



## **CITY COUNCIL MINUTES**

**COUNCIL CHAMBERS**

**TUESDAY, MARCH 10, 2026**

**6:00 PM**

### **Call to Order/Roll Call/Pledge of Allegiance**

The City Council meeting was called to order by Mayor Tom Spooner at 6:00 pm. Councilors in attendance included Mandy Barnes, John Rowan, Peter van Sluis and Chuck Theile. Councilors Adama Doumbouya and Royal Ross were absent. Also in attendance were City Administrator Jessica Kinser, City Clerk Heather Slechta, Community and Economic Development Director Dave Wanberg, Police Chief John Sherwin, Parks and Recreation Director Rochelle Anderholm-Parsch, Fire and Code Services Director Dusty Dienst, Economic Development Coordinator Jacob Wiensch, City Engineer Mark DuChene and Finance Director Kindra Papenfus.

### **Approve Agenda**

Motion by Rowan, seconded by Thiele to approve the agenda as presented and carried unanimously.

### **Presentations/Introductions**

Police Chief John Sherwin introduced Deputy Chief Matt Long and Captain Brandon Gliem to the Council. Captain Brandon Gliem badge was pinned by his children. Deputy Chief Matt Long will receive his badge at a later date.

### **Approve minutes of the February 24, 2026, City Council Meeting**

Motion by Barnes, seconded by Thiele to approve the minutes of the February 24, 2026, City Council Meeting and carried unanimously.

### **Requests to be Heard - None**

### **Consent Agenda**

- A. Claims List
- B. Approve LG220 Application for Exempt Permit for Rice County Pheasants Forever Chapter 0821
- C. Approve Application and Permit for a 1 Day to 4 Day Temporary On-Sale Liquor License
- D. Approve LG220 Application for Exempt Permit for Rice County Agricultural Society dba Rice County Fair
- E. Resolution 2026-057 Amend the 2026 Adopted Budget for Open 2025 Purchase Orders
- F. Resolution 2026-066 Approve the Application for Minnesota Public Facilities

- Authority Loan and/or Grant
- G. Resolution 2026-068 Approve Application for Project Priority List Lead Service Line Replacement
  - H. Resolution 2026-069 Approve Quote for Chemical Feed Pumps at Water Reclamation Facility
  - I. Resolution 2026-071 Approve 2026 CIP Item- VFD Replacement at Water Reclamation Facility
  - J. Resolution 2026-073 Declare 2006 Chevy Malibu as Surplus
  - K. Resolution 2026-076 Approve Appointment of Board and Commission Member
  - L. Resolution 2026-078 Approve Cash Handling Policy
  - M. Resolution 2026-079 Authorize a Waiver of the Five-Year Restriction on Additional Public Funding for Certain Properties within the Faribo Downtown Central Portfolio (219 and 223 Central Avenue) to Facilitate the Hill Block Redevelopment Project
  - N. Resolution 2026-080 Approve an Early Access Agreement Related to Malecha Properties LLC

Councilor van Sluis stated that he was abstaining from voting on D. Approve LG220 Application for Exempt Permit for Rice County Agricultural Society dba Rice County Fair.

Motion by Thiele, seconded by van Sluis to approve Consent Agneda items A-N and carried unanimously.

### **Public Hearings**

#### **Resolution 2026-077 Approve Plans and Specifications and Establish a Bid Date for 2026 Miscellaneous Concrete Project - Contract 2026-01**

City Engineer Mark DuChene stated that annually, the City bids a miscellaneous concrete contract that includes bid items for various concrete repairs such as curb and gutter, pavement, sidewalk etc., that need fixing throughout the construction season. Typically, these items are related to failed pavements, repairs related to water main breaks or miscellaneous concrete items needed for other City facilities.

Financing for the project comes from the Street Improvement Projects Fund (401). The amount of work actually completed under this contract varies widely from year to year. The 401 Fund is then reimbursed from various other City funds based on the specific work performed.

Minor work in the public right-of-way is also done at the request of private parties via petition and waiver agreements for assessment of the work back to the private party.

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

There were no comments received.

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

Motion by Barnes, seconded by van Sluis to Resolution 2026-077 Approve Plans and Specifications and Establish a Bid Date for 2026 Miscellaneous Concrete Project - Contract 2026-01 and carried unanimously

### **Items for Discussion**

#### *Ordinance 2026-02 Amend Chapter 17, Articles IV and V, of the Code of Ordinances Regarding Late Fees and Penalties - Second Reading and Ordinance 2026-02 Summary Publication*

City Administrator Jessica Kinser stated that the first reading of Ordinance 2026-02 was approved at February 24, 2026, meeting.

No feedback or public comment has been received since the first reading on February 24th.

Motion by Thiele, seconded by van Sluis to approve Ordinance 2026-02 Amend Chapter 17, Articles IV and V, of the Code of Ordinances Regarding Late Fees and Penalties - Second Reading

Roll Call Vote:

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

Nay:

Motion carried 5:0

Motion by van Sluis, seconded by Rowan to approve Publication of Ordinance 2026-02 and carried unanimously.

#### *Ordinance 2026-03 Amend Chapter 14 Licenses and Business Regulations of the Code of Ordinances to Add Article XII- Short-Term Rentals- Second Reading and Ordinance 2026-03 Summary Publication*

City Administrator Jessica Kinser stated that the first reading of Ordinance 2026-03 was approved at February 24, 2026, meeting. A fee for this license will be set by resolution of the City Council on an updated fee schedule.

No feedback or public comment has been received since the first reading at the February 24th meeting.

Motion by Rowan, seconded by Barnes to approve Ordinance 2026-03 Amend Chapter 14 Licenses and Business Regulations of the Code of Ordinances to Add Article XII- Short-Term Rentals- Second Reading

Roll Call Vote:

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

Nay:

Motion carried 5:0

Motion by Thiele, seconded by Barnes to approve Publication of Ordinance 2026-03 and carried unanimously.

*Resolution 2026-070 Amend the 2026 Fee Schedule*

City Administrator Jessica Kinser explained that the adoption of ordinances 2026-02 and 2026-03 necessitate an amendment to the 2026 Fee Schedule, as penalty/interest needs to be stated for violations of Chapter 17, and the new short-term rental fee of \$200 needs to be set in Chapter 14.

Motion by Barnes, seconded by Thiele to approve Resolution 2026-070 Amend the 2026 Fee Schedule and carried unanimously.

*Resolution 2026-072 Authorizing Competitive Sealed Bid for the Design, Purchase, and Installation of a PEMB for Viaduct Park Phase 2*

Parks and Recreation Director Rochelle Anderholm-Parsch explained that while staff initially presented cooperative procurement as a viable path, newly discovered information and additional findings indicate that a traditional competitive sealed bid, combining both purchase and installation under one contract, is likely to result in additional cost savings and still meets the intent and direction provided by Council at the February 17<sup>th</sup> work session.

While cooperative procurement provides a compliant method for material acquisition, staff identified that certain cooperative options did not include installation services, which could create cost separation, reduced contractor accountability, and coordination inefficiencies.

After further review, staff determined that conducting a competitive sealed bid for the design, purchase, and installation of a Butler or approved equal Pre-Engineered Metal Building (PEMB) would best align cost control, construction sequencing, and contractor accountability under a single contract. This approach maintains aesthetic alignment with the project vision, integrates installation into the total project cost, ensures compliance with Minnesota State procurement laws, and positions the City to realize the greatest cost efficiencies available for this project. This recommendation also honors the direction Council provided at the February 17, 2026, work session.

The bid advertising date is scheduled for March 11, 2026, and the bid opening date is scheduled for April 8, 2026. The total cost of the improvements is estimated to be \$715,000.00.

Motion by van Sluis, seconded by Barnes to approve Resolution 2026-072 Authorizing Competitive Sealed Bid for the Design, Purchase, and Installation of a PEMB for Viaduct Park Phase 2 and carried unanimously.

*Resolution 2026-074 Approve Plans and Specifications and Establish a Bid Date for 2026 Street Reconstruction Improvements - Contract 2026-03*

City Engineer Mark DuChene explained that Resolution 2026-074 approves the construction plans and specifications for the proposed 2026 Street Reconstruction Improvements — Contract 2026-03 project including removals, watermain replacement, sanitary sewer replacement, lot services, storm sewer construction, grading, aggregate base, sidewalk reconstruction, bituminous paving, turf restoration and related improvements.

The streets proposed to be included in this project are as follows:

2nd Street NW from 1st Avenue NW to 4th Avenue NW and 1st Avenue NW from 3rd Street NW to 4th Street NW/TH 60.

The improvements were formally ordered by the City Council on February 24, 2026, upon the passage of Resolution 2026-053, following the Public Hearing. After the improvements were ordered, the Engineering Department finalized the plans and specifications in preparation of bidding for the improvements.

The preliminary total estimated cost of the improvements, including 5% contingency and 15% engineering, is \$2,176,700.00. Proposed funding for the project is as follows:

|                                   |                 |
|-----------------------------------|-----------------|
| Street Improvement Fund (401)     | \$ 1,318,800.00 |
| Water Utility Fund (601)          | \$ 307,600.00   |
| Sanitary Sewer Utility Fund (602) | \$ 225,400.00   |
| Storm Water Utility Fund (603)    | \$ 324,900.00   |

This estimated amount exceeds the approved budget amount. During completion of the feasibility report, staff reviewed recent bids from surrounding projects and noticed that bid prices increased more than anticipated at the time of budget approval. DuChene is hopeful that actual project bids will return more favorably, as has been the trend in recent years, but wanted to account for possible price increases at this early stage. DuChene further stated that Staff will also continue to evaluate value engineering alternatives as it moves through the final design phase to try and bring the total project costs down. It is recommended to move the project forward and complete a budget amendment if a low bid is accepted.

The resolution also establishes a bid date of April 8, 2026, for the project. Construction is scheduled to begin in June 2026 and be substantially completed by the end of September 2026.

Mayor Spooner asked if the public bus stop will be impacted by the new Fire Department entrance, DuChene stated that the buses should have room for parking. Councilor Rowan asked if the upheaval in the Middle East will impact bituminous prices, DuChene stated that there is some risk built in as he does not know, some materials for this season have already been purchased and he will evaluate projects as bids come in.

Motion by Rowan, seconded by Barnes to approve Resolution 2026-074 Approve Plans

and Specifications and Establish a Bid Date for 2026 Street Reconstruction Improvements - Contract 2026-03 and carried unanimously.

*Resolution 2026-075 Approve Plans and Specifications and Establish a Bid Date for City Parking Lot 21 Improvements - Contract 2026-06*

City Engineer Mark DuChene Resolution 2026-075 approves the construction plans and specifications for the proposed City Parking Lot 21 Improvements — Contract 2026-06 project including removals, storm sewer construction, grading, aggregate base, sidewalk reconstruction, bituminous paving, turf restoration and related improvements for a new public parking lot at the corner of 1st Avenue NW and 4th Street NW.

The improvements were contemplated by the City Council as part of the approval and financing package for the Henry M. Rice Square subdivision and plat approval process.

The preliminary total estimated cost of the improvements, including 5% contingency and 10% engineering, is \$425,000.00. The proposed funding for the project will come from the Street Improvement Fund. A portion of the final project costs will be reimbursed to the City for the parking lot stalls constructed on LOT 1, BLOCK 1 HENRY M RICE SQUARE.

The resolution also establishes a bid date of April 8, 2026, for the project. Construction is scheduled to begin in June 2026, and be substantially completed by the end of August 2026. DuChene noted that this project will be bid with the 2026 Street Reconstruction Project (2026-03) under one contract, as the work is related and in the same area.

Motion by Thiele, seconded by van Sluis to approve Resolution 2026-075 Approve Plans and Specifications and Establish a Bid Date for City Parking Lot 21 Improvements - Contract 2026-06 and carried unanimously.

**Bids - None**

**Boards and Commissions Reports, Announcements and Project Updates**

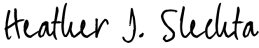
City Administrator Jessica Kinser reminded the Council of the Council Chat tomorrow at 5:00 pm at Viaduct Park, there will be a more technical session regarding the housing study beginning at 3:00 pm. She also informed the Council that the March 17<sup>th</sup> Work Session will begin with a special joint session with the Planning Commission, followed by a special work session and then a special closed meeting.

**Adjournment**

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

The meeting was adjourned at 6:26 pm.

Respectfully Submitted,

Signed by:  
  
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Heather Slechta  
City Clerk