

The Cannon Falls City Council met in a regular session on Tuesday, August 4, 2015, at 6:30 p.m. in the City Council Chambers. Present were Mayor Robby Robinson and Council Members Bill Duncan, Jay Sjoblom, Morris Mattson, Rodney Holst, Cathy Gallups, and Merlyce Johnson. Also present were Ron Johnson, City Administrator; Lanell Endres, Assistant City Administrator; Dave Maroney, Community Development Director; Tom Bergeson, Public Works Director; Justin Padgett, Library Director; and Jeffrey McCormick, Police Chief.

Call to Order Mayor Robinson called the City Council Meeting to order at 6:30 p.m.

Pledge of Allegiance Mayor Robinson led in the recitation of the Pledge of Allegiance.

Approval of Agenda A motion was made by Council Member Johnson, seconded by Council Member Duncan and unanimously carried, to approve the Agenda as submitted.

Public Input Rosie Schluter, Stanton Township, expressed support for a proposed project to install upper body exercise equipment along the Cannon Valley Trail.

Consent Agenda

- A. Just and Correct Claims – Accounting Period Ending July 31, 2015
- B. Meeting Minutes for July 21, 2015, City Council Meeting
- C. Resolution 2141, Accepting a Monetary Donation to the Parks Department
- ~~D. Resolution 2142, Authorizing Removal and Replacement of Frontage Road Signs at Fourth Street South and 63rd Avenue~~  
Pulled by Council Member Mattson
- E. City Administrator First Annual Performance Review

A motion was made by Council Member Johnson, seconded by Council Member Duncan and unanimously carried, to approve the Consent Agenda, minus Item D.

Mediacom Franchise Renewal Update City Administrator Johnson provided background information regarding the Mediacom franchise renewal. Bob Vose, attorney with the law firm of Kennedy & Graven, outside legal counsel that has been providing assistance to the City with regard to cable franchise renewal discussions with Mediacom, provided an update. He described the cable franchise renewal process and reviewed progress to date. He reported that Mediacom had agreed to most of the City's requests, including utilizing the former franchise agreement as a template and continuing the 5% franchise fee. Mediacom initially agreed to continue the PEG (public, educational, and government

access) fee payments to the City but did not agree to a capital grant payment toward equipment upgrades. He added that if a significant grant payment was agreed upon, this amount would likely be recovered through higher customer fees, as is the practice of most cable companies. Mediacom had offered a \$30,000 grant payment, which they felt was a reasonable amount for equipment upgrades, with the understanding that Mediacom would collect and keep the PEG fees until this amount was paid back. Guidance was requested at this time from the City Council with regard to whether or not to grant another franchise extension while negotiations continued.

Council Member Johnson inquired what would happen if another extension was not granted. Mr. Vose explained that Mediacom has taken a position that, as long as franchise renewal negotiations continue, their franchise rights were extended by operation of law. He described the pros and cons of granting another franchise agreement extension, stating that it was extremely unlikely that Mediacom would discontinue services. Council Member Johnson inquired whether Mediacom had commented with regard to quality concerns. Mr. Vose stated that Mediacom had not specifically addressed these concerns but stated their position that the number of customer complaints was not inordinate compared to other communities, adding that the cable industry in general experiences a low level of customer satisfaction. Council Member Johnson inquired with regard to other cable franchise options. Mr. Vose stated that there were competing companies operating in Minnesota but had no specific information to offer in this regard.

Mayor Robinson inquired with regard to budget impacts if the PEG payments were discontinued. Administrator Johnson indicated that a portion of Mike Gesme's salary has been funded from PEG payments. Mr. Vose added that PEG fees generate approximately \$7,500 annually at the current \$1.25 rate and described discussions related to equipment upgrades.

Council Member Johnson inquired with regard to the proposed equipment upgrades. Mike Gesme provided additional information. Mr. Vose explained that Mediacom would have the right to recover grant money from customers. Council Member Gallups inquired with regard to cable usage. Mayor Robinson indicated that cable usage is sizable. Council Member Johnson added that other options are not available to many customers.

Council Member Johnson inquired with regard to the need for significant equipment upgrades, especially if this amount would ultimately be funded by cable customers. Mayor Robinson asked Mike Gesme to comment with regard to necessary versus desirable equipment needs. Mr. Gesme suggested compiling an itemized list. He added that the original quote was to upgrade all of the equipment, not just what was used for PEG access.

Mr. Vose highlighted positive aspects of the discussions with Mediacom.

A motion was made by Council Member Johnson, seconded by Council Member Holst and unanimously carried, to reject the extension of the Mediacom cable franchise agreement. Mr. Vose stated that he would continue working to negotiate favorable franchise agreement terms with Mediacom.

Resolution 2142,  
Authorizing Removal  
and Replacement of  
Frontage Road Signs  
at Fourth Street South  
and 63rd Avenue

Council Member Mattson stated that he has had some conversations with regard to signage in the southern area impacted by the new interchange. He suggested tabling a decision on this issue in order for more information to be gathered from local businesses and other groups. Council Members discussed the fact that streets are referred to by different names. Police Chief McCormick provided rationale for the language contained in Resolution 2142. Community Development Director Maroney provided additional background information with regard to discussions with MnDOT, Goodhue County, and Dakota County regarding improved signage at all access points. Council Member Mattson commented with regard to motorist confusion. Director Maroney provided clarification with regard to signage jurisdiction, adding that signage will continue to be reviewed and improved. Chief McCormick commented with regard to street labeling and online map data, stating that it takes a period of time for street names to be revised.

A motion a made by Council Member Johnson, seconded by Council Member Duncan and unanimously carried, to adopt Resolution 2142.

Staff Reports

Community Development Director Maroney provided an update with regard to demolition of the former hospital building and site redevelopment.

Adjournment            The meeting adjourned at 7:23 p.m.

Adopted by the City Council of the City of Cannon Falls on the 18<sup>th</sup> day of August, 2015.

ATTEST:

\_\_\_\_\_  
Lyman M. Robinson, Mayor

\_\_\_\_\_  
Ronald S. Johnson, City Administrator