



CITY COUNCIL AGENDA

COUNCIL CHAMBERS

TUESDAY, APRIL 28, 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, Adama Doumbouya, Royal Ross, John Rowan, Peter van Sluis and Chuck Thiele. 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, Economic Development Coordinator Jacob Wiensch, City Engineer Mark DuChene, Public Works Director Travis Block, Human Resources Director Kevn Bushard, Planning Manager Harry Davis, Fire and Code Services Director Dustin Dienst, Library Services Director Delane James and City Attorney Scott Riggs.

Approve Agenda

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

Presentations/Introductions – None

Approve minutes of April 14, 2026, City Council Meeting, April 14, 2026, Special City Council Meeting - Closed Session and April 14, 2026, Special City Council Meeting - Closed Session

Motion by Barnes, seconded by van Sluis to approve the minutes of April 14, 2026, City Council Meeting, April 14, 2026, Special City Council Meeting - Closed Session and April 14, 2026, Special City Council Meeting - Closed Session and carried unanimously.

Requests to be Heard

City of Faribault Residents or City of Faribault Property Owners/Taxpayers

Carolyn Shaffer, 211 10th Ave SE; Expressed concerns related to the City infrastructure not being ready for AI, need some guidelines, we do not know what we are getting into yet. She also had concerns on water and energy usage.

Non-City of Faribault Residents

Miranda Lamb, 4222 Crystal Lake Trail; Stated she moved to Faribault to get away from the constant hum of the cities, she is not in favor of a data center.

Elizabeth Wright, 5351 Elkton Trail; Requested a moratorium be placed on data centers, data centers could create water deficits, create fewer permanent jobs, and have little economic benefit.

Karen Zeller, 16972 Acorn Trail; stated that data centers are from a rush of billionaires, jumped on board before the tech is perfected, causes PFAS, someday the technology will be there, it is not here yet.

Meghan Benzinger 5785 232nd Street; Stated that data centers lie about being closed loop, gases end up in the air, they do not belong here polluting our air, she moved here because of land and to live in a safe environment.

Shodo Spring, 16922 Cabot Ave; stated that she lives 2.5 miles from the data center, but does not get a vote on it, we do not need a data center here.

Consent Agenda

- A. Claims List
- B. Approve Use of South Alexander Park for BMX State Race Weekend
- C. Approve Use of Maple Lawn Park for the River Bend Wireless Mechanical Society Field Day
- D. Approve License for Utility to Cross Public Waters for Two Rivers Siphon Box - Contract 2025-08
- E. Approve Consent Assessment Agreement
- F. Resolution 2026-115 Accept Donations to the Parks and Recreation Department
- G. Resolution 2026-116 Approve Hiring Accounting Technician
- H. Resolution 2026-120 Approve Request for Proposal for 7th Street NW Feasibility Study - Contract 2026-12
- I. Resolution 2026-121 Approve SELS-Southeast Library System Membership Agreement
- J. Resolution 2026-122 Approve Copier-Printer Lease and Maintenance Agreement
- K. Resolution 2026-123 Approve Library Elevator Modernization Quote
- L. Resolution 2026-128 Approve Street Closure for Peace Lutheran Preschool & Faribault Lutheran School Outdoor Chapel and Picnic
- M. Resolution 2026-130 Approve Low Potency Hemp Product Registrations
- N. Resolution 2026-131 Approve Board and Commission Appointment to Parks and Recreation Advisory Board - Student Representative
- O. Resolution 2026-132 Approve Contract with Inspectron, Inc.
- P. Resolution 2026-133 Authorizing the Purchase of Real Property

Councilor Ross requested that Consent Agenda item O- Resolution 2026-132 Approve Contract with Inspectron, Inc. be removed for more discussion.

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

Resolution 2026-132 Approve Contract with Inspectron, Inc.

City Administrator Kinser explained that Inspectron Inc. has not reviewed the final draft of this agreement and requested that the Council authorize her and the City Attorney to

make any requested changes.

Motion by Ross, seconded by Doumbouya to approve Resolution 2026-132 Approve Contract with Inspectron, Inc. and authorize the City Administrator and Mayor to sign and carried unanimously.

Public Hearings

2026A Taxable General Obligation Tax Abatement Bond: Resolution 2026-124 Relating to Property Tax Abatement for the Viaduct Park Project; Grant the Abatement; Resolution 2026-125 Stating the Intention of the City Council to Issue Taxable General Obligation Tax Abatement Bonds, Series 2026A, in the Aggregate Principal Amount of Approximately \$3,710,000; and Taking Other Action with Respect Thereto; Approve Municipal Advisory Service Agreement By and Between the City of Faribault, Minnesota and Northland Securities Inc. (2026A)

City Administrator Jessica Kinser explained that the City of Faribault is proposing to issue General Obligation Tax Abatement Bonds, Series 2026A, in the estimated principal amount of \$3,710,000 to finance the design and construction of the Viaduct Park project's Phase II and cover the costs of issuance for the bond. On August 26, 2025, the City Council adopted Resolution No. 2025-208, declaring the City's official intent to reimburse certain project expenditures from bond proceeds in accordance with IRS Treasury Regulation § 1.150-2.

Northland Securities Tammy Omdal explained that a Finance Plan was prepared by Northland Securities, Inc. reflected an estimated average rate of approximately 4.8% and an average life of 9.4 years, with the bonds maturing between 2027 and 2041. This bond has the requirement of requesting 105% of the total principal and interest payment each year. This means there will be funds available for the Council to designate at the end of the life of the bond for fiscal year 2042. The purpose of tonight's meeting is to hold a public hearing on the 2026A bond issuance for Phase 2 of Viaduct Park. In addition, the Council was asked to approve resolutions granting tax abatement for the 2026A bonds and allowing for the issuance of the bonds. The final request is to approve an agreement with Northland Securities for the issuance of the bonds.

Motion by van Sluis, seconded by Doumbouya to open the public hearing and carried unanimously. The public meeting was opened at 6:30 pm.

There were no comments received.

Motion by Thiele, seconded by Ross to close the public hearing and carried unanimously. The public hearing was closed at 6:31 pm.

Councilor Ross asked if the property values increased would the increase in revenue pay down the loan faster; Omdal stated that the City will levy a similar amount each year based on the final debt schedule after the sale of the bond.

Motion by Ross, seconded by Thiele to approve Resolution 2026-124 Relating to Property

Tax Abatement for the Viaduct Park Project; Grant the Abatement and carried unanimously.

Motion by Thiele, seconded by Barnes to approve Resolution 2026-125 Stating the Intention of the City Council to Issue Taxable General Obligation Tax Abatement Bonds, Series 2026A, in the Aggregate Principal Amount of Approximately \$3,710,000; and Taking Other Action with Respect Thereto and carried unanimously.

Motion by Doumbouya, seconded by van Sluis to Approve Municipal Advisory Service Agreement By and Between the City of Faribault, Minnesota and Northland Securities Inc. (2026A) and carried unanimously.

Items for Discussion

Ordinance 2026-06 Approve a Zoning Text Amendment for Data Centers in I-2 Zoning Districts - First Reading

Planning Manager Harry Davis explained that under counsel from the City Attorney and direction by City Administration, proposed listing data centers as allowed only in I-2, Heavy Industrial zoned areas and adding a data center definition. This change would help clarify where data centers are allowed within city limits and what qualifies as a data center. A business that has a separate space for computer servers and storing organization info would not fit the definition or be regulated as a data center.

At their April 6, 2026, meeting, the Planning Commission voted unanimously to forward and recommend approval of the project, with a strong recommendation that the City Council adopt specific development standards for data centers within a reasonable amount of time. Several members of the public spoke in opposition to the change, primarily citing concerns over data centers in general, the impact on city and utility services, and environmental impacts for neighbors. The DRC, City Planning Manager, and City Engineer also recommend approval of the amendment.

At the April 14, 2026, City Council meeting, the amendment was continued to a work session so Staff could make changes to the definition of a data center. On April 21, 2026, City Council reviewed changes to the amendment at their Work Session so the amendment could return to a regular City Council meeting.

Rowan asked what would happen if the City does not do anything, City Attorney Scott Riggs stated that it leaves it open ended, and they could be built where you do not want them to go; having a definition and a location protects the City.

Councilor Ross asked if design standards would be coming to the Council for discussion at a Work Session, Davis stated that, that would be up to the Council to decide, Riggs stated that the Council should look into standards, it puts protections in place. Councilor Doumbouya asked if we are leading the way on this, Riggs stated that other cities are already doing this. Councilor Barnes asked how we would sit without a definition, Riggs stated that it is better to have it defined. Mayor Spooner asked if the data center is mentioned in our current code, Davis stated that it is not.

Motion by Thiele, seconded by Ross to approve Ordinance 2026-06 Approve a Zoning Text Amendment for Data Centers in I-2 Zoning Districts - First Reading

Roll Call Vote:

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

Nay: Councilor Barnes, Doumbouya

Motion carried 5:2

Ordinance 2026-05 Rezone Property in the Hill Block Condominium CIC Plat to include a PUD Overlay - Second Reading

Planning Manager Harry Davis stated that at the previous City Council meeting on April 14, 2026, City Council approved the first reading of Ordinance 2026-05. Staff did not make any substantial changes to the Ordinance.

Motion by ross, seconded by van Sluis to approve Ordinance 2026-05 Rezone Property in the Hill Block Condominium CIC Plat to include a PUD Overlay - Second Reading

Roll Call Vote:

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

Nay:

Motion carried 7:0

Motion by Ross, seconded by Rowan to approve Summary Publication of Ordinance 2026-05 and carried unanimously.

Ordinance 2026-07 Approve a Zoning Text Amendment for Child Care in PI Zoning Districts- Second Reading

Planning Manager Harry Davis stated that at the previous City Council meeting on April 14, 2026, City Council approved the first reading of Ordinance 2026-07. Staff did not make any substantial changes to the Ordinance.

Motion by Ross, seconded by van Sluis to approve Ordinance 2026-07 Approve a Zoning Text Amendment for Child Care in PI Zoning Districts- Second Reading

Roll Call Vote:

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

Nay:

Motion carried 7:0

Motion by Ross, seconded by van Sluis to approve Summary Publication of Ordinance 2026-07 and carried unanimously.

2026B General Obligation Sewer Revenue Bonds: Resolution 2026-126 Providing for the Issuance and Sale of General Obligation Sewer Revenue Bonds, Series 2026B, in the Aggregate Principal Amount of Approximately; \$3,610,000' Resolution 2026-127 Relating

To The Issuance of General Obligation Sewer Revenue Bonds, Series 2026B; And Covenantee and Obligating the City To Be Bound By and To Use The Provisions of the Minnesota Statutes, Section 446A.086 To Guarantee The Payment Of The Principal and Interest On The Bonds; Approve Municipal Advisory Service Agreement By and Between the City of Faribault, Minnesota and Northland Securities Inc. (2026B)

City Administrator Jessica Kinser explained that through the 2026 budget process, it was determined that a bond would be needed to help finance work proposed for the sewer fund, including the Two Rivers Siphon Box project and Sanitary Sewer Extensions on 2nd Avenue and Cannon Circle. The total proposed bond is \$3,610,000, of which \$3,500,000 is to support the costs of the projects, with the remainder to cover the costs of issuance of the bond. The bond is structured to be repaid over 15 years, with the first payments coming in fiscal year 2027.

In addition to a resolution to sell and issue the bonds, there is also a resolution to approve an application and agreement to the Minnesota Public Facilities Authority Credit Enhancement Program. This program allows municipalities to fund public infrastructure projects with the full faith and credit of the State of Minnesota rather than just the City's full faith and credit, which in turn reduces the interest rates on the bonds. There is a \$500 application fee which will be covered by Northland Securities and reimbursed with proceeds from the sale of the bonds.

The third item for approval related to the 2026B bonds is an agreement with Northland Securities to compensate for the bond issuance. These are accounted for in the total bond proceeds and will not be paid out of pocket.

Northland Securities Tammy Omdal stated that the anticipated interest rate is 3.26%.

Councilor Ross asked if this is necessary for this year, Kinser stated that yes, there are projects in the 2026 Sewer Fund capital budget that are dependent upon this loan, including the siphon box that gets wastewater under the river to the treatment plant.

Motion by van Sluis, seconded by Doumbouya to approve Resolution 2026-126 Providing for the Issuance and Sale of General Obligation Sewer Revenue Bonds, Series 2026B, in the Aggregate Principal Amount of Approximately \$3,610,000 and carried unanimously.

Motion by Thiele, seconded by Ross to approve Resolution 2026-127 Relating To The Issuance of General Obligation Sewer Revenue Bonds, Series 2026B; And Covenantee and Obligating the City To Be Bound By and To Use The Provisions of the Minnesota Statutes, Section 446A.086 To Guarantee The Payment Of The Principal and Interest On The Bonds and carried unanimously.

Motion by Doumbouya, seconded by Barnes to approve Municipal Advisory Service Agreement By and Between the City of Faribault, Minnesota and Northland Securities Inc. (2026B) and carried unanimously.

Resolution 2026-129 Approve Plans and Specifications and Authorize Advertisement for

Bids for Lead Service Line Replacements City Contract 2026-10

Public Works Director Travis Block explained that Resolution 2026-129 approves the construction plans and specifications and authorizes advertisement for bids for the Lead Service Line (LSL) Replacements Project. The project includes the removal and replacement of approximately 63 LSL's. This project is the first of several that will work towards the State of Minnesota's goal of removing all LSL's by 2033.

Design for the project was authorized at the January 27, 2026, Council meeting with the approval of Resolution 2026-032 authorizing a professional engineering services agreement with Stantec Consulting Services Inc., Rochester, MN. Stantec has since prepared the plans and specifications for the project in preparation for bidding. A full plan set is available for review in the Public Works Director's office.

The cost estimate for the project, including engineering, is \$1,375,000.00. The funding will be provided by a grant from the Minnesota Public Facility Authority (MNPFA). The funding is currently pending plan approval. Plans for the projects are currently under review by the Minnesota Department of Health (MDH).

Block anticipated a bid date of May 21, 2026, for the project contingent upon MDH approval. This date may be revised as necessary. Construction is scheduled to begin in June/July with substantial completion by the end of December 2028. Funding will be provided by the grant funding from the MNPFA. The grant does not require a local funding match and no costs are anticipated for either the City or the 63 property owners proposed to receive a new water service.

Councilor Ross asked if we received an admin fee for this, Block stated that he was not aware of anything. Barnes asked how this will affect the taxpayers' water bills, Block stated that this is funded by the state, so no cost to taxpayers, Thiele asked if this was just the first round, Block stated that this is the first round and they have submitted for the next round. Thiele also asked if engineering fees will decrease as we go through this process, Block stated they anticipate that happening.

Motion by Doumbouya, seconded by Barnes to approve Resolution 2026-129 Approve Plans and Specifications and Authorize Advertisement for Bids for Lead Service Line Replacements City Contract 2026-10 and carried unanimously.

Bids

Resolution 2026-117 Accept Bids for Viaduct Park Phase 2 Site Improvements - Contract 2026-07

City Engineer Mark DuChene explained that on Wednesday, April 22, 2026, bids were received for the proposed Viaduct Park Phase 2 Site Improvements — Contract 2026-07 project including concrete, rammed aggregate piers, landscaping, utilities and related components.

The bids were tabulated as follows:

Pember Companies, Menomonie, WI \$666,652.00

Heselton Construction, Faribault, MN	\$737,500.00
BCM Construction, Inc., Faribault, MN	\$747,940.00
Urban Companies, LLC, St. Paul, MN	\$865,039.56

DuChene stated that the low bid received is over the \$600,000 budget amount allocated to this portion of the Viaduct Park Phase 2 project. After reviewing the bids and discussing with the bidders, the primary cost increase is due to the existing soil conditions and the increase in costs to stabilize the existing soils to allow for the construction of the ice rink and related structures to ensure long-term stability. Since it is unlikely that rebidding the project would result in more favorable bids, DuChene recommended award to Pember Companies. Site work is anticipated to start in May so that site work can be completed enough for the ice cover structure erection to begin in late July/Early August to allow the remaining site work to be completed prior to September 1, 2026, which is the deadline to turn over the site to the refrigerated ice systems contractor so that all work can be completed in anticipation of a skate rink opening tentatively set for November of 2026.

Motion by Ross, seconded by van Sluis to approve Resolution 2026-117 Accept Bids for Viaduct Park Phase 2 Site Improvements - Contract 2026-07 and carried unanimously.

Resolution 2026-119 Accept Bids for 2026 Sewer Lining Project - Contract 2026-08
City Engineer Mark DuChene explained that on Wednesday, April 22, 2026, bids were received for the proposed 2026 Sewer Lining Project - Contract 2026-08 project including lining of existing sanitary sewer and storm sewer pipes with a cured-in-place pipe (CIPP) liner. The installed liner restores the existing pipe to an almost like new condition while eliminating cracks and defects in the pipe that contribute to infiltration into the sewer pipes, thereby reducing the chances of future failures and backups.

The bids were tabulated as follows:

Vortex Services MN, LLC	Houston, TX	\$657,495.00
HK Solutions Group	Des Moines, IA	\$687,688.13
National Power Rodding Corp.	Chicago, IL	\$759,572.80
Insituform Technologies USA, LLC	Chesterfield, MO	\$824,027.53
Mocon Pacific, Inc.	Yampa, CO	\$858,419.00

The engineer's estimate was \$901,915.00.

The total estimated cost of the improvements, including engineering fees and contingencies, is \$790,000.00. Proposed funding for the project is from the Sanitary Sewer Enterprise fund (Fund 602). Construction start date is dependent on the contractor, but all work is scheduled to be completed by November 30, 2026.

Motion by Thiele, seconded by Doumbouya to approve Resolution 2026-119 Accept Bids for 2026 Sewer Lining Project - Contract 2026-08 and carried unanimously.

Boards and Commissions Reports, Announcements and Project Updates

Councilor Barnes informed the Council that a fundraiser will be held at the Paradise Theater for the Paradise and Faribault Foundation, the Le Parti will be on Friday night. Councilor Ross stated that the state BMX race is coming to Faribault, this will bring in over 800 people, kids from all over the state, and he encourage everyone to check out the BMX track.

Adjournment

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

The meeting was adjourned at 7:00 pm.

Respectfully Submitted,

DocuSigned by:

A handwritten signature in blue ink that reads "Heather Slechta". The signature is written in a cursive style and is positioned above a horizontal line.

Heather Slechta
City Clerk