



Owatonna City Council Minutes

March 3, 2026

City Council Meeting: Tuesday, March 3, 2026 at 7:00 p.m., Council Chambers, Charles S. Crandall Center at City Hall, 540 West Hills Circle.

INTRODUCTORY ACTIONS

On Tuesday, March 3, 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 Voss, Burbank, Boeke, McCann, Svenby, and Rainey; Mayor Jessop; City Attorney Walbran; Staff Members Present - Tuma, Murphy, Klecker, Boss, Enz, Notch, Thamert, Dashiell, Brase, Seykora, Mundale, DuChene & Sorensen. Absent – Council Member Dotson

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

Agenda Approval

Council President Rainey noted two corrections: removal of Item 2.4.2 (Event Permits) and Item 3.2.3 (Resolution 32-26: 2026 HUD Budget Amendment). Motion to approve the agenda as corrected made by Svenby; seconded by Voss; motion carried. All members present voted aye in approval.

Public Hearing

Resolution 29-26: 5-Year Capital Improvement Plan (CIP) with Intent to Issue Bonds – Public Safety Facilities

Staff Presentation:

- City Administrator Jenna Tuma outlined the background, planning process (including open houses, surveys, and work sessions), project scoping, and next steps for separate police and fire facilities.
- Police Chief Jeff Mundale described deficiencies in the current law enforcement center (aging infrastructure, security concerns, lack of temporary holding space, inadequate

evidence and training spaces, and parking), underscoring safety, operational efficiency, and community needs.

- Fire Department leadership detailed station age, space constraints, decontamination shortcomings, training impacts, and the need to plan for future staffing and wellness spaces.
- Dan Tinner, Ehlers (financial advisor), explained the statutory process for CIP bonds under Minn. Stat. §475.521, the not-to-exceed amount of \$65 million for both facilities, options considered by Council, tax-impact illustrations, state refund programs, and the tentative bid and bond sale timeline. Adoption of the CIP constitutes preliminary approval and does not obligate the City to issue bonds.

Public Hearing: Public hearing opened at 7:26 p.m. (Council President Rainey). Extensive public input was received—speakers offered support and concerns related to taxes, site location (West Hills), project scale, and process transparency (Exhibit A – Public Hearing Speakers & Themes). A recess was granted at 8:21 p.m.; the hearing was reconvened at approximately 8:26 p.m. and was subsequently closed at 8:48 p.m.

Resolution 29-26: 5-Year Capital Improvement Plan with Intent to Issue Bonds – Public Safety Facilities. Motion to approve Resolution 29-26 made by Voss; seconded by Burbank; following Council comments; motion carried. All members present voted aye in approval.

Mayor's Items

Proclamation — 2026 Women of Achievement (OBW)

Mayor Jessop proclaimed March 2026 as Owatonna Business Women's "Women of Achievement" month and presented the proclamation to representatives in attendance.

Human Rights Commission Appointments

Mayor Jessop advanced appointments of Sam Bendorf and Gretchen Zinsli to fill vacancies on the Human Rights Commission; Motion to approve appointments made by McCann; seconded by Svenby; motion carried. All members present voted aye in approval. Appointees Bendorf and Zinsli were sworn in by Mayor Jessop.

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

Boards/Commissions

- Fire Department Civil Service Commission — February 2, 2026.
- EDA — January 21, 2026.

Department Reports

- Finance Report

<u>Amount</u>	<u>Vendor - Description</u>
56,225.00	ABDO LLP - ACCOUNTING SERVICES
47,360.83	CIVICPLUS LLC 2026 - ANNUAL RENEWAL
65,101.00	COALITION OF GREATER MN CITIES - CGMC 2025-2026 GENERAL MEMBERSHIP DUES
2,638,551.89	EHLERS & ASSOCIATES INC
	- GO BOND, SERIES 2017A: BOND PYMT \$190,000.00 / INTEREST PYMT \$6,871.88
	- GO STREET RECONSTRUCTION BOND, SERIES 2020A: BOND PYMT \$150,000.00 / INTEREST PYMT \$16,100.00
	- GO STREET RECONSTRUCTION BOND, SERIES 2018A: BOND PYMT \$515,000.00 / INTEREST PYMT \$37,700.00
	- GO STREET RECONSTRUCTION BOND, SERIES 2023B: BOND PYMT \$215,000.00 / INTEREST PYMT \$56,750.00
	- GO STREET RECONSTRUCTION BOND, SERIES 2021A: BOND PYMT \$310,000.00 / INTEREST PYMT \$31,630.00
	- GO BOND, SERIES 2016A: BOND PYMT \$285,000.00 / INTEREST PYMT \$15,668.76
	- GO IMPROVEMENT BOND, SERIES 2019A: BOND PYMT \$190,000.00 / INTEREST PYMT \$23,575.00
	- GO BOND, SERIES 2024A: BOND PYMT \$140,000.00 / INTEREST PYMT \$41,225.00
	- GO TAX ABATEMENT BOND 2024B: BOND PYMT \$150,000.00 / INTEREST PYMT \$108,200.00

	- GO BOND, SERIES 2015A: BOND PYMT \$140,000.00 / INTEREST PYMT \$1,750.00
	- PAYING AGENT FEES - \$4,512.50
	- 2025 FINANCIAL MANAGEMENT PLAN - \$5,088.75
	- PUBLIC FINANCE SEMINAR - \$350.00
25,097.00	- 2025 2ND HALF PAYGO NOTES \$4,130.00 LEAGUE OF MN CITIES - 2026 MEMBERSHIP DUES
314,750.00	LEGENCE SUBSIDIARY HOLDINGS LL
246,980.12	MN PUBLIC FACILITIES AUTHORITY - 2/20 MPFA INTEREST PAYMENT 2023 GO BONDS
111,967.20	NEAR NORTH TITLE GROUP - PURCHASE PROPERTY - 1652 CEDAR AVE S
40,600.00	OWATONNA AREA CHAMBER OF COMM - 1ST HALF 2026 CONTRACT
28,321.00	OWATONNA MOTOR COMPANY
	- 2006 CHEVY SILVERADO REPAIR \$11,577.62
	- 2025 PURCHASE 2025 FORD ESCAPE \$15,891.93
130,496.87	- MISC PARTS \$851.45 RICE LAKE CONSTRUCTION GROUP - WWTP EXPANSION - PAY EST #44
167,578.68	SOUTHEAST SERVICE COOPERATIVE - FEBRUARY 2026 MEDICA HEALTH INSURANCE
25,996.71	WINTER SERVICES LLC - ROAD SALT
277,921.30	OTHER EXPENDITURES
4,176,947.60	SUBTOTAL
-	HRA HOUSING ASSISTANCE PAYMENTS
\$4,176,947.60	TOTAL EXPENDITURES PRESENTED FOR APPROVAL
NOTE: Checks over \$20,000 are detailed out individually	

Licenses/Permits

- Exempt Permit — Early Edition Rotary - April 17, 2026.
- Event Permits — *Removed per approved agenda correction.*

Miscellaneous

- Professional Services Agreement — Global Environmental Education (Hamline University Center).
- Indoor License Agreement — Steele County Free Fair (August 18–23, 2026).
- Renew Single-Family-Lot Incentive Program.

ACTION ITEMS

Ordinances

Second/Final Reading Proposed Ordinance 26-01: Adjust Sanitary Sewer Rates.

Public Works Director Sean Murphy requested approval of the second/final reading of Proposed Ordinance 26-01 to change the rates for sanitary sewer and noted corresponding adjustments for the City of Medford per existing agreements; upon approval, new rates are to be effective April 1, 2026. Motion to approve second/final reading of Ordinance 26-01 made by Boeke; seconded by Burbank; motion carried. All members present voted aye in approval with a roll call vote.

First Reading Proposed Ordinance 26-02: Use of Motorized ATVs/UTVs/Mini-Trucks & Golf Carts.

Police Chief Jeff Mundale requested approval of the first reading of Proposed Ordinance 26-+02 and Proposed Ordinance 26-03 regarding the use of motorized All Terrain Vehicles, Utility Vehicles, Mini-Trucks and Golf Carts within city limits and setting the permit fee for such. Council discussed plate logistics and visibility (license plate vs. sticker). Motion to approve first reading of Ordinance 26-02 made by Boeke; seconded by Svenby; motion carried. All members present voted aye in approval with a roll call vote.

First Reading Proposed Ordinance 26-03: Permit Fees — Golf Carts, ATVs, UTVs & Mini-Trucks.

Initial three-year plate fee \$45; three-year renewal \$15; dealer plate discussed (to be finalized in fee schedule prior to second reading). Motion to approve first reading of Ordinance 26-03 made by Voss; seconded by Burbank; motion carried. All members present voted aye in approval with a roll call vote.

Resolutions

Resolution 30-26: Set Public Hearing Date — 2025 Street & Utility Project Special Assessment Amendment.

City Attorney Walbran requested approval of Resolution 30-26 to set a date for hearing on the proposed reassessment of 1975 Linn Drive SW under the 2025 Street Utility Project. The owners of the 1975 Linn Drive residence timely appealed the assessment to their property for the sum of \$10,064.08. Upon receipt of the owners appeal, the City reevaluated the assessment, taking into account factors unique to the lot, and recalculated the assessment. The owners accepted the proposed reassessment of \$6,023.67. Motion to approve Resolution 30-26 made by Voss; seconded by McCann; motion carried. All members present voted aye in approval.

Resolution 31-26: Joint Resolution for Annexation — Ziegler Ag - Clinton Falls Township.

Community Development Director Troy Klecker requested approval of a Joint Resolution for Annexation for Ziegler Ag with Clinton Falls Township. Ziegler Ag requested annexation of the three parcels surrounding their main building located at 3627 County Road 45 N. The amount of land is approx. 15 acres. If approved, their whole property will be within the City of Owatonna. The Township approved the proposed resolution at their February 17, 2026 meeting. The \$60 filing fee to file the joint resolution with the State of Minnesota was covered in the applicant's application fee. Motion to approve Resolution 31-26 made by Svenby; seconded by Boeke; motion carried. All members present voted aye in approval.

Resolution 32-26: 2026 HUD Budget Amendment.

Removed per approved agenda correction.

Resolution 33-26: Intensive Comprehensive Peace Officer Education & Training (ICPOET) Grant — Office of Justice Programs.

Police Chief Jeff Mundale requested authorization for the Police Department to accept the ICPOET grant which provides up to \$50,000 of fund training for one candidate to complete the ICPOET program (career-change pathway), with administrative authority for amendments delegated to Chief Mundale and Captain Duchesne. Motion to approve Resolution 33-26 made by McCann; seconded by Burbank; motion carried. All members present voted aye in approval.

Resolution 34-26: Memorandum of Understanding — International Union of Operating Engineers, Local No. 70.

HR Director Rachel Boss requested approval of the Memorandum of Understanding (MOU) between the City of Owatonna and the International Union of Operating Engineers, Local No. 70 as presented in Resolution No. 34-26. As a result of the Wastewater Treatment Facility expansion, the parties identified a need to clarify and update the job titles and career pathway for the Wastewater series of job descriptions. The updates reflect required licensures and support an improved career advancement structure. The MOU supplements the existing Labor Agreement in effect from January 1, 2025 through December 31, 2027. Approximate budget impact will be \$32,000 (Sewer Fund). Motion to approve Resolution 34-26 made by Voss; seconded by Boeke; motion carried. All members present voted aye in approval.

Miscellaneous

Public Meeting Code of Conduct Policy.

Assistant City Administrator Emily Thamert presented a policy to promote respectful participation, ensure orderly proceedings, and supports compliance with Minnesota Open Meeting Law. There is no budget impact. Motion to approve policy made by Boeke; seconded by McCann; motion carried. All members present voted aye in approval.

Professional Services Agreement: Arc Flash Risk Assessment & Report — Grey Box Engineering.

Public Works Director Sean Murphy requested approval of an agreement with Gray Box Engineering LLC to provide professional engineering services for the Arc Flash Risk Assessment and Report. An Arc Flash Risk Assessment is a formal evaluation of the electrical systems at the Wastewater Treatment Facility to identify hazards, quantify potential energy release, and determine protective measures to ensure worker safety and regulatory compliance. This assessment is required every 5 years by code and the last assessment was performed in 2019. Cost is not-to-exceed \$21,960 without prior approval from the City of Owatonna (Sanitary Sewer Fund). Motion to approve agreement made by Burbank; seconded by McCann; motion carried. All members present voted aye in approval.

Professional Services Agreement: WWTF Walls — Greener World Solutions.

Public Works Director Sean Murphy requested approval of an agreement with Greener World Solutions to provide wall coating services on the digester walls at the Wastewater Treatment Facility. Two quotes were received for the work. Greener World Solutions had the lower of the two quotes and staff recently utilized their services and have been satisfied with the work completed thus far. Coating and maintenance of digester gallery walls; not-to-exceed \$124,213 without prior approval from the City of Owatonna (Sanitary Sewer Operating Budget). Motion to approve agreement made by Voss; seconded by Boeke; motion carried. All members present voted aye in approval.

Agreement: 3950 West Bridge Street Lift Station Electrical Panels — Integrated Process Solutions, Inc.

Public Works Director Sean Murphy requested approval of an agreement with Integrated Process Solutions, Inc (IPS) to provide the materials for the 3950 West Bridge Street Lift Station Control Panel SCADA Integration. The lift station electrical panels at 3950 West Bridge Street are at the end of their service life and require control panel replacement and electrical system updates to implement SCADA systems throughout the collections system and WWTF. SCADA integration will allow for more efficient management of the collections system. Cost for the Control Panel replacements is \$74,495 (Wastewater Enterprise Fund — capital). Motion to approve agreement made by Svenby; seconded by Burbank; motion carried. All members present voted aye in approval.

Addendum No. 2: Wastewater Treatment Agreement — City of Medford.

Public Works Director Sean Murphy requested approval of the second addendum to the City of Owatonna's Wastewater treatment Agreement with the City of Medford. The Second Addendum

includes an 8% increase to Medford's rates for volumetric flow and base charge, the same increase recommended to Council earlier in the evening for City Sanitary Sewer Rates. Motion to approve Addendum No.2 of agreement made by Voss; seconded by Burbank; motion carried. All members present voted aye in approval.

Professional Services Agreement: Data Request Consultation — Kennedy & Graven.

City Administrator Jenna Tuma requested approval of a professional services agreement with Kennedy and Graven to support staff with timely compliance with recent public data requests; rates are outlined in the engagement letter. Motion to approve professional services agreement made by Boeke; seconded by McCann; motion carried. All members present voted aye in approval.

STAFF REPORTS

No staff reports requested by Council.

PUBLIC COMMENTS

Following staff reports, Council opened the standard public comment period. Speakers (e.g., Melissa Zimmerman, Matt Andrews, Carl Wieman, Tyler Cochran and others) addressed taxes, site location, process transparency, reverse referendum petition efforts, alternative sites, and community center aquatics needs. Council thanked participants for respectful, constructive input.

COUNCIL COMMENT AND GENERAL INFORMATION

Council Members reflected on public safety facility needs (police/fire), tax impacts, bid competitiveness, and long-term stewardship; several emphasized that adoption of the CIP is an early step and does not commit issuance of bonds, with future decisions pending bid results and affordability. Community center aquatics facilities were also noted as an ongoing concern.

ADJOURN

With no further business, at 9:57 p.m. a motion to adjourn was made by Boeke; seconded by Svenby; motion carried. All members present voted aye in approval and the meeting was closed.

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Respectfully submitted,

Tricia Notch, Administrative Coordinator

Exhibit A — Public Hearing Speakers & Themes

- **Daniel Pridie** — Supports police/fire needs but opposes process without a citizen vote; questions survey framing and urges a public referendum on bonding.
- **June Stephens** — Opposes West Hills location citing historic and emotional significance; raises affordability concerns on fixed incomes and urges alternative siting or remodeling.
- **Tammy Ingvaldson** — Speaks on impacts to seniors and Social Security recipients amid multiple rising costs; emphasizes listening to working residents and tax burdens.
- **Jordan Cogglove** — Raises affordability for younger households and renters; questions building needs vs. local jail roster; asks for clearer “not-to-exceed” guardrails and bid incentives.
- **Tyrel Alastair Hunter** — Questions facility size relative to Owatonna’s population and growth; compares to Burnsville and asks why the proposed buildings are so large.
- **Carl Wieman** — Argues planned parking and below-grade garage scale are excessive; presents petition signatures opposing size/cost; notes tax increases and park use concerns.
- **Myrtle S** — Emphasizes West Hills’ national historic significance; expresses strong concerns about padding budgets to \$65M and taxpayer trust; urges preservation.
- **Kevin Dilleuth** — Supports modernized facilities and planning for future capacity; recounts history of deferred investments, urging “build it right now” to avoid greater costs later.
- **Melissa Zimmerman** — Notes strong public turnout; announces reverse referendum petition effort; asks for meaningful public involvement before funding decisions.
- **Tyler Cochran** — Supports project; notes deferred maintenance increases cost; defends West Hills use as prudent city-owned resource that preserves campus character.
- **Kirk Oswald** — Supports action now to avoid passing rising costs to future generations; acknowledges fixed-income impacts but warns against continued deferral.
- **Lynne Holthus** — Compares local property taxes to Phoenix metro; urges affordability focus for seniors and fixed-income homeowners.
- **Tina S** — Raises traffic/safety concerns near the Senior Center if police station is sited on West Hills; asks for study of traffic interactions and reconsideration of costs.

- **Gail Jorgensen** — Appreciates public safety services; requests “champagne taste vs. beer budget” restraint and phasing/unfinished areas to reduce upfront cost.
- **Matt Andrews** — Urges Council to heed taxpayers; proposes siting alternatives and lower-cost construction (e.g., steel building, off West Hills) to reduce tax impacts.
- **Lynn Underwood** — Asserts police station does not belong on West Hills; suggests county-owned land behind current complex as an alternative.
- **Kurt Welker** — Warns about Owatonna’s perceived high taxes affecting development; urges scaling costs and considering simpler building types; asks to slow the process.