

TO: MAYOR AND CITY COUNCIL

FROM: Neil Jensen, City Administrator

SUBJECT: Hannah's Bend Park Trail Connection Grant

MEETING DATE: February 7, 2023

BACKGROUND

The City of Cannon Falls applied for a Trail Connection Grant from the DNR and we received a matching grant for \$140,000.00 from the lottery proceeds. This grant expires this year on June 30th. As City Council Members know there is an issue with land ownership in Hannah's Bend Park with the Fair Association. This came to light recently and in order to receive funding from the grant it needs to be resolved. We started working with the Fair Board many many months ago to get the land transferred over to the city so we could get the trail project completed and receive the grant dollars. It seems that we have come to a stalemate at the last Finance Committee meeting when the Fair Board President requested compensation for Hannah's Bend Park.

I talked to the DNR Grant Coordinator in charge of our project and he stated that no extension would be given for the grant and it had to be completed by June 30th in order to receive the grant dollars. I then talked to City Engineer Bill Angerman about a completion timeline for the project and he stated we wouldn't be able to complete the trail project by June 30th due to many items not completed and construction timelines.

At the February 2nd Park Board meeting the Board reluctantly decided to cancel the project and send the decision on to the City Council.

It was also decided to not apply for any more grants until this issue gets resolved.

The City Council has spent upwards of \$13,000 in engineering and attorney fees to fix this issue on good faith that the Fair Board would work with the City on this issue. The Fair Board has had the agreement for several months to complete the transactions but have not signed it.

This has been a great partnership over many decades of the fair, it would be undesirable to cut that relationship due to this issue. Business decision are made every day and this decision (to request compensation for Hannah's Bend Park) by the Fair Board is no different.

What is at stake if the City and the Fair Board cannot come to terms?

The Fair Association keeps a portion of Hannah's Bend Park and part of the Swimming Pool parking area and the city also makes a business decision on what funding plus waived fees in the future would be given to the Fair Association.

The City pays for Hannah's Bend Park and the portion of the Swimming Pool parking area as requested at a mutual agreed upon price and decides if the relationship with the Fair Association continues or we part ways with funding and all waived fees.

The Fair Board signs the agreement and the city proceeds to finish the paperwork with the City Attorney for an additional \$2,000+-.

Please review the attached spreadsheet and financial printout for additional information. The printout shows the cash contributions the city has provided for the Fair Association in the amount of \$92,500.00 since 2002. The spreadsheet provided has a cumulation of the funds and waived fees for 2021-2022 in the amount of \$21,389 annually. These are conservative numbers and are not all the items this partnership has shared in the past such as closing the pool so the lot can be used for parking, parking in the ice-skating area, the use of the water truck at no cost. Public works labor during the week including but limited to putting up no parking signs, supplying barricades for the parade and during wet years in the past we would help spread wood chips to dry up the grounds using city owned equipment. Most city departments help with the Fair to have a successful year at no charge.

In the end, another round of trail grants is due March 31 and if we receive a signed agreement by the end of February the city has time to apply. These grants are very competitive and our chances will be questionable otherwise we will wait to see the outcome of this issue.

STAFF RECOMMENDATION

Please make a motion to cancel the Trail Grant with the DNR as recommended by the Park Board.

REQUESTED COUNCIL ACTION

Please make a motion to cancel the Trail Grant with the DNR as recommended by the Park Board.

2021						2022					
	Water	Sewer	Storm Water	Sales Tax	Surcharge		Water	Sewer	Storm Water	Sales Tax	Surcharge
Jan-21	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81	Jan-22	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81
Feb-21	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81	Feb-22	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81
Mar-21	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81	Mar-22	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81
Apr-21	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81	Apr-22	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81
May-21	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81	May-22	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81
Jun-21	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81	Jun-22	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81
Jul-21	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81	Jul-22	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81
Aug-21	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81	Aug-22	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81
Sep-21	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81	Sep-22	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81
Oct-21	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81	Oct-22	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81
Nov-21	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81	Nov-22	\$6.98	\$44.80	\$787.95	\$0.48	\$0.81
Dec-21	\$1,162.22	\$597.30	\$787.95	\$79.90	\$0.81	Dec-22	\$1,134.70	\$1,118.58	\$787.95	\$78.01	\$0.81
Total	\$1,239.00	\$1,090.10	\$9,455.40	\$85.18	\$9.72	Total	\$1,211.48	\$1,611.38	\$9,455.40	\$83.29	\$9.72
					\$11,879.40						\$12,371.27

2021	\$ 1,162.22	\$ 597.30	\$ 1,759.52	2022	\$ 1,134.70	\$ 1,118.58	\$ 2,253.28
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Credit				\$10,119.88		\$10,117.99
Police	Hours	Rate				
2 Officers	20	\$ 76.00	\$ 1,520.00		\$ 1,520.00	
Ambulance	Hours	Rate				
1 Rig	10	\$ 150.00	\$ 1,500.00		\$ 1,500.00	
Fire Department	Est. Hours	Rate	\$ 750.00		\$ 750.00	
Donation			\$ 7,500.00		\$ 7,500.00	
Total Waived or Donated Funds			\$21,389.88		\$21,387.99	

01/10/23
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CITY OF CANNON FALLS, MN
Vendor Detail Query
For checks paid between: 01/01/02 to 12/31/22

Page: 1 of 1
Report ID: AP200A

Doc #	Invoice #/Description	Claim Date	Check	Check Date	Amount	Inv Date	Acct. Period	PO #	Fund	Org	Acct	Object	Proj
Vendor #/Name: 8510 CANNON VALLEY FAIR ASSOC													
CL 859	1 Donation-4th of July Parade	06/06/02	30836	06/07/02	2,500.00	/	6/02		100		490000	4390	
CL 3121	1 Donation-Cannon Valley Fair	06/12/03	33126	06/23/03	2,500.00	06/09/03	6/03		100		490000	4390	
CL 5008	1 Vendor Space Rental-Sesq C	04/26/04	34939	04/26/04	106.50	/	4/04		100		490000	4390	
CL 5252	1 Sponsorship for parade	06/10/04	35233	06/14/04	2,500.00	06/08/04	6/04		100		490000	4390	
CL 7663	1 Donation-parade expenses	07/20/05	37649	07/25/05	2,500.00	07/19/05	7/05		100		490000	4390	
CL 9828	1 Donation - Parade Expense	06/29/06	40531	07/01/06	2,500.00	06/21/06	7/06		100		490000	4390	
CL 12188	1 Donation-July 4th Parade	06/29/07	42698	06/13/07	2,500.00	/	6/07		100		490000	4390	
CL 14457	1 Donation-4th of July Parade	04/23/08	44868	04/29/08	2,500.00	/	4/08		100		490000	4390	
CL 17597	1 Donation-4th of July Parade	07/01/09	47763	06/30/09	5,000.00	/	6/09		100		490000	4390	
CL 20078	1 2010 Allocation	07/06/10	49984	06/16/10	5,000.00	/	6/10		100		490000	4390	
CL 22773	1 2011 Allocation-Parade	09/15/11	52568	09/16/11	5,000.00	/	9/11		100		490000	4390	
CL 24962	1 2012 Fair/Parade Donation	09/11/12	54588	09/18/12	5,000.00	/	9/12		100		490000	4389	
CL 26806	1 2013 Allocation	06/14/13	56216	06/17/13	5,000.00	/	6/13		100		490000	4389	
CL 29090	1 2014 Allocation	06/27/14	58372	06/30/14	5,000.00	06/26/14	6/14		100		490000	4389	
CL 31159	1 2015 Funding Agreement	06/22/15	60261	06/22/15	5,000.00	06/17/15	6/15		100		490000	4389	
CL 33294	1 2016 Funding Agreement	06/02/16	62098	05/31/16	5,000.00	05/18/16	5/16		100		490000	4389	
CL 35674	1 2017 Funding Agreement	06/21/17	64194	06/21/17	5,000.00	/	6/17		100		490000	4389	
CL 38214	1 2018 Funding Agreement	08/03/18	66340	08/03/18	7,500.00	07/27/18	8/18		100		490000	4389	
CL 40240	1 2019 Funding Agreement	07/10/19	68146	07/15/19	7,500.00	07/10/19	7/19		100		490000	4389	
CL 42394	1 2020 Funding Agreement	08/19/20	70063	08/19/20	7,500.00	08/19/20	8/20		100		490000	4389	
CL 43853	1 2021 Funding	06/03/21	71474	06/04/21	7,500.00	06/03/21	6/21		100		490000	4389	
Total:					92,606.50								
Grand Total:					92,606.50								