

**City of Fairmont**  
**100 Downtown Plaza**  
**Fairmont, MN 56031**

City Council Minutes  
Regular Meeting

October 28, 2024  
City Hall, 5:30 p.m.

**CALL TO ORDER**

The Fairmont City Council met in regular session at the City Hall Council Chambers. Mayor Baarts called the meeting to order at 5:30 p.m.

**ROLL CALL**

Council present:     Lee Baarts, Mayor  
                              Wayne Hasek, Councilmember  
                              Britney Kaweck, Councilmember  
                              Randy Lubenow, Councilmember  
  (Left at 5:50 pm; returned at 6:15 pm)  
                              Jay Maynard, Councilmember  
                              Michele Miller, Councilmember

Council absent:       None

Staff present:         Matt Skaret, City Administrator  
                              Matthew York, Director of Public Works/Utilities  
                              Paul Hoye, Finance Director  
                              Michael Hunter, Chief of Police  
                              Pat Oman, Community Development Director  
                              Peter Bode, Planning & Zoning Official  
                              Ned Koppen, Economic Development Coordinator  
                              Betsy Steuber, City Clerk  
                              Troy Nemmers, Bolton & Menk (contracted services)  
                              Cara Brown, City Attorney, via telephone  
  (Flaherty & Hood)

**PLEDGE OF ALLEGIANCE**

The City Council and all present stood for the Pledge of Allegiance.

**APPROVAL OF AGENDA**

As Mayo Clinic Health Systems: Fairmont was holding a public forum on the closure of services (labor/delivery and surgical services) during the time of the City Council meeting, and several Councilmembers expressed interest in attending, Mayor Baarts presented several options to Council on how to conduct the meeting. After discussion, Mayor Baarts concluded the agenda/meeting will be held as presented with Councilmember Lubenow representing City Council at the Mayo Clinic Health System: Fairmont Public Forum.

Motion was made by Councilmember Maynard, seconded by Councilmember Miller to approve the agenda as presented. All present voted in favor. Motion carried.

**ROTATING VOTES**

Please note that votes taken by roll call are called by the City Clerk on a rotating basis; however, the written minutes list the Councilmembers in alphabetical order.

**RECOGNITION/  
PRESENTATIONS**

Economic Development Coordinator Koppen provided Council and the community with an update on recent Fairmont Economic Development Authority (FEDA) happenings.

**PROCLAMATION**

Mayor Baarts proclaimed November 14, 2024 as Community Education and Recreation Day in the City of Fairmont. City Clerk Steuber read a note of appreciation and thanks on behalf of CER Director Stephanie Busiahn, as she was unable to attend the meeting.

**MOTION  
Item 4.3**

Coordinator Koppen introduced agenda item 4.3: Affordable Housing Funds and Consideration to Award Funds to Habitat for Humanity. The City of Fairmont was recently awarded \$54,797.00 by the Minnesota Department of Revenue to be used towards affordable housing. After conversations with City Staff and Habitat for Humanity on their current project and the financial challenges they face, staff recommend awarding \$30,000 to Habitat for Humanity, with funding used to complete code work.

With the remaining funds, and future funding proposed to occur over the next two years, Koppen asked Council consider having staff develop an ordinance establishing a Local Housing Trust Fund (LHTF). Koppen noted the establishment of such, to be a best practice recommended by State agencies, allowing for flexibility in the distribution of the funds and the greater possibility of receiving future grant funding.

Motion was made by Councilmember Maynard, seconded by Councilmember Miller to approve awarding \$30,000 of housing aid funds to Habitat for Humanity for housing in Fairmont. All present voted in favor. Motion carried.

With no objections voiced, council agreed for staff to develop an ordinance establishing a Local Housing Trust Fund, with Koppen presenting such at a future meeting

**PUBLIC DISCUSSION/**

Richard Bradley, a Fairmont taxpayer, commented and questioned the

## COMMENT

ownership of the community center, referencing communication during the September 23, 2024 City Council Meeting and statements in Resolution 2023-21, adopted June 12, 2023. Based on the referenced materials, Bradley voiced concern as “taxpayers would have to pay twice for the same facility... first with the 12 million plus dollars given to the FACC to construct the facility and second to repurchase the facility back from the FACC” in the event of a sale, as the City has the right of first refusal.

Staci Thompson, Executive Director of Habitat for Humanity, thanked Council for awarding funds to Habitat. Thompson briefly explained that Habitat for Humanity receives funding from USDA Rural Development and are to expect potential shortfalls in funding over the next year. Thompson expressed appreciation for Council and City staff and looks forward to continuing work in Fairmont.

## CONSENT AGENDA

Mayor Baarts introduced the consent agenda items as listed for consideration to be enacted by one motion unless requested that an item be removed and included under new business. Mayor Baarts reviewed the consent items, as follows:

- City Council Minutes from the Regular Meeting held October 14, 2024
- October 2024 Accounts Payable List
- Event Permit for Fairmont GLOWS, sponsored by Fairmont Area Chamber of Commerce on November 22, 2024
- Sale of the Gilcrest ProPaver to the Martin County Highway Department

Motion was made by Councilmember Maynard, seconded by Councilmember Hasek to approve the consent agenda. All present voted in favor. Motion carried.

## PUBLIC HEARING RESOLUTION 2024-34 Item 7.1

Mayor Baarts opened the public hearing on the 2024 Improvement Project. Matt Morris, resident of Woodland Avenue, expressed objection to the Woodland Avenue improvement assessment charge of \$54 per lineal frontage foot and believes the City should absorb more of the improvement cost as Woodland is a thoroughfare of Fairmont.

Motion was made by Councilmember Miller, seconded by Councilmember Maynard to close the public hearing. In discussion, Councilmember Kawecky shared the following constituent concerns:

- Mickey Donney, a resident of Albion Avenue, does not believe her high assessment amount is reflective of the minimal benefit she

received, considering she had no water or infrastructure improvements.

- Terry and Judy Leiding, residents of Woodland Avenue, have residential and agricultural property abutting the improvement, being assessed at the same rate.

Councilmember Maynard, who also had conversations with Woodland Avenue homeowners affected by the improvement, stated that a large part of the benefit from the Woodland Avenue reconstruction is not to the homeowners that live along the improvement, but to the City as a whole and that the City should absorb more of that cost. As Woodland Avenue is narrower than most streets and not equipped with a curb and gutter systems, affected homeowners are not getting as much street for their money.

Councilor Miller concurred with the comments made by Councilmember Maynard and inquired as to how the Woodland Avenue assessment costs were determined. Director York stated the City can assess for the following three types of projects:

- mill and overlay
- reconstruction
- resurfacing

Based on the type of bonds the City receives funding under, we are required to assess 20%. York stated staff assessed at the resurfacing rate of \$54.00 per linear foot and while not perfect, it met the standard of the City assessment policy and the 20% assessment rate threshold. York mentioned, Council will be asked to consider an updated assessment policy later in the meeting. York stated Council could consider adopting the new policy, applying the policy to the 2024 Woodland Avenue Projects and reassessing the affected property owners, at the newer, lower rate. Under the updated policy, the new rate would be \$43.13 per linear foot versus the current \$54.00 per linear foot, with a maximum frontage for a residential property of 150 feet.

Council discussion centered around reassessment under the new assessment policy. York noted assessment amounts to decrease under the new policy for the Woodland Avenue Project and increase for the Park Street Project, as water and sewer would be assessed under the new policy.

Further discussion was held on assessment deferral. Whether an assessment is deferred for a senior (someone at least 65 years of age) or for undeveloped property, bond funding is not affected. Under the current policy, assessments can be deferred for 30 years and would be lowered to 20 years under the new policy. York stated "if the goal is to

keep the land as agriculture, then a deferral meets the agreement” with no assessment payment so long as the land remains farmland and the deferral agreement expiring at the end of the term (currently 30 years).

Council inquired on the merit of the statutes listed and the agreement referenced in several of the objection letters. Staff reported they are unaware of such agreement existing and would need to conduct additional legal research regarding the statutes referenced.

Mayor Baarts revisited the prior motion made by Councilmember Miller, seconded by Councilmember Maynard to close the public hearing on the 2024 Improvement Program. All present voted in favor. Motion carried.

Mayor Baarts entertained a Motion to Adopt Resolution 2024-34: Adopting the Special Assessments for the 2024 Improvement Program. Motion was made by Councilmember Maynard, seconded by Councilmember Hasek to continue the hearing at 5:30 pm on January 13, 2025 with respect to the objections that have been filed. All present voted in favor. Motion carried.\*\*\*

Motion was made by Councilmember Miller, seconded by Councilmember Maynard to adopt Resolution 2024-34: Adopting the Special Assessments for the 2024 Improvement Program (excluding the assessments to which objections have been filed and the hearing continued). All present voted in favor. Motion carried.\*\*\*

\*\*\* Assessments to which objections were received and the hearing continued to January 13, 2025 at 5:30 pm are as follows:

Terry/Judy Leiding	1218 Woodland Avenue
Francis Crowley	1500 Woodland Avenue
Matt Morris	1315 Woodland Avenue
Fern Bulfer Rev, Trust	1701 Woodland Avenue
	1601 Woodland Avenue

**PUBLIC HEARING  
RESOLUTION 2024-40**

Mayor Baarts opened the public hearing on assessment of unpaid and delinquent city service charges. No comments were heard.

Motion was made by Councilmember Hasek, seconded by Councilmember Maynard to close the public hearing on the 2024 Assessment of Unpaid and Delinquent City Service Charges. All present voted in favor. Motion carried.

Motion was made by Councilmember Maynard, seconded by Councilmember Miller to adopt Resolution 2024-40: Adopting

Assessment for Unpaid and Delinquent City Service Charges. All present voted in favor. Motion carried.

**OLD BUSINESS**  
**ORDINANCE 2024-03**  
**Item 8.1**

Planning and Zoning Official Bode introduced agenda item 8.1 Consideration of Amending Fairmont City Code, Chapter 4 – Animals. Bode noted this is the second reading and final consideration of this proposed ordinance, which serves two purposes:

1) It clears up definitions about animals, separating them into three categories;

domestic animals: animals that can be kept in a home (i.e. dogs, cats)

nondomestic animals: (i.e. lions, tigers, bears)

farm animals: animals permitted in agricultural transition zone

2) It provides an exception for honeybees, allowing 2 hives per recorded residential lot, positioned 10 feet away from the property line with a zoning permit

Motion was made by Councilmember Maynard, seconded by Councilmember Miller to adopt Ordinance 2024-03: An ordinance amending Fairmont City Code, Chapter 4-Animals. In discussion, Councilmember Kawekci agreed that there was no action to be taken on this matter and was a waste of taxpayer dollars. On roll call, Councilmembers Maynard and Miller voted in favor thereof; Councilmembers Hasek, Kaweckci, and Lubenow voted against. Motion failed.

**NEW BUSINESS**  
**MOTION**  
**Item 9.A.1**

Director York shared that as part of the WOLD Facilities Study in 2022, security measures of City Hall (1<sup>st</sup> and 2<sup>nd</sup> floors) were discussed. York noted bids were received from the following vendors:

<u>Vendor</u>	<u>Quote</u>
Fairmont Glass	\$29,506
Vets Glass	\$42,185

Security modifications for both floors consist of an aluminum door with fob or key panel access and the installation of safety glass, with construction to take approximately 6-8 weeks.

Administrator Skaret stated the WOLD Facilities Study proposed some extensive renovations costing several hundreds of thousands of dollars and believes these to be good intermediate measure to ensure staff safety and provide visitor direction.

Councilmember Kawekci expressed concern spending money for said project, as much has changed since the WOLD Facilities Study and the future of the city hall building is uncertain (moving to an existing location, building a new building, etc).

Councilmember Maynard stated in any event, “we are not going to be out of this building, at a minimum for at least another year and I am not comfortable exposing staff that long.” Councilmember Hasek expressed support for the security measures.

Councilmember Lubenow and Councilmember Kawecki, separately, stated they are unaware of any safety concerns of staff and that if staff is fearful, the Council should be informed so Council, as a whole, can act together in staff’s best interest. Councilmember Miller voiced support of security measures but would have appreciated more communication on the issues surrounding the matter.

Administrator Skaret shared that this is not in response to one individual or one incident. Skaret reiterated this is not a new concern and that many staff have spoken to him.

Motion was made by Councilmember Maynard, seconded by Councilmember Miller to approve the purchase order with Fairmont Glass to build and install safety doors and windows on the 1<sup>st</sup> and 2<sup>nd</sup> floors of Fairmont City Hall. In discussion, Councilmember Kawecki stated she would like to see security cameras with voice recording, for when there are claims there is proof to back it up. Director York shared that obtaining quotes for those items do not pose a problem, however having someone monitor the cameras pose a bigger challenge along with the potential legal considerations. On roll call, Councilmembers Hasek, Kawecki, Lubenow, Maynard, and Miller voted in favor thereof. Motion carried.

**MOTION  
Item 9.A.2**

As part of the wastewater treatment plant project, testing services need to be conducted. The City received bids from American Engineering Testing (AET) and Terracon in the amounts of \$49,991 and \$97,547, respectively for geotechnical exploration and analysis.

Motion was made by Councilmember Lubenow, seconded by Councilmember Maynard to approve the purchase order with American Engineering Testing (AET) for testing services for the Wastewater Ultraviolet and Biosolids Project. All present voted in favor. Motion carried.

**MOTION  
Item 9.A.3**

At the last regular City Council meeting, discussion was held regarding a curb and gutter system along Lake Avenue, into the agricultural land. Director York stated the cost of adding curb and gutter to that area would be \$90,000 and reviewed the reasons for adding curb and gutter, as outlined on the staff memo and Bolton & Menk Memo in the agenda packet.

Discussion and questions centered around the location and necessity of a trail running along Lake Avenue, the cost of constructing a bike trail/curb and gutter presently versus at a later date, and the roadway material to be used. Based on Lake Avenue being an entry point to the City of Fairmont, and traffic counts, Director York believes concrete, while it may cost more, is a better use of city funds, with a longer lifespan and lower maintenance cost.

Troy Nemmers with Bolton & Menk mentioned that when building a rural section of road, the road is built up to put ditches in; with water draining off the road into the ditches and flowing into the drainage system. With curb and gutter, the street is dropped down with boulevards draining into the storm sewer system. Nemmers provided clarity stating "...just adding on curb and gutter isn't just adding on curb and gutter. It requires more than that the \$90,000 that is in the memorandum and does not take into account what that may cost at a future point in time."

Motion was made by Councilmember Lubenow, seconded by Councilmember Kawecki to not extend curb and gutter past Edison Drive going west to County Road 39/Bixby Road. On roll call, Councilmembers Kawecki and Lubenow voted in favor thereof; Councilmembers Hasek, Maynard, and Miller voted against. Motion failed.

Motion was made by Councilmember Maynard, seconded by Councilmember Miller to approve a curb and gutter system along the entire length of Lake Avenue from Bixby Road to Fairlakes Avenue, Project No: 24X.134344. On roll call, Councilmembers Hasek, Maynard, and Miller voted in favor thereof; Councilmembers Kawecki and Lubenow voted against. Motion carried.

Motion was made by Councilmember Maynard, seconded by Councilmember Miller to do Lake Avenue from Bixby Road (County Road 39) to Fairlakes Avenue in concrete. Councilmembers Hasek, Maynard, Miller and Lubenow voted in favor thereof; Councilmember Kawecki voted against. Motion carried.

Councilmember Kawecki reiterated that the number one citizen concern is road and infrastructure and to stretch funding as far as possible, but all these projects are expensive, and Council is not being good stewards of the taxpayer dollar.

Councilmember Maynard stood behind his motion saying, "there are times when it is beneficial to spend more money up front to save money down the road and that's exactly what building this road and concrete does."



**MOTION**  
**Item 9.B.1**

Director Hoye introduced the consideration to increase the City's life and accidental death and dismemberment (AD&D) insurance benefit. In comparison to other municipalities employing 50-100 employees, the benefit is \$25,000. As the City of Fairmont has not increased their benefit for at least 17 years, Staff recommends council increase the benefit to keep up with the market and offer competitive benefits. Hoye shared the total premium increase to increase the AD&D benefit from \$10,000 to \$25,000 amounts to \$4,500.

Motion was made by Councilmember Lubenow, seconded by Councilmember Maynard to approve increasing the City's Life and Accidental Death & Dismemberment (AD&D) Insurance Benefit to \$25,000. All present voted in favor. Motion carried.

**MOTION**  
**Item 9.C.1**

As the current Special Assessment Policy has not been updated since 1996 and is out of date when referencing Minnesota Statutes; Administrator Skaret provided background for agenda item 9.C.1, Consideration to Adopt an Updated Special Assessment Policy. Skaret reviewed the Staff Memo with Council, noting the following changes under the updated special assessment policy.

- 1) A percentage split of 70% - 30% will be utilized for assessments based off cost of the past three projects (current policy utilizes a flat fee per linear foot)
- 2) Cost of replacing the water and sewer service lines from the main to the property line will be included in the assessment (current policy does not address these items)
- 3) Assessments will be based on a 36-foot-wide street, regardless of the actual constructed width
- 4) Maximum front footage, for residential properties, is not to exceed 150 feet
- 5) Deferral length of time reduced to 20 years (current policy is 30 years)

Councilmember Lubenow supported assessing water and sewer service lines to property owners, but is hesitant to increase the percentage split of 70% - 30%, believing 30% to be too large of an increase.

Councilmember Maynard also supported adding the water and sewer assessment to the policy and considered assessing throughfares into Fairmont differently than other streets.

Motion was made by Councilmember Kawecki, seconded by Councilmember Maynard to table agenda item, item 9.C.1: Consideration to Adopt an Update Special Assessment Policy to the next council meeting (November 25, 2024). All present voted in favor. Motion carried.

**MOTION**  
**Item 9.C.2**

Administrator Skaret announced the City's current ordinance (covering lodging tax) dates back to 1990. Staff and City Attorney Brown made a minor change to the ordinance definition, with the new definition matching that of rental units in our rental housing ordinance.

Motion was made by Councilmember Lubenow, seconded by Councilmember Maynard to approve first consideration of Ordinance 2024-04: An Ordinance Amending Fairmont City Code, Chapter 14 – Licenses, Permits and Miscellaneous Business Regulations. All present voted in favor. Motion carried.

**MOTION**  
**Item 9.C.3**

Administrator Skaret introduced the next agenda item, 9.C.3, stating the County Commissioners approved a lease agreement, at their October 9, 2024 meeting, pertaining to the new County Justice Center Building (with facilities for the Police Department). The Commissioners would like to continue moving forward with the project and have a more solidified commitment from the City. After review by legal, it was recommended for council to hold discussion on some of the general agreement terms, with a full lease being presented to Council at a later day.

Skaret reviewed the general terms of the proposed agreement, as listed:

- 30 year lease term
- \$15,000/month lease rate for the first 10 years;
- A maximum annual lease rate increase of up to 5%, beginning in year 11 and subsequent years.
- The City provides it owns furnishings and equipment
- If the agreement is cancelled before the 30 year lease term, the City is responsible for lease payments until the term (30 years) is up or the space is leased or repurposed

County Attorney McGowan addressed Council stating "the \$15,000 a month is to cover the cost of constructing the police portion of the facility" and after 10 years...."a possibility of up to a 5% annual increase thereafter just to possibly cover the additional costs that come with maintenance of the building, utilities, etc."

Councilmember Lubenow expressed concern with the length of the lease, and the up to 5% annual increase beginning in year 11 and occurring thereafter. Councilmember Lubenow spoken of police departments across the county/state ceasing to exist with the Sheriff's Department taking over, and if such were to occur, the City shouldn't be bound to continue to pay for the lease.

Councilmember Kawecki agreed with Councilmember Lubenow's comments, questioned if a space analysis was conducted, and felt the agenda item was pushed upon Council.

Commissioner Kathy Smith approached the podium stating the County is looking for a commitment from the City so they can move forward with project design and if this isn't something the City wants to do, "that's ok and we understand."

Councilmember Maynard commented that Chief Hunter had been involved with the facility design process from inception, stressing the importance of shared services and facilities to avoid duplication, and believes language can be added to the agreement regarding dissolution of the local police force.

Motion was made by Councilmember Maynard, seconded by Councilmember Lubenow to approve the terms of the lease agreement as outline with the exception that council will attempt to negotiate a lower limit on the annual increase in rent and include a clause along the lines of "in the event of Fairmont Police Department dissolving, damages are one year of rent."

Prior to voting, Councilmember Lubenow stated to add the following wording to the motion "better lease language in the agreement per the City Attorney." City Clerk Steuber updated the motion, as requested, to "approve the terms of the lease agreement as outline with the exception that council will attempt to negotiate a lower limit on the annual increase in rent, include a clause along the lines of "in the event of Fairmont Police Department dissolves, damages are one year of rent" and include better lease language in the agreement per the City Attorney." Councilmembers Hasek, Lubenow, Maynard, and Miller voted in favor; Councilmember Kawecki voted against. Motion carried.

## **STAFF/LIAISON REPORTS**

Director York reported City Parks are closed for the winter and 2024 leaf pick-up started today.

Administrator Skaret reported receipt of the legal/editorial research report from American Legal on the City Ordinance project. Skaret contacted Fairmont Area Community Center representative to hold discussion on the operating and ownership agreements of the Community Center.

Councilmember Lubenow updated Council on his brief exit and return from the Mayo Clinic: Fairmont Public Form, stating room capacity was reached and neither himself nor Pat Oman were able to attend.

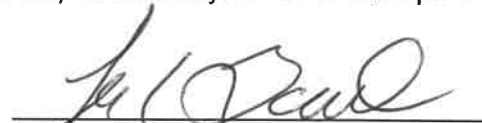
Councilmember Maynard reported the airport master plan committee met and were informed of the main runway needing to be shortened by 200' for the runway safety area.


Mayor Baarts reported on the upcoming Halloween festivities around Fairmont and thanked all police, firefighters, emergency responders, paramedics and all of those who protect life, evidence, property or the environment anytime during emergencies. Happy National First Responders Emergency Responders Day!

**ADJOURNMENT**

Motion was made by Councilmember Maynard, seconded by Councilmember Lubenow, to adjourn the meeting, as there was no further business to come before the Council. All present voted in favor. Motion carried. The Fairmont City Council adjourned at 8:08 p.m.

ATTEST:

  
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Lee C. Baarts, Mayor

  
\_\_\_\_\_  
Betsy Steuber, City Clerk