

The Cannon Falls City Council met in a regular session on Tuesday, December 20, 2016, at 6:30 p.m. in the City Council Chambers. Present were Mayor Robby Robinson and Council Members Jay Sjoblom, Morris Mattson, Merlyce Johnson, Lynne Berg, and Cedar Abadie; Council Member Cathy Gallups was absent. Also present were Ron Johnson, City Administrator; Lanell Endres, Assistant City Administrator; Dave Maroney, Director of Economic Development and Planning; Greg Anderson, City Engineer; and Jeffrey McCormick, Police Chief.

- Call to Order Mayor Robinson called the City Council Meeting to order at 6:30 p.m.
- Roll Call Roll call was conducted. Council Member Cathy Gallups was absent.
- 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 Berg and unanimously carried, to approve the Agenda as submitted.
- Public Input There was no public input with regard to items not listed on the Agenda.
- Consent Agenda
- A. Just and Correct Claims – Accounting Period Ending December 16, 2016
  - B. Meeting Minutes for December 6, 2016, City Council Meeting
  - C. Second Reading and Adoption of Ordinance 348 and Summary of Publication, Amending Chapter 152 of the Cannon Falls City Code by Rezoning Certain Property from a B-2 Highway Business District to an I-1 Limited Industrial District
  - ~~D. Resolution 2247, Approving CUP / Variance for Dudley Flodeen (Dudley's) Pulled by Council Member Berg~~
  - ~~E. Resolution 2248, Approving Preliminary Plat for Southview Acres Pulled by Council Member Berg~~
  - F. Approve Agreement with Goodhue County for State Building Code Administration
  - ~~G. Approve Agreement with Goodhue County for Planning and Zoning Assistant Pulled by Council Member Berg~~
  - H. Approve Calling for Proposals for Third Street Bridge Project
  - I. Resolution 2249, Authorizing Special Assessment Reapportionment for Cannon Falls Mall and Frosty Transport Properties
  - J. Approve Anne Knocke to Practice Massage in the City Limits
  - K. Approve Materials and Installment Quote for Radio Equipment for Dam Siren

A motion was made by Council Member Johnson, seconded by Council Member Berg and unanimously carried, to approve the

Consent Agenda, minus Items D, E, and G.

Council Business:  
Determine Final  
Assessments for  
Certain Westside II  
Corner Lots

City Administrator Johnson provided background information, indicating that the assessments for the Westside II Public Improvement Project were approved by the City Council in November but that there was discussion with regard to corner lots involving York Street and Dow Street. Administrator Johnson referenced past improvement projects involving Dow Street in 2001 and York Street in 1998. He reported that the assessment policy states that corner lots will not be assessed for improvements done on the other facing frontage if said improvements are done within ten years of the original project assessment. Following staff research and discussion, no changes to the assessments are recommended, as the prior project assessments occurred more than ten years ago. Council Member Berg expressed agreement with the staff recommendation.

A motion was made by Council Member Johnson, seconded by Council Member Abadie and unanimously carried, to take no further action with regard to the final assessments for the Westside II project.

Resolution 2250,  
Approving the  
Development  
Agreement with BFD  
of Cannon Falls, LLC

Director Maroney provided background information. He referenced the Public Hearing that was conducted in November related to a tax increment financing plan to assist with the proposed expansion of Strike Tool. He described BFD of Cannon Falls, LLC as the owner of the property where the proposed addition will be built. He reported that the Council adopted a resolution approving the TIF plan and authorizing the creation of a development agreement between the City and BFD. He reviewed the draft development agreement, referencing Exhibit B of the agreement, and discussed the reimbursable structure of this tax increment program. Council Member Berg asked whether the agreement has been reviewed by legal counsel for the City, and Director Maroney affirmed that the agreement has been reviewed and approved.

A motion was made by Council Member Johnson, seconded by Council Member Berg and unanimously carried, to adopt Resolution 2250, approving a development agreement with BFD of Cannon Falls, LLC.

Resolution 2247,  
Approving CUP /  
Variance for Dudley  
Flodeen

Council Member Berg requested additional information with regard to parking. Director Maroney indicated that parking is not required in the B-1 District, adding that parking will be provided in this instance. He discussed the two locations where parking will be available. He described this as meeting the standards required in other districts.

A motion was made by Council Member Johnson, seconded by Council Member Sjoblom, to adopt Resolution 2247, approving a CUP and variance for Dudley Flodeen. Council Member Mattson abstained from voting on Resolution 2247, citing a conflict of interest. A vote was taken, and the motion carried by a vote of 4:0 with one abstention.

Resolution 2248,  
Approving Preliminary  
Plat for Southview  
Acres

Council Member Berg requested additional background information with regard to the re-plat request. Director Maroney provided rationale for the request to re-plat this property. He stated that the existing plat does not include all of the property that is within this plat. The re-plat would also describe and clarify the legal description of the property used to build the proposed Grandstay Hotel and will create two new lots in the subdivision. Director Maroney indicated that, once a final plat has been prepared, reviewed and approved by the Planning Commission and the City Council, the final plat will be filed with Goodhue County and new legal descriptions written.

A motion was made by Council Member Johnson, seconded by Council Member Berg and unanimously carried, to adopt Resolution 2248, approving a preliminary plat for the proposed Winter Addition.

Approve Agreement  
with Goodhue County  
for Planning and  
Zoning Assistant

Council Member Berg requested clarification of the proposed \$5,000 annual payment to Goodhue County toward equipment and other expenses. Lisa Hanni, Goodhue County Land Use Management Director, provided rationale for the proposed payment, stating that this would help cover office space at the County, computer equipment, training, and other expenses. Council Member Berg suggested potential language revisions to the agreement, indicating that the City of Cannon Falls would pay Goodhue County up to \$5,000, with any expenses above this amount to be reviewed by the City and the County for approval. Director Hanni discussed expenses that will be incurred, stating that there would be no request for payment in addition to the \$5,000. She commented that the details are yet to be worked out with regard to office space. Mayor Robinson suggested that the payment be reviewed in subsequent years.

Director Hanni agreed that the language in Appendix A could be changed but that language related to salary and benefits should remain as stated. Council Member Berg expressed agreement with this, but recommended that the \$5,000 annual fee be reviewed annually. Director Hanni discussed similar arrangements with other communities, stating that a set amount helps to simplify the accounting process.

Council Member Mattson inquired with regard to expenses related to office space. Director Hanni provided additional information and clarified that the payment will help cover expenses primarily related to computer equipment and training. Council Member Berg asked whether the City of Cannon Falls would receive an accounting of these expenses, and Director Hanni indicated that this information could be provided and that the fee could potentially be renegotiated in the future. Administrator Johnson added that the fee has been adjusted from \$10,000 down to \$5,000. He also commented with regard to training needs. He reported that the agreement was approved by the Goodhue County Board.

Council Member Berg commented with regard to hiring costs, stating that the position is not scheduled to be hired until the second quarter of 2017. She expressed agreement with the \$5,000 payment in 2017 but recommended a review to assure that this is an appropriate amount going forward, stating that this would benefit both the City and the County. She added that, as a new venture, the long-term costs are unknown at this point. Director Hanni commented that the agreement has a three-year term and a termination clause.

Council Member Abadie expressed support for the agreement as written, stating that the payment was estimated following years of the County tracking these types of costs and negotiated downward by City staff.

A motion was made by Council Member Johnson, seconded by Council Member Abadie and unanimously carried, to approve the agreement with Goodhue County for a planning and zoning assistant.

Reports:  
Staff

Director Maroney expressed appreciation to the Council for their consideration and approval of the shared planning and zoning assistant, stating that this assistance will be beneficial in terms of upcoming projects.

Police Chief McCormick provided a reminder with regard to safety considerations with increased traffic during the holiday season and encouraged planning ahead to avoid impaired driving.

Administrator Johnson expressed appreciation to the Mayor and Council for a productive and successful year. He thanked outgoing Council Members Sjoblom and Johnson for their support and wished them well.

Council Member Johnson thanked City staff for the assistance they have provided to her during her time on the City Council. She encouraged the next Council to make decisions that will benefit the City. Council Member Berg thanked outgoing Council Members Sjoblom, Johnson, and Gallups for their service to the City. Council Member Sjoblom thanked City staff for their assistance and thanked the residents of Cannon Falls for allowing him to serve on the City Council. Council Member Mattson thanked the outgoing Council Members.

Mayor and Council

Mayor Robinson thanked the outgoing Council Members for service to the City. He awarded plaques to Council Members Johnson and Sjoblom in appreciation of their service, stating that Council Member Gallups will also be receiving a plaque. Mayor Robinson thanked City staff for their hard work over the past year.

The Mayor and Council Members wished everyone a Merry Christmas and a Happy New Year.

Adjournment

The meeting adjourned at 7:02 p.m.

Adopted by the City Council of the City of Cannon Falls on the 3<sup>rd</sup> day of January, 2017.

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Lyman M. Robinson, Mayor

ATTEST:

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Ronald S. Johnson, City Administrator