The Cannon Falls City Council met in a regular session on Tuesday, November 20, 2012, at 6:30 p.m. in the City Council Chambers. Present were Mayor Robby Robinson and Council Members Bill Duncan, Phil Hammes, Rodney Holst, Merlyce Johnson, Morris Mattson, and LeRoy McCusker. Also present were Aaron Reeves, City Administrator; Lanell Endres, Assistant City Administrator; Greg Anderson, City Engineer; Justin Padgett, Library Director; Dave Maroney, Community Development Director; Brenda Voshalike, Ambulance Director; and Jeffrey McCormick, Chief of Police.

Call to Order

Mayor Robinson called the City Council Meeting to order at 6:30 p.m.

Pledge of Allegiance

Mayor Robinson led in the recitation of the Pledge of Allegiance.

Approval of Amended Agenda

Council Member Duncan moved, seconded by Council Member Holst to approve the amended agenda. All members present voted aye. The motion was declared passed.

Public Input

There was no public input.

Consent Agenda

~~A. Just and Correct Claims – Accounting Period Ending November 16, 2012~~

B. Meeting Minutes for November 8, 2012 City Council Meeting

C. New Library Project Change Request

~~D. Introduction and First Reading of Ordinance 325, Amending Chapters 52 and 53 of the City Code Concerning Sewer and Water Connection Charges~~

E. Resolution 1991, Accepting a Donation from CF Fire Relief Association

~~F. Utility Extension to Hanson Home and Adjacent Property~~

G. Cannon Cruiser Car Club Annual Requests

H. Second Reading and Adoption of Ordinance 323 and Summary of Publication, Authorizing Sale of City-Owned Real Property

I. Application for Payment No. 12 for 2011 Westside Street Improvements Project

J. Riverside Terrace Sewer Credit

~~K. Resolution 1992, Authorizing 2013 City License Renewals~~

~~L. First Reading of Resolution 1993, Comprehensive Municipal Plan Amendment~~

~~M. Introduction and First Reading of Ordinance 324, Rezoning Property to Southeast Campus PUD~~

Council Member Hammes requested Items D, F, and K be brought down to Council Business. Council Member McCusker requested Items A, L, and M be brought down to Council Business.

Council Member Duncan moved, seconded by Council Member Holst to approve the Consent Agenda removing Items A, D, F, K, L, and M to Council Business. All members present voted aye. The motion was declared passed.

Introduction and First Reading of Ordinance 325, Amending Chapters 52 and 53 of the City Code Concerning Sewer and Water Connection Charges

The Council received a proposed ordinance amendment regarding water and sewer connection charges. Council Member Hammes asked for clarification on some of the terms. Administrator Reeves explained that trunk lines are the main lines that run out to 100-acre segments and lateral lines run off the main to serve different portions of that 100-acre site. Sliding index and usage rates were also explained.

Council Member Duncan moved, seconded by Council Member Holst to approve the Introduction and First Reading of Ordinance 325, Amending Chapters 52 and 53 of the City Code Concerning Sewer and Water Connection Charges. All members present voted aye. The motion was declared passed.

Utility Extension to Hanson Home and Adjacent Property located along Highway 20

The Council received a request for utility extension to a property along Highway 20 owned by Leon Hanson. Mr. Hanson constructed a home on the lot and discovered the water and sewer mains were located on the other side of Highway 20 rather than on the east side of the road. Council Member Hammes spoke in support of the final agreement, stating it was a good compromise and the homeowners were being treated fairly. Council Member Duncan noted the agreement also protected the City from any future claims.

Glen Pofahl, a city resident, asked for clarification of the agreement and assessments. Council Member Duncan explained the assessments would be spread among the three parcels in question, two of which have not yet been developed. Aaron Reeves, City Administrator, noted the assessments (judged to be approximately $11,000 currently) on the undeveloped parcels would be subject to a sliding index related to construction costs. The costs of the extension on the undeveloped lots would be carried by the City until the assessments are paid. Assessments are assigned at the beginning of a project and so under current code lots that had been deemed unbuildable and were not assessed when water and sewer were stubbed in cannot be assessed when developed, although connections fees would have to be paid.

Council Member Duncan moved, seconded by Council Member Holst to approve the Utility Extension to Hanson Home and Adjacent Property. All members present voted aye. The motion was declared

passed.

Resolution 1992, Authorizing 2013 City License Renewals

The City Council received a listing of proposed 2013 license renewals. Council Member Hammes asked Police Chief McCormick if there were problems with license renewals at any establishments. Chief McCormick said the renewals take place in January and the packets sent to all the establishments included information regarding training of staff and other requirements.

Council Member Duncan moved, seconded by Council Member Holst to approve Resolution 1992, Authorizing 2013 City License Renewals. All members present voted aye. The motion was declared passed.

Just and Correct Claims—Accounting Period Ending November 16, 2012

The Council received the Just and Correct Claims Listing for the accounting period ending November 16, 2012. Council Member McCusker spoke to several concerns. Aaron Reeves, City Administrator, and Lanell Endres, Assistant City Administrator, answered his questions.

- The apparent negative in Ambulance, Administrative, and Park Capital Funds. There is money in those funds but those funds were over budget for the year due to purchases or other expenditures that may have been planned for another year.
- The $2500 payment to Black Mountain is the annual license fee for the City's assessment software.
- The deicing equipment is for Public Works
- Some Xcel Energy charges and refunds are related to street lights, as the City pays Xcel to repair City-owned street lights. Staff will research other credits and report back to Council.

Council Member Duncan moved, seconded by Council Member Holst to approve Just and Correct Claims—Accounting Period Ending November 16, 2012. All members present voted aye. The motion was declared passed.

First Reading of Resolution 1993, Comprehensive Municipal Plan Amendment & Introduction and First Reading of Ordinance 324, Rezoning Property

The Council was informed the Planning Commission had worked on a plan to end the moratorium along the sought Highway 52 corridor and rezoning of property located in that area. Council Member McCusker explained he had to leave the Planning Commission Meeting prior to voting on the issue and would have voted against the rezoning and ordinance change. He spoke to concerns of the restrictions this rezoning would place on the three property owners in the area to be designated as the Southeast Campus. He also spoke to concerns of

to Southeast Campus PUD

losing the tax base of the three buildings if the properties were purchased by Mayo Clinic. He requested the issue be tabled to allow more time for discussion. The Planning Commission recommended approval of the changes on a 3-2 vote.

Dave Maroney, Community Development Director, explained the Highway 52 building moratorium was put in place to study the implications of the Highway 52 corridor and interchange and create a framework for what could and could not be developed in the area. He noted the Ordinance would change the zoning of approximately 50 acres on four properties, three privately owned and one owned by Mayo Clinic. The existing businesses would continue as legal nonconforming uses in the district. Should they wish to expand in the future, they could do that subject to a conditional use permit. Potential new nonconforming businesses may also be permitted by amendment to the ordinance to allow that business. The purpose of the rezoning was to encourage complementary uses to develop over time throughout the area. Mr. Maroney said the Planning Commission tried to take a balanced approach but he acknowledged there could be some impact on the three privately owned properties. He also noted the ordinance precludes sexually oriented uses, i.e., Class Act, from developing in close proximity to the hospital or within this acreage.

There was discussion on whether the Mayo Clinic would build if the rezoning was not done. Council Member Duncan was concerned Mayo would not build. Council Member McCusker did not share that concern. Council Member Hammes spoke to concerns of the zoning ordinance being influenced by Mayo Clinic. Mayor Robinson said that failing to pass the rezoning ordinance prior to the end of the moratorium could result in more costly litigation in the future.

City Administrator Reeves explained it was not possible to create a zoning code definition for an area or district that met every scenario. He said the intent was for staff and the Planning Commission to do the best they could to protect the City's $2 million investment in the interchange and overpass area. He noted the Mayo Clinic would be the anchor in the area and that the right sort of development would take advantage of that anchor, while the wrong sort of development could eliminate the benefit for future growth. He stated the Planning Commission could continue to review the ordinance and amend it as needed. He explained the City needed to have controls in place prior to the moratorium expiring at the end of the year.

Council Member Johnson moved, seconded by Council Member

Duncan to approve the First Reading of Resolution 1993, Comprehensive Municipal Plan Amendment, as well as the Introduction and First Reading of Ordinance 324, Rezoning Property to Southeast Campus PUD. Upon call of the roll, Commissioners Johnson, Holst, Duncan, Mattson, and Hammes voted aye. Commissioner McCusker voted nay. The motion was declared passed.

Staff Reports

Dave Maroney, Community Development Director, reported the Planning Commission was meeting Monday, (not Tuesday) December 10.

Justin Padgett, Library Director, reported the Library Board would also meet Monday, December 10.

Police Chief McCormick reported the Police Commission was tentatively scheduled to meet after the first Council meeting in December and that Officer Ayres had started full time.

Council Reports

Council Member Hammes related his ideas on community development. He would like the City to buy the old NAPA building and use it for a small business incubator. He would like to see the First Farmers & Merchants Bank building developed into a Community Center.

Mayor Robinson thanked staff for their hard work.

Adjournment

The meeting adjourned at 7:29 p.m.

Adopted by the City Council of the City of Cannon Falls on the 4th day of December, 2012.

Lyman M. Robinson, Mayor

ATTEST:

Aaron S. Reeves, City Administrator