

The Cannon Falls City Council met in a regular session on Tuesday, September 20, 2016, at 6:30 p.m. in the City Council Chambers. Present were Mayor Robby Robinson and Council Members Jay Sjoblom, Morris Mattson, Cathy Gallups, Merlyce Johnson, Lynne Berg, and Cedar Abadie. 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; Tim Malchow, EMS Chief; Joe Berg, Police Lieutenant; and Jacob Edwinson, Police Officer

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 the recitation of the Pledge of Allegiance.

Approval of Agenda Mayor Robinson requested a change in the order of the Agenda, moving the Council action ahead of public input. A motion was made by Council Member Berg, seconded by Council Member Gallups, to approve the requested change. A motion was made by Council Member Johnson, seconded by Council Member Berg and unanimously carried, to approve the Agenda as amended.

Council Action: Resolution 2221, Appointing Council Member to Fill Vacancy Mayor Robinson discussed the vacancy created by the resignation of Rodney Holst. He introduced candidate Cedar Abadie, reviewed her background and experience, and recommended her appointment to the City Council to complete the term of former Council Member Holst.

A motion was made by Council Member Johnson, seconded by Council Member Gallups and unanimously carried, to approve the appointment of Cedar Abadie to fill the vacant City Council seat. City Administrator Johnson administered the Oath of Office for Council Member Abadie.

Public Input Lisa Bayley introduced herself, stating that she is running for the Minnesota House of Representatives to represent District 21A. She reviewed her background and experience and discussed some of the concerns that have been expressed by Cannon Falls residents with whom she has spoken. She discussed her interest in local government and commented with regard to how decisions made at the State level impact City and County governments. She stated that she has felt very welcomed in Cannon Falls and discussed her goal of being a strong advocate for this area.

Presentation: Minnesota Toward Zero Deaths (TZD) Presentation Police Officer Edwinson discussed safety initiatives and introduced Jessica Seide, Community Health Specialist at Goodhue County Health and Human Services and TZD Safe Roads Grant Coordinator.

Ms. Seide described the TZD program, which focuses on education, emergency medical and trauma services, enforcement, and engineering. She discussed the partnership with seven local law enforcement agencies. She provided details with regard to the Safe Roads grant program and the TZD enforcement grant program. She discussed the positive impact that the TZD program has had on fatalities on Minnesota roads and reviewed 2015 crash data, which unfortunately showed an increase in traffic fatalities. Local crash data were also reviewed. The goals of the Fatal Review Committee were discussed, and key traffic safety messages were highlighted. Ms. Seide discussed TZD program participation in community events and public outreach. Mayor Robinson thanked Ms. Seide for providing this information.

Consent Agenda

- A. Just and Correct Claims – Accounting Period Ending September 16, 2016
- B. Meeting Minutes for September 6, 2016, City Council Meeting
- C. Meeting Minutes for September 15, 2016, City Council Work Session
- ~~D. Winery Liquor License Application Pulled by Council Member Mattson~~
- E. Second Reading and Adoption of Ordinance 346 and Summary of Publication, Authorizing Sale of City-Owned Real Property
- F. Second Reading and Adoption of Ordinance 347 and Summary of Publication, Amending Chapter 152 of the Cannon Falls City Code, The Zoning Ordinance, Concerning the Residential Business District, the Highway Business District, and Rezoning Property to B-2
- G. Winery Fall Festival Alley Closure
- ~~H. Resolution 2217, Providing for MN State Retirement System / Health Care Savings Plan (MSRS / HCSP) for Non-Collective Bargaining Unit / Non-Department Head Employees Pulled by Council Member Berg~~
- ~~I. Resolution 2218, Amend Personnel Policy to Approve MN State Retirement System / Health Care Savings Plan (MSRS / HCSP) for Department Heads Pulled by Council Member Berg~~

A motion was made by Council Member Johnson, seconded by Council Member Mattson and unanimously carried, to approve the Consent Agenda as submitted, minus Item D, H, and I.

Council Business:
Resolution 2219,
Authorizing
\$4,015,000 in General
Obligation Refunding
Bonds

George Eilertson from Northland Securities provided background information. He provided an overview of the Finance Plan. He stated that the bonds under discussion include 2011 and 2013 bonds, the proceeds of which were used to finance street and utility improvement

projects. He discussed the advance refunding process, which is allowed one time during the life of a bond issue, provided at least 3% present value savings can be achieved. Mr. Eilertson discussed the favorable municipal bond market. He explained that City can consider the issuance of one advance refunding bond to refinance these two bonds. The financing terms would remain the same, with a goal to lower both the interest rate and the annual payment. Based upon the current market, the blended average interest rate would be approximately 1.6%, which would generate approximately \$234,000 in total net savings over the remaining term of the bonds, minus associated fees. Mr. Eilertson stated that if Resolution 2219 is adopted, a bond sale would be tentatively scheduled on October 18.

A motion was by Council Member Johnson, seconded by Council Member Berg and unanimously carried, to adopt Resolution 2219, authorizing a competitive negotiated sale of \$4,015,000 in general obligation crossover refunding bonds, Series 2016B, and approve the related Municipal Advisor Agreement with Northland Securities, Inc.

Mayor Robinson clarified that the Council will vote to approve a preliminary tax levy at this time, which may be reduced at the time that the levy is finalized in December. He added that the preliminary levy will be used to calculate the proposed property tax statements issued by Goodhue County.

Resolution 2220,
Adopting the
Preliminary Tax Levy
and Budget
Collectible in 2017
and Setting a Public
Meeting Date

Administrator Johnson provided background information, stating that the Council has previously met in workshop sessions to work on the 2017 budget. He explained that the proposed levy increase of 9.9% does not necessarily translate into a 9.9% increase in property taxes. He reviewed the anticipated increase in tax capacity for the City of Cannon Falls. The proposed levy increase, combined with the increase in tax capacity, will result in an estimated tax rate increase of approximately 5.819%. The annual tax impact on a \$100,000 home would be approximately \$36. Administrator Johnson reviewed the levy and budget approval process, stating that if Resolution 2220 if adopted, this will establish the preliminary levy and budget and schedule a public meeting on December 6 to accept public input. Additional work sessions will be scheduled for further discussion of the levy and budget.

Mayor Robinson provided rationale for the increased levy percentage, including anticipated increases in health insurance premium costs. He reiterated that the final levy increase may be able to be reduced.

Administrator Johnson commented that the 2017 budget includes the

addition of a half-time employee to assist with planning and economic development activities. He discussed the proposed 2% wage increase. He discussed a proposed fund transfer from existing reserves in order to hold down the levy increase. Council Member Berg commented with regard to bond payment obligations.

A motion was made by Council Member Johnson, seconded by Council Member Berg and unanimously carried, to adopt Resolution 2220, adopting the preliminary levy and budget collectible in 2017 and setting the public meeting date for December 6.

Approve Winery
Liquor License

Council Member Mattson requested clarification of the liquor license request. Lieutenant Berg discussed the intent to utilize the west side of the building as a patio area. Parking issues were discussed. Community Development Director Maroney commented that the original liquor license defined the premises of liquor sales to include only the building. The additional property to the west of the building was not included in the original liquor license. He stated his understanding that the current liquor license request was submitted to cover the festival. Council Member Mattson commented that the alley will be closed during the festival. He expressed opposition to the request, citing parking issues and safety concerns. Director Maroney provided additional information related to the request. Lieutenant Berg stated his understanding that the request is being made relative to use of the sidewalk during the festival. Council Member Mattson requested that a temporary liquor license be requested for the festival, similar to the process followed for other community events. Council Member Berg commented with regard to use of the sidewalk during events, stating that she has no issues with the request as long as the area is roped off. Council Member Mattson reiterated his concerns. Director Maroney commented with regard to the pedestrian area. Council Member Mattson suggested seeking clarification of the request. A motion was made by Council Member Johnson, seconded by Council Member Mattson and unanimously carried, to table action on this item pending receipt of further information.

Resolution 2217,
Providing for MN
State Retirement
System / Health Care
Savings Plan (MSRS /
HCSP) for Non-
Collective Bargaining
Unit / Non-
Department Head
Employees

Council Member Berg stated that she pulled Resolution 2217 and Resolution 2218 from the Consent Agenda for discussion purposes, commenting that it would be helpful for the public to receive more information. Mayor Robinson provided additional background and information related to discussion of this topic by the Personnel Committee.

A motion was made by Council Member Berg, seconded by Council Member Johnson and unanimously carried, to adopt Resolution 2217.

Resolution 2218,
Amend Personnel
Policy to Approve MN
State Retirement
System / Health Care
Savings Plan (MSRS /
HCSP) for
Department Heads

A motion was made by Council Member Johnson, seconded by Council Member Berg and unanimously carried, to adopt Resolution 2218.

Reports:

Staff

Mayor Robinson expressed appreciation to department heads and City staff for their work on the 2017 budget.

Public Works Director Bergeson provided an update with regard to the West Side street improvement project.

Ambulance Director Malchow reported that the Cannon Falls Ambulance Service received notification of a \$27,600 Assistance to Firefighters Grant, with the Ambulance Department cost share being \$1,380. He reported that the grant funding will be used to purchase much-needed equipment. Director Malchow expressed appreciation for the assistance he received in writing and submitting the grant application.

Lieutenant Berg commented with regard to the TZD program. He expressed appreciation to Officer Edwinson and Coordinator Seide for their work. Lieutenant Berg stated that river levels continue to be monitored. Mayor Robinson commented with regard to flooding predictions and the law enforcement partnership involved in the TZD program.

Administrator Johnson provided an update regarding the Legacy Grant application to help fund the design of the Third Street Bridge project. He reported that he and Goodhue County Engineer Greg Isakson will be providing a brief presentation to the grant review committee on September 22. He reported that Goodhue County recently completed an annual inspection of the bridge, with an estimated \$6,000 in repairs needed.

Administrator Johnson reported that the Public Works Commission meeting scheduled on October 4 has been cancelled.

Administrator Johnson reported that he will be attending an International City/County Management Association meeting in Kansas City.

Mayor and Council

Council Member Berg expressed appreciation to Director Bergeson for working with the tree trimmers. Director Bergeson commented that the Xcel Energy Forester advised him to let property owners know that they can request that a tree be cut down completely.

Council Member Sjoblom asked whether a final walk-around will be conducted to make sure that the West Side project has been completed appropriately. Director Bergeson stated that a final walk-through will be conducted with a punch list.

Council Member Mattson inquired with regard to roundabout intersection signage. Director Maroney commented regarding discussions with a Twin Cities sign manufacturer and Goodhue County Engineer Greg Isakson related to obtaining signage for the easternmost and westernmost roundabouts.

Adjournment

The meeting adjourned at 7:26 p.m.

Adopted by the City Council of the City of Cannon Falls on the 4th day of October, 2016.

Lyman M. Robinson, Mayor

ATTEST:

Ronald S. Johnson, City Administrator