

The Cannon Falls City Council met in a regular session on Tuesday, October 17, 2023 in the City Council Chambers. Present were Mayor Matt Montgomery and Council Members Laura Kronenberger, Derek Lundell, Steve Gesme, Lisa Groth, Ryan Jeppesen, and Diane Johnson. Also present were Neil Jensen, City Administrator; Sara Peer, City Clerk; Jed Petersen, Public Works Director; Bill Angerman, City Engineer; Tim Malchow, EMS Chief; and Jeffrey McCormick, Police Chief.

- Call to Order Mayor Montgomery 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 Montgomery led the recitation of the Pledge of Allegiance.
- Approval of Amended Agenda A motion was made by Council Member Jeppesen, seconded by Council Member Gesme and unanimously carried, to approve the amended Agenda as presented.
- Public Input Mayor Montgomery reviewed the public input procedure.
- Babe O’Gorman, Cannon Falls, referenced a prior data request regarding Project Tulip. He stated his understanding that this project has not been discussed during any public meeting. He reviewed communication that he received from City staff in this regard and offered to share this information with the City Council. He commented regarding land use in the Industrial Park and water and sewer considerations relating to this project.
- Consent Agenda
- A. Just and Correct Claims – Accounting Period Ending October 12, 2023
  - B. Meeting Minutes for October 3, 2023, City Council Meeting
  - C. Resolution 2707, Accepting a Monetary Donation of \$8,200 from Cannon Falls Fire Department Relief Association to the Fire Departments
  - D. Resolution 2708, Designating Polling Places for the City of Cannon Falls
  - ~~E. Second Reading and Adoption of Ordinance 398, an Ordinance of the City of Cannon Falls, Minnesota, Authorizing the Sale of Property~~  
*This item was pulled by Mayor Montgomery*
  - F. Approve Voting Operations, Technology & Election Municipality Agreement with Goodhue County
  - G. Approve Timber Ridge Early Model Home Permit Agreement

- H. Resolution 2709, Accepting a Monetary Donation of \$615 from Melanie Carlson to the Parks Department
- I. Approve Trade and Purchase of John Deere 325G Compact Track Loader
- J. Approve Hire of Unscheduled Part-Time Employee J. Crouch to the Ambulance Department
- K. Approve Disposal of Items from the Ambulance Department
- L. Approve LELS Union Contract for Police Officers
- M. Approve Hire of Full-Time Paramedic A. Hunt

A motion was made by Council Member Lundell, seconded by Council Member Groth and unanimously carried, to approve the Consent Agenda, minus Item E.

Council Business:

Second Reading and Adoption of Ordinance 398, an Ordinance of the City of Cannon Falls, Minnesota, Authorizing the Sale of Property

City Administrator Jensen provided background information. He detailed a proposed purchase agreement for the former Sandstone Ridge (now Timber Ridge) development property. He noted that the final plat now includes a total of 15 lots, rather than 21 lots.

Administrator Jensen stated that the plat includes plans for street access to the area, including from the Cedar Hills area to County Road 25. He suggested amending the agreement to state that if construction of Sandstone Road is not completed from Bluff Drive to Decorah Drive, the property owner would convey a public street right-of-way on the south side of Outlot B. Administrator Jensen also suggested requesting that a utility easement on Outlot B be incorporated into the final plat.

Council Member Johnson asked why the number of lots has been reduced. Administrator Jensen clarified the plan for the first addition of the development.

A motion was made by Council Member Johnson, seconded by Council Member Gesme, to approve the second reading and adoption of Ordinance 398, including amendments to the purchase agreement as discussed. A voice vote was conducted, and the motion carried unanimously.

OakPoint, Inc.  
Proposal

EMS Chief Malchow discussed Ambulance Service finances, noting that the margin between revenue and expenses has been decreasing over time. He reviewed a proposal for OakPoint to conduct a financial analysis, gather data, and evaluate the billing process, in order to help determine the current and future needs of the Ambulance

Service and explore potential funding opportunities. He discussed the partnerships with surrounding townships and the need for further discussion and education.

Mayor Montgomery inquired regarding the cost and timeline for the analysis and subsequent discussions with township representatives. EMS Chief Malchow stated that the cost would be approximately \$8,500 and that the analysis would take place during the early part of 2024. He noted that OakPoint has worked with other ambulance services and has expertise in funding strategies.

Mayor Montgomery asked about systems used by other ambulance services. EMS Chief Malchow referenced a system utilized by the Zumbrota Area Ambulance. He discussed the benefits to the community and staffing considerations.

Council Member Kronenberger asked how the cost of the analysis would be funded. It was noted that the expense would come from the Ambulance Service budget, with a portion from the 2023 budget and a portion from the 2024 budget. Council Member Gesme commented that a presentation by OakPoint was provided to the Finance Committee. Council Member Johnson commented regarding the challenges of Medicare and Medicaid reimbursement. EMS Chief Malchow stated his hope that reimbursement rates will improve over time, as more data is collected.

A motion was made by Council Member Jeppesen, seconded by Council Member Groth, to approve the OakPoint, Inc. proposal as presented. Council Member Gesme requested clarification of the cost, and EMS Chief Malchow provided additional information in this regard. A voice vote was conducted, and the motion carried unanimously.

Resolution 2710,  
Receiving Preliminary  
Report and Calling  
Public Hearing on  
72nd Avenue Way  
Improvements

City Engineer Angerman provided background information, reviewed a feasibility report relating to proposed 72nd Avenue Way improvements, and detailed the resolution language. He provided rationale for the project, which would bring 72nd Avenue Way up to City standards in terms of paving, curb and gutter, and storm sewers. He referenced the City's assessment policy and summarized discussion by the Finance Committee with regard to property owner assessments and the City's assessment policy. He noted that assessments could range from \$20,000 to \$60,000.

City Engineer Angerman noted that adoption of Resolution 2710 would authorize the scheduling of a Public Hearing to allow impacted property owners an opportunity to receive information and provide input to the City Council regarding the project. He stated that a supermajority affirmative vote of the City Council would be required to approve the project. He stated that assessment policy modifications could be considered up until the final assessments would be determined next spring.

Council Member Gesme commented regarding project costs and the large assessments, noting that several options were discussed by the Finance Committee. Mayor Montgomery commented that Finance Committee members are sympathetic to property owners, noting that street improvements should have been made when the land was annexed into the City. He suggested exploring creative solutions to help ease the financial burden of project assessments and provided suggestions in this regard. He commented that property values would increase as a result of the project.

Council Member Johnson stated that new homes should not have been allowed to be built along a gravel road, in violation of City ordinances. She suggested that the City assume some responsibility in terms of resolving the current situation. The ages of the homes in the area were discussed. Mayor Montgomery commented that these homes were built at a lower cost because there were no assessed costs for street improvements at the time of construction. Council Member Johnson asked whether communication was provided to property owners regarding future assessments for a large street improvement project. Council Member Lundell stated that one of the property owners indicated to him that they were not informed about potential future assessments and that the assessments would create a financial hardship. The desire for a fair solution was discussed. Council Member Johnson suggested assessing the project like a mill-and-overlay project, with property owners responsible for 20% of the project cost. City Engineer discussed the pros and cons of amending the assessment policy for this project and reviewed the process of adjusting assessment amounts.

Mayor Montgomery reviewed the next steps. Council Member Lundell suggested moving the process forward. City Engineer Angerman clarified that the City Council would not be asked to commit to specific assessment amounts at the time of a vote to move the project forward. The past annexation process was discussed.

Potential future improvements involving 71st Avenue Way were discussed.

The process and timeline were clarified. A motion was made by Council Member Gesme, seconded by Council Member Groth, to adopt Resolution 2710. A voice vote was conducted, and the motion carried unanimously.

Reports:  
Council Committees /  
Commissions /  
Nonprofit  
Organizations

Cannon Falls Area Chamber of Commerce Director Maggie Wilson thanked the 21 businesses that participated in the Scarecrows in the Street initiative. She expressed appreciation to Public Works staff for maintaining Downtown flowers. She discussed new park and trail signage.

Director Wilson reviewed upcoming activities and events, including concerts and craft fairs. She discussed Halloween activities, including the Chamber Trick or Treat Trot event on October 27. She discussed Deck the Falls activities on November 25, including the parade and fireworks display. She noted that more information can be found by visiting the Chamber website or Facebook page.

Director Wilson also discussed a seminar that will be hosted by the Chamber on November 1 for discussion of Minnesota's new earned sick and safe time (ESST) legislation.

Mayor Montgomery referenced a recent EDA meeting, during which the Hardwood Estates development was discussed.

Public Works Director Petersen summarized topics of discussion during a recent Park Board meeting, including the donation of a new bench in Hannah's Bend Park.

Council Member Kronenberger summarized topics of discussion during a recent Public Works Commission meeting, including the proposed equipment trade-in and purchase.

Mayor Montgomery summarized topics of discussion during a recent Finance Committee meeting, including the proposed 72nd Avenue Way project.

Council Member Gesme summarized topics of discussion during a recent Planning Commission meeting, including the moratorium on residential treatment facilities and former nursing home property.

Staff

Public Works Director Petersen discussed hydrant flushing activities and the upcoming hauling of biosolids.

City Engineer Angerman reported that the lift station and installation of pipe under the river is nearing completion, noting that this will not be operational until next year. It was noted that the old bridge will be removed.

EMS Chief Malchow discussed staff training activities and certification renewals.

Police Chief McCormick further discussed the Trick or Treat Trot event.

Chief McCormick detailed security issues relating to the former nursing home facility. He relayed information from the City Attorney, who has suggested that the Council consider passing a motion to schedule a hearing for discussion of this matter and direct the City Attorney to send notice of the hearing to the property owner. He discussed the purpose of the hearing and potential Council actions following the hearing.

A motion was made by Council Member Lundell, seconded by Council Member Johnson and unanimously carried, to schedule a hearing during the November 7 City Council meeting and direct the City Attorney to send notice of the hearing to the owner of the former nursing home property. Administrator Jensen indicated that Public Works has been asked to locate the water shut-off to the property, in the event that this becomes necessary.

Administrator Jensen reported that the Planning Commission will be conducting a Public Hearing on November 7 relating to individual well and septic systems.

Administrator Jensen referenced recent PFAS testing results and subsequent discussions, noting that further updates will be provided. Public Director Petersen clarified that PFAS has been detected in waste water but not in drinking water.

Mayor and Council

Council Member Jeppesen discussed the parking lot project.

Council Member Lundell suggested combining the Park Board and the Public Works Commission. Mayor Montgomery suggested adding

this to a future meeting agenda. Administrator Jensen stated that this would require an ordinance change.

Mayor Montgomery discussed upcoming school activities.

Adjournment

A motion was made by Council Member Jeppesen, seconded by Council Member Lundell and unanimously carried, to adjourn the meeting. The meeting adjourned at 7:20 p.m.

Adopted by the City Council of the City of Cannon Falls on the 7<sup>th</sup> day of November, 2023.

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Matt Montgomery, Mayor

ATTEST:

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Neil L. Jensen, City Administrator