

The Cannon Falls City Council met in a regular session on Tuesday, November 15, 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, Lynne Berg, and Cedar Abadie. Council Member Merlyce Johnson was absent. Also present were Ron Johnson, City Administrator; Lanell Endres, Assistant City Administrator; Greg Anderson, City Engineer; Roger Knutson, City Attorney; Tom Bergeson, Public Works 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 Berg, seconded by Council Member Abadie, to approve the Agenda as submitted. City Administrator Johnson requested removal of Item J, the Conditional Use Permit Request for Dudley's Pizza, from the Consent Agenda, stating that the Planning Commission deferred action on this request until the December Planning Commission meeting. Administrator Johnson also reported that a different version of Resolution 2240 will be distributed for Council review and approval, based on discussion during the November 14 Planning Commission meeting. A motion was made by Council Member Abadie, seconded by Council Member Berg and unanimously carried, to approve the Agenda as amended.

Public Input There was no public input with regard to items not listed on the Agenda.

Public Hearing:  
Resolution 2232,  
Adopting  
Assessments for the  
West Side II  
Improvement Project

City Administrator Johnson provided background information and an update regarding the proposed assessments for the West Side II improvement project. He reported that the preliminary assessments were estimated at approximately \$7200 for a majority of the property owners. The proposed assessments for 90% or more of the property owners have been reduced to \$5521.41. City Engineer Anderson provided a project overview. He pointed out the project area on an aerial photo and reported that the project has been completed except for a few final punch list items. He indicated that once the Council had approved the final pay application, the one-year warranty period would begin. He reviewed the assessment amounts, which were calculated on a per-unit basis. He commented that four parcels which did not have water services connected were adjusted to \$3473. He commented that six parcels were assessed only for street improvements at \$2240, as water and sewer services were located on a side street that was not part of the project. One unit had sewer services off a side street, resulting in a street and water assessment of \$4287.72. He referenced the assessment roll.

Council Member Abadie requested clarification of assessments for a parcel that had no sewer assessment and a parcel that had a street-only assessment, both with the same owner and street address. Mr. Anderson clarified that these assessments refer to two separate parcels.

Council Member Berg asked, for informational purposes, how the assessed value per unit was determined. Mr. Anderson reviewed the assessment calculation method, which included assessing 20% of the total project cost, divided by the number of benefiting parcels.

Mayor Robinson opened the Public Hearing at 6:39 p.m.

Mary Horwath, 411 North Fifth Street, Cannon Falls, indicated that her property is not included on the map shown by Mr. Anderson but had been included on the assessment roll. She stated that they have a well on their property and that their property was not physically located on State Street. She stated her objection to the proposed assessments. Mr. Anderson clarified that the water main was placed all the way down to the hydrant at the bridge, including future water service for this parcel. He clarified that this property does front the project on State Street. Administrator Johnson reported that this was a unique situation, with an apparent agreement that this property would not be required to hook up to City water services until it was sold. He suggested a deferment of the water service assessment. Council Member Berg clarified that the assessment would be deferred until the property was sold, at which point the assessment would be due. Council Member Berg asked how the ordinance requiring residents to hook up to City water and sewer services affected this property. Administrator Johnson referenced a note in the file pertaining to a prior agreement. Ms. Horwath commented that their property was purchased before the City ordinance went into effect. City Attorney Knutson commented that this would not have resulted in their property being grandfathered in and not subject to City ordinance. Council Member Berg commented that exceptions were made for some property owners in the past, allowing for deferment of water and sewer service hook-up until properties were sold. Ms. Horwath reported that they purchased their home in 2004 and that a conversation took place with City Administrator Aaron Reeves two years ago, who indicated that their property would be grandfathered in. Ms. Horwath commented that, if their property was assessed, they would be paying for services that they would not be receiving. She added that they were already paying the same utility charges as their neighbors. Public Works Director Bergeson clarified that a flat rate sewer charge had been established for properties that have not been

hooked up to water services. Ms. Horwath indicated that she was disabled and that the assessment would result in a financial hardship. She added that if they were required to hook up to City water services, they would need to sell their home. Council Member Abadie commented that the value of the home would be increased by its ability to be readily hooked up to City water services. The assessment deferment application process was discussed. Council Member Berg commented that assessment deferment has been offered to property owners, based on their age and/or disability. The assessment would be due at the time the property was sold, with the buyer and seller negotiating responsibility for paying the assessment.

Shirley Beckman, 221 North Dow, Cannon Falls, reported that their property was assessed 15 years ago when Dow Street was improved. She stated her understanding that a corner property would not be assessed twice. Council Member Berg commented that she lives on a corner lot and has been assessed twice. She requested clarification of the assessment policy. Mr. Anderson indicated that the assessment amount may be prorated. He indicated that he would work with Assistant City Administrator Endres to confirm this.

Paul Otte, owner of property located at 922 Mill Street, Cannon Falls, asked when the assessment would need to be paid in order to avoid interest charges. He commented that York Street was improved in 1998 and inquired with regard to whether his assessment could be prorated. It was stated this property assessment would also be reviewed. Council Members suggested reviewing the assessment policy and cross-checking properties located on corner lots.

Mayor Robinson reviewed a written appeal from Kenneth and Barb Olson, 1022 Main Street West, Cannon Falls, stating that the proposed assessments are unfair based on the infrastructure improvements made for each of the four condo units in this building. Council Member Abadie reviewed a letter from another member of the West Side Condo Association, 1022 West Main Street, Cannon Falls, also appealing the assessments for this property. Council Member Berg requested an opinion from the City Attorney. City Attorney Knutson commented regarding Council discretion with regard to application of the assessment calculation formula. He commented that other cities address condo units differently, adding that use of the street may be utilized as a factor. Mr. Anderson commented that each unit was assessed as a separate parcel for street and sewer improvements. Council Members Berg and Abadie commented that the Council should decide whether to divide the sewer assessment portion among the four units, which were all

hooked up to one sewer connection. Council Member Berg inquired regarding monthly sewer charges, and Director Bergeson provided additional information in this regard. It was clarified that the diameter of the sewer pipe used was slightly larger.

Mayor Robinson asked whether anyone else wished to address the Council during the Public Hearing. No one came forward to speak. Mayor Robinson closed the Public Hearing at 7:14 p.m.

Council Member Berg recommended that an assessment deferment process be initiated for Mary Horwath. She recommended that the assessment amounts for corner lots be researched for Shirley Beckman and Paul Otte.

With regard to the condo units, Council Member Berg stated that it was up to the Council to determine whether sewer assessment adjustments were warranted, adding that only two condo owners expressed concerns. Council Member Abadie reviewed the sewer assessment amounts and potential options for the four units, stating that if the sewer assessment portion was divided among the four units, the City would lose \$3701.08 in assessment revenue. Administrator Johnson clarified that all four condo unit owners have expressed concerns related to the proposed assessments. Mayor Robinson commented that the difference in assessment revenue would ultimately be paid by the residents of Cannon Falls. Council Member Berg commented that this decision could establish a precedent for future condo assessments. Council Member Sjoblom inquired regarding other condo units affected by the East Side project. Council Member Abadie commented that all four units utilize the same sewer line. Council Member Sjoblom inquired whether water usage data could be utilized. It was stated that each unit pays for water usage separately.

A motion was made by Council Member Berg to adopt Resolution 2232 approving the assessments as listed, with the exception of initiating a deferment process for the property located 411 North Fifth Street, for the City to review the assessment policy related to corner lots and make any appropriate assessment adjustments, and assess the condo units located at 1022 Main Street West one-quarter per unit for the sewer component of the assessment along with the full street assessment. The communication process for affected property owners was discussed. The motion was seconded by Council Member Gallups. Assessment amounts for the condo units were clarified. Mayor Robinson commented with regard to treating property owners fairly. Council Member Abadie discussed the

importance of articulating factually-specific reasons for the Council's decision in the letters to the condo owners for future reference. City Attorney Knutson also recommended periodically reviewing and potentially amending the City's assessment policy. A vote was taken, and the motion carried unanimously.

Resolution 2233,  
Adopting  
Assessments for  
Property Clean-Up

Assistant City Administrator Endres provided background information regarding potential assessments for property clean-up charges, stating that payments have been received from three property owners and that there was now just one outstanding parcel. Council Member Abadie commented that there were also delinquent utility assessments attached to this property. Mayor Robinson opened the Public Hearing at 7:28 p.m. No one came forward to speak. Mayor Robinson closed the Public Hearing at 7:29 p.m.

A motion was made by Council Member Mattson, seconded by Council Member Sjoblom and unanimously carried, to adopt Resolution 2233 for the assessment of property clean-up charges.

Consent Agenda

Administrator Johnson requested a 10-minute recess in order to consult with the City Attorney regarding a Consent Agenda item. The meeting was recessed at 7:35 p.m. Mayor Robinson reconvened the meeting at 7:45 p.m.

Mayor Robinson reported that no action would be taken related to Consent Agenda Item F relating to the canvassing of election results and that the meeting will be reconvened on November 17 at 6:30 p.m. for discussion of this item.

- A. Just and Correct Claims – Accounting Period Ending November 10, 2016
- B. Meeting Minutes for November 1, 2016, City Council Meeting
- C. Meeting Minutes for November 1, 2016, City Council Work Session
- D. Resolution 2234, Authorizing 2017 City License Renewals
- E. Hire PEG Access Technician
- F. Resolution 2235, To Canvass Returns and Declare Election Results from City General Election\*

\*At the request of the City Attorney, no action was taken with regard to this item during the meeting on November 15. Mayor Robinson reported that the meeting would reconvene with regard to this item on Thursday, November 17, at 6:30 p.m.

- G. Resolution 2236, Accepting Donation of Land from James and Debra Althoff
- H. Resolution 2237, Accepting Donation of Land from Gail Olson

- I. Resolution 2238, Approving State of Minnesota Joint Powers Agreements with the City of Cannon Falls on Behalf of its City Attorney and Police Department
- ~~J. Resolution 2239, Approve Conditional Use Permit for Dudley's Pizza This item was removed from the Consent Agenda.~~
- ~~K. Resolution 2240, Approve Conditional Use Permit for SpartanNash (Econofoods / Family Fare) Pulled by Council Member Berg~~
- ~~L. Third Street Bridge Emergency Repair Pulled by Council Member Berg~~

A motion was made by Council Member Sjoblom, seconded by Council Member Gallups and unanimously carried, to approve the Consent Agenda, minus Items F, J, K, and L.

Resolution 2240,  
Approve Conditional  
Use Permit for  
SpartanNash  
(Econofoods / Family  
Fare)

Council Member Berg requested information with regard to the Public Hearing and discussion that occurred during the Planning Commission meeting regarding the conditional use permit request made by Spartan Nash (EconoFoods/Family Fare). She commented that updated information was distributed related to Resolution 2240 subsequent to the Planning Commission discussion. Council Member Sjoblom discussed concerns related to traffic flow through the parking lot. He indicated that realignment of some of the parking stalls on the east side of the building and changes to the traffic pattern were discussed. Police Chief McCormick commented that the parking lot area was private property. Administrator Johnson provided additional background information with regard to the Planning Commission discussion related to parking and traffic flow. He pointed out the area under discussion on an aerial photo. He stated that the applicant was directed to submit a traffic plan and indicated that the City would work with the applicant on installing the appropriate signage on their property. Council Member Berg commented with regard to current traffic patterns. Chief McCormick commented regarding the existing alleyway, half of which is one-way and the other half is bi-directional. He stated that if parking shifts were made, it may make sense from a traffic safety standpoint to change this to a one-way alley. He suggested further discussion by the Public Works Commission and input from impacted businesses prior to further Council review. Council Member Berg requested clarification related to traffic flow through the area, and additional information was provided. Concerns related to potential confusion were discussed. Mayor Robinson commented regarding challenges related to installing a drive-through pharmacy pick-up window in this area. Council Member Berg commented that construction had already begun. It was clarified that City Council approval of a

Conditional Use Permit for the drive-through window would be required. Council Member Berg indicated that she was not comfortable approving the CUP until concerns related to traffic flow and potential impacts on surrounding businesses had been addressed. Administrator Johnson recommended that the City Engineer and the Police Chief work with the applicant to address concerns from a public safety standpoint.

A motion was made by Council Member Berg, seconded by Council Member Gallups and unanimously carried, to table action on Resolution 2240 until the Planning Commission and the Public Works Commission have had an opportunity to review and comment with regard to the traffic plan prepared by the applicant.

Third Street Bridge  
Emergency Repair

Council Member Berg commented that she pulled the agenda item regarding the Third Street Bridge emergency repair for informational purposes. Administrator Johnson provided background information with regard to the need for emergency bridge repair and reported that proposals were being solicited. He added that grant funding had been approved toward planning for a long-term rehabilitation project.

A motion was made by Council Member Gallups, seconded by Council Member Berg and unanimously carried, to direct staff to accept the lowest responsible proposal to complete emergency repairs on the Third Street Bridge.

Staff Reports

Director Bergeson commented with regard to winter planning. He reported that a contest would be conducted to name the swans.

Chief McCormick provided a reminder with regard to winter parking rules. He also commented with regard to upcoming events.

Administrator Johnson provided additional information with regard to a grant award of \$161,000 toward redevelopment and construction plans and specifications for the Third Street Bridge through the Minnesota Historical and Cultural Heritage Grant Program. He expressed appreciation to Greg Isakson, Goodhue County Engineer, for his assistance with the grant request.

Administrator Johnson commented that he attended the Goodhue County Board meeting earlier in the day, during which a potential collaboration with regard to a Planning Department employee was discussed. He stated that this would free up time for Community Development Director Maroney to work with economic development

projects and the Planning Department employee would be able to work on updating zoning ordinances and the Comprehensive Plan. He reported that Goodhue County Board action with regard to this was tabled until their first meeting in December.

Administrator Johnson provided an update with regard to the hiring process for a new Library Director. The Library Board appointed Ellen Hartman, the current President of the Library Foundation, to serve as the interim Library Director. The Library Board also appointed a selection committee to assist with the hiring process.

It was announced that a farewell party for Library Director Justin Padgett had been scheduled for December 1 from 5:00 to 7:00 p.m. at the Library.

Mayor and Council Reports

Mayor Robinson encouraged citizens interested in serving on boards and commissions to contact him or City Hall.

Recessed

The meeting was recessed at 8:14 p.m.

Reconvening of Meeting

The meeting was reconvened by Mayor Robinson on Thursday, November 17, 2016, at 6:30 p.m. Present were Mayor Robinson and Council Members Cedar Abadie, Morris Mattson, Jay Sjoblom, and Cathy Gallups. Council Members Lynne Berg and Merlyce Johnson were absent. Also present were City Administrator Ron Johnson, Assistant City Administrator Lanell Endres, and Police Chief Jeffrey McCormick.

Resolution 2235, Canvassing and Declaring the Election Results

Mayor Robinson reported that the November 15 meeting was recessed because the Report of Votes Cast for the November 8, 2016 General Election that was received by Goodhue County from the State contained an error. He reported that a corrected report was requested and had been received. The report indicated the following results:

Council Member 4-Year Term:	
Mike Dalton	1,079
Morris Mattson	813
Jay Sjoblom	610
Cathy Gallups	560
Jose V Lopez	385
Write-In	37



Council Member 2-Year Term:

Lynne Berg	1,209
Ken Carpenter	804
Phil Hammes	581
Stuart Everhart	576
Write-In	45

Council Member Special Election 2-Year Term:

LeRoy H McCusker	1,002
Dale Anderson	490
Merlyce (Merle) Johnson	404
Write-In	10

A motion was made by Council Member Abadie, seconded by Council Member Mattson and unanimously carried, to adopt Resolution 2235 Canvassing and Declaring the Election results.

Adjournment

The meeting adjourned at 6:32 p.m.

Adopted by the City Council of the City of Cannon Falls on the 6<sup>th</sup> day of December, 2016.

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Lyman M. Robinson, Mayor

ATTEST:

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Ronald S. Johnson, City Administrator