

REGULAR MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Monday, June 10, 2013

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

ROLL CALL: Members present: Mayor Pro-tem Bob Lemke, Council Members: DeWayne Schroeder, Randi Vick and Tom Murphy. Mayor Burns was absent and arrived at 6:04 p.m. City Staff Present: City Clerk/Administrator: Ted Schoonover, Administrative Coordinator Mike Gerardy and City Electrician Matt Blocker with Star Energy representative Tom Nigon. Guests present: Caledonia Argus reporter Clay Schuldt.

AGENDA: Motion by Member Vick, second by Member Lemke to approve the Agenda as amended. All voted in favor and the motion was declared carried.

CONSENT AGENDA APPROVAL: Motion by Mayor Burns, second by Member Murphy to approve the consent agenda, which consisted of the regular meeting minutes from May 28, 2013 and the emergency meeting held June 3, 2013. All voted in favor and the motion was declared carried.

VISITORS AND COMMUNICATIONS: The Mayor informed the council that a public hearing will be held on June 18 at 6:00 p.m. at the mine operated by Kruckow Rock and Ready Mix. The hearing will be held prior to a decision on a request for an expansion of said mine.

ADMINISTRATIVE COORDINATOR:

Electrician Blocker was present along with Tom Nigon in regards to the 2012 Electrical survey. According to Nigon the purchase price of electricity has remained constant but the operational or fixed asset costs have risen approximately 15%. Nigon stated that the cities increase should be around 5.2% overall to keep the current margin at 10.6% return on investment. In order to achieve the 13% level the city would have to add an additional 2% which could increase the revenues but effect the users very hard. Mayor Burns asked how residents could lower their usage? Tom Nigon explained that by purchasing newer efficient appliances would help immediately and would lower their usage as would turning up/down the thermostat. In regards to the overall cost of electricity the city is very competitive with surrounding cities and would recommend the increase he proposed in his study. They are as follows: Residential – 6.9%, dual fuel – 7.3%, commercial single phase – 4.2%, commercial phase three – 4.5%, large power – 3.2%, Sno-Pac – 8%, street lighting – 0%. Motion by Mayor Burns, second by Member Vick to approve the 2013 rate increase as presented. All members in present voted in favor and the motion was declared passed.

Coordinator Gerardy presented the council with a quote from King Construction, LLC to repair the pole shed at the city yard and the shelter building at the park. As both roofs leak. The pole shed can be repaired for \$874.00 and the park building for \$612.00. Motion by Member Schroeder, second by Member Murphy to approve the purchase as presented. All members present voted in favor and the motion was declared passed.

Gerardy presented the council with payment request #5 from Giffin Contstruction in the amount \$24,482.42. Motion by Mayor Burns, second by Member Schroeder to approve the payment as presented. All members voted in favor and the motion was declared carried.

Gerardy informed the council of a water service line that is leaking in the corner of Lincoln St. and Pine St. He believes that it only serves one resident and that resident will be responsible for the repairs. Gerardy will send them a notice informing them.

Mayor Burns asked Gerardy in reference to the washout on the land off of Pine St. The washout there is our responsibility but have not been able to get equipment in there to repair it yet. As for the others they are the land owners responsibility and Rich Stemper will be contacting them to inform them of such.

At 6:45 p.m. the Mayor closed the regular council session and opened a public hearing in regards to an alley vacation. There were no oral or written comments so the mayor closed the public hearing at 6:48 pm. After the public hearing a brief discussion in reference to why the alley was no longer needed. Gerardy stated that it was never developed and several property owners have already encroached on it by building sheds, garages etc... and this is a simpler way to clean it up. Motion by Burns, second by Member Lemke to Vacate the alley located between S. 2nd St. and Bungalow Lane. And to adopt the resolution vacating it. All members present voted in favor and the motion was declared passed.

The Mayor did brief the council about a meeting that was attended by Member Schroeder, Vick and himself in regards to the Caledonia Township Ambulance surcharge. Although there was a quorum of council members present an agenda was posted stating that fact at City Hall and the meeting was lawful in accordance with Minnesota State Statute. There was no city business conducted or acted upon. Township President Mr. McRae

asked why their 2012 payment wasn't applied to FY2012's budget and asked if it could be moved? He also mentioned that he was still upset at the current level of funding and requested again that the city lower the surcharge. Another point of interest was the surplus was not drawing interest and that the number of calls to the rural area are far less than those in the city, therefore the charge is not equal. In answer to his first question was that because that fund is a cash fund, and the payment was received after the fiscal years end it could not be moved and if he wanted in 2012 he should have paid it in 2012. As for the interest none of our general fund monies are placed in a market to draw interest. And the city at this point shows no signs of lowering the surcharge. End of discussion.

NEW BUSINESS:

City Clerk/Administrator Schoonover presented the council with a Municipal Swimming Pool Handbook and requested that the city adopt it. There is currently no policies or rules published and by adopting this handbook it gives the employees very clear guidance on how to run and manage the city pool. Motion by Member Lemke, second by Member Vick to adopt the 2013 Municipal Swimming Pool Handbook. All members voted in favor and the motion was declared carried.

Motion by Mayor Burns, second by Member Schroeder to approve the temporary alcohol license for the Rotary Club for an event on July 17, 2013. Roll call of votes: Yes: Mayor Burns, Members Lemke, Vick, Schroeder. No: None. Member Murphy abstained.

Motion by Mayor Burns, second by Member Lemke to approve the temporary alcohol license for the American Legion #191 for an event on June 20, 2013. Roll call of votes: Yes: Mayor Burns, Members Lemke, Vick, Schroeder. No: None. Member Murphy abstained.

The 2013 Workers Compensation renewal premium was presented. Motion by Member Schroeder, second by Member Lemke to approve the premium as presented. All members voted in favor and the motion was declared carried.

Motion by Member Vick, second by Member Lemke to approve the claims payable. All members voted in favor and the motion was declared carried.

Ability Building Center	Bags of Rags	5.00
Affordable Tech. Solution	Office Supplies, Tech Services	295.63
Alco Discount Store	Phone Minutes, Cleaning Supplies	124.60
American Lock & Key	Lock Repair	69.00
Artic Glacier Inc.	Ice	298.12
Becker & Stemper Electric, LLC	Fix Lights @ Front Desk	13.75
Bound Tree Medical, LLC	Supplies	702.61
Caledonia Implement Co.	Repair Parts	86.78
Caledonia Oil Company	Car Maintenance	199.24
Carquest Auto Parts Store	Street – Misc.	54.76
City of Caledonia Utilities	Electric, Water & Sewer	10,156.43
Crystal Valley Hardwoods, Inc.	Mulch	60.00
Dalco	Scrubber Parts/Labor	1,105.57
Davy Laboratories	Lab	1,700.25
E O Johnson Company	Copier Agreement	67.50
ECM Publishers, Inc.	Advertisements	1,222.07
Expert T Billing	Contracted Billing	750.00
Farmers Coop Elevator Co.	Lawn Seed	187.03
Games People Play	Ball Program Equipment	646.00
Gopher State One-Call	Location Notifications	171.10
Hammell & Murphy, PLLP	Prosecution	2,403.00
Hawkins, Inc.	Chemicals	897.79
In The Swim	Chemicals	612.90
Innovative Office Solutions	Office Supplies	310.00
Interstate Roofing	Roof Repair	377.12
Ken's Small Engine	Parts, Pump Repair	236.59
Kwik Trip Stores	Dare Program Supplies	21.39
Mark's Electronics	Camera Install	125.00
MN Department of Commerce	1 st Quarter Fiscal Year	459.04
MN Department of Health	Water Service Connection Fee	1,809.00
MN Pipe & Equipment	Blue & Red Marking Paint	256.41
Municipal Pipe Tool Co, Inc.	Jet Clean Sanitary Sewer	9,557.24
One Stop Public Safety Equip.	Ballistic Vest	3,700.00
Richard's Sanitation, LLC	Refuse Disposal	202.60
Schilling Supply Company	Copy Paper, Towels, Bags	440.99
Schulze Plumbing & Heating	Shower Repair, Heater	535.00
St. Mary Auto Body Shop	Tow Olds Intrigue	69.47
Star Energy Services	2013 Project	2,761.54
Tri-County Electric Co-op	Electric Energy	154,761.03
United Auto Supply, Inc.	Repair Parts, Misc.	142.91
Water Systems Company	Drinking Water	6.36
Wiebke Fur Company	Ammo & Equipment	323.63
Wiebke Tire	#06 Tire Repair	20.00
		<u>\$ 197,954.45</u>

Motion by Member Vick, second by Member Lemke to approve the prepaid claims. All members voted in favor and the motion was declared carried.

Business Financial Planning	Cafeteria Plan Services	233.80
Caledonia Police Association	Association Dues	110.00
ING Institutional Plan Serv.	TSA Payday 5-14-13	480.00
IUOE Local #49	Union Dues	357.50
MN Bureau of Criminal Appr.	Course Fee	50.00
MN Child Support Payment Cet.	Case ID 001470764201	193.81
Public Emp. Retirement Assn.	PERA Payday 5-14-13	5,899.92
Resco	Light – Inventory	4,273.53
Coulee Region Sports League	Summer 2013 League	125.00
G & F Distributing	Liquor Store Inventory	262.65
In The Swim	Paint & Sign	1,789.68
Northern Beverage Dist.	Liquor Store Inventory	1,702.60
Positive Promotions, Inc.	EMS Promotional Materials	443.69
Schott Distributing Co, Inc.	Liquor Store Inventory	3,461.10
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	146.45
B & M Service Center	Fuel	77.00
Houston Co. Treasurer	April 2013 Fluorescent Bulb Collection	723.80
Kohnen, Jessica	2013 clothing allowance	60.00
Merchants Capital	2008 Alexis Pumper	30,664.35
Metro Sales, Inc.	PD Copier Agreement	45.03
Principal Life	Life/Ad&d/STD	354.42
Ideker, Vicky	Refund Shelter Rent	42.75
Bellboy Corporation	Liquor Store Inventory	926.05
Caledonia True Value	Window Repair	43.79
EO Johnson Company	Library - Copy Machine	3,767.00
Jack Neumann Trucking	Freight Expense	205.00
Johnson Brothers Liquor Co.	Liquor Store Inventory	3,917.58
Phillips Wine & Spirits Co.	Liquor Store Inventory	1,544.40
Stars of Tomorrow, Inc.	Registration Fee	275.00
Ziebell's Hiawatha Foods, Inc.	Liquor Store Inventory	61.66
Caledonia Oil Co.	Diesel	1,454.00
Rask, William	Ambulance Payment Refund	50.00
Kwik Trip Stores	Scrip	1,426.50
Northern Beverage Distribution	Liquor Store Inventory	1,998.15
Schott Distributing Co, Inc.	Liquor Store Inventory	9,470.09
Southern Wine & Spirits of MN	Liquor Store Inventory	2,107.59
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	17.75
Blocker, Matt	2013 Uniform Allowance	125.00
Commissioner of Revenue	State Withholding	1,496.52
ING Institutional Plan Services	TSA Payday 5-28-13	480.00
Merchants Bank	Federal/FICA/Medicare	7,590.42
Public Emp. Retirement Assn.	PERA Payday 5-28-13	5,863.56
Business Financial Planning	Cafeteria Plan Payday 5-28-13	233.80
Caledonia Conv. & Tourism	Tourism	476.83
Houston Co. Recorder	Recording Fee	46.00
MN Benefit Association	MBA Payday 5-28-13	97.59
MN Child Support Payment Cen.	Case ID 001470764201	193.81
MN Department of Education	Acct #1002697809	235.60
NCPERS Minnesota	Payday 5-28-13	64.00
Northern Beverage Distribution	Liquor Store Inventory	2,409.80
Rask, Nick	Animal Control	75.00
Schott Distributing Co, Inc.	Liquor Store Inventory	183.00
Buttell's Lighting	Scoreboard Bulbs	126.96
Houston Co. Recorder	Recording Fee	46.00
Pearson, Nathan	2013 Uniform Allowance	274.54
VanRavenhorst & City, Aaron	Refund Credit Balance	144.74
E O Johnson Company	Copier Maint. Agreement	90.00
Independent School District	Yearbook	58.77
MN Dept. of Revenue	Sales/Use Tax	19,206.00
Richard's Sanitation	Recycling Collections	6,437.90
Schott Distributing Co, Inc.	Liquor Store Inventory	2,425.49
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	284.75
Tri-State Ambulance, Inc.	Intercept Fee	250.00
VISA	Traveling Expense	885.21
Commissioner of Revenue	State Withholding	213.87
Merchants Bank	Federal/FICA/Medicare	1,290.85
Public Emp. Retirement Assn.	PERA Payday 6-3-13	770.62
Abrams & Schmidt, LLC	Consulting Attorney	310.50
Ace Link Telecommunications	Communication Expense	1,107.62
Almo & City, Audrey	Meter Deposit Refund	250.50
Boyle & City, Linda	Meter Deposit Refund	250.50
Country Charm Crafts & City	Meter Deposit Refund	501.00
Erickson & City, John	Meter Deposit Refund	250.50
Erickson & City, Shirley	Meter Deposit Refund	250.50
Fegyak, Kelly	Meter Deposit Refund	250.50
Frank & City, Judy	Meter Deposit Refund	250.50

Houston County Recorder	Recording Fee	-46.00
IUOE Local 49 Benefit Fund	Health Insurance	15,180.00
Jack Neumann Trucking	Liquor – Freight Expense	100.00
Jergenson, David	Reimbursement Pool Supplies	17.10
Johnson Brothers Liquor Co.	Liquor Store Inventory	3,351.76
Johnson, Kayla	Recertify 8 Lifeguards	313.00
Klug, Anthony	Consulting Services	800.00
Kowalewski & City, Calvin	Meter Deposit Refund	501.00
Kraus Oil Co, Inc.	Unleaded	1,627.75
Martin, Paul	Music in the Park	100.00
Moore, Kody	Reimbursement Ball Program	264.75
Phillips Wine & Spirits	Liquor Store Inventory	1,470.39
Pross & City, David	Meter Deposit Refund	250.50
Reed & City, Sara	Meter Deposit Refund	250.50
Resco	Light Inventory	71,524.66
Steele Construction & Landsc.	Stump Removal	1,490.00
Swartz, Vanessa	Unclaimed Funds	158.36
US Bank NA	GO Sewer Revenue Refunding Bon	5,401.25
US Postal Service	Annual Fee	250.00
Verizon Wireless	Communication Expense	203.96
Warner, Charlie	Music in the Park	150.00
Wine Merchants	Liquor Store Inventory	68.00
G & F Distributing	Liquor Store Inventory	570.30
Merchants Bank	Ach Fee	31.21
Northern Beverage Distribution	Liquor Store Inventory	3,048.40
Schott Distributing Co, Inc.	Liquor Store Inventory	5,784.00
Southern Wine & Spirits of MN	Liquor Store Inventory	2,015.50
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	87.25
		<u>\$253,232.03</u>

Motion by Mayor Burns, second by Member Vick to approve the certificate of plat #52. All members voted in favor and the motion was declared carried.

Administrator Schoonover presented the council with an offer of employment to be sent to Bob Mierau offering him the position of Water Wastewater Treatment Plant foreman. Discussion ensued and a motion was made by Member Lemke, second by Member Schroeder to offer the position to Bob Mierau as outlined in the offer. Roll call of votes: Yes; Member Lemke, Schroeder, Vick and Mayor Burns. No: Member Murphy. The motion was declared carried.

Schoonover asked that he be allowed to close the old checking account that was used to pay for the previous sewer project, he stated that it can now be paid just as the new loan is being paid and takes away one more function that is obsolete. Motion by Member Vick, second by Mayor Burns to close account as long as it is allowed by statute. All members voted in favor and the motion was declared carried.

The May police reports and time sheets were submitted for review. No action taken.

The next regular meeting will be on Monday June 24, 2013 at 6:00 p.m.

ADJOURNMENT: There being no further business before the Council, A motion to adjourn was made by Member Schroeder, seconded by Member Vick. All voted in favor and the motion was declared carried to adjourn at 8:30 p.m.

Robert H. Burns

Ted A. Schoonover
Clerk-Administrator