

The Cannon Falls City Council met in a regular session on Tuesday, December 3, 2024, in the City Council Chambers. Present were Mayor Matt Montgomery and Council Members Derek Lundell, Steve Gesme, Lisa Groth, Diane Johnson, Laura Kronenberger, and Ryan Jeppesen. Also present were Neil Jensen, City Administrator; Sara Peer, City Clerk; Shelley Ryan, City Attorney; Michael Truax, Police Officer; and Laura Qualey, Community & Business Development Specialist.

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 Agenda A motion was made by Council Member Lundell, seconded by Council Member Johnson and unanimously carried, to approve the Agenda as presented.

Public Input Mayor Montgomery reviewed the public input procedure.

Erin McMahon, 612 Hoffman Street, Cannon Falls, described the City Council as a paper tiger and provided a definition. She expressed concerns about go-kart racing at the fairgrounds and stated that the City Council should not be negotiating with the Cannon Valley Fair Board.

Curt Beissel, 1231 West Minnesota Street, Cannon Falls, also expressed concerns about the racetrack. He summarized recent discussion by the City Council and referenced the City Attorney's opinion that the Cannon Valley Fair is not an agricultural society but is a fair association. He stated that the racetrack was constructed illegally with no due diligence, ignoring the rights of residents. He stated that the City Council has the responsibility to do what is in the best interests of the residents.

Jim Hoffman, 917 Park Street West, Cannon Falls, referenced Council Member Johnson's past comment that the City's ordinances have no teeth. He provided examples of past ordinance enforcement and suggested figuring out how to make ordinances enforceable again.

Public Hearing:  
2025 Final Budget  
and Levy Public  
Hearing

Mayor Montgomery opened the Public Hearing for this item at 6:41 p.m. No one spoke during the Public Hearing. Mayor Montgomery closed the Public Hearing at 6:42 p.m.

City Administrator Jensen provided a brief overview of the 2025 final budget and levy, noting a 4.32% increase from the 2024 levy. City Administrator Jensen commented that the only item that has been added was a \$2,500 donation to the Chamber of Commerce. He summarized anticipated revenue sources and major expenditures and projects that are planned in 2025. He stated that a resolution to approve the final levy and budget will be added to the agenda for the next Council meeting. He discussed enterprise funds and project funding.

City Administrator Jensen referenced the Ambulance Fund deficit, stating that this situation has been the result of issues with Medicare and Medicaid reimbursement. He suggested continued discussions with the townships. He also discussed the capital budget and referenced increasing costs.

City Administrator Jensen provided a future forecast and offered suggestions for future budget planning discussions.

Consent Agenda

- A. Just and Correct Claims – Accounting Period Ending November 25, 2024
- B. Meeting Minutes for November 12, 2024, City Council Meeting
- C. Resolution 2792, Authorizing Bank Signatures
- D. Resolution 2793, Adopting the Goodhue County 2024 Hazard Mitigation Plan
- E. Approve 2025 Contracted Police Services Rate
- F. Approve Disposal of Unclaimed / Abandoned Bicycles
- G. Approve Disposal of Metal Collected in Police Department
- H. ~~Approve Tract Escrow Agreement~~  
*This item was pulled by Council Member Johnson*

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

Council Business:  
Fire Department  
Pension Increase

Fire Department Relief Association representative Ferlin Miller provided background information and fire call statistics. He summarized recent discussions by the Fire Department Relief

Association Board relating to the pension fund. He provided rationale for a recommendation to increase the service credit from \$2,700 to \$3,000 per year. City Administrator Jensen verified the information that was provided.

A motion was made by Council Member Lundell, seconded by Council Member Gesme and unanimously carried, to approve the recommended increase.

Approve Tract Escrow Agreement

Council Member Johnson stated that she has no issues with the escrow agreement per se. She expressed opposition to any financial commitment from the City relating to this project.

A motion was made by Council Member Jeppesen, seconded by Council Member Kronenberger and unanimously carried, to approve the tract escrow agreement as presented.

Reports:

Council Committees, Commissions, and Nonprofit Organizations

Mayor Montgomery referenced recent Deck the Falls activities.

Council Members Groth and Kronenberger discussed a recent Joint Powers Trail Board meeting.

Staff

Community & Business Development Specialist Qualey provided an update relating to the Hardwood Estates development. She thanked Council Members Lundell, Gesme, and Groth for their service and thanked City Administrator Jensen for his support.

Police Officer Truax discussed recent events and issued a reminder relating to cold weather precautions.

City Attorney Ryan provided an update relating to the recent racetrack discussion. She stated that both parties are working toward a negotiated solution. She referenced an opportunity to clean up zoning issues relating to the fairgrounds property. She stated that the Planning Commission will be presented with a draft proposal to create a new zoning district during its next meeting. She reported that permitted and conditional land uses during the fair and at other times during the year will be discussed. She stated that noise and other resident concerns relating to the racetrack will be addressed. She reviewed the next steps in the process and the anticipated timeline. When asked whether the process will be wrapped up by the

end of the year, City Attorney Ryan stated that this is the plan. Mayor Montgomery noted that a special Council meeting may need to be scheduled for the second reading of the ordinance.

City Administrator Jensen discussed the vital role of the City's public safety departments.

Mayor and Council  
Members

Council Member Lundell discussed winter parking rules. Mayor Montgomery referenced ice and snow removal requirements.

Council Member Johnson commented regarding the large numbers of public safety staff and others who have been assisting in the search for a missing person.

Mayor Montgomery reiterated the upcoming meeting schedule.

Adjournment

A motion was made by Council Member Groth, seconded by Council Member Johnson and unanimously carried, to adjourn the meeting. The meeting adjourned at 7:02 p.m.

Adopted by the City Council of the City of Cannon Falls on the 17<sup>th</sup> day of December, 2024.

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Matt Montgomery, Mayor

ATTEST:

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Jon Radermacher, City Administrator