



CITY COUNCIL MINUTES

COUNCIL CHAMBERS

TUESDAY, MAY 13, 2025

6:00 PM

Call to Order/Roll Call/Pledge of Allegiance

The meeting of the City Council was called to order by Mayor Tom Spooner at 6:00 pm. Councilors in attendance included Mandy Barnes, Adama Doumbouya, Royal Ross, John Rowan and Peter van Sluis. Chuck Thiele was absent. Also in attendance were City Administrator Jessica Kinser, City Clerk Heather Slechts, Parks and Recreation Director Paul Peanasky, Public Works Director Travis Block, Police Chief John Sherwin, Fire Chief Dustin Dienst, Community and Economic Development Director David Wanberg, Human Resources Director Kevin Bushard and Planning Manager Harry Davis.

Approve Agenda

Motion by Doumbouya, seconded by van Sluis to approve the agenda as presented and carried unanimously.

Presentations/Introductions

Mayor Spooner presented the Poppy Week Proclamation to Jeanette Hammond.

Approve minutes of the April 22, 2025 City Council Meeting

Motion by Rowan, seconded by Doumbouya to approve the Minutes of the April 22, 2025 City Council Meeting and carried unanimously.

Requests to be Heard – None

Consent Agenda

- A. Approve List of Claims
- B. Resolution 2025-119 Approve Street Closure for Faribault Lutheran School Outdoor Chapel and School BBQ
- C. Approve 2025 CIP Purchase- Replacement Lawnmower at Airport
- D. Approve Disadvantaged Business Enterprise (DBE) Program 49 CFR Part 26 Policy Statement
- E. Approve Petition and Waiver for Water Service Repair at 130 9th Ave. SW
- F. Resolution 2025-121 Reaffirm the Enabling Resolution Establishing an Economic Development Authority for the City of Faribault as Outlined in Resolution #2021-082
- G. Accept Professional Services Proposal for Geotechnical Work
- H. Resolution 2025-123 Approve Amended and Restated Contract for Private

- Development with Tru Vue Inc., For Certain Property in the City of Faribault
- I. Approve 2025-124 Approve Premises Permit for Faribault Wrestling
 - J. Approve 2025-125 Approve 2025-2026 Garbage and Refuse Hauler Licenses
 - K. Resolution 2025-128 Approve Budget Adjustment and Approve Purchase Agreement for Police Equipment Using Grant Funds
 - L. Resolution 2025-126 Approve Street Closures and Use of North Alexander Park for Run Baby Run
 - M. Resolution 2025-127 Approve Hiring Parks and Recreation Director
 - N. Approve Use of Maple Lawn Park for the American Radio Relay League Field Day
 - O. Approve Purchase of Lucas 3 Chest Compression System
 - P. Authorize Submittal of Letter in Opposition to Local Option Sales Tax Moratorium Extension

Motion by van Sluis, seconded by Ross to approve Consent Agenda items A-P and carried unanimously.

Public Hearings

Ordinance 2025-2 Annexing Certain Land from Wells Township into the City

City Planning Manager Harry Davis stated that Kathy Kalow, on behalf of Wille et al, submitted a petition on March 19, 2025, to annex property identified as PID 10.01.1.25.001 into the City of Faribault. The City's adopted Staged Growth Plan guides the property for commercial/industrial mixed use. Available industrial sites in Faribault are limited. If annexed into the City of Faribault, the property would allow both industrial and commercial development opportunities in Faribault. Currently, there are no specific development plans for the property.

The City properly noticed the annexation petition per Minnesota Statutes and consistent with Minnesota Statutes, the ordinance requires that the City make a cash reimbursement to Wells Township with respect to the property taxes. Section III of Ordinance 2025-2 requires the City to pay Wells Township the sum of \$392.77 in 2025, the sum of \$490.96 in 2026, and the sum of \$490.96 in 2027. The total of said two-year reimbursement amount equates to 250-percent of the taxes payable to Wells Township on the subject property in 2025. Section VI of Ordinance 2025-2 zones the property to TUD, Transitional Urban Development, as stipulated in Sec. 5-60 of the Unified Development Ordinance.

Motion by Ross, seconded by van Sluis to open the public hearing and carried unanimously. The public hearing was opened at 6:09 pm.

There were no comments received.

Motion by Doumbouya, seconded by Rowan to close the public hearing and carried unanimously. The public hearing was closed at 6:10 pm.

Motion by Ross, seconded by Barnes to approve Ordinance 2025-2 Annexing Certain

Land from Wells Township into the City

Roll Call Vote:

Aye: Councilor Barnes, Doumbouya, Ross, Rowan, van Sluis and Mayor Spooner

Nay:

Motion carried 6:0

Items for Discussion

Ordinance 2025-3 Approve a Zoning Text Amendment to Match Land Uses in Shoreland with the DNR Model Ordinance

City Planning Manager Harry Davis explained that the request was done by City Staff to amend the Unified Development Ordinance to remove all shoreland designations for land uses in the residential, commercial, industrial, and special districts land use tables. Davis also proposed adding the DNR's model ordinance land use tables to the same section as the special district land use tables. One table will guide land uses along different DNR-classified rivers, and the other table will guide land uses along DNR-classified bodies of water.

Over the past few years, Staff have noticed occasional inconsistencies between land uses allowed in shoreland under the residential, commercial, and industrial land use tables compared to the land use table found in special districts that include land uses in shoreland. The DNR's model ordinance appears to be more lenient than our current ordinance. Under the existing system, the conflicts between the normal and special district tables left staff in many awkward positions. For example, the underlying zoning may say one thing about the proposed or existing land use, but the shoreland column in that same table says something different, and then the special districts table for shoreland uses says something else entirely. The new setup will set one location for the underlying zoning district land uses and one location to review land uses within shoreland. Staff saw an opportunity to remove restrictions and simplify the review, which impacts development timelines and customer satisfaction.

In general, the proposed ordinance amendment satisfies all the criteria for approval. The Comprehensive Plan supports opportunities to balance public goals with individual property rights, and the DNR has conditionally approved the changes. City staff received no public comment. The Planning Commission unanimously forwarded the request to the City Council, recommending approval.

Motion by Ross, seconded by Rowan to approve Ordinance 2025-3 Approve a Zoning Text Amendment to Match Land Uses in Shoreland with the DNR Model Ordinance

Roll Call Vote:

Aye: Councilor Barnes, Doumbouya, Ross, Rowan, van Sluis and Mayor Spooner

Nay:

Motion carried 6:0

Resolution 2025-122 Declare Environmental Assessment Worksheet Complete for Archer Datacenters

City Planning Manager Harry Davis informed the Council that Archer Datacenters, with the assistance of Kimley-Horn, prepared an Environmental Assessment Worksheet (EAW) for developing a study area along Acorn Trail, south of 150th Street West, from existing agriculture to up to 500,000 square feet of data center buildings with associated utilities and parking. The project study area is 84.3 acres in the Northern Industrial Park.

Minnesota Rules, Chapter 4410 contains the requirements for environmental review in Minnesota. Part 4300, subpart 14.A(3) states that a new warehousing or light industrial facility exceeding 450,000 square feet must have an EAW prepared. Archer Datacenters proposes up to 500,000 square feet, which triggers a mandatory EAW for the project. The purpose of an EAW is to determine whether an Environmental Impact Statement (EIS) is needed and to indicate how the project can be modified to lessen its environmental impacts.

According to Minnesota Rules, the City of Faribault is the Responsible Governmental Unit (RGU) and is charged with the preparation of the EAW for the project. As the RGU, the City has the responsibility for declaring the EAW complete and then distributing it to the public, designated agencies, and interested parties for review and comment. No final government decision may be made to grant a permit or approve a project, and construction of the project may not begin until environmental review is complete.

Davis stated that the request before City Council was to determine the EAW complete for public review. This is the first step in the review process. Upon declaration of completeness, a notice regarding the EAW will be sent to the Environmental Quality Board (EQB) for publication. The EAW will also be sent to various state, county, and local agencies and interested parties for their comments regarding the potential environmental impacts of the project.

When the comment period ends, Archer Datacenters and the city will be responsible for responding to all the comments submitted. The city will then make findings regarding the potential of the project to cause significant environmental impacts and determine whether an EIS is needed.

Minnesota rules state that the City may hold one or more public meetings to gather comments on the EAW. City Code Section 9-20 requires that after an EAW is prepared, the Planning Commission should review it and recommend to the City Council whether the project should require the preparation of an EIS. City staff anticipates bringing the EAW to Planning Commission's June 2, 2025, meeting.

Councilor Rowan asked if this triggered an impact study, Davis stated that it could, the EAW would determine if it is needed.

Motion by van Sluis, seconded by Ross to approve Resolution 2025-122 Declare Environmental Assessment Worksheet Complete for Archer Datacenters and carried

unanimously.

Resolution 2025-120 Approve Plans & Specification and Establish Bid Date for Municipal Airport Airfield Pavement Rehabilitation Project

Public Works Director Travis Block explained that Resolution 2025-120 approves the construction plans and specifications for the Municipal Airport Airfield Pavement Rehabilitation Project. The project includes taxi lane and apron pavement rehabilitation, and drainage improvements to extend the pavement lifecycle. Design for the project was authorized at the March 11, 2025, Council meeting with the approval of Task Order No. 14. Foth then prepared the plans and specifications for the project in preparation for bidding.

The total estimated cost of the project is \$1,288,830.00. There is \$1,300,000.00 budgeted for the project. The Federal Aviation Administration (FAA) and Minnesota Department of Transportation (MNDOT) grant funds will be used for the project with a 95/2.5/2.5% Federal/State/Local split for the Airport Improvement Program (AIP) eligible expenses. Additionally, Federal Bipartisan Infrastructure Law (BIL) funds will be used for the project. There are portions of the project that the FAA has deemed ineligible due to spatial criteria and will be funded 100% by Local funds. The cost estimate for construction costs is \$1,168,550.00 with \$148,420.00 being funded by Local funds; the total cost estimate for local funds is \$200,000.00. The Airport fund (225) will provide the Local funding for the project and a budget amendment will be necessary.

The resolution also established a bid date of June 4, 2025, for the project. Construction is scheduled to begin on August 18, 2025, with substantial completion on October 10, 2025.

Councilor Barnes asked if this project would affect the renters, Block stated that it would, however, if the project would be done in phases allowing for maximum usage. The project should only take two months to complete. City Administrator Jessica Kinser informed the Council that the July 9th Council Chat will be taking place at the Airport, there will be a tour for the Council at that time as well. Councilor Rowan asked if the 2022 pledged federal funds were in hand, Block explained that they were not yet, and that if they were not received they would not be moving forward with the project at this time.

Motion by Ross, seconded by Rowan to approve Resolution 2025-120 Approve Plans & Specification and Establish Bid Date for Municipal Airport Airfield Pavement Rehabilitation Project

Resolution 2025-109 Approve a Preliminary Development Agreement Extension between the City of Faribault and Rebound Real Estate, LLC

Community and Economic Development Director David Wanberg explained that the City of Faribault owns an undeveloped 2.69-acre parcel at 105 Riverchase Court. On February 13, 2024, the City of Faribault and Rebound Real Estate, LLC entered into a

Preliminary Development Agreement that allowed the parties one year to negotiate a purchase agreement for the property. At the Council's February 4, 2025, work session, Rebound requested a 180-day extension to allow sufficient time to determine if it could move forward with a purchase of the property. At the Council's February 11, 2025, meeting, the Council approved Resolution 2025-037, which denied Rebound's 180-day extension request but approved a 90-day extension. That extension expires on May 14, 2025.

On May 5, 2025, Matt Ganter, on behalf of Rebound, submitted a formal request to extend the Agreement by another 60 days. Rebound reports that it has made significant progress in preparing development plans. It is confident it can work with the City to reach a development and acquisition agreement during the proposed extension period. Mr. Ganter is planning to attend the Council meeting to answer questions.

Meanwhile, City staff is aware of another developer who has expressed interest in developing apartments on the property if the Preliminary Development Agreement between the City and Rebound expires without a purchase agreement. That Developer is aware that the current Agreement expires on May 14, 2025, unless the Council agrees to extend the Agreement with Rebound another 60 days.

The property has been undeveloped for several years. There is some urgency in getting to the point of a closing on this property. It was anticipated that this would take place in 2025 and was budgeted in the Public Facilities Improvement Fund to help support maintenance and repair projects at City facilities. Economically, it is important to the City that the property be developed as soon as possible to continue to address housing shortages as well as create additional taxable value for the community.

Councilor Ross asked if the other interested party has developed in Faribault in the past, Wanberg stated that they have.

Matt Ganter informed the Council that Rebound stated that they have worked with contractors to lower building costs and that potential rents for the building came in higher, they were also able to decrease the operational costs.

Councilor Barnes thanked them for being interested. Councilor Ross what costs Rebound has into the project already, Ganter stated that it was the predesign costs. Mayor Spooner stated that he was voting against this since they had had a year to complete this. Barnes noted that Rebound could still be chosen to develop the parcel.

Wanberg was given the direction to open the development of this parcel to any developer interested.

Motion by Ross, seconded by Barnes to approve Resolution 2025-109 Approve a Preliminary Development Agreement Extension between the City of Faribault and Rebound Real Estate, LLC. Mayor Spooner requested a roll call vote.

Roll Call Vote:

Aye: Councilor Ross

Nay: Councilor Barnes, Doumbouya, Rowan, van Sluis and Mayor Spooner

Motion failed 1:5.

Bids - None

Boards and Commissions Reports, Announcements and Project Updates

City Administrator Jessica Kinser stated that at the May 20th Work Session Allyson Burnette will be in attendance to review the SWOT analysis with the Council and Directors. The Work Session will begin at 5:00 pm at Buckham West Senior Center. Councilor Rowan stated that he will be on KDHL on Thursday with Councilor Barnes.

Adjournment

Motion by Doumbouya, seconded by van Sluis to adjourn the City Council meeting and carried unanimously.

The meeting adjourned at 6:57 pm.

Respectfully Submitted,

DocuSigned by:



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Heather Slechta
City Clerk