

Finance Committee Meeting Minutes
Monday, November 13, 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 – present, arriving at 5:08pm

Also present: City Administrator Neil Jensen, Utility Clerk Ellen Hartman, Council Member Diane Johnson, City Engineer Bill Angerman

2. APPROVE THE AMENDED AGENDA

Action - ***Motion by Gesme, second by Lundell, to approve the amended agenda, passing unanimously.***

3. APPROVE MEETING MINUTES

Action – ***Motion by Gesme, second by Lundell, to approve minutes from October 9, 2023 Finance Committee meeting, passing unanimously.***

4. PARK BOARD/PUBLIC WORKS COMMISSION

Lundell reported that he is on both Park Board and Public Works Commission. The two groups handle similar issues within the City. Lundell and Montgomery felt that one Commission would be a better use of time and resources. Jensen suggested forming one board, consisting of 2 council members and 3 citizens.

Action – ***Motion by Gesme, second by Montgomery, to create a single board named Public Works and Parks Commission, with two council members and three citizens, passing unanimously.***

5. MNDOT LIMITED USE PERMIT

Jensen reported that the proposed MNDOT Limited Use Permit (LUP) covers the trails by the roundabouts. The City currently plows the area.

Action – ***Motion by Lundell, second by Gesme, to recommend the City Council approve the MNDOT LUP, passing unanimously.***

6. 72nd AVE WAY DISCUSSION

Angerman reported that the public hearing for the 72nd Ave Way project will be held next Tuesday, November 21st. Angerman reminded that staff was tasked to bring back more information. He stated there are no other recent projects that are similar, and that this is a unique situation. A plan was submitted in 2014, with a preliminary plat. Phase one included plans for 72nd Ave Way to remain gravel until phase two, but phase two was never completed; there was no final plat, and no development agreement can be found. Angerman recommended that the road should be built to City standards. Angerman also recommended offering better terms, but the City should not change the interest rate formula used in the past. Jensen suggested that sharing the sidewalk costs with the City is justifiable, since all future development trails will lead there eventually; this was an example of a fair way to share the costs. Angerman also suggested assessing the project by unit (Residential Equivalent Unit), and not

frontage; REU might allow for smaller assessments on the larger properties. Commission members questioned if the City might share some of the costs since the original developer didn't finish paving during Phase 2. The decision to move forward or not will be made at the 11/21/23 Council meeting.

7. REVISED PAY STUDY

Jensen reported that during negotiations with the 49ers union, it was discovered that some of the employees did not get a step increase on the new pay scale. Jensen determined that the consultant did not add step increases in the pay study; 13 employees were affected. Making the correction increases the budget approximately \$27,000, divided across the levy and enterprise funds.

Action – ***Motion by Montgomery, second by Gesme, to approve the revised pay scale, passing unanimously.***

8. PFAS LAWSUIT

Jensen reported that testing uncovered high levels of PFAS in the City sewer; this is probably due to a local manufacturer. Angerman reported that the City will need to enter into a PFAS action plan to regulate industries. Testing for PFAS is expensive, and the State is not getting back to the City on funding for tests. Angerman also reported on a water class action lawsuit that has settled. There is a December deadline to opt out; Angerman is still looking into it. Cannon Falls was on the list of Impacted Water Sources, but at a low level. The City will need legal assistance to join the class action lawsuit. The idea behind lawsuit is to give money for building water treatment facilities to treat PFAS, but CF may never reach this level. Rochester is at a similar level as CF, and will probably opt in.

Action – ***Consensus of the Commission was to opt into the class action lawsuit to receive future funds for treating PFAS as necessary.***

9. ADJOURNMENT

Action – ***Motion by Montgomery, second by Gesme, to adjourn at 6:20 p.m., passing unanimously.***

Respectfully Submitted,
Ellen Hartman, Utility Clerk

-Approved at 12/11/23 Finance Committee Meeting-