



CITY COUNCIL MINUTES

COUNCIL CHAMBERS

TUESDAY, JULY 14, 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, Royal Ross, John Rowan, Peter van Sluis and Chuck Theile. Councilor Adama Doumbouya was absent. Also in attendance were City Administrator Jessica Kinser, City Clerk Heather Slechta, Community and Economic Development Director Dave Wanberg, Deputy Police Chief Matt Long, Fire and Code Services Director Dustin Dienst Parks and Recreation Director Rochelle Anderholm-Parsch, Director of Engineering Mark DuChene, Public Works Director Travis Block, City Planning Manager Harry Davis and City Planner I Leslie McGillvray-Rivas.

Approve Agenda

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

Presentations/Introductions – None

Approve minutes of June 23, 2026, City Council Meeting, June 23, 2026, Special City Council Meeting - Closed Session - Litigation, June 23, 2026, Special City Council Meeting - Closed Session - Property and July 7, 2026 Special City Council Meeting - Closed Session - Labor Negotiations

Motion by Ross, seconded by Barnes to approve minutes of June 23, 2026, City Council Meeting, June 23, 2026, Special City Council Meeting - Closed Session - Litigation, June 23, 2026, Special City Council Meeting Closed Session - Property and July 7, 2026 Special City Council Meeting - Closed Session Labor Negotiations

Requests to be Heard

Karen Zeller, 1901 Crystal Lane, requested a 2-year moratorium on data centers, asked the Council to think of the townships when making decisions as they will be bare the brunt of the data centers. She stated the cons outweigh the pros.

Consent Agenda

- A. Receive Monthly Board and Commission Meeting Minutes
- B. Claims List
- C. Approve Letter of Support for Jefferson Lines Application to the Minnesota Department of Transportation for Regional Service in Faribault
- D. Approve Petition and Waiver for 104 3rd Ave SW

- E. Resolution 2026-178 Accept Donations to Parks and Recreation Department
- F. Resolution 2026-183 Accept Donations to the Police Department
- G. Resolution 2026-194 Approve Letter of Agreement for AWOS Maintenance at Airport
- H. Resolution 2026-195 Approve Submission of Claim for Unclaimed Property
- I. Resolution 2026-197 Approve Budget Amendment for Capital Improvement Project
- J. Resolution 2026-200 Amend the Police Department Budget Utilizing Department of Justice Grant Funds
- K. Resolution 2026-201 Accept A No-Rise Certificate Determination by the MN DNR for 1615 Division St W
- L. Resolution 2026-202 Approve Professional Services Proposal for Reservoir Repair
- M. Resolution 2026-203 Approve Street Closure for Peace Lutheran Preschool Event
- N. Resolution 2026-205 Approve Agreement for Services to be Performed by an Independent Contractor for Property Maintenance Purposes
- O. Resolution 2026-208 Approve Leasehold Mortgage Agreement for Lots #1200 and #1201 at Airport

Councilor Rowan requested the removal of Consent Agenda item J. Resolution 2026-200 Amend the Police Department Budget Utilizing Department of Justice Grant Funds.

Motion by Rowan seconded by Ross to approve Consent Agenda items A-I and K-O and carried unanimously.

J. Resolution 2026-200 Amend the Police Department Budget Utilizing Department of Justice Grant Funds

Councilor Rowan requested this item be voted on separately.

Motion by Theile, seconded by van Sluis to approve Consent Agenda item J. Resolution 2026-200 Amend the Police Department Budget Utilizing Department of Justice Grant Funds and carried 5:1 with Rowan voting Nay.

Public Hearings – None

Items for Discussion

Ordinance 2026-9 Amending Regulations Related to Cannabis and Hemp Businesses in the City of Faribault (Second Reading) and Approve Summary Publication for Ordinance 2026-9

City Clerk Heather Slechta stated that at the June 23, City Council Meeting, the Council approved the first reading of Ordinance 2026-9. Since that time there have been no changes to the ordinance.

Motion by Ross, seconded by van Sluis to approve Ordinance 2026-9 Amending Regulations Related to Cannabis and Hemp Businesses in the City of Faribault (Second

Reading)

Roll Call Vote:

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

Nay:

Motion carried 6:0

Motion by van Sluis, seconded by Rowan to Approve Summary Publication for Ordinance 2026-9 and carried unanimously.

Resolution 2026-196 Approve Plans and Specifications and Establish a Bid Date for Two Rivers Siphon Improvements - Contract 2025-08

Director of Engineering Mark DuChene explained that resolution 2026-196 approves the construction plans and specifications for the proposed Two Rivers Siphon Improvements — Contract 2025-08 project including replacement of the siphon boxes as well as the siphon pipes under the Cannon River from Two Rivers Park to the Water Reclamation Facility. The existing pipes and siphon boxes are showing significant signs of distress and need replacement.

The total estimated cost of the improvements, including engineering fees and contingencies, is \$1,808,950.00. The proposed funding for the project is from the Sanitary Sewer Enterprise fund.

The resolution also establishes a bid date of August 5, 2026, for the project. The construction start date is dependent on the contractor and the lead times for the siphon box structures is estimated to be as long as 9 months, but all work is scheduled to be completed by July 30, 2027.

Motion by Thiele, seconded by Barnes to approve Resolution 2026-196 Approve Plans and Specifications and Establish a Bid Date for Two Rivers Siphon Improvements - Contract 2025-08 and carried unanimously.

Randy's Foods/1910 5th St NW - Variance; Developer's Agreement; Resolution 2026-198 Approve a Variance at 1910 5th St NW and Resolution 2026-199 Approve Randy's Foods Developer's Agreement

City Planning Manager Harry Davis explained that Brad Moore on behalf of Randy's Foods, LLC requested approval of a variance to reduce the east side yard setback by 4 feet to construct a building addition to the existing building at 1910 5th Street NW. The subject property is zoned L-I Light Industrial and approximately 1.06 acres. Since 1990, Randy's Foods has adapted and reused a former meat processing facility, transforming it into a robust business for manufacturing pizza. In 2021, a variance was granted to allow the placement of a 20 x 30 cooler on the east side of the building. The cooler placement was permitted to encroach 6' into the 15' side yard setback as the applicant demonstrated a practical difficulty in the need for refrigeration adjacent to the production area.

The variance request seeking the ability to expand the building footprint 4 feet into the

required 15-foot side yard meets the definition of practical difficulty not created by the applicant due to the constraints of the existing building placement, the limitations of the platted lot, and the singular street access point. The City could broadly interpret that the location of the existing building on the site and the layout of the building's internal uses create practical difficulties preventing the Applicant from constructing a building addition consistent with the City's ordinances. In addition, the City could find that any reasonable use or reuse of the property (short of complete redevelopment) would require a variance (similar to the one requested) to ensure reasonable use of the property.

On July 6, 2026, the Planning Commission held a public hearing for this request. No members of the public commented on the proposal. The Planning Commission discussed the project and voted unanimously to recommend City Council approve the request.

The developer's agreement will facilitate allowing some of the required parking for the project to be located off-site. The agreement also stipulates that in the event the off-site parking agreement fails, terminates, or the property requires parking that the City can enforce the owner to construct spaces on-site.

Councilor Ross asked about drainage on this property, Davis explained that engineering will be reviewing the plans for that.

Motion by Barnes, seconded by Ross to approve Resolution 2026-198 Approve a Variance at 1910 5th St NW and carried unanimously.

Motion by Ross, seconded by van Sluis to approve Resolution 2026-199 Approve Randy's Foods Developer's Agreement and carried unanimously.

Resolution 2026-206 Postponing the Decision on the Need for an Environmental Impact Statement for the Archer Datacenters Faribault Campus Project and Directing the Project Proposer to Provide Additional Information Pursuant to Minnesota Rules 4410.1700, Subpart 2a

City Administrator Jessica Kinser explained to the Council that since this was discussed heavily at the work session last week. With the Court of Appeals ruling, there are three options. One, which we did not think was advisable, was that the city has the option to appeal to the Minnesota Supreme Court. The second one was to require a discretionary EIS, but that is not the path that the council directed at the work session. What was directed was to allow Archer data centers, at their request, to have until March 31, 2027, to update the EAW with the information that the Court of Appeals deemed was missing and any other information that would have changed from the time that EAW was initially prepared in early 2025. This resolution will resolve the litigation and be filed with the Court of Appeals.

Councilor Rowan supported this decision, however, wants and EIS to be completed. Councilor Thiele asked if an EIS could still be done in March 2027, both Mayor Spooner and Kinser stated that the Council at that time could decide to require an EIS.

Motion by Ross, seconded by Barnes to approve Resolution 2026-206 Postponing the Decision on the Need for an Environmental Impact Statement for the Archer Datacenters Faribault Campus Project and Directing the Project Proposer to Provide Additional Information Pursuant to Minnesota Rules 4410.1700, Subpart 2a and carried unanimously.

Resolution 2026-207 Authorizing the Development of Performance Standards for Data Centers

City Administrator Jessica Kinser explained that with the recent incorporation of data centers as an allowed use in the I-2 Heavy Industrial zoning district, performance standards, or more specific requirements related to an allowed use, were discussed as being a needed element to the City's Unified Development Ordinance. The Planning Commission has had preliminary discussions on this topic, but it was placed on hold pending the City Council's discussions of the Court of Appeals ruling.

The developer, Archer Datacenters, specifically requested the City continue to take action in regard to performance standards in a memo that was included as part of the July 7th work session packet. In further discussion at the work session, Council Member Barnes requested that the Environmental Commission be involved in the performance standard review before it comes to City Council through the Planning Commission.

Resolution 2026-207 affirms the City Council's desire to see the performance standards come forward and to have the Environmental Commission included in what would typically be a Planning Commission process.

Councilor Rowan asked if only a 1-year moratorium is allowed, Kinser stated that is correct. Councilor Ross asked if we could be setting the City up to where a data center could just build without the Council knowing or approving it, Kinser explained that yes and no was a possibility, if the land needed to be platted, that would then come before the Council. Ross stated that this is something that could continue to be updated and he does not want to make it simple. He asked if this could be required as a CUP, Davis stated that we could put in the standards that a CUP could be required within so many feet of residential or similar. Councilor Barnes stated that this is an evolving thing, a unique business, and felt that the Environmental Commission working with the Planning Commission would be a good fit.

Motion by Ross, seconded by van Sluis to approve Resolution 2026-207 Authorizing the Development of Performance Standards for Data Centers and carried unanimously.

Bids

Resolution 2026-204 Accept Bids for Lead Service Line Replacements City Contract 2026-10

Public Works Director Travis Block stated that on Wednesday, June 17, 2026, bids were received for the Lead Service Line (LSL) Replacements Project City contract 2026-10. The project includes the removal and replacement of approximately 63 LSL's.

Wencl Construction Inc.	Owatonna, MN	\$ 479,675.00
H & M Underground Solutions, LLC	Austin, MN	\$ 536,525.00
BCM Construction	Faribault, MN	\$ 665,665.00
A-1 Excavating Inc.	Bloomer, WI	\$1,117,900.00
Urban Companies	St. Paul, MN	\$1,252,342.00

The Engineer's Estimate was \$ 979,500.00. Block recommended to award the bid to Wencl Construction, Inc., Owatonna, MN

The project cost is \$479,675.00 with engineering fees of \$227,779.00 and a 10% contingency \$47,967.00 for a total cost of \$755,421.00;

The funding will come through the Water Fund 601 and \$1,375,000.00 in grant funding has been allocated for the project by the Public Facilities Authority (PFA). Due to the favorable bids and per Council direction at the July 7th Work Session, additional LSL replacements are being prepared for bid. Once the bid results are received, two agreements with the PFA will be executed. The first is a master agreement. The master agreement allows for this project as well as any additional lead service line replacement projects to be funded. The second is a project order. The project order will contain the specific costs for each project. Construction on the project is scheduled to begin in the summer of 2026 and be substantially completed by the end of December 2028.

Motion by Ross, seconded by Rowan to approve Resolution 2026-204 Accept Bids for Lead Service Line Replacements City Contract 2026-10 and carried unanimously.

Boards and Commissions Reports, Announcements and Project Updates

City Administrator Jessica Kinser stated that there will be a Special City Council work session after the regular meeting on July 28.

Adjournment

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

The meeting was adjourned at 6:31 pm.

Respectfully Submitted,

DocuSigned by:



Heather Slechta
City Clerk