

The Cannon Falls City Council met in a regular session on Tuesday, May 3, 2016, at 6:30 p.m. in the City Council Chambers. Present were Mayor Robby Robinson and Council Members Jay Sjoblom, Morris Mattson, Rodney Holst, Cathy Gallups, Merlyce Johnson, and Lynne Berg. Also present were Ron Johnson, City Administrator; Lanell Endres, Assistant City Administrator; Dave Maroney, Community Development Director; Tom Bergeson, Public Works Director; Greg Anderson, City Engineer; Jeffrey McCormick, Police Chief; and PEG Access TV Coordinator Mike Gesme.

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

Roll Call All members were present.

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 Holst and unanimously carried, to approve the Agenda as submitted.

Public Input There was no public input.

Public Hearings:

Resolution 2198,
Certifying Unpaid
Utility Charges to be
Collected with Taxes Assistant City Administrator Endres provided background information, stating that the amounts listed in the original resolution adopted in February were incorrect due to administrative charges not being included. The City Attorney has recommended that the amounts be adjusted and a second Public Hearing held. Mayor Robinson opened the Public Hearing at 6:32 p.m. No one came forward to speak. Mayor Robinson closed the Public Hearing at 6:33 p.m.

A motion was made by Council Member Johnson, seconded by Council Member Holst and unanimously carried, to adopt Resolution 2198.

Resolution 2199,
Certifying Unpaid
Utility Charges to be
Collected with Taxes Assistant Administrator Endres provided background information, stating that this Public Hearing pertains to unpaid utility charges during the first quarter of 2016. The Public Hearing will provide an opportunity for public input with regard to these charges and potential assessments. Mayor Robinson commented that the amount of unpaid utility charges has remained relatively steady from quarter to quarter. Mayor Robinson opened the Public Hearing at 6:34 p.m. No one came forward to speak. Mayor Robinson closed the Public Hearing at 6:35 p.m.

A motion was made by Council Member Johnson, seconded by Council Member Holst and unanimously carried, to adopt Resolution 2199.

Consent Agenda

- A. Just and Correct Claims – Accounting Period Ending April 29, 2016
- B. Meeting Minutes for April 19, 2016, City Council Meeting
- C. Award 2016 Sealcoat Project
- D. Approve Transportation Alliance Fly-In Expenses
- E. National Police Week Proclamation
- F. Resolution 2200, Accepting a Donation from the VFW for the Ambulance Department
- G. Resolution 2201, Accepting a Donation from Hugh and Mary McDonald for the Parks Department

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

Council Business:

2015 Audit
Presentation

Assistant Administrator Endres introduced Brad Falteysek, CPA from Abdo, Eick & Meyers, who presented the 2015 City Audit results.

1. Management Letter.

The Management Letter was reviewed, which provides a summary of the audit process and the audit results.

Mr. Falteysek reported that the City is being given a clean, unmodified opinion that everything is materially stated in accordance with generally accepted accounting practices. He commented that the City's financial records were in good order. Management responsibilities and compliance issues were reviewed. New accounting standards relative to pension plans were discussed. Mr. Falteysek reported a healthy general fund balance. A summary of total revenues and total expenditures compared to the 2015 budget was reviewed. Revenues came in approximately \$125,000 over budget, and expenditures came in approximately \$170,000 under budget, resulting in a budget excess (revenues over expenditures) of nearly \$300,000. Variances from budget were described. Fund transfers and fund balances were reviewed. Comparisons with other cities were discussed.

2. Annual Financial Report.

The Annual Financial Report was summarized. Pension plan information was reviewed.

A motion was made by Council Member Johnson, seconded by Council Member Berg and unanimously carried, to accept and approve the 2015 City Audit as presented.

Reports:

Staff

Community Development Director Maroney reported that the Planning Commission will not be meeting in May. He reported that the property at 432 Mill Street has been purchased for the brewery, with closing of an EDA loan for equipment anticipated within the next 30 days or so.

City Engineer Anderson provided an update regarding the West Side II street improvement project. A resident open house is scheduled on May 5. The project is expected to begin the week of Memorial Day, with work beginning on Hoffman Street and the contractor working from east to west.

Public Works Director Bergeson reported on the loss of a female swan last week. A loaner male swan remains, and direction is requested from the Council with regard to how to proceed. A reminder was provided with regard to the City-wide clean-up day on May 21 from 8 a.m. until noon.

Police Chief McCormick provided an update with regard to water flow rates and river levels. He indicated that he spoke with a representative from Dakota County regarding efforts to raise the lake level. The reservoir is now back up to the normal winter level. It is anticipated that the normal summer level will be reached by mid to late May. At that point water flow rates are expected to return to normal.

Administrator Johnson discussed an email from Senator Matt Schmit related to the Senate capital investment bill. The sanitary sewer bridge and the Highway 52 overpass were not listed as line items in this bill. Senator Schmit indicated that the bill provides funding for the Minnesota Public Facilities Authority and transportation accounts.

Administrator Johnson commented with regard to the recent "kerfuffle" related to the lack of communication from MnDOT about the planned temporary interchange closure. A meeting was held for discussion of this topic on April 29, and Administrator Johnson indicated his understanding that this project will be delayed until after the County Road 86 project has been completed.

Mayor and Council

Council Member Berg suggested that Director Bergeson research the possibility of obtaining a pair of replacement swans, including the cost, and make a recommendation to the City Council. Council Member Gallups asked how old the swans would be. Director

Bergeson recommended that a breeding pair should be approximately a year old.

Mayor Robinson requested that Mike Gesme provide a cable system update. Mr. Gesme reported that Mediacom is transitioning their system to an all-digital platform and that the remaining analog channels will be removed on or about June 21. Mediacom will provide free digital boxes for one year. With regard to the franchise agreement, the Cable Commission met last week and reviewed the draft agreement. Mr. Gesme referenced six issues that remain to be negotiated, three of which refer to legal language in the agreement, with the other three issues related to the community access channel. These issues surround placement of the channel, with the City requesting that Channel 12 be maintained; the City's position that the access channel be broadcast in high definition; and the ability to continue to do live broadcasts from various locations. Council Member Mattson commented with regard to challenges associated with broadcasting from local athletic fields. Mr. Gesme commented that the technicians do try to locate equipment that will work with the City's older systems.

Mayor Robinson asked about the possibility of contacting other cable providers. He recommended continued work on the agreement, commenting that a lot of people depend on community access channel programming. Council Member Berg asked about competition. Mr. Gesme commented that Mediacom owns all of their own cabling, so another cable company would have to replace all of the cable lines. He added that there is nothing in the draft agreement that would make it an exclusive franchise. Council Member Mattson commented that if a new company was interested in providing service, this would create an opportunity for the equipment to be upgraded. Council Member Berg asked if any other cable companies have been approached about investing in Cannon Falls. Administrator Johnson indicated that there is a company that has expressed interest but has not yet submitted a letter of application. Council Member Berg suggested pursuing this option.

Mayor Robinson expressed disappointment with regard to Cannon Falls projects being excluded from the Senate capital investment bill. He commented that the City will continue to work with its legislators. He provided an update regarding pending legislation to try to address the high cost of health insurance and efforts to realign the regions, which will require a Federal waiver.

Mayor Robinson congratulated the Cannon Falls High School speech team on their state championship.

Adjournment

The meeting adjourned at 7:16 p.m.

Adopted by the City Council of the City of Cannon Falls on the 17th day of May, 2016.

Lyman M. Robinson, Mayor

ATTEST:

Ronald S. Johnson, City Administrator