

August 6, 2013

FOR YOUR INFORMATION

This section is to highlight projects and events that do not require Council action but are necessary to keep you informed. Commission/Committee minutes will be contained in this section when they are available.

City Administrators Report

This will be included in the first Council Packet of each month.

Planning Commission Agenda Packet

EDA Agenda Packet

Public Works Commission Agenda

Cable Commission Agenda Packet

Library Board Agenda Packet

SEMLM Newsletter

City Credit Rating Articles

Cannon Valley Trail Annual Report

LGA Increase Article

Class Act Article

Chamber Newsletter

Cannon Falls News Story

<http://www.kttc.com/story/22862744/2013/07/17/on-the-road-in-cannon-falls>

ADMINISTRATORS REPORT

August 6, 2013

Following is a brief update on the main projects I have been working on:

South of School Project: An open house with the residents will be held before the Council meeting to discuss the project the schedule and determine the best location of the utility lines.

Road Renaming: With the new interchange and supporting roads a number of existing roads will be receiving new names. To make sure there is not confusion during emergency calls the City, County and Townships are meeting to rename a number of roads. Once this process is completed new addresses will be given to properties adjacent to these roads.

Hwy. 19 Project: MNDOT has approved the plans for a crosswalk at the Park and Ride lot. A resolution related to the crosswalk is on the regular agenda for approval along with approval of the construction agreement with the MNDOT contractor.

CSAH 24 Project: This project continues to move forward with road construction starting soon.

New Hospital Update: Construction is on schedule and going well. In addition Dave has been working with Mayo and other interested parties on the reuse/future plans for the current hospital site.

Economic Development: Dave and the EDA continue doing a great job in growing our Commercial/Industrial base with more projects in the works at this time. Part of this will be the first annexation related to the new interchange. A 52 acre parcel near the hospital has been approved for annexation by the Township and will be coming to the Council this month for final approval. This property owner has a large piece of land around the interchange and will continue to annex in parcels as he finds buyers. We don't have details on the development plan yet but should soon.

- Sandstone Ridge:** I continue to work with the County on this issue and hope to come to a mutually beneficial conclusion. I have sent an official request to the County Board to combine the lots and transfer them to the City but have not yet received a response.
- City Finances:** The 2014 Preliminary Budget will be discussed at the Work Session following the Council meeting. As always we continue to invest City funds and gain whatever interest we can on our reserves.
- East Side I Project:** Construction is going well and is on schedule.
- Highway 52 Project:** As you can see the project is moving forward very quickly and is on schedule. Monthly meetings continue being held to keep everyone involved up to date on the project status.
- Cooperation Efforts:** As always we continue to work with our neighboring Cities, the County, School District, and area businesses to see what can be developed for sharing of services.
- Library Project:** The project is basically complete. The approved work on the east and west side is almost done and looks very nice. A few minor issues remain to be addressed but should be resolved soon.
- 52/86 Intersection Project:** With the most recent accident at this site we are hearing that perhaps an interchange like the one to be built at 52/9 will be considered here. The City will push for this option as it is much better than the proposed J Turn lanes.

The above are brief descriptions of the main projects I have been working on. There have been numerous smaller projects and the everyday activities of City Hall that have been keeping me busy. Please let me know if you would like further information on any of the above projects or if you would like me working on anything else. I always appreciate input and direction from the City Council.



SEMLM

Southeastern Minnesota League of Municipalities

Serving cities in the counties of
Dodge Fillmore
Goodhue Houston
Mower Olmsted
Wabasha Winona

July 2013

Next Meetings – Save Dates

July 30, 2013 Red Wing

October 29, 2013 Zumbrota

[Fall meeting with LMC]

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< Bonus! >

Those arriving early to the meeting in Red Wing can enjoy a FREE guided tour of the Goodhue County Museum, which is also our event location for the evening. Tours begin at 5:00 with GHS Board members as your guides.

Note from the Prez –

Time to Celebrate and Plan

Our organization can feel pretty good about the last legislative session's results. Part of it was due to our legislative policy action, and part was responding to new bills as they emerged. In particular, SEMLM member city input on the Mayo Clinic's Destination Medical Center (DMC) proposal was impressive.

The SEMLM was approached by a legislator with a request for help in supporting DMC for our region. Since this came after our April meeting, the SEMLM Board voted to have a sample resolution drafted for cities in the region to consider, revise, and use as they wished if they chose to take a position of support for DMC.

This city-by-city action throughout SE MN to pass statements of support helped legislators understand the DMC proposal was viewed as a regional and statewide project. Because we already had an organizational system in place, it surprised others how quickly our membership could rally in support of this. Yes, you folks really are quite impressive. Well done!

Our upcoming Red Wing event on July 30th is an opportunity to continue talking with our region's legislators and to thank them for their work of the last session. Building relationships with lawmakers is an ongoing process, one that needs our involvement every year, including non-election years.

City officials can also ask our legislators for their thoughts on what directions various issues are likely to go in 2014. Our senators and state representatives sometimes know background information on what other legislators intend to put forward for bills in the next session. We can be better prepared by hearing what our lawmakers know from behind the scenes.

Sharing of this sort is very much a two-way street. We need you there to make it work for all of us. Thanks for doing your part, too. See you in Red Wing on July 30th.

President Tim Tjosaas

mayor@cityofkasson.com

SEMLM in ACTION

The SEMLM membership wrestled hard with the **Silica Sand Mining** topic to determine its official 2013 Legislative Policy position statement:

“To create a more consistent and available base of factual data regarding silica sand mining for counties and communities to use, the SEMLM supports a statewide study on silica sand mining and its related issues. Cities in our region prefer to retain local control on this issue, and thus they are NOT asking the state to implement statewide regulation of silica sand mining.”

That’s a fine line to straddle, to ask the state to assist with data and information, but not to take over the issue and remove local control. It’s like running on a ridge. Other groups pushed hard for the state to put a moratorium in place, counter to our members’ position of local control. There was even concern among our membership that asking the state to assist would only open the door to a state-wide moratorium of some term.

By the end of the session, the final omnibus bill that passed still maintained that fine balance our membership requested. **State agencies will assist and provide information to help cities and counties create their own local controls for silica sand mining. No state-wide moratorium was enacted.**

Below is a **summary** of the bill impacts that cities should know about. (LGU = Local Governmental Unit)

Section 66. Within the boundaries of the DNR Paleozoic Plateau Ecological Section, no excavation or mining of silica sand, including but not limited to digging, excavating, mining, drilling, blasting, tunneling, dredging, stripping, or shafting, may occur within one mile of a designated trout stream unless a silica sand mining trout stream setback permit has been issued by DNR. *Effective May 24, 2013, applies to new silica sand mining projects and projects for which environmental review documents have been noticed for public comments after April 30, 2013.*

Section 91, subd. 1-2. The EQB, in consultation with LGUs, is instructed to develop model standards and criteria for mining, processing, and transporting silica sand. **The standards may be used by LGUs as they develop their local ordinances.** *Effective May 24, 2013.*

Section 91, subd. 3-4. **The EQB is instructed to assemble a silica sand technical assistance team to provide LGUs, at their request, with assistance with ordinance development, zoning, environmental review and permitting, monitoring, or other issues relating to silica sand.** When an LGU requests recommendations from the technical assistance team the LGU must consider the findings or recommendations of the team in its approval or denial of a silica sand project. If the LGU does not agree with the team’s findings and recommendations, the detailed reasons for the disagreement must be part of the LGU record of decision. *Effective May 24, 2013.*

Section 92. Until two years after July 1, 2013, an Environmental Assessment Worksheet (EAW) must be prepared for any silica sand project that meets or exceeds any of a very specific list of thresholds, which are laid out, below. *Effective July 1, 2013, and no permit for a silica sand project subject to this section may be approved after that date unless the required environmental review has been completed.*

Excavates 20 or more acres of land to a mean depth of 10 feet or more during its existence. The local government is the responsible governmental unit; or

Is designed to store or is capable of storing more than 7,500 tons of silica sand or has an annual throughput of more than 200,000 tons of silica sand and is not required to receive a permit from the Pollution Control Agency. The Pollution Control Agency is the responsible governmental unit.

In addition to the contents required under statute and rule, an environmental assessment worksheet completed according to this section must include several specific items: A hydrogeologic investigation assessing potential groundwater and surface water effects and geologic conditions that could create an increased risk of potentially significant effects on groundwater and surface water;

For a project with the potential to require a groundwater appropriation permit from the commissioner of natural resources, an assessment of the water resources available for appropriation;

An air quality impact assessment that includes an assessment of the potential effects from airborne particulates and dust;

A traffic impact analysis, including documentation of existing transportation systems, analysis of the potential effects of the project on transportation, and mitigation measures to eliminate or minimize adverse impacts;

An assessment of compatibility of the project with other existing uses; and

Mitigation measures that could eliminate or minimize any adverse environmental effects for the project.

Section 93. The EQB is instructed to create and maintain a library of LGU ordinances and LGU permits that have been approved for regulation of silica sand projects.

Section 105. Authorizes the expedited adoption of rules by a number of state agencies related to aspects of silica sand mining, storage, and processing. *Effective May 24, 2013.*

Section 106. **An LGU may extend an interim ordinance or renew an expired ordinance prohibiting new or expanded silica sand projects for one year.** *Effective retroactively from March 1, 2013.*

The Free Press, Mankato, MN

July 23, 2013

Credit rater Moody's down on small cities

Six area cities have had credit ratings downgraded in the past 18 months

By Dan Linehan

dlinehan@mankatofreepress.com

---- — The city of Madelia has little debt, and pays what it has quickly. Its conservative budgets create annual surpluses in both utility and general government accounts. And it has plenty of money saved up.

Moody's Investors Services, a firm that examines how well governments and companies are able to pay their debts, heaped praise on the city during a recent credit rating change. The only surprise was the direction of the change — Moody's lowered the city's credit rating.

The agency cited residents' relatively low incomes and steep declines in the city's tax base.

Madelia is not alone. About 40 Minnesota cities, including six in south-central Minnesota, have seen their credit ratings lowered in the past 18 months, almost all by Moody's. There was only one downgrade in 2011.

One area city, Le Center, dropped three notches in a so-called "super downgrade," causing the city to lose its "investment grade" status.

The trend, first reported by Watchdog.org, has some cities and analysts wondering if Moody's is accurately gauging these cities' financial health. Declines in tax base are cited as a reason for the downgrade in nearly every case, though most of the downgraded cities have other problems as well. Many or most Minnesota cities lost some tax base in the recession as home prices fell, but a steeper decline took effect in 2012 after the Legislature changed how taxable value is calculated.

To give lower-valued homes a tax break, the Legislature decided to exempt part of their value from taxes. This shifted the tax burden to more-expensive houses and businesses, but it did not, by itself, affect the amount of taxes cities collected. There was still a tax consequence, though, as cities were forced to raise their tax rates to compensate for the reduction in tax base.

The result, especially in rural cities with older houses, was that the tax base fell dramatically. Madelia's market value dropped by 23 percent in 2012, to \$62.8 million. Of that decline, about 84 percent was due to the tax change, said Gary Carlson, government affairs director for the League of Minnesota Cities.

Dan Madsen, city administrator of Madelia, called the Moody's downgrade "misguided" because the legislative change didn't make the city any poorer.

"To be downgraded for something out of our locus of control is a bit frustrating," he said.

Other cities, too, are asking these questions. The downgrades will have the consequence of raising interest rates for cities to borrow money.

“The conversation among local governments is: Is Moody’s correctly interpreting what is changed here?” said David MacGillivray, a principal with Springsted, a St. Paul-based public sector advisory firm.

In a statement, Moody’s said it is aware of the legislative changes to taxable values brought on by the market value exclusion.

“While this had a one-time negative impact on the assessed and full market taxable values of certain homesteads, we have seen a multi-year trend of steep declines in valuations prior to the legislative change, which is an indication of economic challenges,” the statement said.

The statement noted that while cities can still increase their levies, “political unwillingness to do so in some cases has led to fiscal pressure.”

Moody’s cited North Mankato as an example: “The city has also not raised its property tax levy to increase revenue although it has the ability to do so.”

A declining tax base is the most common problem cited by Moody’s, but it is not the only one. In other words, some cities have more to worry about than a falling tax base.

Le Center has been downgraded twice in the past 18 months and ended up with a B1 rating earlier this year. It was one of two cities, the other being Vadnais Heights, that recently lost “investment grade” status as a result of the recent downgrades.

Some banks don’t lend to below investment grade cities, so the market for creditors shrinks, said Lisa Washburn, author of a report for Municipal Market Advisors, a public finance research and advisory firm, on the Minnesota downgrades. She called them “alarming” but added that cities will still probably be able to make their debt payments.

Le Center deals with debt

Le Center City Administrator Christopher Collins said the city of 2,506 people has about \$15 million in debt, or about \$5,985 per person, mostly from loans to fund street projects. Statewide, Minnesota’s small cities have \$3,027 in debt per person.

“We just decided to bite the bullet and take on the debt,” he said.

But it turned out the city bit off more than it could chew.

The city has loan payments due Feb. 1 and Aug. 1, but like all Minnesota cities doesn’t get its first property tax payment until May or its first state aid payment until July.

For the last several years, Le Center has not been able to make its February loan payments. So it’s been forced to take out short-term loans to pay back its long-term loans.

After state aid and property taxes come in, the city can pay off both loans. It’s still a problem, though.

“I’m not saying that it’s all a timing issue,” Collins said. “We should have more in that fund.”

The council certainly has not been shy about raising the levy. From 2009 to 2012, the city raised the levy by 95 percent. There was a smaller increase for this year, 5.25 percent, to give taxpayers a break.

Collins said Le Center is going in the right direction. Though the city ended 2011 with a negative general fund balance of \$52,000, it ended last year with a positive \$75,000, he said. And they've paid \$18,000 to a financial adviser to come up with a plan to help the city, which is still facing a negative outlook from Moody's.

"It doesn't matter how painful it is. It's something we have to do," he said.

Other cities have their own problems that contributed to credit downgrades. North Mankato, as previously reported, is dealing with about \$3.75 million in deferred or delinquent assessments. Le Sueur's sewer fund isn't generating enough revenue to pay back loans to the state.

But questions remain about what appears to be the link among these downgrades: falling tax base caused by the Legislature's change to taxable values. Other credit rating agencies are only responsible for three city downgrades over the past 18 months, according to the Municipal Market Advisors report.

This is likely in part because Moody's rates credit worthiness for most Minnesota cities, but it may also reflect different analyses by the two other major credit rating agencies.

"I still don't believe that Moody's is really assessing the impact appropriately," said Carlson with the League of Minnesota Cities. The legislative change mostly hit Greater Minnesota cities, as did the credit downgrades, because the change reduced taxable value only for lower- and middle-priced homes.

"We actually saw some cities that lost roughly 30 percent of their value and we honestly have cities in the metro area that lost one-tenth of 1 percent of their value," Carlson said. There is an effort on to persuade Moody's to take another look at its credit rating changes.

Madsen, the Madelia administrator, emailed a Moody's analyst for weeks but didn't get far.

"They said, at times we agree with your position, but it doesn't create a material change," he said.

In its statement, Moody's said it downgraded 23 local governments in 2012 and 14 in the first quarter of 2013. Moody's rates 379 local governments and school districts in Minnesota, the company noted.

"Moody's has had a negative outlook on all U.S. local governments since 2008, and downgrades have outpaced upgrades during that time," the statement reads.

MacGillivray, the Springsted principal, said it's extremely rare for rating agencies to admit they made a mistake and reverse their position. He's not sure that's the case, to be clear.

"I want to phrase this carefully," he said. "I don't know if they're right or wrong."

Cities pay more to borrow

The effect of rising interest payments on taxpayers is impossible to estimate in advance. Though interest rates depend on several factors, including how the municipal loan market is performing overall, a lower credit rating will generally drive an interest rate higher.

For example, the average interest rate of Mankato's three most recent loans is 1.91 percent. That low figure is thanks in part to the city's strong AA2 credit rating.

Le Center's interest costs run closer to 3.5 percent, or higher.

If both cities borrowed \$1 million using those rates and paid back the loan over 10 years, Mankato would pay about \$210,000 in interest. Le Center would pay about \$415,000.

Except for its short-term loans, Le Center can avoid paying those higher interest costs if it doesn't undertake any costly road repairs.

That's Collins' plan.

"I've been preaching to the council to not do any street projects or any bonding until after 2015," he said, by which time the city will have made progress on paying back old loans.

"Until we want to go bond again, it doesn't hurt us," he said.

Watchdog.org Minnesota Bureau

'Alarming' trend: 31 MN cities credit downgraded since 2012

Posted By [Tom Steward](#) On June 27, 2013 @ 4:43 pm

By Tom Steward | Watchdog Minnesota

The bond ratings of a steadily increasing number of local governments in Minnesota have been cut in the past 18 months, an "alarming" trend that's attracting the attention of national financial analysts.

Credit ratings measure the ability of a government or other debtor to repay financial obligations, and the likelihood of default.

Thirty-one Minnesota cities have seen their credit ratings slip since January 2012, including several whose general obligation bond ratings were "super-downgrades," involving a cut of at least three steps. Two cities have lost their investment-grade bond ratings status — Le Center and Vadnais Heights — as Gaylord, Granite Falls, Hayfield, Le Sueur and North Mankato each dropped three rungs respectively in the financial risk assessments.



[1]

FALLING BONDS: MN City lost its investment grade bond rating after defaulting on debt service payments for new sports arena.

Municipal Market Advisors, a trade newsletter that tracks municipal bonds, first singled out the state in a report titled "Minnesota City Downgrades Fast and Furious."

"It was an unusually large number of municipalities, of cities, in a particular state that were facing negative rating action that weren't part of a broader rating review," said Lisa Washburn, author of the April 29 report.

The pace has picked up sharply since 2011, when just one Minnesota city received a lowered bond rating. Last year, Moody's or Standard and Poor's credit rating services reduced the rates for 13 Minnesota municipalities. In 2013, an additional 18 cities have already been notified of a downgrade in their credit status.

"These trends are alarming; however, we do not anticipate that the downgrades themselves, or the fiscal strains driving the downgrades, will lead to a material increase in actual impairments or defaults," the MMA report states. "However, above-average downgrade activity may well continue among these ..."

Another trade newsletter, The Bond Buyer, reported the relatively high level of downgrades show Minnesota cities continue to struggle with "diminished property tax bases, limited revenue flexibility, and other fiscal strains. The downgrades underscore the challenges local governments still face despite the economic recovery."

Analysts noted that state changes to the property tax system have made it more difficult for smaller cities' to balance their books after property valuation declines from the recession. Cities have resisted hiking property valuations in the midst of a prolonged recovery, putting more stress on local government budgets.

The city of Le Center has resorted to borrowing from a bank to meet its debt-service obligations, as well as to pay for city operations. Overall, the downgrades could make it more expensive for cities and their taxpayers to turn to the municipal bond market for future projects, depending on market conditions at the time.

"It means the rating agencies' view on their credit quality, their ability to repay their debt in full and on time, has been reduced," said Washburn. "In theory, that means if they were to have to come to the capital markets, they may face an increased cost in order to gain access to capital markets."

Analysts say the financial fallout caused by two \$25 million projects in Vadnais Heights and Monticello underscores the potential risks of city's bonding for enterprise projects. Just last week, Monticello offered to settle with bondholders of the city's struggling Fibernet telecommunications network for an estimated 25 cents on the dollar. In February, [Vadnais Heights](#) ^[2]declined a \$455,000 lease revenue bond payment, defaulting on debt-service obligations for a sports arena built with \$24.8 million in bonds. The Vadnais Heights case stands out as a rare example of a municipal bond market default.

"Municipalities tend to be viewed very positively on the willingness factor," said Washburn. "But once there's a reason to view you negatively on that factor, it's a very significant fall from what your credit quality would be."

While the number of municipal bond defaults remains low, analysts say the hangover from the recession will continue to present economic challenges to local government officials and operations.

"Growing pension costs, increasing exposure to the capital markets and changing attitudes towards default and bankruptcies have intensified credit stress faced by local governments," Anne Van Praagh, a Moody's analyst, said in a release. "Demographic trends may further constrain some local governments' long-term flexibility, creating an environment with more downside risks and limited upside potential."

Contact Tom Steward at tom@watchdogminnesota.org

For a complete list of affected cities:

<http://watchdog.org/wp-content/blogs.dir/1/files/2013/06/MinnesotaCitiesDowngrade.pdf> ^[3]

Article printed from Watchdog.org: <http://watchdog.org>

URL to article: <http://watchdog.org/92896/alarming-trend-31-mn-cities-credit-downgraded-since-2012/>

URLs in this post:

[1] Image: <http://watchdog.org/wp-content/blogs.dir/1/files/2013/06/Vadnais-Sports-Center.jpg>

[2] Vadnais Heights : <http://www.reuters.com/article/2013/02/26/vadnais-ratings-sandp-idUSL1N0BQ6U220130226>

[3] <http://watchdog.org/wp-content/blogs.dir/1/files/2013/06/MinnesotaCitiesDowngrade.pdf>: <http://watchdog.org/wp-content/blogs.dir/1/files/2013/06/MinnesotaCitiesDowngrade.pdf>

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Cannon Valley Trail



2012 Annual Report



Prepared by:
Scott Roepke, Trail Manager

Cannon Valley Trail
825 Cannon River Avenue
Cannon Falls, MN 55009

May, 2013

Cannon Valley Trail 2012 Year in Review

February 2012

- ◇ Minnesota Department of Transportation (MN DOT) installed Cannon Valley Trail directional signs on Highway 52 costing \$6,008.56 (split between City of Cannon Falls and CVT).

March 2012

- ◇ Other Power Driven Mobility Devices, (OPDMD) - The Trail board reviewed and compared the Trail's current policy on mobility devices to the Federal Ruling on OPDMD. The Goodhue County Attorney was given the Trail's policy to review.

April 2012

- ◇ Mill Towns Trail representative, Peggy Prowe, gave a general description of the future Mill Towns State Trail that will connect the cities of Faribault, Northfield and Cannon Falls. Prowe spoke at length about the connection of Cannon Falls to both Goodhue County Park and Dakota County Park Lake Byllesby. The Friends of the Mill Towns Trail will work to raise funds to help purchase land to make the connection to the county parks possible.
- ◇ For the past 15 years, the Frances Haglund Memorial Internship provided many students an opportunity to learn about the natural environment. Bruce Bush, Haglund's nephew, funded the internship. By mutual agreement between Bush and the board, 2012 is the final year of the internship. The board expressed its appreciation to Bruce Bush for helping to fund the internship.

June 2012

- ◇ 2012 Summer Flood
 - The entire Trail was closed from Friday, June 15 to Friday, June 22.
 - On Friday, June 22, Welch to Cannon Falls was re-opened.
 - Welch to Red Wing was closed for a total of 7 weeks.
 - Cannon Falls, Red Wing and Goodhue County played a huge role in getting Welch to Cannon Falls open. All three units of government offered equipment and equipment operators.
 - Sentence-to-Service and Welch Village Ski Area also helped in getting the Trail re-opened.
 - The damage on the Cannon Falls end included 10 landslides and 8 holes along the shoulder of the Trail.
 - The damage on the Red Wing end included 7 landslides, 9 holes along the shoulder of the Trail and a bridge that was offset by flood waters.
 - The Trail received a \$5,000 donation from the Blue Cross Blue Shield Foundation for flood clean up.

July 2012

- ◇ 2012 Summer Flood
 - Trail manager applied for FEMA funds
 - The Trail received \$5,800 in private donations for flood damage repairs.
 - As of July 15th, flood expense was about \$55,000.
 - Gravel/rock - \$7,000, Dean Whitmore Excavating - \$10,000, Asphalt - \$25,000, Trail Labor - \$5,000 and Equipment Rental - \$7,500
 - Total projected expense for flood repair work estimated at \$100,000.

Public Safety/Violations Report Summary

Staff is often the first to encounter a violation of Trail ordinances, and enforcement is an important part of the Trail Manager's job. Certain law enforcement related events and situations occur, some frequently. Two different law enforcement agencies help with enforcement on the Trail. Goodhue County provides a recreation officer and the State of Minnesota provides a conservation officer.

In addition, staff occasionally participates in locating separated families or missing persons, summoning assistance for injured persons and assisting storm stranded visitors.

Violation Description



Portable Toilet Vandalism

Violation Description	<u>2012</u> <u>Violations</u>	<u>2011</u> <u>Violations</u>
<u>motorized related:</u>		
vehicles	3	4
ATVs/motorcycles	7	9
snowmobiles (early)	1	2
snowmobiles (late)	3	0
Total motorized related	14	15
<u>non motorized related:</u>		
pets/animals	27	34
general vandalism (not signs)	3	4
weapons/hunting/trapping	3	2
horses	0	2
sign damage/theft	10	8
litter	3	2
dumping	0	0
alcohol	0	2
theft	0	0
harassment	1	1
failure to pay	21	28
camping	1	0
fires	0	0
fireworks	0	0
graffiti	3	6
Total non motorized related	72	89
TOTAL	86	104

*To be recorded here Trail staff either observed directly or discovered evidence, or received first person reports, of the violation. These totals do not include events reported to, or observed, by law enforcement agencies, unless Trail staff was notified or involved.

Web Site Summary

The Trail website is helpful by providing information to current or potential trail users. The website provides information such as: trail conditions, history, directions, wheel passes, trail ordinances and programs.

Web Statistics Summary

www.cannonvalleytrail.com

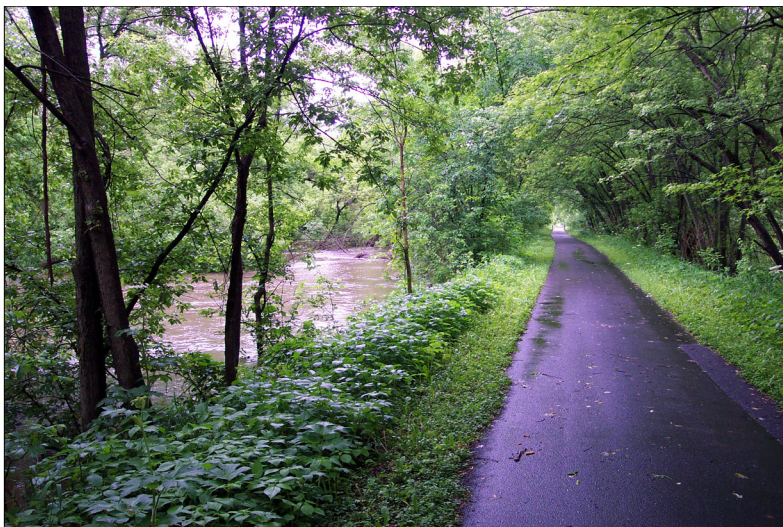
Hits

Hits are people visiting the Cannon Valley Trail website for less than 30 seconds.

Visitors

Visitors are people on the Cannon Valley Trail website for over 30 seconds.

	2007	2008	2009	2010	2011	2012
Total Visitors:	51,620	51,237	62,838	75,463	59,222	60,241
Total Hits:	482,453	504,843	586,450	588,599	555,999	447,878



Mile 3.5

Cannon Valley Trail 2012 Year in Review

July 2012 - Continued

- A total of a half-mile of asphalt was damaged by the flood. By the end of July, fifty percent of the damaged asphalt had been restored.
- Debris cleared from most bridges and culverts.

◇ Parks and Trails Council Event

- Parks & Trails Council of Minnesota hosted a fun event at the Welch Station on August 11. The objective of the event was to raise awareness of the connection between the Cannon Valley Trail and the proposed Mill Towns Trail.

August 2012

◇ 2012 Summer Flood

- The trail manager met with FEMA to begin the process of securing disaster relief funds.
- Flood work completed:
 - ◇ Ninety percent of the debris removed from bridges and culverts.
 - ◇ Ninety percent of the asphalt restored.
 - ◇ Sixty-five percent of the ditch debris removed.
 - ◇ Sixty-five percent of the shoulder damage repaired.
 - ◇ Extra Asphalt - Since a contractor was hired to asphalt flood damaged areas, the trail manager was given the authorization by the board to contract additional asphalt repairs in areas that were not flood related. Those areas totaled 3,008 square feet and the cost totaled \$5,800.00.

- ◇ Wheel Pass prices for 2013 will remain the same as 2012--\$4 for a daily and \$25 for a season pass.

October 23, 2012

◇ 2012 Summer Flood

- Trail manager reported that the 2012 Summer Flood damage repairs were complete. The flood damage repair estimated to be approximately \$94,000. Work continues, without success, to receive reimbursement from FEMA. As of October 1, the Trail has not received reimbursement.

◇ 2013 Grant

- The Board approved the application for a Federal Recreational Trail Equipment Grant to purchase an excavator. The grant requires a fifty percent match.
- The trail manager will apply for a grant of \$24,000---\$19,000 excavator, plus \$5,000 for attachments.

◇ Goodhue County Coop Electric Grant

- Goodhue County Coop Electric awarded the Trail a \$500 grant that was used to purchase a Miller welder.

◇ Computer Update

- Board member Korkowski donated two new computers valued at \$2000 to the Trail Office.

Joint Powers Board Summary

Cannon Valley Trail is administered by a nine-person Joint Powers Board comprised of members from the cities of Red Wing and Cannon Falls, and Goodhue County. Members as of December 31, 2012 were:

Cannon Falls:

Rodney Holst - council member
 Merle Johnson - council member, secretary/treasurer
 Paul Korkowski - citizen member

Red Wing:

Dan Bender - council member
 Mike Schultz - council member
 Charles O. Richardson - citizen, chairman

Goodhue County:

Ron Allen - commissioner
 Richard Samuelson - commissioner
 Marne Kenitz - citizen, vice chair

Eight Joint Powers Board meetings were held in 2012 at Welch Station Access.



Trail users at Welch Station Access

Trail Facts:

- Completion of 12,711 Wheel Pass transactions by staff and vendors.
- Distribution of 5,000 Trail Maps.

Pay Station Comments Summary

Cannon Valley Trail receives considerable constructive feedback from those who use the Trail. Written comments left at the pay stations are a popular technique of communicating with the Trail. The responses are summarized below.

Comments:

General:	<u>Number of Responses</u>
great trail and upkeep	4
thank you/beautiful trail	31
headsets should be banned	2
I saw an osprey, eagle, turkey	2
Cannon Falls to Northfield? Will the Trail be extended?	1
to hilly, but great trail	1
we come from Green Bay every year to ride this trail	1
misc.	10
Fee/ordinance:	
IOU money	5
I won't be coming back because of fee	1
allow pets	1
\$4 for a mediocre trail is ridiculous	1
love the no dogs rule	1
why not increase taxes and not charge a fee	1
misc.	21
Maintenance/facilities:	
great trail signs and markings	1
trail is poor for inline skating	1
fix the restrooms	2
lots of nice amenities: toilets, benches and rest areas	1
thanks for the flood clean up	5
no washrooms open at trail head	1
some winter damage needs attention	1
very accessible	1
misc.	0
TOTAL	96

Fund Balance Summary

From January 1, 2012 to December 31, 2012 there was a fund balance increase of \$18,280.09.

Account Balance	December 31, 2012	December 31, 2011
Total Equity	\$439,644.63	\$408,959.54
Commitments		
contingency fund	\$100,000.00	\$100,000.00
asphalt escrow balance	139,067.29	129,162.29
bridge escrow balance	21,621.31	19,121.31
Marshall memorial	<u>60,000.00</u>	<u>60,000.00</u>
Total Commitments	\$320,688.60	\$308,283.60
Balance	\$118,956.03	\$100,675.94

Asphalt Escrow Fund Summary		Bridge Escrow Fund Summary	
Beginning balance	\$129,162.29	Beginning balance	\$19,121.31
Contributions	10,000.00	Contributions	2,500.00
2012 Expenses	<u>- 95.00</u>	2012 Expenses	<u>- 0.00</u>
Balance	\$139,067.29	Balance	\$21,621.31



Welch Station Access

Staff/Office Summary

15 part-time employees and numerous volunteers assisted Trail Manager Scott Roepke. The employees were:

- Sandy Evans - office assistant
- Dan Stember - trail laborer
- Darwin Bartlett - trail laborer
- Joan Moore - trail laborer
- Brock Johnson - trail laborer
- Dustin Safe - intern
- Chloe Hochmuth - attendant
- Karen Slininger - attendant
- Glenn Schulz - attendant
- Bill Betcher - attendant
- Judy Betcher - attendant
- Lou Schulz - attendant
- Emily Forthun - attendant
- Alayna Comstock - attendant
- Evie Salzman - Voices of the Valley coordinator



Trail Laborer - Joan Moore

Trail Facts:

- Hours worked by staff throughout the year totaled 5,053 - 812 hours less than budgeted.
- About 25 volunteers assisted with Voices of the Valley, Friends of the Trail newsletter and maintenance shop projects.

Use Summary

Use of the Trail in 2012 was down 5.4% compared to use numbers in 2011.

Estimated visitor use days:

Visitations are estimated using counter numbers, sales records, and assumptions based on survey results. A visitor use day is one person on the Trail for up to one day.



Trail users at Welch Station Access

Activity	2007	2008	2009	2010	2011	2012
Bicycling	76,608	77,244	81,208	75,854	80,378	76,022
Inline Skating	4,890	4,930	5,183	4,842	5,131	4,852
Pedestrian	8,150	8,217	8,639	8,070	8,551	8,087
Skiing	700	700	700	700	700	700
Total	90,348	91,091	95,730	89,466	94,760	89,662

Wheel Pass Program Summary

Funds raised from the sale of the 2011 Wheel Pass were down 13% from the budget year 2011.



Wheel Pass sales are a major source of revenue for the Trail. Passes are required for those age 18 and older who are on bicycle, in line skates, or similar. 2012 rates were \$4.00/day or \$25.00/season (including sales tax). Discounted rates for the season pass are available to purchasers of 50 - 99 or 100+. In addition, discounted daily rates are available to organizers of group events. On an annual basis, about 65% of all trail users are required to have Wheel Passes. The other 45% are trail users who are under the age of 18 or the activity the trail user is enjoying does not require a pass.

Pass	Value	2011		2012	
		Total Sold	Total Value	Total Sold	Total Value
daily	\$4.00	14,390	\$57,560.00	13,183	\$52,732.00
season, replace	\$4.00	7	28.00	8	32.00
season, discount	varies	473	8,886.00	569	10,650.00
season	\$25	1,720	43,200.00	1,689	42,225.00
group event	varies	21	647.00	14	532.00
lifetime	\$300.00	0	0	0	0.00
self purchase			<u>30,437.38</u>		<u>15,285.78</u>
Total Value			\$140,758.38		\$121,456.78
Expenses (pre-deposit deductions only)					
	coupons redeemed		\$996.00		\$945.00
	theft (est.)		0.00		0.00
	donated/lost passes replaced		4,689.22		2,923.75
	audit shortage/(overage)		(20.74)		(24.00)
	Deposited		135,093.90		117,612.03
	sales tax		<u>8,690.25</u>		<u>7,572.12</u>
TOTAL AMOUNT CREDITED TO ACCOUNT:			\$126,403.65		\$110,039.91

Capital Improvement Account Expenses

Project 1. Asphalt Fund - Every year the Trail puts money into a separate account specifically for maintaining the asphalt. This year the Trail put \$9,905.00 into the asphalt account. The total number of dollars in this account now stands at \$139,067.29 as of December 31, 2012. Money in the asphalt account can only be spent on asphalt repair, general asphalt upkeep and for asphalt replacement.

Project 2. Bridge Fund - The bridge fund account is set up for bridge replacement and repairs in the future. The Joint Powers Board put \$2,500.00 into the bridge fund in 2012. The total number of dollars in this account stands at \$21,621.31 as of December 31, 2012.

Project 3. Truck/Kubota Labels, Lights and Hitch – Identification labels and warning lights were purchased for the Trail truck and Kubota RTV. A trailer hitch was also purchased for the truck.

Project 4. Timber Harvest – This project did not take place.

Project 5. Sign Replacement - Replaced older signs that were faded. Also with financial help from the City of Cannon Falls, the Trail purchased directional signs on Highway 52 to the Cannon Falls Downtown trailhead.

Project 6. Asphalt Bridge Abutments - New asphalt was placed at some bridge abutments

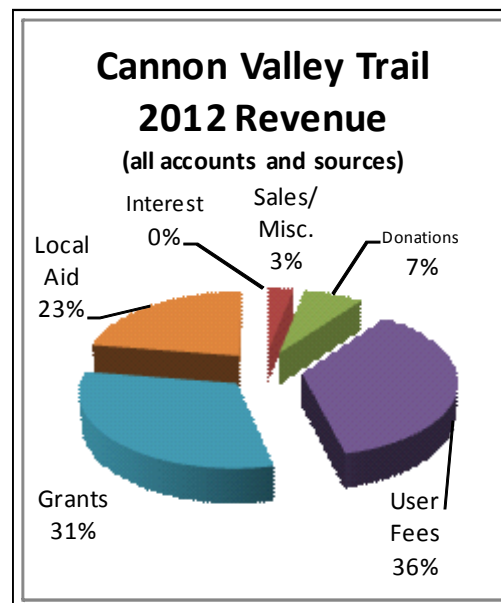
Project 7. Generator Purchase - The Cannon Valley Trail bought a generator to help with repairs.

Project 8. Kubota Turbo - The Trail purchased a turbo for the Kubota RTV utility vehicle. The turbo gives the RTV extra power to pull a cross country ski groomer during the winter.

Project 9. Flood Damage - The Trail spent close to \$95,000.00 on flood repairs. Flood repairs included debris removal, cleaning out sediment from ditches and culverts, bridge repair, and asphalt replacement

Financial Reports

Cannon Valley Trail has one main account that includes four sub-accounts: **Revenue, Maintenance and Operations, Friends of the Trail and Capital Improvement.** The financial accounts of the Cannon Valley Trail are administered by the City of Red Wing. The accounts are tracked concurrently at the Trail office. The financial summaries presented here are either condensed versions of the sub-accounts prepared by the City of Red Wing or reports prepared by Trail staff. Only the City of Red Wing reports are considered official.



Revenue Summary

Revenue	2012 Budget	2012 Actual
State grant		\$ 94,724.02
Federal grant		\$ 5,259.06
Goodhue County Share	\$ 33,544.00	\$ 33,544.00
Red Wing Share	\$ 23,276.00	\$ 23,276.00
Cannon Falls Share	\$ 11,638.00	\$ 11,638.00
Wheel pass	\$ 115,000.00	\$ 110,039.91
Ski pass	\$ 2,200.00	\$ 1,175.87
Pin sales		\$ 25.73
book sales	\$ 75.00	
T-shirt sales	\$ 1,500.00	\$ 876.00
Interest	\$ 4,600.00	
Donations - friends of the trail	\$ 3,000.00	\$ 7,399.00
Donations special	\$ -	\$ 5,550.00
Donations wall		\$ 7,993.00
Donations and contributions	\$ 2,500.00	
Refunds – wheel pass		\$ 7,962.28
Other Miscellaneous		\$ 501.23
Sale of other assets		\$ 578.80
TOTAL REVENUE	\$ 197,333.00	\$ 310,542.90

Maintenance Account Summary

The maintenance account pays for all maintenance activities.

Maintenance Account Expenses	2012 Budget	2012 Actual
wages – full-time workers	\$ 54,600.00	\$ 58,155.60
wages - seasonal	\$ 63,101.00	\$ 56,997.39
PERA	\$ 5,726.00	\$ 6,468.14
FICA	\$ 9,004.00	\$ 8,739.34
health insurance	\$ 2,100.00	\$ 225.36
workers comp.	\$ 5,979.00	\$ 5,725.66
sub total personnel	\$ 140,510.00	\$ 136,311.49
office supplies	\$ 775.00	\$ 1,157.50
printed forms	\$ 7,250.00	\$ 2,277.90
envelopes	\$ 125.00	\$ 0.00
other office supplies	\$ 250.00	\$ 289.45
postage	\$ 1,750.00	\$ 1,735.49
motor fuels	\$ 4,000.00	\$ 6,330.65
uniform allowance	\$ 500.00	\$ 149.99
chemicals	\$ 800.00	\$ 972.31
rock/asphalt	\$ 1,200.00	\$ 763.41
equipment parts	\$ 1,600.00	\$ 745.42
tires	\$ 400.00	\$ 338.31
building repair	\$ 600.00	\$ 211.79
trees	\$ 200.00	\$ 28.85
signs	\$ 600.00	\$ 0.00
other repair supplies	\$ 2,500.00	\$ 5,883.59
small tools	\$ 250.00	\$ 481.41
safety equipment	\$ 400.00	\$ 35.00
merchandise for resale	\$ 3,000.00	\$ 627.18
sub total supplies	\$ 26,200.00	\$ 22,028.25
training services	\$ 300.00	\$ 99.00
professional services	\$ 1,500.00	\$ 1,127.36
telephone	\$ 3,300.00	\$ 2,440.52
travel/conference	\$ 225.00	\$ 50.00
meals	\$ 250.00	\$ 49.78
vehicle allowance	\$ 100.00	
marketing/advertising	\$ 750.00	\$ 49.00
general notices	\$ 325.00	
insurance	\$ 6,200.00	\$ 6,076.00
electricity	\$ 1,500.00	\$ 1,767.48
equipment usage	\$ 1,000.00	
toilet rental/pumping/supplies	\$ 3,800.00	\$ 2,394.16
dues	\$ 750.00	\$ 757.00
refunds	\$ 175.00	\$ 448.00
voices of the Valley, other	\$ 2,200.00	\$ 857.24
sub total services	\$ 22,375.00	\$ 16,115.54
TOTAL MAINTENANCE EXPENSES	\$189,085.00	\$174,455.28

Friends of the Trail Account Summary

Friends of the Trail is a citizen membership based organization under the direction of the Joint Powers Board. Its function is to assist the Board in the development and management of the Trail. Annual membership rates start at \$10 for an individual with most members joining at the family level for \$25. The existence of the organization has been beneficial in generating support for grants and political action and in keeping the public informed of Trail events through the organization's quarterly newsletter.

The Cannon Valley Joint Powers Board is grateful for this support.

Friends Account Expenses	2012 Budgeted	2012 Actual
office supplies	\$ 40.00	
printed forms	\$ 575.00	\$ 535.13
postage	\$ 300.00	\$ 299.65
TOTAL FRIENDS EXPENSES	\$ 915.00	\$ 834.78

Capital Improvement Account Summary

The capital improvement account includes projects such as facility development, equipment purchases and substantial maintenance activities such as asphalt repair.

All expenditures in the capital improvement account are project based, so expenses are presented on that basis.

	Expense Project #	2012 Budgeted	2012 Actual
1	Asphalt Fund	\$ 10,000.00	\$ 9,905.00
2	Bridge Fund	\$ 2,500.00	\$ 2,500.00
3	Truck/Kubota - Label, Lights and Hitch	\$ 500.00	\$ 350.93
4	Timber Harvest	\$ 2,500.00	
5	Sign Replacement	\$ 500.00	\$ 6,126.81
6	Asphalt Bridge Abutments	\$ 2,500.00	\$ 95.00
7	Generator	\$ 500.00	\$ 300.00
8	Kubota Turbo	\$ 3,000.00	\$ 3,499.14
9	Flood Damage		\$ 94,195.87
	Total Capital Improvement Expenses	\$ 22,000.00	\$ 116,972.75

Minnesota: What Dayton promised, cities and counties must deliver:

Pioneer Press editorial

Pioneer Press TwinCities.com-Pioneer Press

Posted:

TwinCities.com

Gov. Mark Dayton and DFL lawmakers made a big promise to taxpayers during the 2013 legislative session, but it's up to cities and counties to keep it.

The governor said this week that property taxes will drop by \$121 million statewide in the year to come, the first drop in a decade.

As 2014 local budgets are unveiled and refined, residents should be prepared to push local officials for the tax relief the governor promised. All session long, Democrats argued that property-tax relief was among the goals of the income- and other tax increases they were pushing.

Past experience offers an instructive warning about the temptation to spend: According to a 1990 analysis by the Office of Legislative Auditor, "state aid may boost city spending more than it provides local property tax relief." The report said cities used 82 percent of their additional aid to pay for increased spending and only 18 percent to reduce property taxes.

Republican leaders see more of the same coming. This week, Senate Minority Leader David Hann of Eden Prairie told reporters the administration's property-tax-relief prediction was "complete bunk." Local officials, he said, will decide what to do with the increased state aid and historically what they've done is spend it.

Anticipating the temptation, the increase in state aid to cities, referred to as LGA, comes with some strings attached to help assure that taxpayers receive the promised relief. Lawmakers included a one-year, 3 percent limit on local tax levy increases.

The state won't have firm numbers until early next year on whether property taxes rise or fall. Meanwhile, Ramsey County last week released its proposed budget for 2014 and 2015, and St. Paul officials are preparing for the mayor's budget address on Aug. 14.

-- **In Ramsey County:** Although spending is increasing, the 2014-15 budget calls for no property tax levy increase, the county's first back-to-back, zero-levy-increases in more than 20 years. The proposal outlines 2014 spending of \$601.2 million, an increase of \$12.5 million over 2013, and 2015 spending of \$608.8 million, up \$7.6 million. "The increased spending will be paid for by increases in state and federal aid and department program revenues," says a statement from the county.

The zero levy increase, "even with rising costs, as we make sure we're meeting the mandates handed down from the state, is very, very significant," Commissioner Victoria Reinhardt, chair of the county board's budget committee, told us. "What it means is that the state has taken a step in the right direction as far as property-tax relief is concerned."

-- **In St. Paul:** Final budget decisions are still to be made, according to Joe Campbell, spokesman for Mayor Chris Coleman, but the "intention is to hold the levy flat," while avoiding the "draconian budget cuts

in some past years."

Next year, according to a Pioneer Press report, St. Paul expects an additional \$10.1 million in local government aid, the largest increase since 2002. It brings St. Paul's LGA total to \$60.4 million, accounting for about 20 percent of the city's general fund budget.

In each of the past 12 years, the city has dealt with a budget shortfall -- projected spending vs. projected revenue -- of \$8 million to \$13 million, closed with spending cuts and property-tax increases. For 2014, the city projects an \$11.5 million gap, Campbell said. "Things we pay for this year cost more next year," including everything from pencils to pension liabilities and health care costs.

Which is why the dollar we *don't* spend this year is worth a dollar-five next year and a dollar-twelve the year after that and so on. Restraint adds up.

And we'll see soon if the taxing and spending decisions of cities and counties add up to what the governor promised.

MnDOT files paperwork to evict Class Act owner

Brett Boese | Posted: Thursday, July 11, 2013 10:40 am

CANNON FALLS — A dispute between the owner of Class Act strip club and the Minnesota Department of Transportation continues a legal back-and-forth that is nearly 30 years old.

MnDOT filed paperwork this week in Goodhue County District Court seeking to evict owner Dick Jacobson from the strip club property. Jacobson was supposed to move out by July 5, when the state took possession of the property on the west side of U.S. 52 through eminent domain. Class Act fought the issue in court and still is contesting the property's value, which will be decided at a future date in court.

"They were supposed to be out of there Friday (July 5)," MnDOT's Kristin Kammuehler said Wednesday. "They weren't. We are in the process of doing a legal process to evict."

Class Act is the only local business affected by the \$14 million interchange MnDOT is building at the U.S. 52 and Goodhue County Road 24 just south of Cannon Falls.

Minneapolis attorney Allen Barnard, Jacobson's legal counsel, argued Wednesday that the state hasn't upheld its end of the bargain. Barnard said the state issued Jacobson a check with "lots of other names" on it that also carries stipulations with both Cannon Falls and Goodhue County.

"We contest that the payment hasn't been made yet because they handed us a check, but it can't be cashed yet," said Barnard, who is with the Best & Flanagan, of Minneapolis.

The eviction process includes a standard 14-day notification process, Kammuehler said. Barnard said his client began moving out this week and intends to have the property clear by July 19.

Jacobson will pursue another site for his business on a concurrent timetable, Barnard said.

"My client is looking for a place to relocate, but I don't know if it's possible or not because of the animus, if you will, toward this type of business," Barnard said.

The comment refers to the legal tussles Jacobson has had since nude dancing began at the club in 1986.

In 1987, Goodhue County passed an ordinance banning strip clubs from selling liquor. Jacobson, who was operating what was then known as Jake's Food and Liquor, challenged that ordinance in district court. The county's law was ruled unconstitutional, allowing the business to proceed over local protests.

However, in 1994, a Minnesota Supreme Court ruling involving Jake's Bar in Coates cleared the way

for local jurisdictions to ban liquor sales at strip clubs. Coates is 17 miles north of Cannon Falls in Dakota County. Goodhue County was able to vacate the prior legal opinion through the Court of Appeals, renewing debate about the strip club, then called Peelers.

In 1997, the county sought to revoke Jacobson's liquor license. To avoid another protracted court battle, Jacobson ended up splitting his Cannon Falls property into a bar upstairs and nude dancing downstairs.

The city of Cannon Falls entered the debate in 1998 after annexing 200 acres on the south end of town, including the strip club, which now is named Class Act. Two months later, the City Council approved a restrictive ordinance aimed at sexually oriented enterprises, which applied only to Class Act.

Jacobson and three dancers sued Cannon Falls in U.S. District Court rather than applying for a license. They objected to language that said patrons couldn't come within 10 feet of dancers or leave tips, arguing the law violated their freedom of speech.

CHAMBER NEWS

1979 Celebrating 34 years 2013

Newsletter from the Cannon Falls Area Chamber of Commerce

507/263-2289/email: tourism@cannonfalls.org www.cannonfalls.org August 2013 Vol. 26 No. 7

State Senator Matt Schmit at August 8 Chamber Breakfast



Make plans to attend the August 8th Chamber breakfast when our guest speaker will be State Senator Matt Schmit.

Born and raised in Red Wing, Schmit is the eldest of three brothers. Matt's father was a teacher and coach. After attending St. John's, where he studied biology and political sciences, Matt accepted a job with the Minnesota Senate K-12 Education Finance Committee where he worked for four years. Matt obtained a graduate degree from the Humphrey School of Public Affairs and soon after began his own public policy consulting firm—P3 Strategies. As an independent consultant, Matt has focused primarily on economic development, community broadband deployment and transportation policy.

Matt was elected to the Senate in 2012. As a freshman senator, Matt serves on the Environment and Energy committee (Chair of the Game and Fish subcommittee); the Jobs, Agriculture and Rural Development committee (Vice-chair); the Capital Investment committee; and the Environment, Economic Development and Agriculture-Finance committee.

The breakfast will be held at the Cannon Falls City Hall (918 River Road) beginning at 7:30 a.m. Tickets cost \$8/each. This is a catered breakfast so we need your help to properly plan for this breakfast. Please contact the Chamber office and let us know if you plan to attend. Office hours are 10—3 weekdays. Phone: 507-263-2289/ Email: tourism@cannonfalls.org **DEADLINE TO ORDER TICKETS IS MONDAY AUGUST 5th.**

Get the Scoop on ZipRail August 29th Chamber Breakfast



Will there be a high speed rail line between Rochester and the Twin Cities some day? According to the State Rail Plan the Rochester to Twin Cities route is a "Priority 1 Corridor", worthy of continued study and evaluation based on its economic and technical viability. The Rochester – Twin Cities Passenger Rail Corridor is an approximately 100-mile corridor between Rochester and the Minneapolis/St. Paul Metropolitan Area (Twin Cities). The corridor includes Olmsted, Dodge, Goodhue, Dakota, Rice, Ramsey, and Hennepin Counties. The project will analyze routes with potential service to activity centers including the MSP Airport, Minneapolis Interchange (multi-modal transportation hub), and the Union Depot in St. Paul on the

north end of the corridor and Rochester Airport, downtown Rochester, and the Mayo Clinic on the south end of the corridor.

So where does Cannon Falls fit into all of this? Plan to come to the August 29th Chamber breakfast when our guest speaker will be Olmsted County Commissioner Ken Brown. Commissioner Brown will be giving an overview of the project. Don't be left out of the loop!

The breakfast will be held at the Cannon Falls City Hall (918 River Road) beginning at 7:30 a.m. Cost for the breakfast is \$8. Please order your tickets in advance so we can properly plan for the breakfast. Contact the Chamber office and let us know if you plan to attend. Office hours are 10—3 weekdays. Phone: 507-263-2289/ Email: tourism@cannonfalls.org **DEADLINE TO ORDER TICKETS IS MONDAY AUGUST 26th.**

Don't Miss the August 1 Fun Fest!! See Story on page 3...

2013 Community Flower Basket Project



The flower baskets are up and now is the time to support the Community Flower Basket Project. This year's fund raising goal that will cover the cost of the flowers and maintenance is \$5263.60. To date the Chamber has received \$5013.60 in donations. **That means we only have \$250.00 left to raise this year!!**

If you would like to support the flower basket project, please send your donations to the Cannon Falls Area Chamber of Commerce, POB 2, Cannon Falls, MN 55009, be sure to note that it is for the Flower Basket Project.

Thanks to the following for their donations to the 2013 Community Flower Basket Project:

Betsy Frazier	Raw Bistro Pet Fare
Lorrie O'Gorman	Cannon Valley Specialties
Dakota Electric Association	Amy's Savvy Seconds
Jeanne Holien	Clifford & Karen Adel
Merchants Bank Employees- "Jeans Day"	Mike Pedersen & Renee Carnel ~
Jim & Diane Pagel ~ <i>In Memory of Karen Feidt</i>	~ <i>In Memory of Ray & Kay Pedersen</i>
Shari & Bill Ekstrom ~ <i>In Memory of Berniece Kuhl</i>	and <i>Gerald Johnston</i>
Cheri VanGuilder ~	Mayo Clinic Health System
~ <i>In Memory of Gene & Betty VanGuilder</i>	George & Cathy Rehm
Scofield Drug & Gift	Canon Falls Golden Agers
Cannon Falls Community Chorus	Lyle & Jeri Noble
Cannon Auto Repair	Char Althoff
Cycle America	Pat Rehbein
Nick's Diner ~	Phil & Terry Ruud
~ <i>In Memory of Louise Lindell & Nancy Wiegman</i>	Ferndale Market
Cannon River Winery ~	Total Wealth Care
~ <i>In Memory of Theresa Mullins</i>	People In Business Care
Larry J. Dammer, Ltd	Sue & Dave Klicka ~ <i>In Memory of Dick Larson,</i>
A New Day Auctions ~	<i>Don & Jen O'Reilly and Bea Kuhl</i>
~ <i>In Memory of Cody Luis DoPay</i>	CFHS Interact
Jim & Diane Pagel`	Gary & Ann Thacher
~ <i>In Memory of Dale Jean Pagel</i>	Invenergy
Freeberg Insurance Agency	Vasa-Spring Garden Mutual Insurance
Bob & Pat Aughe ~	Hi-Quality Bakery
~ <i>In Memory of Our Mothers</i>	Eunice Bailey
Shirley Jenson	Sustane
George & Clarise Rapp	Rod's Liquors
Bill & Nancy Althoff	Volumetric Technologies Inc.
James Burkhardt, Attorney at Law	



Please consider how YOU can support the Chamber Golf Tourney/Fundraiser

Don't Miss the August 1st Fun Fest!

Don't miss the First Thursday Fun Fest on August 1st! Check out the over 30 vendor booths selling a wide array of products. Sit down and enjoy a rousing game of Bingo-sponsored by Community Resource Bank. Try your skill at the CFPD Dunk Tank and dunk-a-cop, where proceeds will be donated to the Cannon Falls Food Shelf. Bring the kids to the "Kid's Corner" where they will find face painting, glitter tattoos, plus other games and activities.



After strolling around looking at the vendor booths stop to enjoy the music of **Newberry's Victorian Cornet Band** when they perform beginning at 7 p.m. This band, from Maryland, is performing in Cannon Falls as a part of Northfield's Vintage Band Festival.

At 8 p.m., immediately following the fun fest, you are invited to join the Cannon Falls Historical Society at the site of the historic mural in the city parking lot for an old-fashioned Pie & Ice Cream social.

Getting to Know You...Chamber Member Business Profiles Rhino's Archery, Fishing, Hunting

Welcome to new Chamber member...Rhino's Archery, Fishing, Hunting! Rhino's is owned by Jeff Reinhart and managed by Adam Banks. A full-service archery shop, carrying a full-line of bows, arrows and all accessories, Rhino's also has a complete line of fishing gear and supplies including live bait. Rhino's can also take care of all of your hunting needs, with guns and ammo plus a complete line of clothing.

Check out Rhino's. They are located at 31821 64th Avenue and they are open 7-days a week: Monday through Friday 9 a.m.—7 p.m.; Saturday 9 a.m.—5 p.m. and Sunday 9 a.m.—4 p.m. Phone: 298-3123; Website: www.rhinosarchery.com

Thanks for Renewing...

Thanks to the following for renewing their Chamber membership for 2013. These businesses and individuals have made a commitment to work together to make Cannon Falls a great place to live in, to do business in, to work in and to visit.

Cannon Falls Canoe & Bike Rental
C & S Vending
McIntee Chiropractic

Volunteers Needed for Customer Appreciation Pancake Breakfast ~ Saturday, August 3



Approximately 20 volunteers are needed to help with this year's Customer Appreciation Pancake Breakfast. We serve pancakes from 8—10 a.m. Event is held on Mill Street in front of What in Yarnation!

Please consider how you can help with this event.
6:30 a.m.—7:30 a.m. SET-UP
7:30—10:30 a.m. COOK, SERVE, BUS TABLES, CLEANUP

Please **HELP SAY THANK YOU TO OUR CUSTOMERS!**...call or email the Chamber and let us know if you are able to volunteer.

22nd Annual
Cannon Falls Area
Chamber of Commerce

**Golf Tournament
And Fundraiser
BEST SHOT SCRAMBLE**

Foursome

**22nd
Year!**

**Support
YOUR
Chamber!**

**GAMES
and
MORE!**

→ Cannon Golf Club ←
Monday, September 9, 2013
12:30 p.m.

Shotgun Start

PRIZES

**Entry fee:
\$75.00 per person or
Hole Sponsorship @ \$400.00***

Includes : Green Fees, Cart Rental and Dinner

**Hole Sponsors receive 4 free entries , 4 meals and 2 carts)*

5:00-6:00 p.m.
6:00 p.m.

Social Hour(Cash Bar)
Dinner Served plus Awards and Door

2013 Cannon Falls Chamber of Commerce Golf Tournament/Fundraiser—
CANNON GOLF CLUB—MONDAY, SEPTEMBER 9, 2013

Player 1 _____ Contact Phone #: _____

Player 2 _____

Player 3 _____

Player 4 _____

*This tournament will not be rescheduled. In the event of cancellation due to inclement weather all fees paid will be considered donations to the Chamber. Thank you!

CALENDAR OF EVENTS

Aug	1	First Thursday Fun Fest—5-8 p.m.—Mill Street Downtown Cannon Falls
	1	Ice Cream Social at the new historic mural—8 p.m.—Burkhardt Law Office Lot
	2	Cannon Cruisers Friday Night Cruise
	3	Customer Appreciation Pancake Breakfast—8 a.m.—10 a.m.
	3	Cannon Cruisin' Days Car Show & Swap Meet—8 a.m.—2 p.m.
	3	Historic Murals Capstone Event—11 a.m.—2 p.m.
	4	Colvill Civil War Memorial Concert—2 p.m.—CF Cemetery-1st Brigade Band
	4	Old-Fashioned Pie & Ice Cream Social—immediately following Colvill Civil War Memorial Concert—CF Cemetery—CF Historical Society
	8	Chamber Breakfast Meeting—7:30 a.m.—City Hall—State Sen. Matt Schmit
	8	Chamber Board Meeting—11:30 a.m.—White Rock Bank Board Room
	29	Chamber Breakfast Meeting—7:30 a.m.—City Hall—ZipRail—Ken Brown

Looking Ahead:

Sep	5	First Thursday Fun Fest—5-8 p.m.—Mill Street Downtown Cannon Falls
	9	Chamber Golf Tourney—12:30 start—Cannon Golf Club
	12	Chamber Board Meeting—11:30 a.m.—Location TBD
	21	Community Wide Garage Sale Day

NOTE: SCORE Reps will schedule appointments for FREE business counseling at the CF Chamber Office. Appointments must be made in advance. Call the Chamber for more information. 507-263-2289

Thought for the Day...

"Today is your day! Your mountain is waiting. So...get on your way." ~ Dr. Seuss

Here's how YOU can support the Chamber Golf Tourney/Fund Raiser...

- ◆ Sponsor a Hole
- ◆ Golf in a foursome
- ◆ Donate a Prize
- ◆ Volunteer to help at the tourney



Don't Miss These Events...

August 3: Historic Murals Capstone Celebration: 11 a.m. - 2 p.m.

A celebration in honor of the completion of the historic murals in downtown Cannon Falls. Event includes 5 mini-programs alternating throughout the day at the locations of the murals. Mini programs will be approximately 15 minutes long and include: Visit by Mark Twain, fiddle music, presentation by the mural artist-Steve DeLaitch, presentation by museum director-ZachWareham and storytelling. Locations for this event are: the parking lot just north of the Burkhardt Law Office (215 North 4th Street)~*Old Mill Pond Mural* and the storage building on the north end of the community parking lot ~*Harvest Mural*.

August 4: Colvill Civil War Memorial Concert: 2 p.m.

A performance by the 1st Brigade Band out of Watertown, Wisconsin. The 1st Brigade Band re-creates history using period instruments, a color guard and Civil War-era attire. Concert will be held at the Colvill Memorial in the Cannon Falls Cemetery beginning at 2 p.m. Immediately following the concert the Cannon Falls Historical Society will be hosting an Pie & Ice Cream Social. This event is being coordinated by the VFW and the CF Historical Society. Bring a lawn chair and enjoy this concert!