



Owatonna City Council Minutes

February 17, 2026

City Council Meeting: Tuesday, February 17, 2026 at 7:00 p.m., Council Chambers, Charles S. Crandall Center at City Hall, 540 West Hills Circle.

INTRODUCTORY ACTIONS

On Tuesday, February 17, 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.

Roll Call: Present—Council Members Svenby, Voss, Burbank, Boeke, and Rainey; Mayor Jessop; City Attorney Walbran; Staff Members Present – Tuma, Murphy, Klecker, Mundale, Clawson, Sheely and Enz. Absent – Council Members Dotson and McCann

Following roll call, Council Member Burbank led the Pledge of Allegiance.

Agenda Approval

Council President Rainey noted there were no changes or corrections to agenda. Motion to approve the agenda made by Boeke; seconded Voss; motion carried. All members present voted aye in approval.

Public Hearing

Resolution 22-26: Order Improvement & Authorize Plans - 2026 Street & Utility Project

Staff Presentation:

- Public Works Director Shaun Murphy outlined the background, the previously approved Resolution 5-26 order of the preparation of the feasibility report which was previously approved by council on January 20th.
- Notice was sent out to the 57 affected property owners on Cardinal Drive and Ivy Street on January 30th, informing them of preliminary assessments including an invitation to attend the February 27th open house to learn of project information.
- The next step is to direct engineering staff to finalize plans and specifications for the 2026 street utility project improvements. If project is approved tonight, the project completion is anticipated to be in the fall of 2026.

- Upon completion the property owners may choose to pay their assessments in full within 30 days of billing with no interest accrued. After 30 days the unpaid assessments will be certified by Steele County assessor for collection of property taxes over a set period with an annual interest rate which will be set at a future proposed assessment hearing.
- Project will be financed through a combination of city funds, OPU funds, and special assessments. The total estimated construction cost is \$2.688 million. The preliminary assessment amount is \$255,868.60 which is approximately 9.5% of the total project cost.

Public Hearing: Public hearing opened at 7:03 p.m. (Council President Rainey). No public came forward. Motion to close the public hearing by Voss; seconded by Svenby; motion carried. All members present voted aye in approval to close the public hearing at 7:04 p.m.

Resolution 22-26: Order Improvement & Authorize Plans - 2026 Street & Utility Project

Motion to approve Resolution 22-26 made by Svenby; seconded by Burbank; motion carried. All members present voted aye in approval.

Mayor's Items

Proclamation – School Buss Driver Appreciation Day

Mayor Jessop proclaimed February 18, 2026 as School Bus Driver Appreciation Day and presented the proclamation to the Owatonna Bus Company representative.

CONSENT AGENDA ITEMS (Approved as a group)

Motion to approve consent agenda items made by Boeke; seconded by Svenby; motion carried. All members present voted aye in approval.

Minutes – City Council Meeting – February 4, 2026

Boards/Commissions

- Planning Commission Minutes – February 10, 2026

Department Reports

- Finance Report
- Building Inspection Monthly Report – January 2026
- Fire – Monthly Dashboard and Activity Report – January 2026
- Police – Monthly Reports – January 2026

License/Permits

- Event Permit – Flag Field – District 4 Exchange Clubs – June 10-17, 2026
- 2026 Retail Fireworks License – Fleet Farm

- Exempt Permit – Steele County Purple Ribbon Club – August 23, 2026
- Exempt Permit – Make-a-Wish Minnesota – July 26, 2026
- Temporary Liquor License – Saint Mary’s School of Owatonna – March 21, 2026
- Temporary Liquor Permit – Hops for Humanity – Two Rivers Habitat - April 11, 2026

Miscellaneous

- 2026 Consulting Agreement – OFD Physicals – Health Strategies
- Meeting Date – 2026 Open Book Meeting – April 22, 2026
- Supplemental Letter of Agreement for Design Services Apron Reconstruction – SEH, Inc.
- Renew Culture Assessment Agreement – Employee Strategies
- Letter of Agreement – Communication Services – Rapp Strategies Inc.

ACTION ITEMS

Resolutions

Resolution 23-26: Setback Variance Request - Mound Addition

Community Development Director Klecker requested approval of Resolution 23-26 regarding a setback variance request for the Mound Addition. The Planning Commission held a public hearing for this request at their February 10th meeting and recommended approval. Motion by Boeke; seconded by Burbank; motion carried. All members present voted aye in approval

Resolution 24-26: Preliminary and Final Plat for Mound Addition

Community Development Director Klecker requested approval of Resolution 24-26 regarding the Preliminary and Final Plat of Mound Addition. The Planning Commission held a public hearing for this request at their February 10th meeting and recommended approval. Motion by Voss; seconded by Boeke; motion carried. All members present voted aye in approval.

Resolution 25-26: Signage Variance Request - Mound Addition

Community Development Director Klecker requested approval of Resolution 25-26 regarding a signage variance request for Mound Addition. The Planning Commission with public hearing rendered approval. Motion by Voss; seconded by Boeke; motion carried. All members present voted aye in approval.

Resolution 26-26: Approving the Assignment of Tax Increment Financing District Agreement

Community Development Director Klecker requested approval of Resolution 26-26 to approve the assignment of the Tax Increment Financing District Agreement for Ascend South. The title company is requesting an approved resolution stating that if the developer defaults on the loan

and if the bank takes over as the developer the city will pay the TIF to the bank instead of the developer. Motion by Boeke; seconded by Svenby; motion carried. All members present voted aye in approval.

Resolution 27-26: Accept Donation – Police K9 Watercolor – Sportsman’s Art, Ltd.

Police Chief Mundale requested the approval of Resolution 27-26 accepting the donation of a watercolor from local artist, Mr. James H. Killan. Mrs. Killan recently found the watercolor and believes it is 20 years old and values the print at \$4,000. Motion by Voss; seconded by Burbank; motion carried. Council Boeke thanked Mrs. Killan and her family for the donation. All members present voted aye in approval.

Resolution 28-26: Approve Feasibility Report and Set Date for Public Hearing - Main Street Reconstruction

Public Works Director Murphy requested approval of Resolution 28-26 to approve the feasibility report and set date for a public hearing regarding the Main Street Reconstruction. This is a Steele County project. Preliminary assessment hearing we are requesting is for March 17th. The project will be paid for by a combination of Steele County funds, assessments, state aid funds, sanitary sewer funds, stormwater funds, OPU funds and the general fund. Motion by Svenby; seconded by Boeke; motion carried. All members present voted aye in approval.

Ordinances

First Reading Proposed Ordinance 26-01: Adjust Sanitary Sewer Rates

Public Works Director Murphy requested a First Reading of Proposed Ordinance 26-01 to adjust sanitary sewer rates. Proposed adjustments to sanitary sewer rates were presented to Council in previous study session. Budget impact will be increasing revenue to the sanitary sewer fund. Motion by Voss, seconded by Burbank. Roll call vote conducted with all members present voting aye. Motion carried.

Miscellaneous

Asbestos and Hazardous Materials Inspection Agreement – IEA, Inc.

City Administrator Tuma requested approval of an agreement with IEA, Inc. for Asbestos and Hazardous Materials Inspections related to the planned redevelopment of the current Law Enforcement Center site and three adjacent residential properties for the new Fire Station. Motion by Voss; seconded by Burbank; motion carried. All members present voted aye in approval.

STAFF REPORTS

Deanna Sheely, Communications Manager

PUBLIC COMMENTS

Following staff reports, Council opened the standard public comment period. Speakers (e.g. Melissa Zimmerman and Gary Jones) shared comments regarding a petition for environmental review for the police and fire projects as well as dangers of deer hunt in Mineral Springs park.

COUNCIL COMMENT AND GENERAL INFORMATION

No comments from Council Members Svenby, Voss, Burbank and Raney. Council Member Boeke commented on safety/security and concern regarding accuracy of comments on social media. Mayor Jessop noted current openings on various boards/commissions and invited public attendance at February 26, 2026 open house to learn about the police and fire building projects. City Administrator Tuma welcomed applications for seasonal/temporary positions with the City of Owatonna.

ADJOURN

With no further business, at 7:41 p.m. a motion to adjourn was made by Boeke; seconded by Burbank; motion carried. All members present voted aye in approval and the meeting was closed.

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Respectfully submitted,

Emily Thamert, Assistant City Administrator