passed and adopted this ____ day of _____, 2026, with the following vote:

Aye ____; No ____; Absent ____.

Approved and signed this ____ day of _____, 2026.

ATTEST:

Matthew T. Jessop, Mayor

Jenna L. Tuma, City Administrator/City Clerk



CITY OF
OWATONNA

Mayor Jessop



CITY OF
OWATONNA

Consent Agenda Items



CITY OF
OWATONNA

Council Minutes

Owatonna City Council Minutes
January 6, 2026 – DRAFT COPY

On Tuesday, January 6, 2026 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, Svenby, Dotson, Burbank, Boeke, and Raney; Mayor Jessop; City Attorney Walbran; Community Development Director Klecker; Police Chief Mundale; Police Captain DuChene; Police Captain Sorenson; Human Resources Director Boss; Public Works Director Murphy; Communication Manager Sheely; IT Specialist Inz; Assistant; City Administrator Thamert; City Administrator Tuma; and Administrative Coordinator Clawson. Council Member McCann was unable to attend. House Representative Tom Sexton was also present.

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

Public Hearing - Establish TIF District 22-1 & Use of Tax Increment Financing - Ascend South

Community Development Director Klecker commented that staff has been working with Redline Development Group on the second phase of the riverfront redevelopment project, Ascend South. The developer has requested the use of tax increment financing to assist with the project. The project will include 21,107 square feet of commercial space and 57 apartments with underground parking. There are also a number of public improvements that will be completed with this project, including widening Vine Street, adding a trail connection between Oak Ave and the river, reconstructing what is now Walnut Avenue (to be renamed Ted G Ringhofer Lane) from Vine to Bridge, adding a sidewalk and more public parking along this street, replacing street lighting, burying overhead lines along the river, replacing a trail segment along the river and adding a public drinking fountain along the trail.

The length of the TIF district is up to 26 years. The total present-day value of the TIF going to the developer for this project is \$2,726,000. Of this amount, \$100,000 will come back to the City for purchase of the city property and over \$880,000 in public improvements will be completed as part of the project. In addition to that, the city will also be collecting 5% of the TIF, or \$288,016 over the life of the TIF district, to be reimbursed for administration costs. The interfund loan is for the \$288,016 in administration costs and the \$100,000 for the property because these are costs paid upfront by the City.

At 7:05 p.m., Council President opened the public hearing for comments on the establishment of Tax Increment Financing District 22-1 and the use of TIF increment financing for the Ascend South Project. With no comments heard, at 7:06 p.m., Council Member Svenby made a motion to close the public hearing, Council Member Dotson seconded the motion, all members present voted aye in approval.

Resolution 01-26: Establish TIF District 22-1, Use of Tax Increment Financing and Development Agreement - Ascend South

Community Development Director Klecker requested approval of Resolution 01-26 to establish TIF District 22-1 and allow use of TIF funds and a Development Agreement for the Ascend South Project. The TIF Agreement will delay tax collection, but the improvement will be made, and future

taxes will be received. Council Member Voss made a motion for approval, Council Member Burbank seconded the motion, and all members voted aye in approval.

Resolution 02-26 - Sell Property - Oak Street N - Redline Development Group, LLC

Community Development Director Klecker commented that when TIF was requested for this project, staff insisted that many public improvements be included in this project. Improvements to the City parking lot next to Firestone were discussed as part of this project but when designs were drafted approximately half of the parking spaces were lost. The slope of the lot is too great to meet today's requirements for public parking spaces.

Conversations then moved to making this lot part of the project and maximizing the number of public parking spaces along Ted G Ringhofer Lane all the way to Bridge Street. This switch increases the size of the project and made the numbers work for all the public improvements. Since the City just added about 40 new public parking spaces in the Vine Street parking lot across the street from this project with a lighted crosswalk, staff felt it was a more efficient use of limited downtown space. The agreed upon price for the lot is \$100,000. The city will collect \$100,000 of the TIF dollars over the first 10 years of the district to get reimbursed for the cost of the lot. This payment plan is spelled out in the Development Agreement. Council Member Boeke made a motion to approve Resolution 02-29 authorizing sale of this property, Council Member Svenby seconded the motion, all members voted aye in approval.

2026 ORGANIZATIONAL MEETING

Change three 2026 Council Meeting Dates

City Administrator Tuma requested dates of three 2026 City Council Meetings be changed as they conflict with other events. Each of these meetings will be changed to Wednesday, the next day:

February 3rd, 2026 Precinct Caucuses, Council Meeting will change to February 4th

August 4th, 2026 National Night Out, Council Meeting will be held on August 5th

November 13th, 2026 General Election, Council Meeting will be held on November 4th

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

Council Member's 2026 Representation on City Boards/Commissions/Committees

City Administrator Busse commented that during the Study Session, Council Members discussed what boards, commissions and/or committees each represent. Assignments will be the same as last year with exception that Council Member McCann will replace Council Member Raney on the Dog Hearing Panel. 2026 assignments are:

Economic Development Authority (EDA) – Dave Burbank, Dan Boeke and Doug Voss

Housing & Redevelopment Authority (HRA) – Nate Dotson

Owatonna Area Business Development Center (The Center) - Brent Svenby and Dan Boeke

Joint Powers Board (911 Board) - Dave Burbank and Nate Dotson
Joint County/City Transportation Committee – Kevin Raney and Doug Voss
Joint City/OPU Committee – Dan Boeke and Nate Dotson
Joint City/Couty/School/OPU Task Force – Kevin Raney and Doug Voss
Dog Hearing Panel - Dan Boeke, Doug Voss, Don McCann and Brent Svenby
Executive Committee Kevin Raney, Doug Voss and Dan Boeke
Facilities Steering Committee – Dan Boeke, Doug Voss and Don McCann
Council Member Svenby made a motion for approval, Council Member Burbank seconded the motion, all members voted aye in approval.

Designate Newspaper for 2026 Official City Business

City Administrator Tuma commented Section 4.7 of the City Charter requires that each year during the first regular council meeting, "Council designates a newspaper of general circulation in the city as the official paper for the publication of all matters required by law". All public notices are to be published in a qualified newspaper that is likely to give notice in the affected area or to the persons to whom the notice is directed. The Owatonna Peoples Press provides local news coverage within the city and staff recommend they continue as the city's legal publication.

Council Member Boeke commented that there are two local papers, the Owatonna Peoples Press and the Steele County Times. The Steele County Times reaches more residents, and the Owatonna Peoples Press is published more times each week. City Administrator Tuma commented that she will review the selection process and provide information in the City Limits.

Resolution 03-26: Designate 2026 Depositories and Authorize Signatories

Assistant City Administrator Thamert commented that the Office of the State Auditor recommends that the City annually designate depositories for the upcoming year and formally appoint individuals authorized to disperse funds. Financial Institutions and/or brokers, designated as

depositories during 2026 are:

- | | |
|--------------------------|-------------------------------|
| •Community Bank Owatonna | • West Bank |
| • Keen Bank | • Municipal Money Market Fund |
| • Old National Bank | (LMC 4M Fund) |
| • Profinium, Inc. | • RBC Wealth Management |
| • United Prairie | • Stifel |
| • US Bank | • Wells Fargo Advisors |
| • Wells Fargo Bank | |

Orders or checks of the City of Owatonna drawn on said Financial Institutions in whatever form shall be signed by one of the following officers:

Matthew T. Jessop, Mayor, Jenna M. Tuma, City Administrator or Emily Thamert, Assistant City Administrator

These financial institutions are authorized and directed to honor and pay any orders or checks so drawn and signed as above set forth, whether or not such checks be payable to the order of one of the foregoing persons, either in his individual or in his official capacity, or deposited to his individual credit, whether or not such signatures are followed by the title or office of the person signing.

These financial institutions are authorized and directed to honor transfer of funds through wire, ACH, and electronic funds transfer from one of the above officers or from Sandra Bera, Accounting Specialist or Daniel Jean, Accounting Analyst in the Finance Department. The City Administrator or Assistant City Administrator are also authorized to approve any claims needing to be paid in between regularly scheduled council meetings providing these are all submitted for council approval at their next regularly scheduled meeting. Council Member Voss made a motion for approval, Council Member Dotson seconded the motion, all members present voted aye in approval.

Resolution 04-26: Designate 2026 Responsible Authority for Data Practices

City Administrator Tuma requested approval of Resolution 04-26 to designate the City's 2026 Responsible Authority to administer the requirements for government data with the City. Typically, the chief administrative official serves in this capacity. Council Member Dotson made a motion approving Resolution 04-26 reappointing City Administrator Tuma as the 2026 Responsible Authority for Data Practices. Council Member Dotson made a motion for approval, Council Member Svenby seconded the motion, all members present voted aye in approval.

Appoint 2026 Weed Inspector

City Administrator Tuma commented that the duties of the Weed Inspector have been fulfilled by Fire Chief, Ed Hoffman. This has worked well and offers a good point of contact for residents with concerns regarding weeds and nuisance vegetation. Council Member Burbank made a motion to approve reappointment of Chief Hoffman as the 2026 Weed Inspector, Council Member Voss seconded the motion, all members present voted aye for approval.

CONSENT AGENDA ITEMS

Minutes – Council Meeting – December 16, 2025

Airport Commission - December 18, 2025

Finance Report- Checks Over \$20,000 are detailed out individually

<u>Amount</u>	<u>Vendor - Description</u>
\$ 202,675.74	Bosch Automotive Service Solutions – TIF 3-14 Pay Go Note
23,670.72	Cemstone Concrete Material LLC – TIF 3-11 Pay Go Note
20,183.15	Central Farm Service - Trans 89 Super Unleaded Gas, Trans Non-Bio #1 Dyed Diesel & Def - Bulk
331,170.52	Costco Wholesale Corporation - TIF 3-12 Pay Go Note
82,371.15	Daikin Applied Americas Inc - TIF 3-13 Pay Go Note
48,291.74	Equity Growth - TIF 12-1 Pay Go Note

21,822.45	Fareway Stores Inc - TIF4-1 Pay Go Note
223,263.49	Festal Place, LLC - TIF 3-15 Pay Go Note
42,463.31	KAB Properties - TIF 3-16 Pay Go Note
82,575.85	Killmer Electric LS - Panel Replacement & MBR and STB Outdoor Horn Strobe
115,210.00	League of Mn Cities Ins Trust Workers' Compensation 4/1/2025-4/1/2026 Installment #4
27,793.13	Mound Owatonna LLC TIF 15-1 Pay Go Note
201,704.40	Near North Title Group Property Purchase - 228 Pearl St E
32,526.62	Owatonna Area Chamber of Commerce - October 2025 Lodging Tax
86,489.13	Owatonna Hospitality I, LLC TIF 10-2 Pay Go Note
27,584.79	Owatonna Pearl TIF 10-1 Pay Go Note
28,000.83	Pro-Pet LLC - TIF 3-10 Pay Go Note
893,919.19	Rice Lake Construction Group WWTP Expansion Project
22,609.32	South Pointe II LLC – TIF 8-2 Pay Go Note
32,045.97	South Pointe Owatonna - TIF 8-1 Pay Go Note
151,230.88	Southeast Service Cooperative December 2025 Medica Health Insurance
24,587.90	Steve James Excavating Inc - Catch Basin Repairs - Lincoln & 11th Ave, State & North, 16 th St & 10th Ave SW, Repair Sanitary Sewer @ 525 E Main St, & Snow Hauling
26,779.36	Us Bank Purchasing Card Payment
338,136.53	Wencl Construction Inc - 2025 Street & Utility Project and Services at 315 Lemond Rd
20,289.24	Winter Services LLC Treated Salt - Rail & Delivery
<u>256,024.74</u>	Other Expenditures
\$3,363,420.15	Subtotal
<u>107,348.71</u>	HRA Housing Assistance Payments
<u>\$3,470,768.86</u>	Total Expenditures Presented for Approval

Event Permit - Memorial Day Parade - Early Edition Rotary - May 25, 2026

Exempt Permit - Owatonna Area Chamber of Commerce - Raffle - February 15, 2026

Renew Agreement for Economic Development - OACC & Tourism

The EDA has partnered with the Owatonna Area Chamber of Commerce and Tourism (OACCT) for economic development activities for many years. The agreement includes numerous economic development activities, including facilitating Owatonna Partners for Economic Development meetings. The agreement is for 3 years, 2026–2028, at \$30,000 per year. This is the same agreement and amount as in previous years. The EDA approved renewing this agreement during their last meeting

Renew Main Street Program Agreement - OACC and Tourism

The EDA has partnered with the Owatonna Area Chamber of Commerce to fund the MainStreet Program. The program went to a full-time MainStreet Director 3 years ago, which has led to a more active program with many more events. At that time, the agreement was

amended to its current form with the EDA participating \$50,000 towards the program. This proposed agreement is the same as the previous agreement with no language changes and is a 3-year agreement, 2026-2028. The EDA approved renewing this agreement at its last meeting.

Renew EDA Loan Administration Agreement - Owatonna Area Business Development

The EDA has had an agreement with the OABDC for many years to administer the EDA loans. This includes the Tier 1 and Tier 2 loans as well as the EDA's Downtown Forgivable Loan Program. In return, the EDA contributes \$20,000 to the OABDC Annual Budget. This agreement is for 3 years, 2026-2028, and is the same language and amount as in the previous agreement.

Legislative Services Agreement - Lockridge, Grindal & Nauen PLLP

In 2024, the City Council tasked staff with exploring what a Community Center could be in Owatonna, based on consistent public feedback expressing a desire for such a facility. To facilitate this, a Community Center Task Force was created in the summer of 2024, comprising individuals with diverse interests, backgrounds, and ages. This group focused on learning from other communities by touring several existing centers. They studied best practices and gathered valuable lessons. After their research, the team returned to assess what the Owatonna community would want in a center.

The final scope for the proposed community center was then validated through a scientific poll conducted by Morris and Leatherman. This poll confirmed the community's desire for a center, willingness to support it financially, and interest in utilizing Local Option Sales Tax, which residents would have the opportunity to vote on. To hold a vote on the local sales tax, the State Legislature must approve this request/bill. To explore and maximize this option, LGN will provide lobbying services for this project. Lockridge Grindal Nauen's government relations professionals have over three decades of experience representing clients of all types and sizes at the Minnesota State Capitol. LGN partners with a wide range of non-profit, government and business clients to elevate their impact in Minnesota by cultivating broader influence and understanding among public officials and decision-makers. With significant experience representing and working with local governments, Ms. Lenczewski and Ms. Hassel work with communities of all sizes to position them for success at the Capitol. LGN has a sizable team with broad-based political affiliations and has developed a vast network of long-term, personal connections with leaders at all levels of government. This is a one-year agreement with a fee of \$40,000, this cost was anticipated and included in the 2026 Budget.

Amend Payroll Consulting Project - Abdo Financial Services

An agreement to engage Abdo to complete a comprehensive assessment of all core finance processes was approved by City Council on July 15, 2025. The Abdo team consists of public finance experts with extensive years of service. The scope of these assessments will include process evaluations and identification of processing challenges and efficiency improvements. The project outcomes will include identification of best practice process improvements, training and documentation of those enhanced processes and expert support for the team.

Abdo is proposing to expand/modify the approved Payroll Consulting Agreement for additional in-person interviews needed and review of historical payroll reporting at a cost of \$6,200.

Council Member Boeke made a motion to approve these Consent Agenda Items; Council Member Dotson seconded the motion. Council Member Svenby requested the fee for the lobbyist be conditional upon approval of Resolution 10-26, Use of Local Option Sales Tax to construct a community center. Council Member Voss commented the Finance Report is now a Consent Agenda Item so the Recap of expenditures over \$20,000 will not be read during the City Council Meetings but is included with check disbursement details in the Council Meeting Packet. With no additional comments, all members present voted to approve these Consent Agenda Items.

Second Reading Proposed Ordinance 25-14 VACA-25-1 Vacate Portion of Walnut Ave, Vine St W, and a Public Alley

Community Development Director presented the second reading of Ordinance 25-14. A petition was received from Redline Development with request to vacate a portion of Walnut Avenue, a portion of an Alley, and a Portion of Vine Street W in order to redevelop this area and reconstruct a new street to be named Ringhofer Lane NW. Council approved the first reading of this proposed ordinance during their last meeting on December 16, 2025 and there have been no changes since.

Council Member Boeke made a motion for approval; Council Member Voss seconded the motion. With a roll call vote, voting aye were Council Members Svenby, Voss, Dotson, Boeke, Burbank and Raney, no nays, Council Member McCann was absent, the motion carried. This will be known as Ordinance 1680 to be effective upon publication.

Second Reading Proposed Ordinance 25-15 VACA-25-2 Vacate Portion of a Blanket Sanitary Sewer Easement

Community Development Director presented the first reading of Ordinance 25-15. A petition was received from Redline Development to vacate a blanket sanitary sewer easement located on the property within STAMO Addition. There is no longer a need for this blanket easement as all of the sanitary sewer lines will be located within Ringhofer Lane NW right-of-way. No changes are proposed to the sanitary sewer mains with this project, and all will be located within public right-of-way. Council approved the first reading of this proposed ordinance during their last meeting on December 16, 2025 and there have been no changes since. Council Member Burbank made a motion for approval; Council Member Dotson seconded the motion. With a roll call vote, voting aye were Council Members Svenby, Voss, Dotson, Boeke, Burbank and Raney, no nays, Council Member McCann was absent, the motion carried. This will be known as Ordinance 1681 to be effective upon publication.

Resolution 05-26 Order Feasibility Report - 2026 Street & Utility Project

Public Works Director Murphy commented the proposed 2026 Street & Utility Project involves work on the following two streets:

- Cardinal Drive SE
- Ivy Street

The project involves various levels of reconstruction, including water, sanitary and storm sewer, curb and pavement replacement. The project will be paid for by a combination of assessments, sanitary sewer funds, stormwater funds, OPU funds and the general fund. Resolution 05-26 authorizes staff to prepare a Feasibility Report for the proposed 2026 Street & Utility Project. Council Member Voss made a motion for approval; Council Member Svenby seconded the motion, and all members present voted aye in approval.

Resolution 06-26: Order Feasibility Report - Broadway Reconstruction

Public Works Director Murphy commented the Broadway Reconstruction Project is listed on the 5-year and 50-year CIP. During the downtown tour, OPU showed the need to replace the gas equipment from the structures on Broadway Street, there are also several panel replacements needed so staff request a Feasibility Report be prepared for current consideration. The proposed work will be on Broadway Street West from Oak Avenue North to Park Square with various levels of reconstruction, including water, sanitary and storm sewer, curb and pavement replacement. The project will be paid for by a combination of assessments, sanitary sewer funds, stormwater funds, OPU funds and the general fund. The water main and storm sewer services were installed in the 1890's.

Council Member Voss commented that this infrastructure has worked well for 130+ years. Council Member Boeke asked if this project would be similar to the North Cedar Streetscape Project with full-service updates. Council Member Raney asked if the project should include the east end of West Park Square. Murphy commented that there has been some consideration to change this 1-way street connecting to Main Street during the county's Main Street Project. Council Member Raney asked if the infrastructure under Broadway Street farther east is newer than this street section to the west of Central Park. Director Murphy commented he is unsure of this full segment, some sections have been improved so staff will look to OPU to see how much of the water main they plan to replace during this project. Council Member Boeke asked if the improvement would be traffic friendly. Director Murphy commented alternative drive patterns are being reviewed with consideration including mid-block crossings and bump-outs. Council Member Boeke made a motion to approve Resolution 06-26 and order this Feasibility Report, Council Member Burbank seconded the motion, and all members present voted aye in approval.

Resolution 07-26: Declare Costs — 2025 Street & Utility Project

Public Works Director Murphy presented Resolution 07-26 declaring the costs of the 2025 Street and Utility Project. Linn Drive and Oakdale Street SW were reconstructed as part of this project which was subject to assessments. A Preliminary Assessment Hearing was held on February 18, 2025 and on April 15, 2025, the city entered into a contract with Wencil Construction, Inc to complete the project at a contracted cost of \$1,809,858.40. The project is complete, and the final amount has been paid to the contractor.

The final cost of this project, including Change Orders, Quantity Changes, and the addition of Engineering and Administrative Costs was \$2,187,378.69 and will be paid for with a combination of City Funds, OPU Reimbursements, and Special Assessments. City 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 \$234,916.24. which is 10.7% of the total project.

Council Member Dotson commented the amount of money garnered as assessments is minimal compared to processing time and cost. We need to find a way to not process assessments within the improvement projects. Council Member Voss added there were several large parcels within this project, and the homeowners were concerned about the amount of their proposed assessment. Public Works Director Murphy commented we don't get to interpret the assessment, we go by the city's Assessment Policy. Council President Raney commented he agreed with Council Member Dotson, the last time the city's cap on the per foot assessment rate was adjusted was in 2014, current rate is \$52 per front footage of the parcel. We would have to increase the General Budget to cover the full amount of the improvement projects if no assessments were made. City Attorney Walbran commented that his office was contacted by one of the property owners living on Lynn Circle with an objection to the proposed assessment on their property, he has been working with staff on the assessment calculation. Council Member Burbank then made a motion to approve Resolution 07-26, Council Member Boeke seconded the motion, all members present voted aye for approval.

Resolution 08-26: Set Public Hearing Date — 2025 Street & Utility Project Proposed Assessments

Public Works Director Murphy requested approval of Resolution 08-26 to set date of a public hearing to consider comments on the proposed assessments of the 2025 Street & Utility Project. The proposed hearing date is Wednesday, February 4, 2026. 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. The proposed assessment amount is \$234,916.24. Council Member Dotson made a motion for approval, Council Member Svenby seconded the motion, all members present voted aye in approval.

Resolution 09-26: Final Plat - STAMO Addition

Community Development Director Klecker presented Resolution 09-26 City Administrator for approval of the Final Plat of the STAMS Addition. Since approval of the Preliminary Plat, there have been a couple of minor changes. The street name on the westerly street formerly known as Walnut Avenue has been changed to Ted G Ringhofer Lane NW. The address of the project has also been changed to 130 Oak Avenue North. The Planning Commission does recommend approval of the Final Plat as presented. Council Member Voss made a motion for approval, Council Member Svenby seconded the motion, all members present voted aye in approval.

Resolution 10-26: Use of Local Sales Tax - Construct Community Center

City Administrator Tuma requested approval of Resolution 10-26 authorizing request to the Minnesota Legislature for a local sales tax of 0.5 cent. If the Legislature approves and enacts the special law to authorize this local sales tax, the City will place a ballot question about the community center project on the General Election ballot for local voter approval. This process will take place within two years of receiving legislative approval.

Owatonna continues to develop as a regional destination, attracting people who want to visit, work and live in a growing community with amenities to serve its residents and visitors. Community members have expressed a strong desire for a new community center for several decades. The City has engaged residents and community partners in exploring options that reflect the community's needs and priorities. This project will yield benefits for residents and businesses in Owatonna and the surrounding region, meeting the current and future needs of this growing regional center.

The project's funding, generated by a local sales tax, will distribute the project's cost more broadly to the facility's users, including those who serve the region, such as non-City residents who visit, work, and shop in Owatonna. The community center is estimated to cost approximately \$75 million to construct. Based on a 2025 analysis from the University of Minnesota Extension Center for Community Vitality of resident and non-resident sales tax contributions in 2022, a local sales tax of 0.5 cent would generate at least \$1.99 million in new, incremental tax proceeds annually. Minn. Stat. §297A.99 authorizes the imposition of a general sales tax if permitted by special law of the Minnesota Legislature Minn. Stat. § 297A.99 requires the City to pass a resolution authorizing such a local sales tax and to obtain Legislative approval of a referendum for local voters before enacting the local tax. A scientific poll conducted by the Morris and Leatherman Company between November 17 and 25, 2025, confirmed 75% interest in a community center and a strong desire for the use of a local sales tax to fund its construction. The next step in the process is to seek approval from the Minnesota Legislature to levy a 0.5 cent local sales tax to help fund a new community center.

This is just one step in a long process, nothing has been authorized to build. This will just submit request to state legislature for approval to place a question on the next election ballot for the public to vote on. If state legislature does not authorize this, we will submit a similar request next year. Tonight, there was an agreement on the Consent Agenda for a fee of \$40,000 for a lobbyist, this fee was included in the current budget.

Council Member Boeke made a motion for approval, Council Member Burbank seconded the motion. Council Member Voss commented there are a lot of steps required to get a question on a ballot for a public vote. Council Member Dotson commented that the state legislature holds tight on local sales taxes options, there haven't been any approved for several years. Council Member Svenby commented that if this were approved, Council will have to make some decisions on the term of the local sales tax, it could run for up to 25 years, how would the building be paid for and how would operating costs be covered. Council President Raney commented that there has been a three-year moratorium on legislation authorizing local option sales tax options. The moratorium

will expire in June and we are not sure what current legislature plans to do, they don't meet until February and anticipate many cities might file new requests, so we have contracted lobbyist services. With no additional comments, all members voted aye for approval of Resolution 10-26.

Resolution 11-26: Purchase Property - 1352 South Cedar Avenue

Community Development Director Klecker presented Resolution 11-26 authorizing purchase of property at 1352 South Cedar Avenue. The City has been pursuing the realignment of Barney Street as part of a redevelopment project with the EDA. The plan is to realign Barney Street to connect with Barney Street west of Oak Avenue to Park Street east of Cedar Avenue. This is the second phase of redevelopment efforts to redevelop the old Hardees and Budget Mart properties west of Oak Avenue. The City previously purchased the former Marco building along South Oak Avenue. This proposed property purchase is for the Kreco Car Wash directly behind the Marco building along South Cedar Avenue. The owner of the property has signed a Purchase Agreement to sell the property to the City for \$110,000. The Purchase Agreement allows the seller to remove equipment that had been installed since he purchased the building. If approved, the closing would happen before the end of February. The EDA recommends approval of this purchase, \$110,000 will be paid from the EDA Land Fund which is intended for redevelopment projects. This fund is separate from the General Fund and does not impact the General Levy amount. Council Member Boeke made a motion to approve Resolution 11-26, Council Member Svenby seconded the motion. Council Member Boeke asked if purchased, will the city maintain as a car wash or will it be closed, Klecker confirmed this car wash would be shut down. Council President Randy commented this has been discussed many times over the years and will be nice to connect these segments of Barney Street. With no additional comments, all members present voted aye for approval.

Resolution 12-26: Accept MnDOT Grant Agreement - Update Airport Zoning Ordinance

Community Development Director Klecker requested approval of Resolution 12-26 authorizing the acceptance of the MnDOT Grant Agreement to update the Airport Zoning Ordinance. The Letter of Agreement with the airport consultant, SEH, Inc., to assist with this project was approved at the October 7th City Council meeting subject to receiving this MnDOT grant funding participation. The existing Airport Zoning Ordinance was approved in 1998. An updated Zoning Ordinance is needed to protect future development as shown on the approved Airport Layout Plan (ALP). This will allow the City to stay in compliance with MN State Statutes and remain eligible for State Funding.

The MnDOT Grant offer is \$23,170 representing 70% of project costs. The anticipated local 30% cost is \$9,930.00 which is below the amount included in the approved 2026 CIP. Council Member Burbank made a motion for approval, Council Member Svenby seconded the motion, all members present voted aye for approval.

Human Resources Director Boss recommended implementation of a best practice to align the effective date of wage changes to the City's payroll periods. In 2024, City Council approved 2025-

2027 compensation for Union and Non-Union employees, which included Jan 1 wage rate changes. To ensure payroll accuracy and administrative efficiency, the City recommends implementing these new wages at the beginning of a payroll period rather than mid-period. This approach was advised by Abdo as a best practice to reduce errors and maintain clarity for employees.

- Wages for 2026 will begin on December 28, 2025 (start of the payroll period).
- Wages for 2027 will begin on December 27, 2026 (start of the payroll period).
- This adjustment does not alter the negotiated wage amounts; it only specifies the effective date for implementation. This adjustment will increase overall wage expenditure by approximately \$10,000.

Council Member Boeke made a motion to approve the alignment of the effective date of wage changes with the dates of the city's payroll periods for non-union employees, Council Member Svenby seconded the motion, all members present, voted aye in approval.

HR Director Boss advised separate resolutions are required with each labor union to authorize these contract changes to align the wage changes and payroll periods:

Resolution 13-26: MOU - MN Public Employees Association - Patrol Officers

Council Member Boeke made a motion to approved Resolution 13-26 approving the Memorandum of Understanding between the City of Owatonna and the Minnesota Public Employees Association – Police Officers. Council Member Burbank seconded the motion, all members present voted aye in approval.

Resolution 14-26: MOU - Minnesota Public Employees Association – Sergeants

Council Member Svenby made a motion to approve Resolution 14-26 approving the Memorandum of Understanding between the City of Owatonna and the Minnesota Public Employees Association – Sergeants. Council Member Dotson seconded the motion, all members present voted aye in approval.

Resolution 15-26: MOU - International Union of Operating Engineers, Local No. 70

Council Member Svenby made a motion to approve Resolution 15-26 approving the Memorandum of Understanding between the City of Owatonna and International Union of Operating Engineers, Local No. 70. Council Member Dotson seconded the motion, all members present voted aye in approval.

Resolution 16-26: MOU - International Assoc of Fire Fighters, Local Union No. 1920

Council Member Svenby made a motion to approve Resolution 16-26 approving the Memorandum of Understanding between the City of Owatonna and International Association of Fire Fighters, Local Union No. 1920. Council Member Dotson seconded the motion, all members present voted aye in approval.

Land Development Agreement - STAMO Addition

Community Development Klecker requested approval of the Land Development Agreement for the STAMO Addition with 130 Oak Avenue North, LLC. The Land Development Agreement lays out the roles and responsibilities of the developer and the City in completing the necessary public improvements for the project. This agreement requires the developer to construct all the public

improvements, including streets, sidewalks, trails, and utilities. The developer is required to provide a 1% engineering fee, a subdivision bond, and a warranty bond at the time of substantial completion. The agreement requires the City to maintain the lower underground stormwater system in perpetuity. Since the system will take a small portion of private storm water for this development, the developer will be paying an annual fee of \$1,500 in exchange for their portion of maintenance costs. This fee does not replace the Stormwater Utility Fee that will be included in their monthly utility bills. The upper system is all private and will be maintained by the developer. Council Member Boeke made a motion to approve this agreement, Council Member Dotson seconded the motion, and all members present voted aye in approval.

Amendment #1 & Mutual Agreement to Cancel Airport Commercial Use Hangar Land

Leases

Community Development Director Klecker presented Amendment One to the Airport Commercial Use Land Lease Agreement with NavFleet Holdings and Fountain Aviation, LLC and the Mutual Agreement to Cancel the Airport Commercial Use Hangar Land Lease with John Klatt Airshows, Inc, and NavFlet Holdings, LLC. Accelerated Aviation has been operating a commercial flight school at the airport since February of 2020. In 2021, the company named NavFleet Holdings entered into a five-year Sublease with John Klatt Airshows (JKAI) for the use of the Hangar on airport Lot #27. A thirty-year Commercial Land Lease was then also entered into with NavFleet Holdings with an effective date of January 2, 2026.

In October of this year, the city, JKAI, and NavFleet amended the five-year Sublease to include commercial repair and maintenance of based and transient aircraft (Amendment One to Sublease). At this time the city, JKAI, NavFleet, and Fountain Aviation also amended the Sublease assigning the NavFleet Sublease to Fountain Aviation with the consent of the parties (Amendment Two to Sublease). This requires Fountain Aviation to comply with the terms of the Lease, Sublease, and Amendments. All three business entities (Accelerated, NavFleet, and Fountain) are controlled by the same owners.

The Sublease between and among the city, JKAI, NavFleet, and Fountain expires on January 2, 2026. Because the previously approved new thirty-year lease with NavFleet effective on January 2, 2026, was executed before the October 2025 amendments were entered into, this Amendment One to the new thirty-year Commercial Use Land Lease includes the terms allowing for the added commercial service of repair and maintenance of based and transient aircraft and adjusts the insurance requirements as required.

To accomplish this process, the following actions are required:

1. Approve Amendment One to Airport Commercial Use Hangar Land Lease – City, NavFleet Holdings, and Fountain Aviation
2. Approve Mutual Agreement to Cancel Airport Commercial Use Hangar Land Lease – This allows the parties (City, Klatt, NavFleet, and Fountain) to mutually agree that the original 2008 Lease with John Klatt Airshows (JKAI) is to be cancelled effective on January 2, 2026. The new thirty-year lease with NavFleet can then become effective on this date.

The City Attorney has reviewed and prepared the required documents. Amendment One does not change the agreed upon rent under the previously approved thirty- year agreement that is to take effect on January 2, 2026. The current annual Land Lease Rental Amount due is at \$3,460. The annual rental rate per square foot thereafter is adjusted utilizing a CPI escalator calculation. Council Member Voss made a motion for approval, Council Member Dotson seconded the motion, all members present voted aye in approval.

Professional Service Agreements - Police and Fire Facilities – ICS

City Administrator Tuma requested approval of an amended ICS agreement for professional services which includes the design of two proposed facilities, one as a Police facility and another as a Fire facility. As well as the bidding process and construction oversight for both of these projects. Owatonna is growing, and the demand for public safety is increasing. As our community changes, our dedication to keeping the community safe remains strong. Owatonna's police and fire department facilities have served our community well but are aging and no longer meet the needs of our first responders and the essential services they provide.

Over the past three years, the city has been reviewing and planning for its Police and Fire facilities. This process included conducting detailed assessments of existing facilities and touring public safety establishments in other cities, and evaluating various options regarding project scope and projected costs for investments in Police and Fire. The staff gave the Council updates over five study sessions during the process.

In April of 2024, the Facilities Steering Committee and City Council reviewed initial information on city-owned facilities' conditions (including Police and Fire facilities). It was recommended that a Police and Fire Task Force be assembled at that time to perform the following tasks:

- Further identify facility and programmatic deficiencies at the existing Fire and Police facilities
- Identify the scope of improvements (renovation or new) required to provide facilities that serve Owatonna's citizens now and in the future.

The city has evaluated several options to address the needs of the Police and Fire facilities. This includes renovating existing facilities, building new facilities for each department or creating a new shared facility for the police and fire departments.

In 2025, the Task Force visited more than six police and fire facilities in the metro area, gathering valuable lessons to design the best police and fire stations for Owatonna, ensuring that they will serve the community for many decades to come. Several locations were evaluated to determine the most suitable sites. Some were privately owned, while others were owned by the city. Ultimately, the decision resulted in two separate facilities to be built on city-owned properties: the Fire Station will remain in the downtown area to ensure optimal response times, and the Police Station will be located at the West Hills campus.

ICS and Rapp Strategies have been leading the city through this multi-year process. This agreement formalizes the decision to build separate fire and police facilities, in lieu of the original scope of a combined public safety center housing both the fire and police departments. This agreement adjusts and extends the current contract for design efforts (Schematic Design

through Construction Documents) to include Bidding, Construction, and Commissioning of the new separate Police and Fire facilities. These agreements will bring us to the full completion of the projects.

Compensation:

Phase II — Design(Schematic Design SD) — Construction Documents (CD)

- \$2,946,315 - Original contract amount - Program Management & Design (Dec2024)
- \$1,353,425 - Additional Fees - Program Management & Design (Two (2) separate facilities (Police & Fire) SD-CD Phases

Phase III

- \$238,850 — Bidding & Construction Administration
- \$1,014,000 — Construction Management Fee
- \$126,750 - Code required commissioning
- \$2,737,900 — Construction site services and Reimbursables

Total Fees \$8,417,240

These professional services are included in the overall project budget of \$61 million to be covered by bonding. If these projects do not go further, no additional fees will be incurred other than those for services performed. Chris Ziemer, Project Development Director at ICS and other ICS representatives are in the audience to answer any questions. Council Member Burbank made a motion for approval, Council Member Boeke seconded the motion, all members present voted aye in approval. Council President Raney comment that one resident constituent reached out to Council Members Voss, Boeke and himself with questions about these facilities and all council members did respond to the questions, and encouraged others to directly contact Council Member if they have questions about these proposed facilities.

Master Service and Purchase Agreement (MSPA) - Law Enforcement Technology Package - Axon Enterprises

Police Chief Mundale and Captains Duchene and Sorenson approached the dais to request requisition of the the Axon Enterprises Law Enforcement Technology Package through Minnesota Cooperative Purchasing. This is consistent with Chapter 20 of the City of Owatonna Policy and Procedures Manual and Minn. State Stat. §471.345, subd.15.

Owatonna Police Department (OPD) launched its first body-worn camera (BWC) program in December 2019. The current hardware and operating platform has marked deficiencies and reached its usable lifespan. OPD staff have field tested and is recommending Axon Enterprises as our next generation of recording systems (body, in-car, interview room, and headset), conductive energy weapons & cartridges (i.e. Tasers), Virtual Reality (VR) training simulator, enhanced video clarity, improved officer safety, work process efficiencies, unlimited CJIS compliant cloud storage (evidence.com), case management, Draft One - AI generated report writing technology and language interpretation through the BWC. This is a 5-year contract with an annual subscription fee of \$204,384.44. Council Member Burbank made a motion for approval, Council Member Voss seconded the motion.

Council Member Dotson commented prompts in the dictation process could cause some artificial intelligence concerns, a few days ago, he saw a clip on the internet of an officer doing dictation with the Princes and the Frog playing in the background when the officer was turned into a frog. Council Member Burbank asked if they could view a tazer demonstration and suggested Council Member Voss participate in the demonstration. Council Member Burbank asked if there has been any privacy issues with sending information to the data cloud. Chief Mundale responded there has not been any issues, we own the information and protect the data. CEGIS is a secure cloud and Axon also have ELVIS clearance so this will not be an issue with this software usage. Council Member Burbank asked if cameras could be hidden within glasses, Chief Mundale commented camera options continue to become smaller and better concealed. There will be an extra camera attached to the SWAT team helmets.

Council President Raney commented he spoke with several officers with the City of Duluth during the LMC Summer Conference during June. They have used this software for approximately ten years, they did not claim this to be a good system but a great system. The Axon technology package will offer additional safety for our officers.

Chief Mundale commented cameras will be mounted to the officer's vests, current body cams have fallen off and officers have been pleased with what they have seen during equipment displays and testing. Staff is looking forward to using this new technology and appreciate your support. Council Member Boeke commented a technology has been talked about during several study sessions and we have to acknowledge that we need to provide safety for our staff. Chief Mundale commented the department's original request estimated the annual fee at \$275,000 and this has been adjusted to \$204,384.44 each year during the term of this five-year contract. This is more than 1% of the city's 2026 levy increase. Council President Raney commented that when tasked with reducing the proposed 2026 levy, this is one item that all council members agreed would be not removed, everyone wanted to provide this technology for our officers. With no additional comments, all members present voted aye for approval.

2026 Non-benefited Employee Pay Structure

Human Resources Director Boss requested approval of the Non-benefited Employee Pay Structure effective January 1, 2026. All seasonal temporary and non-benefited part-time position pay rates have again been compiled into one comprehensive document:

- * Adult Program Official *: \$19.00 - \$24.50
- *Coordinator: \$19.50 - \$24.50
- *Guest Services: \$13.00 - \$15.00
- *Guest Services Lead: \$16.00 - \$18.00
- *Head Lifeguard: \$16.50 - \$18.50
- *Intern: \$16.00 - \$24.00
- *Library Page: \$12.00 - \$14.00
- *Library Substitute: \$18.00 - \$20.00
- *Lifeguard: \$14.50 - \$16.50
- *Lifeguard Training Instructor: \$19.50 - \$24.50

*Park, Golf & Facilities Maintenance: \$15.00 - \$18.00

*Program Lead: \$16.00 - \$19.00

*Street Maintenance; \$15.00 - \$18.00

*Water Safety Instructor: \$16.50 - \$19.00

*Youth Program Official: \$15.00 - \$20.00

Fire

Paid on Call Firefighter - Trainee \$14.11

Paid on Call Firefighter - Probationary \$16.93

Paid on Call Firefighter \$19.73

Paid on Call Resident Firefighter \$23.35

*Weed/Nuisance Inspector: \$16.00 - \$24.00

Judges

Election Judge \$13.00

Head Election Judge \$14.00

Seasonal/Temporary Employee Wage Increase Procedures:

- 1) The starred (*)positions include a range of wage over steps. Staff will move up a step effective January 1 after every consecutive year/season of service in that role with the city until reaching the maximum rate for the position.
- 2) Youth Program Soccer Officials who provide proof of certification will receive an additional \$3 per hour.

Pay Range

Council Member Dotson made a motion to approve this Non-Benefited Employee Pay Structure, Council Member Svenby seconded the motion, and all members present voted for approval.

Personnel Policy Revisions and Additions

Human Resources Director Boss request approval of four changes and one addition to the City's Personnel Policy Manual. Changes include:

Requesting revisions to the following sections:

- Chapter 3.4 – Pre-Employment Physical and Drug Examinations
Revised to remove the requirement for pre-employment physicals for all positions. Physical examinations will now only be required for positions as determined necessary by the City.
- Chapter 5.3 – Breaks
Updated break time provisions to align with the new requirements under Minnesota state law.
- Chapter 8.7 – Medical Leave of Absence Without Pay
Clarified language regarding the storage of medical documentation.
- Chapter 20.4 – Petty Cash Policy and Procedures
Updated the list of designated staff authorized to approve purchases of \$5,000 or less.

The section to be added to the policy is:

- Chapter 8.8 – Minnesota Paid Leave
Added a new policy to comply with Minnesota's recently enacted paid leave legislation

Council Member Dotson made a motion to approve these updates, Council Member Voss seconded the motion, all members present voted aye for approval.

PUBLIC COMMENTS

Sarah Sanchez, 211 Riverside Avenue, expressed a Happy New Year to everyone and then thanked the Council for all they do. I have heard from a few constituents/residents who saw additional payments to ICS for the safety buildings, \$1.3 million, and they are not sure what the additional payment was for. Things get heated when decisions are made and it appears things might not be looked into. People want more transparency; they want to work together, to be a part of it so we can come together as a town. As we look toward another building, a community center, farther in the future, a lot more folks would welcome these types of projects if more businesses were able to put into these projects. Could local businesses contribute towards building these buildings, so it isn't all on the residents? We need to work in partnership with capitalism, so we don't have to raise more taxes. Let them do what they do, and work together so it isn't such a burden to residents and maybe that would also attract more residents to Owatonna.

Carl Wieman, 524 Glendale Street – I live on Glendale Street and just heard of a presentation put out several months, possibly a year ago that was not sent to anybody locally. Nobody living on Glendale Street knew about the proposed Police Station on the West Hills Campus. In that 81 presentation, it says the building for the police station will be over 23 million dollars. That doesn't include the land, so it is going to be expensive. The report also mentions the staff house, the house on the corner so is the city also going to buy that house? When you look at the area and all the sledding, they were out there today in the cold, it has been used a lot this year with all the snow. There are other places in town that I have mentioned before that I believe would be better locations. Behind the tennis center, it is a bigger area, it is flat and would be easier to access. Traffic leaving that area would be onto Florence which connects Bridge Street and will allow emergency vehicles to control the traffic lights. Often the entrance onto State Avenue is tough to do, there are stop signs which might be backed up with several cars. Just a few days another city owned location was brought to my attention, Leo Rudolph Park. That is over 60 acres, and a police station could be built just behind the dead-end street. Traffic from that site would also connect to Bridge Street at the traffic lights that they could control. I like the city to make improvements, but this is getting to be too much. On January 30th the city is promoting a cardboard sled race down the snow hill, will this be the last year for this activity?

Melissa Zimmerman, 2525 Stoney Creek Drive commented she wanted to put a few facts on the public record. To date, more than 200 written comments, that we are aware of, have been submitted to the East Side Corridor Environmental Assessment Worksheet, totaling approximately 1,500 pages of concerns and impacts. Based on the project's own data, 371 homes are impacted by traffic noise, with 82 homes substantially impacted. Of those, 57 homes are located in the North Country neighborhood, an area with a substantial population of residents with disabilities and significant medical conditions that are exacerbated by traffic noise. The impacts to residents were characterized as affecting only "a dozen or two dozen" people. For clarity, even the smallest

documented figure, 57 homes, exceeds that characterization. However, the number itself is not the legal issue.

The project anticipates noise increases of up to 25 decibels. A 5-decibel increase alone impairs normal conversation. These impacts are not trivial. Under state and federal law, significant harms may not be imposed on a specific population, even a small one, for the benefit of others. These are known as disproportionate impacts and fall under Environmental Justice requirements. This project places right-of-way of high-speed roadway as close as 17 feet from existing homes. That is not an abstract policy question, it is a daily safety and health issue for residents who already live there. I'm asking that these facts be acknowledged as part of the official record.

MAYOR AND COUNCIL COMMENTS:

Council Member Dotson said he wanted to make a comment in regard to a local option sales tax. He asked House Representative Sexton to push to remove the legislative approval requirement to allow a public vote on a local option sales tax. Then we wouldn't have to approve paying a lobbyist to persuade legislators to allow this question to go to a public vote. By removing that hurdle, the city would save money. The public has to approve use of a local option sales tax, the city has taxing authority unless the state decides we can't have it. Council President Raney and Council Member Burbank agreed with Council Member Dotson's statement.

Mayor Jessop thanked Captain Mundale for hosting a Recognition Ceremony during tonight's Study Session. Receiving Life Saving Awards were Officer Julia Hansen, Nurse Candace Roush, Officer Kyle Martin, and Officer Alan Callahan. A Traffic Safety-Hat Trick award was given to Sergeant Valerie Satr and Commendation awarded to Detective Travis Ardolf. The highlight of the ceremony was K-9 Officer Vegas was officially retired from service; he took his place front and center during this meeting. Following this Recognition Ceremony, a reception was held in the Owatonna Arts Center.

City Administrator Tuma expressed thanks thanked these officers and nurse for their services.

Council President Raney thanked staff and council for their condolences expressed following the recent death of his 93-year-old father-in-law, he impacted a lot of lives and will be missed.

At 8:28 p.m., Council Member Boeke made a motion to adjourn, Council Member Burbank seconded the motion, all members presented voted approval and the meeting was closed.

Respectfully submitted,

Jeanette Clawson, Administrative Coordinator

Owatonna City Council Minutes
January 20, 2026 – DRAFT COPY

On Tuesday, January 20, 2026 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 Svenby, Burbank, Boeke, McCann, and Raney; Mayor Jessop; City Attorney Walbran; Public Works Director Murphy; Police Chief Mundale; IT Specialist Sticken; Assistant City Administrator Thamert; and Administrative Coordinator Clawson. Council Members Voss and Dotson were unable to attend.

Following roll call, Council Member Burbank led the Pledge of Allegiance. Council President Raney advised of two changes to the Agenda after publication: City Council Meeting Minutes from the last meeting will be included in the next meeting packet and the Canine Agreement with Casey Martin was moved to the Consent Agenda. Member Boeke made a motion to approve the agenda with these changes, Council Member Svenby seconded the motion, all members present voted aye in approval.

Accept Resignation - Human Rights Commissioner Mustafe Ismael

Mayor Jessop commented Mustafe Ismael requested resignation from the Human Rights Commission. Council Member Svenby made a motion to accept this resignation to be effective immediately. Council Member McCann seconded this motion; all members present voted aye in approval.

Consent Agenda Items

Human Rights Commission Meeting - December 9, 2025

EDA Meeting - December 17, 2025

HRA Board Meeting - December 22, 2025

Park Board Meeting - January 5, 2026

Human Rights Commission Meeting - January 13, 2026

Building Inspections Monthly Report - December 2025

Fire - Monthly Dashboard and Activity Report - December 2025

Police Crime Clock and Activity Report - December 2025

Finance Report

<u>Amount</u>	<u>Vendor-Description</u>
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\$ 47,700.00	Apex Industries Inc- Airport Painting - Labor, Materials, & Equipment
57,535.36	Dell Marketing LLP - Computers, Monitors, Etc.
310,146.00	Flexible Pipe Tools & Equip - 2025 Ford Transit & 2025 Aries CCTV Voyager Command Center
30,993.76	Hawkins Inc - Chemicals
154,209.52	Integrated Process Solutions I - Frontage Road And Heritage Lift Stations
57,989.28	Nero Engineering – WWTP Upgrade & Expansion
178,249.64	OpenGov Inc - 2026 Subscription
36,390.93	Owatonna Motor Company - 2024 Ford Edge
23,705.99	Paape Companies Inc - Velve Hall Card Access System

538,711.95 Rice Lake Construction Group – WWTP Expansion - Pay Est #43

56,815.95 Wencil Construction Inc - 23005 Vine Street Lot - Pay Est #6

23,024.15 Winter Services LLC - Treated Salt

179,996.63 Other Expenditures

\$1,695,469.16 Total Expenditures Presented For Approval

Liability Coverage Waiver - League of Minnesota Cities Insurance Trust (LMCIT)

Each year when renewing the property and liability insurance policy with the League of Minnesota Cities Insurance Trust (LMCIT), decision is required whether or not to waive the statutory tort liability limits to the extent of the coverage purchased. Currently, Minnesota Statute limits a city's tort liability to a maximum of \$500,000 per claimant and \$1.5 million per occurrence. The limits apply whether the claim is against the city, against an individual officer or employee, or against both. These limits only apply to claims in which the statutory tort limits apply. If the city does not waive the statutory tort limits, an individual claimant would be able to recover no more than \$500,000 on any claim to which the statutory tort limit applies. If the city waives the statutory tort limits, a single claimant could potentially recover up to \$2.0 million. It is in the best interest of the city not to waive the statutory tort liability limits.

Canine Agreement - Sale and Transfer of Ownership of Canine Vegas to Casey Martin

Canine Vegas was purchased by the City of Owatonna as a police canine in August of 2019. Vegas was assigned to handler Officer Casey Martin and trained in narcotics and apprehension work. Vegas retired from service during the last City Council Meeting on January 6th. Per Owatonna Police Department General Order 232, upon the canine's retirement, the handler has first opportunity to obtain and continue care of the canine; Officer Martin has expressed that desire. The General Order further states, should the handler choose not to obtain the dog, the Chief of Police may have the animal disposed of as he/she deems appropriate.

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

Resolution 17-26 Intent to Reimburse Expenditures From Proceeds of Bonds - Community Center

Assistant City Administrator Thamert requested approval of Resolution 17-26 approving reimbursement of expenditures from future bond proceeds. When the City uses its funds to cover the upfront costs of a project to later reimburse those costs from future tax-exempt bond proceeds, the IRS requires a formal declaration of this intent. This Reimbursement Resolution fulfills this requirement by documenting the city's plan to reimburse itself for eligible expenses once long-term financing is secured. Adopting this Reimbursement Resolution protects the city's ability to recover early project costs and provides flexibility in managing cash flow for capital projects. The Community Center Project is still in the proposed stage, and some resources are being allocated to it. If the project progresses, these expenses will be eligible for reimbursement. Council Member Svenby made a motion

for approval; Council Member Boeke seconded the motion, and all members present voted aye in approval.

Resolution 18-26: Approve Feasibility Report and Set Public Hearing Date - 2026 Street & Utility Project

Public Works Director Murphy presented Resolution 18-26 to approve the Feasibility Report of the 2026 Street & Utility Project and set a public hearing for comments on proposed assessments. A feasibility report has been prepared by city staff, the report discusses the reconstruction of Cardinal Drive SE and Ivy Street SE. The need for this project is driven by aging infrastructure and involves various levels of reconstruction, including water, sanitary and storm sewer, curb and pavement replacement. The project will be paid for by a combination of assessments, sanitary sewer funds, stormwater funds, OPU funds and the general fund. Estimate of Total Project Cost is \$2,688,354.12 and the Preliminary Assessment total is \$255,868.60. Request to hold a Preliminary Assessment Hearing on February 17, 2026.

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

WWTF Expansion Change Orders #26 & #27 - Rice Lake Construction Group

Public Works Director Murphy requested City Council approval of Change Orders #26 and #27 for the Wastewater Treatment Facility Expansion Project. Work Change Directives (WCDs) are created to address construction issues, design clarifications, and interdisciplinary coordination, or errors and/or omissions.

Change Order #26 consists of one WCD:

- 166 - DIP Spools - Price Escalation

Change Order #27 consists of eleven WCDs:

- 154 - Additional Contaminated Soil Disposal
- 164 - MLS Seal Water Credit
- 165 - Primary Digester Removed Pipe and Supports
- 167 - Digester Overflow Piping Modification and Manway Hinge Installation
- 168 - Additional Biogas Piping for Connection to OPU
- 169 - Digester 1 Manway Repair
- 170 - Bituminous Changes
- 171 - Fence Gate Addition
- 172 - SCADA Allowance Credit
- 173 - Admin Floor Credit
- 174 - Digester 1 Lid Credit

The total budget impact of Change Order 26 is an increase of \$5,919.84 and Change Order 27 is an increase of \$2,876.25. The total revised contract amount following Change Orders 26 and 27 is \$58,977,571.09, a 5.85% increase above the original contract amount. Council

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

Tobacco License - Owatonna Tobacco, LLC - 1836 S Cedar Avenue

Assistant City Administrator Thamert presented the Tobacco Permit Application received from Sulaiman Hamouda for Owatonna Tobacco, Inc. Cekoo Tobacco at 1836 S Cedar Avenue will transfer operations of the tobacco store on January 21, 2026. We have received the required insurance, applications and payment of fees for this license. A background verification was completed and Chief Mundale has no objection to the issuance of this license. Council Member Svenby made a motion for approval, Council Member Boeke seconded the motion, and all members present voted aye in approval.

2026-2028 Audit Services Agreement – BerganKDV

Assistant City Administrator Thamert requested Council's approval for a three-year audit service with BerganKDV. Minnesota cities are required to conduct an annual independent financial audit to ensure transparency, accountability, and compliance with state law. The Minnesota Office of the State Auditor establishes and oversees all audit requirements, sets standards, reviews audit reports, and ensures that public funds are appropriately accounted for. The annual audit also provides reassurance to residents, elected officials, bondholders, and state and federal agencies that the City's financial statements are accurate, that internal controls are effective, and that public resources are managed responsibly. The audit serves as a cornerstone of effective local government and the City's value of Community Stewardship.

For best pricing, a three-year agreement that includes both the City and HRA audits is recommended. Two proposals were received:

Firm	Approx. 2025 City & HRA Audit Total Fees
BerganKDV	\$90,000
Conway, Deuth & Schmiesing, PLLP	\$78,000

The BerganKDV is higher in cost but includes additional year-round services which will better meet the city's needs. These additional services are not included in the other quote and would be billed at an hourly amount, which would cost more.

Council Member Burbank asked if a Monthly Financial Statement could be included in the Council Meeting Packets. Council Member McCann asked if additional fees would occur, Thamert commented yes, if significant additional services were requested but within this agreement, they will provide monthly maintenance with receipt of the maintenance items. With no additional comments, Council Member Burbank Voss made a motion for approval, Council Boeke seconded the motion, and all members present voted aye for approval.

PUBLIC COMMENTS

Matt Sennott, 2519 Stoney Creek Drive commented he would be speaking about waste, abuse and responsibility that comes with decision making. Across Minnesota we are seeing

cases of fraud, waste, and abuse uncovered at the state level. Those programs did not start with criminal intent; they started with projects and practices that were not questioned hard enough. Where assumptions replaced evidence, and where oversight became secondary to momentum. I want to be very clear that I am setting fraud aside today and not alleging it, but waste and abuse do not require bad actors, they only require insufficient scrutiny. The East Side Corridor Project has been questioned from the start and yet despite that controversy, we continue to see narrowed alternatives, incomplete disclosure of impacts, inadequate financial evaluation over ever increasing costs, and a process that appears designed to move forward and with predetermination rather than to pause and fully evaluate the consequences. That is where waste begins and that is where abuse of process can occur. Waste is spending public money on a project that has not been fully justified, especially at the 29th Avenue location. Abuse is continuing a process while credible evidence, especially from residents, is treated as inconvenient rather than essential. The city is not a bystander here, you are a financial partner, a policy partner, and a public trust partner in this project called the East Side Corridor. When the county leads aggressively, the city's role is not to follow quietly, it is to ask hard questions. When residents raise legitimate concerns, your role is not to defer, it is to expect answers. All eyes are on this project and increasingly all eyes are now on local governments and how they handle controversial high dollar decisions in an era where Minnesota is learning what happens when oversight fails. The question before you is not whether this road can be built at 29th Avenue, it is whether it should move forward with substantial impacts and without a higher standard of review and accountability.

Tim McManimon, 2075 Linn Drive thanked council and staff for their service to the community. I am here tonight to comment on two things: the upcoming police/fire station projects and financial reporting. I believe the bias on the police and fire project is that you are proposing a multi-stage process by moving the Police Department to Bridge Street, do multi-construction and then relocating both departments to their final sites. That involves a lot of simultaneous and continuous construction which will be very complex. I do have concerns about moving the police station twice; they rely on process, procedure, discipline. I did the tour a few days ago, and question the plan to move the evidence room, archives, technology, IT and the fleet two times. I am asking as you prepare plans, give fair consideration to a linear project, build the police station and move them one time. Then demo the current police station to build the new fire hall and then move the fire department, these moves would be more linear and not circular. Consider this and I believe the public would be more favorable to this simpler straight forward approach. I know there is concern about leaving the Fire Hall in its current state and I don't disagree. Rather than spending money to rehab Bridge Street, we could do some remedial work on the Fire Hall for their use for a year or two until we can move them. I think we could find a way to do an interim step to take care of the contamination issues, cross contamination, health and safety. It won't be pretty but I think with technology and utilizing another sight to keep all the soiled and contaminated equipment, have a clean place for that away from staff. Secondly, the Financial Report that we see within each Council Meeting Packet is a list of bills that have been approved and already paid. I hope with the addition of Abdo as the accounting firm, there will be a clean cutoff as of yearend and there will be monthly financial statements with a Balance Sheet and a Profit and Loss Statement, two pages, possibly four pages.

Melissa Zimmerman, 2525 Stoney Creek Drive commented that she previously shared her motto in life is to be kind. Everyone is fighting a battle you know nothing about. A few months ago, I was absent from several meetings because my family experienced a medical emergency in the middle of the night. During that emergency, one of my children unexpectedly ended up outside in the dark on a 42-degree night wearing only pajamas and bare feet. This was not a result of bad parenting or a failure to act; it was a medical emergency and within seconds of the situation unfolding I called for help. Police officers arrived within minutes and then more arrived. By the end of the night, police, EMTs and firefighters were all called to help my child. One image from that night that stands with me is the officers walking through the out lots with flashlights in the dark, scanning carefully moving, calling out, trying to make sure a child arrived home alive. As I watched the search unfold, one thought that kept running through my mind was thank goodness this isn't a highway. That night was another life and death situation for my family. We responded quickly and responsibly, and even so, the result was a substantial hospital stay and months of recovery, but it could have been far worse. Because there was not a high-speed roadway next to our home, I didn't have to worry about my child stepping out into traffic. I did not have to imagine what would have happened if those lots would have been lanes of vehicles instead of open land. I am deeply grateful to the emergency personnel who responded that night, and above all I am grateful that my child is here today. That distance, that space between homes and traffic was a saving grace that night. No family should ever lose that margin of safety. These are real world impacts and they are substantial.

Gary Jones, 995 Ridge Road commented that he has presented many Public Comments and we have made a lot of progress together in making the archery hunt safer for the public. One thing that I have heard repeatedly from the public and several council members and something we can probably all agree on, is that the archery hunt is too long. A hunt lasting 56 days takes the parks away from the park goes for 1/6 of the year. Not only the people wanting to enjoy the parks, but it also makes it virtually impossible to monitor the thing. Throughout those 56 days, you have no idea when a hunter is there or when they are not. Case in point is Leo Rudolph, we have a family friend that lives on the west side of town and walks her dog through Leo Rudolph but completely avoids this park for 56 days each fall because of the archery hunt. There has been only one deer taken in this park within the last four years and that was because the hunter was baiting with pumpkins; that was turned in by the public and not Park & Rec staff. At Leo, if you don't bait, you will not get anything. The hunter in 2024 was there almost every day both seasons and got nothing. During the first season in 2025, the hunter was never there and during the second season, the hunter was there often and did get anything. My friend is disgusted that in four years of her avoiding the park there has been only one deer taken and that one quite possibly cheating. Think what success those hunters would have had if they were out on the city's property north of 26th Street. They would have gotten deer, prevented accidents, kept deer from charging into town and accomplished this with nobody around. All while letting people enjoy the parks, such as Leo Rudolph, which have been a waste of hunter's time. In the last 10 years, there have been four deer taken during Season 1 in Leo Rudolph and one in Season 2. During the last three years, there have been zero taken after catching them baiting in 2023. A 56-day hunt over 10 years is 560 days of telling the public to take their dog and leave. It is working, they are, how about pulling the plug and letting people walk their dogs at Leo again it has accomplished nothing unless they are baiting, which is prohibited by the DNR. We need a balance between

park goer rights and hunting. As it stands, there were 24 deer taken during Season 1 in all of the parks and only three deer taken during Season 2. People read signs, you kick people out of the parks for 28 days for the second season for three deer. We need to have a balancing act between hunting and taxpayers because the latter are getting cheated. When I first started looking into the archery issues, 51 public comments ago, my first call was to Councilman Voss and he commented this may not be the best way to do this but if not done this way, we have to do something. Well, after a lot of work, I think I have found the something, this idea is from a metro hunt which I view as a Cadillac program which I will share during your next council meeting which I think will be a great compromise and a win for everybody.

MAYOR AND COUNCIL COMMENTS:

Council Member Mc Cann commented he recently had an episode that required him to have surgery. After calling the non-emergency hotline, the EMTs came and picked me up for an ambulance ride. I had surgery at Allina Hospital and staff was exceptional. Very grateful for the care and kindness of the EMTs, emergency room staff, the doctors and nurses. My nurse Maddie was exceptional. There are a lot of caring people in Owatonna, three people saw me fall and stopped to stay with me until the ambulance arrived, thank you.

Mayor Jessop commented he attended the MLK Jr. Day event at the History Center on Monday. Thank you to the Owatonna Human Rights Commission (OHRC) for organizing and hosting this event. Also thank you to the Alliance for Greater Equity (AGE) for partnering with OHRC for this event. It was extremely well attended and offered an opportunity to reflect on Dr. King's message. The panel gave some wonderful reflections on how to live out the message that Dr. King gave us. Tomorrow, the application to serve on the Human Rights Commission and Owatonna Public Utility Commission will be posted on the City's website, Owatonna.gov. There are currently two openings on the OHRC and the OPU Commission will need a new member representing Ward 1 on May 1, 2026.

Council President Raney thanked everyone for attending the meeting.

At 7:30 p.m., Council Member Svenby made a motion to adjourn, Council Member Boeke y seconded the motion, and all members present voted aye and the meeting was closed.

Respectfully submitted,

Jeanette Clawson, Administrative Coordinator



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Board - Commission Minutes



LIBRARY BOARD MEETING MINUTES
Thursday, November 20, 2025, at 4:30 PM
Gainey Room, Owatonna Public Library

The Owatonna Public Library Board of Trustees held the monthly meeting on Thursday November 20, 2025. The meeting was held in the Owatonna Public Library Gainey Room at 4:30pm.

Present: President Amy Tapp, Trustee Karen Malin, Trustee Julianna Skluzacek, Library Director Mark Blando, Administrative Technician Maria Hanson, Librarian Darla Lager

Absent: Vice President Quinn Meyer, Trustee Annie Harman,

1. Call to Order

The meeting was called to order by President Tapp at 4:35 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-October 16, 2025

Trustee Julianna Skluzacek, moved, and Trustee Karen Malin seconded to approve the minutes of the October 16, 2025, meeting. All ayes, motion approved.

5. Children's Services Report

Story time, 154 children attended. Curious George themed stories throughout the month.

Drew Daywalt , children's author visited OPL and read his new book " The Day the Crayons Made Friends" . There were 53 people that attended the library. He spoke to 335 students and teachers at Washington elementary school. He was very generous with his time and flew in from Los Angeles. His stories fit into our summer theme, "Color our World."

Coptober last month. The OPL staff works with police department to provide a safe space for children to interact with the police. We did a story walk outside where children walked around and read a book. The book was called "Moo" by David LaRochelle. 267 attended. This is the most people ever attended; it is the 4th year of the program. Coptober always takes place over MEA.

6. Financial Reports

6.a. Financial Report – November

Nearing the end of year at 90% of the budget. All city departments are looking at places to cut. Levy at 13% due to new fire and police departments. Truth and taxation meeting will be held on Dec 9th with final levy approval on Dec 16th. We will have a better idea of where our budget is after meeting.

Major purchases for the library this year include a new sign at the Broadway entrance with city logo. This has been installed. The next major expense is the roof for next year.

7. Library Use Reports

7.a. Library Use Report - October

7.b. Library Service Report-OPL

7.c. Library Services Report -BP

Month to month checkouts are high due to automatic renewals. We had almost 8000 visits last month and issued 73 new library cards.

Overdrive 675 people checked out over 1000 books. Freegal 10-15 people, Hoopla had 1030 items checked out. The Foundation agreed to continue funding this program at the higher level. Blando stated however we will keep it a 3-checkout limit per person.

The OPL Foundation met last week. As part of the requirements a library board member needs to be on the foundation board. The commitment right now is one meeting per year for about an hour. President Amy Tapp agreed to be on the board with Trustee Karen Malin as a fill in when Amy cannot attend. Foundation are great supporters of OPL.

8. SELCO Updates

No SELCO meeting this month. We continue to review best practices. New this month was the launch of a SELCO library app to use with the catalog. Blando will share more information about downloading the app to the board members.

9. 125th Anniversary Planning

9.a. October Programs Review- Blando highlighted programs from last month

- Haunted library tour was a great success. Thanks to Nancy Vaillancourt for the background information of the library characters. We had people on all three levels of the library.
- Podcast-another was recorded today. This is available on all Podcast platforms and our website. Called "Who Dewey Think We Are"
- Continuing with the Book club at MSB along with internal book club at the library.
- Seed exchange program. Hanson stated that Harvesting seed day had low attendance, but she and Meridith Erickson were able to harvest some seeds for next year on this day. Seed donations are starting to come in, and we continue to plan for additional sessions early next year. It's going to grow..... said Blando.
- Family scary story night 37 people attended. It Included pumpkin decorating afterwards.

10. Upcoming Programs

- 10.a. December 11 — Family Board Game Night 5:30 p.m.- 7:45 p.m. Board games and Nintendo switch.
- 10.b. December 15 — Christmas Movie Trivia 6:00 p.m. - 7:45 p.m. People will need to register in teams of four for this event. We will have a hot cocoa bar and ugly sweater contest.

Other upcoming events include

December 17— OHS Carolers will be at the library

December 9 — Next MSB book, has been low attendance but till good even when few people attend

December 5— OPLs staff will participate in lighted parade. Charlie Brown themed float this year

Library con February 21- Committee is still planning this event.

11. Library Updates

Blando is meeting with Blooming Prairie City administrator, Tony Martens, in next few weeks. They will revisit relationship of the Blooming Prairie library with OPL.

Next Monday. Mark and Darla will be at the school board meeting. Will be recognized for the relationship between the library and Owatonna Public Schools.

Blando gave update to council members at the meeting on November 18. He highlighted 125th Anniversary programming this past year.

New children's room furniture has been installed. New Tables and chairs are in place. We are currently waiting for additional lounge chairs and couch.

Lutheran social services reached out requesting a table at library to assist people in need and be a reference for people. Mark noted the library as being a safe place for our patrons.

12. Library Renovation Update

The new sign with the new city logo is in place at the Broadway entrance. Blando hopes to have RFP in place by the first of the year for the renovation design.

Motions to adjourn were made by Trustee Malin and seconded by Trustee Skluzacek All ayes. Meeting adjourned at 5:14p.m.

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

Respectfully submitted by Maria Hanson.

Airport Commission Meeting Minutes
January 22, 2026 – 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 8:03 am.

2. Roll Call

Commissioners Attending

Matt Thurnau	Chair
Anthony Louris	Vice Chair
Dave Purscell	Commissioner
Daren Tarpenning	Commissioner

Commissioners Absent

Greg Krueger	Commissioner
Tim McManimon	Commissioner
Madeleine Haberman	Commissioner

Staff Attending

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

Visitors Attendings

Melissa Underwood	SEH, Inc.
Jake Jorgenson	SEH, Inc.
Sharon Klein	Exchange Club
Katie Smith	Exchange Club
Dom Korbel	Exchange Club
Corey Madrid	Civil Air Patrol

3. Approval of Agenda

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

4. Minutes

Commissioner Purscell made a motion to approve the minutes from December 18, 2025, Airport Commission meeting and Commissioner Louris seconded the motion. All Commissioners voting Aye, the motion carried.

5. Action Items

Chair Reports

None

Election of Officers

A motion was made by Commissioner Louris to nominate Matt Thurnau as Chair with a second by Commissioner Purscell. All Commissioners voting Aye, the motion carried.

A motion was made by Commissioner Thurnau to nominate Anthony Louris as Vice Chair with a second by Commissioner Tarpenning. All Commissioners voting Aye, the motion carried.

Staff Reports

Airport Manager Beaver said they've been busy with snow and ice. He passed around a drawing of the final wall mural to go in the main Airport vestibule. He said they hope to have it up by February 12, when there is an open house as part of the city worksite visits for City employees.

Mr. Beaver introduced the members of the Owatonna Exchange Club joining us this morning to discuss the event permit application in the packet. Sharon Klein said that they would like to do a flag field on Airport property from June 11 through June 16 in celebration of the 250th birthday of the USA. She presented an exhibit showing the area of airport property that they would like to use. They did a similar flag field in the proposed location over September 11, 2007. Beaver said that as part of the review process the Airport Commission would be the first to look at it as well as other City Departments that would need to sign off on it and it would then go to City Council for consideration and final approval. He said a potential airport impact would be the concern with the timing of the airport parking lot construction. This project has been awarded and scheduled for spring construction. Jake Jorgenson with SEH said that Ulland Brothers has proposed a start date of May 18 and anticipates four weeks of construction. This has them finishing up on June 12, weather depending. The worst-case scenario would be that the parking lot would not be striped, but it would still likely be usable. Klein said that one of the days there will be a program and that the main stage would be set up near the area of the Federated sign and that the last time they held the event, golf carts were used for transportation. The event involves the placement of 1,000 US Flags. Regarding the flags, Katie Smith said the poles are 8 feet high and positioned 6 feet apart. The flags are full sized at 3 by 5 feet. She said they are easily installed and easily removed. There was some discussion on the number of people. Purscell said it sounds like the presence of the flags is not a big deal, but it would be nice to have the parking lot completed. Louris said that the airport parking lot construction must take priority over the event. Alternate parking and possible shuttles were discussed. Klecker said that they'd need to have a plan if there are more people than expected. Beaver said that they'd have to have the appropriate insurance. Smith said they have it through the National Exchange Club. Klein said there are four exchange clubs that are working on this together. After discussion, a motion was made by Purscell and seconded by Louris to recommend approval of the event permit with the following conditions:

- 1) The Exchange Club must coordinate with the County for impacts, traffic control, and any parking along Frontage Road West.
- 2) The Exchange Club must have a plan for overflow parking.

- 3) The Exchange Club must arrange for Locates for underground services as mandatory before placing flags.

All Commissioners voting Aye, the motion carried.

Owatonna Squadron Civil Air Patrol (CAP) Update

Corey Madrid of Civil Air Patrol gave a review of 2025. He said that they were unable to host the Fly-In Breakfast, but it will be coming back in 2026. The highlight of the year was the opportunity to make history by redesigning the squadron patch. This marks the first field uniform change in 10 years. Regarding the 2026 Fly-In Breakfast, they have partnered with Accelerated Aviation for this event and Accelerated Aviation will help with facilities and to marshal aircraft for the event. The Fly-in Breakfast is planned to be May 17 subject to the submittal of the required Event Permit Application. Jake Jorgenson with SEH said that the parking lot construction project is scheduled to begin the next day on May 18th. Madrid said that they chose to shift the event to the spring. He mentioned reaching out to a car club to stagger and bring in vehicles as a possible added attraction. They are grateful for the continued support of the Airport Commission and the City of Owatonna.

Automated Fueling Card Reader Replacement Project Update

Beaver said there are three proposals for the automated fueling card reader replacement project, which is an approved 2025 CIP project. All three proposed different systems. He said that the IT Department is assisting with the review to determine compatibility and preference of system connectivity and other items such as availability of cloud-based applications as well as functionality for users. He doesn't have a recommendation yet as vendors are still providing clarification on questions. They hope to have the final comparisons, costs, and recommendations available for review at the February meeting.

SEH, Inc., 2026 Project Engineering Scope of Services

Jake Jorgenson gave an overview of the 2026 Projects Engineering Scope of Services. He presented a scope of service for four projects including Runway 5/23 Crack Seal, Airfield Pavement Maintenance, Apron Reconstruction, and a Broom Attachment for the loader. Melissa Underwood said that it is advantageous to submit these projects this year because in 2026, there is still the availability of an extra 5% Federal funding that may expire, so the local and State share for federally eligible projects is down to 2.5%. She said that the projects are heavy on pavement needs and work may move into construction season in 2027 depending on the timing of the grants. Beaver said that regarding the broom, it is anticipated that this will be used primarily in support of snow removal operations for certain types of snow but may also have applications for other types of debris removal. For other existing equipment, he said that they are also looking at the possibility of options for replacing a tractor that was purchased with State funds that is used primarily for mowing and also has a loader bucket. The tractor has had a number of mechanical issues, and it may be advantageous to replace it sooner than planned in 2029. The pavement projects are all planned and included in the Capital Improvement Program (CIP).

A motion was made by Louris and seconded by Tarpenning to recommend approval of the Scope of Engineering Services for 2026 Runway 5-23 Crack Seal. All Commissioners voting Aye, the motion carried.

A motion was made by Louris and seconded by Tarpenning to recommend approval of the Scope of Engineering Services for 2026 Airfield Pavement Maintenance. All Commissioners voting Aye, the motion carried.

A motion was made by Tarpenning and seconded by Purscell to recommend approval of the Scope of Engineering Services for 2026 Apron Reconstruction. All Commissioners voting Aye, the motion carried.

A motion was made by Louris and seconded by Tarpenning to recommend approval of the Scope of Engineering Services for 2026 Broom Attachment for the Loader or Existing Equipment. All Commissioners voting Aye, the motion carried.

6. Adjournment – The meeting was adjourned at 9:10 am.

MINUTES
HOUSING AND REDEVELOPMENT AUTHORITY OF OWATONNA
REGULAR MEETING on January 26, 2026

The regular meeting of the Owatonna Housing and Redevelopment Authority was called to order at 4:02 pm in the Crandall Small Conference Room by Chairperson Vicki Olivo.

Members present were Julie Fiske, Vicki Olivo, Lindsay Schultz, and Rebecca Rand. Also present were Housing Manager Ghassan Madkour, 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 December 22, 2025, HRA Board meeting. All Commissioners voting Aye, the motion carried.

Executive Director's Report: Troy was not present, but Madkour said that there's no major changes since the last meeting. Rand asked if there was some way to measure the alignment between housing costs and what residents earn. There was discussion as to how the HRA can more incorporate the latest housing study to assist with more affordable housing in Owatonna. She asked how they know it's affordable and wondered how we are measuring it. There was some discussion about the 2023 Housing Study and Eastgate 2.

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 we are down to 87 HCV vouchers. HUD is cracking down on immigration status of clients and making sure that they are citizens. They are asking us to see what we can cut back on spending, such as changing payment standards if we can. He said that he and Kim think they are in a good position to start the Homeownership Program. There are 37 clients with Mainstream. They will send out letters and have a meeting on March 3 at 1:00 pm in the Gainey Room at the Library. There will be four organizations there, including Three Rivers and Hometown Credit Union. Bridges has had a couple of people fall off and he has reopened referrals for seven days. There are eight to twelve referrals they will go through tomorrow. He gave updates on the Bring It Home program. The Bring it Home Program will begin once all questions and minor adjustments are made to properly execute the program. He said that he hasn't been able to get in touch with his contact at the State. A motion was made by Schultz and seconded by Fiske to approve the reports as presented. All Commissioners voting Aye, the motion carried.

Other / New Business:

Madkour presented the 2025 Clients' final numbers. There are 23 who left the HCV waitlist. Last year there were 34. The activity was less this year. There were 28 clients who left the Mainstream waitlist and 32 Bridges. Overall, there were 18 people who chose to leave the program. He also showed numbers of people who were on the program and came off.

Madkour presented the 2026 Budget & Resolution. A motion was made by Fiske and seconded by Schultz to accept the resolution as presented. All Commissioners voting Aye, the motion carried.

Next Meeting: The next meeting will be Monday, February 23, 2026.

Adjournment: There being no further business, a motion to adjourn was made by Schultz and seconded by Rand. All Commissioners voting Aye, the motion carried. The meeting adjourned at 5:06 pm.

Respectfully Submitted,
Ghassan Madkour
Housing Manager



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Department Reports



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Finance Report

RECAP:

Amount	Vendor	Description
\$	216,987.50	ABDO LLP
	213,350.00	ASPHALT ZIPPER INC
	265,000.00	HELEY, DUNCAN & MELANDER, PLLP
	20,340.00	KASPER PLUMING INC
	156,432.62	LEGENCE SUBSIDIARY HOLDINGS LL
	20,741.57	STRUCTURES UNLIMITED LLC
	271,021.44	OTHER EXPENDITURES
	1,163,873.13	SUBTOTAL
	-	HRA HOUSING ASSISTANCE PAYMENTS
	1,163,873.13	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					
385958	01/23/26	AARON GUZMAN PHOTOGRAPHY LLC	1,700.00	R	ACH
385959	01/23/26	ABDO LLP	216,987.50	R	ACH
385960	01/23/26	ACME ELECTIRC MOTOR INC	199.00	0	Regular
385961	01/23/26	ACUSHNET COMPANY	2,276.10	0	Regular
385962	01/23/26	ADVANCED ENGINEERING & ENVIRON	4,101.19	R	ACH
385963	01/23/26	AEROTECH COMPANIES LLC	274.60	0	Regular
385964	01/23/26	ALEXANDER LUMBER COMPANY	689.51	0	Regular
385965	01/23/26	AMERICAN LEGAL PUBLISHING	500.00	0	Regular
385966	01/23/26	APG MEDIA OF SO MINNESOTA LLC	666.88	0	Regular
385967	01/23/26	APPLE INC	1,437.00	0	Regular
385968	01/23/26	APPLIED CONCEPTS INC	13,329.50	0	Regular
385969	01/23/26	ASPEN MILLS INCORPORATED	810.36	0	Regular
385970	01/23/26	ASPHALT ZIPPER INC	213,350.00	0	Regular
385971	01/23/26	CEMSTONE CONCRETE MATERIAL LLC	1,404.80	0	Regular
385972	01/23/26	CENTURY FENCE CO	660.00	0	Regular
385973	01/23/26	CITY OF BLOOMING PRAIRIE	2,054.85	R	ACH
385974	01/23/26	CLEAN RIVER PARTNERS	5,778.70	0	Regular
385975	01/23/26	CLIFTONLARSONALLEN LLP	2,100.00	0	Regular
385976	01/23/26	CLUB CADDIE	525.00	R	ACH
385977	01/23/26	COLORS & GLASS INC	812.81	0	Regular
385978	01/23/26	CONTINENTAL RESEARCH CORP	3,051.58	R	ACH
385979	01/23/26	CRYSTEEL TRUCK EQUIP	167.47	R	ACH
385980	01/23/26	CUMMINS INC	5,464.95	R	ACH
385981	01/23/26	CUSTOM COMMUNICATIONS INC	5,929.86	0	Regular
385982	01/23/26	DAVIS MECHANICAL SYSTEMS INC	475.00	R	ACH
385983	01/23/26	DELL MARKETING LP	198.68	R	ACH
385984	01/23/26	DENISE STEWART	240.56	R	ACH
385985	01/23/26	DISH	268.71	0	Regular
385986	01/23/26	DITCH WITCH OF MN INC	6.37	0	Regular
385987	01/23/26	EHLERS & ASSOCIATES INC	11,993.75	0	Regular
385988	01/23/26	ELECTRIC PUMP INC	5,395.00	R	ACH
385989	01/23/26	ENTENMANN-ROVIN CO	148.94	R	ACH
385990	01/23/26	FARIBO AIR CONDITIONING&HEATIN	215.00	0	Regular
385991	01/23/26	FIRST SUPPLY OWATONNA	1,599.53	R	ACH
385992	01/23/26	FLAHERTY & HOOD PA	1,360.00	R	ACH
385993	01/23/26	FLEXIBLE PIPE TOOLS & EQUIP	3,293.00	R	ACH
385994	01/23/26	FOUR SEASONS ELECTRIC	13,021.38	R	ACH
385995	01/23/26	FROM THE GROUND UP LLC	5,295.00	R	ACH
385996	01/23/26	GALLAGHER BENEFIT SERVICES INC	1,041.64	R	ACH
385997	01/23/26	GENUINE PARTS COMPANY - NAPA	94.61	R	ACH
385998	01/23/26	GOPHER/PLAY WITH A PURPOSE	761.44	R	ACH
385999	01/23/26	GREATER MN PARKS & TRAILS	350.00	0	Regular
386000	01/23/26	HAWKINS INC	10.00	R	ACH
386001	01/23/26	HELEY, DUNCAN & MELANDER, PLLP	265,000.00	0	Regular

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
386002	01/23/26	HOLLY N HULL	180.00	0	Regular
386003	01/23/26	HUBER SUPPLY CO INC	1,429.50	0	Regular
386004	01/23/26	I U O E LOCAL 70	3,140.50	0	Regular
386005	01/23/26	IFACS	400.22	R	ACH
386006	01/23/26	INGRAM LIBRARY SERVICES LLC	2,006.47	0	Regular
386007	01/23/26	INNOVATIVE OFFICE SOLUTIONS	150.36	0	Regular
386008	01/23/26	JOHN DEERE FINANCIAL	1,523.86	0	Regular
386009	01/23/26	JOHN'S APPLIANCE & A/C SERVICE	2,551.07	R	ACH
386010	01/23/26	JOSEPH H BARNES	620.00	0	Regular
386011	01/23/26	KASPER PLUMING INC	20,340.00	0	Regular
386012	01/23/26	KEEKER INC	348.40	R	ACH
386013	01/23/26	KUEPERS CONSTRUCTION INC	10,000.00	0	Regular
386014	01/23/26	L & L STREET RODS & SPORT TRUC	1,670.00	R	ACH
386015	01/23/26	LAMAIN CAPITAL	5,000.00	0	Regular
386016	01/23/26	LAWSON AUTOMOTIVE LLC	388.13	R	ACH
386017	01/23/26	LAWSON AUTOMOTIVE LLC	654.02	R	ACH
386018	01/23/26	LAWSON PRODUCTS	1,185.48	0	Regular
386019	01/23/26	LEAGUE OF MN CITIES	5,110.00	0	Regular
386020	01/23/26	LEAGUE OF MN CITIES INS TRUST	30.00	0	Regular
386021	01/23/26	LEGENCE SUBSIDIARY HOLDINGS LL	156,432.62	R	ACH
386022	01/23/26	LOCKRIDGE GRINDAL NAUEN PLLP	3,333.33	0	Regular
386023	01/23/26	LOKEN EXCAVATING & DRAINAGE	2,642.15	R	ACH
386024	01/23/26	MARCO TECHNOLOGIES LLC	16.98	R	ACH
386025	01/23/26	MCNEILUS STEEL INC	118.15	R	ACH
386026	01/23/26	METRO SALES INC	58.32	0	Regular
386027	01/23/26	METRONET SYSTEMS HOLDINGS LLC	643.22	R	ACH
386028	01/23/26	MICHAEL A. OLDENBURG	492.00	0	Regular
386029	01/23/26	MID OPERATIONS LLC	142.50	R	ACH
386030	01/23/26	MID-AMERICAN RESEARCH CHEMICAL	1,244.83	0	Regular
386031	01/23/26	MID-STATES ORGANIZED CRIME	300.00	R	ACH
386032	01/23/26	MIDWEST TAPE LLC	33.74	R	ACH
386033	01/23/26	MINNESOTA ELEVATOR INC	142.00	R	ACH
386034	01/23/26	MINNESOTA SECURITY CONSORTIUM	1,500.00	R	ACH
386035	01/23/26	MN CITY-COUNTY MANAGEMENT ASSN	234.00	0	Regular
386036	01/23/26	MN DEPT OF TRANSPORTATION	404.20	0	Regular
386037	01/23/26	MN MAYORS ASSOCIATION	30.00	0	Regular
386038	01/23/26	MN PUBLIC EMPLOYEES ASSOC	1,296.00	R	ACH
386039	01/23/26	MN VALLEY TESTING LABS INC	436.75	R	ACH
386040	01/23/26	MOHS CONTRACTING INC	5,000.00	0	Regular
386041	01/23/26	MTI DISTRIBUTING INC	430.25	R	ACH
386042	01/23/26	NORTHLAND FARM SYSTEMS	90.24	R	ACH
386043	01/23/26	OFFICE OF MNIT SERVICES	465.88	0	Regular
386044	01/23/26	OLYMPIC FIRE PROTECTION CORP	227.50	R	ACH
386045	01/23/26	OPG-3	11,511.33	0	Regular
386046	01/23/26	OWATONNA HEATING & COOLING INC	808.00	R	ACH

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
386047	01/23/26	OWATONNA MOTOR COMPANY	1,603.56	0	Regular
386048	01/23/26	OWT HARDWARE	569.21	0	Regular
386049	01/23/26	PAAPE COMPANIES INC	3,771.00	R	ACH
386050	01/23/26	PRIME GARAGE DOOR & MORE LLC	455.00	R	ACH
386051	01/23/26	RENT N SAVE PORTABLE SERVICES	750.00	0	Regular
386052	01/23/26	RSBS MANAGEMENT INC	1,470.00	0	Regular
386053	01/23/26	SCOTT F LIMBERG	1,100.00	R	ACH
386054	01/23/26	SELCO	11,088.98	R	ACH
386055	01/23/26	SENIORPLACE INC	265.00	0	Regular
386056	01/23/26	SHERWIN WILLIAMS COMPANY	2,671.06	0	Regular
386057	01/23/26	SHI INTERNATIONAL CORP	31.73	0	Regular
386058	01/23/26	SHRED RIGHT	87.28	R	ACH
386059	01/23/26	SOUTH CENTRAL DRUG INVESTIGATN	14,000.00	0	Regular
386060	01/23/26	SPS COMPANIES INC	2,724.98	R	ACH
386061	01/23/26	ST ANDREWS PRODUCT CO	1,114.36	0	Regular
386062	01/23/26	STATE INDUSTRIAL PRODUCTS	100.32	R	ACH
386063	01/23/26	STEELE COUNTY TREASURER	78.40	0	Regular
386064	01/23/26	STEWART COMPANIES INC	83.24	0	Regular
386065	01/23/26	STEWART SANITATION	1,748.10	0	Regular
386066	01/23/26	STRACK CONSTRUCTION	10,000.00	0	Regular
386067	01/23/26	STREICHER'S INC	110.00	0	Regular
386068	01/23/26	STRUCTURES UNLIMITED LLC	20,741.57	0	Regular
386069	01/23/26	SUMMIT COMPANIES	539.00	R	ACH
386070	01/23/26	TAFT STETTINIUS & HOLLISTER LL	14,000.00	R	ACH
386071	01/23/26	TERRY'S REPAIR	124.20	0	Regular
386072	01/23/26	TEXAS REFINERY CORP	1,316.00	R	ACH
386073	01/23/26	TIMOTHY SCOTT TONJUM	500.00	0	Regular
386074	01/23/26	TRI M GRAPHICS	1,992.25	R	ACH
386075	01/23/26	TRUCK CENTER COMPANIES LLC	123.80	0	Regular
386076	01/23/26	TURFWERKS	239.72	R	ACH
386077	01/23/26	UNITED WAY	20.00	0	Regular
386078	01/23/26	VALUE LINE PUBLISHING INC	4,435.00	0	Regular
386079	01/23/26	VERIFIED FIRST LLC	278.00	R	ACH
386080	01/23/26	VERIZON WIRELESS	2,269.50	0	Regular
386081	01/23/26	VESTIS FIRST AID	49.27	0	Regular
386082	01/23/26	VESTIS GROUP INC	210.66	0	Regular
386083	01/23/26	WASECA COUNTY HWY DEPT	33.50	0	Regular
386084	01/23/26	WASECA POLICE DEPARTMENT	4,635.12	0	Regular
386085	01/23/26	WEN-COL INC	535.50	0	Regular
386086	01/23/26	WINTER SERVICES LLC	14,736.18	0	Regular
386087	01/23/26	ZACHARY L PLEIN	74.29	0	Regular
386088	01/23/26	ZARNOTH BRUSH WORKS	1,171.50	R	ACH
386089	01/23/26	ZEP MANUFACTURING CO	183.58	R	ACH
386090	01/23/26	RANDALL'S LICENSE BUREAU	63.75	0	Regular
386091	01/23/26	RANDALL'S LICENSE BUREAU	63.75	0	Regular

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
386092	01/23/26	RANDALL'S LICENSE BUREAU	63.75	0	Regular
386093	01/23/26	RANDALL'S LICENSE BUREAU	21.25	0	Regular
386094	01/23/26	RANDALL'S LICENSE BUREAU	21.25	0	Regular
386095	01/23/26	RANDALL'S LICENSE BUREAU	127.50	0	Regular
386096	01/23/26	RANDALL'S LICENSE BUREAU	170.00	0	Regular
386097	01/23/26	RANDALL'S LICENSE BUREAU	63.75	0	Regular
386098	01/23/26	RANDALL'S LICENSE BUREAU	637.50	0	Regular
386099	01/23/26	RANDALL'S LICENSE BUREAU	637.50	0	Regular
386100	01/23/26	RANDALL'S LICENSE BUREAU	170.00	0	Regular

84	Checks total:	686,566.26
59	ACH total:	477,306.87
0	EFTPS total:	
0	Wire transfer total:	
0	Payment Manager total:	
143	GRAND TOTALS	1,163,873.13



CITY OF
OWATONNA

Miscellaneous



DATE: February 4, 2026
TO: Mayor and City Council
FROM: Ed Hoffman, Fire Chief
SUBJECT: Donation to Fire Department - Olmsted Medical Center

Purpose:

City Council approval to accept a donation from Olmsted Medical Center to the Fire Department.

Background:

Olmsted Medical Center provided a \$500 gift to the fire department to support its greatest areas of need.

Budget Impact:

An additional \$500 to be used for fire department needs.

Staff Recommendation:

Staff recommends accepting this donation.

Attachments:

1. Fire Department_20260119_080512



OLMSTED
MEDICAL
CENTER

210 Ninth Street SE
Rochester, MN 55904

tel: 507.288.3443 • fax: 507.287.2779

GOOD HEALTH STARTS WITH GREAT CARE.™

January 7, 2026

Owatonna Fire Department
540 West Hills Circle
Owatonna, MN 55060

Dear Friends of the Owatonna Fire Department,

As 2025 comes to a close, we at Olmsted Medical Center wanted to say that we are grateful for the important job you do to keep our communities safe and help our friends and neighbors when they need help.

Please accept this gift to support your efforts in the area of greatest need.

Here's wishing you and your families a healthy, hopeful, and happy new year in 2026!

Sincerely,

Stacey M. Vanden Heuvel
Vice President, Marketing and Philanthropy



DATE: February 4, 2026
TO: Mayor and City Council
FROM: Eric Anderson, Recreation Manager
SUBJECT: Donation to Parks & Rec Department - Taylormade Golf Company

Purpose:

Request City Council approval to accept a merchandise donation from the Taylormade Golf Company.

Background:

The City uses Taylormade Golf Company as one of the merchandise vendors at Brooktree Golf Course. As a retail location, Brooktree qualified for their 'Plus 1 Ball' program, which would provide Brooktree six dozen TP5/TP5X balls, 3 gloves and 3 hats.

Each season, Brooktree offers a variety of golf events and tournaments that are open to Season Pass Holders and the general public. The intent is to use the Taylormade donation as some of the prizes provided to the event and tournament winners.

Budget Impact:

The donated merchandise has a retail value of approximately \$520. This donation will reduce expenses to our General Fund.

Staff Recommendation:

Staff Recommends accepting this donation.

Attachments:

None



DATE: February 4, 2026
TO: Mayor and City Council
FROM: Eric Anderson, Recreation Manager
SUBJECT: Memorandum of Understanding - Huskies Bullpen Club

Purpose:

Request City Council approval of the Memorandum of Understanding with the Huskies Bullpen Club.

Background:

In previous years, the City and the Huskies Bullpen Club collaborated in purchasing and co-owning baseball equipment for the Machine Pitch and Player Pitch levels of the City-sponsored youth baseball programs. During that time, the City's Parks and Recreation Department managed these two levels, along with the T-Ball and Coach Pitch programs. For the 2026 fiscal year season, a transition in programming has been implemented. Management of the Machine Pitch and Player Pitch levels will now be handled by the Huskies Bullpen Club. As a result, the City will no longer utilize the co-owned equipment previously used exclusively for these levels. This equipment will now be retained by the Huskies Bullpen Club for their continued use in these programs.

Budget Impact:

There is no impact on the City Budget. Any repairs or replacement of the equipment will be the responsibility of the equipment co-owners, the Huskies Bullpen Club.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. 2026 Huskies Bullpen Club - Memorandum of Understanding

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING is made February 4, 2026 between the City of Owatonna at the request of its Park and Recreation Department (“Park and Rec”) and Owatonna Huskies Bullpen Club, a Minnesota Nonprofit Organization (“Bullpen Club”).

In the past Park and Rec and the Bullpen Club collaborated in the purchase of baseball equipment for machine-pitch player-pitch programs. Since that time, the equipment has been co-owned by Park and Rec and the Bullpen Club. Previously Park and Rec operated both Level 1 and Level 2.

In the coming season, Park & Rec will only manage Level 1 and the Bullpen Club will manage Level 2. Because the Bullpen Club will manage Level 2, it has asked to use certain baseball equipment for that purpose. The Bullpen Club never gave up its co-ownership of the baseball equipment and the Bullpen Club was never asked to remove its share of the equipment.

Park and Rec and the Bullpen Club agree that the co-owned baseball equipment which is listed on the attached addendum may be used by the Bullpen Club for the Level 2 program for so long as the Bullpen Club is the sole user of the equipment. Bullpen Club acknowledges that the co-owned baseball equipment is not new and any injuries which may arise out of the use of the equipment shall be the responsibility of the Bullpen Club. Bullpen Club also acknowledges that they are solely responsible for training users on the proper use of the equipment. The Bullpen Club agrees to defend and indemnify the City from any claims or injuries and damages arising out of the use of the baseball equipment under this agreement.

This Agreement will automatically renew annually for so long as both parties agree.

This Agreement may be cancelled by either party upon Thirty (30) days notice. Upon cancellation of this Agreement the equipment will be divided equally by the parties.

City of Owatonna

Owatonna Huskies Bullpen Club, Inc.

By: _____
Matt Jessop, its Mayor

by: _____
Nick Miller, its President

By: _____
Jenna Tuma, its City Administrator

by: _____
Joe Goetz, its Vice President



DATE: February 4, 2026
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Stormwater Facility Maintenance Agreement - Northstar Property, LLC

Purpose:

Approve the Stormwater Facility Maintenance Agreement with Northstar Property, LLC for their facility located at 1045 26th Place NW.

Background:

The City requires that on-site stormwater management must be maintained by the property owner to meet the requirements of the MS4 permit held by the City. The property owner agrees to the terms and conditions as outlined in the attached agreement.

Budget Impact:

No budget impact.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. Stormwater Facility Maintenance Easement Agreement - Northstar Calibration

Stormwater Facility Maintenance Agreement

THIS AGREEMENT, made and entered into this 26th day of January, 2026, by Northstar Property, LLC hereinafter called "Property Owner" and the City of Owatonna, MN hereinafter called "City".

WHEREAS, Property Owner is the owner of certain property described as:

ALL THAT PART OF LOT 9 OF BLOCK 1 OF CRANE CREEK INDUSTRIAL ADDITION NO. 2, OWATONNA, MINNESOTA LYING NORTH OF THE FOLLOWING DESCRIBED LINE:
COMMENCING AT THE SOUTHEAST CORNER OF SAID LOT 9; THENCE NORTH 0°51'42" WEST, ASSUMED BEARING, 100.00 FEET ALONG THE EAST LINE OF SAID LOT 9 TO THE TRUE POINT OF BEGINNING;
THENCE SOUTH 89°05'18" WEST 315.00 FEET ALONG A LINE PARALLEL WITH THE SOUTH LINE OF SAID LOT 9 TO THE WEST LINE OF SAID LOT 9; AND THERE TERMINATING.

WHEREAS, Property Owner is proceeding to build on and develop the property; and

WHEREAS, the site plan known as Northstar Calibration, hereinafter called the "plan," which is expressly made a part hereof, as approved or to be approved by City, provides for management of stormwater quantity within the confines of the property; and

WHEREAS, City and Property Owner, its successors and assigns, agree that the City of Owatonna, Minnesota requires that on-site stormwater quantity management improvements, hereinafter called "Facility," be constructed and maintained on the property,

NOW, THEREFORE, in consideration of the foregoing premises, the mutual covenants contained herein, and the following terms and conditions, the parties hereto agree as follows:

1. Facility shall be constructed and maintained by Property Owner in accordance with the plans and specifications identified at time of submittal as well as in the As-built with Engineer's Certificate of Stormwater Compliance submitted at time of permit close-out.
2. Facility shall be constructed and maintained by Property Owner in compliance with the requirements of the City's Stormwater Management Ordinance in effect at the time of the permit.
3. Property Owner is responsible to adequately maintain Facility covered by this agreement. Such maintenance obligations shall include all pipes, channels, or other conveyances built to convey stormwater, as well as, all structures, improvements, and vegetation provided to control the quantity of the stormwater.
4. Adequate maintenance is herein defined as keeping Facility and all components in good working condition so that components continue to perform their designed function.
5. Property Owner shall inspect Facility on a routine basis, at a minimum annually, to assure safe and proper functioning of Facility. All required inspections by Property Owner shall cover all components of Facility including but not limited to embankments, berms, inlets and outlet structures, pond areas, and access roads.
6. Property Owner hereby grants to City, its authorized agents and employees, the right of ingress and egress over the property for the purpose of inspecting Facility. Property Owner also agrees

to allow City access to required inspection and maintenance records conducted by Property Owner.

7. City shall provide Property Owner a notice of any inspection, including copies of any inspection or any findings of deficiency. City shall provide directive to make any necessary corrections, improvements, or modifications and a deadline to complete the corrections if any deficiencies are discovered.
8. Property Owner shall reply to the Engineering Department within 15 business days, indicating actions that will be taken in response to any notice of deficiency including the proposed timing of required corrections.
9. If Property Owner fails to comply with their proposed actions or timing in response to any notice of deficiency without further agreement with City to amend the actions or timing, City or its authorized representatives may enter upon the property and take such steps as are necessary to correct deficiencies identified in any notice. City may charge the costs of such repairs to Property Owner in accordance with City's Stormwater Management Ordinance.
10. It is expressly understood and agreed that City is under no obligation to routinely maintain or repair Facility, and in no event shall this agreement be construed to impose any such obligations on City.
11. This agreement imposes no liability of any kind whatsoever on the City. Property Owner agrees to hold the City harmless from any liability in the event Facility fails to operate as approved.
12. This agreement shall be recorded by the County Recorder of Steele County, Minnesota, and shall constitute a covenant running with the property and/or equitable servitude, and shall be binding on Property Owner, his or her heirs, successors, and assigns, and any other successors in interests, in perpetuity.

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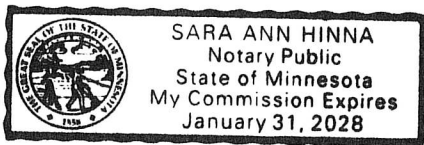
Property Owner: NORTHSTAR PROPERTY, LLC

By: John Moorhouse

Its: President/Owner

STATE OF MINNESOTA)
) ss.
COUNTY OF STEELE)

The foregoing instrument was acknowledged before me this 27 day of January, 2026, by John Moorhouse, the President/Owner of Northstar Property, LLC a limited liability corporation under the laws of the State of Minnesota on behalf of the company.



Sara Ann Hinna
Notary Public

City: City of Owatonna

By: Matthew Jessop, Mayor

By: Jenna M. Tuma, City Administrator

STATE OF MINNESOTA)
) ss.
COUNTY OF STEELE)

The foregoing instrument was acknowledged before me this ____ day of _____, 2026, by Matthew Jessop, the Mayor of the City of Owatonna, and by Jenna M. Tuma, the Administrator of the City of Owatonna, a municipality under the laws of the State of Minnesota on behalf of the City.

Notary Public

Drafted By:
City of Owatonna
540 West Hills Circle
Owatonna, MN 55060



DATE: February 4, 2026
TO: Mayor and City Council
FROM: David Beaver, Airport Manager
SUBJECT: Supplemental Letter of Agreement to Airfield Pavement Maintenance Agreement
- SEH, Inc.

Purpose:

To approve an agreement with SEH, Inc. for professional engineering services for the airport Airfield Pavement Maintenance project.

Background:

The project includes crack sealing airport Taxiway B (parallel taxiway to Runway 5/23) and hangar area Taxilanes to preserve existing airfield asphalt pavement. The project is identified in the 2026 Capital Improvement Program (CIP) and is a preventive maintenance step to minimize pavement deterioration. All work and materials to be included in this project will be in accordance with FAA and MnDOT Aeronautics standards and specifications. Services provided under this agreement include program coordination, final design, preparation of bidding documents, bidding and award, and project management. A figure depicting the work area and a detailed description of project scope and professional services are included in Attachment A1 to the agreement. FAA and MnDOT Aeronautics grant funding participation are anticipated for this project for eligible items. The Airport Commission has reviewed the scope of services and recommends approval.

Budget Impact:

The anticipated local cost for this portion of the project is approximately \$998.00, full cost for work under this agreement is \$19,000.00. These costs are eligible for a combination of FAA (95% Federal, 2.5% State, 2.5% local) and MnDOT Aeronautics (70% State, 30% local) grant funding based on an eligibility calculation.

Staff Recommendation:

Staff recommends approval contingent upon securing FAA and MnDOT grant funding participation.

Attachments:

1. Supplemental Letter of Agreement - Airfield Pavement Maintenance

Supplemental Letter Agreement

In accordance with the Master Agreement for Professional Services between City of Owatonna ("Client"), and Short Elliott Hendrickson Inc. ("Consultant"), effective March 6, 2024, this Supplemental Letter Agreement dated February 3, 2026 authorizes and describes the scope, schedule, and payment conditions for Consultant's work on the Project described as: 2026 Airfield Pavement Maintenance.

Client's Authorized Representative: Jenna Tuma

Address: 540 W Hills Cir, Owatonna, Minnesota 55060, United States

Telephone: 507-774-7340

Email: jenna.tuma@owatonna.gov

Project Manager: Jake Jorgenson

Address: 3535 Vadnais Center Drive, St. Paul, Minnesota 55110

Telephone: 6122198858

Email: jjorgenson@sehinc.com

Scope: The Services to be provided by Consultant:

A detailed scope of services can be found in attachment A-1

Payment: Principal

The lump sum fee is \$19,000 including expenses and equipment found in Attachment B1 and B2.

Other Terms and Conditions: Other or additional terms contrary to the Master Agreement for Professional Services that apply solely to this project as specifically agreed to by signature of the Parties and set forth herein: None.

Short Elliott Hendrickson Inc.

City of Owatonna

By:



By:

Full Name: Shawn McManhon

Full Name: _____

Title: Principal

Title: _____

Exhibit A-2

Payments to Consultant for Services and Expenses Using the Lump Sum Basis Option

The Agreement for Professional Services is amended and supplemented to include the following agreement of the parties:

A. Lump Sum Basis Option

The Client and Consultant select the Lump Sum Basis for Payment for services provided by Consultant. During the course of providing its services, Consultant shall be paid monthly based on Consultant's estimate of the percentage of the work completed. Necessary expenses and equipment are provided as a part of Consultant's services and are included in the initial Lump Sum amount for the agreed upon Scope of Work. Total payments to Consultant for work covered by the Lump Sum Agreement shall not exceed the Lump Sum amount without written authorization from the Client.

The Lump Sum amount includes compensation for Consultant's services and the services of Consultant's Consultants, if any for the agreed upon Scope of Work. Appropriate amounts have been incorporated in the initial Lump Sum to account for labor, overhead, profit, expenses and equipment charges. The Client agrees to pay for other additional services, equipment, and expenses that may become necessary by amendment to complete Consultant's services at their normal charge out rates as published by Consultant or as available commercially.

B. Expenses Not Included in the Lump Sum

The following items involve expenditures made by Consultant employees or professional consultants on behalf of the Client and shall be paid for as described in this Agreement

1. Expense of overtime work requiring higher than regular rates, if authorized in advance by the Client.
2. Other special expenses required in connection with the Project.
3. The cost of special consultants or technical services as required. The cost of subconsultant services shall include actual expenditure plus 10% markup for the cost of administration and insurance.

The Client shall pay Consultant monthly for expenses not included in the Lump Sum amount.

ATTACHMENT A1
SCOPE OF ENGINEERING SERVICES – FAA ELIGIBLE AND INELIGIBLE AREAS
2026 AIRFIELD PAVEMENT MAINTENANCE
OWATONNA DEGNER REGIONAL AIRPORT
OWATONNA, MINNESOTA

PROJECT SCOPE: Schedule A

The proposed project includes crack sealing Taxiway B and the Taxilanes at Owatonna Degner Airport to preserve the existing asphalt pavement, prevent water infiltration, and extend the service life of these airfield surfaces. Crack sealing is a preventative maintenance activity that minimizes pavement deterioration caused by moisture intrusion, freeze-thaw cycles, and the generation of foreign object debris.

Project work will consist of cleaning and preparing existing pavement cracks and sealing them with approved rubberized sealant materials in accordance with applicable FAA and MnDOT Aeronautics standards and specifications.

This maintenance project will enhance safety and reliability for aircraft ground operations, reduce future rehabilitation costs, and support continued aircraft operations at Owatonna Degner Airport.

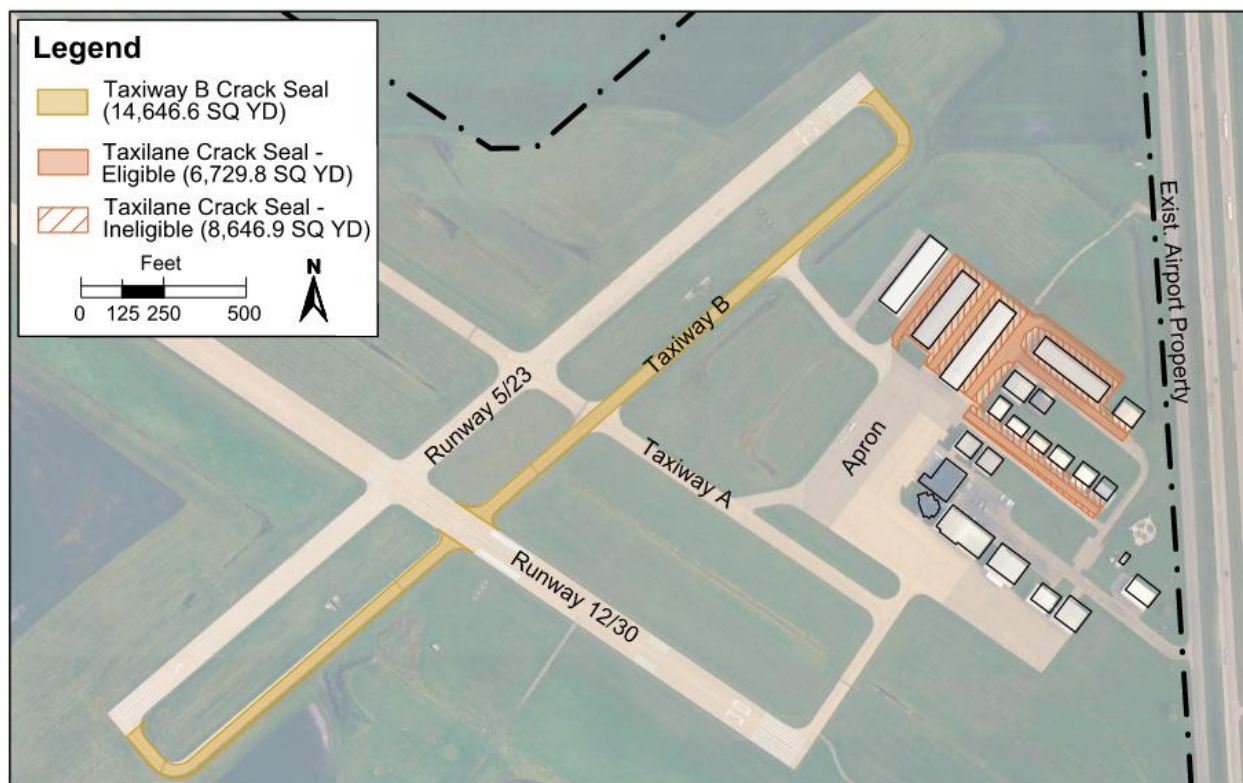


Figure 1: Taxiway B and Taxilanes Crack Seal Location

SCOPE OF SERVICES:

Services to be provided include program coordination, final design, preparation of bidding documents, bidding and award, and project management.

Specific tasks to be performed by the Consultant are as follows:

Final Design – Taxiway B and Taxilanes Crack Seal:

1. **Scoping and Project Formulation:** Completion of the project and grant pre-application, cost breakdowns and eligibility determinations. The required categorical exclusion checklist and letter

will also be submitted to the FAA for approval. An engineer's design report will be completed and submitted as part of the FAA grant process.

2. Construction Safety Plan / Airspace Analysis: A construction safety and phasing plan will be prepared for the Project and submitted to the FAA. A safety checklist form and an airspace analysis during construction are required to be submitted with the safety plan.
3. Detailed Design: Detailed design includes the crack seal design, drainage, pavement design, and typical sections.
4. Final Construction Plans: Prepare construction drawings consisting of approximately the following plan sheets.
 - Title sheet
 - Construction Safety Plan
 - Construction Phasing Plan
 - Statement of Estimated Quantities
 - Details and Construction Notes
 - Site Plan drawings
5. Quantity Calculations and Cost Estimate: Quantities will be calculated for use on the bid form and for updating the construction cost estimates.
6. Bidding Package: Prepare a bid package that will include general conditions, bid form, contract, wage rate requirements, technical specifications, and drawings showing the scope of work and necessary details.
7. Quality Control Reviews: Provide quality control reviews and final review of the plans and specifications. QA/QC includes the time required by the Consultant for the overall administration of the project, including internal meetings; quality control and assurance; reviews; and coordination with the Owner, FAA, Mn/DOT, and other regulatory agencies and utilities.
8. Bidding and Award: Assist the Owner with obtaining construction bids for proposed improvements. Assist the Owner with securing a grant from the Federal Aviation Administration and MnDOT Aeronautics for this project. Make a recommendation to the Owner on award of construction contract.
9. Project Management: Overall administration of the project, including internal and external meetings, coordination of plan and specification review with the Owner, MnDOT Office of Aeronautics, FAA, City of Owatonna and other regulatory agencies as required.

ESTIMATED FEES AND EXPENSES - FAA ELIGIBLE
ATTACHMENT B1
2026 AIRFIELD PAVEMENT MAINTENANCE
FINAL DESIGN, PLANS, SPECIFICATIONS, AND BIDDING
OWATONNA DEGNER REGIONAL AIRPORT

Task No.	Task Description	Principal Engineer	Project Manager	Project Engineer	Senior Technician	Administrative Assistant
1.	Scoping & Project Formulation	1	1	1		2
2.	Construction Safety Plan/Airspace Analysis		1	2		
3.	Detailed Design		1	8		
4.	Final Construction Plans	1	1	27		
5.	Quantity Calculations and Cost Estimates		1	4	1	
6.	Bidding Package		8	4	4	4
7.	Quality Control Reviews	1	1	1	1	
8.	Bidding and Award		1	3	1	
9.	Project Management	2	3	4	1	2
	Total Hours per Labor Category	5	18	54	8	8

ESTIMATE OF LABOR COSTS:

Labor Category	Hours	Rate	Extension
Principal Engineer	5	\$84.69	\$423.45
Project Manager	18	\$58.51	\$1,053.18
Project Engineer	54	\$48.64	\$2,626.56
Senior Technician	8	\$49.93	\$399.44
Administrative Assistant	8	\$36.62	\$292.96
Total Direct Labor Costs:	93		\$4,795.59
General, Salary, and Administrative Overhead			\$9,163.41
Total Labor Costs			\$13,959.00

Fixed Fee on Labor Costs (15%)

\$2,093.85

ESTIMATE OF EXPENSES:

Direct Expenses	Quantity	Rate	Extension
Employee Mileage	500	\$0.725	\$362.50
Equipment Usage	93	\$6.00	\$558.00
Reproductions / Miscellaneous	1	\$100.00	\$100.00
Total Expenses			\$1,020.50

SUMMARY:

Total Labor Costs + Expenses + Fixed Fees

\$17,073.35

Estimated Total

\$17,100.00

**ESTIMATED FEES AND EXPENSES - FAA INELIGIBLE
ATTACHMENT B1
2026 AIRFIELD PAVEMENT MAINTENANCE
FINAL DESIGN, PLANS, SPECIFICATIONS, AND BIDDING
OWATONNA DEGNER REGIONAL AIRPORT**

Task No.	Task Description	Principal Engineer	Project Manager	Project Engineer	Senior Technician	Administrative Assistant
2.	Construction Safety Plan/Airspace Analysis			1		
3.	Detailed Design		1	1		
4.	Final Construction Plans			2		
5.	Quantity Calculations and Cost Estimates			1	1	
7.	Quality Control Reviews	1	1	1	1	
	Total Hours per Labor Category		2	6	2	

ESTIMATE OF LABOR COSTS:

Labor Category	Hours	Rate	Extension
Principal Engineer	0	\$84.69	\$0.00
Project Manager	2	\$58.51	\$117.02
Project Engineer	6	\$48.64	\$291.84
Senior Technician	2	\$49.93	\$99.86
Administrative Assistant	0	\$36.62	\$0.00
Total Direct Labor Costs:	10		\$508.72
General, Salary, and Administrative Overhead			\$972.06
Total Labor Costs			\$1,480.78

Fixed Fee on Labor Costs (15%)

\$222.12

ESTIMATE OF EXPENSES:

Direct Expenses	Quantity	Rate	Extension
Equipment Usage	10	\$6.00	\$60.00
Reproductions / Miscellaneous	1	\$100.00	\$100.00
Total Expenses			\$160.00

SUMMARY:

Total Labor Costs + Expenses + Fixed Fees

\$1,862.90

Estimated Total

\$1,900.00

EXHIBIT B

FAA CONTRACT PROVISIONS

ACCESS TO RECORDS AND REPORTS

The Contractor must maintain an acceptable cost accounting system. The Contractor agrees to provide the Owner, the Federal Aviation Administration and the Comptroller General of the United States or any of their duly authorized representatives access to any books, documents, papers and records of the Contractor which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcriptions. The Contractor agrees to maintain all books, records and reports required under this contract for a period of not less than three years after final payment is made and all pending matters are closed.

BREACH OF CONTRACT TERMS

Any violation or breach of terms of this contract on the part of the Consultant or its subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement.

Owner will provide Consultant written notice that describes the nature of the breach and corrective actions the Consultant must undertake in order to avoid termination of the contract. Owner reserves the right to withhold payments to Contractor until such time the Contractor corrects the breach or the Owner elects to terminate the contract. The Owner's notice will identify a specific date by which the Consultant must correct the breach. Owner may proceed with termination of the contract if the Consultant fails to correct the breach by the deadline indicated in the Owner's notice.

The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder are in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.

GENERAL CIVIL RIGHTS PROVISIONS

In all its activities within the scope of its airport program, the Contractor agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin, creed, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

The above provision binds the Consultant and subcontractors from the bid solicitation period through the completion of the contract.

Title VI Solicitation Notice:

As a condition of a grant award, the Sponsor shall demonstrate that it complies with the provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq) and implementing regulations (49 CFR part 21) including amendments thereto, the Airport and Airway Improvement Act of 1982 (49 U.S.C. § 47123), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794 et seq.), the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101, et seq.), U.S. Department of Transportation and Federal Aviation Administration (FAA) Assurances, and other relevant civil rights statutes, regulations, or authorities, including any amendments or updates thereto. This may include, as applicable, providing a current Title VI Program Plan to the FAA for approval, in the format and according to the timeline required by the FAA, and other information about the communities that will be benefited and impacted by the project. A completed FAA Title VI Pre-Grant Award Checklist is required for every grant application, unless excused by the FAA. The Sponsor shall affirmatively ensure

that when carrying out any project supported by this grant that it complies with all federal nondiscrimination and civil rights laws based on race, color, national origin, sex, creed, age, disability, genetic information, in consideration for federal financial assistance. The Department's and FAA's Office of Civil Rights may provide resources and technical assistance to recipients to ensure full and sustainable compliance with Federal civil rights requirements. Failure to comply with civil rights requirements will be considered a violation of the agreement or contract and be subject to any enforcement action as authorized by law.

Title VI List of Pertinent Nondiscrimination Acts and Authorities

During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR Part 21 (Non-discrimination in Federally-Assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964) including amendments thereto;
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);
- The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 *et seq.*) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 U.S.C. § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (P.L. 100-259) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101, *et seq.*) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR Parts 37 and 38;
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. § 1681, *et seq.*).

Compliance with Nondiscrimination Requirements:

During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor"), agrees as follows:

1. **Compliance with Regulations:** The Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Nondiscrimination:** The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin, creed, sex, age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including

employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21 including amendments thereto.

3. **Solicitations for Subcontracts, including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Contractor of the contractor's obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.
4. **Information and Reports:** The Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to the Sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a Contractor's noncompliance with the non-discrimination provisions of this contract, the Sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
 - a. Withholding payments to the Contractor under the contract until the Contractor complies; and/or
 - b. Cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The Contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the Sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor may request the Sponsor to enter into any litigation to protect the interests of the Sponsor. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

CLEAN AIR AND WATER POLLUTION CONTROL

Contractor agrees to comply with all applicable standards, orders, and regulations issued pursuant to the Clean Air Act (42 U.S.C. §§ 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. §§ 1251-1387). The Contractor agrees to report any violation to the Owner immediately upon discovery. The Owner assumes responsibility for notifying the Environmental Protection Agency (EPA) and the Federal Aviation Administration.

Contractor must include this requirement in all subcontracts that exceed \$150,000.

CONTRACT WORKHOURS AND SAFETY STANDARDS ACT REQUIREMENTS

1. Overtime Requirements.

No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic, including watchmen and guards, in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a

rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

2. Violation; Liability for Unpaid Wages; Liquidated Damages.

In the event of any violation of the clause set forth in paragraph (1) of this clause, the Contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this clause, in the sum of \$29 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this clause.

3. Withholding for Unpaid Wages and Liquidated Damages.

The Federal Aviation Administration (FAA) or the Owner shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this clause.

4. Subcontractors.

The Contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraphs (1) through (4) and also a clause requiring the subcontractor to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this clause.

CERTIFICATION OF OFFEROR/BIDDER REGARDING DEBARMENT

By submitting a bid/proposal under this solicitation, the bidder or offeror certifies that neither it nor its principals are presently debarred or suspended by any Federal department or agency from participation in this transaction.

CERTIFICATION OF LOWER TIER CONTRACTORS REGARDING DEBARMENT

The successful bidder, by administering each lower tier subcontract that exceeds \$25,000 as a "covered transaction", must confirm each lower tier participant of a "covered transaction" under the project is not presently debarred or otherwise disqualified from participation in this federally-assisted project. The successful bidder will accomplish this by:

1. Checking the System for Award Management at website: <http://www.sam.gov>.
2. Collecting a certification statement similar to the Certification of Offeror /Bidder Regarding Debarment, above.
3. Inserting a clause or condition in the covered transaction with the lower tier contract.

If the Federal Aviation Administration later determines that a lower tier participant failed to disclose to a higher tier participant that it was excluded or disqualified at the time it entered the covered transaction, the FAA may pursue any available remedies, including suspension and debarment of the non-compliant participant.

DISADVANTAGED BUSINESS ENTERPRISE

Contract Assurance (49 CFR § 26.13)

The Contractor, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Contractor shall carry out applicable requirements of 49 CFR Part 26, including any amendments thereto, in the award and administration of DOT-assisted contracts. Failure by the Contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate, which may include, but is not limited to:

- 1) Withholding monthly progress payments;
- 2) Assessing sanctions;
- 3) Liquidated damages; and/or
- 4) Disqualifying the Contractor from future bidding as non-responsible.

Prompt Payment (49 CFR § 26.29)

The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 30 days from the receipt of each payment the prime contractor receives from the City. The prime contractor agrees further to return retainage payments to each subcontractor within 30 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the the City. This clause applies to both DBE and non-DBE subcontractors.

Termination of DBE Subcontracts (49 CFR § 26.53(f))

The prime contractor must not terminate a DBE subcontractor listed in response to the DBE program. (or an approved substitute DBE firm) without prior written consent of the City. This includes, but is not limited to, instances in which the prime contractor seeks to perform work originally designated for a DBE subcontractor with its own forces or those of an affiliate, a non-DBE firm, or with another DBE firm.

The prime contractor shall utilize the specific DBEs listed to perform the work and supply the materials for which each is listed unless the contractor obtains written consent. Unless consent is provided, the prime contractor shall not be entitled to any payment for work or material unless it is performed or supplied by the listed DBE.

The City may provide such written consent only if they agree for reasons stated in the concurrence document, that the prime contractor has good cause to terminate the DBE firm. For purposes of this paragraph, good cause includes the circumstances listed in 49 CFR § 26.53.

Before transmitting to the City its request to terminate and/or substitute a DBE subcontractor, the prime contractor must give notice in writing to the DBE subcontractor, with a copy to the city of its intent to request to terminate and/or substitute, and the reason for the request.

The prime contractor must give the DBE five days to respond to the prime contractor's notice and advise [Name of Recipient] and the contractor of the reasons, if any, why it objects to the proposed termination of its subcontract and why the City should not approve the prime contractor's action. If required in a particular case as a matter of public necessity (e.g., safety), the City may provide a response period shorter than five days.

In addition to post-award terminations, the provisions of this section apply to pre-award deletions of or substitutions for DBE firms put forward by offerors in negotiated procurements.

TEXTING WHEN DRIVING

In accordance with Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving", (10/1/2009) and DOT Order 3902.10, "Text Messaging While Driving", (12/30/2009), the Federal Aviation Administration encourages recipients of Federal grant funds to adopt and enforce safety policies that decrease crashes by distracted drivers, including policies to ban text messaging while driving when performing work related to a grant or subgrant.

In support of this initiative, the Owner encourages the Contractor to promote policies and initiatives for its employees and other work personnel that decrease crashes by distracted drivers, including policies that ban text messaging while driving motor vehicles while performing work activities associated with the project. The Contractor must include the substance of this clause in all sub-tier contracts exceeding \$15,000 that involve driving a motor vehicle in performance of work activities associated with the project.

PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT

Contractor and Subcontractor agree to comply with mandatory standards and policies relating to use and procurement of certain telecommunications and video surveillance services or equipment in compliance with the National Defense Authorization Act P.L. 115-232, § 889(f)(1)).

FEDERAL FAIR LABOR STANDARDS ACT (FEDERAL MINIMUM WAGE)

All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR Part 201, et seq, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part-time workers.

The Consultant has full responsibility to monitor compliance to the referenced statute or regulation. The Consultant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

CERTIFICATION REGARDING LOBBYING

The Bidder or Offeror certifies by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Bidder or Offeror, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under

grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970

All contracts and subcontracts that result from this solicitation incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. The employer must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The employer retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR Part 1910). The employer must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

PROCUREMENT OF RECOVERED MATERIALS

Contractor and subcontractor agree to comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, and the regulatory provisions of 40 CFR Part 247. In the performance of this contract and to the extent practicable, the Contractor and subcontractors are to use products containing the highest percentage of recovered materials for items designated by the Environmental Protection Agency (EPA) under 40 CFR Part 247 whenever:

- 1) The contract requires procurement of \$10,000 or more of a designated item during the fiscal year; or
- 2) The contractor has procured \$10,000 or more of a designated item using Federal funding during the previous fiscal year.

The list of EPA-designated items is available at www.epa.gov/smm/comprehensive-procurement-guidelines-construction-products.

Section 6002(c) establishes exceptions to the preference for recovery of EPA-designated products if the contractor can demonstrate the item is:

- a) Not reasonably available within a timeframe providing for compliance with the contract performance schedule;
- b) Fails to meet reasonable contract performance requirements; or
- c) Is only available at an unreasonable price.

SEISMIC SAFETY

The Contractor agrees to ensure that all work performed under this contract, including work performed by subcontractors, conforms to a building code standard that provides a level of seismic safety substantially equivalent to standards established by the National Earthquake Hazards Reduction Program (NEHRP). Local building codes that model their code after the current version of the International Building Code (IBC) meet the NEHRP equivalency level for seismic safety.

CERTIFICATION OF OFFEROR/BIDDER REGARDING TAX DELINQUENCY AND FELONY CONVICTIONS

The applicant must complete the following two certification statements. The applicant must indicate its current status as it relates to tax delinquency and felony conviction by inserting a checkmark (ü) in the space following the applicable response. The applicant agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification in all lower tier subcontracts.

Certifications

- 1) The applicant represents that it is (☐) is not (☒) a corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.
- 2) The applicant represents that it is (☐) is not (☒) a corporation that was convicted of a criminal violation under any Federal law within the preceding 24 months.

Note

If an applicant responds in the affirmative to either of the above representations, the applicant is ineligible to receive an award unless the Sponsor has received notification from the agency suspension and debarment official (SDO) that the SDO has considered suspension or debarment and determined that further action is not required to protect the Government's interests. The applicant therefore must provide information to the owner about its tax liability or conviction to the Owner, who will then notify the FAA Airports District Office, which will then notify the agency's SDO to facilitate completion of the required considerations before award decisions are made.

Term Definitions

Felony conviction: Felony conviction means a conviction within the preceding twenty four (24) months of a felony criminal violation under any Federal law and includes conviction of an offense defined in a section of the U.S. Code that specifically classifies the offense as a felony and conviction of an offense that is classified as a felony under 18 USC § 3559.

Tax Delinquency: A tax delinquency is any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted, or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.

TERMINATION FOR CONVENIENCE (PROFESSIONAL SERVICES)

The Owner may, by written notice to the Consultant, terminate this Agreement for its convenience and without cause or default on the part of Consultant. Upon receipt of the notice of termination, except as explicitly directed by the Owner, the Contractor must immediately discontinue all services affected.

Upon termination of the Agreement, the Consultant must deliver to the Owner all data, surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by the Engineer under this contract, whether complete or partially complete.

Owner agrees to make just and equitable compensation to the Consultant for satisfactory work completed up through the date the Consultant receives the termination notice. Compensation will not include anticipated profit on non-performed services.

Owner further agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

TERMINATION FOR CAUSE (PROFESSIONAL SERVICES)

Either party may terminate this Agreement for cause if the other party fails to fulfill its obligations that are essential to the completion of the work per the terms and conditions of the Agreement. The party

initiating the termination action must allow the breaching party an opportunity to dispute or cure the breach.

The terminating party must provide the breaching party [7] days advance written notice of its intent to terminate the Agreement. The notice must specify the nature and extent of the breach, the conditions necessary to cure the breach, and the effective date of the termination action. The rights and remedies in this clause are in addition to any other rights and remedies provided by law or under this agreement.

- a) **Termination by Owner:** The Owner may terminate this Agreement for cause in whole or in part, for the failure of the Consultant to:
1. Perform the services within the time specified in this contract or by Owner approved extension;
 2. Make adequate progress so as to endanger satisfactory performance of the Project; or
 3. Fulfill the obligations of the Agreement that are essential to the completion of the Project.

Upon receipt of the notice of termination, the Consultant must immediately discontinue all services affected unless the notice directs otherwise. Upon termination of the Agreement, the Consultant must deliver to the Owner all data, surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by the Engineer under this contract, whether complete or partially complete.

Owner agrees to make just and equitable compensation to the Consultant for satisfactory work completed up through the date the Consultant receives the termination notice. Compensation will not include anticipated profit on non-performed services.

Owner further agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

If, after finalization of the termination action, the Owner determines the Consultant was not in default of the Agreement, the rights and obligations of the parties shall be the same as if the Owner issued the termination for the convenience of the Owner.

- b) **Termination by Consultant:** The Consultant may terminate this Agreement for cause in whole or in part, if the Owner:
1. Defaults on its obligations under this Agreement;
 2. Fails to make payment to the Consultant in accordance with the terms of this Agreement;
 3. Suspends the project for more than [180] days due to reasons beyond the control of the Consultant.

Upon receipt of a notice of termination from the Consultant, Owner agrees to cooperate with Consultant for the purpose of terminating the agreement or portion thereof, by mutual consent. If Owner and Consultant cannot reach mutual agreement on the termination settlement, the Consultant may, without prejudice to any rights and remedies it may have, proceed with terminating all or parts of this Agreement based upon the Owner's breach of the contract.

In the event of termination due to Owner breach, the Consultant is entitled to invoice Owner and to receive full payment for all services performed or furnished in accordance with this Agreement and all justified reimbursable expenses incurred by the Consultant through the effective date of termination action. Owner agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

TRADE RESTRICTION CERTIFICATION

By submission of an offer, the Offeror certifies that with respect to this solicitation and any resultant contract, the Offeror –

- 1) is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms as published by the Office of the United States Trade Representative (USTR);
- 2) has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country included on the list of countries that discriminate against U.S. firms as published by the USTR; and
- 3) has not entered into any subcontract for any product to be used on the Federal project that is produced in a foreign country included on the list of countries that discriminate against U.S. firms published by the USTR.

This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18 USC § 1001.

The Offeror/Contractor must provide immediate written notice to the Owner if the Offeror/Contractor learns that its certification or that of a subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances. The Contractor must require subcontractors provide immediate written notice to the Contractor if at any time it learns that its certification was erroneous by reason of changed circumstances.

Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR § 30.17, no contract shall be awarded to an Offeror or subcontractor:

- 1) who is owned or controlled by one or more citizens or nationals of a foreign country included on the list of countries that discriminate against U.S. firms published by the USTR; or
- 2) whose subcontractors are owned or controlled by one or more citizens or nationals of a foreign country on such USTR list; or
- 3) who incorporates in the public works project any product of a foreign country on such USTR list.

Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of a contractor is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

The Offeror agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification without modification in all lower tier subcontracts. The Contractor may rely on the certification of a prospective subcontractor that it is not a firm from a foreign country included on the list of countries that discriminate against U.S. firms as published by USTR, unless the Offeror has knowledge that the certification is erroneous.

This certification is a material representation of fact upon which reliance was placed when making an award. If it is later determined that the Contractor or subcontractor knowingly rendered an erroneous certification, the Federal Aviation Administration (FAA) may direct through the Owner cancellation of the contract or subcontract for default at no cost to the Owner or the FAA.

VETERAN'S PREFERENCE

In the employment of labor (excluding executive, administrative, and supervisory positions), the Contractor and all sub-tier contractors must give preference to covered veterans as defined within 49 U.S.C. § 47112. Covered veterans include Vietnam-era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns (as defined by 15 U.S.C. § 632) owned and controlled by disabled veterans. This preference only applies when there are covered veterans readily available and qualified to perform the work to which the employment relates.

CERTIFICATION REGARDING DOMESTIC PREFERENCES FOR PROCUREMENTS

The Bidder or Offeror certifies by signing and submitting this bid or proposal that, to the greatest extent practicable, the Bidder or Offeror has provided a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including, but not limited to, iron, aluminum, steel, cement, and other manufactured products) in compliance with 2 CFR § 200.322.

PROHIBITION OF COVERED UNMANNED AIRCRAFT SYSTEMS (UAS)

The Bidder or Offeror certifies that they are aware of and comply with relevant Federal statutes and regulations, including those from the Federal Aviation Administration (FAA), for operating unmanned aircraft systems (UAS) in accordance, and in compliance with all related requirements in the FAA Reauthorization Act of 2024 (Public Law 118-63), section 936 (49 U.S.C. § 44801 note).

Contractor warrants that all UAS operations will be conducted in full compliance with all applicable Federal Aviation Administration (FAA) regulations, including but not limited to 14 CFR Part 107, and any other applicable local, state, or Federal laws and regulations.

Sponsors and subgrant recipients cannot use AIP grant funds to enter into, extend, or renew a contract related to covered unmanned aircraft systems (UAS). This includes both procurement and operational contracts, as well as contracts with entities that operate such systems.



DATE: February 4, 2026
TO: Mayor and City Council
FROM: Ryan Brown, IT Director
SUBJECT: Vehicle Purchase - IT Department - Marthaler Honda of Owatonna

Purpose:

Seek approval to purchase a 2026 Honda HR-V for the IT Department to replace the current 2006 Chevy Impala.

Background:

The 2006 Chevy Impala assigned to the IT Department has exceeded its useful life and is no longer reliable for operational needs. A new vehicle is necessary to support IT staff in transporting equipment and responding to service calls. Quotes were obtained for a 2026 Honda HR-V, 2026 Ford Escape, and 2026 Jeep Compass. All quotes were within a few hundred dollars. After reviewing with City Mechanics and considering trade-in values in later years, the HR-V was determined to be the best option for long-term value and reliability.

Budget Impact:

The total cost for the 2026 Honda HR-V, including taxes and fees, is \$33,066.79, funded through the Vehicle Replacement Fund (VRF).

Staff Recommendation:

Staff recommends approving the purchase of the 2026 Honda HR-V to ensure dependable transportation for IT operations and enhance efficiency in service delivery.

Attachments:

1. Marthaler 2026 HRV Quote



Marthaler Honda
2500 State Ave NW
Owatonna
MN, 55060
<https://www.marthalerhonda.com/>

Deal #
13335

Jeffrey Fredrickson
Contact Sales: (507) 373 - 2341
thegwood@marthaler.com

JF

Honda HR-V

Cash

\$0.00 Customer Cash	\$33,046.79
\$1,000.00 Customer Cash	\$32,046.79 \$33,046.79 Tax incl.
\$5,000.00 Customer Cash	\$28,046.79 \$33,046.79 Tax incl.

Payment Detail

MSRP	\$31,450.00
Discount	\$1,453.00
Selling Price	\$29,997.00
Accessories	\$0.00
Fees	\$987.50
Total Taxes	\$2,062.29
Amount Financed	\$33,046.79

X

Customer Signature & Date

Payments offered here are all subject to final credit approval from the lending institution. Vehicle Price does not include accessories and is before Taxes and/or applicable fees. Leases in some cases require additional cash for Security Deposit, and at Lease's End, Lessee is responsible for \$0.25 per Mile over 15000 Miles per year. Wear and tear guidelines apply. All prices, specifications, and availability subject to change without notice.

X

Brian Riley | Manager Signature & Date



DATE: February 4, 2026
TO: Mayor and City Council
FROM: Ryan Brown, IT Director
SUBJECT: Annual Microsoft License Renewal - SHI

Purpose:

Seek approval to renew the City's Microsoft 365 licensing agreement for the period February 1, 2026 – January 31, 2027 to maintain access to essential productivity, collaboration, and security tools.

Background:

Microsoft 365 licenses provide critical services including Office applications, Teams collaboration, audio conferencing, phone system integration, security features, and compliance tools. These licenses are required for daily operations and are essential for maintaining secure and efficient workflows.

Budget Impact:

The total cost for the annual renewal is \$122,545.93, funded through the IT operating budget for Fiscal Year 2026. This expense covers all required licenses for city staff and devices.

Staff Recommendation:

Staff recommends approving the annual Microsoft license renewal to ensure uninterrupted access to essential tools, maintain security and compliance standards, and support operational efficiency.

Attachments:

1. Microsoft Renewal



Federal tax ID: 22-3009648
290 Davidson Ave.
Somerset, NJ 08873
Phone: 888-235-3871
Fax: 732-805-9669

Please remit payment to:
SHI International Corp
P.O. Box 952121
Dallas, TX 75395-2121
Wire information: Wells Fargo Bank
Wire Rt# 121000248
ACH Rt# 121000248
Account#2000037641964
SWIFT Code: WFBIUS6S
For W-9 Form, www.shi.com/W9
Send remittances to - remittance@shi.com

Invoice No. B20722592
Invoice date 1/21/2026
Customer Acc. No. 1006461
Sales order S62315955
Finance charge of 1.5% per month will be charged on
past due accounts - 18%/yr.
All returns require an RMA# supplied by your SHI
Sales team.

Bill To
MN CITY OF OWATONNA
540 WEST HILLS CIRCLE
ATTN: AP
OWATONNA, MN 55060
USA

Ship To
City of Owatonna
540 West Hills Circle
Owatonna, MN 55060
USA
01122026/Jason Sticken

Ship Date	Salesperson	Purchase Order	Ship Via	FOB	Terms
1/21/2026	Gov Upper Midwest - MS	01122026	ESD	FOB DEST	NET 30

Item No. Mfg Part No.	Description	Qty Ordered	Qty Shipped	Unit Price	Extended Price
44559985 NYH-00001 ESD Microsoft Select	Audio Conferencing Select Dial Out GCC Sub Add-on Windows - Multiple Windows Platform All Languages ESD Software Contract number: CTR060028 Sub Contract: 237594 Agreement No.: 5603385 Agreement Name: State of Minnesota, Department of Administration Enrollment No.: 74409637 Enrollment Name: CITY OF OWATONNA Country of Usage: USA Maintenance From date: 2/1/2026 Maintenance To date: 1/31/2027	250	250	0.00	0.00
35180700 KXJ-00001 ESD Microsoft Select	CommonAreaPhoneGCC ShrdSvr ALNG SubsVL MVL PerDvc Windows - Multiple Windows Platform All Languages ESD Software Contract number: CTR060028 Sub Contract: 237594 Agreement No.: 5603385 Agreement Name: State of Minnesota, Department of Administration Enrollment No.: 74409637 Enrollment Name: CITY OF OWATONNA Country of Usage: USA Maintenance From date: 2/1/2026 Maintenance To date: 1/31/2027	70	70	73.20	5,124.00



Federal tax ID: 22-3009648
290 Davidson Ave.
Somerset, NJ 08873
Phone: 888-235-3871
Fax: 732-805-9669

Please remit payment to:
SHI International Corp
P.O. Box 952121
Dallas, TX 75395-2121
Wire information: Wells Fargo Bank
Wire Rt# 121000248
ACH Rt# 121000248
Account#2000037641964
SWIFT Code: WFBIUS6S
For W-9 Form, www.shi.com/W9
Send remittances to - remittance@shi.com

Invoice No. B20722592

Invoice date 1/21/2026
Customer Acc. No. 1006461
Sales order S62315955

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past due accounts - 18%/yr.
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Bill To

MN CITY OF OWATONNA
540 WEST HILLS CIRCLE
ATTN: AP
OWATONNA, MN 55060
USA

Ship To

City of Owatonna
540 West Hills Circle
Owatonna, MN 55060
USA
01122026/Jason Sticken

45393842 VA1-00001 ESD Microsoft Select	Teams Rooms Pro GCC Sub Per Device Windows - Multiple Windows Platform All Languages ESD Software Contract number: CTR060028 Sub Contract: 237594 Agreement No.: 5603385 Agreement Name: State of Minnesota, Department of Administration Enrollment No.: 74409637 Enrollment Name: CITY OF OWATONNA Country of Usage: USA Maintenance From date: 2/1/2026 Maintenance To date: 1/31/2027	10	10	430.85	4,308.50
33799111 LK9-00003 ESD Microsoft Select	PhoneSysGCC ShrdSvr ALNG SubsVL MVL PerUsr Windows - Multiple Windows Platform All Languages ESD Software Contract number: CTR060028 Sub Contract: 237594 Agreement No.: 5603385 Agreement Name: State of Minnesota, Department of Administration Enrollment No.: 74409637 Enrollment Name: CITY OF OWATONNA Country of Usage: USA Maintenance From date: 2/1/2026 Maintenance To date: 1/31/2027	180	180	73.20	13,176.00
39924257 RMU-00004 ESD Microsoft Select	VoiceApps-GCC ShrdSvr ALNG SubsVL MVL PerUsr ForPhoneSystemV Windows - Multiple Windows Platform All Languages ESD Software Contract number: CTR060028 Sub Contract: 237594 Agreement No.: 5603385 Agreement Name: State of Minnesota, Department of Administration Enrollment No.: 74409637 Enrollment Name: CITY OF OWATONNA Country of Usage: USA Maintenance From date: 2/1/2026 Maintenance To date: 1/31/2027	50	50	0.00	0.00



Federal tax ID: 22-3009648
290 Davidson Ave.
Somerset, NJ 08873
Phone: 888-235-3871
Fax: 732-805-9669

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SHI International Corp
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Dallas, TX 75395-2121
Wire information: Wells Fargo Bank
Wire Rt# 121000248
ACH Rt# 121000248
Account#2000037641964
SWIFT Code: WFBIUS6S
For W-9 Form, www.shi.com/W9
Send remittances to - remittance@shi.com

Invoice No. B20722592
Invoice date 1/21/2026
Customer Acc. No. 1006461
Sales order S62315955
Finance charge of 1.5% per month will be charged on
past due accounts - 18%/yr.
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Bill To

MN CITY OF OWATONNA
540 WEST HILLS CIRCLE
ATTN: AP
OWATONNA, MN 55060
USA

Ship To

City of Owatonna
540 West Hills Circle
Owatonna, MN 55060
USA
01122026/Jason Sticken

34432254 AAA-35418 ESD Microsoft Select	Az Commit Provision Global Windows - Multiple Windows Platform All Languages ESD Software Contract number: CTR060028 Sub Contract: 237594 Agreement No.: 5603385 Agreement Name: State of Minnesota, Department of Administration Enrollment No.: 74409637 Enrollment Name: CITY OF OWATONNA Country of Usage: USA Maintenance From date: 2/1/2026 Maintenance To date: 1/31/2027	1	1	0.00	0.00
28022028 P3U-00001 ESD Microsoft Select	VisioPlan2GCC ShrdSvr ALNG SubsVL MVL PerUsr Windows - Multiple Windows Platform All Languages ESD Software Contract number: CTR060028 Sub Contract: 237594 Agreement No.: 5603385 Agreement Name: State of Minnesota, Department of Administration Enrollment No.: 74409637 Enrollment Name: CITY OF OWATONNA Country of Usage: USA Maintenance From date: 2/1/2026 Maintenance To date: 1/31/2027	3	3	137.33	411.99
32439049 3GU-00001 ESD Microsoft Select	Defender O365 P1 GCC Sub Per User Windows - Multiple Windows Platform All Languages ESD Software Contract number: CTR060028 Sub Contract: 237594 Agreement No.: 5603385 Agreement Name: State of Minnesota, Department of Administration Enrollment No.: 74409637 Enrollment Name: CITY OF OWATONNA Country of Usage: USA Maintenance From date: 2/1/2026 Maintenance To date: 1/31/2027	250	250	18.36	4,590.00



Federal tax ID: 22-3009648
290 Davidson Ave.
Somerset, NJ 08873
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Fax: 732-805-9669

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Dallas, TX 75395-2121
Wire information: Wells Fargo Bank
Wire Rt# 121000248
ACH Rt# 121000248
Account#2000037641964
SWIFT Code: WFBIUS6S
For W-9 Form, www.shi.com/W9
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Invoice date 1/21/2026
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Sales order S62315955
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Bill To

MN CITY OF OWATONNA
540 WEST HILLS CIRCLE
ATTN: AP
OWATONNA, MN 55060
USA

Ship To

City of Owatonna
540 West Hills Circle
Owatonna, MN 55060
USA
01122026/Jason Sticken

37017457 aad-34704 ESD Microsoft Select	M365 G3 Unified FUSL GCC Sub Per User Windows - Multiple Windows Platform All Languages ESD Software Contract number: CTR060028 Sub Contract: 237594 Agreement No.: 5603385 Agreement Name: State of Minnesota, Department of Administration Enrollment No.: 74409637 Enrollment Name: CITY OF OWATONNA Country of Usage: USA Maintenance From date: 2/1/2026 Maintenance To date: 1/31/2027	80	80	387.76	31,020.80
37056646 AAD-34700 ESD Microsoft Select	M365 E3 FromSA GCC ShrdSvr ALNG SubsVL MVL PerUsr Non-Specif Windows - Multiple Windows Platform All Languages ESD Software Contract number: CTR060028 Sub Contract: 237594 Agreement No.: 5603385 Agreement Name: State of Minnesota, Department of Administration Enrollment No.: 74409637 Enrollment Name: CITY OF OWATONNA Country of Usage: USA Maintenance From date: 2/1/2026 Maintenance To date: 1/31/2027	170	170	329.62	56,035.40
33799111 LK9-00003 ESD Microsoft Select	PhoneSysGCC ShrdSvr ALNG SubsVL MVL PerUsr Windows - Multiple Windows Platform All Languages ESD Software Contract number: CTR060028 Sub Contract: 237594 Agreement No.: 5603385 Agreement Name: State of Minnesota, Department of Administration Enrollment No.: 74409637 Enrollment Name: CITY OF OWATONNA Country of Usage: USA Maintenance From date: 2/1/2026 Maintenance To date: 1/31/2027	7	7	73.20	512.40



Federal tax ID: 22-3009648
290 Davidson Ave.
Somerset, NJ 08873
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Invoice No. B20722592

Invoice date 1/21/2026
Customer Acc. No. 1006461
Sales order S62315955

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Bill To

MN CITY OF OWATONNA
540 WEST HILLS CIRCLE
ATTN: AP
OWATONNA, MN 55060
USA

Ship To

City of Owatonna
540 West Hills Circle
Owatonna, MN 55060
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01122026/Jason Sticken

44559985 NYH-00001 ESD Microsoft Select	Audio Conferencing Select Dial Out GCC Sub Add-on Windows - Multiple Windows Platform All Languages ESD Software Contract number: CTR060028 Sub Contract: 237594 Agreement No.: 5603385 Agreement Name: State of Minnesota, Department of Administration Enrollment No.: 74409637 Enrollment Name: CITY OF OWATONNA Country of Usage: USA Maintenance From date: 2/1/2026 Maintenance To date: 1/31/2027	7	7	0.00	0.00
37017457 aad-34704 ESD Microsoft Select	M365 G3 Unified FUSL GCC Sub Per User Windows - Multiple Windows Platform All Languages ESD Software Contract number: CTR060028 Sub Contract: 237594 Agreement No.: 5603385 Agreement Name: State of Minnesota, Department of Administration Enrollment No.: 74409637 Enrollment Name: CITY OF OWATONNA Country of Usage: USA Maintenance From date: 2/1/2026 Maintenance To date: 1/31/2027	7	7	387.76	2,714.32
32439049 3GU-00001 ESD Microsoft Select	Defender O365 P1 GCC Sub Per User Windows - Multiple Windows Platform All Languages ESD Software Contract number: CTR060028 Sub Contract: 237594 Agreement No.: 5603385 Agreement Name: State of Minnesota, Department of Administration Enrollment No.: 74409637 Enrollment Name: CITY OF OWATONNA Country of Usage: USA Maintenance From date: 2/1/2026 Maintenance To date: 1/31/2027	7	7	18.36	128.52



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MN CITY OF OWATONNA
540 WEST HILLS CIRCLE
ATTN: AP
OWATONNA, MN 55060
USA

Ship To
City of Owatonna
540 West Hills Circle
Owatonna, MN 55060
USA
01122026/Jason Sticken

43603656 AAL-45737 ESD Microsoft Select	M365 E5 GCC From M365 G3 ALNG SubsVL MVL PerUsr Windows - Multiple Windows Platform All Languages ESD Software Contract number: CTR060028 Sub Contract: 237594 Agreement No.: 5603385 Agreement Name: State of Minnesota, Department of Administration Enrollment No.: 74409637 Enrollment Name: CITY OF OWATONNA Country of Usage: USA Maintenance From date: 2/1/2026 Maintenance To date: 1/31/2027	20	20	226.20	4,524.00
45477363 VRM-00001 ESD Microsoft Select	Win OLS Activation User GCC Sub Per User Windows - Multiple Windows Platform All Languages ESD Software Contract number: CTR060028 Sub Contract: 237594 Agreement No.: 5603385 Agreement Name: State of Minnesota, Department of Administration Enrollment No.: 74409637 Enrollment Name: CITY OF OWATONNA Country of Usage: USA Maintenance From date: 2/1/2026 Maintenance To date: 1/31/2027	257	257	0.00	0.00

Quote: 26826249



Federal tax ID: 22-3009648
290 Davidson Ave.
Somerset, NJ 08873
Phone: 888-235-3871
Fax: 732-805-9669

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MN CITY OF OWATONNA
540 WEST HILLS CIRCLE
ATTN: AP
OWATONNA, MN 55060
USA

Ship To
City of Owatonna
540 West Hills Circle
Owatonna, MN 55060
USA
01122026/Jason Sticken

Sales Balance	122,545.93
Freight	0.00
Recycling Fee	0.00
Sales Tax	0.00
Total	122,545.93
Currency	USD



DATE: February 4, 2026
TO: Mayor and City Council
FROM: Ryan Brown, IT Director
SUBJECT: Annual Software Renewal Agreement - CivicPlus

Purpose:

The purpose of this memo is to request approval for the annual renewal of CivicPlus services for the City of Owatonna. CivicPlus provides essential digital solutions that support our municipal website, communication tools, media streaming, and recreation management systems.

Background:

CivicPlus is a critical component of our digital infrastructure, ensuring ADA compliance, secure hosting, and streamlined communication with residents. The platform includes:

- Website Hosting, Accessibility and Content Management
- Recreation Management
- Agenda and Meeting Management
- Communication tools
- Media Streaming

These services are vital for maintaining transparency, accessibility, and operational efficiency.

Budget Impact:

The annual CivicPlus renewal of \$47,360.83 will be funded from the Information Technology Operating Budget for FY2026.

Staff Recommendation:

Staff recommends approval of payment to CivicPlus LLC for services from January 1, 2026 – December 31, 2026.

Attachments:

1. Invoice - CivicPlus



Invoice

Updated Remittance Address:
(FOR PAYMENTS ONLY)
CivicPlus LLC
PO Box 737311
Dallas TX 75373-7311

#355162

1/1/2026

Bill To

City of Owatonna
540 West Hills Circle
Owatonna MN 55060

TOTAL DUE

\$47,360.83

Due Date: 1/31/2026

Terms	Customer	Approving Authority
Net 30	City of Owatonna, MN	

Qty	Item	Start Date	End Date	Amount
1	Annual Fee - Municipal Websites Central	1/1/2026	12/31/2026	\$6,484.11
1	48 Month Redesign Ultimate Annual - CivicEngage Central Renewal	1/1/2026	12/31/2026	\$0.00
1	Custom IdP Integration Annual Fee - primary domain https://www.owatonna.gov/	1/1/2026	12/31/2026	\$0.00
1	CP Provided SSL Annual Fee: owatonna.gov	1/1/2026	12/31/2026	\$107.66
1	CivicMedia Standard Annual Fee Renewal - includes live streaming + 10GB storage	1/1/2026	12/31/2026	\$1,047.51
1	CivicSend Annual Renewal	1/1/2026	12/31/2026	\$2,727.22
1	Recreation Management Annual Fee	1/1/2026	12/31/2026	\$21,465.68
1	Pay Maintenance and Support Annual Fee	1/1/2026	12/31/2026	\$0.00
1	Agenda and Meeting Management Annual Fee - Agenda and Minutes Management	1/1/2026	12/31/2026	\$4,856.80
1	CivicPlus Media Annual Fee: Unlimited storage, unlimited users, up to 3 concurrent streams	1/1/2026	12/31/2026	\$7,017.85
1	MO Platform-Standard New	1/1/2026	12/31/2026	\$3,654.00

Please submit payment via ACH using the details below. Please send notification of ACH transmission via email to remittance@civicplus.com. That address is not monitored for other inquiries or notifications. For any other invoice questions or information, please contact us at accounting@civicplus.com.

Bank Name	Account Name	Account Number	Routing Number
JPMorgan Chase	CivicPlus LLC	910320636	021000021



Invoice

Updated Remittance Address:
(FOR PAYMENTS ONLY)
CivicPlus LLC
PO Box 737311
Dallas TX 75373-7311

#355162

1/1/2026

Total	\$47,360.83
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Due	\$47,360.83
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Please submit payment via ACH using the details below. Please send notification of ACH transmission via email to remittance@civicplus.com. That address is not monitored for other inquiries or notifications. For any other invoice questions or information, please contact us at accounting@civicplus.com.

Bank Name	Account Name	Account Number	Routing Number
JPMorgan Chase	CivicPlus LLC	910320636	021000021



CITY OF
OWATONNA

Resolutions



DATE: February 4, 2026
TO: Mayor and City Council
FROM: Jenna Tuma, City Administrator
SUBJECT: Resolution 20-26 Set Date for Public Hearing to Adopt CIP Plan with Intent to Issue Bonds - Police and Fire Facilities

Purpose:

To set a Public Hearing related to the adoption of a capital improvement plan and the issuance of general obligation bonds for the police and fire facilities.

Background:

The City is authorized under Minnesota Statutes, Section 475.521, as amended (the "Act"), to prepare a plan for capital improvements authorized under the Act over the next five years (the "Plan"), and to issue general obligation bonds to finance the cost of capital improvements described in the Plan. Under the Act, the City is required to hold a public hearing regarding the Plan and issuance of the bonds.

The City Council has determined to prepare a Plan for the City and to issue general obligation bonds (the "Bonds") in a principal amount not to exceed \$65,000,000, plus any premium received, to finance certain capital improvements in the City, including but not limited to the acquisition, design, construction, betterment, and equipping of a new police station and a new fire station in the City (the "Capital Improvements").

The City is authorizing staff and consultants to prepare a Plan and to place a copy of the Plan on file with the City Administrator/City Clerk by no later than the date of publication of the hearing notice.

The City Council will hold a public hearing regarding the Plan and issuance of the Bonds on Tuesday, March 3, 2026, at approximately 7:00 p.m. at City Hall. The City Administrator/City Clerk is authorized and directed to publish a notice substantially in the form attached in the official newspaper of the City at least 10 days but not more than 28 days prior to the date of the hearing.

Budget Impact:

The issue of the Bonds in a principal amount not to exceed \$65,000,000, plus any premium received.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. Resolution 20-26 Set Public Hearing - CIP Plan with Intent to Issue Bonds

CITY OF OWATONNA, MINNESOTA

RESOLUTION NO. 20-26

RESOLUTION CALLING A PUBLIC HEARING RELATING TO THE
ADOPTION OF A CAPITAL IMPROVEMENT PLAN AND THE
ISSUANCE OF GENERAL OBLIGATION BONDS THEREUNDER AND
TAKING OTHER ACTIONS IN CONNECTION THEREWITH

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

Section 1. Background.

1.01. The City is authorized under Minnesota Statutes, Section 475.521, as amended (the "Act"), to prepare a plan for capital improvements authorized under the Act over the next five years (the "Plan"), and to issue general obligation bonds to finance the cost of capital improvements described in the Plan.

1.02. Under the Act, the City is required to hold a public hearing regarding the Plan and issuance of the bonds.

1.03. The City Council has determined to prepare a Plan for the City and to issue general obligation bonds (the "Bonds") in a principal amount not to exceed \$65,000,000, plus any premium received, to finance certain capital improvements in the City, including but not limited to the acquisition, design, construction, betterment, and equipping of a new police station and a new fire station in the City (the "Capital Improvements").

Section 2. Plan Authorized; Hearing Scheduled.

2.01. The City hereby authorizes its staff and consultants to prepare a Plan and to place a copy of the Plan on file with the City Administrator/City Clerk by no later than the date of publication of the hearing notice.

2.02. The City Council will hold a public hearing regarding the Plan and issuance of the Bonds on Tuesday, March 3, 2026, at approximately 7:00 p.m. at City Hall. The City Administrator/City Clerk is authorized and directed to publish a notice substantially in the form attached hereto as EXHIBIT A in the official newspaper of the City at least 10 days but not more than 28 days prior to the date of the hearing.

2.03. City staff and consultants are authorized to take all other actions needed to bring the Plan and issuance of the Bonds before the City Council.

Section 3. Declaration of Official Intent to Reimburse Expenditures.

3.01. The Internal Revenue Service has issued Treas. Reg. § 1.150-2 (the "Reimbursement Regulations") providing that proceeds of tax-exempt bonds used to reimburse prior expenditures will not be deemed spent unless certain requirements are met; the City expects to incur certain expenditures with respect to projects that may be financed temporarily from sources other than bonds, and reimbursed from the proceeds of tax-exempt bonds.

3.02. The City has determined to make a declaration of official intent (the "Declaration") to reimburse certain costs with respect to the Capital Improvements up to the principal amount of the Bonds from proceeds of the Bonds in accordance with the Reimbursement Regulations.

3.03. All reimbursed expenditures will be capital expenditures, costs of issuance of the Bonds, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.

3.04. This Declaration has been made not later than sixty (60) days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of the Bonds, except for the following expenditures: (a) costs of issuance of bonds; (b) costs in an amount not in excess of \$100,000 or five percent (5%) of the proceeds of an issue; or (c) "preliminary expenditures" up to an amount not in excess of twenty percent (20%) of the aggregate issue price of the issue or issues that finance or are reasonably expected by the City to finance the project for which the preliminary expenditures were incurred. The term "preliminary expenditures" includes architectural, engineering, surveying, bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.

3.05. This Declaration is an expression of the reasonable expectations of the City based on the facts and circumstances known to the City as of the date hereof. The anticipated original expenditures for the Capital Improvements and the principal amount of the Bonds described herein are consistent with the City's budgetary and financial circumstances. No sources other than proceeds of the Bonds to be issued by the City are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the City's budget or financial policies to pay such expenditures.

3.06. This Declaration is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

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

Passed and adopted this ____ day of _____, 2026, with the following vote:

Aye ____; No ____; Absent ____.

Approved and signed this ____ day of _____, 2026.

Matt T. Jessop, Mayor

ATTEST:

Jenna L. Tuma, City Administrator/City Clerk

EXHIBIT A

FORM OF NOTICE OF PUBLIC HEARING

CITY OF OWATONNA, MINNESOTA

NOTICE OF PUBLIC HEARING REGARDING A CAPITAL IMPROVEMENT PLAN AND THE ISSUANCE OF BONDS THEREUNDER

NOTICE IS HEREBY GIVEN that the City Council of the City of Owatonna, Minnesota (the "City"), will hold a public hearing on Tuesday, March 3, 2026, at or after 7:00 p.m. in Chambers of the Charles S. Crandall Center located at 540 West Hills Circle in the City, relating to a proposal concerning (1) the adoption of a five-year capital improvement plan (the "Plan"); and (2) the issuance of general obligation bonds (the "Bonds") under the Plan to finance capital improvements described in the Plan, including but not limited to certain capital improvements in the City, including but not limited to the acquisition, design, construction, betterment, and equipping of a new police station and a new fire station in the City, all pursuant to Minnesota Statutes, Section 475.521, as amended. The Bonds will be issued in a principal amount not to exceed \$65,000,000, plus any premium received. A draft copy of the Plan is on file with the City Administrator/City Clerk and is available for public inspection at City Hall during regular business hours.

If a petition requesting a vote on the issuance of the Bonds, signed by voters equal to 5 percent of the votes cast in the last City general election, is filed with the City Administrator/City Clerk within 30 days after the public hearing, the City may issue the Bonds only after obtaining approval of a majority of voters voting on the question at an election.

At the time and place fixed for the public hearing, the City Council will give all persons who appear at the hearing an opportunity to express their views with respect to the proposal. In addition, interested persons may direct any questions or file written comments respecting the proposal with the City Administrator/City Clerk, at or prior to said public hearing.

Dated: [Date of Publication]

BY ORDER OF THE CITY COUNCIL OF THE
CITY OF OWATONNA, MINNESOTA

/s/ Jenna L. Tuma
City Administrator/City Clerk
City of Owatonna, Minnesota



DATE: February 4, 2026
TO: Mayor and City Council
FROM: Troy Klecker, Community Development Director
SUBJECT: Resolution 21-26 Convey Property - Lot 1 Block 1, Stamo Addition - Redline Development Group LLC & Stadheim Properties of Owatonna LLC

Purpose:

Council to approve Resolution 21-26 to affirm the property boundaries within the Stamo Addition.

Background:

During the January 6, 2026 Council Meeting, Council approved the sale of property on Oak Street N to the Redline Development Group, LLC for the Ascend South Project and the Final Plat of the Stamo Addition. Redline Development Group, LLC and Stadheim Properties of Owatonna, LLC are owners of the property comprising Stamo Addition and this resolution affirms the boundaries of their respective parcels comprising Stamo Addition. City Attorney Walbran prepared this resolution to complete the closing on sale of property.

Budget Impact:

None

Staff Recommendation:

Staff recommends approval.

Attachments:

1. Resolution 21-26 Convey Stamo Addition

RESOLUTION NO. 21-26

A RESOLUTION AUTHORIZING THE CITY TO CONVEY REAL ESTATE
TO REDLINE DEVELOPMENT GROUP, LLC (REDLINE) AND STADHEIM PROPERTIES OF
OWATONNA, LLC (STADHEIM) IN CONNECTION WITH
THE PLATTING OF STAMO ADDITION

WHEREAS, the City of Owatonna (City) Redline Development Group, LLC, (Redline), and Stadheim Properties of Owatonna, LLC, (Stadheim), are owners of property comprising Stamo Addition;

WHEREAS, City, Redline, and Stadheim desire to affirm the boundaries of their respective parcels comprising Stamo Addition;

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

1. City shall convey by Quit Claim Deed to Redline and Stadheim the
following: Lot 1, Block 1, Stamo Addition

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

Passed and adopted this ____ day of ____ 2026, with the following vote:

Aye ____; No ____; Absent ____

Approved and signed this ____ day of _____, 2026.

Matt Jessop, Mayor

ATTEST:

Jenna Tuma, City Administrator



CITY OF
OWATONNA

Miscellaneous



DATE: February 4, 2026
TO: Mayor and City Council
FROM: Sean Murphy, Public Works Director
SUBJECT: Professional Services Agreement - Gray Box Engineering LLC

Purpose:

Requesting City Council approval of an agreement with Gray Box Engineering LLC to provide professional engineering services for the Lift Stations located at 3950 West Bridge Street, 1155 24th Avenue SW, and 3036 Northridge Lane.

Background:

The City of Owatonna has been working with an engineering firm to update the City's lift station's components to allow for SCADA integration to improve efficiency in management of the collections system. The lift stations located at 3950 West Bridge Street, 1155 24th Avenue SW, and 3036 Northridge Lane are the next lift stations slated for these improvements.

Previously, the city has worked with AE2S to carry out these services. Mark Ruda, the primary engineer on the project, has moved on to Gray Box Engineering LLC, and it is beneficial to use the same engineer for all lift station improvement designs to maintain consistency across lift stations. Per the attached agreement and scope of services, Gray Box Engineering, LLC will provide professional services related to the design, bidding, construction administration, and programming of these updates.

See the attached agreement for the terms and full scope of services.

Budget Impact:

The total is not to exceed \$29,100 without prior approval from the City of Owatonna. Costs will be paid by the Sanitary Sewer Fund as a Capital Improvement.

Staff Recommendation:

Staff recommends approval.

Attachments:

1. Owatonna Lift Stations - 2026 Lift Station Agreement - Gray Box Engineering LLC
2. Exhibit A - 2026 Owatonna LS Electrical Improvements Engineering Services

SHORT FORM OF AGREEMENT BETWEEN OWNER AND ENGINEER FOR PROFESSIONAL SERVICES

This is an Agreement between **City of Owatonna** (Owner) and **Gray Box Engineering LLC** (Engineer). Owner's Project, of which Engineer's services under this Agreement are a part, is generally identified as **Owatonna 2026 Lift Station Electrical Improvements** (Project). Engineer's services under this Agreement (Services) are generally identified as **Provided in the attached document "Exhibit A – 2026 Owatonna LS Electrical Improvements Engineering Services"**.

Owner and Engineer further agree as follows:

1.01 Services of Engineer

- A. Engineer shall provide or furnish the Services set forth in this Agreement, and any Additional Services authorized by Owner and consented to by Engineer.

2.01 Owner's Responsibilities

- A. Owner shall provide Engineer with existing Project-related information and data in Owner's possession and needed by Engineer for performance of Engineer's Services. Owner will advise the Engineer of Project-related information and data known to Owner but not in Owner's possession. Engineer may use and rely upon Owner-furnished information and data in performing its Services, subject to any express limitations applicable to the furnished items.
 - 1. Following Engineer's assessment of initially-available Project information and data, and upon Engineer's request, Owner shall obtain, furnish, or otherwise make available (if necessary through retention of specialists or consultants) such additional Project-related information and data as is reasonably required to enable Engineer to complete its Services; or, with consent of Engineer, Owner may authorize the Engineer to obtain or provide all or part of such additional information and data as Additional Services.
- B. Owner shall provide necessary direction and make decisions, including prompt review of Engineer's submittals, and carry out its other responsibilities in a timely manner so as not to delay Engineer's performance. Owner shall give prompt notice to Engineer whenever Owner observes or otherwise becomes aware of (1) any relevant, material defect or nonconformance in Engineer's Services, or (2) any development that affects the scope or time of performance of Engineer's Services.

3.01 Schedule for Rendering Services

- A. Engineer shall complete its Services within the following specific time period: **All services shall be completed by December 31, 2026**. If no specific time period is indicated, Engineer shall complete its Services within a reasonable period of time.
- B. If, through no fault of Engineer, such periods of time or dates are changed, or the orderly and continuous progress of Engineer's Services is impaired, or Engineer's Services are delayed or suspended, then the time for completion of Engineer's Services, and the rates and amounts of Engineer's compensation, shall be adjusted equitably.

4.01 Invoices and Payments

- A. Invoices: Engineer shall prepare invoices in accordance with its standard invoicing practices and submit the invoices to Owner on a monthly basis. Invoices are due and payable within 30 days of receipt.
- B. Payment: As compensation for Engineer providing or furnishing Services and Additional Services, Owner shall pay Engineer as set forth in this Paragraph 4.01, Invoices and Payments. If Owner disputes an invoice, either as to amount or entitlement, then Owner shall promptly advise Engineer in writing of the specific basis for doing so, may withhold only that portion so disputed, and must pay the undisputed portion.
- C. Failure to Pay: If Owner fails to make any payment due Engineer for Services, Additional Services, and expenses within 30 days after receipt of Engineer's invoice, then (1) the amounts due Engineer will be increased at the rate of 1.0% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day; (2) in addition Engineer may, after giving 7 days' written notice to Owner, suspend Services under this Agreement until Engineer has been paid in full all amounts due for Services, Additional Services, expenses, and other related charges, and in such case Owner waives any and all claims against Engineer for any such suspension; and (3) if any payment due Engineer remains unpaid after 90 days, Engineer may terminate the Agreement for cause pursuant to Paragraph 5.01.A.2.
- D. Reimbursable Expenses: None, see basis of payment.
- E. Basis of Payment
 - 1. Lump Sum. Owner shall pay Engineer for Services as follows:
 - a. A Lump Sum amount of **\$29,100**.
 - b. In addition to the Lump Sum amount, reimbursement of the following expenses: None.
 - c. The portion of the compensation amount billed monthly for Engineer's Services will be based upon Engineer's estimate of the percentage of the total Services actually completed during the billing period.

5.01 Termination

- A. Termination for Cause
 - 1. Either party may terminate the Agreement for cause upon 30 days' written notice in the event of substantial failure by the other party to perform in accordance with the terms of the Agreement, through no fault of the terminating party.
 - a. Notwithstanding the foregoing, this Agreement will not terminate under Paragraph 5.01.A.1 if the party receiving such notice begins, within 7 days of receipt of such notice, to correct its substantial failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt thereof; provided, however, that if and to the extent such substantial failure cannot be reasonably cured within such 30-day period, and if such party has diligently attempted to cure the same and thereafter continues diligently to cure the same, then the cure period provided for herein will extend up to, but in no case more than, 60 days after the date of receipt of the notice.
 - 2. In addition to its termination rights in Paragraph 5.01.A.1, Engineer may terminate this Agreement for cause upon 7 days' written notice (a) if Owner demands that Engineer

furnish or perform services contrary to Engineer's responsibilities as a licensed professional, (b) if Engineer's services for the Project are delayed or suspended for more than 90 days for reasons beyond Engineer's control, (c) if payment due Engineer remains unpaid for 90 days, as set forth in Paragraph 4.01.C, or (d) as the result of the presence at the Site of undisclosed Constituents of Concern as set forth in Paragraph 6.01.I.

3. Engineer will have no liability to Owner on account of any termination by Engineer for cause.
- B. Termination for Convenience: Owner may terminate this Agreement for convenience, effective upon Engineer's receipt of notice from Owner.
- C. Payments Upon Termination: In the event of any termination under Paragraph 5.01, Engineer will be entitled to invoice Owner and to receive full payment for all services performed or furnished in accordance with this Agreement, and to reimbursement of expenses incurred through the effective date of termination. Upon making such payment, Owner will have the limited right to the use of all deliverable documents, whether completed or under preparation, subject to the provisions of Paragraph 6.01.F, at Owner's sole risk.
 1. If Owner has terminated the Agreement for cause and disputes Engineer's entitlement to compensation for services and reimbursement of expenses, then Engineer's entitlement to payment and Owner's rights to the use of the deliverable documents will be resolved in accordance with the dispute resolution provisions of this Agreement or as otherwise agreed in writing.

6.01 General Considerations

- A. The standard of care for all professional engineering and related services performed or furnished by Engineer under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality. Engineer makes no warranties, express or implied, under this Agreement or otherwise, in connection with any services performed or furnished by Engineer. Subject to the foregoing standard of care, Engineer may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to, specialty contractors, manufacturers, suppliers, and the publishers of technical standards.
- B. Engineer shall not at any time supervise, direct, control, or have authority over any Constructor's work, nor will Engineer have authority over or be responsible for the means, methods, techniques, sequences, or procedures of construction selected or used by any Constructor, or the safety precautions and programs incident thereto, for security or safety at the Project site, nor for any failure of a Constructor to comply with laws and regulations applicable to that Constructor's furnishing and performing of its work. Engineer shall not be responsible for the acts or omissions of any Constructor.
- C. Engineer neither guarantees the performance of any Constructor nor assumes responsibility for any Constructor's failure to furnish and perform its work.
- D. Engineer's opinions of probable construction cost (if any) are to be made on the basis of Engineer's experience, qualifications, and general familiarity with the construction industry. However, because Engineer has no control over the cost of labor, materials, equipment, or services furnished by others, or over contractors' methods of determining prices, or over competitive bidding or market conditions, Engineer cannot and does not guarantee that proposals, bids, or actual construction cost will not vary from opinions of probable

construction cost prepared by Engineer. If Owner requires greater assurance as to probable construction cost, then Owner agrees to obtain an independent cost estimate.

- E. Engineer shall not be responsible for any decision made regarding the construction contract requirements, or any application, interpretation, clarification, or modification of the construction contract documents, other than those made by Engineer.
- F. All documents prepared or furnished by Engineer are instruments of service, and Engineer retains an ownership and property interest (including the copyright and the right of reuse) in such documents, whether or not the Project is completed. Engineer grants to Owner a limited license to use the deliverable documents on the Project, extensions of the Project, and for related uses of the Owner, subject to receipt by Engineer of full payment due and owing for all Services and Additional Services relating to preparation of the deliverable documents, and subject to the following limitations:
 - 1. Owner acknowledges that such documents are not intended or represented to be suitable for use on the Project unless completed by Engineer, or for use or reuse by Owner or others on extensions of the Project, on any other project, or for any other use or purpose, without written verification or adaptation by Engineer;
 - 2. any such use or reuse, or any modification of the documents, without written verification, completion, or adaptation by Engineer, as appropriate for the specific purpose intended, will be at Owner's sole risk and without liability or legal exposure to Engineer or to its officers, directors, members, partners, agents, employees, and subconsultants;
 - 3. Owner shall indemnify and hold harmless Engineer and its officers, directors, members, partners, agents, employees, and subconsultants from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from any use, reuse, or modification of the documents without written verification, completion, or adaptation by Engineer; and
 - 4. such limited license to Owner shall not create any rights in third parties.
- G. Owner and Engineer agree to transmit, and accept, Project-related correspondence, documents, text, data, drawings, information, and graphics, in electronic media or digital format, either directly, or through access to a secure Project website, in accordance with a mutually agreeable protocol.
- H. Waiver of Damages; Limitation of Liability: To the fullest extent permitted by law, Owner and Engineer (1) waive against each other, and the other's officers, directors, members, partners, agents, employees, subconsultants, and insurers, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to this Agreement or the Project, from any cause or causes, and (2) agree that Engineer's total liability to Owner under this Agreement shall be limited to \$100,000 or the total amount of compensation received by Engineer, whichever is greater.
- I. The parties acknowledge that Engineer's Services do not include any services related to unknown or undisclosed Constituents of Concern. If Engineer or any other party encounters, uncovers, or reveals an unknown or undisclosed Constituent of Concern, then Engineer may, at its option and without liability for consequential or any other damages, suspend performance of Services on the portion of the Project affected thereby until such portion of the Project is no longer affected, or terminate this Agreement for cause if it is not practical to continue providing Services.

- J. Owner and Engineer agree to negotiate each dispute between them in good faith during the 30 days after notice of dispute. If negotiations are unsuccessful in resolving the dispute, then the dispute will be mediated. If mediation is unsuccessful, then the parties may exercise their rights at law.
- K. This Agreement is to be governed by the laws of the state in which the Project is located.
- L. Engineer's Services do not include: (1) serving as a "municipal advisor" for purposes of the registration requirements of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) or the municipal advisor registration rules issued by the Securities and Exchange Commission; (2) advising Owner, or any municipal entity or other person or entity, regarding municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms, or other similar matters concerning such products or issuances; (3) providing surety bonding or insurance-related advice, recommendations, counseling, or research, or enforcement of construction insurance or surety bonding requirements; or (4) providing legal advice or representation.

7.01 Definitions

- A. Constructor—Any person or entity (not including the Engineer, its employees, agents, representatives, subcontractors, and subconsultants), performing or supporting construction activities relating to the Project, including but not limited to contractors, subcontractors, suppliers, Owner's work forces, utility companies, construction managers, testing firms, shippers, and truckers, and the employees, agents, and representatives of any or all of them.
- B. Constituent of Concern—Asbestos, petroleum, radioactive material, polychlorinated biphenyls (PCBs), lead based paint (as defined by the HUD/EPA standard), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or becomes listed, regulated, or addressed pursuant to laws and regulations regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.

8.01 Successors, Assigns, and Beneficiaries

- A. Successors and Assigns
 - 1. Owner and Engineer are hereby bound and the successors, executors, administrators, and legal representatives of Owner and Engineer (and to the extent permitted by Paragraph 8.01.A.2 the assigns of Owner and Engineer) are hereby bound to the other party to this Agreement and to the successors, executors, administrators, and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements, and obligations of this Agreement.
 - 2. Neither Owner nor Engineer may assign, sublet, or transfer any rights under or interest (including, but without limitation, money that is due or may become due) in this Agreement without the written consent of the other party, except to the extent that any assignment, subletting, or transfer is mandated by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.
- B. Beneficiaries: Unless expressly provided otherwise, nothing in this Agreement shall be construed to create, impose, or give rise to any duty owed by Owner or Engineer to any Constructor, other third-party individual or entity, or to any surety for or employee of any of them. All duties and responsibilities undertaken pursuant to this Agreement will be for the

sole and exclusive benefit of Owner and Engineer and not for the benefit of any other party.

9.01 Total Agreement

- A. This Agreement (including any expressly incorporated attachments), constitutes the entire agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

Attachments: **Exhibit A – 2026 Owatonna LS Electrical Improvements Engineering Services**

This Agreement's Effective Date is **1/19/2026**.

Owner:

City of Owatonna

(name of organization)

By:

(authorized individual's signature)

Date:

(date signed)

Name:

(typed or printed)

Title:

(typed or printed)

Address for giving notices:

Engineer:

Gray Box Engineering LLC

(name of organization)

By:

Mark Ruda

(authorized individual's signature)

Date:

1/19/2026

(date signed)

Name:

Mark Ruda

(typed or printed)

Title:

Owner

(typed or printed)

Address for giving notices:

mruda@grayboxengineering.com

EXHIBIT A – SCOPE OF SERVICES

Electrical Engineering Services for Owatonna 2026 Lift Station Electrical Improvements

Project: Owatonna 2026 Lift Stations Electrical Improvements

Owner: City of Owatonna

Engineer: Gray Box Engineering LLC

PROJECT DESCRIPTION

The project consists of engineering services for electrical improvements and upgrades at (3) total existing locations. The existing control panels and associated electrical equipment at **3950 West Bridge St lift station, 1155 24th Ave SW Lift station, and 3036 Northridge Ln lift station**. Electrical related site work, new concrete pad (if applicable), new instruments, review of pumps new or existing and new control panel. The new control panel will include updated controls, programmable logic controller (PLC), human-machine interface (HMI), instrumentation integration, motor starters, variable frequency drives (as applicable), power distribution components, and associated conduits/wiring modifications necessary for a complete and operational system. PLC and HMI programming services will be provided by others (e.g., panel fabricator or system integrator). The work includes preparation of construction drawings and specifications, assistance with pre-procurement of the control panel, bidding assistance for installation, and construction phase services.

SCOPE OF BASIC SERVICES

A. DESIGN PHASE

Engineer shall:

1. Perform a site visit to verify existing conditions, document as-built configuration of the existing control panel, and identify required interfaces with pumps, level controls, alarms, SCADA/telemetry, and power supply.
2. Coordinate with Owner to confirm functional requirements, preferred manufacturers/components, and any required integration with existing SCADA or remote monitoring systems. Functional requirements for PLC and HMI will be specified; actual programming is by others.
3. Assist Owner with pre-procurement of the control panel, including:
 - a. Preparation of procurement specifications (technical specifications in CSI format for the panel and components).
 - b. Preparation of front-end procurement documents (if required by Owner).
 - c. Assistance in soliciting and distributing procurement documents to qualified panel fabricators.
 - d. Response to vendor inquiries during procurement.
 - e. Review of vendor submittals and proposals for conformance with specifications.
 - f. Assistance in evaluating proposals and recommending award.
4. Prepare construction drawings (typically 60–90% and 100% completion levels) for the installation work, including:
 - a. Overall project location plan.
 - b. Demolition and improvements site plan
 - c. One-line diagrams
 - d. Panel elevation and layout drawings (coordinated with pre-procured panel)
 - e. Schedule of PLC inputs and outputs required
 - f. Installation details
 - g. Conduit and wiring schedules (if not indicated elsewhere such as One-line diagram)

5. Prepare technical specifications for the installation work (CSI Division 26 – Electrical and Division 40 – Process Instrumentation and Control, as applicable).
6. Provide an opinion of probable construction cost (for installation).
7. Submit design documents to Owner for review at 60–90% and 100% completion and incorporate Owner’s review comments.
8. Coordinate with utility provider if modifications to service entrance or metering are required.

B. BIDDING PHASE (Installation Contractor)

Engineer shall:

1. Assist Owner in advertising and distributing bidding documents for installation.
2. Respond to bidder inquiries and issue any necessary addenda.
3. Attend pre-bid meeting.
4. Assist Owner in evaluating bids and determining the qualified low bidder.
5. Prepare conformed contract documents for execution.

C. CONSTRUCTION PHASE

Engineer shall:

1. Attend a pre-construction conference with selected contractor on site.
2. Review and approve (or take other appropriate action) shop drawings, product data, samples, and other required submittals from the installation contractor for conformance with the design concept and contract documents.
3. Interpret contract documents and respond to contractor RFIs.
4. Visit the site periodically (anticipated 3 visits) to observe progress and conformance with contract documents. Site visits will include verification of panel delivery/receipt, installation, wiring, startup testing, and functional performance (functional testing only; no programming services).
5. Review and approve contractor applications for payment.
6. Prepare change orders as required.
7. Conduct a substantial completion inspection and prepare a punch list.
8. Conduct a final inspection, assist with resolution of punch list items, and provide recommendation for final acceptance.
9. Provide record drawings based on contractor mark-ups (if provided) or site observations.
10. Provide one (1) set of operation and maintenance manuals (electronic PDF format), incorporating information from the pre-procured panel supplier.

ADDITIONAL SERVICES (Not Included in Basic Services)

The following services are excluded from Basic Services and will be provided only if authorized in writing by Owner as Additional Services at Engineer’s standard hourly rates or as a negotiated lump sum:

1. Geotechnical investigation or hazardous materials assessment
2. Extensive modifications to existing pumps, motors, or wet well structures
3. Design of standby generator or transfer switch (if required beyond basic panel integration)
4. Full-time resident project representation or continuous onsite observation
5. Startup assistance or operator training beyond basic functional testing observation
6. PLC or HMI programming services
7. Re-design due to major changes in project scope requested after design completion
8. Services required due to contractor default or defects in construction

OWNER’S RESPONSIBILITIES

Owner shall:

1. Provide access to the site and existing documentation (as-built drawings, panel schematics, O&M manuals).
2. Identify operational preferences and any required integration with existing systems.
3. Coordinate and contract directly for PLC/HMI programming services (if not provided by panel supplier).
4. Provide timely review of design documents and procurement proposals.
5. Execute pre-procurement contract with selected panel supplier.

This Exhibit A defines the scope of services referenced in the Short Form of Agreement Between Owner and Engineer for Professional Services (EJCDC® E-520).

Prepared by:
Mark Ruda, PE
Gray Box Engineering LLC



DATE: February 4, 2026
TO: Mayor and City Council
FROM: Ryan Brown, IT Director
SUBJECT: Software Subscription Agreement - Smarsh

Purpose:

Seek approval to purchase a Smarsh subscription for archiving and compliance management for 2026.

Background:

Smarsh provides archiving for email, social media, collaboration platforms, and cell phone text messages, ensuring full compliance. It will replace CivicPlus Social Media Archiving (\$7,547.40 annually), which only covers social media.

Budget Impact:

Annual cost: \$16,309.83 (increase of \$8,762.43). No additional hardware required. Funded through the 2026 IT operating budget.

Staff Recommendation:

Approve Smarsh subscription for 2026. It offers broader coverage, improved compliance, and consolidates multiple archiving needs into one platform.

Attachments:

1. Smarsh Order Form - City of Owatonna, MN 2026-01-21

Order Form - City of Owatonna, MN

Account Rep	Dean Rasmussen	Customer	City of Owatonna, MN
Email	dean.rasmussen@smarsh.com	Service Address	540 W Hills Cir Owatonna, Minnesota 55060-4701
Company	Smarsh Inc.	Billing Contact	Ryan Brown
Prepared on	21-Jan-2026	Contact Phone	507-774-7014
Valid until	22-Feb-2026	Contact Email	ryan.brown@ci.owatonna.mn.us
Start Date	Upon Execution Date	Technical Contact	Ryan Brown
Subscription Term	36 Months		
Billing Frequency	Annual		
Order Type	Contract		

Services	Unit Price	Minimum Quantity	Minimum Commitment
Unified			
Platform - Professional Archive - SMG	\$765.00	1	\$765.00
Facebook - Professional Archive Capture		10	
Instagram - Professional Archive Capture	\$76.50	2	\$153.00
LinkedIn - Professional Archive Capture	\$76.50	1	\$76.50
T-Mobile - Professional Archive Mobile	\$92.03	115	\$10,583.39
Twitter - Professional Archive Capture	\$496.00	1	\$496.00
Verizon - Professional Archive Capture	\$88.25	48	\$4,235.94
Onboarding - Professional Archive - QuickStart		6	\$560.00
Smarsh Support			
Professional Support - Basic		1	
Smarsh University			
Annual Recurring Service Fees Subtotal			\$16,309.83
One-Time Fees Subtotal			\$560.00
Contract Total			\$49,489.49

Notes

All prices quoted are before tax. Applicable taxes will be added at time of invoicing. If you are tax exempt, please send a current copy of your tax-exempt certificate to accounting@smarsh.com

Terms & Conditions

The Services are subject to the terms and conditions of this Order Form and (i) the Smarsh Service Agreement available at www.smarsh.com/legal/ServiceAgreement (ii) the Service Specific Terms referenced in or attached to this Order Form, and (iii) any exhibits or attachments to this Order Form that may amend, supersede, or append the terms referenced herein (collectively "Agreement"):

SERVICE SPECIFIC TERMS

- The Professional Archive Service Specific Terms available at <https://www.smarsh.com/legal/SSTProfessionalCloud>;
- Mobile Capture Service Specific Terms Available at: <https://www.smarsh.com/legal/MobileCapture>;
- Twitter Service Specific Terms available at <https://www.smarsh.com/legal/SSTTwitter>;
- Mobile Channels Service Specific Terms available at <https://www.smarsh.com/legal/SSTMobilityChannels>;
- The applicable Professional Archive Onboarding package features described in more detail at <https://www.smarsh.com/legal/OnboardingServices-ProArchive>;

TERM

The Term of the Services will begin on the Start Date set forth on the first page of this Order Form, or if no Start Date is stated, the execution date of this Order Form, and will continue for the Subscription Term specified on the first page of this Order Form. For Services added during Client's existing Term, the Term of the Services will sync to and co-terminate upon Client's Renewal Date set forth above. Renewal of the Services is subject to the terms of the Agreement.

INVOICING

The Recurring Service Fees and One-Time Fees ("Fees") will be invoiced at the billing frequency set forth on the first page of this Order Form. For usage overages, Smarsh will invoice Client for any usage over the minimum quantities at the same per unit rate as indicated in the first page of this Order Form on a regular basis in arrears. Client agrees that the Recurring Services Fees set forth in this Order Form are Client's minimum commitment for the Term.

DATA MANAGEMENT FEES – PROFESSIONAL ARCHIVE

If not priced above or set forth on a separate Order Form between Smarsh and the Client for the applicable data management services requested by the Client, the following standard data import, conversion (if applicable), and storage Fees for data imports Client's Professional Archive shall apply to data imports during the Client's term:

Data Imports - One-time Fee (25 GB Minimum)	\$10.00/GB
Import Data Conversion Fee (25 GB Minimum)	\$3.00/GB
Data Storage – Annual	\$2.50/GB

Purchase Order Information

Client to Complete:

Is a Purchase Order (PO) required for the purchase of the Services on this Order Form?

☐ No

☐ Yes – Please complete below

Upon signature by Client and submission to Company, this Order Form shall become legally binding unless Company rejects this Order Form for any of the following reasons: (i) changes have been made to this Order Form (other than completion of the purchase order information and the signature block); or (ii) the requested purchase order information or signature is incomplete; or (iii) the signatory does not have authority to bind Client to this Order Form.

Client authorized signature

By _____ Name: _____

Date: _____ Title: _____



DATE: February 4, 2026
TO: Mayor and City Council
FROM: Ryan Brown, IT Director
SUBJECT: ACE Modern IT Agreement - Marco

Purpose:

Seek approval to enter into an agreement with Marco Technologies for Modern IT services, including Microsoft 365 support and modernization, for the 2026 calendar year.

Background:

The proposed agreement provides Microsoft 365 Admin-as-a-Service, identity threat detection, mobile device management, and modernization tools to improve security and efficiency. These services will enhance our IT infrastructure and support compliance and productivity goals.

Budget Impact:

The agreement includes recurring monthly services totaling \$6,559.80 per month, with a discounted payment option of \$6,250.00 per month for 36 months. Funding will be allocated from the IT operating budget for Fiscal Year 2026.

Staff Recommendation:

Staff recommends approving the agreement with Marco Technologies for Modern IT services to strengthen cybersecurity, streamline device management, and support Microsoft 365 adoption.

Attachments:

1. Marco - ACE Modern IT



January 5, 2026

PROPOSAL FOR

CITY OF OWATONNA

RYAN BROWN

Prepared By:

Brady Windschitl

Senior Technology Advisor

507-214-6205

brady.windschitl@marconet.com

Quote Number: 203015



Managed Services



Copiers & Printers



Audio Visual



Business IT Services



IT - ACE Modern IT -- CITY OF OWATONNA



Prepared by:

Marco - Rochester

Brady Windschitl

507-214-6205

brady.windschitl@marconet.co
m

Prepared for:

CITY OF OWATONNA

105 N ELM AVE

OWATONNA, MN 55060

RYAN BROWN

507.774.7014

ryan.brown@owatonna.gov

Ship To:

CITY OF OWATONNA

105 N ELM AVE

OWATONNA, MN 55060-2405

RYAN BROWN

507.774.7014

ryan.brown@owatonna.gov

Quote Information:

Quote #: 203015

Version: 2

Date Issued: 01/05/2026

Expiration Date: 01/30/2026

Modern IT - M365 Support+

Description	Recurring	Qty	Ext. Recurring
Modern IT - M365 Support +	\$1,913.60	1	\$1,913.60
Includes: • U.S.-Based Microsoft 365 Admin-as-a-service • Attack Surface Reduction Reviews • Cloud-to-Cloud Microsoft 365 Backup - Excluded • Identity Threat Detection & Containment For full list of entitlements, please reference the ACE Cybersecurity Service Catalog			
\$7.36/user/month pricing for additional users exceeding 260		260	

Monthly Subtotal: **\$1,411.80**

Modern IT - Modern Work

Description	Recurring	Qty	Ext. Recurring
Modern IT - Modern Work	\$19.80	260	\$5,148.00
Includes: • Microsoft 365 Roadmap and Enablement • App Modernization & Secure Access • Automated Device Onboarding • Mobile Device Management • Continuous Environment & Policy Management • Copilot Readiness & Adoption • Shared Asset & SOP Repository For full list of entitlements, please reference the ACE Cybersecurity Service Catalog			



SCHEDULE A - SCHEDULE OF PRODUCTS TO PRODUCT AGREEMENT(S)

\$19.80/user/month pricing for additional users exceeding 260		260	

Monthly Subtotal: \$5,148.00

Discounts

Description	Recurring	Qty	Ext. Recurring
Recurring Service Discount	(\$309.80)	1	(\$309.80)
Discounted Pricing for City/ Gov. -Expires February 1, 2026			

Subtotal: (\$309.80)



SCHEDULE A - SCHEDULE OF PRODUCTS TO PRODUCT
AGREEMENT(S)

Quote Summary - Expenses

Description	Amount
Discounts	(\$309.80)
Total:	
	(\$309.80)

Quote Summary - Monthly Expenses

Description	Amount
Modern IT - M365 Support+	\$1,411.80
Modern IT - Modern Work	\$5,148.00
Monthly Total:	
	\$6,559.80

Payment Options

Description	Payments	Interval	Amount
Recurring Payments			
36-Months - Monthly Payments	36	Monthly	\$6,250.00

Summary of Selected Payment Options

Description	Amount
Recurring Payments: 36-Months - Monthly Payments	
Selected Recurring Payment	\$6,250.00



■ Approval

- Client represents that it has reviewed and agrees to be legally bound by this Schedule of Products.
- Client represents that it has reviewed and agrees to be legally bound by the Relationship Agreement, any Product Agreement(s) referred to herein, and applicable policy(ies) ("Terms and Conditions") which are located at www.marconet.com/legal for the Products it is obtaining as identified in this Schedule of Products.
- If the parties have negotiated changes to the Terms and Conditions that have been reduced to writing and signed by both parties, the modified version(s) of such Terms and Conditions, that have not expired or been terminated, shall replace the online version(s).
- Client agrees to use electronic signatures, electronic communications, and electronic records to transact business under the above documents.
- The pricing above does not include taxes. Taxes, fees and surcharges shall be paid by Client and will be shown on invoices to Client.
- Payments made via credit card are subject to a 3% surcharge.
- A \$30 fee will be assessed for any returned payment.
- Price availability is subject to change without notice at any point during or after the quotation, ordering, and fulfillment process.

Marco Technologies, LLC

CITY OF OWATONNA

Signature: _____

Name: _____

Title: _____

Date: _____

Prepared for: RYAN BROWN

Signature: _____

Signed by: _____

Title: _____

Date: _____

PO Number: _____

Email Address: _____