



CITY COUNCIL MINUTES

COUNCIL CHAMBERS TUESDAY, JUNE 26, 2018

6:00 PM

Call to Order/Roll Call/Pledge of Allegiance

The meeting was called to order by Mayor Kevin Voracek at 6:00 pm. Council Members Elizabeth Cap, Kay Duchene, John Rowan, Steve Underdahl and Janna Viscomi were in attendance. Council Member Royal Ross was absent. Also in attendance were City Administrator Tim Murray, Assistant to the City Administrator Heather Slechta, Public Works Director Travis Block, Planning Coordinator Peter Waldock, Police Chief Andy Bohlen, Fire Chief Dustin Dienst, City Engineer Mark Duchene, Parks and Recreation Director Paul Peanasky, Finance Director Karla McCall and City Attorney Scott Riggs.

Presentations/Introductions-None

Approve minutes of June 12, 2018 Joint Council, County Commissioner's and Economic Development Authority Meeting, the June 12, 2018 Regular Council Meeting and the June 19, 2018 Special Council Meeting.

Motion by Rowan, seconded by Underdahl to approve the minutes of June 12, 2018 Joint Council, County Commissioner's and Economic Development Authority Meeting, the June 12, 2018 Regular Council Meeting and the June 19, 2018 Special Council Meeting and carried unanimously.

Consent Agenda:

- A. List of bills to be paid
- B. Approve Faribault Ice Arena Association Agreement
- C. Resolution 2018-133 Levying Assessments for Miscellaneous Delinquent Receivable Accounts
- D. Resolution 2018-134 Accept Donations to Faribault Parks and Recreation Department
- E. Resolution 2018-135 Amending the City's 2018 Fees, Charges and Utility Rates Schedule - Plumbing License Fee
- F. Approve Sanitary Sewer Easement & Drainage and Utility Easement for 1236 Maple Lane
- G. Approve Selection of Engineering Consultant for Water Treatment Plant
- H. Approve Service Quote for Variable Frequency Drive at Water Reclamation Facility
- I. Approve Hangar Rental Agreement Transfer
- J. Resolution 2018-136 Execute Minnesota Department of Transportation Limited Use Permit #6612-0022 for Non-Motorized Recreational Trail
- K. Approve Estoppel Certificate for Solar Development Lending LLC and Crestmark Bank
- L. Approve Mowing Quote for County Road 48
- M. Resolution 2018-140 Accept Donation to Faribault Parks and Recreation Department Aquatics Division
- N. Approve 1-4 Day Temporary Liquor License for the Rice County Fair July 17, 2018-July 22, 2018
- O. Approve LG240B Application to Conduct Excluded Bingo at the Rice County Fair
- P. Approve LG214 Gambling Premise Permit Application for Faribault Hockey Association at

Crooked Pint

Q. Accept Quote for Sanitary Sewer Repair

Motion by Duchene, seconded by Rowan to approve Consent Agenda Items A-Q and carried unanimously.

Requests to be Heard-None

Public Hearings – None

Items for Discussion

Presentation of the 2017 Comprehensive Annual Financial Report

Matt Mayer from Bergan KDV presented an overview of the 2017 Annual Audit. Mayer complimented the Finance Department on a job well done. Mayor Voracek thanked all the Directors and the Finance Department for being fiscally responsible with their budgets, reporting correctly and winning the GFOA award for 26 years in a row.

Council Member Underdahl requested that the Audit contain benchmark numbers to compare against our peer group. Finance Director Karla McCall will provide a list of benchmarks to Bergan KDV.

Approve Memorandum of Understanding for Roadway Jurisdictional Transfers with Rice County

City Administrator Tim Murray explained that in working with Rice County over the past couple of years, some roadways have been identified for consideration of jurisdictional transfer—this was originally proposed as part of the Rice County Transportation Study. The transfers are proposed to better align with the function of the roadways and overall system connectivity. Following are the proposed routes that would be transferred from the County to the City:

- CSAH 18 (8th Ave. NW/2nd St. NW/9th Ave. NW/SW) - 1.807 miles
- CSAH 20 (Shumway Ave./St. Paul Ave.) - 0.959 miles
- CSAH 47 (17th Street SW) - 0.494 miles

A Memorandum of Understanding (MOU) was provided in the Council Agenda packet that outlined the terms and conditions of the transfers. The MOU has the transfers taking effect on January 1, 2019, with the County being responsible for making improvements on two of the three roadways in 2019. Since there is an increase in mileage of 3.26 miles being taken by the City, a proposal for compensation was calculated and has been agreed to by the County.

Based upon the transfers, the County would compensate the City \$275,000/year for four years, for a total of \$1,100,000 in reimbursement. The MOU was reviewed by the Rice County Board of Commissioners at their June 19, 2018 Committee of the Whole meeting and approved at their regular meeting on June 26, 2018.

Motion by Rowan, seconded by Duchene to approve the Memorandum of Understanding for Roadway Jurisdictional Transfers with Rice County and carried unanimously.

Approve County Highway Maintenance Agreement with Rice County for 2018 and 2019

City Administrator Tim Murray explained that in conjunction with discussions with Rice County on jurisdictional transfers/exchanges, the City also proposed to the County that we enter into a new biannual maintenance agreement. Under the agreement, the County would compensate the City to provide maintenance services on most of the County highways in the City limits. The rates for payment would match those the State of Minnesota is paying under our agreement with them \$1,970.13/lane mile in 2018 and \$2,009.53/lane mile in 2019.

The maintenance would begin on July 1, 2018 and would include snow plowing, street sweeping, pothole patching, etc. The agreement that was included in the City Council Agenda packet included highway segment listings for 2018 and 2019 for maintenance and reflected the proposed transfers/exchanges identified to take place effective January 1, 2019.

The agreement was reviewed by the Rice County Board of Commissioners at their June 19, 2018 Committee of the Whole meeting and approved at their regular meeting on June 26, 2018.

Motion by Rowan, seconded by Duchene to approve County Highway Maintenance Agreement with Rice County for 2018 and 2019 and carried unanimously.

Ordinance 2018-6 Amending Section 25-116 through Section 25-137 of Article VI of Chapter 25 of the Faribault City Code - Second Reading

Public Works Director Travis Block explained that Ordinance 2018-6 amends section 25-116 through section 25-137 of article VI of Chapter 25 of the Faribault City code. These sections of the Code regulate right-of-way use and are necessary to address small cell wireless installations, similar to what is installed in the downtown and for the approved installation on 3rd St. SW. Block explained that the code amendment adopts language that is associated with recent changes to Minnesota Statutes 237.162 & 237.163, regulating small cell sites. One of the most significant changes in the Statutes is to the way fees are collected. Previously, the City was able to negotiate terms and fees with a potential small cell site provider the updated State Statutes now establish these.

Since the first reading on June 12, 2018, no changes have been made.

Motion by Underdahl, seconded by Rowan to approve Ordinance 2018-6 Amending Section 25-116 Through Section 25-137 of Article VI of Chapter 25 of the Faribault City Code - Second Reading and summary notification.

Aye: Council Member Cap, Duchene, Rowan, Underdahl, Viscomi and Mayor Voracek.

Nay:

Motion carried 6:0

Ordinance 2018-2 Amending the Unified Development Ordinance, Section 6-250, Fence Location and Height Requirements and Section 6-260, Fence Materials and Maintenance Requirements – First Reading.

Planning Coordinator Peter Waldock explained that at a recent work session, Planning Commission members heard interest from home owners requesting changes to corner lot fence requirements. Staff had met with another resident nearby that also built a 6' screen fence in the corner side yard area in violation of current ordinances. The Planning Commission expressed support for a variance, after the fact, allowing a 6' screening fence in the corner side yard area of the home owner that came before them at the work session. Staff had advised the Planning Commission that granting a variance would be difficult in these cases because the sites are not unique and have no practical difficulties in meeting the ordinance requirements, for that reason required findings could not be met. For this reason, it would be best to consider changing the regulations instead.

The Planning Commission discussed Staffs concerns with the current ordinance language and suggested updates to clarify the code and meet what may be changing public interest in allowing screening fences in corner side yard area of residential lots. Staff summarized regulations from Northfield and Owatonna. The Planning Commission agreed to consider changes to allow screening fences in corner side yard areas and improving the definition of ornamental fences in the ordinance.

Council Member Cap felt that the Council needed more time to discuss this change. Cap also requested pictures of the fences as example of what the ordinance would change. City Attorney Scott Riggs explained that if there are 2-3 variance requests for a fence in a year the Council should look at changing the Ordinance.

Motion by Cap, seconded by Rowan to move Ordinance 2018-2 Amending the Unified Development Ordinance, Section 6-250, Fence Location and Height Requirements and Section 6-260, Fence Materials and Maintenance Requirements to a Joint Committee Meeting. Motion carried 4:2 with Duchene and Underdahl voting No.

Ordinance 2018-3 Amending the Unified Development Ordinance, Section 6-180, Residential Accessory Buildings – First Reading

Planning Coordinator Peter Waldock explained that in 2016 the City Council held a work session discussion regarding Design Standards for residential sheds and recent updates to Statutes that exempt sheds of less than 200 square feet from building permit requirements. The consensus of the City Council at that time was that sheds of less than 200 square feet need not be subject to design standards, but that such standards should remain for sheds of 200 square feet or more. The City Council did not take action at that time to initiate the process to amend the Unified Development Code (UDO) with the revised standards for sheds.

The text amendment brought to the Council for approval would clarify terms, and define when color and design standards are applicable. The updated text amendment also would define the required applications for all permanent accessory structures. Structures over 200 square feet would be required to meet all zoning setbacks, compatibility standards and a building permit would be required. Structures 80-200 square feet would be required to meet zoning setbacks and would require a zoning certificate and those structures under 80 square feet would not be regulated.

On March 19, 2018 the Planning Commission held a public hearing on the proposed text amendment.

No one from the public was in attendance at the meeting, and the City did not receive comments prior to the meeting. The Planning Commission felt the updates to the accessory structure regulations were needed. The Commissioners supported the changes but asked for requirements to anchor the structures and clearly prohibit temporary carports and temporary, canvas or membrane covered, storage enclosures. By a vote of 5-1 the Planning Commission approved the proposed ordinance.

The Council discussed in great length the pros and cons of design standards, building types such as metal sheds, permitting and requiring tie-downs for accessory buildings. Waldock will add language that will allow for the temporary use of tents for recreational use as well as weddings and celebrations. Waldock will also research if metal sheds can be banned or if they have to be allowed prior to the second reading of the ordinance.

Motion by Rowan, seconded by Underdahl to approve Ordinance 2018-3 Amending the Unified Development Ordinance, Section 6-180, Residential Accessory Buildings – First Reading

Roll Call Vote:

Aye: Council Member Cap, Rowan, Underdahl, Viscomi and Mayor Voracek

Nay: Council Member Duchene

Motion carried 5:1

Bids

Resolution 2018-137 Accept Bids for 2018 Highland Place Reconstruction Project – Contract 2018-05

City Engineer Mark DuChene explained that on Wednesday, June 20, 2018, bids were received for the 2018 Highland Place Reconstruction Improvements Project. The project will include removals, grading, aggregate base, concrete curb and gutter, bituminous surfacing, storm sewer, sanitary sewer and services, sidewalk, watermain and services, concrete driveway pavement, turf restoration, and related improvements. The streets proposed to be included in this project are Highland Place - Westwood Drive to Prairie Avenue

Five bids were received and the bids were tabulated as follows:

Heselton Construction, Faribault, MN	\$ 661,725.00
Swenke Ims Contracting LLC, Kasson, MN	\$ 667,149.01
JJD Companies, LLC Blooming Prairie, MN	\$ 698,793.50
Alcon Construction Corp., Rochester, MN	\$ 717,694.65
GM Contracting, Inc., Lake Crystal, MN	\$ 838,774.19
Engineer's Estimate	\$ 711,681.25

Based on the low bidder's prices, the estimated funding including contingencies and engineering fees for the project is as follows:

Special Assessments	\$129,720.00	16.3%
Municipal State Aid Street Funds	\$387,510.00	48.8%
Water Utility Fund	\$168,970.00	21.3%

Sanitary Sewer Utility Fund	\$107,870.00	13.6%
Total	\$794,070.00	100.0%

Council Member Underdahl stated that it was nice to see five bids come in for the project.

Motion by Duchene, seconded by Underdahl to approve Resolution 2018-137 Accept Bids for 2018 Highland Place Reconstruction Project – Contract 2018-05 and carried unanimously.

Resolution 2018-138 Accept Bids for Airport Taxi-Lane E Utility Extension Improvements - Contract 2018-09

City Engineer Mark DuChene explained that on Wednesday, June 20, bids were received for the 2018 Airport Taxi-Lane E Utility Extension project. The project includes sanitary sewer and services, watermain and services, turf restoration, and related improvements to serve private hangar pad sites adjacent to existing Taxi-Lane E at the airport and future Taxi-Lane F. DuChene noted that at the time this project was authorized for bids the City had received word from MnDOT that the project would be available for grant funding through MnDOT aviation; however, since that time, MnDOT has changed their stance and stated that no State grant funds are available. As such, state funding requirements including prevailing wages were removed from the project requirements as this project is intended to be solely funded by City utility funds and the costs will then be split equally to the proposed hangar pad sites and recouped from the private hangar owners at the time hangar pad leases are executed as terms of the lease agreement.

Four bids were received the bids were tabulated as follows:

JJD Companies, LLC Blooming Prairie, MN	\$79,350.00
Swenke Ims Contracting LLC, Kasson, MN	\$94,842.00
Heselton Construction, Faribault, MN	\$97,343.90
Alcon Construction Corp., Rochester, MN	\$10,307.40
Engineer's Estimate	\$95,331.00

Based on the low bidder's prices, the estimated funding including contingencies and engineering fees for the project is as follows:

Water Utility Fund	\$48,336.00	50.7%
Sanitary Sewer Utility Fund	\$46,884.00	49.3%
Total	\$95,220.00	100.0%

DuChene requested that the Council table Resolution 2018-135 until the July 10, 2018 Council meeting to allow staff time to revisit grant funding options with MnDOT and develop recommendations for what share of the costs should be recouped form hangar sites.

Motion by Rowan, seconded by Duchene to table Resolution 2018-135 until the July 10, 2018 Council meeting and carried unanimously.

Resolution 2018-139 Accept Bids for Taxilane G Pavement Rehabilitation

Public Works Director Travis Block explained that on Thursday, June 14, 2018, bids were received for the Taxilane G Pavement Rehabilitation. The project will include pavement removal and replacement and storm sewer improvements.

The bids were tabulated as follows:

Heselton Construction LLC, Faribault, MN	\$189,708.65
JJD Companies, Blooming Prairie, MN	\$286,761.50
Engineer's Estimate	\$162,000.00

Based on the low bidder's price, the estimated funding is as follows:

Federal Grant Funds	\$163,718.57	86.3%
State Grant Funds	\$ 16,504.65	8.7%
Airport Fund	<u>\$ 9,485.43</u>	<u>5.0%</u>
Total	\$189,708.65	100.0%

The project bids came in over the Engineers estimate, as a result of the bidder's mobilization costs being higher than the estimate.

The total project costs are as follows:

Construction	\$189,708.65
Engineering Design	\$ 59,000.00
Construction Administration	<u>\$ 37,462.00</u>
Total	\$286,170.65

The funding breakdown for the total project cost is as follows:

Federal	\$251,312.00	86.3%
State	\$ 20,787.62	8.7%
Local	<u>\$ 14,321.03</u>	<u>5.0%</u>
Total	\$286,170.65	100.0%

Block further explained that initially, the funding breakdown was to be split 95/5/5%, Federal, State and Local. However, the breakdown changed to the percentages because of Federal funds being capped at \$251,312.00. The Minnesota Department of Transportation increased their contribution to 8.7% to cover the shortage of Federal funds. Construction on the project is scheduled to begin in August and be substantially completed by the end of September 2018.

Motion by Underdahl, seconded by Rowan to approve Resolution 2018-139 Accept Bids for Taxilane G Pavement Rehabilitation and carried unanimously.

Boards and Commissions Reports, Announcements and Project Updates

A Monthly Financial Update was provided to the Council in the Council Agenda packet for review. City Administrator Murray requested that the Council get their Administrator reviews to Mike McGuire by Friday. There will tentatively be a closed session after the July 24, 2018 Council Meeting for an

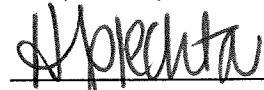
update from our attorney on the ACLU lawsuit. Mayor Voracek reminded the Council and public that there will be no meeting on July 3, 2018. Council Member Rowan requested that the former K-Mart site be cleaned up, Council Members Cap and Viscomi agree with Rowan. Murray will check with Staff to see where in the process they are. Council Member Viscomi requested an update on the SCDP dollars, Murray will follow up with Community and Economic Development Director Deanna Kuennen and report back to Council.

Adjournment

Motion by Viscomi, seconded by Rowan to adjourn the Regular Meeting of the City Council and carried unanimously.

Meeting adjourned at 7:30pm.

Respectfully Submitted,



Heather Slechta

Assistant to the City Administrator