

The Cannon Falls City Council met in a regular session on Tuesday, June 16, 2020, at 6:30 p.m. in the City Council Chambers. Present were Mayor John Althoff and Council Members Morris Mattson, Bill Duncan, Derek Lundell, Mary Jill Bringgold, Matt Montgomery, and Steve Gesme. Also present were Neil Jensen, City Administrator; Jeffrey McCormick, Police Chief; Laura Qualey, Community and Economic Business Specialist; Greg Anderson, City Engineer (remotely); and David Kendall, City Attorney.

Call to Order Mayor Althoff called the City Council meeting to order at 6:30 p.m.

Roll Call Roll call was conducted. All members were present.

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

Approval of Agenda A motion was made by Council Member Lundell, seconded by Council Member Mattson and unanimously carried, to approve the Agenda.

Consent Agenda

- A. Just and Correct Claims – Accounting Period Ending June 12, 2020
- B. Meeting Minutes for June 2, 2020, City Council Meeting
- C. Approval of 2020 Striping Quote
- D. Approval of Westside Playground Equipment
- E. Resolution 2484, Accepting a Donation from Dale & Beverly Bowers for \$50 in Memory of Dick Dalton

A motion was made by Council Member Gesme, seconded by Council Member Duncan and unanimously carried, to approve the Consent Agenda.

Council Business:

Approval of Hannah's Bend Trail Extension Engineer Contract

City Administrator Jensen provided background information regarding a grant that was awarded to connect the two trails in Cannon Falls. He noted that he walked the trails and brought in an engineer and a contractor to discuss the project. He noted that they indicated that there was a significant amount of work needed in comparison to the amount of the grant award. He suggested consideration of a couple of options for project bidding. He noted that a proposal was received WHKS to put together the bidding documents and manage the bidding process. He noted that he previously worked with this engineering firm as the City Administrator in Zumbrota. He reviewed the proposal and stated that the Council is being asked to take action with regard to the bidding process. He noted that the project scope and cost estimates will be discussed later in the process.

A motion was made by Council Member Mattson, seconded by Council Member Montgomery and unanimously carried to approve the Hannah's Bend Trail Extension Engineer Contract.

John Burch Baseball  
Discussion

Council Member Montgomery referenced an earlier discussion regarding the Bears being able to use John Burch Park within the State guidelines. He commented that the Governor's Office has been very vague. He noted that the Minnesota Baseball Association has decided to allow teams to play exhibition games. He stated this would involve approximately 70 Town Ball teams. He expressed agreement with opening up John Burch Park so the Bears can play exhibition games. He noted that teams would have to abide by MBA guidelines and provided a summary of these guidelines.

Mayor Althoff asked if most of the baseball teams are playing on private property or public property. Council Member Montgomery stated his understanding that there is a small region in the Stearns County area that is private, but most teams play on public property.

Council Member Duncan expressed concerns about the Governor's orders being superseded. Council Member Montgomery commented that he felt the Governor's orders are quite vague and provided examples of this. He reiterated that this is why the MBA has developed its own safety guidelines. He commented that the City Council has allowed the Bears to practice at John Burch, and this is just taking things a step further. He stated that this is an attempt to salvage some of their season. Council Member Mattson expressed agreement that this should be approved. Mayor Althoff also expressed agreement.

Council Member Duncan reiterated his disagreement and commented that he feels the City should wait until the Governor states that this is okay.

Council Member Gesme commented that, due to the City pool closing, he felt the City should have some flexibility and should be able to somewhat govern itself. Council Member Bringgold stated if this was an indoor activity she may feel differently, but she would be in favor of approving this.

Council Member Lundell whether if this action would include only the Bears.

Council Member Montgomery stated that when he had requested this item to be placed on the Agenda, Bucky Lindow had asked that the

Lions 16 and under team also be addressed. He provided clarification that what is being discussed currently applies only to the Bears.

A motion was made by Council Member Montgomery, seconded by Council Member Gesme, to open John Burch Park to the Bears to play exhibition games under the MBA guidelines, and that the VFW 16 and under league be allowed play if and when the Governor approves this. A vote was taken, and the motion carried by a vote of 5:1, with Council Members Lundell, Montgomery, Mattson, Bringgold and Gesme voting aye and Council Member Duncan voting nay.

Resolution 2483,  
Approve Conditional  
Use Permit for John  
Anderson

Administrator Jensen provided background information regarding a conditional use permit request by John Anderson. He stated that the proposal was unanimously approved by the Planning Commission. He noted this is a variance from 16 feet to 24 feet.

A motion was made by Council Member Bringgold, seconded by Council Member Duncan and unanimously carried, to approve Resolution 2483.

Resolution 2485,  
Conditional Use  
Permit Valley View  
Recovery, Inc.

Administrator Jensen noted this conditional use permit request was approved by the Planning Commission by a 3:2 vote, contingent upon the applicant providing permits and other required paperwork. He provided background information regarding this proposal for a 54-bed treatment center on the Saratoga Inn property. He noted that this property is zoned B-2 and is designated as a hospital setting, which is a permitted use but would require a CUP.

Council Member Lundell referenced a question regarding the purchase agreement and asked the City Attorney for his opinion.

City Attorney Kendall introduced himself. He noted that he had received and reviewed a copy of the purchase agreement. He noted that, although the closing date on the purchase agreement has passed, this does not mean that the purchase agreement is cancelled or invalidated. He stated that the closing date could be extended. He added that this does not mean that the Council should consider denying the CUP on that basis. He stated that if the Council has any reason to believe that the current owner of the property is unaware of the CUP application or does not support it, the Council could make it a condition of approval of the CUP that the current owner consent in writing to the CUP. He stated his understanding from the public record that the current owner is aware and in favor of the application.

At this point Mayor Althoff opened the meeting for public input regarding this item.

Dick Peterson, Cannon Falls, expressed his understanding that with a CUP request there are three options for Council action – approve, deny, or approve with conditions. He spoke in support of the third option. He expressed concerns that the process did not proceed in the proper way. He commented that he felt the applicant initially did not want to seek a CUP from the City and planned to push this through and ask for forgiveness later. He noted that the applicant runs other facilities that have had some violations. He noted that these were much smaller facilities than the proposed facility. He offered a suggestion of a condition that the number of beds be limited until it is proven that this facility can be run efficiently.

Jack Lucking, Cannon Falls, expressed concerns that he and his neighbors did not know about this proposed facility until approximately a week ago. He stated that, although he is not currently a resident of Cannon Falls, he grew up in Cannon Falls and supports the community. He stated that he has promoted Cannon Falls extensively on the radio. He commented that he is currently building a house in this neighborhood. He asked why he and his neighbors were not notified. He described his experience with treatment centers and stated that he is not against people receiving treatment. He noted that he has supported Minnesota Adult & Teen Challenge for many years. He stated his understanding that this facility requires a CUP. He provided a summary of his past experience with the conditional use permit approval process. He commented that there are many children and elderly people in the neighborhood and many people who like to walk, jog, and ride bikes on the new trail. He asked about a safety plan for the new facility. He asked what will be done to protect patients in the facility. He asked why this facility is not being located in Red Wing, as originally planned. He stated that he would also like to hear about the applicant's other facilities and what the problems were with them. He stated that the applicant's website is very misleading. He asked whether the roof above the pool has been inspected. He commented that the website mentioned guided trails and wondered on whose land these trails are located. He commented that he did not feel this facility is safe to house patients. He expressed concerns about emergency procedures, public safety access, and the poor condition of the rooms. He stated his opinion that this facility would have a negative impact on the surrounding area. He referenced an article he distributed titled "Not in My Back Yard." He noted that, according to this article, having a treatment center in a community would lower

property values from 8% to 17%. He provided the names of neighbors who are adamantly opposed to this venture. He asked that the City Council do their due diligence and investigate this property and company thoroughly. He reiterated that he is in favor of a treatment center, but offered his opinion that this property would not provide the patients with a safe and comfortable place to rehabilitate.

Babe O’Gorman, Cannon Falls, noted that he has attended several treatment programs in the past. He stated that everything should be well planned before opening a facility such as the one being proposed. He noted that the purchase agreement acceptance deadline, which he had in his possession, was dated 11:59 p.m. on January 6, 2019. He commented that if this aspect was not handled properly, other aspects may have been handled improperly. He expressed concerns about the applicant’s ability to handle patients. He encouraged the City Council not to take action on this matter until everything is straightened out.

Cindy Lucking, Cannon Falls, expressed strong opposition to this facility. She stated her opinion that this is not the right area for a treatment facility, as there are many families in the area with young children. She stated that the Council Members are the ones who will be voting on this matter, but she and her neighbors will be live with the results.

Bhavesh Bhakta, current owner of the Saratoga Inn, asked when Mr. Lucking had last been to his property. Mr. Lucking stated that he has not been to the property, but his friends have been there. Mr. Bhakta noted that the entire pool area is brand new and provided details of the improvements that have been completed. He stated that the rooms have been completely remodeled in the last three years. He offered to provide a tour of the property to anyone interested in this. He stated his opinion that this would be the best treatment center in the area. He commented with regard to safety concerns. He commented that there was a much greater chance of a person with a criminal background checking into a hotel than into a treatment center, as there are very strict guidelines. He provided an example of a past incident to illustrate this point.

City Attorney Kendall provided clarification that the public is free to comment on whatever they want to comment on, but noted that the scope of the discussion is for the City Council to take action on a zoning and land use issue. He noted that the State of Minnesota would be in charge of inspecting and licensing this facility. He offered a suggestion that a condition of approval of the CUP could be that the

facility must comply with all State licensing requirements, and if these are not met the permit can be revoked. He reiterated that the question before the Council relates to whether or not the proposed land use fits with the Zoning Code.

Mr. Lucking provided language from a Goodhue County land use document regarding the impact on the surrounding area. He stated that he had provided the City Council with information demonstrating the negative impact on the neighborhood.

Sheryl Bauer, Cannon Falls, commented regarding the “Not In My Neighborhood” sentiment. She stated that she owns a business and lives in the neighborhood of the proposed facility. She stated that she does not live in fear of a facility such as this. She commented that many businesses had to be shut down during the pandemic, but liquor stores remained open as essential businesses due to the large amount of people dependent on alcohol. She noted that this has opened her eyes to the need for a facility such as the one being proposed. She stated that she absolutely wants this facility to be run under strict guidelines and rules, but noted that the people in need of services include neighbors, family, and friends. She referenced Mr. Bhakta’s point that, unlike hotel guests, patients would be screened and in a controlled situation.

Council Member Mattson referred to Mr. Lucking’s comment about the timing of when this proposal was known by the public. He stated his opinion that this matter was not handled in the right way. He stated that this property is not very large, noting that the trails are located on private property. He reiterated his concerns about the process.

Adam Peters, Cannon Falls, spoke in support of this facility. He stated that he has been to a few of these types of facilities in the past. He noted that he has spoke with the applicant and expressed his belief that the City Council should have been aware of this proposal, as he has been aware of it for more than a month. He provided a suggestion that honest, open communication at this time would solve a lot of problems.

The applicant, Jacob McGuire, introduced himself as the CEO of Valley View Recovery Center. He provided background information with regard to a facility that he operates in Winona. He detailed the process that was undertaken to obtain licensing and permitting for that facility. He discussed the RFP process that occurred in Red

Wing pertaining to the former Jefferson School property. He stated that a housing project was selected, as this was a residential area.

Mr. McGuire discussed the importance of contacting the Land Use Department and having a business plan, which he noted he has completed. He stated that he was not informed that a CUP would be required. He referenced several communications with the Land Use Department, noting that he received verbal approval to operate under an "office clinical" use.

Council Member Mattson stated his understanding that Mr. McGuire had never contacted the Land Use Department himself, and the name of the facility was not divulged, as it was not requested.

Mr. McGuire reiterated he had been told three times verbally that he was permitted. Council Member Mattson asked who had given him this information. Mr. McGuire stated that Dianne Howard had provided him with this information. Council Member Mattson made reference to notes from Ms. Howard, which did not indicate this information. Mr. McGuire noted that after being told three times verbally that he was permitted, he asked for this in writing. He reiterated that he has operated other facilities without the need for a CUP, as the land use was permitted.

Council Member Duncan stated his understanding that the miscommunication occurred when originally Mr. McGuire was told that he was permitted in that zone for a hospital/clinic setting but not for an inpatient setting. Mr. McGuire indicated that this was the case.

Council Member Duncan noted that City Attorney Kendall has made it clear that this is a zoning and land use question. He referenced the conditions of approval recommended by the Planning Commission in terms of paperwork, which has been received and looks to be in order. He stated that the State would be in charge of regulating this facility.

Regarding the condition of the Saratoga Inn, Council Member Duncan commented that he recently attended a meet-and-greet along with Council Member Montgomery and noted that the owners of the Saratoga Inn have done a great job of rehabilitating the building.

Mr. McGuire commented that he would not be attempting to purchase this property if it was not safe for his purposes. He commented that his clients need ample space and provided details of the amount of space that is available versus what is required. He provided a list of

reasons why a lot of treatment centers fail and commented that he does not want to run his facility so that it will fail. He provided a detailed explanation of the vetting process for clients. He noted that the facility will primarily focus on patients with substance use disorders with associated depression, anxiety, and trauma.

Mr. Lucking asked where the patients would come from. Mr. McGuire noted that a percentage of the patients would be court mandated. Mr. Lucking asked if any of the patients would have a criminal past. Mr. McGuire provided an explanation that substance use is a crime, but these are not people who have committed violent crimes. Mr. Lucking asked if they intended to fence in the area. Mr. McGuire stated that they have no such plans. Mr. McGuire further commented with regard to security considerations and de-escalation procedures.

Mr. McGuire noted that emergency medical procedures are audited by the State once a year. He noted that the facility would be required to abide by all State regulations. He clarified the services that would be provided by the facility. He noted that the miscommunication may have occurred due to the fact that he is associated with other outpatient facilities. He reiterated he is not trying to deceive the City. He commented that no two cities are the same and the land use designation is different in all of them. He stated this was at worst a miscommunication between himself and City staff.

Council Member Montgomery referenced letters of support submitted by Red Wing residents and asked why Mr. McGuire did not seek letters of support from Cannon Falls residents.

Mr. McGuire discussed the requirement for a Statement of Need to become licensed. He provided an explanation of the process that is required by Goodhue County to determine how many beds are needed for how many clients and their length of stay. He reiterated that he has been involved in this process for more than two years and specifically in Cannon Falls for nine months.

Council Member Montgomery commented that when Mr. McGuire was attempting to locate this facility in Red Wing, he had obtained letters of support. He asked why this same process was not followed in Cannon Falls.

Mr. McGuire commented that he had received letters of support from neighbors in Winona. He stated that the owner of the Saratoga Inn had requested that he not make the sale public, which he commented is a rather normal process, so he was not able to discuss this with a



lot of people. He commented that most of his direct neighbors are in support of this facility because they have met him and have heard his plan. He noted he had held a meet-and-greet last week and expressed appreciation to the people who attended this event.

Andrea Tatge stated she came to this meeting first as a mother, second as a community member, and third as a hopeful employee of Valley View Recovery Center. She noted that she has known about this facility since March, when she saw a posting for management positions. She stated that she has accepted a position as the Care Team Supervisor for the program. She reiterated that this process was not deceitful, based on the information that was provided to Mr. McGuire and also out of respect for the current owner of the property, so as not to harm his business.

Ms. Tatge commented that no one has stated that this facility is not needed in the community. She addressed some of the safety concerns that were raised. She noted that there are security cameras inside and outside of the building, alarms on the doors and the windows on the first floor, and 24-hour staffing. She noted that men and women will be segregated. She reviewed other safety precautions and noted that all State regulations have been met. She discussed her past work experience in this field. She noted that this facility is much nicer than other facilities. She stated that clients will not be able to go out in public unsupervised at any time. She expressed agreement with information on the facility's website and marketing materials. She provided clarification that the facility would not be ordered by the County or the State to accept any particular court-ordered client. She noted they have a strict referral program and decide as a team if a person is appropriate for this level of care and if they are a good fit for this facility. She stated if the situation changes at any time, the client is reevaluated and their level of care is determined. She expressed agreement that clients are members of this community who are in need of these services. She also noted this is not a detox facility, noting that clients would be coming from hospitals or from their homes, not straight off the street. Ms. Tatge stated that the Cannon Falls area cannot support three hotels and expressed her opinion that the Saratoga Inn is the perfect location to meet the needs of these clients. She reviewed economic benefits for the community.

Cindy Gudahl, Licensed Alcohol and Drug Counselor, stated that she has been hired as the potential Director of Valley View Recovery Center. She noted that the staff-to-client ratio is one counselor per ten clients, while the State allows one to sixteen. She noted that the

goal is to have six licensed professionals as staff members. She provided details of her past employment experience in this field. She expressed support for the beliefs and work ethic of Jacob and Mattea McGuire. She provided an explanation of the process involved in screening clients before they come to the facility and the requirements of the participants in their programs. She reviewed services that are provided and reiterated that if anyone wishes to leave the program, the facility assists them in leaving. She expressed the desire to make this a very good treatment center that Cannon Falls can be proud of. She stated they have an open door policy and if anyone has questions or problems with their facility, they are welcome to contact them.

Ms. Gudahl stated that the catering of meals has been approved by the Department of Health. Ms. Gudahl stated their goal is to have an on-site kitchen where meals can be prepared together, but this is just the starting point.

Mr. Bhakta added that he has had only four to five employees throughout the year at his hotel, and this facility will have 30 employees. He commented that this is a benefit for Cannon Falls from an economic standpoint. With regard to concerns about the language on the Valley View Recovery Center website, he commented that he has posted similar wording on his website to describe the property.

Mayor Althoff reviewed four options available to the City Council - approving the CUP, approving the CUP with conditions, denying the CUP, or tabling this item until the next meeting to gather further information.

Council Member Bringgold commented that she was prepared to vote yes when she arrived at the meeting because she did not feel there was a good reason to vote no, due to the fact that the facility meets the zoning and the land use. She expressed amazement that there were not more people in attendance expressing support for this facility, due to the need. She commented that she felt the people who would attend this program are people from the community who are trying to get help with their problems. She also commented if the rooms are not appealing, the patients will not desire to attend the program.

With regard to Police Department response if there is a problem, Council Member Bringgold noted that the response time would be no longer than for any other issues in Cannon Falls. She stated that

there are many types of treatment facilities, some of which are in hospitals, some in locked psychiatric wards, and many in other locations.

Council Member Bringgold mentioned a program called Project Turnabout in Granite Falls, which is approximately the same size as Cannon Falls. She stated that this facility is a larger building with no fences located right at the edge of a residential district. She stated that when there were size constraints, they were running part of the program out of a storefront in the downtown area. She noted that at times patients were staying in a local motel, and there were no problems.

Council Member Bringgold commented that she would feel better if there were a facility where people were trying to get help and would be clean while they are in treatment. She stated she had only found out about the proposed project about a week ago but did not feel that she needed to be informed from the beginning. She commented regarding the article "Not in My Back Yard" that was included in the meeting packet. She wondered if the people who are expressing opposition to this treatment facility would object to the City of Cannon Falls selling a City-owned building and land to a developer to start a treatment program.

Council Member Duncan asked City Attorney Kendall about potential legal consequences if the CUP is denied. City Attorney Kendall stated that the City Council needs to provide findings to support whatever decision they make. He stated that these findings should reference the standards that apply. He provided a summary of the standards that need to be met and the general criteria that need to be applied.

Council Member Duncan asked City Attorney Kendall to comment with regard to whether the Valley View Treatment Center meets all of the requirements. City Attorney Kendall stated his understanding that the Zoning Coordinator has opined that it does, and staff has recommended approval as the facility meets the requirements. He noted that any additional conditions can be added that are felt to be appropriate. He stated in his opinion that the facility meets the requirements and if the City Council disagrees, the reasons for disagreement would need to be specified.

Council Member Duncan stated that a number of people have expressed their belief that "Cannon Falls is closed for business." He expressed disagreement with this belief but commented he feels this

sentiment is relayed to other communities and then businesses do not want to come to Cannon Falls. He expressed support for this facility, stating he feels this is badly needed in Goodhue County. He noted that a lot of the concerns expressed at this meeting were discussed during the Planning Commission meeting. He commented that he did not feel that the process was conducted well, but the applicant has provided all the forms that were requested and everything seems to be in order. He stated his opinion that there is not a valid reason to deny this application. He expressed support for moving forward to approve the CUP request.

Council Member Gesme expressed agreement with many of the speakers. He expressed concerns regarding the security aspects of this facility. He stated his opinion that the City Council should move forward with this proposal, due to the fact that there have been improvements made to the property and the applicant wishes to provide a service that everyone agrees is needed. He offered a suggestion of a condition that if the applicant does not live up to the criteria within a year, the permit could be revoked.

Council Member Lundell offered a suggestion of a condition, especially in light of the coronavirus pandemic, that the facility be limited to single occupancy rooms for a trial period. Council Member Bringgold noted that the facility's business model may depend on a certain number of occupants.

Council Member Lundell commented that with the pandemic situation this may not be allowed. He inquired whether there is a lot of public space for people to get out of their rooms.

Ms. Gudahl summarized the current policy in this regard.

Council Member Duncan stated his understanding that the applicant is going to try to limit the population to 30 men to start with.

Mr. McGuire provided an explanation of the start-up phases. He stated that the maximum cap will be 54. He further described a policy in light of the pandemic situation, which is required and approved by the State.

City Attorney Kendall stated his understanding that there is an Executive Order in place that addresses facilities such as this, adding that this is subject to change in the future.

Mayor Althoff reiterated the options for Council action.

Council Member Montgomery asked for clarification of the factors that need to be considered in regard to zoning and for clarification that the Council cannot place a limit on beds as a condition. City Attorney Kendall stated that this was correct. He noted that the State regulates the number of beds and the City regulates zoning and land use. He reiterated requirements that can be added as conditions.

A discussion took place in regard to whether this matter could be further discussed during a special work session before the next meeting. It was decided that decisions cannot be made during work sessions.

Council Member Montgomery expressed his opinion that the scope of this issue is too large to be decided in such a short period of time and commented that he feels the City Council should get this decision right.

Mr. McGuire stated that he has 15 staff members who are waiting to start their jobs. He expressed a willingness to comply with nearly any condition that is added to the CUP. He expressed a desire to have this matter settled during this meeting and to learn any conditions that the Council would desire. He stated that he has met all of the State licensing requirements, zoning requirements, and would meet any conditions imposed by the City.

Council Member Montgomery commented that his suggestion to table this item was made in order to address concerns that have been expressed by the public.

Council Member Mattson expressed agreement with Council Member Montgomery.

Council Member Duncan expressed concerns that the same arguments would be made again at another meeting and tabling it would be a waste of time.

Council Member Mattson commented that he felt more time is needed to discuss what conditions the Council may want to add. Council Member Duncan reiterated the City Council is ultimately responsible for deciding zoning and land use questions. Council Member Bringgold stated if the facility does not follow the rules, the State will revoke their license.

Council Member Montgomery asked if there was a new closing date. Mr. McGuire stated that there is a closing extension until June 17 at 2:30 p.m.

Kyle Paulson, President of the Cannon Falls Areas Chamber of Commerce, commented regarding the suggestion of tabling this item to provide an opportunity for further discussion with the community. She stated her opinion that this discussion would mostly resolve around safety concerns. She offered an example of a township on the edge of Cannon Falls that had the possibility of a sex offender moving into it. She stated her preference for having the security of treatment professionals in charge of the patients.

A motion was made by Council Member Gesme, seconded by Council Member Bringgold, to approve the conditional use permit for Valley View Recovery Center, with the condition that if any of the licensure requirements are violated within a year, this issue can be revisited and the CUP revoked.

City Attorney Kendall referenced a recent court ruling that time limits may not be imposed on conditional use permits and that if time limits are desired, this needs to be an interim use permit. He stated his opinion that a time limit is not necessary in this situation, noting that if State statutes are violated the permit can be revoked immediately. Mr. McGuire stated that this is provided for in the zoning ordinance.

Council Member Gesme stated that his intention for the condition was that if after a year there are a lot of issues with the neighbors, this should be able to be revisited. Mr. McGuire expressed disagreement with this, stating his opinion that some neighbors would not like the facility no matter what they did.

At this point Council Member Gesme rescinded his motion.

A motion was made by Council Member Duncan, seconded by Council Member Bringgold, to adopt Resolution 2485 as presented.

A roll call vote was conducted. Council Members Bringgold, Duncan, and Montgomery voted aye; Council Members Gesme, Mattson, and Lundell voted nay; Mayor Althoff voted nay. Three ayes; four nay; motion failed.

A discussion took place as to the reasons for not approving the motion. Mr. McGuire commented he has invested more than \$30,000 in this project, not to mention the people whom he has hired due to

the fact that he was told by the City that he was permitted. He reiterated that he has invested a lot of time and wants to operate a good business for the City of Cannon Falls.

A discussion again took place as to why the Council Members voted nay. Mayor Althoff stated that he would like the matter tabled until the next meeting. City Attorney Kendall reviewed the time frame for approval of a CUP request, referencing Minnesota Statute 15.99, the 60-day rule. He stated his understanding that the application was dated May 29, 2020. He noted that if the City Council denies the permit at this time and needs more time to consider this matter, the Council has 60 days from the date of the application to make a decision, which can be extended if necessary.

A discussion took place as to the hardships that extending this decision longer would impose upon the applicant, the potential employees, and the owner of the property. City Attorney Kendall reiterated that he was merely trying to clarify the legal perspective regarding the time issue.

Mayor Althoff stated that a lot of information was obtained during this meeting, that the Council was only made aware of this proposal about 10 days ago, and that more time is desired for consideration.

A motion was made by Council Member Duncan, seconded by Council Member Bringgold and carried unanimously, to schedule a special City Council meeting on Tuesday, June 23, to further discuss this matter.

Reports:  
Council  
Committees/  
Commissions

Kyle Paulson, President of the Cannon Falls Area Chamber of Commerce, reported that the July 9 Fun Fest has been cancelled due to a lack of interest by vendors. She noted that an August 13 Fun Fest is planned.

Ms. Paulson discussed a Discover Guide lead generation program through Explore Minnesota. She also provided an update regarding a recent interview with KDWA, during which she promoted Cannon Falls.

Council Member Bringgold reported that the Library is opening slowly and is now accepting browsing appointments. She stated that the Summer Reading Program will be conducted virtually and Library Director Miller plans to do some reading in the park.

Community and Economic Business Specialist Qualey discussed a recent EDA meeting. She noted that she has been working with Library Director Miller on adding more hotspots to the Library. She stated that she attended her first Housing Initiative meeting as part of the EDA, along with Administrator Jensen. She reported that she has been researching grant opportunities for the high school construction class. She stated that she is working with the Cannon Valley Senior Center on a website design and a virtual book buddy program. She discussed a Feast! event planned for December that will feature local foods. She stated that she has also been working with Chamber President Paulson to promote Cannon Falls.

Ms. Qualey provided an update regarding the former Cannonball property. She noted that a bid has been accepted for Tim's Trucking to complete the demolition. She stated that this project is scheduled to be completed by the end of August.

Ms. Qualey stated that she has listed all EDA properties online.

Council Member Montgomery discussed a recent Park Board meeting, during which the Westside playground equipment was discussed. He noted that this expenditure was approved as part of the Consent Agenda earlier in the meeting. He reported that Public Works staff will install this equipment when they are available to do so. He stated the pool was also discussed. He reported that research will be done regarding the pump house. He stated they will be researching the cost to refurbish the pool to pass State Code requirements and also talk to the pool design company that was utilized a number of years ago. He noted that the Park Board will then decide if it is best to get the 51-year-old pool up and running again or to bring it to a referendum and look at a new pool in the future.

Staff

There were no staff reports.

Mayor and Council

Council Member Duncan made reference to the prior approval for two farmers markets. He stated his understanding that Council Members were aware of an LLC that had been put together by Tim Mahle.

Council Member Duncan asked City Attorney Kendall to comment regarding the place of business, which was listed as the City parking lot. City Attorney Kendall stated his understanding that the Secretary of State would be in charge of handling that problem.



Council Member Duncan commented that Mr. Mahle has been the only vendor at the Downtown market in recent weeks. He asked the Council Members if they still desired to keep the Downtown location listed as a farmers market when there is only one vendor.

Council Member Gesme noted that there are not a lot of vegetables that are producing yet and stated his opinion that there will be more vendors in the coming weeks. He expressed his desire to keep this market going.

Council Member Bringgold suggested making it clear to Mr. Mahle that he is not running the farmers market.

City Attorney Kendall requested background information, and additional information was provided. Council Member Duncan stated that the only thing that had been approved by the City Council was that two farmers markets could be present in Cannon Falls – one on the south end at Artisan Plaza and one in the Downtown City parking lot. Attorney Kendall noted that if the Council thinks Mr. Mahle is in violation of any permits, contracts, or any City licensing requirements, this could be directed to the City Attorney's Office, and he would write an opinion on whether he is in violation.

Council Member Lundell asked whether Mr. Mahle has paid the \$100 license fee and asked if that could be revoked. Administrator Jensen stated that Mr. Mahle has paid the fee. He provided clarification that the motion made by the City Council was to address this matter in October. Council Member Duncan asked Administrator Jensen to further research this issue.

Mayor Althoff noted that he recently met with the Mayors of Red Wing and Lake City, who had met with Mayo Clinic representatives. He stated that Mayo is trying to get back to regular appointments and surgeries. He discussed drive-through testing locations for COVID-19. He stated that Mayo is adding respiratory therapists in Lake City and Cannon Falls.

Mayor Althoff reported that he has been working with Craig Hedstrom at the American Legion on a Fourth of July parade. He discussed what may be included in this parade, and noted that they are still working on the details.

Police Chief McCormick stated that the Governor's Executive Order specifically prohibits parades. He noted that what they have done as a work-around is a cruise, such as the recognition of the teachers.

He offered a suggestion of advertising this as a Heroes Cruise. Mayor Althoff reported that the Fair Board is planning to have fair food vendors in the Downtown area over the 4th of July weekend. Police Chief McCormick provided additional information in this regard. Mayor Althoff issued a reminder that the 4th of July fireworks will start at 10:00 p.m. at the fairgrounds.

## Public Input

Mayor Althoff reviewed the public input procedure.

Adam Peters, Cannon Falls, expressed concerns about parking and walking through the winery. He stated his understanding that the winery cannot block off the entire sidewalk, noting that this is still occurring. He also reiterated his suggestion to go back to parallel parking on the winery side of the street. He noted that the “no oversized trucks” signs are not working. He expressed continued dissatisfaction with the parking situation.

Calvin Anderson, Cannon Falls, expressed concerns regarding the water situation on Colvill Street, Belle Street, and Fifth Street South. He noted that this problem has been going on for a long time. He reviewed photos and emails between Interim Public Works Director Anway and one of his neighbors. He provided background information regarding this situation. He stated that he has reported this issue to the City previously and provided an update on what has happened since then. He asked if the City could come up with some sort of plan to improve this problem. He commented that he felt someone should not have to pay for water you cannot drink or use to wash clothes.

Jared Woodward, Cannon Falls, expressed appreciation to the City Council for approving the Bears to be able to utilize the baseball field, and especially to Council Member Montgomery for bringing this matter up to the Council. He provided clarification that they will need a letter signed by the City Administrator in this regard. He also provided clarification that the MBA is not authorizing concessions to be opened by the Bears; however, they would accept a letter from the Council if they would approve the Bears to use the concessions. He described this as a primary source of revenue. He requested that this item be added to the next meeting agenda.

Dick Peterson, Cannon Falls, expressed appreciation to the City Council regarding the challenging issue presented to them during this meeting. He expressed admiration for the way it was handled by the Council. He commented that he felt the main problem was the way in which the application was handled.

Adjournment

A motion was made by Council Member Bringgold, seconded by Council Member Duncan and carried unanimously, to adjourn the meeting. The meeting adjourned at 8:52 p.m.

Adopted by the City Council of the City of Cannon Falls on the 7<sup>th</sup> day of July, 2020.

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John O. Althoff, Mayor

ATTEST:

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Neil L. Jensen, City Administrator