



CITY COUNCIL MINUTES-Draft

COUNCIL CHAMBERS

TUESDAY, OCTOBER 9, 2018

6:00 PM

Call to Order/Roll Call/Pledge of Allegiance

Presentations/Introductions-None

Approve minutes of September 21, 2018 Emergency Meeting and September 25, 2018 Regular Council Meeting (majority vote)

Motion by Rowan, seconded by Ross to approve minutes of September 21, 2018 Emergency Meeting and September 25, 2018 Regular Council Meeting and carried unanimously.

Consent Agenda:

- A. List of bills to be paid
- B. Resolution 2018-201 Appoint Additional 2018 General Election Judges
- C. Approve Copy Machine Lease Extension with Metro Sales
- D. Resolution 2018-203 Accept Donations to the Faribault Parks and Recreation Department
- E. Approve Quote to Grade and Sod Baseline Areas at Bell Field
- F. Approve Quote to Replace Chaise Lounge Chairs at Faribault Family Aquatic Center
- G. Approve Quote to Replace Fence at Bell Field
- H. Approve Purchase of John Henry Foster Maintenance Agreement
- I. Resolution 2018-210 Authorizing the Acquisition of Certain Real Property within the City of Faribault
- J. Resolution 2018-211 Minnesota Trail Assistance Grant - Authorizing Sponsorship of Trails Operated by River Bend Nature Center
- K. Approve Tree Quote for Parks Department
- ~~L. Approve Quote for Basketball Court Fencing at North Alexander Park~~
- M. Accept Proposal for Professional Engineering Services for the Design of 30th Street NW & TH 3 Intersection Improvements and East View Drive/30th Street NW Street Extension Official Mapping

Motion by Duchene, seconded by Underdahl to approve consent agenda items A-I, K, and M and carried unanimously.

Consent Agenda Item L. Approve Quote for Basketball Court Fencing at North Alexander Park, was removed from the agenda prior to the meeting. Consent Agenda Item J. Resolution 2018-211 Minnesota Trail Assistance Grant - Authorizing Sponsorship of Trails Operated by River Bend Nature Center was removed by Council Member Cap for further discussion.

Consent items removed for discussion:

Resolution 2018-211 Minnesota Trail Assistance Grant - Authorizing Sponsorship of Trails Operated by River Bend Nature Center

Council Member Cap asked if the grant was for new trails or if it was for existing trails. City Administrator Murray explained that grant covers existing trails.

Motion by Cap, seconded by Duchene to approve Resolution 2018-211 Minnesota Trail Assistance Grant - Authorizing Sponsorship of Trails Operated by River Bend Nature Center and carried unanimously.

Requests to be Heard-None

Public Hearings

Resolution 2018-204 Adopt Special Assessments for 2018 MSA Street Overlays & Storm Sewer Improvements – Contract 2018-02

Motion by Duchene, seconded by Rowan to open the public hearing. The public hearing was opened at 6:02 pm.

City Engineer Mark DuChene explained that Resolution 2018-178, adopted on September 11, 2018, declared the cost to be assessed and set a special assessment hearing date of October 9, 2018 for the 2018 MSA Street Overlay and Storm Sewer Improvements – City Contract 2018-02. Notices of the hearing were sent to the benefited properties and published in the Daily News as required by law.

The adopted 2018 assessment rates for street overlay and sidewalk projects, as established by Resolution 2016-248, adopted on November 9, 2016, are as follows, subject to credits per City policy:

Bituminous Street Overlays	
Low Density Residential Property	\$20.00/l.f.
High Density Residential Property	\$22.00/l.f.
Commercial/Industrial/Institutional Property	\$24.00/l.f.

DuChene further explained that the special assessment roll proposes to assess a total of 82 parcels in the amount of \$188,124.76 or 24.4%, out of a total estimated project cost of \$770,500.00. The assessments will be payable over a period of fifteen years with an interest rate of 4.50%.

There were no comments from the public before or during the public hearing.

Motion by Underdahl, seconded by Rowan to approve Resolution 2018-204 Adopt Special Assessments for 2018 MSA Street Overlays & Storm Sewer Improvements – Contract 2018-02 and carried unanimously.

Motion by Rowan, seconded by Duchene to close the public hearing. The public hearing closed at 6:06 pm.

Resolution 2018-205 Adopt Special Assessments for 2018 Street Overlay Improvements – Contract 2018-03

Motion by Rowan, seconded by Viscomi to open the public hearing. The public hearing was opened at 6:06 pm.

City Engineer Mark DuChene explained that Resolution 2018-177, adopted on September 11, 2018, declared the cost to be assessed and set a special assessment hearing date of October 9, 2018 for the 2018 Street Overlay Improvements project – City Contract 2018-03. Notices of the hearing were sent to the benefited properties and published in the Daily News as required by law.

The adopted 2018 assessment rates for street overlay and sidewalk projects (as established by Resolution 2016-248, adopted on November 9, 2016) are as follows, subject to credits per City policy:

Bituminous Street Overlays	
Low Density Residential Property	\$20.00/l.f.
High Density Residential Property	\$22.00/l.f.
Commercial/Industrial/Institutional Property	\$24.00/l.f.

DuChene further explained that the special assessment roll proposes to assess a total of 145 parcels in the amount of \$269,335.08 or 66.9%, out of a total estimated project cost of \$402,500. The assessments will be payable over a period of fifteen years with an interest rate of 4.50%.

The City did receive one written objection to the proposed assessments. DuChene provided a copy of the letter in the Council packet.

Linda Mueller, 1814 Allen Ave, spoke to the Council regarding the proposed assessments. Ms. Mueller felt that the project was not done correctly when it was done the first time and the property owners should not be responsible to pay for the project that was just completed. Ms. Mueller stated that water is still sitting on the road and not draining correctly and the grass that was planted looks like weeds.

Council Member Rowan asked if Ms. Mueller still felt like the project was done incorrectly. Ms. Mueller stated that water still sits on the road for days. Mayor Voracek asked DuChene what assurances the City has that the work was done correctly? DuChene stated that the streets are relatively flat in that area, however they do have grade. He is also aware of the issue with the restoration of the turf, and they are still working on that. Rowan asked if there was any discussion about adding a storm drain in that area. DuChene explained that a storm drain is about a half a block away. City Administrator Murray explained that prior to the project the street was holding more water, it was determined that rather than extending the storm sewer a valley gutter would be used. Rowan questioned how this can be rectified. Murray explained that a small amount of water in the valley gutter will not deteriorate the concrete, the fix could be worse than the problem. Council Member Ross asked if a correction to the problem was put in place, at which Murray replied yes. Council Member Viscomi questioned if DuChene has seen the work that was done, at which DuChene replied yes. Council Member Cap inquired if there is a possibility for rain gardens, DuChene explained that there have been classes to learn about preparing rain barrels and gardens.

Jerry Irwin 305 Shumway Ave, stated that there are still turf restoration issues from a project done on his street. Irwin asked what number should be called to report the issues. DuChene informed him to call the main Public Works number at 507.333.0361.

Motion by Cap, seconded by Duchene to approve Resolution 2018-205 Adopt Special Assessments for 2018 Street Overlay Improvements – Contract 2018-03 and carried unanimously.

Motion by Rowan, seconded by Duchene to close the public hearing. The public hearing closed at 6:23 pm.

Resolution 2018-206 Order Improvements and Order Preparation of Plans and Specifications for 2019 30th Street NW Improvements – Contract 2019-06

Motion by Rowan, seconded by Viscomi to open the public hearing. The public hearing opened at 6:23 pm.

City Engineer Mark DuChene explained that Resolution-2018-206 orders the improvements for the proposed 30th Street NW Improvements project- Contract 2019-06, located on the following streets:

30th Street NW - Cardinal Avenue to Industrial Drive

The proposed work will include removal, grading, aggregate base, watermain replacement, storm sewer, concrete curb and gutter, concrete pavement, concrete sidewalk, bituminous walkway, turf restoration, and related improvements. The primary focus of this project is the upgrade of the existing bituminous pavement to concrete pavement, similar to that installed west of Cardinal Avenue in 2014.

DuChene stated that the purpose of the hearing was to take public comment as part of the consideration by the Council in ordering the improvements. If the project is ordered, plans and specifications will be finalized and brought back to Council for approval, along with the request for authorization to advertise for public bids.

DuChene explained that an informational meeting for this project was held at 5:30 p.m. on Wednesday, September 19, 2018 with 5 people in attendance, and one additional property owner followed up on September 20, 2018 via phone call. Some of the issues and concerns expressed at the meeting included; speed on 30th Street/Park Avenue, the pavement condition on 30th Street, and access to businesses during construction.

The total estimated cost of the improvements will be \$1,750,000.00. Proposed funding for the project comes from a number of sources including:

Special Assessments	\$116,000.00	6.6%
Federal Aid Funds	\$1,058,560.00	60.5%
Municipal State Aid Funds	\$470,440.00	26.9%
Water Utility Fund (601)	\$100,000.00	5.7%
Sanitary Sewer Utility Fund (602)	\$5,000.00	0.3%

As detailed in the feasibility report, the improvements are proposed to be specially assessed per City policy, using the 2019 assessments rates which are yet to be determined. The assessment frontages are subject to credits as given in the Community Management Plan. Construction is scheduled to begin in spring 2019, with substantial completion by the end of August, 2019.

DuChene pointed out that this section of roadway is actually slated for an overlay following the City's street plan, however, it has been determined to do a complete reconstruct at this time. Since the City has determined to do a reconstruct at this time, property owners will only be assessed the overlay assessment charge, however, property owners will also have to pay a sidewalk assessment.

Mayor Voracek asked if the intersection will be wider, DuChene explained that yes it will be wider with turn lanes. Ron Carlson owns property at 1810 30th Street NW, Mr. Carlson questioned why commercial property was assessed at a higher rate for sidewalks than residential property, and Mayor Voracek stated that commercial has always paid a higher rate, City Administrator Murray explained that in the 1990's commercial/industrial properties were responsible to pay 100% of the cost of sidewalks. Mr. Carlson also questioned who would have to take care of the sidewalk, and maintain it if it cracks. Mr. Carlson was informed that he would be responsible for the sidewalk repairs unless it deteriorated at the same time that a full reconstruct of the road was to be completed. Mr. Carlson also pointed out that some properties on the project were not assessed for sidewalks. DuChene explained that sidewalks are not being placed by the armory and the wetland property is undevelopable. Council Member Cap asked Mr. Carlson what types of businesses he owns, Mr. Carlson stated he owns USDA buildings. Council Member Viscomi questioned if the sidewalk is part of the trail system, DuChene explained that it connects to the trail. Council Member Rowan stated that we hear, "I want a sidewalk/I don't want a sidewalk" often, he would like to see the assessment fees realigned. Viscomi thought that most commercial customers would use a sidewalk, however sees that there are different types of businesses and not all will use a sidewalk. Rowan asked how to move forward. Murray explained that this resolution is to order improvements; the Council will be discussing the assessment policy at the next Finance Committee meeting.

Motion by Rowan, seconded by Duchene to approve Resolution 2018-206 Order Improvements and Order Preparation of Plans and Specifications for 2019 30th Street NW Improvements – Contract 2019-06 and carried unanimously.

Motion by Rowan, seconded by Viscomi to close the public hearing. The public hearing was closed at 6:51 pm.

Items for Discussion

Ordinance 2018-9 Amending Appendix A, Article II of the City Code of Ordinances regarding Utility Franchise Fees (Second Reading)

City Administrator Tim Murray explained that Ordinance 2018-9 amends Section 8.2 in each of the existing electricity and gas which includes Xcel Energy (electric and natural gas) and SWCE (electric) franchises to increase the franchise fees for these utilities. The fees have not been increased since

they were implemented on January 1, 2006. The ordinance phases in the proposed increase over the next two years at a rate of 10% each year for 2019 and 2020, in lieu of one larger increase. The new rates would take effect on January 1, 2019.

Staff estimates that the increase in revenues from the new fees would be \$76,000 in 2019 and \$159,000 in 2020. Staff also recommended that the additional funds be designated for park system improvements as part of future review and action on the allocation of franchise fees.

The City Council approved first reading of the ordinance on September 25, 2018, since that time there have been no changes made to the ordinance from the first reading. Murray requested that the City Council make a separation motion for the approval of the summary publication if the Ordinance is adopted following adoption of the ordinance on second reading.

Motion by Duchene, seconded by Cap to approve the second reading of Ordinance 2018-9 Amending Appendix A, Article II of the City Code of Ordinances regarding Utility Franchise Fees.

Roll Call Vote:

Aye: Cap, Duchene, Ross, Rowan, Underdahl, Viscomi, and Mayor Voracek

Nay:

Motion carried 7:0

Approve Summary Publication of Ordinance 2018-9

Motion by Rowan, seconded by Underdahl to Approve Summary Publication of Ordinance 2018-9 and carried unanimously.

Ordinance 2018-10 Amending Appendix A, Article II of the City Code of Ordinances adding a Franchise Agreement with Greater Minnesota Gas (Second Reading)

City Administrator Murray explained that following a public hearing on September 25, 2018, the City Council approved first reading of Ordinance 2018-10, which grants a franchise to Greater Minnesota Gas (GMG). GMG provides natural gas service to the area of land owned by McDonough Farms/Partners and now Daikin Applied Americas that was annexed earlier this year. In accordance with Section 10.01 of the City Charter, GMG needs to obtain a franchise from the City, granted via ordinance, to operate their utility within the public right-of-way.

Murray further explained that there was one change made to the franchise fees table regarding one of the customer classes, to align GMG with Xcel Energy that is reflected in the ordinance. Upon adoption, the City will notify GMG and request their written acceptance of the franchise as adopted, in accordance with Sec. 2.2 of the ordinance. Also attached is the summary publication for the adoption of the ordinance. Murray requested that the City Council make a separation motion for the approval of the summary publication if the Ordinance is adopted following adoption of the ordinance on second reading.

Motion by Duchene, seconded by Rowan to approve the second reading of Ordinance 2018-10 Amending Appendix A, Article II of the City Code of Ordinances adding a Franchise Agreement with Greater Minnesota Gas.

Roll Call Vote:

Aye: Cap, Duchene, Ross, Rowan, Underdahl, Viscomi, and Mayor Voracek

Nay:

Motion carried 7:0

Approve Summary Publication of Ordinance 2018-10

Motion by Rowan, seconded by Viscomi to Approve Summary Publication of Ordinance 2018-10 and carried unanimously.

Ordinance 2018-11 Pawn Shop / Pawnbroker License Requirement and APS Compliance (Second Reading)

City Administrator Murray explained that based upon direction from the first reading of Ordinance 2018-11 at the September 25, 2018 Council meeting, the City Attorney has revised the ordinance to reflect the limit of licenses issued in the city to one. This was accomplished by adding Sec. 14-142(d) to the ordinance. In conjunction with that limitation, there were also other changes required to reflect

that there would only be one license granted. The most significant additions are found in Sec. 14-143, which outlined application priority and establishment of a waitlist, and Sec. 14-145, which established a deadline for a current licensee to process their renewal for the following year. A memorandum from the City Attorney was included in the packet that outlined the changes and identifies some other items that the City Council may want to consider.

Council Member Ross, could not support Ordinance 2018-11 as it is written, it needed to look further into the future, he requested that this be reviewed by the Joint Committee. Council Member Cap felt that the Police Department came to the Council because of needing APS compliance, she wanted to move forward, and felt that if additional pawn shops want to come to town, the Council could revisit the one license limit. Council Member Viscomi questioned Ross on his change of direction on the Ordinance, Ross felt it was too restrictive, it could hurt consumers, Council Member Duchene agreed with Ross, she still supported a distance limitation. Council Member Rowan asked Captain Jason Severson if drug paraphernalia is allowed in the city, Captain Severson replied with no, because it is illegal. Rowan stated we ban it with an ordinance, we are regulating other businesses already. Council Member Underdahl is supportive of the license, where the Council differs is the limit number or land use perspective. Cap wanted to see this progress, and questioned what the number to do so is. Underdahl explained that the Planning Commission felt that this was the Council's issue and a political decision.

Frank Marzario, 509 2nd Street NE, stated that there hasn't been an issue in Roseville, Faribault can only service one pawn shop. He requested the Council reconsider Roseville's pawn ordinance.

Bill Smith, 110 Kingswood Crescent, stated he has never been to a pawn shop and has never purchased anything in a pawn shop. However, when he was in the military, he had a roommate who lived by the pawn shop. He went from paycheck to paycheck. At the end of week 1, he would be on his way to the pawn shop with his colored tv, drop his tv off, have cash and then get paid, the tv would then show up again. He asked the Council to keep that individual who lives paycheck to paycheck in mind if it is limited to one license. By allowing for only one pawn shop license the, pawn shop could charge exorbitant rates.

Motion by Ross, seconded by Duchene to table second reading of Ordinance 2018-11 Pawn Shop / Pawnbroker License Requirement and APS Compliance and send it to the next Joint Committee meeting for further review and carried 5:2 with Council Member Cap and Rowan voting Nay.

Ordinance 2018-12 Vacate a Portion of a Drainage and Utility Easement at 320 NW 3rd Street

City Planner David Wanberg explained that Jake Rysavy on behalf of Rice County has requested that the City vacate part of a drainage and utility easement to allow for the expansion of the existing Rice County Government Services Building at 320 NW 3rd Street. On September 25, 2018, the City Council approved the first reading of Ordinance 2018-12 Vacate a Portion of a Drainage and Utility Easement at 320 NW 3rd Street. The City has not made any changes to the proposed ordinance or received any comments from the public regarding the request since the September 25, 2018 meeting.

Motion by Duchene, seconded by Rowan to approve the second reading of Ordinance 2018-12 Vacate a Portion of a Drainage and Utility Easement at 320 NW 3rd Street.

Roll Call Vote:

Aye: Cap, Duchene, Ross, Rowan, Underdahl, Viscomi, and Mayor Voracek

Nay:

Motion carried 7:0

Approve Summary Publication of Ordinance 2018-12

Motion by Rowan, seconded by Underdahl to Approve Summary Publication of Ordinance 2018-12 and carried unanimously.

Resolution 2018-208 Approve a Variance from the Required Front Yard Setback at 1004 Central Avenue N.

Planning Coordinator Peter Waldock explained that Rice County Habitat for Humanity Inc., the property owner, is constructing a new house at 1004 Central Avenue. A previous house on the site was demolished and the site was cleared. City Codes require corner lot setbacks in established

neighborhoods to meet the average between the standard front setback of 25' and the distance of the adjoining home from the property line. In this case the adjoining home on Central Avenue is setback 14' from the front property line. The average between this distance and 25' is 19'. The house being built by the applicant is setback 20' from Central Avenue and the porch would extend 5' from the house. The house is designed to have a front porch to cover the main entrance. It is needed for aesthetic value and weather protection for main entrance to the home.

The Planning Commission held a public hearing regarding this request on October 1, 2018. No one from the public was in attendance at the hearing. City Staff did not receive comments from neighbors or others, prior to the meeting, regarding this application. The Planning Commission heard comments from Dayna Norvold, Executive Director of Rice County Habitat for Humanity seeking approval.

The Planning Commission members discussed the request and found the proposal was architecturally consistent and compatible with surrounding homes in the neighborhood. It was noted that an open topped deck or front stoop of the same dimensions is allowed under Unified Development Ordinance, it was only the porch roof that triggers a greater setback requirement. They felt that a porch roof would add value to the home and neighborhood. By a vote of 6-0 the Planning Commission approved the draft resolution with findings for approval.

Council Member Cap felt that this was a good direction to go, and supports the addition of a porch roof.

Motion by Underdahl, seconded by Duchene to approve Resolution 2018-208 Approve a Variance from the Required Front Yard Setback at 1004 Central Avenue N. and carried unanimously.

Approve Task Order No. 10 with Foth for Airport A/D Building Design Services

Public Works Director Travis Block requested approval for Task Order No. 10 with Foth, for design services for the Arrival/Departure (A/D) Building at the Airport, which was destroyed by the storm on September 20, 2018. The task order contained the scope of services for project coordination, geotechnical services and preliminary design to identify options for the buildings replacement. The task order was for \$73,500.00. These services are eligible to be reimbursed under the City's insurance coverage for the building. Block explained that upon the Council's approval, the tentative schedule would be as follows:

Geotechnical Exploration	October 31, 2018
Preliminary Design	November 30, 2018

Once the preliminary design is complete, options will be presented to the Airport Advisory Board for consideration, and a recommendation will be presented to Council at future meeting.

Motion by Rowan, seconded by Duchene to Approve Task Order No. 10 with Foth for Airport A/D Building Design Services and carried unanimously.

Accept Quote for Temporary Arrival/Departure Building at Airport

Public Works Director Travis Block explained that the Arrival Departure (A/D) Building at the Airport was destroyed by the storm on September 20, 2018. The building provided pilot services including a place to meet passengers, flight plan area, restrooms and access to weather information. Due to the need to replace the A/D Building, and the timeline necessary for design and construction of a new one, a temporary building will need to be placed at the Airport. The building will have an office area, be heated and cooled, have restrooms connected to City water and sewer as well as internet for weather data. The temporary building will also serve as the demarcation point for the electrical connection for the fuel system.

The City's Airport Consultant, Foth, has solicited quotes from three suppliers specializing in temporary buildings. The term of the lease will be for 18 months and all quotes include insurance. The following quotes were received:

Williams Scotsman	\$22,249.00
Modspace	\$29,421.00

Satellite

\$34,730.00

Block recommended the quote from Modspace due to the low quote provider, Williams Scotsman, not having an American with Disabilities Act (ADA) compliant restroom.

Council Member Rowan ask if it was reimbursable through insurance, Block explained that it would be. Council Member Ross asked if insurance is included, Block said that general liability would be, he has also been working with the League of Minnesota Cities to provide adequate coverage.

Motion by Duchene, seconded by Rowan to approve Accept Quote for Temporary Arrival/Departure Building at Airport and carried unanimously.

Bids

Resolution 2018-207 Accept Bids for Knights of Columbus Hall Building Demolition – Contract 2018-12

City Engineer Mark DuChene informed the Council that on Friday, October 5, bids were received for the Knights of Columbus Hall Building Demolition - Contract 2018-12. The project will include the removal of the old building and related structures/footings, capping of services and restoration back to a gravel surface for the property at 17 3rd Street NE.

Four bids were received, the bids are tabulated as follows:

Fitzgerald Excavating, Goodhue, MN	\$ 39,600.00
Timm's Trucking, Morristown, MN	\$ 47,200.00
BCM Construction, Inc., Faribault, MN	\$ 55,650.00
Urban Companies, St. Paul, MN	\$ 94,000.00
Engineer's Estimate	\$ 50,000.00

The bids solicited were for the demolition and inspection of the building for regulated hazardous waste materials. If following the inspection, regulated hazardous waste materials are identified, their removal will be negotiated with the low bidder via change order. This is an unbudgeted expense from the 2018 approved budget. The Facility Maintenance Fund-437, is proposed to be used to cover the costs of the project.

Construction on the project is scheduled to begin no earlier than October 29, 2018 and be substantially completed by November 16, 2018. The area will be left in a gravel surface over the winter and a future plan for surface parking will be brought to Council in the future for a 2019 parking lot improvement project.

Motion by Underdahl, seconded by Rowan to approve Resolution 2018-207 Accept Bids for Knights of Columbus Hall Building Demolition – Contract 2018-12 and carried unanimously.

Boards and Commissions Reports, Announcements and Project Updates

Council Member Rowan stated that the signs are still up on 8th Avenue NW, and Ron's Pawn Shop is non-compliant with the glass coverings. City Planning Coordinator Peter Waldock explained that the signs are in the 90-day term until October 26, 2018. Rowan pointed out the K-Mart still has mounds of dirt on their property. Council Member Cap mentioned the events happening this weekend, including the Chili Cook-off and Woolen Mills annual sale. Council Member Ross will be making Chili for the Main Street Fall Festival, there will also be a parade, and Main Street will be selling spoons for the Chili Cook-off. Mayor Voracek was invited to participate with Representative Brian Daniels on a farm tour of the damaged farms in the area tomorrow (10/10/2018).

Adjournment

Motion by Rowan, seconded by Viscomi to adjourn the meeting.

Meeting adjourned at 7:43 pm

Respectfully submitted,

Heather J. Slechta
Assistant to the City Administrator