



**City Council Work Session  
Tuesday, July 21, 2026 at 6:00 PM  
Public Meeting Room**

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**AGENDA**

**1. Call to Order**

**2. Items for Discussion**

- A. Rice County Historical Society Update - David Nichols, Executive Director
- B. River Bend Nature Center Update- Brad Bourn, Executive Director
- C. Utility Billing Software Conversion Update
- D. 2027 Preliminary Tax Levy Review

**3. Future Discussion**

**4. Adjournment**

*(The Council may meet as a group for dinner)*

Please contact the City Administrator's Office if you need special accommodations while attending this meeting.

Para pedir este documento en otro idioma, envíe un correo electrónico y adjunte el documento a [accessibility@faribault.org](mailto:accessibility@faribault.org).

Si aad u codsato dukumeentigan oo ku qoran luqad kale, fadlan e-mail u soo dir oo ku soo lifaaq dukumiintiga [accessibility@faribault.org](mailto:accessibility@faribault.org).



## Council Work Session Memorandum

**TO:** Mayor and City Council  
**THROUGH:** Jessica Kinser, City Administrator  
**FROM:**  
**MEETING DATE:** July 21, 2026  
**SUBJECT:** Rice County Historical Society Update - David Nichols, Executive Director

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**Discussion:**

David Nichols with the Rice County Historical Society will be present to provide an update to the City Council.

NOTE: These updates would typically occur before March 31st annually per the attached contract but were missed in 2026.

**Attachments:**

1. Rice County Historical Society Agreement - 2024-2028

## Rice County Historical Society – 2024 - 2028 Agreement

This is an agreement between the City of Faribault, a municipal corporation, hereinafter referred to as “City”, and the Rice County Historical Society, a nonprofit corporation, hereinafter referred to as “the RCHS”.

**Whereas**, the RCHS owns and maintains the Alexander Faribault House (“House”) located at 12 NE First Avenue for the purpose of preserving this historic property and to allow public viewing of the property; and

**Whereas**, the City wishes to ensure the House is preserved and open to the public because of its significance in the development of the City of Faribault.

**Now, therefore, it is agreed:**

The City's Obligation:

1. Provide annual funding as follows: 0.0750% of the most recently audited General Fund revenues for the underwriting of the direct and indirect costs of the maintenance and operation of the Alexander Faribault House property. For 2024, this amount will be \$14,083.00. Payments will be made in two equal payable March 1 and September 1. The City will attempt to provide the RCHS with the amount of next year's funding by July 1<sup>st</sup> of the year prior.

The RCHS's Obligations:

1. The RCHS will be self-sufficient with regard to funding for the House.
2. The RCHS will maintain the House in a sound and safe manner in conformance with Minnesota Historical Society standards. The House will be open to the public on a regular basis.
3. The RCHS shall indemnify, defend and hold harmless the City from any and all claims made against the City resulting from this agreement.
4. The RCHS shall be responsible for privately obtaining and maintaining liability insurance for all activities, and insuring all staff and program activities. They shall furnish certificates of insurance providing public liability, Workers Compensation including employer's liability and other coverages as may be deemed appropriate by the City naming the city as an “additional insured” at levels required by the City.
5. The RCHS will maintain their own financial accounting system.
6. The RCHS shall submit a financial report and an annual program performance report to the City on or before March 31<sup>st</sup> following the years 2024-2028.
7. Data provided to the RCHS under this Agreement shall be administered in accordance with the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13.
8. The RCHS shall provide to the City Council a long-range maintenance program for the Faribault House by March 31<sup>st</sup> following the years 2024-2028.
9. At all times, and for all purposes hereunder, the RCHS is acting as an independent contractor, and no employees of RCHS shall be considered employees of the City. It

is recognized that the City does not control the means or manner of performance of any RCHS employees, the setting of wages, or the right of the employer to discharge employees.

The City and RCHS Agree:

1. This agreement shall take effect on January 1, 2024 and shall be in effect until December 31, 2028.
2. This agreement may be amended or changed from time to time upon mutual agreement of the parties.
3. This agreement shall replace and repeal all previous agreements with regard to operations, maintenance and financial responsibilities of the parties.

This agreement shall terminate on December 31, 2028, or earlier under one or more of the following circumstances:

1. Upon mutual agreement of the City and the RCHS.
2. The RCHS ceases to be registered or operate as a non-profit corporation.
3. The RCHS ceases to perform one or more of the obligations outlined herein (City to provide 90-days' notice outlining obligation(s) not being fulfilled).

Dated: August 22, 2023

**City of Faribault**

DocuSigned by:

Kevin F. Voracek

AF5449CB049D4F7...

Kevin F. Voracek, Mayor

DocuSigned by:

Timothy C. Murray

8DB99B870021410...

Timothy C. Murray, City Administrator

8/23/2023

Date

8/23/2023

**Rice County Historical Society**

Charles Johnson

President

Pauline E. Schierler

Secretary

8-9-2023

Date



## Council Work Session Memorandum

**TO:** Mayor and City Council  
**THROUGH:** Jessica Kinser, City Administrator  
**FROM:**  
**MEETING DATE:** July 21, 2026  
**SUBJECT:** River Bend Nature Center Update- Brad Bourn, Executive Director

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**Discussion:**

Brad Bourn of River Bend Nature Center will be present to provide an update to the Council on their 2025 and current operations.

NOTE: This is under the 2024-2028 contract to occur in March of each year but was missed in 2026.

**Attachments:**

1. River Bend Nature Center Lease and Operating Agreement

## **RIVER BEND NATURE CENTER LEASE AND OPERATING AGREEMENT**

This Lease and Operating Agreement (this "Agreement") is entered into effective as of this 13th day of February, 2024 (the "Effective Date") by and between the City of Faribault, a Minnesota municipal corporation (the "City") and River Bend Nature Center, Inc., a Minnesota nonprofit corporation ("River Bend").

### **RECITALS**

#### **WITNESSETH:**

**WHEREAS**, River Bend Nature Center is a unique nature interpretive center and outdoor amenity located in the City of Faribault that has various buildings, structures, and amenities, including, but not limited to, an interpretive center, trailside center, bridges, trails and scenic overlooks, access road, picnic areas, orienteering courses, an amphitheater, and outdoor play areas (the "Nature Center"); and

**WHEREAS**, the Nature Center began in 1975 when the City of Faribault City Council passed a resolution asking the State of Minnesota to deed unused land of the Faribault State Hospital to the City for the development of the Nature Center; and

**WHEREAS**, in 1977, the State authorized 536 acres of land to be leased to the City for a "nature interpretive center" and the City also received a grant from the State to develop an access road, parking lot, trailside shelter, restrooms and trails for the Nature Center; and

**WHEREAS**, the 501(c)3 organization named River Bend Nature Center was incorporated in 1978 as the "Faribault Nature Interpretive Center, Inc." for the purposes of supporting, educating, operating, managing, and securing funds for the Nature Center on behalf of and in cooperation with the City of Faribault; and

**WHEREAS**, upon the development of the Nature Center, the City and River Bend entered into several agreements detailing each party's responsibilities for the use and operation of the Nature Center; and

**WHEREAS**, in 1983, the City and River Bend entered into a lease agreement with The Nature Conservancy to lease The Nature Conservancy's land for the Nature Center; and

**WHEREAS**, throughout the 1980's and 1990's, the City acquired additional property from area property owners for the Nature Center and also leased additional property from the State; and

**WHEREAS**, in 1998, the property leased to the City from the State for the Nature Center was conveyed to the City; and

**WHEREAS**, in 2000, River Bend Nature Center received ownership of land from adjacent property owners; and

**WHEREAS**, the Nature Center now consists of multiple properties owned by the City and

River Bend Nature Center 501(c)3, along with property owned by The Nature Conservancy that is jointly leased from The Nature Conservancy by the City and River Bend Nature Center which are all identified on the attached Exhibit A (Rice County Parcel ID Key for River Bend Nature Center); and

**WHEREAS**, the City and River Bend now wish to amend the current Lease and Operating Agreement dated January 28, 2014; and

**WHEREAS**, the City and River Bend desire that the relationship between the parties be governed by Minnesota Statutes, Sections 471.16, 471.191, 466.03 subd. 6e and 6f and any other relevant statutes.

**NOW, THEREFORE**, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

## **ARTICLE I PREVIOUS AGREEMENTS**

1. Repeal of Previous Agreement. The parties agree that this Agreement shall repeal and replace the current agreement between the City and River Bend, identified as the:

- a. River Bend Nature Center Lease and Operating Agreement dated January 28<sup>th</sup>, 2014

## **ARTICLE II OPERATIONS**

1. River Bend Responsibilities.

- a. River Bend shall manage and operate the Property as a Nature Center pursuant to the City's operating rules, ordinances, and regulations. The City and River Bend agree to cooperate in the management, operation, and maintenance of the Property as a Nature Center. River Bend shall prepare a five-year maintenance and management plan for the Property that shall be provided to the City at the time of the budget and financial disclosures set forth in Article III of this Agreement are provided. The City reserves the right to determine the level method and priority of maintenance of the Nature Center land and facilities so long as it does not interfere with River Bend programs, grant or endowment requirements.
- b. River Bend must make available to the public a variety of programs at the Nature Center for the education and enjoyment of people of all ages. River Bend may determine the type, frequency, and content of all of its programs, including programs required by the City.
- c. River Bend shall be responsible for hiring employees to administer and support the programs at the Nature Center. River Bend shall be responsible for compensating its employees and paying for any employee benefits. All services provided by River Bend and its officers, employees, and agents pursuant to this Agreement shall be

provided by such persons as an employee of River Bend or as an independent contractor and not as an employee of the City for any purpose. River Bend shall be responsible for the following with respect to its employees, including, but not limited to: (a) income tax withholding; (b) workers' compensation; (c) unemployment compensation; (d) FICA taxes; and (e) benefits.

- d. River Bend shall include one member of the City Council as a voting member on its Board of Directors. The City is responsible for selecting the particular council member who is to serve on the River Bend Board of Directors.
- e. In conducting its operations, River Bend shall abide by all state and federal laws and regulations and City ordinances. River Bend may recommend to the City Council the adoption of rules and regulations, as shall be deemed appropriate, prescribing the use of the Nature Center and the conduct of persons upon the premises. Rules and regulations pertaining to the Nature Center, which have been adopted by resolution of the City Council shall have the force of law. All duly adopted rules and regulations governing the use of the Nature Center shall be conspicuously posted by River Bend on the premises. Rules and regulations of general application shall be posted at the entrance of the Nature Center and those of special application shall be posted in the specific area of the Nature Center to which they apply.
- f. River Bend shall comply with all terms and conditions of The Nature Conservancy Management Lease dated January 1, 1996 that River Bend jointly entered into with the City in order to lease The Nature Conservancy Property for the Nature Center and any successor leases and agreements.
- g. River Bend shall carry out all responsibilities set forth in Article III of this Agreement.

2. City Obligations.

- a. The City shall comply with all terms and conditions of The Nature Conservancy Management Lease dated January 1, 1996 that the City jointly entered into with River Bend in order to lease The Nature Conservancy Property for the Nature Center and any successor leases and agreements.
- b. The City shall cooperate and provide occasional technical expertise and assistance in the management, maintenance, care of, and design of natural resources, trails, buildings, amenities, and features as may be necessary and feasible to obtain grant, public, and philanthropic funding.

### **ARTICLE III FINANCIAL**

1. Budgeting and Reporting. River Bend agrees to develop a balanced annual operating budget plan and present it to the City annually via transmission to the City Parks and Recreation Director or designee appointed by the City on or before December 31st each year. River Bend shall take all actions feasible to assure that its annual operating expenditures do not exceed annual operating revenues.

In conjunction with its annual operating budget, River Bend shall, with consultation from the City, prepare a five-year maintenance and management plan for the Property that shall be provided to the City at the time of the budget.

River Bend must provide the City with financial status reports for the previous year in conjunction with the transmission of the upcoming fiscal year's budget. River Bend must provide the City with any revised budget projections or changes for the current year in conjunction with the transmission of the upcoming fiscal year's budget.

2. Financial Disclosures. Upon the City's request and at least annually by December 31st via transmission to the City Parks and Recreation Director or designee appointed by the City, River Bend agrees to provide the City with a complete disclosure of its financial status including copies of any audits or reviews. The City also has the right to request that River Bend provide an audit outside of River Bend's schedule. Such audit will be at the sole expense of the City.

3. Endowments and Reserves. River Bend shall maintain philanthropic funding necessary for the operations, growth, capital expenditures, proper maintenance, and emergency repairs required for the successful operation of the Nature Center. Funding level requirements and spending policies of such funds will be established by River Bend in consultation with the City.

4. Tax Exempt Status. River Bend covenants and agrees that the Nature Center is, and shall remain for the duration of this Agreement, exempt from all ad valorem and other real estate taxes. River Bend shall indemnify and defend the City from and against any and all liability, including, without limitation, attorneys' fees and expenses, in the event of any loss by the Nature Center of its tax exempt status, except to the extent caused by the City. This section shall survive any expiration or termination of this Agreement.

### **ARTICLE IV LEASE OF CITY PROPERTY**

1. Lease of City Property. The City hereby exclusively leases the City Property to River Bend.

2. Use of the City Property. River Bend shall use the City Property for Nature Center uses and for no other uses whatsoever. River Bend agrees that throughout the term of this Agreement, it shall not use the City Property for the storage, handling, transportation or disposal of any Hazardous Substances. "Hazardous Substances" for purposes of this Agreement shall be interpreted broadly to include, but not be limited to, any material or substance that is defined, regulated or classified under any Environmental Law of other applicable federal, state or local laws and the regulations promulgated thereunder as: (i) a "hazardous substance" pursuant to section 101 of the Comprehensive

Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601(14), the Federal Water Pollution Control Act, 33 U.S.C. §1321(14), as now or hereafter amended; (ii) a "hazardous waste" pursuant to Section 1004 or Section 3001 of the Resource Conservation and Recovery Act, 42 U.S.C. §§6903(5), 6921, as now or hereafter amended; (iii) toxic pollutant under section 307(a)(1) of the Federal Water Pollution Control Act, 33 U.S.C. §1317(a)(1) as now or hereafter amended; (iv) a "hazardous air pollutant" under Section 112 of the Clean Air Act, 42 U.S.C. §7412(a)(6), as now or hereafter amended; (v) a "hazardous material" under the Hazardous Materials Transportation Uniform Safety Act of 1990, 49 U.S.C. §5102(2), as now or hereafter amended; (vi) toxic or hazardous pursuant to regulations promulgated now or hereafter under the aforementioned laws or any state or local counterpart to any of the aforementioned laws; or (vii) presenting a risk to human health or the environment under other applicable federal, state or local laws, ordinances or regulations, as now or as may be passed or promulgated in the future. "Hazardous Substances" shall also mean any substance that after release into the environment or upon exposure, ingestion, inhalation or assimilation, either directly from the environment or directly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavior abnormalities, cancer or genetic abnormalities and specifically includes, but is not limited to, asbestos, polychlorinated biphenyls ("PCBs"), radioactive materials, including radon and naturally occurring radio nuclides, natural gas, natural gas liquids, liquefied natural gas, synthetic gas, oil, petroleum and petroleum-based derivatives and urea formaldehyde.

3. Use of Nature Center Property. River Bend shall provide the City with free use of the interpretive center and other Nature Center facilities and property for public purposes, provided that the City's use does not conflict with a scheduled River Bend program and such use is not contrary with the mission of River Bend.

4. City's Repair and Maintenance Responsibilities. The City agrees to maintain in good condition and repair and replace, if necessary, the Nature Center facilities, including but not limited to: (a) roads, parking lots, and (b) snow plowing of roads and parking lots. All repairs and maintenance by the City shall be at the sole discretion of the City. The City agrees to reimburse River Bend up to \$60,000 per year for completed River Bend Repair and Maintenance Responsibilities set forth in Paragraph 5 for the period of January 1, 2024 to December 31, 2028. The City and River Bend will cooperate to estimate the amount River Bend will request for reimbursement in the upcoming year. The City will reimburse River Bend within 90 days for submitted expenses.

5. River Bend Repair and Maintenance Responsibilities. River Bend agrees to maintain in good condition and repair Nature Center facilities, improvements, personal property, furnishings, fixtures and equipment, including, but not limited to the following: (a) the Interpretive Center; (b) the Trailside Center; (c) trails; (d) restrooms; (e) signs; (f) scenic overlooks; (g) kiosks; (h) decks; (i) the storage garage; (j) the amphitheater; (k) water fountains; (l) the outdoor play areas.

6. Shared City and River Bend Repair and Maintenance Responsibilities. River Bend and the City agree to cooperate to the greatest extent feasible in repairing and maintaining bridges. Solicitation of grants and philanthropic funding is the primary responsibility of River Bend with assistance from the City to the greatest extent feasible.

7. Covenant of Title and Quiet Enjoyment. The City represents and warrants that: (a) it has the full right, power, and authority to lease the City Property to River Bend; (b) that with the exception of The Nature Conservancy Lease, no restrictive covenant, easement, lease, sublease, or other written agreement restricts, prohibits, or otherwise affects River Bend's rights set forth in this Agreement,

including, without limitation, construction, permitted use or ingress and egress to and from the Nature Center; and (c) River Bend upon performance of the covenants hereunder, shall and may peaceably and quietly have, hold and enjoy the City Property during the term of this Agreement. Additionally, the City will take no action that will interfere with River Bend's intended use of the City Property or ingress or egress to the City Property.

8. Alterations. River Bend shall not make any alterations, improvements, or additions to the City Property without the prior written approval of the City.

9. Sub-Letting. River Bend cannot sublet any portion of the City Property without prior written approval of the City.

10. Utilities and Services. River Bend shall be responsible for paying all charges for all utilities, including, but not limited to, water, septic system, sanitary sewer, electricity, natural gas or propane, telephone, internet, cable/satellite television and garbage and refuse removal.

11. Surrender. Upon the termination of this Agreement, River Bend shall surrender the City Property and remove all debris and personal property of, or created by River Bend. River Bend shall not remove any structures or fixtures which shall become property of the City. Any funds held by River Bend that are dedicated for the operation and maintenance of the Nature Center shall be transferred to the City to the extent not prohibited by law, grant or endowment requirements.

## **ARTICLE V INSURANCE AND LIABILITY**

1. Indemnification. River Bend shall hold the City harmless from and indemnify and defend the City against any claim or liability arising in any manner from River Bend's use, improvement, and occupancy of the Nature Center, or relating to the death or bodily injury to any person or damage to any personal property present on or located in the Nature Center, including the person and personal property of River Bend's employees and all persons at the Nature Center at River Bend's invitation or sufferance, to the extent provided by law and up to the amount of any insurance policy owned by River Bend.

2. Personal Property. River Bend shall be responsible for any personal property that it keeps at the Nature Center. River Bend agrees to hold the City harmless from any and all loss or damage to its personal property.

3. Insurance.

- a. Insurance to be Maintained by River Bend. River Bend shall be responsible for obtaining and maintaining public liability insurance providing coverage against claims for bodily injury, death and personal property damage occurring at the Nature Center as a result of its operation of the Coverage shall be maintained at a minimum of \$1,500,000 each occurrence. River Bend shall name the City as an additional insured. A certificate of insurance shall be provided to the Finance Department of the City on an annual basis by December 31st. Such policy or policies shall provide that 30 days written notice must be given to the City prior to cancellation thereof. River Bend shall furnish evidence satisfactory to the City at the time this Agreement is executed that such coverage is in full force and effect. River Bend shall also maintain workers' compensation insurance

for its employees.

- b. Insurance to be Maintained by the City. The City shall be responsible for obtaining and maintaining property and general liability insurance for all land and facilities (not including River Bend personal property) of the Nature Center. Said policy shall name River Bend and its officers, directors and employees as additional insureds as per this Lease and Operating Agreement.
  - c. Subrogation. River Bend and the City release each other from any and all liability which they might have against the other or any one claiming through or under them by way of subrogation or otherwise, resulting from the occurrence of any accidents or casualty or loss covered by insurance being carried by the damaged party at the time of such occurrence.
4. Waiver. Nothing in this Agreement shall be deemed to be a waiver by the City or its elected officials of any limitations on or immunities from liability set forth in Minnesota Statutes, Chapter 466 or to which the City or its officials, employees, agents and representatives are otherwise entitled.
5. Independent Contractor Status. All services provided by River Bend and its officers, employees, and agents pursuant to this Agreement shall be provided by such persons as an employee of River Bend or as an independent contractor and not as an employee of the City for any purpose. River Bend shall be responsible for the following with respect to its employees, including, but not limited to: (a) income tax withholding; (b) workers' compensation; (c) unemployment compensation; (d) FICA taxes; and (e) benefits.

## **ARTICLE VI GENERAL PROVISIONS**

1. Termination. Either party may terminate this Agreement by giving the other party one year advance written notice prior to the end of any applicable term. The term of this Agreement shall be 5 years from the date hereof, and automatically renew for 5-year periods. Upon termination of this Agreement, the buildings and improvements located on the City Property shall become the sole and exclusive property of the City consistent with this Agreement. River Bend agrees to return all buildings and improvements located on the City Property in a satisfactory condition consistent with this Agreement and River Bend's maintenance and repair obligations as set forth herein.
2. Entire Agreement and Amendment. This Agreement constitutes the entire agreement between the City and River Bend and there are no other agreements, either oral or written, between the parties. No subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the City or River Bend unless reduced to writing and executed in the same form and manner in which this Agreement is executed.
3. Data Practices Compliance. Data provided to River Bend under this Agreement shall be administered in accordance with Minnesota Statutes Chapter 13 and all data on individuals shall be maintained in accordance with statutory guidelines.
4. Severability. The provisions of this Agreement are expressly severable, and the unenforceability of any provision or provisions hereof shall not affect or impair the enforceability of

any other provision or provisions.

5. Choice of Law. The laws of the State of Minnesota shall govern the validity, performance, and enforcement of this Agreement.

6. Notices. Except as otherwise expressly provided in this Agreement, any notice, demand, or other communication under this Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by United States Mail or delivered personally to:

(a) River Bend Nature Center, Inc.  
1000 Rustad Road  
Faribault, MN 55021 Attn:  
Executive Director

(b) City of Faribault  
208 1<sup>st</sup> Avenue NW  
Faribault, MN 55021 'Attn:  
City Administrator

7. Recitals. The Recitals set forth in the preamble to this Agreement are incorporated into the Agreement by reference.

**IN WITNESS WHEREOF**, the City and River Bend have executed this Agreement the day and year first above written.

**CITY OF FARIBAULT**

DocuSigned by:  
By: Kevin F. Voracek  
AF5449CB049D4F7...  
Its: Mayor

DocuSigned by:  
By: Timothy C. Murray  
6DB99B870021410...  
Its: City Administrator

**RIVER BEND NATURE CENTER, INC.**

DocuSigned by:  
By: Brad Boun  
DFD562AB1E38472...  
Its: Executive Director

By: \_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT A**

## Rice County Parcel ID Key for River Bend Nature Center

| PARCEL         | DEEDHOLDER                   | DEED_ACRES    | GISACRES      |
|----------------|------------------------------|---------------|---------------|
| 18.32.4.75.006 | CITY OF FARIBAULT            | 30.8          | 32.36         |
| 18.33.3.50.002 | CITY OF FARIBAULT            | 4.4           | 4.98          |
| 15.04.2.00.002 | NATURE CONSERVANCY           | 5.8           | 4.81          |
| 18.04.2.25.001 | CITY OF FARIBAULT            | 120.3         | 117.22        |
| 18.05.4.00.001 | CITY OF FARIBAULT            | 407           | 407.22        |
| 18.04.3.00.001 | CITY OF FARIBAULT            | 20            | 19.74         |
| 18.05.4.75.001 | NATURE CONSERVANCY           | 39.7          | 38.78         |
| 18.05.4.50.001 | CITY OF FARIBAULT            | 3.75          | 3.72          |
| 18.08.2.00.002 | CITY OF FARIBAULT            | 3.5           | 3.38          |
| 18.08.2.25.002 | CITY OF FARIBAULT            | 2.1           | 2.3           |
| 18.08.2.00.001 | CITY OF FARIBAULT            | 9.4           | 9.17          |
| 18.08.2.25.001 | NATURE CONSERVANCY           | 15.6          | 15.58         |
| 18.05.3.25.002 | NATURE CONSERVANCY           | 2.4           | 2.67          |
| 18.05.3.25.003 | NATURE CONSERVANCY           | 3.9           | 4.11          |
| 18.05.3.25.004 | NATURE CONSERVANCY           | 3.3           | 2.78          |
| 18.06.1.75.003 | RIVER BEND NATURE CENTER INC | 16.3          | 14.8          |
| 18.06.1.75.001 | CITY OF FARIBAULT            | 26.7          | 27.12         |
| 18.06.1.50.001 | CITY OF FARIBAULT            | 12.6          | 13.85         |
| 18.06.1.25.001 | CITY OF FARIBAULT            | 5             | 3.89          |
| 18.06.1.00.001 | RIVER BEND NATURE CENTER INC | 18.3          | 17.33         |
| 18.06.1.00.004 | CITY OF FARIBAULT            | 10.4          | 10.94         |
| 18.31.4.75.009 | CITY OF FARIBAULT            | 2             | 1.81          |
| 18.32.3.50.001 | CITY OF FARIBAULT            | 12            | 11.89         |
| 18.32.3.03.047 | CITY OF FARIBAULT            | 2.5           | 2.5           |
| 18.31.4.00.001 | CITY OF FARIBAULT            | 0.6           | 0.6           |
| Total          |                              | <b>778.35</b> | <b>773.55</b> |



## Council Work Session Memorandum

**TO:** Mayor and City Council  
**THROUGH:** Jessica Kinser, City Administrator  
**FROM:** Kindra Papenfus, Finance Director  
**MEETING DATE:** July 21, 2026  
**SUBJECT:** Utility Billing Software Conversion Update

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### **Discussion:**

The City is wrapping up its conversation from Springbrook software to Tyler ERP with the migration of Utility Billing, scheduled to take place the week of September 14th, with the largest impact on customers from mid-September until November 5th, when the second payment in the new system is due. The Finance Department has prepared the enclosed communication plan to ensure that residents and businesses have the best possible experience during the conversion.

### **The Challenge**

The September bill will be mailed from the existing software with existing account numbers, but payments on that bill will need to be received into the new software under new account numbers — before most customers have had a chance to set up their new online access. During this period, staff expects high customer service demand for help with setting up new online portals and automatic payments, locating new account numbers, and answering questions from callers and walk-ins

### **Steps Taken**

- Established relationships with temporary staffing agencies to increase support availability during the September–October transition.
- Developed talking points for consistent messaging across the Finance Department and other city departments.
- Scheduled four help sessions at Buckham Memorial Library, where residents can get hands-on help setting up their new online portal. Dates and times will be announced soon.

## **Future Council Action Items - for current discussion**

- Staff proposal of a moratorium on late fees that would typically be applied on October 5th, with the option to bring back a request to extend it an additional month if conditions warrant.
- Adoption of an updated Utility Billing policy, to account for differences in the way Tyler works. Changes include the method for estimating amounts due when meter reads fail, a change of the "lead surcharge" terminology to "Safe Drinking Water Fee" to align with state language, and the elimination of final balances of + or - \$2, in recognition that administrative and logistical costs to collect and refund these amounts far exceed the value of the funds in question.

## **Attachments:**

1. Faribault UB Transition Resident Communications Plan

## CITY OF FARIBAULT

# Utility Billing System Transition

Resident Communications Package • July – September 2026

## 1. Plan at a glance

Four mailed/published touchpoints carry residents through the transition. The September 4 letter is the workhorse — it delivers each customer's new account number and the instructions they need, and it lands before the August bill, so people aren't surprised.

| Date                 | What happens                                          | Who needs to act                  |
|----------------------|-------------------------------------------------------|-----------------------------------|
| <b>Aug 10</b>        | July bills mail + first bill insert (heads-up)        | No action — read & watch mail     |
| <b>Sept 4 (Fri)</b>  | Special letter mails: new account number + how to pay | Everyone — keep the letter        |
| <b>Sept 5</b>        | Last City-processed automatic bank draft (ACH)        | Auto-pay customers                |
| <b>Sept 10</b>       | August bills mail (paper) + second bill insert        | Everyone — pay this bill manually |
| <b>Sept 11</b>       | Current online payment portal closes after this day   | Online/portal users               |
| <b>Sept 12–20</b>    | Payment blackout — no payments processed              | Don't schedule payments           |
| <b>Sept 21 (Mon)</b> | New online portal launches                            | Anyone wanting online billing/pay |

### The three messages that require resident action — say them everywhere:

1. Your account number is new. You will need it to set up new online access.
2. Existing automatic bank drafts (ACH) are ending — the last draft dates are:

- City Originated: September 5<sup>th</sup>
- Online Customer Portal Originated: September 11<sup>th</sup>

**If you were on auto-pay, you must pay manually or set up a new recurring payment in the new online portal.**

3. There's a short payment blackout (Sept 12–20). Don't schedule payments then; the new portal opens Sept 21.

## 2. Shared facts

Pull from this list so every insert, letter, website, and front-desk staff all say the same thing.

- **What's changing:** The City is upgrading the system used to bill water & sewer service. Bills default is to be mailed as paper statements each month.
- **New account number:** Every customer receives a new account/customer number. The old number no longer works. The new number is required to register for online access.
- **September 4 letter:** A mailed letter delivers each customer's new account number plus instructions for paying the next bill and the portal link.
- **Old portal closing:** The current online payment website will be retired after September 11, 2026.
- **Payment blackout:** September 12–20, 2026 — no payments are processed. Payments should not be scheduled during this window.
- **New portal launches:** September 21, 2026. Customers create a brand-new login using their new account number. Link posted on the City website.
- **Electronic Statement Option:** Residents & Businesses will be able to opt-in to emailed or online statements via the new customer portal.
- **Automatic drafts ending:** City-run automatic ACH bank drafts end. The final draft was September 5, 2026 (for the July bills that mailed August 10). The City will no longer draft payments directly.
- **How to pay going forward:** By phone (automated IVR) and through the new online portal using a bank account or credit/debit card — one-time or recurring. Mail-in check, drop box, and in-person payment at City Hall continue
- **Online Bill Pay via Bank:** Residents & Businesses who use the online bill pay option through their own financial institution, or a commercial bill paying service must update their account number on their City of Faribault payee.
- **Online is encouraged, not required:** Residents are encouraged to use the portal but can keep paying by phone, mail, drop box or in person.
- **Due Dates are NOT changing:** The dates of the billing cycle will remain the same – water, sewer & storm water usage for a month is billed on or about the 10<sup>th</sup> of the following month. That bill is then due on the 5<sup>th</sup> of the subsequent month.
- **Help available:** In person at City Hall during business hours. [Planned: free account-setup sessions on the public computers at Buckham Memorial Library — dates TBD.]
- **Late Fees:** (For Discussion) Late fees will restart in the new software system on November 5th, giving all customers extra time to get their online portals set up.

### 3. Piece 1 — July bill insert

*Mails with July bills on August 10 • Goal: awareness. Tell residents that change is coming and to watch for the September letter. No action required yet.*

#### Coming this fall: a new way to view and pay your water & sewer bill

This September, the City of Faribault is upgrading the system we use to bill your water and sewer service. The new system brings a more modern, easier-to-use online portal — but a few things will change, and a couple of them need your attention.

#### What's changing:

- **A new account number.** Every customer is getting a new account number. You'll need it to set up online access.
- **A new-looking paper bill.** Your statement will arrive in the mail each month with a new layout – or by email, or viewable in your online portal, if chosen during portal setup,
- **A new online payment website.** Our current online portal will be retired and replaced by a new one launching September 21, 2026.
- **Automatic bank drafts are ending.** If the City currently directly drafts your payment automatically from your bank account, that service is ending this fall. Watch for details in September. You will be able to use your online portal to set this service up if you choose to continue it.

#### What to do right now:

**Nothing yet — watch your mailbox.** In early September, you'll receive an important letter with your new account number and step-by-step instructions for the transition. Please keep this letter.

**Questions?** Contact Utility Billing at 507-333-0392 or [utilitybilling@faribaultmn.gov](mailto:utilitybilling@faribaultmn.gov), or visit <https://www.faribaultmn.gov/>.

## 4. Piece 2 — September 4 letter (the key mailing)

*Personalized / mail-merged. Mails September 4. Carries each customer's new account number. This is the most important piece — design it as a standalone letter, not a bill insert.*

September 4, 2026

Dear City of Faribault Water & Sewer Customer,

The City is moving to a new utility billing system this month. This letter has the information you need to keep your account current during the switch. Please keep it for reference.

### **Your new account number: [NEW ACCOUNT #]**

Your previous account number is no longer active. You'll need this new number to set up online access.

#### **1. Your next bill**

Your August water & sewer bill will arrive by mail on or about September 10, with a payment due date of October 5th. You can pay it using any of the options below.

#### **2. Paying during the transition**

Because we're switching systems, there's a short period when online payments aren't available and payments can't be processed:

- **Payments are not processed September 12–20.** Please don't schedule an online payment on these dates.
- **The City's current online payment portal closes after September 11.** A new portal opens September 21 (see below).

To pay your August bill, you can:

- Pay by phone (automated) at 507-412-5983;
- Pay by mail: send a check to 208 1<sup>st</sup> Ave NW, Faribault, MN 55021 ;
- Pay in person at City Hall, during business hours, or in the dropbox located outside of City Hall 24 hours per day; or
- Wait and pay online once the new portal opens on September 21.

#### **3. Automatic payments are ending**

If the City currently drafts your payment automatically from your bank account (auto-pay/ACH), please note: **the final automatic draft was September 5, 2026.** After that date, the City no longer drafts payments automatically.

If you set up automatic payment through your customer portal: **the final automatic draft was September 11, 2026.**

**What this means for you:** you'll need to pay your August bill using one of the options above. Beginning September 21, you can set up a new recurring payment in the online portal — from a bank account or a credit/debit card — so future bills are paid automatically again.

#### **4. The new online portal — opens September 21**

On September 21, 2026, the new online portal goes live at [\[portal link / city website\]](#). To use it, create a new login using the new account number printed above. In the portal you can:

- View and pay your bill (bank account or credit/debit card; one-time or recurring);
- Switch to paperless/electronic billing; and
- See your payment history.

**Accessing your account online is encouraged but not required.** You can continue to pay by phone, by mail, or in person if you prefer.

#### **5. Need help getting set up?**

City Hall staff are happy to help you create your online account in person during business hours. [\[We're also planning free setup sessions on the public computers at Buckham Memorial Library — watch \[city website\] for dates.\]](#)

If you have any questions, please contact Utility Billing at 507-333-0392 or [utilitybilling@faribaultmn.gov](mailto:utilitybilling@faribaultmn.gov).

Sincerely,

City of Faribault — Utility Billing

## 5. Piece 3 — August bill insert

*Mails with August bills on September 10 • Goal: reinforce the letter and reach anyone who missed it. The enclosed bill shows the new account number.*

### Your new account number is active — here's how to pay this bill

Your water & sewer billing has moved to a new system.

#### Your new account number

It's printed on the letter you received via US Mail approximately 1 week ago. You'll need it to set up online access.

#### Paying this bill

- **September 12–20: payments are not processed.** Please don't schedule a payment on these dates.
- **The old online portal is now closed.** The new one opens September 21.
- **To pay now:** use the automated phone line at 507-412-5983, mail a check to 208 1<sup>st</sup> Ave NW, Faribault, MN 55021, or pay via the drop box or in person at City Hall — or pay online starting September 21.

#### Automatic bank drafts have ended

If the City used to draft your payment automatically, that has stopped (the last draft was September 11th). **Please pay this bill**, and set up a new recurring payment in the portal after September 21 if you'd like auto-pay to resume.

#### New online portal — opens September 21

Create a login with your new account number at [\[portal link\]](#) to view bills, go paperless, and pay by bank account or card (one-time or recurring). Encouraged, but not required — you can still pay by phone, mail, dropbox, or in person.

#### Need help?

Stop by City Hall during business hours and staff will help you set up your account. [\[Free setup sessions at Buckham Memorial Library — see \[city website\] for dates.\]](#)

## 6. Website & social copy

### Website page — “New utility billing system”

**Headline:** Water & sewer billing is moving to a new system

The City of Faribault is upgrading the system we use to bill water and sewer service. Here's what's changing and what you need to do.

#### Key dates

- **September 4:** Watch your mail for a letter with your new account number and payment instructions.
- **September 5:** Final City-processed automatic bank draft (ACH).
- **September 11:** The current online payment portal closes, and final automatic payments set up via the portal are processed.
- **September 12–20:** Payment blackout — no payments are processed; please don't schedule payments.
- **September 21:** New online portal opens — create your login here: [portal link](#).

#### What you need to do

4. **Keep the September 4 letter with your new account number.**
5. If you were on automatic bank draft, pay your next bill manually — auto-pay has ended and can be re-created in the new portal after September 21.
6. Beginning September 21, set up your new online account (optional but encouraged) using your new account number.

**Need help?** Visit City Hall during business hours, or attend a free setup session at Buckham Memorial Library — [dates posted here](#). [\[Link to a short how-to video on setting up and navigating the portal.\]](#)

### Short social / utility-bill-board post

📣 Heads up, Faribault: our water & sewer billing is moving to a new system this month. Watch your mail Sept 4 for your NEW account number. Auto bank drafts end Sept 11th — pay your next bill manually. No payments are processed Sept 12–20. Our new online portal opens Sept 21 at [link](#), where you can pay by bank or card and set up auto-pay again. Questions? 507-333-0392. #FaribaultMN

## 7. Resident FAQ

### **Q. Why did my account number change?**

**A.** The City moved to a new billing system, and account numbers are assigned differently in the new system. Your new number is on your September 4 letter and on your bill.

### **Q. I didn't received a letter on September 4?**

**A.** Contact Staff by phone: 507-333-0392 or email: [utilitybilling@faribaultmn.gov](mailto:utilitybilling@faribaultmn.gov) to request it. Be sure to provide your old account number and your service address. To ensure your payments are applied correctly, you must have your correct new account number included

### **Q. What happened to my automatic payment?**

**A.** The City's automatic bank draft (ACH) program has ended; the last draft was September 5th, 2026. The City no longer drafts payments directly. You can set up a new recurring payment yourself in the online portal beginning September 21, using a bank account or a credit/debit card.

### **Q. How do I pay my bill right now?**

**A.** By automated phone at 507-412-5983, by mail, or via the dropbox, or in person at City Hall. Avoid September 12–20, when payments aren't processed. Online payment resumes September 21.

### **Q. Why can't I pay September 12–20?**

**A.** We're transferring records to the new system during that window, so payments can't be processed. Please pay before September 12 or after the new portal opens on September 21. **[The City will not assess late penalties for amounts affected by the blackout — confirm.]**

### **Q. I had an online account — does it still work?**

**A.** No. The previous portal closed after September 11. You'll create a brand-new login in the new portal on or after September 21 using your new account number.

### **Q. Do I have to use the online portal?**

**A.** No. It's encouraged because it's convenient, but you can keep paying by phone, mail, or in person.

### **Q. How do I set up the new online account?**

**A.** On or after September 21, go to **[portal link]**, choose to register, and enter your new account number from your September 4 letter. Need a hand? City Hall staff can help in person**[, and free sessions are planned at Buckham Memorial Library]**.

### **Q. Will my bill amount change?**

**A.** No. This is a system change only — it doesn't change your rates or what you owe.



## Council Work Session Memorandum

**TO:** Mayor and City Council  
**THROUGH:** Jessica Kinser, City Administrator  
**FROM:** Kindra Papenfus, Finance Director  
**MEETING DATE:** July 21, 2026  
**SUBJECT:** 2027 Preliminary Tax Levy Review

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### **Discussion:**

The initial proposed preliminary tax levy is 17,453,209, an increase of 20% over the final 2026 levy. The Net Tax Levy is made up of four components: the General Fund operating levy, the Community Development Fund levy, the Tax Abatement Projects levy, and the Bond Principal & Interest levy for outstanding debt. The General Fund, CED Fund and Tax Abatement amounts increase over 2026, and the Debt levy amount will decrease.

### **What's Driving the Change**

The General Fund is the primary driver, rising from \$12,432,782 to \$15,522,850. Roughly \$2 million of that increase is wages and health insurance — a broad-based wage adjustment of about \$844,000 and a jump in health insurance premiums of about \$712,000.

The Community Development Fund is essentially flat, moving from \$399,617 to \$411,418, mostly due to wage and benefit increases.

The Tax Abatement Projects levy rises from \$143,926 to \$187,757. This is made up of a reduction in traditional abatements as 2 of 3 active abatements draw to an end, offset by the addition of the Tax Abatement portion of the Viaduct Park phase II tax abatement bond payback.

Bond Principal & Interest is the one component declining, from \$1,557,342 to \$1,331,184. Retirement of roughly half of the 2021A refunding bond issue more than offsets the addition of the debt portion of the Viaduct Park II new Tax Abatement bond issue.

### **Next Steps**

Staff will return to a July 28th special work session to discuss discretionary items and new staff positions, and to discuss council direction on how to move forward as we prepare for the formal adoption of the preliminary levy.

**Attachments:**

1. 2027 Presentation Levy\_PRELIM

**CITY OF FARIBAULT**  
**2027 Preliminary Tax Levy**

| MARKET AND TAX CAPACITY VALUES                |                  |               |               |               |               |                   |
|-----------------------------------------------|------------------|---------------|---------------|---------------|---------------|-------------------|
| Tax Years Payable                             | 2023             | 2024          | 2025          | 2026          | 2027          | Change            |
| <b>Taxable Market Value</b>                   | \$ 1,952,217,600 | 2,154,605,500 | 2,235,466,200 | 2,377,275,600 | 2,505,496,400 | 5.39%             |
| <b>Tax Capacity:</b>                          |                  |               |               |               |               |                   |
| Gross Tax Capacity                            | \$ 23,879,474    | 26,199,879    | 27,233,164    | 28,931,417    | 30,573,226    | 5.67%             |
| Less: Captured Tax Increment                  | (305,930)        | (448,837)     | (570,798)     | (727,386)     | (1,054,221)   | 44.93%            |
| <b>Net Tax Capacity</b>                       | \$ 23,573,544    | 25,751,042    | 26,662,366    | 28,204,031    | 29,519,005    | 5.78%             |
| Operating Tax Levies                          |                  |               |               |               |               |                   |
| General (101)                                 | \$ 9,255,408     | 10,220,851    | 11,423,928    | 12,432,782    | 15,522,850    | 3,090,068 24.85%  |
| Community Development (240)                   | 132,300          | 66,149        | 396,947       | 399,617       | 411,418       | 11,801 2.95%      |
| Tax Abatement Projects (239)                  | 401,976          | 409,651       | 237,133       | 143,926       | 187,757       | 43,831 30.45%     |
| <b>Property Tax Levy</b>                      | \$ 9,309,937     | 10,696,651    | 10,696,651    | 12,976,325    | 16,122,025    | 3,145,700 24.24%  |
| Bond Principal & Interest (300's)             | 1,382,104        | 1,323,410     | 1,365,405     | 1,557,342     | 1,331,184     | (226,158) -14.52% |
| <b>Net Tax Levy</b>                           | \$ 10,559,078    | 11,184,332    | 12,032,605    | 14,533,667    | 17,453,209    | 2,919,542 20.09%  |
| Special Tax Levies                            |                  |               |               |               |               |                   |
| HRA (280)                                     | \$ 328,850       | 380,253       | 416,418       | 439,868       | 465,238       | 25,370 5.77%      |
| EDA (290)                                     | \$ 322,273       | 372,648       | 408,089       | 431,071       | 455,933       | 24,862 5.77%      |
| <b>Total Tax Rate Special Levies</b>          | 3.00%            | 2.76%         | 2.92%         | 3.09%         | 3.12%         | 1.06%             |
| <b>Net Tax Levy - All City Levies</b>         | \$ 11,210,201    | 11,937,233    | 12,857,112    | 15,404,606 #  | 18,374,380    |                   |
| <b>Total Tax Rate City and Special Levies</b> | 0.57%            | 0.55%         | 0.58%         | 0.65%         | 0.73%         | 0.09%             |
| <b>Local Government Aid (LGA)</b>             | \$ 6,102,837     | 6,972,221     | 6,982,826     | 6,999,458     | 7,027,106     | 0.40%             |
| <b>Local Government Aid Change</b>            |                  | 869,384       | 10,605        | 16,632        | 27,648        |                   |