



CITY COUNCIL MINUTES

COUNCIL CHAMBERS

TUESDAY, SEPTEMBER 16,
2025

6:00 PM

Call to Order/Roll Call

The City Council meeting 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 and Chuck Thiele. Also in attendance were City Administrator Jessica Kinser, City Clerk Heather Slechta, Community and Economic Development Director David Wanberg, Library Services Director Delane James, Public Works Director Travis Block, Parks and Recreation Director Rochelle Anderholm-Parsch, Finance Director Kindra Papenfus and Police Chief John Sherwin.

Approve Agenda

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

Items for Discussion

Ordinance 2025-13 Granting to Northern States Power Company, A Minnesota Corporation, Its Successors and Assigns, Permission to Construct, Operate, Repair, and Maintain IN the City of Faribault, Minnesota, an Electric Distribution System and Transmission Lines, Including Necessary Poles, Lines, Fixtures, and Appurtenances, for the Furnishing of Electric Energy to the City, Its Inhabitants, and Others, and to Use the Public Grounds and Public Ways of the City for Such Purposes (First Reading) and Ordinance 2025-14 Granting to Northern States Power Company, A Minnesota Corporation, Its Successors and Assigns, Permission to Erect a Gas Distribution System for the Purposes of Constructing, Operating, Repairing and Maintaining in the City of Faribault, Minnesota, the Necessary Gas Pipes, Mains and Appurtenances for the Transmission or Distribution of Gas to the City and Its Inhabitants and Others and Transmitting Gas Into and Through the City and To Use the Public Grounds and Public Ways of the City For Such Purposes (First Reading)

City Administrator Jessica Kinser explained that a franchise agreement allows Xcel Energy to operate an electrical distribution and transmission system within the City of Faribault. The franchise was last adopted in November 2004, for a period of 20 years. While this is expired, there is essentially a one-year period for the City to renew the franchise with Xcel. The existing franchise ordinance is in Appendix A — Franchises, Article 2, of the Code of Ordinances.

The City of Faribault also granted a franchise to Xcel Energy for operating a natural gas distribution and transmission system in the City. This franchise was last approved on November 9, 2004, for a period of 20 years. The City has until September 30th to renew this franchise. This ordinance extends this for another 20-year period.

The ordinances do not change the amount of the franchise fee but provides for the collection and remittance of a franchise fee on electric services and gas services of Xcel customers.

Motion by Rowan, seconded by Barnes to approve Ordinance 2025-13 Granting to Northern States Power Company, A Minnesota Corporation, Its Successors and Assigns, Permission to Construct, Operate, Repair, and Maintain IN the City of Faribault, Minnesota, an Electric Distribution System and Transmission Lines, Including Necessary Poles, Lines, Fixtures, and Appurtenances, for the Furnishing of Electric Energy to the City, Its Inhabitants, and Others, and to Use the Public Grounds and Public Ways of the City for Such Purposes (First Reading)

Roll Call:

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

Nay:

Motion carried 7:0

Motion by van Sluis, seconded by Thiele to approve Ordinance 2025-14 Granting to Northern States Power Company, A Minnesota Corporation, Its Successors and Assigns, Permission to Erect a Gas Distribution System for the Purposes of Constructing, Operating, Repairing and Maintaining in the City of Faribault, Minnesota, the Necessary Gas Pipes, Mains and Appurtenances for the Transmission or Distribution of Gas to the City and Its Inhabitants and Others and Transmitting Gas Into and Through the City and To Use the Public Grounds and Public Ways of the City For Such Purposes (First Reading)

Roll Call:

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

Nay:

Motion carried 7:0

Resolution 2025-231 Approve Real Estate Listing Agreement for the East View Drive Property with MDC Real Estate

City Administrator Jessica Kinser explained that the City previously had an agreement with MDC Real Estate to represent the City's property on East View Drive south of the new law enforcement center. This listing expired on October 31, 2024, but had provisions for payment to John Jasinski should there be a sale within 180 days of the end of the agreement. A person interested in the property more than a year ago has reached out to both Mr. Jasinski and Dave Wanberg to explore what properties are available for his business, meaning he is looking at more properties than our own. Mr. Jasinski reached out, and Kinser stated that she informed him that the City could extend representation to the end of the calendar year, with the City's Economic Development Coordinator to take this over in 2026.

Motion by Thiele, seconded by Barnes to approve Resolution 2025-231 Approve Real Estate Listing Agreement for the East View Drive Property with MDC Real Estate and carried unanimously.

Resolution 2025-232 Authorize the Commissioner of Revenue for the State of Minnesota to Collect Lodging Tax on Behalf of the City of Faribault and Ordinance 2025-15 Repeal and Replace Chapter 14, Article V of the Code of Ordinances Regarding the Lodging Tax (First Reading)

City Administrator Jessica Kinser explained that at a special work session on September 9th, staff outlined the process necessary for the Minnesota Department of Revenue to collect the lodging tax on behalf of the City. The State requires 90 days' notice, and we would like to start this January 1, 2026. Therefore, an ordinance has been prepared, and a first reading is being held at this

special meeting, with a second reading intended for September 23rd to identify the Commissioner of Revenue as the collector of the lodging tax on behalf of the City.

Kinser also explained that currently, the lodging tax is sent to the City by local hotel/room rental establishments. It is tracked by the Finance Department and remitted as received to the Faribault Area Chamber of Commerce per the agreement for tourism services. 2025 has been a difficult year with multiple entities not paying timely, some for months at a time. This results in partial payments and additional work by the City Clerk to attempt to collect and by Finance to track payments and process additional payments to the Chamber. While there is a fee from the Department of Revenue, the information and payment will be provided in a way that eliminates any City staff time to obtain payments and minimizes Finance staff time in determining what has been received from whom and when to remit.

Kinser stated that the City's current lodging tax ordinance allows for the Minnesota Department of Revenue to collect lodging tax on behalf of the City. While an ordinance change is still needed and proposed to make this happen, legal counsel has advised adopting this resolution as well.

Councilor Thiele requested that staff get the short-term rental ordinance written so that lodging tax can be collected on those entities.

Motion by Ross, seconded by Doumbouya to approve Resolution 2025-232 Authorize the Commissioner of Revenue for the State of Minnesota to Collect Lodging Tax on Behalf of the City of Faribault and carried unanimously.

Motion by van Sluis, seconded by Barnes to approve Ordinance 2025-15 Repeal and Replace Chapter 14, Article V of the Code of Ordinances Regarding the Lodging Tax (First Reading)

Roll Call:

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

Nay:

Motion carried 7:0

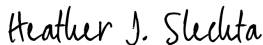
Adjournment

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

The meeting was adjourned at 6:13 pm.

Respectfully Submitted,

Signed by:



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Heather Slechta
City Clerk