

TO: MAYOR AND CITY COUNCIL

FROM: JON RADERMACHER, City Administrator

SUBJECT: 2026 Utility Rates and Fees

MEETING DATE: December 2, 2025

BACKGROUND

During the 2026 budgeting process, it was determined that the utility rates for 2026 could be left unchanged. A couple items do need to be adjusted. It was requested to summer sewer credit through the October billing cycle. This request to adjust sewer credit will reduce sewer revenues slightly, but not enough to warrant a rate change.

One rate that does need to increase is the Minnesota Safe Drinking Water Surcharge. This is a fee that is collected by municipal water systems and paid to the State. It has increased to \$15.22 per connection per year, historically cities have added this as a surcharge on the utility bill and broken it out according to their billing cycle. The monthly amount needed to collect that charge is \$1.27/account/month. The current rate is \$0.81/account/month.

STAFF RECOMMENDATION

Add the month of October to the summer sewer credit and increase the State surcharge about to \$1.27/account/month, which covers the cost of the Safe Drinking Water Surcharge paid to the State of Minnesota, to the 2026 fee schedule ordinance.

REQUESTED COUNCIL ACTION

Motion to approve Ordinance 413 - 2026 Fee schedule.

**CITY OF CANNON FALLS
GOODHUE COUNTY, MINNESOTA**

**ORDINANCE NUMBER 413
SECOND SERIES**

**AN ORDINANCE OF THE CITY OF CANNON FALLS, MINNESOTA AMENDING
CITY CODE TITLE III RELATING TO FEES, CHARGES AND RATES**

THE CITY OF CANNON FALLS ORDAINS:

SECTION 1. ADOPTION. The fee schedule attached hereto as Appendix A is hereby adopted pursuant to City Code Section 35.01. Any and all other fee schedules previously adopted by the City Council are hereby repealed.

SECTION 2. EFFECTIVE DATE. This ordinance shall become effective January 1, 2026 and after publication.

PASSED AND ADOPTED by the City Council of the City of Cannon Falls, Minnesota, this ____ day of _____, 2025.

Matt Montgomery, Mayor

ATTEST:

Jon Radermacher, City Administrator

APPENDIX A

<u>License</u>	<u>Fee</u>
Tobacco License	\$75.00/annual
Initial Liquor Application Deposit	\$550.00/one time
Off-Sale 3.2 Malt License	\$125.00/annual
Off-Sale Liquor License	\$200.00/annual
Off-Sale Liquor--**If Compliant with M.S. 340A408 Subd. 3	\$100.00/annual
On-Sale Club License (malt)	\$300.00/annual
On-Sale Wine License	\$750.00/annual
On-Sale Liquor License	\$2475.00/annual
On-Sale Taproom License	\$400.00/annual
Off-Sale Brewer License	\$100.00/annual
On-Sale Sunday Liquor License	\$200.00/annual
Special On-Sale 3.2 Malt (Temporary License)	\$25.00/day
Refuse Hauler License	\$200.00/annual
Initial Massage Therapy Application/Background Check	\$100.00/one time
Massage Therapy License	\$75.00/annual
Peddler License	\$400.00/annual
Transient Merchant License	\$25.00/location
Solicitor/Peddler/Transient Merchant Background Check	\$100.00/application
Sexually Oriented Business License	\$2500.00/annual
Mobile Food Unit Annual License	\$250.00/annual fee
Mobile Food Unit Daily License	\$25.00/daily fee
 <u>Permit</u>	 <u>Fee</u>
Excavation Permit	\$150.00/application
Right of Way Deposit	\$900.00/application
Fence Permit	\$35.00
Sign Permit	\$75.00
Temporary Sign Permit	\$25.00
Fireworks Permit	\$50.00/application
Farmers Market Seasonal Vendor	\$100.00/season
Farmers Market Daily Vendor	\$15.00/day
Chicken Permits	\$5.00/chicken per yr.
Chicken Permit Application and Site Plan Review	\$20.00/initial application only
 <u>Assessment Searches</u>	 \$25.00/each
 <u>General Government Charges</u>	 <u>Fee</u>
Comprehensive Plan	\$100.00/Book
City Code	\$250.00/Book
Bad Check Charge	\$30.00 + Bank Fee
Copies	\$0.25/Page
Notary	\$1.00
Video Copy (DVD or BlueRay)	\$25.00/Recording

Fax Use	\$0.50/Page-Incoming \$1.00/Page-Outgoing \$750.00
Special City Council, Planning Commission, or EDA Meeting On behalf of one individual	

General Government Compensation
Mileage

Fee
IRS Rate

Park and Recreation

Groups of 15-50	\$50.00/day
Groups of 51 or more	\$100.00/day
Beer & Wine Consumption Permit	\$10.00/day
Catered Liquor Event Permit	\$25.00/day

Pool Admission and Lesson Rates

Daily Admission

Children (4 and Under)	Free
Children (5-17)	\$3.00
Adults	\$4.00

Annual Passes

Family – City Resident	\$125.00
Family - Non -Resident	\$180.00
Family Without Lessons – City Resident	\$90.00
Family Without Lesson – Non-Resident	\$140.00
Single – City Resident	\$80.00
Single – Non-Resident	\$125.00
Single - Without Lessons – City Resident	\$75.00
Single – Without Lessons – Non-Resident	\$120.00
Punchcard (20 Times)	\$45.00

Lesson Only

City Resident	\$55.00
Non-Resident	\$70.00
Private Lessons	\$70.00
Junior Lifeguarding	\$35.00

Splash Party

Two Hours (Saturday and Sunday Only)	\$200.00
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Water Aerobic Exercises

Each	\$7.00
Eleven Weeks	\$60.00

Lap Swim

Daily	\$4.00
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Planning, Zoning, and Building

Fee

See Attachment A

Utility Costs

Fee

Sanitary Sewer

See Attachment B

Water

See Attachment B

Ambulance

Fee

Service Charges

See Attachment C

Police Department

Police Report Copies - 1-100 pages

\$0.25/Page **

Police Report Copies - 101 + pages

Actual cost *

BWC or Squad Video recording

\$25.00 per recording

Audio Recording

\$25.00 per recording

Photos

\$1.00 per photo

Lab Printed Photos

Actual cost ****

Finger Printing - city resident

\$15.00

Finger Printing – non-resident

\$30.00

Clearance Letter

\$15.00

Vehicle Impound Administrative charge

\$20.00

Vehicle Storage Police Impound

\$10.00 per day

Dog Impoundment Charge

\$45.00 per Dog *****

Dangerous Dog

\$500.00

* A cost estimate may be provided, and a deposit required before reproduction is started.
Actual time is staff time to compile request and copy, but not time redacting,
copier charge and any other cost incurred as allowed by Minnesota Statute.

** The victim of domestic abuse or the driver of a motor vehicle involved in an accident
will be provided with a copy of the report for that incident without charge.

**** Lab reproduction and staff costs.

***** Plus any vet and boarding actual fees charged by boarding facility.

ATTACHMENT A

Permit Procedures and Fees

Permits Required. The applicant for a permit shall provide an estimated construction value at the time of application. Permit valuations shall include total value of all construction work, including materials and labor, for which the permit is being issued, such as electrical, gas, mechanical, plumbing equipment, and permanent systems.

The Building Office sets the permit valuation using:

1. The Size or Square Footage of the Proposed Project;
2. The Use or Occupancy of the Structure; and
3. The Construction Type of the Structure.

Construction valuation data are provided by ICC and the State as guidelines.

Work Commencing Before Permit Issuance. If work of any kind for which a permit is required from the City has been commenced without first obtaining a permit, a special investigation shall be made before a permit may be issued for the work. An investigation fee shall be collected that is double the permit fee or \$200 whichever is greater.

Fee Refunds. The building official may authorize refunding of not more than 80 percent of the permit fee when no work has been done under a permit issued. The building official shall not authorize refunding of any fee paid except on written application filed by the original permittee not later than 180 days after the date of fee payment.

PERMIT FEES:

Building Permit fees are extracted from the 1991 Uniform Building Code.

See Attachment A1 for current fee schedule of Zoning and Subdivision Fees.

OTHER FEES:

Fences (residential)	\$35.00
(commercial)	\$75.00
Drainage Plan Review	\$100.00
Construction Deposit/Connection Deposit	\$2,000.00 (new residences, 1% of costs but not less than \$200 for other projects)
Water Meter & Pressure Regulator for Residential, Commercial, Industrial, Institutional	City cost plus 5% and sales tax
Water System Access (WAC)	
Residential	\$1,000.00
Commercial, Industrial, Institutional	\$5,600.00
Sewer System Access (SAC)	
Residential	\$1,000.00
Commercial, Industrial, Institutional	\$5,600.00

Attachment A1

**CITY OF CANNON FALLS
ZONING AND SUBDIVISION FEE SCHEDULE
2026**

	Base Fee/Recording	Escrow Deposit*	Total
Zoning:			
Comprehensive Plan Amendment	\$450	\$0	\$450
Variance	\$450	\$0	\$450
Appeal	\$450	\$0	\$450
Rezoning and Ordinance Text Amendment	\$450	\$0	\$450
Amendment	\$450	\$0	\$450
Conditional Use Permit	\$450	\$0	\$450
Planned Unit Development / Conditional Use Permit	\$450	\$0	\$450
Site Plan Review	\$0	\$0	\$0
Interim Use Permit	\$450	\$0	\$450
Administrative Permit	\$150	\$0	\$150
Home Occupation	\$150	\$0	\$150
Annexation Petition	\$450	\$0	\$450
Vacation	\$450	\$0	\$450
Renewal Permit	\$150	\$0	\$150
Other	\$250	\$0	\$250
Subdivision:			
Administrative Subdivision	\$250	\$0	\$250
Concept Plan	\$250	\$0	\$250
Preliminary Plat	\$500	\$2,500	\$3,000
Final Plat	\$500	\$500	\$1,000
Park Dedication:			
All Residential Units	Fees set by City Council Resolution	NA	10% land \$1,390.00/unit
Commercial	Fees set by City Council Resolution	NA	10% land \$2,000.00/acre
Industrial	Fees set by City Council Resolution	NA	10% land \$2,000.00/acre

**Whether or not an Escrow Deposit is required, if a consultant is engaged by the City to review the application and a cost is incurred for services rendered the applicant is responsible for payment of any and all professional service expenses. The final determination by the City Council will not be recorded unless and until any and all fees due have been paid by the applicant.*

ATTACHMENT B

Water User Charges

Effective with the billing for January 1, 2026 usage, the following rates shall apply for residential, multi-family, commercial and industrial users of City water:

1. Base Charges:
 - a. The base residential water charge shall be \$7.49 for the month.
 - b. The base commercial/industrial water charge shall be \$7.49 for the month.
2. Residential Usage Charges:
 - a. The water charge shall be \$3.17 per 100 cu. ft. per month for usage up to 300 cu. ft. for the month.
 - b. The water charge shall be \$3.97 per 100 cu. ft. for usage between 301 cu. ft. up to 900 cu. ft. for the month.
 - c. The water charge shall be \$4.94 per 100 cu. ft. for usage between 901 cu. ft. up to 6,000 cu. ft. for the month.
 - d. For usage over 6,000 cu. ft., the rate shall be \$7.38 per 100 cu. ft. per month.
3. Commercial/Industrial Usage Charges:
 - a. The water charge shall be \$3.17 per 100 cu. ft. per month for usage up to 800 cu. ft. for the month.
 - b. The water charge shall be \$3.97 per 100 cu. ft. for usage between 801 up to 2,800 cu. ft. for the month.
 - c. The water charge shall be \$4.94 per 100 cu. ft. for usage between 2,801 up to 7,500 cu. ft. for the month.
 - d. For usage over 7,500 cu. ft., the rate shall be \$7.38 per 100 cu. ft. per month.
4. Irrigation Charges:
 - a. The charge for irrigation meters shall be \$7.38 per 100 cu. ft. per month.
5. Multiple Dwelling Units

The water usage for multiple dwelling units is calculated by multiplying the number of units by the tier breaks (ex: 3 units X 300 cu. ft. = 900 cu. ft. for the first tier). The base charge is the flat fee multiplied by the number of units. Such water charges for multiple dwelling units shall be based upon the number of living units per structure, whether said living units are occupied or not.

Sewer Charges

Sewer system charges are hereby imposed upon all users in a total amount sufficient to pay the costs of the treatment system. Sewer system charges shall consist of the minimum charge, the O & M User Charge for most users, and the industrial charge for users subject to regular monitoring or which have BOD5 or TSS concentrations higher than domestic waste. User rates shall be updated annually to reflect current costs and to maintain equity in user fees.

Effective with the billing for January 1, 2026 usage, the following rates shall apply for residential, multi-family, commercial and industrial users of City water:

1. Residential Usage Charge
 - a. The minimum residential sewer charge shall be \$33.68 per month and allows for usage up to 400 cu. ft. for the month.
 - b. If the total usage is over 400 cu. ft., the sewer charge for all usage, including the first 400 cu. ft., the rate shall be \$11.76 per 100 cu. ft. for the month.
2. Commercial/Industrial Usage Charge
 - a. The minimum commercial sewer charge shall be \$48.48 per month and allows for usage up to 400 cu. Ft. for the month.
 - b. If the total usage is over 400 cu. ft., the sewer charge for all usage, including the first 400 cu. ft., the rate shall be \$11.76 per 100 cu. ft. for the month.
3. The Industrial Charge

The industrial charge shall be applicable to industrial discharges subject to regular wastewater monitoring for biochemical oxygen demand (BOD5) and suspended solids (SS). The unit rates for the industrial charges are as follows:

O & M UNIT RATES FOR BOD5 & SUSPENDED SOLIDS EXCEEDING DOMESTIC STRENGTH

	BOD \$ per 100 lb.	TSS \$ per 100 lb.	Phosphorus \$ per 100 lb.	Nickel & Zinc \$ per 100 lb.
Effective 1/1/14	\$65.00	\$63.00	\$107.00	\$62.00

4. Surcharge

If the character of any user's waste discharge is such that special laboratory testing, monitoring, pretreatment or other extraordinary costs are incurred by the City, then such extra costs shall be added to said user's bill and paid in the same manner as other user charges.

Sewer Only Users

1. All commercial, industrial and apartment dwelling of five (5) families or more that are not using City water shall be required to purchase and install a water meter at user's expense. Sewer charges shall be at current rates based upon water meter readings.
2. Dwellings of 4 or less units not using City water but connected to City sewer may either purchase a meter and be charged at the ongoing sewer rates or pay a resident charge per unit per monthly billing period for sewer usage in lieu thereof.

Effective with the billing for January 1, 2026, the resident charge shall be \$112.29 per unit per monthly period.

Subd. C. Sewer Usage Credit (Sprinkling Credit)

Since water used on lawns, gardens, trees and the like, does not go into the sanitary sewer, the City will give a credit for said use. The credit shall be the difference between the actual metered use and an amount equal to 150% of the average use from November 1 to March 31. The sewer credit shall be applied to billings for May through October usage (June through November billings).

Storm Water Charges

Effective with the billing for January 1, 2026 usage, the following unit rates shall apply for residential, multi-family, commercial and industrial accounts:

Residential:	\$ 7.77
Multi-Family:	\$21.08
Institutional:	\$25.59
Industrial:	\$25.59
Commercial:	\$32.80

The unit rate is the rate charged per acre. For example, a residential unit is based upon 0.38 acres that would result in a \$2.96 monthly charge.

Minnesota Safe Drinking Water Surcharge

The City will charge each water connection account the rate that has been set and directed by the State of Minnesota.

Recycling

The City has a contract with Waste Management for recycling. Rates are an annual increase set by the CPI for water, sewer and trash collection services. There will be an additional \$0.50 added to each bill for administration fees.

Attachment C

Level of Service	
BLS Non-emergency	\$1,600.00
BLS Emergency	\$1,900.00
ALS 1	\$1,800.00
ALS 1 Emergency	\$2,100.00
ALS 2	\$2,300.00
Specialty Care Transport	\$2,600.00
Mileage	\$30.00 per mile
BLS- Assessment & Treatment	\$300.00
ALS- Assessment & Treatment	\$450.00
ALS- No Transport Cardiac Arrest	\$1,850.00
EMS Standby	\$225.00
Community Care Paramedic	\$100.00 / hour
EMS personnel standby, per person	\$50.00 / hour
Lift Assist, 3 and more times	\$250.00
Patient assessment and refusal – Motor Vehicle Crash	\$200.00
Waiting time	\$100.00 / 30 mins