

Canton City Council Regular Meeting Minutes April 14, 2021

The Canton City Council held its regular monthly meeting on April 14, 2021, at the Canton Town Hall. Members present: Mayor Nick Prestby, Carl Ernst, Randy Gossman, Cindy Shanks and Charlie Warner. City staff present: Brock Bergey, Jim Davis, Barb Kerns and Jon Nordsving. Visitors present: Corrine Haugen, Donivee Johnson, Holly Knutson, Jamie Knutson, Josh Nordsving, Bill Richardson, Kyle Ryan, Melissa Vander Plas, Greg Schieber, David Terbeest, Mike Wilder and Kristy Ziegler.

Mayor Prestby called the meeting to order at 6 p.m. Motion by Shanks, second by Ernst to approve the meeting agenda. Motion by Ernst, second by Shanks to approve the March 2021 meeting minutes; motion carried. Motion by Shanks, second by Warner to approve the consent agenda (approval of monthly bills, approval of opt-in option for MiEnergy's Load Management Program; approval of 2021-2022 prosecution agreement with Fillmore County and approval to purchase two replacement arborvitaes for city hall green space); motion carried.

Public comments: Josh Nordsving inquired about the current recreational vehicle ordinance, which prohibits ATV operation on City streets. Nordsving believes ATVs should be permitted since UTVs are acceptable under the existing ordinance. Council discussion will occur in May.

Reports: In his clerk report, Bergey noted there were five delinquent utility accounts, with no disconnections occurring. 50 pet licenses and 12 UTV/golf cart permits have been issued to-date in 2021. In nuisance property-related legal matters, Robroy Kelly has until May 8 to remove the abandoned vehicle on his property. Marso Electric has started on the electrical upgrades to the Mitson House. Payroll direct deposit is fully operational, with all employees enrolled. Canton was reported to be in pay equity compliance with the State of Minnesota for the 2020 reporting period. 2021 Quarter 1 financials will be presented at the May meeting due to the lengthy meeting agenda in April.

Public Works Director Jon Nordsving presented the council with a streets update. He noted Fillmore County will be repairing three approaches with Main Street (County 21) this year. They include the east and west approaches with Canton Avenue and the north approach of Veterans Drive. Nordsving also gave price estimates for four possible city projects. One would piggyback off of the East Canton Avenue approach work; another addresses the intersection of Canton Avenue and Ash Street. The area in front of the town hall was also reviewed, along with a section of Oak Street. All four projects would cost \$35,000 to complete. The council tabled the matter for future discussion.

Fire Chief Bill Richardson and Assistant Fire Chief Kyle Ryan presented Resolution 2021-06 for a Minnesota Lawful Gambling Exempt Permit. Motion by Warner, second by Ernst to approve the resolution; motion carried.

A joint February and March police report was submitted by the Fillmore County Sheriff's Office. There were a total of 18 calls in the City.

Zoning Administrator Carl Ernst presented two land use permits for council approval. Jamie and Holly Knutson wish to construct an addition (25' x 40') on an existing outbuilding on their residential property. Josh Nordsving wants to construct a garage (16' x 20') on his residential

property. Applicable permit application fees have been paid by both parties. Motion by Gossman, second by Shanks to approve both land use permit applications; motion carried.

Unfinished business: Considerable discussion resumed on the Canton American Legion's March request for city funds to improve the electrical system at the ball field. Mike Wilder, representing the legion, noted the organization received a \$750 grant from MiEnergy to put toward the project. In 2017, the City of Canton received a bequest of \$20,000 for parks and recreation purposes. Motion by Ernst, second by Warner to contribute \$7,127.48 using these designated funds, for electrical improvements to the ball field, with the legion overseeing the project; motion carried. The remaining bequest (\$12,000) will be transferred to a six-month CD.

Staff workspace at city hall was also revisited from the March meeting. At the request of the council, staff put together five options for council consideration. Currently, the designated office space is configured for two employees, with no additional room for a third workstation. Costs associated with the five options were reviewed, ranging from \$0 (making do with the current configuration) to \$3,000 for the creation of a separate workspace for the deputy clerk. The possible use of additional coronavirus relief funds, yet to be allocated, was also discussed. No action was taken.

New business: David Terbeest requested agenda time to seek a seasonal utility billing exemption. Terbeest does not feel he should be charged monthly service fees for water, sewer and garbage/recycling collection when he resides elsewhere during the winter months. He asked the council to rethink its billing practice. Bergey explained the former clerk voluntarily waived monthly service fees for some customers who left Minnesota for the winter. In Terbeest's case, records show 30 unbilled months that resulted in \$1,346 in lost revenues. It was reiterated that utility billing procedures were reviewed by the council in January, during the implementation of the new billing software. No action was taken on Terbeest's request, with possible future discussion to occur in the fall when the annual fee schedule is on the agenda.

Terbeest also asked the council to remove a fire hydrant located on his property. He calls it is a safety hazard and wants it moved for agricultural purposes. It was noted Terbeest did not own the property when the hydrant was first installed back in the early 1990s. Terbeest said costs of relocating the hydrant should be assumed by the City and he indicated he was not willing to cover the costs. After significant discussion, with guidance from Attorney Schieber, no action was taken.

Bergey stated former City Clerk/Treasurer Lolly Melander has a settlement conference on April 26. Melander faces 26 criminal counts of theft/embezzlement of public funds from the City of Canton, in addition to 23 counts from her employment with the City of Whalan. Fillmore County Attorney Brett Corson communicated discussions were playing out regarding a potential plea deal. If needed, a special meeting will be called for Attorney Corson to present updates to the council prior to the April 26 hearing.

Councilman Warner inquired about possible changes to existing ordinance language requiring proof of rabies vaccinations for all cats and dogs in the City of Canton age six months and older. In particular, Warner asked the council to consider refining the ordinance to create a distinction between indoor and outdoor animals, where indoor animals would be exempt from the current rabies vaccination requirement. After lengthy discussion on the topic, with feedback from Attorney Schieber, there was no additional councilmember support voiced for Warner's proposal.

Bergey reviewed the 2020 financial audit findings. He noted Canton received a clean audit, with all materials presenting fairly according to Hawkins Ash CPAs. Motion by Warner, second by Gossman to approve Resolution 2021-07 to accept the financial statements with independent auditors' report for the year ended December 31, 2020; motion carried.

In addition, Bergey presented a comparison of audit findings for General Fund expenditures from 2015 through 2020. The data was taken directly from the annual audit reports received by the council. Total annual expenditures, along with their percentage over/under the council-approved budget for the calendar year, were highlighted:

- 2015: \$329,729; 29% over budget
- 2016: \$265,724; 12% under budget
- 2017: \$289,995; 9% over budget
- 2018: \$304,766; 26% over budget
- 2019: \$251,953; <1% over budget
- 2020: \$260,840; <1% under budget

Motion by Gossman, second by Shanks to approve the purchase of four exterior signs for identification purposes (fire hall, firemen's pavilion, the park and wastewater treatment facility); motion carried.

Motion by Ernst, second by Gossman to adjourn at 9:22 p.m.; motion carried.