



CITY COUNCIL MINUTES

COUNCIL CHAMBERS

TUESDAY, JUNE 25, 2024

6:00 PM

Call to Order/Roll Call/Pledge of Allegiance

The meeting of the City Council was called to order by Mayor Voracek at 6:00 pm. Councilors in attendance included Sara Caron, Adama Doumbouya, Royal Ross, Tom Spooner and Chuck Thiele. Councilor Peter van Sluis was absent. Also in attendance was City Administrator Jessica Kinser, City Clerk Heather Slechta, Police Chief John Sherwin, City Engineer Mark DuChene, Public Works Director Travis Block, Human Resources Director Kevin Bushard, Fire and Code Services Director Dustin Dienst, Community and Economic Development Director David Wanberg, Communications Manager Brad Phenow and City Attorney Scott Riggs.

Approve Agenda

Motion by Ross, seconded by Doumbouya to Approve Agenda as presented and carried unanimously.

Presentations/Introductions – None

Approve minutes of the June 11, 2024 City Council Meeting

Motion by Thiele, seconded by Spooner to approve the June 11, 2024 City Council Meeting Minutes and carried unanimously.

Requests to be Heard – None

Consent Agenda

- A. List of Claims for Release
- B. Approve Hold Harmless and Indemnification Agreement with the Faribault Area Chamber of Commerce
- C. Resolution 2024-122 Accept Southeastern Minnesota Arts Council Grant
- D. Resolution 2024-123 Approve Hiring Assistant Finance Director
- E. Approve Quote for Well House Roofing Repairs
- F. Resolution 2024-126 Accept Donation to the Faribault Parks and Recreation Department
- G. Resolution 2024-127 Levying Special Assessments for Delinquent Water, Sewer, and Storm Water Accounts
- H. Resolution 2024-128 Levying Special Assessments for Miscellaneous Delinquent Receivable Accounts
- I. Resolution 2024-129 Approve Premises Permit Application for Divine Mercy Catholic Church
- J. Authorize Execution of Merchant Vendor Agreement
- K. Resolution 2024-130 Approve Separation Agreement
- L. Resolution 2024-131 Approve Hiring Police Officer

Motion by Doumbouya, seconded by Caron to approve Consent Agenda Items A-L and carried unanimously.

Public Hearings – None

Items for Discussion

Resolution 2024-124 Authorize an Internal Loan for the Design, Construction and Equipping of Viaduct Park

City Administrator Jessica Kinser explained that at the May 21st, 2024 work session, the Council discussed the two bid packages for the first phase of Viaduct Park with the proposed change orders on the packages, and moved forward with approval of those contracts at the June 11th, 2024 City Council meeting. The Council also discussed total project costs including design and platting for the first bid packages as part of the conversation of the overall financing of the Viaduct Park project. Staff proposed an internal loan from the Sewer Fund to the Parkland Dedication Fund for the costs of the project, with repayment to occur from \$650,000 in franchise fees (\$630,000 gas/electric and \$20,000 sewer/water) annually to be credited to the Parkland Dedication Fund. The attached resolution accomplishes this internal loan in a not-to-exceed amount of \$6.3 million.

Kinser stated that this will be a revolving loan, meaning that funds will be moved to cover costs as needed rather than the not-to-exceed amount being transferred all at once. Payments on the loan will occur four times a year. The interest rate is 5 percent; however, this is subject to change based on the City's investment earnings. One unknown element that impacts the internal loan is how the fundraising by the Faribault Foundation will change the amortization table to reduce the principal and the life of the loan. At this time, with no donations to the project using the assumptions in the resolution, it is anticipated to take 13 years to pay off this loan.

Kinser explained that the not-to-exceed amount consists of the following incurred or projected costs:

- \$300,000 Design Fees (existing costs incurred in fund 404; this redirects cash to support other projects that are coming in over budget)
- \$5,400,000 Construction Costs Bid Package 1 & 2
- \$200,000 Furniture/Fixtures/Equipment
- \$75,000 Other Owner Costs (fiber, construction testing)
- \$325,000 Contingency

She also stated that the actual amount of the loan will depend upon the use of the contingency. Also, assuming the Council will move forward with the design and construction of an ice phase, this revolving loan resolution can be amended at that time to include the additional costs and increase the not-to-exceed amount.

Councilor Ross asked how often the interest rate would be reviewed, Kinser stated that they would review it throughout the year, as the payments will be done quarterly.

Motion by Ross, seconded by Doumbouya to approve Resolution 2024-124 Authorize an Internal Loan for the Design, Construction and Equipping of Viaduct Park and carried unanimously.

Ordinance 2024-10 Approve a Zoning Text Amendment to Allow Laundry Services in C-1 Zoning (First Reading)

Community and Economic Development Director David Wanberg stated that J.C. and Loni Ahlers, requests an ordinance amendment allowing laundromats and laundry services as a by-right use in C-1, Neighborhood Commercial zoning district. City Staff crafted an ordinance amendment based on the request and subsequent conversations. The amendment adds definitions and clarifies other code sections related to laundromats.

City Planner Harry Davis initially reviewed the codes of Owatonna, Lakeville, and Northfield for ideas on how they regulate laundromats and similar services. Based on feedback from Planning Commission work sessions, the City Planner sought additional peer cities to gain a better understanding of laundromat regulations in other cities. In summary, 8 out of 10 peer cities treat dry-cleaning, self-service laundromats, and other laundry services as a by-right, permitted use in their neighborhood-level or local service commercial zoning districts. None of the researched cities have performance standards attached to laundry businesses aside from regular noise/odor, general development, and zoning restrictions. Based on a conceptual comparison of laundromats with the uses currently permitted by right in C-1, the City Planner does not see laundromats as more intense or impactful on adjacent properties compared to currently allowed uses such as a bakery, discount store, hardware store, sporting goods, sports facility, or clinic. There may be different development and operational intensities of uses currently allowed, but in general, laundromats fit well with the other uses currently allowed in C-1.

The proposed amendment adheres to the comprehensive plan's core guiding principles and meets many goals, objectives, and policies in the plan's implementation section. It also meets the criteria for a zoning text amendment. Additionally, laundromats in C-1 are not different from other by-right uses already allowed, and the approach is similar to most peer cities researched.

The Planning Commission held a public hearing during their regularly scheduled June 17, 2024, meeting and recommended in favor of the proposal by a vote of 4-1. One commissioner dissented based on wanting laundromats and dry-cleaning establishments to be conditional uses, thereby allowing public input on aspects such as hours of operation, on-site attendants, lighting, and venting odors. City staff received no public comments before or at the public hearing.

Motion by Spooner, seconded by Thiele to approve Ordinance 2024-10 Approve a Zoning Text Amendment to Allow Laundry Services in C-1 Zoning (First Reading)

Roll Call Vote:

Aye: Councilor Caron, Doumbouya, Ross, Spooner, Thiele and Mayor Voracek

Nay:

Motion carried 6:0

Resolution 2024-132 Declaring a Local State of Emergency for the City of Faribault, Minnesota

City Administrator Jessica Kinser informed the Council that the City of Faribault has experienced excessive rainfall which has resulted in flooding conditions throughout community. Waters have not receded and there is no way of knowing what damage could to public infrastructure after the waters have receded, Mayor Voracek signed a proclamation declaring a state of emergency for this flooding event on June 22, 2024. Resolution 2024-132 formalizes this proclamation with an action of the entire City Council.

Chief Dienst is the City's Emergency Manager provided an update of flood status and efforts at the meeting.

Councilor Ross asked if the waste water treatment plant was operating as it should be, Public

Works Director Travis Block stated that the previous mitigation efforts have worked. Councilor Spooner asked what, if anything could be done to prohibit people from entering the flooded streets, Dienst stated that they have informed people to stay out of the flooded areas. Councilor Doumbouya asked if there was any infrastructure damage, Block stated that there has been no compromise to infrastructure, damage has been mainly to residential areas. There is a sanitary sewer repair on 21 near Green Street. Mayor Voracek asked if this would delay the pool opening, Kinser stated that repairs are underway.

Motion by Spooner, seconded by Thiele to approve Resolution 2024-132 Declaring a Local State of Emergency for the City of Faribault, Minnesota and carried unanimously.

Bids - None

Boards and Commissions Reports, Announcements and Project Updates

The Monthly Financial Report was provided prior to the meeting as part of the meeting materials. Councilor Ross thanked the Staff and Residents for helping the community and neighboring communities during the flood. Mayor Voracek stated that Heritage Days was held last weekend and they were able to hold the parade between rain storms. City Administrator Jessica Kinser informed the Council that the budget calendar will be changing, and that there will be a City Council Work Session on July 30th.

Adjournment

Motion by Ross, seconded by Doumbouya to adjourn the City Council Meeting and carried unanimously.

The meeting was adjourned at 6:30 p.m.

Respectfully Submitted,

DocuSigned by:



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Heather Slechta
City Clerk