

Finance Committee Meeting Minutes
Tuesday, April 10, 2023 at 5:00 P.M.
City Hall Council Chambers

1. CALL TO ORDER

Derek Lundell called the meeting to order at 5:00 p.m. Roll call: Derek Lundell, Council Member – present; Steve Gesme, Council Member – present; Matt Montgomery, Mayor – absent
Also present: City Administrator Neil Jensen, Utility Clerk Ellen Hartman, Council Member Diane Johnson, Fire Chief Mike Althoff, Ray Otto, Jason Fehling, Regan Melhouse

2. FIRE DEPARTMENT CONTRACT

Gesme offered a three-year contract with increases of 4-6-8% per year, with continued negotiations. Fehling and Otto refused, offering a 5-year contract with 4% increase each year, and questioned why individuals were not being billed directly for fire calls. Fehling stated there was no precedent to change how costs are shared, such as using call numbers to determine percentages. Cannon Falls Township stated that 4% was their final offer, and they were willing to drop City fire service and have the City bill individuals for service. Fehling stated that fire pensions and charitable gambling income would be lost if the townships no longer had an agreement with the City. Althoff supported the townships' proposed 5-year agreement with 4% increases. Neither the townships or Althoff supported forming a joint powers board, where the townships would have a say in the purchase of equipment. All parties, including Cannon Falls Township and Cannon Valley Rural Fire Association, agreed to immediately negotiate fair and equitable terms for the next contract, on a monthly basis, and start billing for every fire call.

Action – ***Motion by Gesme, second by Lundell, to recommend the City Council accept the townships' proposed 5-year fire agreement beginning in 2023 with 4% increase each year, and immediately continue negotiations for the next contract, passing unanimously.***

3. MALLOY LOT

Jensen reported that 6 extra feet of land was needed from Rich Malloy for the street project; purchase price increased to \$30,270.58. Survey, appraisal, and bank approval still needed since there is a mortgage on the property. Jensen presented the committee with the purchase agreement with the new information.

Action – ***Motion by Lundell, second by Gesme, to recommend the City Council accept the purchase agreement for the Rich Malloy property, passing unanimously.***

4. VFW SURVEY

Jensen reported that the VFW would like an option to purchase land from the City to build a deck; they would like a 3-year option to do fundraising. The VFW would be purchasing a strip of land directly north of their building from the City and a small triangle of land that is currently City parkland; the Park Board previously approved the sale. The City would retain the property if the deck is not built.

Action – ***Motion by Gesme, second by Lundell, to recommend the City Council approve the option agreement for the VFW to purchase City land for \$1, passing unanimously.***

5. CLEANING CONTRACT APPROVAL

Jensen reported that the City will not be hiring a part-time cleaning person. Jensen got bids from three cleaning companies to clean City Hall, PD, PSB and the library. 360 Cleaning Care was the lowest bid. City buildings will be deep cleaned, and then going forward be cleaned once a week and the library will be cleaned twice a week.

Action – ***Motion by Lundell, second by Gesme, to recommend the City Council accept the cleaning bid from 360 Cleaning Care, passing unanimously.***

ADJOURNMENT

Action – ***Motion by Gesme, second by Lundell, to adjourn at 5:55 p.m., passing unanimously.***

Respectfully Submitted,
Ellen Hartman, Utility Clerk