

The Cannon Falls City Council met in a regular session on Tuesday, September 16, 2025, in the City Council Chambers. Present were Council Members Ryan Jeppesen, Chad Johnson, Diane Johnson (arrived at 6:33 p.m.), Laura Kronenberger, Chris Nobach, and Lisa Zimmerman; Mayor Matt Montgomery was absent. Also present were Jon Radermacher, City Administrator; Sara Peer, City Clerk; Jed Petersen, Public Works Director; Izzy Carlson, License & Permit Technician; Jeffrey McCormick, Police Chief; and Brice Miller, Fire Chief.

- Call to Order Mayor Pro Tem Kronenberger called the City Council meeting to order at 6:30 p.m.
- Roll Call Roll call was conducted. Council Members R. Jeppesen, C. Johnson, Kronenberger, Nobach, and Zimmerman were in attendance. Council Member D. Johnson arrived late.
- Pledge of Allegiance Mayor Pro Tem Kronenberger led the recitation of the Pledge of Allegiance.
- Approval of Amended Agenda A motion was made by Council Member Zimmerman, seconded by Council Member Nobach and unanimously carried, to approve the Agenda as presented.
- Public Input Mayor Pro Tem Kronenberger reviewed the public input procedure.
- Joshua Kalina introduced himself as a representative of Iron Workers Local 512. He spoke in support of the Tract data center proposal. He described how the community would benefit from this investment. He discussed long-term, high-paying jobs for skilled union members and noted that the project may attract more young people to work in the trades.
- Tim Dehmer, Cannon Falls, expressed concerns regarding interactions he has had with the Cannon Falls Library Director and Cannon Falls Police Department staff. He requested consideration of adding this item to a future City Council meeting agenda. Council Member C. Johnson indicated that he had no knowledge of the situation. Council Member Nobach summarized a discussion that took place during a recent Library Board meeting, which was attended by Mr. Dehmer. He suggested that Mr. Dehmer submit his request for subsequent action via email to City Administrator Radermacher or to a Council Member. Mr. Dehmer indicated that he would send an email to all Council Members.

Consent Agenda

- A. Just and Correct Claims – Accounting Period Ending September 11, 2025
- B. Meeting Minutes for September 2, 2025, City Council Meeting
- C. Approval of Fire Department Relief Association Bylaw Section 8 Amendment
- D. Approval of Fire Department Tender 2 and Rescue 2 Replacements
- E. Approval of Sale of Old Police Squad Vehicles
- ~~F. Resolution 2827, Approving Interim Use Permit for Adam Banks~~  
*This item was pulled by Council Member Nobach.*
- G. Resolution 2828, Approving Conditional Use Permit for Minny Grown

A motion was made by Council Member D. Johnson, seconded by Council Member Jeppesen and unanimously carried, to approve the Consent Agenda as presented, minus Item F.

Council Business:  
Resolution 2826,  
Adopting the  
Preliminary Tax Levy  
and Budget  
Collectible in 2026  
and setting a Public  
Meeting Date

City Administrator Radermacher referenced a Council work session that was conducted on September 10 to discuss the 2026 preliminary budget and property tax levy. He provided a summary of the City's financial status, stating that the City of Cannon Falls is in a strong financial position. He reported that the City's funds have adequate reserves, meeting or exceeding the City's financial policies. He noted that the City's debt is in a good position. He commented that long-term capital needs will include several big-ticket items that will need to be planned for. He discussed challenges relating to the Ambulance Fund, primarily due to reimbursement rates. He referenced recent legislation to assist rural ambulance services. He discussed maintenance of City buildings, trails, equipment, and the pool. He noted the need to plan for future infrastructure projects.

Administrator Radermacher clarified that the final tax levy can be decreased from the preliminary levy but cannot be increased. He suggested setting the preliminary levy higher than the target levy, to allow for flexibility to account for unknown expenses at this point in the process.

Administrator Radermacher discussed how the City's General Fund, special revenue funds, and enterprise funds are utilized. He reviewed revenue sources and highlighted the differences between these funds.

Administrative Radermacher reviewed how property valuations and tax capacity calculations are determined. He noted the need for consideration of water and sewer rate adjustments. He discussed expenses related to employee compensation and benefits and referenced the increasing cost of health insurance. He discussed the Police Department, Fire Department, and Public Works Department budgets. He described planned equipment purchases.

Administrator Radermacher noted that excess cash reserves in the debt service fund could be used to help offset the tax levy increase and utility fund contributions.

Administrator Radermacher detailed increased expenses in 2026 relating to staffing, a Comprehensive Plan update, and tree removal projects. He also recommended adding \$70,000 to the municipal reserve fund, so that the City can continue to pay cash or a combination of cash and bonds for infrastructure projects.

Administrator Radermacher summarized the proposed (preliminary) 2026 budget. He reviewed how the property tax rate is determined. He reviewed examples of residential property tax impacts based on various tax levy increases. He recommended a preliminary tax levy increase of 10.8%, with the goal of lowering the final tax levy.

Council Members expressed appreciation for the comprehensive information that was provided.

It was noted that a public meeting will be scheduled on December 16.

A motion was made by Council Member C. Johnson to adopt Resolution 2826, adopting the preliminary tax levy and budget collectible in 2026 as recommended by staff and set a public meeting date of December 16, 2025, at 6:00 p.m. The motion was seconded by Council Member Nobach, a voice vote was conducted, and the motion carried unanimously.

Resolution 2827,  
Approving Interim Use  
Permit for Adam  
Banks

Council Member Nobach requested additional information. City Administrator Radermacher provided background information. He stated that the Planning Commission reviewed an application by Adam Banks for an Interim Use Permit to operate a motorcycle mechanics shop out of his garage. He noted that a Public Hearing was conducted, during which several comments in opposition to the IUP were provided. He stated that the Planning Commission ultimately voted to recommend approval of the IUP.

Council Member Nobach suggested clarifying that the IUP could be revoked if there are credible complaints about noise or other issues.

Adam Banks, the applicant, clarified the location of his shop and noted that there have never been any concerns expressed by neighbors. He indicated that there should be no issues with noise.

Administrator Radermacher reviewed the definition of an Interim Use Permit and detailed the complaint investigation process.

Council Member Kronenberger asked about concerns related to parking, and additional information was provided by the applicant.

A motion was made by Council Member C. Johnson, seconded by Council Member Zimmerman, to adopt Resolution 2827, approving an Interim Use Permit for Adam Banks. A voice vote was conducted, and the motion carried unanimously.

Reports:  
Council Committees,  
Commissions, and  
Nonprofit  
Organizations

City Administrator Radermacher discussed an upcoming Chamber lunch and learn event, with presentations to be provided by public safety staff.

Administrator Radermacher provided an EDA update. He reviewed a lot sales priority policy relating to Hardwood Estates.

Council Member D. Johnson summarized discussions and Public Hearings that were conducted during the Sept. 8 Planning Commission meeting. She noted that the Public Hearings relating to the Tract data center proposal have been continued to the next Planning Commission meeting on Oct. 13.

Staff

Public Works Director Petersen referenced the City's Active Transportation Plan. He noted that a planned demonstration project has been postponed until next spring. He discussed current milling projects.

Mayor and Council  
Members

Council Member Zimmerman provided a Cannon Valley Trail Phase 2 project update.

Council Member C. Johnson described budget challenges faced by the Cannon Falls School District and recommended supporting the operating levy. Council Member Nobach commented that a public

meeting has been scheduled regarding the proposed operating levy on Sept. 22.

The recent monster truck event at the Fairgrounds was discussed in terms of noise and parking concerns.

Adjournment

A motion was made by Council Member Jeppesen, seconded by Council Member D. Johnson and unanimously carried, to adjourn the meeting. The meeting adjourned at 7:39 p.m.

Adopted by the City Council of the City of Cannon Falls on the 7<sup>th</sup> day of October, 2025.

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Matt Montgomery, Mayor

ATTEST:

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Jon Radermacher, City Administrator