

(i) The Developer shall enter into a PUD agreement (the “**PUD Agreement**”), drafted by the City, memorializing the Developer’s obligations under this Resolution and City Code. The PUD Agreement shall be recorded against and run with the Property. The City will not issue any permits for the development of the Property or Project prior to being provided recording information for the PUD Agreement;

(j) The Developer shall comply with the recommendations of the City Engineer;

(k) The Developer’s satisfaction of all park dedication requirements for the Project prior to the City’s release of the final plat;

(l) The Developer shall modify the Preliminary Plat by changing the four 2+ acre estate lots located in the southeast corner of the Property to outlots. Such outlots will not be platted as buildable lots until such time as sewer and water ~~services can be provided~~ to the lots in accordance with all applicable City Code requirements; **are available**

(m) The conditional approvals granted by this Resolution are subject to the completion of and compliance with all ministerial matters set forth in the City Code and required by the City, including but not limited to, those of Engineering, Planning, Administrative and Legal Departments, *eg.* payment of fees;

(n) The conditional approvals granted by this Resolution apply only to the Property;

(o) Any signage on the Property is not part of the approvals granted by this Resolution and a separate application, subject to review and approval by the City, shall be required;

(p) All construction on and maintenance of the Property shall comply, at all times, with this Resolution, the PUD Plan, the final plat, and City Code; and

(q) Unless otherwise expressly provided for by this Resolution, the Developer shall comply with the requirements of previous approvals for the Property within the timeframes set forth therein.

ADOPTED by the City Council this 15th day of August 2023.

Matt Montgomery, Mayor

ATTEST: _____
Neil Jensen, City Administrator

Cannon Valley Rural Fire Association and Cannon Falls Township Fire Service Agreement concerns.

Having worked through four prior service agreements, the process for the latest agreement differed greatly. Initially it seemed as though the city's position was to force the townships to pay a considerable amount more than had been paid in the past without any notice or justification given.

We worked through information exchanges with Administrator Jensen, who seemed to be combative and didn't seem to understand how the fire service agreement worked.

We met with some city council members to discuss the agreement and found that the members we spoke to didn't seem to understand how the association agreements work and some didn't seem to fully support Administrator Jensen's approach.

We attended two Finance Committee meetings. At the first meeting Administrator Jensen made several emotionally charged statements. One of the statements was calling the offer the fire association and Cannon Falls Township made "ridiculous". At the second Finance Committee meeting the offer the association and Cannon Falls Township offered was unanimously accepted. At the subsequent City Council meeting, the offer initially made was unanimously accepted, a five-year agreement with a 4% increase, the only change to be made to the prior service agreement, and an agreement to investigate alternative methods to figure out how much the townships contribute.

Because the entire process was unlike the past 3 agreements, we requested meeting minutes of Finance Committee meetings and City Council meetings to try to figure out what was going on. We were repeatedly stonewalled by Administrator Jensen. After waiting months, we had to stop at city hall, fill out a data request form to inspect the meeting minutes, and were not allowed to view them, which to our knowledge, is a violation of data practice laws. We were told we would have to wait 10 days before we would be allowed to inspect the meeting minutes. Also, we were told we had to pay 25 cents for each page we wanted a copy of.

To my surprise, the meeting minutes contained nothing on any Finance Committee recommendations to the City Council or on any discussions the City Council had to act on demanding more money from the townships. They contained no information that was presented by the association, Cannon Falls Township, Finance Committee, or City Council members from any Finance Committee meetings. They only spoke of Administrator Jensen's thoughts. And worst of all, they contained statements that are not true.

Meeting minutes in question are attached.

9/28/22 Finance Committee Meeting- The minutes state that Melhouse "floated the idea of a 40/60 split" Regan did not make this suggestion.

2/13/23 Finance Committee Meeting- The meeting minutes state, "Fehling and Otto did not have a basis for the increase, other than it just felt right." The information initially presented by Administrator Jensen to the association and Cannon Falls Township was the basis for our offers.

4/10/23 Finance Committee Meeting- The minutes state that "Cannon Falls Township and Cannon Valley Rural Fire Association, agreed to immediately negotiate fair and equitable terms for the next contract, on a monthly basis, and start billing for every fire call." The only agreement made by the association and Cannon Falls Township was to look at how the agreement is assessed. Both the association and Cannon Falls Township told the committee to start billing for calls as has been in the past 4 agreements, but the city had decided not to do so. It was pointed out that a substantial amount of money had been lost by the city by not billing for calls under the past agreement and billing for calls would help alleviate budget shortfalls.

Jason Fehling

To: Jason Fehling
Subject: RE: Fire Contract Meeting

From: Jason Fehling <cannonfireandsafety@gmail.com>

Sent: Thursday, October 20, 2022 2:35 PM

To: 'Neil Jensen' <njensen@cannonfallsmn.gov>; rotto@hotmail.com; 'Regan Melhouse' <rmelhouse12@gmail.com>; 'John Althoff' <jalthoff@cannonfallsmn.gov>; 'Steve Gesme' <SGesme@cannonfallsmn.gov>; 'Bill Duncan' <bduncan@cannonfallsmn.gov>; 'Sara Peer' <speer@cannonfallsmn.gov>; rsafe@sleepyeyetel.net

Cc: 'Fire Chief' <firechief@cannonfallsmn.gov>

Subject: RE: Fire Contract Meeting

Neil,

Thank you for the information. If we need anything else, we'll let you know. What you've sent should give us enough to logically assess things before our next meeting and negotiate a contract that is fair to both The City of Cannon Falls and the residents of the townships who are members of The Cannon Valley Rural Fire Association.

After reading your email, Regan and I noticed your statement that you believed Regan mentioned a 60/40 budget split between The City Cannon Falls and the townships for the upcoming contract. To our recollection it was you who brought up the idea. Regan and I were both surprised by the suggestion of that much of an increase to the townships. I just want to make sure everyone is clear that the idea of a 60/ 40 split was not suggested by the association. I believe this needs to be clarified in order to avoid anyone getting the impression that the idea of an increase to paying 40% of the budget is palatable to the association.

Have a good afternoon.

Jason Fehling

Jason Fehling

From: Neil Jensen <njensen@cannonfallsmn.gov>
Sent: Tuesday, April 25, 2023 12:44 PM
To: Jason Fehling; Fire Chief; 'Regan Melhouse'; rtotto@hotmail.com
Cc: Matt Montgomery
Subject: RE: fire contract

Jason,
When the Finance Committee approves the minutes I will send them out. They meet on May 8th if we have a meeting. The city council minutes will be approved at the next meeting and will be available online.

Neil L. Jensen
Cannon Falls City Administrator
918 River Road
Cannon Falls, MN 55009
507-263-9304

From: Jason Fehling <cannonfireandsafety@gmail.com>
Sent: Tuesday, April 25, 2023 12:09 PM
To: Neil Jensen <njensen@cannonfallsmn.gov>; Fire Chief <firechief@cannonfallsmn.gov>; 'Regan Melhouse' <rmelhouse12@gmail.com>; rtotto@hotmail.com
Cc: Matt Montgomery <MMontgomery@cannonfallsmn.gov>
Subject: fire contract

Neil,
We are still waiting for finance committee meeting minutes and also need a copy of the minutes from the city council meeting the other night when the fire service agreement was voted on.
Jason Fehling
Cannon Valley Rural Fire Association

From: Jason Fehling <cannonfireandsafety@gmail.com>
Sent: Tuesday, April 18, 2023 12:26 PM
To: 'Neil Jensen' <njensen@cannonfallsmn.gov>; 'Fire Chief' <firechief@cannonfallsmn.gov>; 'Regan Melhouse' <rmelhouse12@gmail.com>; rtotto@hotmail.com
Cc: 'Matt Montgomery' <MMontgomery@cannonfallsmn.gov>
Subject: RE: fire contract

Neil,
We still need a copy of the meeting minutes. Also, we would like minutes from the Finance Committee meeting in February as well. I would think they'd both be ready as they should be presented to the City Council at tonight's meeting.
Jason Fehling

From: Jason Fehling <cannonfireandsafety@gmail.com>
Sent: Thursday, April 13, 2023 10:51 AM
To: 'Neil Jensen' <njensen@cannonfallsmn.gov>; 'Fire Chief' <firechief@cannonfallsmn.gov>; 'Regan Melhouse' <rmelhouse12@gmail.com>; rtotto@hotmail.com

Cc: 'Matt Montgomery' <MMontgomery@cannonfallsmn.gov>

Subject: RE: fire contract

Neil,

Please send a copy of the meeting minutes from the finance committee meeting.

Thank you

Jason Fehling

From: Jason Fehling <cannonfireandsafety@gmail.com>

Sent: Tuesday, April 11, 2023 9:38 AM

To: 'Neil Jensen' <njensen@cannonfallsmn.gov>; 'Fire Chief' <firechief@cannonfallsmn.gov>; 'Regan Melhouse' <rmelhouse12@gmail.com>; rtotto@hotmail.com

Cc: 'Matt Montgomery' <MMontgomery@cannonfallsmn.gov>

Subject: RE: fire contract

Could someone please send us a copy of the meeting minutes from the finance committee meeting last night.

Thank you

Jason Fehling

From: Jason Fehling <cannonfireandsafety@gmail.com>

Sent: Monday, April 10, 2023 10:06 AM

To: 'Neil Jensen' <njensen@cannonfallsmn.gov>; 'Fire Chief' <firechief@cannonfallsmn.gov>; 'Regan Melhouse' <rmelhouse12@gmail.com>; rtotto@hotmail.com

Cc: 'Matt Montgomery' <MMontgomery@cannonfallsmn.gov>

Subject: RE: fire contract

I'll be there.

Jason Fehling

From: Neil Jensen <njensen@cannonfallsmn.gov>

Sent: Thursday, March 16, 2023 2:24 PM

To: Jason Fehling <cannonfireandsafety@gmail.com>; Fire Chief <firechief@cannonfallsmn.gov>; 'Regan Melhouse' <rmelhouse12@gmail.com>; rtotto@hotmail.com

Cc: Matt Montgomery <MMontgomery@cannonfallsmn.gov>

Subject: RE: fire contract

Good Afternoon,

We would like to invite the Fire Contract Participants back to a meeting on April 10th at 5:00. Please let me know if you can make it.

Thanks,

Neil L. Jensen

Cannon Falls City Administrator

918 River Road

Cannon Falls, MN 55009

507-263-9304

From: Jason Fehling <cannonfireandsafety@gmail.com>

Sent: Friday, January 13, 2023 8:19 AM

To: Neil Jensen <njensen@cannonfallsmn.gov>; Fire Chief <firechief@cannonfallsmn.gov>; 'Regan Melhouse'

<rmelhouse12@gmail.com>; rtotto@hotmail.com

Subject: fire contract

Neil,

We are ready to meet with the finance committee to go over our contract proposal. Please let us know a date and time.

Have a good day.

Jason Fehling

Finance Committee Meeting Minutes
Monday, September 28, 2022 at 5:00 P.M.
City Hall Council Chambers

1. CALL TO ORDER

Bill Duncan called the meeting to order at 5:00 p.m. Roll call: Bill Duncan, Council Member – present; Steve Gesme, Council Member – present; John Althoff, Mayor – present
Also present: City Administrator Neil Jensen, Utility Clerk Ellen Hartman, Fire Chief Mike Althoff, Ray Otto, Reagan Melhouse

2. FIRE CONTRACT

Fire Chief Althoff addressed the group. The fire contract with Cannon Falls Township and Cannon Valley Rural Fire District, which includes parts of Douglas, Randolph, Hampton, Stanton, Leon and Vasa townships, is up for renewal. FC Althoff stated that costs have increased, the department purchased \$950,00 in equipment since the last contract was signed, and there is a new cancer prevention initiative the requires more cleaning and gear per firefighter. Jensen stated that the total 2023 fire budget is \$388,000; CF Township pays approximately 9%; CV Rural Fire District pays about 15%; the City covers approximately 75% of the cost. In comparison, the city of Wanamingo pays 54% of their contract and Zumbrota is at about 51%. The City would like to get closer to a 50/50 split with the new contract; Jensen advised that township officials should contact other cities to compare fire contracts. Melhouse questioned the ratio of City verses township runs, floated the idea of a 40/60 split, and suggested an open house where township residents could visit the firehall and see what services their tax dollars are providing. Township officials requested the City provide a proposal for the new contract rates; the City should keep in mind that the township budget for the next two years has already been set. All agreed to a five-year contract.

Action –FC Althoff will provide a breakdown of City and township calls; the City will create a proposed five-year budget to present to the townships; the townships will contact the other cities to compare contracts; a meeting of all parties will be scheduled in October.

ADJOURNMENT

Action – Gesme made a motion to adjourn at 5:41 p.m., seconded by Althoff, passing unanimously.

Respectfully Submitted,
Ellen Hartman, Utility Clerk

Finance Committee Meeting Minutes
Monday, February 13, 2023 at 5:00 P.M.
City Hall Council Chambers

1. CALL TO ORDER

Derek Lundell called the meeting to order at 5:00 p.m. Roll call: Derek Lundell, Council Member – present; Steve Gesme, Council Member – present; Matt Montgomery, Mayor – present
Also present: City Administrator Neil Jensen, Utility Clerk Ellen Hartman, Zoning Administrator Dianne Howard, Fire Chief Mike Althoff, Ray Otto, Jason Fehling

2. FIRE DEPARTMENT CONTRACT

5-year fire contract expired in 2022. Township officials met previously with the City and went back to townships with the City's request to increase the townships' portion of the fire budget. Fehling, representing the Cannon Valley Rural Fire Association, stated the townships see no increase in future calls or need for new equipment, and 2-3% increases are good enough, but are willing to offer a 4% increase for 5 years. Althoff affirmed that 36% of fire calls are in the township. Althoff stated that fire equipment helps keep City ISO at 5, township population coverage funds fire pensions, and losing the townships would result in loss of pull tab revenue. Althoff conceded that equipment costs are going up. Montgomery questioned how the townships arrived at a 4% increase; Fehling and Otto did not have a basis for the increase, other than it just felt right. Otto, representing Cannon Falls Township, asked about billing for fire calls; Althoff stated that most calls are not billed out, specific circumstances must be met first, and they do not want to discourage residents calling the department when needed. Jensen stated that 36% of calls are for the township and asked how else the budget should be divided; the funds will have to come from the City if the townships do not cover their share. Fehling and Otto stated that raising the township portion too quickly would be a hardship. Gesme suggested a two-year contract with a 4% increase, with a goal of negotiating a 5-year 35/65 split contract once the 2-year contract expires.

Action – *City and township officials will meet in the near future to continue negotiating the fire contract.*

3. FIREWORKS PROPOSAL

Howard presented a request from J&M Displays to provide fireworks for a wedding at the Cannon River Winery on July 2, 2023. J&M would like to shoot off the fireworks from John Burch Park at 10:00 p.m. on the 2nd. City policy states that organizations can apply for fireworks permits. Howard stated that J&M is a private company and would not be considered an organization. Noise complaints and setting a precedent to allow fireworks were other concerns that the committee had.

Action – *Gesme made a motion to deny fireworks request by J&M Displays, seconded by Montgomery, passing unanimously.*

ADJOURNMENT

Action – *Gesme made a motion to adjourn at 6:03 p.m., seconded by Montgomery, passing unanimously.*

Respectfully Submitted,
Ellen Hartman, Utility Clerk

April 10

Finance Committee Meeting Minutes
Tuesday, March 14, 2023 at 5:00 P.M.
City Hall Council Chambers

1. CALL TO ORDER

Derek Lundell called the meeting to order at 5:00 p.m. Roll call: Derek Lundell, Council Member – present; Steve Gesme, Council Member – present; Matt Montgomery, Mayor – absent
Also present: City Administrator Neil Jensen, Utility Clerk Ellen Hartman, Council Member Diane Johnson, Fire Chief Mike Althoff, Ray Otto, Jason Fehling, Regan Melhouse

2. FIRE DEPARTMENT CONTRACT

Gesme offered a three-year contract with increases of 4-6-8% per year, with continued negotiations. Fehling and Otto refused, offering a 5-year contract with 4% increase each year, and questioned why individuals were not being billed directly for fire calls. Fehling stated there was no precedent to change how costs are shared, such as using call numbers to determine percentages. Cannon Falls Township stated that 4% was their final offer, and they were willing to drop City fire service and have the City bill individuals for service. Fehling stated that fire pensions and charitable gambling income would be lost if the townships no longer had an agreement with the City. Althoff supported the townships' proposed 5-year agreement with 4% increases. Neither the townships or Althoff supported forming a joint powers board, where the townships would have a say in the purchase of equipment. All parties, including Cannon Falls Township and Cannon Valley Rural Fire Association, agreed to immediately negotiate fair and equitable terms for the next contract, on a monthly basis, and start billing for every fire call.

Action – Motion by Gesme, second by Lundell, to recommend the City Council accept the townships' proposed 5-year fire agreement beginning in 2023 with 4% increase each year, and immediately continue negotiations for the next contract, passing unanimously.

3. MALLOY LOT

Jensen reported that 6 extra feet of land was needed from Rich Malloy for the street project; purchase price increased to \$30,270.58. Survey, appraisal, and bank approval still needed since there is a mortgage on the property. Jensen presented the committee with the purchase agreement with the new information.

Action – Motion by Lundell, second by Gesme, to recommend the City Council accept the purchase agreement for the Rich Malloy property, passing unanimously.

4. VFW SURVEY

Jensen reported that the VFW would like an option to purchase land from the City to build a deck; they would like a 3-year option to do fundraising. The VFW would be purchasing a strip of land directly north of their building from the City and a small triangle of land that is currently City parkland; the Park Board previously approved the sale. The City would retain the property if the deck is not built.

Action – Motion by Gesme, second by Lundell, to recommend the City Council approve the option agreement for the VFW to purchase City land for \$1, passing unanimously.

We are not here to dwell on the issues mentioned. The issues mentioned are only some of the issues we experienced, which from the perspective of the Cannon Valley Rural Fire Association and Cannon Falls Township, plainly show the city did not enter talks in good faith. As a result, we are here to set the record straight and make sure it is fully understood by the city how we will be moving forward with any future discussions.

The Cannon Falls Fire Department belongs to the city of Cannon Falls, which means the city needs to figure out how to handle budget issues. The townships will not be dragged into budget issues, as they are solely the responsibility of the city.

The fire service agreements are not binding contracts forcing the townships to work with the city of Cannon Falls. They are merely agreements of an amount to be paid for services for a specified time. There is nothing obligating the townships to continue with new agreements.

The townships have many options for fire service. Surrounding fire departments are regularly courting townships to shift sections to them for service, because they understand what serving a larger population does for them, ex. the firemen's pensions. The townships are free to decide which fire department they'd like to officially assign sections to. As we had tried to explain to the finance committee and Administrator Jensen, Hampton Township almost left the association because of how the recent service agreement talks went. The impact to Cannon Falls Fire Department from Hampton Township leaving would have not only been felt by a decrease in the payments from the state aid association, in addition it would have also been felt by losing a pull tab booth at Dan's Bar to the Hampton Fire Department. The pull tab booth has been generating a significant amount of revenue for the fire department.

Minnesota State Statute 365.15 clearly states it is the citizens of the township who decide how much is levied for fire service. The attorneys from the Minnesota Association of Townships have provided an interpretation that the township citizens may or may not decide to levy for fire service.

In conclusion, when the city approaches the townships for any further discussions, we will have this information at the table, and we fully expect talks to return to a respectful exchange as they had been for past agreements. We fully expect to be dealing with an administrator who provides and explains information instead of arguing whether information asked for is relevant and does not refer to reasonable offers by the townships that are based off information provided as, "ridiculous" as well as make claims that offers made are baseless and just feel right to the association and Cannon Falls Township. We fully expect the City Council to understand the townships are not contractually obligated to enter into new fire service agreements with Cannon Falls and may move sections as well as entire townships to other fire departments at any time. We fully expect the city council to understand that the growth of Cannon Falls increases the requirements for emergency service and the townships are not responsible for costs related to expansion of the fire department due to the growth the city solely decides to embrace (Refer to the city's recent ISO audit, which Chief Althoff spoke about at our last meeting. According to current codes and standards, development, and expansion, such as the apartments being built at the Cannon Ball site, dictate that cities invest in more equipment, ex. fire station #2 to handle additional equipment and staff for serving a larger city, more water towers to maintain adequate water pressure for firefighting capabilities serving a larger city, and specialized equipment such as a ladder truck to serve larger buildings).

We expect a return to the precedent that has been set for the past 20 years: A return to the understanding that the Cannon Falls Fire Department belongs to the City of Cannon Falls, and the townships are not responsible for budget issues, ex. associated costs due to development or any specialized equipment purchased to benefit the City of Cannon Falls; a cordial exchange when discussing agreements; and to have adequate warning of any possible drastic price increases caused by the sudden abandonment of 20 years of precedent, which was thankfully averted, that would create substantial property tax levies to the citizens of, Cannon Falls Township, Randolph Township, Hampton Township, Stanton Township, Douglas Township, Leon Township, Vasa Township, and Warsaw Township. In return the townships will continue to contribute a fair amount for the great service Cannon Falls Fire and Rescue provides.

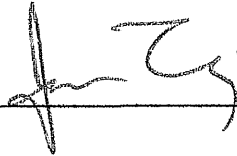
Attached:

Minnesota State Statute 365.15

Minnesota State Statute 365.15 Association of Township Attorney interpretation

Presented to the Cannon Falls City Council August 15th 2023

Jason Fehling- Cannon Valley Rural Fire Association Chair



Date:

8/13/23

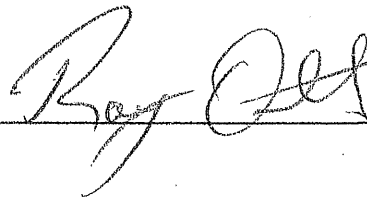
Regan Melhouse- Cannon Valley Rural Fire Association Secretary



Date:

8/13/23

Ray Otto- Cannon Falls Township Supervisor



Date:

8-13-2023

365.15 POLICE, FIRE PROTECTION.

The electors at a town meeting may direct the town board to provide for police or fire protection and get, operate, and keep up police and fire apparatus. The board may act jointly with home rule charter or statutory cities and other towns in getting the apparatus. The electors can also set the amount of money to be raised in one or more years for these purposes. The amount can be changed at a later meeting.

History: (1027-1) 1927 c 30 s 1; 1953 c 57 s 1; 1955 c 107 s 1; 1961 c 674 s 1; 1973 c 123 art 5 s 7; 1984 c 562 s 14; 1987 c 229 art 8 s 1

Hello and thank you for the question!

Townships do not have to provide fire protection, though I am not aware of any who do not do so. The relevant statute is Minn. Stat. § 365.15, which provides "The electors at a town meeting may direct the town board to provide for police or fire protection and get, operate, and keep up police and fire apparatus. The board may act jointly with home rule charter or statutory cities and other towns in getting the apparatus. The electors can also set the amount of money to be raised in one or more years for these purposes. The amount can be changed at a later meeting." Here the critical language is "may direct." The Association takes the view that this means that if they choose not to direct the board to do so, then the board must abide that decision.

Graham Berg-Moberg
In-House Counsel
Minnesota Association of Townships

Disclaimer: The contents of this communication should not be construed as legal advice on any specific fact or circumstance. The information presented is not legal advice or a legal opinion, and it may not necessarily reflect the most current legal developments.