

The Cannon Falls City Council met in a regular session on Tuesday, April 20, 2021, in the City Council Chambers. Present were Mayor John Althoff and Council Members Bill Duncan, Mary Jill Bringgold, Matt Montgomery, Laura Kronenberger, Steve Gesme, and Derek Lundell. Also present were Neil Jensen, City Administrator; Dan Howard, Public Works Director; Laura Qualey, Community and Business Development Specialist; Mike Althoff, Fire Chief; and Nicole Miller, Library Director.

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

Roll Call Roll call was conducted. All members were in attendance.

Pledge of Allegiance Mayor Althoff led the recitation of the Pledge of Allegiance.

Approval of Agenda Mayor Althoff reviewed proposed changes in the order of the presentations. A motion was made by Council Member Duncan, seconded by Council Member Gesme and unanimously carried, to approve the Agenda as discussed.

Presentations:  
Presentation on  
MPCA / Progressive  
Rail

Fire Chief Althoff provided background information regarding the recent railcar explosion. He discussed the immediate response and subsequent incident stabilization activities. He introduced Mike Rose from the MPCA, who assisted with environmental protection activities. Mr. Rose described why food products can be considered to be pollutants. He reviewed the areas of product deposition that were identified through this process and discussed restorative work. He commented that a full report can be provided during a future meeting.

Administrator Jensen stated that it has been requested that representatives from Progressive Rail appear before the City Council at some point to provide answers to questions about the cause of the accident.

Presentation on  
School Referendum

Jeff Sampson, Superintendent of the Cannon Falls Areas Schools, provided background information relating to School District finances and the circumstances that led to the current situation. He discussed budget cuts combined with the creation of a long-range plan, which identified five strategic priorities:

- 1) Develop and implement a comprehensive communication strategy.
- 2) Increase the fund balance to ensure that the School District is financially stable and within Board policy.
- 3) Develop a long-range facilities plan and budget that includes a maintenance program.

- 4) Develop a safety plan that includes mental wellness and secure facilities.
- 5) Develop collaborative career and college readiness opportunities.

Superintendent Sampson discussed progress toward these goals, including engaging with ISG to conduct a facilities assessment. He stated that the results of the assessment indicated \$20 million in deficiencies and deferred maintenance throughout the School District. He stated that the School District then conducted a community survey to help determine priorities and gauge property tax tolerance at this time. He stated that the community survey results indicated a potential tax tolerance of approximately \$14 million. He stated that a follow-up survey was conducted, after which the School Board voted to move forward with the referendum on May 11.

Superintendent Sampson reviewed the ballot questions. He stated that passage of the first question will allow the School District to adhere to its general fund policy and get into a better financial position. He stated that if this question does not pass, this will result in additional budget cuts. He reviewed the second question, which relates to expenses pertaining to technology, renovation, and facility maintenance. Council Member Duncan asked why ventilation system issues were not fixed during last project. Superintendent Sampson provided information in this regard. Superintendent Sampson reviewed the third question, which is dependent upon passage of the second question. He stated that this question relates to gymnasiums and outdoor athletic fields. It was clarified that the field house floor would not be included in this project. Superintendent Sampson stated that if the second and third questions are approved, the fourth question relates to the issuance of bonds toward artificial turf installment. He commented regarding options relating to the future location of high school football games. Council Member Duncan commented regarding the planned improvements to John Burch Park and stated his opinion that this should be a baseball-only park. The life span of turf and maintenance costs of grass fields were discussed.

Mayor Althoff requested clarification of how the referendum questions relate to each other, and Superintendent Sampson provided additional information in this regard. Council Member Duncan commented that approximately 80% of the cost relates to the second question.

Superintendent Sampson discussed current interest rates and a favorable construction market at this time. He reviewed property tax impacts, provided examples, and discussed available residential property tax relief measures. He reviewed per-student spending and property tax information in comparison with other school districts. He noted that information is available on the Cannon Falls Schools website. He clarified that spending needs have been prioritized.

Presentation on Small  
Cities Development  
Grant

Karen DuCharme from the Southeastern Minnesota Multi-County Housing and Redevelopment Authority (SEMMCHRA) introduced herself and provided information relating to a survey to determine need and interest for a housing rehab program. She discussed the Small Cities Development Grant program and described how grant funds are used. She reviewed the anticipated timeline for the survey process and the next steps. She stated that SEMMCHRA is seeking approval from the City Council to begin this process and for a \$5,000 commitment from the City of Cannon Falls. She noted that the \$5,000 would not be paid unless the grant award is successful and would be payable over a three-year period. Ms. DuCharme provided additional information regarding grant forgiveness for residents who take advantage of the housing rehab program. Options for survey completion were reviewed.

A motion was made by Council Member Duncan to adopt a resolution authorizing SEMMCHRA to initiate the survey process and providing a \$5,000 commitment from the City toward this program. The motion was seconded by Council Member Montgomery. As this item was listed on the current Agenda as a presentation, it was ultimately decided to place the draft resolution on the Consent Agenda for the next meeting and take no formal action at this time.

Consent Agenda

- A. Just and Correct Claims – Accounting Period Ending April 14, 2021
- B. Meeting Minutes for April 6, 2021, City Council Meeting
- C. Resolution 2544, Calling for the Redemption of the Outstanding GO Water Revenue Refunding Bonds, Series 2010A, and GO Refunding Bonds, Series 2012B.
- D. Approve Expanded Outdoor Seating for Tilion Brewing
- E. Hire Unscheduled Part-Time Employee for Ambulance Department
- F. Cannon Valley Trail Joint Powers Board Member Appointment
- G. Approve Off-Sale 3.2 Malt License for Casey's Retail Company
- H. Approve Tobacco License for MN Tobacco Plus, Inc.
- I. Approve West Side Park Tree Plan

J. Introduction and First Reading of Ordinance 375, Amending City Code Chapter 152 Relating to Sign Height and Parking and Loading Surfaces

A motion was made by Council Member Bringgold, seconded by Council Member Gesme and unanimously carried, to approve the Consent Agenda as presented.

Council Business:  
American Rescue Act  
Stimulus Allocation  
and Water Tower  
Project

City Administrator Jensen provided background information relating to the American Rescue Act legislation. He stated that the City of Cannon Falls is expected to receive a total allocation of approximately \$450,000 – approximately \$225,000 in May of 2021 and approximately \$225,000 in May of 2022. He stated that water and sewer projects have been listed as approved uses of these funds. He referenced past discussion of a water tower project. He suggested consideration of using stimulus funds to paint and restore the water tower in conjunction with freed-up bond money for 2022. He added that a reservoir is also in need of repair if there is funding left over, adding that repairs and costs are currently being researched. He stated that the Finance Committee recommends approval of using stimulus funding toward the water tower project. He stated that advance notice of this project is required, due to the fact that equipment and antennas on top of the tower would need to be temporarily moved. He reviewed the next steps in the process, if the Council decides to move forward.

A motion was made by Council Member Montgomery, seconded by Council Member Gesme, to move forward with using American Rescue Act funding toward the water tower project. A vote was conducted, and the motion carried unanimously.

Downtown Farmers  
Market Ordinance  
Amendment, Policy  
and Procedures,  
Application and Site  
Map

Administrator Jensen provided background information and referenced past Council discussion of the Downtown Farmers Market. He reviewed the proposed Ordinance changes. He also referenced the policy and procedures, a revised application, and a site map. He summarized discussion of this topic by the Finance Committee. The location of the Downtown Farmers Market was clarified. Assignment of market spaces and vendor fees were discussed. It was suggested to charge a fee of \$100 for one space for the season and address any issues that arise. The location of the electric vehicle charging station was clarified. The challenges of offering a single-day vendor fee were discussed.

A motion was made by Council Member Montgomery to approve the Ordinance amendment, policy and procedures, application, and site map for the Downtown Farmers Market, with the elimination of the double stall option and the \$150 vendor fee. The motion was seconded by Council Member Bringgold. It was suggested to communicate and clearly mark the location. A vote was conducted, and the motion carried unanimously.

Reports:  
Council  
Committees/  
Commissions

Cannon Falls Area Chamber of Commerce President Kyle Paulson detailed upcoming events, including two ribbon-cutting events. The city-wide garage sale was discussed. Ms. Paulson also discussed the open air fair on June 10 and the Chamber golf tournament on June 24.

Council Member Duncan reviewed recent discussions by the Finance Committee, including items that discussed earlier in the meeting along with capital equipment schedules and the Sandstone development.

Council Member Duncan discussed a recent Planning Commission meeting, during which a preliminary plat was approved. Administrator Jensen provided additional information.

Staff

Library Director Miller discussed a new fax machine that is available for public use and reviewed upcoming Library programs and activities.

Community and Business Development Specialist Qualey discussed plans for an apartment complex on the former Cannonball site.

Public Works Director Howard discussed Third Street Bridge repairs, hydrant flushing, pool patching, ball field and park maintenance, and pothole repair.

Administrator Jensen discussed the upcoming financial audit and the budget planning process. He summarized a recent meeting for discussion of the John Burch Park project. Mayor Althoff clarified that the John Burch Park project and the School District referendum are entirely separate.

Mayor and Council

Council Member Montgomery discussed a bike ride on April 22 hosted by Bike Cannon Falls.

Council Member Duncan encouraged residents to get the COVID-19 vaccination.

Council Member Gesme asked about a water pipe issue at John Burch Park. Administrator Jensen indicated that this has been repaired.

Mayor Althoff discussed an upcoming vaccination opportunity.

Public Input

Mayor Althoff reviewed the public input procedure.

Rosie Schluter discussed an annual event to look for the Dwarf Trout Lily.

Ms. Schluter also discussed the benefits of the Downtown Farmers Market as a community gathering place.

Tim Dehmer, Cannon Falls resident, suggested consideration of a project to recognize the American spirit and heritage.

Adjournment

The meeting adjourned at 8:26 p.m.

Adopted by the City Council of the City of Cannon Falls on the 4<sup>th</sup> day of May, 2021.

---

John O. Althoff, Mayor

ATTEST:

---

Neil L. Jensen, City Administrator