

REGULAR MEETING OF THE CITY COUNCIL  
CITY OF CALEDONIA, MINNESOTA  
Monday, December 9, 2013

CALL TO ORDER: Following due call and notice thereof, Mayor Bob Burns called the meeting to order at 6:00 p.m. in the Council Room, City Hall.

ROLL CALL: Members present: Mayor Bob Burns, Council Members: Bob Lemke, DeWayne Schroeder, Randi Vick add Tom Murphy. City Staff Present: City Clerk/Administrator Ted Schoonover, City Accountant Stephanie Mann. Guests present: Mr. and Mrs. Jeff Sheehan, Caledonia Argus reporter Clay Schuldt.

AGENDA: Motion by Mayor Burns, second by Member Schroeder to approve the agenda as amended. All voted in favor and the motion was declared carried. Mayor Burns requested that we act separately on the consent agenda items.

CONSENT AGENDA APPROVAL: Motion by Mayor Burns, second by Member Lemke to approve the Minutes from November 25, 2013. All members present voted in favor and the motion was declared carried. Motion by Burns, second by Member Lemke to approve the December 2, 2013 Special Meeting minutes. All members voted in favor with the exception of Member Vick who abstained and the motion was declared carried

VISITORS AND COMMUNICATIONS: None.

NEW BUSINESS:

At 6:05 the Mayor called for a hearing on Notice of Intent to Certify. Property owners were sent notifications that their property taxes would be assessed for unpaid utility charges. Owners were given a deadline to respond in asking for a hearing of December 4, 2013 at 5:00 p.m. Only one property owner replied and they were present. Jeff and Shelly Sheehan were present to oppose the certification claiming that it violated Minnesota Statute and that the city could only recover water and sewer charges through the assessment process. Mr. Sheehan mentioned that he has not and will not enter into an Landlord agreement with the city therefore we have no contract with the city for utility services and that the city has no right to assess him the charges of past tenants. Administrator Schoonover informed the Sheehans and the council that the City Attorney informed him that the city could assess them, even without the agreement in place. Schoonover also presented Mayor Burns with a handout from the League of Minnesota Cities that was not exactly clear in what the city could and should do and mentioned that we should seek guidance from the City Attorney. The City ordinance does mention that we have that authority but the question remained on what the State Statute stated. Mr. Sheehan stated that he would pay the water and sewer portion but nothing above and beyond and the city should attempt to collect them through a collection agency. He also mentioned that most gas and other utility companies use what is known as a Landlord revert clause. This is designed to automatically transfer a utility back to the owners name after a certain period of delinquent past due amounts. The general feeling of the council was to have the City Administrator research the issue again in depth with the league and to also look into the revert clause mentioned earlier. It was also the consensus that the city should not assess the Sheehan's property until after that research was completed. Motion by Mayor Burns, second by Member Lemke to remove the Sheehan's from the Resolution and approve Resolution 2013-019 Certifying past due utility bills to the owners property taxes. All members voted in favor and the motion was declared carried.

Motion by Burns, second by Member Schroeder to not certify the past due accounts for the Sheehan's property as they will pay the water and sewer charges owed. All members present voted in favor and the motion was declared carried.

Motion by Mayor Burns, second by Member Vick to approve the Liquor Licenses for The Ranch, Good Times, Starlite Lanes, Elsie's Bar and Grill and the American Legion. Discussion followed. Member Murphy questioned the extra hour some of these are open and if that was a perpetual or annual license. No one recalled and Administrator Schoonover would look into the matter and get back to the council at a later date. All members voted in favor and the motion was declared carried.

Motion by Member Vick, second by Member Murphy to approve the Tobacco Licenses for Quillins, Kraus Oil, Kwik Trip and Dollar General. All members voted in favor and the motion was declared carried.

Administrator Schoonover presented the council with a listing of expenses from the Fire Department for travel to and back for work on the new Alexis Pumper. The charges would be \$50.00 for fuel in the pumper, 270 mileage reimbursement and a charge for meals for 4 firemen in the amount of \$35.48. Motion by Member Schroeder, second by Mayor Burns to approve the reimbursement for expenses incurred for volunteering to deliver the truck for warranty work. Roll call vote: Yes. Mayor Burns, Members Schroeder, Murphy, Member Lemke. No. Member Vick. The motion was declared carried.

Member Lemke departed the meeting at 7:23 p.m.

Motion by Mayor Burns, second by Member Vick to approve the Claims Payable with the exception of USAquatics. All members present voted in favor and the motion was declared carried.

Affordable Tech. Solutions	Monthly Maintenance	150.00
Alco Stores, Inc.	Misc. Supplies, Cleaning Supplies	119.71
Artic Glacier, Inc.	Ice	71.56
Bonanza Grain, Inc.	Maintenance Materials	381.54
Caledonia Implement Co.	Mower Parts	652.96
Caledonia Oil Co.	Car Maintenance	153.96
Caledonia Wheel Alignment	Maintenance	120.00
Carquest Auto Parts Store	Parts, Miscellaneous Items	10.78
City of Caledonia Utilities	Water, Sewer & Electric	11,325.03
Communications Service WI	Pager Programming	25.38
Continental Research Corp.	Lube Materials	427.91
Credit Bureau Data, Inc.	Utility Collection Fees	684.18
D S Electric Supply, Inc.	Light – Inventory	665.83
Dalco	Cleaning Supplies & Misc. Supplies	222.24
Davy Engineering	Sewer Rehab & WWTP Facility Plan	4,273.44
Davy Laboratories	Lab	2,696.25
ECM Publishers, Inc.	Advertisements	702.98
Expert T Billing	Contracted Billing	600.00
G & F Distributing	Liquor Store Inventory	38.00
Gopher State One-Call	Location Notifications	32.00
Great River Water Treatment	Boiler Water Treatment	127.50
Hammell & Murphy	Prosecution	2,605.50
Hawkins, Inc.	Chemicals	1,130.41
Hoskins Electric Co.	Generator Parts	974.91
Innovative Office Solutions	Office Supplies	192.96
Jack Neumann Trucking	Freight Expense	80.00
Johnson Brothers Liquor Co.	Liquor Store Inventory	965.95
Kovack Executive Search	Contracted Service	13,013.51
Kwik Trip Stores	Scrip	900.00
Mayo Clinic Health System	Health Cards	160.00
Mc Hugh Excavation & Plumb.	Valve Repair	10,694.93
Minnesota Dept. Of Health	Water Service Connection Fee	1,809.00
MN Energy Resources	Natural Gas	4,259.72
Mississippi Welders Supply Co.	Oxygen	161.85
Moss & Barnett	Mediacom Franchise Renewal	792.50
Nelson Flag & Display, Inc.	X-Mas Lights Cord	50.00
Phillips Wine & Spirits Co.	Liquor Store Inventory	688.40
Quillin's	Wine Tasting Event	60.57
Reliance Business Forms, LLC	Clerk's Office Forms	178.40
Richard's Sanitation, LLC	Refuse Disposal, 2013 Light Project	296.41
Sandry Fire Supply, LLC	Hand Line Tips Truck 1420	135.43
SEMA Equipment, Inc.	Mowing Tractor, Fuel/Additives	367.30
Servocal Instruments, Inc.	Flow Meter Calibration	400.00
Southern Wine & Spirits of MN	Liquor Store Inventory	1,934.24
St. Mary Auto Body Shop	Tow Expense	283.23
Star Energy Services	2013 Project	4,913.02
Stuart C. Irby Co.	Testing Gloves	58.19
Tri-County Electric Co-op	Electric Energy	173,013.59
United Auto Supply, Inc.	Fuels/Additives, Misc.	61.90
United Parcel Service	Ups Fee	35.61
US Bank NA	GO Sewer Revenue Refunding Bond	65,401.25
US Postal Service	2013 Annual Permit	200.00
USA Bluebook	Nozzle	67.88
Water Systems Company	Drinking Water	7.11
Wiebke Fur Company	Gun Cleaning Supplies	51.30
Wiebke Tire	Street Equipment	80.00
World Point ECC, Inc.	Training Supplies	243.55
		<u>\$ 309,562.79</u>

Motion by Mayor Burns, second by Member Schroeder to approve the Prepaid claims as presented. All members voted in favor and the motion was declared carried.

Airgas USA, LLC	Oxygen/Acetylene	122.13
Eggert, Patricia	Refund Duplicate Payment	100.00
Expert T Billing	Ambulance – Contracted Billing	600.00
Ho Co. Sheriff's Office	Refund FD Mutual Aid Payment	600.00
Northern Beverage Distribution	Liquor Store Inventory	2,886.35
Schott Distributing Co, Inc.	Liquor Store Inventory	4,119.75
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	178.10
Tomstrom, Michael	Reimbursement Family Fun Fair Donation	19.93
Alex Air Apparatus, Inc.	Air Qual Test/Service/Maintenance	605.00
Brad's Electric, Inc.	2013 Project	1,593.00
Caledonia Oil Company	Unleaded	1,655.19
Caledonia True Value	Miscellaneous Items	179.08
Karian Peterson Power Line	2013 Project	146,443.00
KLM Engineering, Inc.	Verizon Ant. Modification	1,500.00
Resco	Miscellaneous Items	439.19

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Sandry Fire Supply, Inc.	Pike Pole Handle & Deck Gun	555.49
US Aquatics, Inc.	Aquatic Center	30,280.80
Winona Controls, Inc.	Boiler System Maintenance	391.00
Artisan Beer Company	Liquor Store Inventory	41.25
B & M Service Center	Street Equipment – Fuel	80.00
Bound Tree Medical, LLC	Ambulance Supplies	706.29
Caledonia Conv & Tourism	Tourism	832.45
G & F Distributing	Liquor Store Inventory	491.50
Jack Neumann Trucking	Liquor – Freight Expense	170.00
Johnson Brothers Liquor Co.	Liquor Store Inventory	4,746.76
Lee Auto Body	Towing Expense	75.00
Phillips Wine & Spirits Co.	Liquor Store Inventory	1,064.85
Blue Cross Blue Shield of MN	Refund - Overpayment	600.78
Kraus Oil Co., Inc.	Diesel	1,538.00
Principal Life	Life/Ad&d/STD	398.09
Winona Controls, Inc.	Boiler System Maintenance	553.32
MN Department of Agriculture	Tree Care Registry	25.00
Resco	Light – Inventory	163.68
Schott Distributing Co., Inc.	Liquor Store Inventory	1,859.12
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	96.50
Steve Meyer Consulting, LLC	Consulting Service	1,100.00
Verizon Wireless	Labor/Service	50.00
Commissioner of Revenue	State Withholding	1,423.29
Merchants Bank	Federal/FICA/Medicare	7,102.18
Public Emp. Retirement Assn.	PERA Payday 11-26-13	5,944.33
Business Financial Planning	Cafeteria Plan	233.80
D S Electric Supply	Light – Inventory	300.48
Houston Co. Recorder	Recording Fee	46.00
Houston Co. Treasurer	Ho. Co. Collection Site	4,008.00
ING Institutional Plan Services	TSA – Payday 11-26-13	480.00
Johnson, Allan	Meal Reimbursement	8.52
Mayo Clinic Health System	Health Cards	160.00
MN Benefit Association	MBA – payday 11-26-13	97.59
MN Child Support Payment	Case ID 001470764201	216.88
NCPERS Minnesota	NCPERS Payday 11-26-13	80.00
Northern Beverage Distribution	Liquor Store Inventory	192.00
Rask, Nick	Animal Control	75.00
Southern Wine & Spirits of MN	Liquor Store Inventory	1,128.78
Tri-State Ambulance, Inc.	Intercept Fee	250.00
Houston Co. Attorney	Contribution Victim/Witness Office	2,000.00
Houston Co. Recorder	Recording Fee	46.00
Northern Beverage Distribution	Liquor Store Inventory	1,221.00
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	87.55
Richard’s Sanitation, LLC	Recycling Collections	6,636.80
MN Department of Revenue	Sales/Use Tax	17,839.00
Ace Link Telecommunications	Communication Expense	1,151.22
Commissioner of Revenue	State Withholding	742.79
Houston Co. Treasurer	FD – Title for 1976 Truck	20.75
IUOE Local 49 Benefit Fund	Health Insurance	17,104.00
Klug, Anthony	Consulting Services	800.00
Mayo Clinic Health System	Health Cards	80.00
Merchants Bank	Federal/FICA/Medicare	6,354.51
Public Emp. Retirement Assn.	PERA Payday 12-2-13	853.57
Tornstrom, Michael	Reimbursement – Pager Batteries	21.08
Tri-State Ambulance	Intercept Fee	250.00
Visa	PD - Travel Expense	96.32
Wieser Septic & Excavating	Water/Sewer Repair ( Bartelson)	10,448.31
Abrams & Schmidt, LLC	Consulting Attorney	189.00
Clay & City, Phillip	Meter Deposit Refund	250.50
Galls/QuarterMaster	Uniforms ( Johnson )	138.47
Gavin & City, Dustin	Meter Deposit Refund	250.39
George, Daniel	Moving Allowance	1,000.00
Gerardy, Michael	Reimbursement 2013 Parade Candy	99.47
Mauss & City, Anne	Meter Deposit Refund	250.50
Meiners & City, Mitch	Meter Deposit Refund	250.50
Public Emp. Retirement Assn.	PERA Payday 12-2-13	2,987.04
Schilling Supply Company	Paper, Bags, Ice Melt	831.42
Troka & City, Autumn	Meter Deposit Refund	250.50
Verizon Wireless	Communication Expense	205.86
Welscher & City, Aimee	Meter Deposit Refund	250.50
Wurm & City, Eric	Meter Deposit Refund	250.50
Midwest Beverage & Brokerage	Liquor Store Inventory	104.00
Schott Distributing Co, Inc.	Liquor Store Inventory	13,171.86
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	127.50
		<u>\$ 314,968.36</u>

Administrator Schoonover presented the council with the 2014 Insurance rates. Workers compensation increased on average 10% plus and additional 3% for volunteer firefighters. No action taken.

Motion by Mayor Burns, second by Member Murphy to end the probationary period for Trisha Schmitz, a part-time liquor store clerk and increase her hourly rate by \$1.00 per hour. All members present voted in favor and the motion was declared carried.

Motion by Member Murphy, second by Member Schroeder to approve the Limited Use Permit for Non-Motorized Recreational Trail CS.2804. All members voted in favor and the motion was declared carried.

The November police reports and the employee overtime report were accepted as presented.

At 7:55 p.m. the Mayor closed the regular session of the meeting and opened a public hearing for the Truth in Taxation Hearing. There were no oral or written comments presented. He briefly reviewed the amounts that were levied and all agreed that was what they agreed upon. At 8:01 p.m. the public hearing was closed. Motion by Mayor Burns, second by Member Murphy to approve Resolution 2013-018 Certification of 2014 Tax Levy. All members present voted in favor and the motion was declared carried. At a request from Member Murphy the budget approval was tabled until after the closed session for union negotiations.

Administrator Schoonover presented a request from the school to use the Auditorium for a one day event for all the 5<sup>th</sup> graders it is called "Youth Frontiers". Motion by Member Murphy, second by Mayor Burns to allow the school to use the auditorium for this one day event free of charge.

Additional information was presented by Schoonover. He stated we have discovered a sewer connection problem on Lincoln St. It would appear that one residents line was not re-connected back in June and now is experiencing backups and major damage. Davy Engineering, Griffith Construction and the City are all working together to get this resolved ASAP. He also told the council that he and Mike Gerardy are working with Verizon on a Cell tower location in the city limits. More to come later.

At 8:25 p.m. the Mayor closed the regular meeting and went into closed session pursuant to Minnesota Statute 13D.03 Labor Negotiations. Member Lemke returned to the meeting at 8:26 p.m. At 9:20 p.m. the closed session was closed and the regular session was reconvened.

Member Murphy started the conversation stating that he would rather not see more money spent in the police department and would feel more comfortable building up the reserves. He doesn't want to rush this decision and feels that we should wait and approve the budget when we have the correct and accurate calculations from the additional position they want to create. Consensus of the council was to reconvene and have another meeting on December 30, 2013 at 6:00 p.m. to review and approve the 2014 budget. The next regular meeting will be on Monday December 30, 2013 at 6:00 p.m.

ADJOURNMENT: There being no further business before the Council, A motion to adjourn was made by Member Schroeder, second by Member Lemke. All voted in favor and the motion was declared carried to adjourn at 9:50 p.m.

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Robert H. Burns

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Ted A. Schoonover  
Clerk-Administrator