Owatonna City Council Minutes
February 4, 2026

On Wednesday, February 4, 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, Voss, Dotson, Burbank, Boeke, McCann, and Raney; Mayor Jessop; City Attorney Walbran; Public Works Director Murphy; IT Director and Interim Park & Rec Director Brown; Communications Manager Sheely; IT Specialist Enz; Seargent Val Satre; City Administrator Tuma; Assistant City Administrator Thamert; and Administrative Coordinator Clawson.

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

Public Hearing - Proposed Assessments - 2025 Street & Utility Project

Public Works Director Murphy commented tonight's public hearing is for comments on the Proposed Assessments for the 2025 Street & Utility Project. The project included improvements to the following streets:

- Linn Drive SW
- Oakdale Street SW

Declared Cost of this project is $2,187,378.69 of which $234,916.24 is proposed to be specially assessed. Two property owners have submitted written objections to the proposed assessment of their property. City Attorney Walbran will contact the property owners regarding the appeal process requirements. At 7:02 p.m., Council President Raney opened the public hearing. With no comments heard, at 7:03 p.m., Council Member Svenby made a motion to close the public hearing, Council Member Dotson seconded the motion, all members voted aye in approval.

Resolution 19-26 Adopt Assessments - 2025 Street & Utility Project

Public Works Director Murphy requested approval of Resolution 19-26 to adopt the proposed assessments for the 2025 Street and Utility Project. Murphy recommended a repayment term of 10 years at an interest rate of 5.0% which is based on the 2025 bond issue true interest costs of 3.06%. Council Member Boeke made a motion for approval, Council Member McCann seconded the motion, all members voted aye in approval.

Consent Agenda Items

City Council Meeting - January 6, 2026
City Council Meeting - January 20, 2026
Library Board Minutes - November 20, 2025
Airport Commission Minutes - January 22, 2026
HRA Board Minutes - January 26, 2026

Finance Report

Amount	Vendor-Description
$ 216,987.50	Abdo LLP Accounting Services
213,350.00	Asphalt Zipper Inc -2024 (GEN 8)480XI-215H Reclaimer/Stabilizer (48”/1.2 M)
265,000.00	Heley, Duncan & Melander, PLLP – Mediation Agreement & Release - N Cedar Streetscape Project Limestone
20,340.00	Kasper Plumbing INC – Replace 2 Boilers at WWTF Office
156,432.62	Legence Subsidiary Holdings LLC – Public Safety Center – December Professional Services
20,741.57	Structures Unlimited LLC – Wind Damage Repairs – Labor, Equipment & Parts
271,021.44	Other Expenditures
$1,163,873.13	Total Expenditures Presented for Approval

Donation to Fire Department - Olmsted Medical Center

A $500 gift to the Fire Department to support its greatest areas of need.

Donation to Parks & Rec Department - Taylormade Golf Company

Taylormade Golf Company is one of the merchandise vendors used at Brooktree Golf Course. As a retail location, Brooktree qualifies for their 'Plus 1 Ball' program. Donated items, with retail value of approximately $520, will be some of the prizes awarded at golf events and tournaments.

Memorandum of Understanding - Huskies Bullpen Club

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 season, a transition in programming has been implemented management of the Machine Pitch and Player Pitch levels will now be managed by the Huskies Bullpen Club. 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 and repairs or replacement of the equipment will be the responsibility of the equipment co-owners, the Huskies Bullpen Club.

Stormwater Facility Maintenance Agreement - Northstar Property, LLC

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, Northstar Property, LLC has agreed to the terms and conditions for their facility located at 1045 26th Place NW, no fee has incurred.

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

Provide professional engineering services for the Airfield Pavement Maintenance project. The project includes crack sealing airport Taxiway B (parallel taxiway to Runway 5/23) and hangar area Taxilanes to preserve existing airfield asphalt pavement. 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. FAA and MnDOT Aeronautics grant funding participation are anticipated for this project for eligible items. 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 eligibility calculations.

Vehicle Purchase - IT Department - Marthaler Honda of Owatonna

Purchase a 2026 Honda HR-V for the IT Department to replace the current 2006 Chevy Impala. Quotes were obtained for a 2026 Honda HR-V, 2026 Ford Escape, and 2026 Jeep Compass. All quotes were within a few hundred dollars and after review with City Mechanics the HR-V was determined to be the best option for long-term value and reliability. The total cost for the 2026 Honda HR-V, including taxes and fees, is $33,066.79.

Annual Microsoft License Renewal – SHI

Renewal of the City’s Microsoft 365 licensing agreement for February 1, 2026 – January 31, 2027. Microsoft 365 licenses provide 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. The total cost for the annual renewal is $122,545.93 which covers all required licenses for city staff and devices.

Annual Software Renewal Agreement – CivicPlus

Annual renewal of CivicPlus services to provide essential digital solutions that support our municipal website, communication tools, media streaming, and recreation management systems. 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. Renewal fee for coverage, January 1, 2026 – December 31, 2026 is $47,360.83.

Council Member Dotson made a motion to approve these Consent Agenda Items, Council Member Svenby seconded the motion, and all members voted aye in approval.

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

City Administrator Tuma presented Resolution 20-26 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. 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 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. The city is authorizing staff and consultants to prepare a Plan and to place a copy of the Plan on file in the City Administration Office by no later than the date of publication of the hearing notice for the public to view.

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. The issue of the Bonds in a principal amount not to exceed $65,000,000, plus any premium received. Council Member Burbank made a motion for approval, Council Member Voss seconded the motion.

Council Member Boeke commented his vote will be nay; the project is needed but he is opposed to the cost and size of the proposed facilities. Facility tours of other cities included a stop at the Burnsville Fire Station, this is a 44,000 square foot facility. Burnsville population is 40,000+ residents and their facility accommodate ambulance, water safter rescue and several department offices. Owatonna's current population is less than 28,000, we will not offer these additional services. The current plan for the fire facility is 40,000 square feet, just slightly smaller than the Burnsville facility and they offer more services.

Council Member Svenby agreement with Council Member Boeke's statement but will vote for approval. This is a needed first step for a public hearing, we need to allow for growth, but we will need to review plans to determine if they overbuild the project.

Council Member Dotson concurred; a public hearing will give the public the option to have a voice on the project and costs.

Council Member McCann commented recent cost was projected at $61 million and now showing as $65 million. City Administrator Tuma explained this would allow a ceiling amount available if any adjustments are needed during construction. If no ceiling is included, delays could be caused when waiting for approval. McCann commented that the final designs have not been approved, and he anticipates the plans will be conservative to stay near the lower projected cost.

Council President Raney commented action tonight is to set a date for a public hearing, he wants to hear from the public.

Council Member Burbank commented that the need for new facility projects has been on the Council timeline for many years. With no additional comments, six members voted aye, Council Member Boeke voted nay, and the resolution was approved.

Resolution 21-26 Convey Property - Lot 1 Block 1, Stamo Addition – Redline Development Group LLC & Stadheim

City Attorney Walbran presented Resolution 21-26 to affirm the property boundaries within the Stamo Addition. 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. Council Member Svenby made a motion for approval, Council McCann seconded the motion, all members voted aye in approval.

Professional Services Agreement - Gray Box Engineering LLC

Public Works Director Murphy 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. The City has been working with an engineering firm to update the City's lift station 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 conduct 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 design, bidding, construction administration, and programming of these updates. The total is not to exceed $29,100 without prior approval from the City of Owatonna.

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

Software Subscription Agreement - Smarsh

IT Director and Interim Park & Rec Director Brown requested approval to purchase a Smarsh subscription for archiving and compliance management for 2026. Smarsh provides archiving for email, social media, collaboration platforms, and cell phone text messages, ensuring full compliance. This software will replace CivicPlus Social Media Archiving ($7,547.40 annually), which only covers social media. Annual cost will be $16,309.83 with no additional hardware required; staff negotiated the agreement to lower the cost, this was originally proposed at $24,000/year. Council Member McCann made a motion for approval, Council Member Dotson seconded the motion, and all members voted aye in approval.

ACE Modern IT Agreement - Marco

IT Director and Interim Park & Rec Director Brown requested approval to enter into an agreement with Marco Technologies for Modern IT services for the 2026 calendar year. 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. 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. Council Member Voss made a motion for approval, Council McCann seconded the motion, and all members present voted aye for approval.

Staff Comment: Ryan Brown, Interim Park & Rec Director

Director Brown introduced Seth Allen, Recreation Supervisor at Brooktree. Mr. Allen commented that during the off-golf season, he has been working on the annual Bold and Cold Event plans. With warmer weather and no snow, two activities have been cancelled: Snow Sculptures in Central Park and Snowshoeing. Last weekend, two indoor activities included a Pickleball Tournament and a Puzzle Competition with several teams participating. Activities rescheduled to this weekend are a Luminary Hike at Brooktree, Rock On the Ice at Morehouse Park; Bingo at Owatonna Middle School and Ice Fishing at Lake Kohlmier.

Mr. Allen provided a brief update on the Brooktree Golf Course. Membership and the number of golf rounds played last year increased over those in 2024. He contributes this to an increased social media presence and the addition of Chill-Aqui as the Food and Beverage Vendor. Last year, Brooktree Golf Course was the Runner-Up for the Best Golf Course in Southern MN.

Council Member Boeke commented he has heard several good comments about Brooktree Golf Course and then thanked Taylormade Golf Company for the merchandise donation approved on tonight's Consent Agenda.

PUBLIC COMMENTS

Melissa Zimmerman, 2525 Stoney Creek Drive commented that yesterday, she attended the police and fire station open house and learned this has been a seven-year project. It dates to 2019, but the public didn't become aware of it until April of 2025, when the city hired a lobbyist to pursue state funding. Without that funding, this project wasn't moving forward. On November 8, 2025, demolition scheduled for May of this year was quietly referenced. I attended a West Hills Commissioner meeting where the Safety Center was discussed but it was a formality, staff informing the committee of decisions already made. In December, I and others attended a Study Session to learn discussion on the proposed $61 million project that had been rescheduled and included in the session earlier that afternoon. (Admin Note – the Public Meeting Schedule and Meeting Agenda were timely amended with the earlier meeting time, the Calendar on the city's website showed the later meeting time.) I mentioned the Safety Center at the Truth in Taxation hearing, a meeting specifically about how my tax dollars are spent and my voice was cut off. Yesterday, I attended the first public open house for a seven-year project, with demolition planned to start in two months. That is not normal or acceptable, I asked if residents could offer suggestions on the locations, but Administration said there was no public comment process during this open house, the Open House was to present the proposed plans and answer questions on the plans. That is not public engagement, it is troubling and it's not new.

I've advocated for conversation. I've become the face of hundreds of residents who want to participate but are shut out. I've conquered public speaking because we need change. Recently, the State of Minnesota invited Mr. Sennott and me to speak to a committee working on reforms to data practices laws and we saw government working the way it should. We were given time to speak, they asked questions, listened, worked to understand and invited continued conversation. That is all we have ever asked for here. This is not just a Safety Center issue and not just an East Side Corridor issue. This is an Owatonna and Steele County shutting out the public problem. We won't always agree, but when we work together, when we talk with each other, we can do amazing things. Understanding only happens when conversation exists, you want my tax money but not my input.

Tim McManimon, 2075 Linn Drive commented that 2025 was a long year and he is happy the improvement on Lynn Drive is done. He questioned the resolution directing city staff authorization to take bonds to council, Page 2 shows intent to include incurred expenses, but it should say how much. This project was originally proposed at $61 million, was changed to $63 million when proposal went to two facilities and not one, that $63 million has become $65 million. Last night, I attended the Open House, and the estimated cost is $61 million, can you see why some of us are suspect?

Carl Wieman, 524 Glendale St thanked Council Member Boeke for his comment regarding cost of the proposed safety facilities during this Council Meeting. He also attended the Open House last night and learned a lot by viewing an 81-page Power Point presentation. This project has a lot going on but there are other places in town that would be less expensive. We don't need an underneath garage with year-round heat or air conditioning. It would be less expensive to build north of the Tennis Center, which would be easier to access. Consideration should also be given to the Leo Rudoph Center, anywhere but on the West Hills Campus.

Tyrel Alaser Hunter, 201 N Oak Ave #206 also thanked Council Members for their comments tonight which challenged the size and cost of the proposed safety facilities. He is not opposed to building a project but the size being considered is too large for our community. Lakeville's population is 70,000 residents and the current facility planned will be bigger than theirs? We don't need a facility for 100,000 people; we should be planning for our future with 40,000 residents in our community.

Gary Jones, 995 Ridge Road commented that he believes everyone present will agree that the city's archery hunt is too long, Owatonna's plan allows 56 days. He suggested plan similar to the Three Rivers Park District which has two three-day sessions about one month apart from each other. They close their parks for these three-day periods to allow the hunters no disruptions. We could modify their plan; remote parks could have longer hunts but not the parks with frequent park goers. Those parks should have short hunting periods: Mineral Springs is close to residential homes; only three deer have been taken in the Leo Rudolph during the last ten years and has limited park usage. The hunters should be placed in areas where they will be successful. A full second season is a waste of time for both the city and the hunters. City Administrator Tuma previously oversaw the Three Rivers Park District, so she is familiar with their plan. We should ask her about their plan and try it here, I would like to be included in conversations for a shorter hunting program.

MAYOR AND COUNCIL COMMENTS:

Mayor Jessop thanked those who attended the Open House for the proposed safety facility plans. It was a good information session and allowed people a chance to get information and some answers. Also, if anyone wants to get involved, application for several commission openings is currently available on the City's website. Positions currently advertised include openings on the Human Rights Commission, Public Utilities - Ward 1 and Fire Civil Service/Board of Appeals.

City Administrator Tuma commented yesterday's Open House for the proposed safety facilities was attended by approximately 50 people. They got some great information, Mayor Jessop already noted this was an informational session and there will be another held February 26th from 4 p.m. to 6 p.m. Also, regarding Mr. Jones' comment that I previously worked at the Three Rivers Park District, I worked there for more than 20 years. We did not close the parks for archery hunts; the only time the parks were closed was for the shotgun hunts.

Council President Raney thanked everyone for attending the meeting.

At 7:51p.m., Council Member Svenby made a motion to adjourn, Council Member Dotson seconded the motion, and all members voted aye and the meeting was closed.

Respectfully submitted,
Jeanette Clawson, Administrative Coordinator