

REGULAR MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Monday, October 11, 2010

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

ROLL CALL. Members present: Mayor Robert H. Burns; Council Members: Randi Vick, Tom Murphy, Robert Lemke, and Paul Fisch. Members absent: None. Consultants and City staff present: City Clerk/Administrator Jennifer Feely, Administrative Coordinator Mike Gerardy, City Electrician Matt Blocker, Water/Wastewater Operator Tony Klug, and City Engineer Mike Davy. Visitors present: Argus Reporter Charlie Warner.

AGENDA APPROVAL. The following items were added to the agenda for discussion: Soft Drink License; Property/Casualty Program Incentives Information; Hiring of Firefighter; Ball Field Pole Inspection; Standard & Poor's Rating Agreement; Letter to Mn/DOT; Light Rate/Cost-of-Service Study Proposal; and Personnel Matter. A motion was made by Mayor Burns, seconded by Member Lemke to approve the agenda with the addition of the above-mentioned items. All members present voted in favor and the motion was declared carried.

CONSENT AGENDA. A motion was made by Mayor Burns, seconded by Member Vick to approve the consent agenda. All members voted in favor and the motion was declared carried.

- A. MINUTES OF PAST MEETINGS. To approve the minutes of the Regular Meeting held Monday, September 27, 2010, as presented.
- B. APPLICATION FOR TEMPORARY 3.2 LIQUOR LICENSE: ROD AND GUN CLUB. To approve a temporary 3.2 liquor license for the Caledonia Rod and Gun Club on November 13, 2010 at St. Mary's Catholic School.
- C. APPLICATION FOR EXEMPT PERMIT: ST. MARY'S PARISH. To approve an application for an exempt permit for St. Mary's Parish on March 11, 2011 and April 15, 2011.
- D. SOFT DRINK LICENSE: BUCKBOARD, LLC. To approve a soft drink license for Buckboard, LLC, beginning October 1, 2010 and expiring at 1:00 a.m. on March 31, 2011.

VISITORS AND COMMUNICATIONS.

A. STEVE PETER: CALEDONIA ROD AND GUN CLUB. Steve Peter was present on behalf of the Caledonia Rod and Gun Club to request the Council's consideration in allowing his organization to submit an application under the City's name to the Arlin Falck Foundation in an effort to obtain grant funds. Peter shared with the Council that in order to be eligible to receive Arlin Falck Foundation monies, organizations are required to have either a 501 (c)(3) tax status or be a local unit of government. City Clerk/Administrator Feely explained that at the September 27 City Council meeting, discussion took place concerning whether or not the City would like to submit applications on behalf of organizations that may not meet the necessary tax requirements for such a grant. At that time, the consensus was to not allow organizations to submit applications under the City's name as there were concerns that doing so would lessen the City's chances of receiving funding in addition to creating additional paperwork for staff. Feely stated that since the September 27 meeting, she spoke with Kathleen Nelson, President of the Arlin Falck Foundation, to find out whether submitting a large number of applications under the City's name would in fact reduce the chances for City departments to receive funding through the grant.

According to Nelson, allowing organizations such as the Dairy Association and the Rod and Gun Club to apply under the City's name would not reduce the likelihood of City departments receiving funding from this grant. Feely then shared the following information, which she obtained from the City's auditors, concerning the practice of submitting grants for other organizations under the City's name: (1) The City would be the grantee; (2) Grantees are responsible for grant monitoring, submission of required reports and to ensure grant funds are expended in accordance with grant agreements; (3) The grant funds and payments to sub-grantees must be recorded on the City's books; (4) Any violations of grant agreements would be reported on the City's audit as findings and the City would be held accountable to correct or answer for such violations; and (5) Federal grants in excess of \$300,000 from one program or \$500,000 in total would subject the City to an A-133 audit. Overall, it was noted that there are no illegalities with the City applying for such grants, assuming the City meets the qualifying criteria. Discussion then ensued amongst the Council. The consensus of the Council was to allow organizations to submit grant applications under the City's name on a case by case basis. Mayor Burns noted that from an administrative perspective, the City would prefer to work with organizations that would only submit for one reimbursement of grant funds versus submitting numerous requests for reimbursements over a span of time. A motion was made by Mayor Burns, seconded by Member Fisch to allow organizations to submit grants under the City's name on a case by case basis. All members present voted in favor and the motion was declared carried.

B. DAVE MEYER, CALEDONIA ATHLETIC DIRECTOR: LIGHT REQUEST. The Council revisited Caledonia High School Athletic Director Dave Meyer's request to waive or reduce the electrical charges incurred for the use of the lights at the track meets in the spring. Mayor Burns stated that he could understand why the school was making the request, however, in an effort to be fair to all similar users, he was not in favor of waiving or reducing the charges. Next, Mayor Burns asked three times if any Councilmembers wished to entertain a motion to waive or reduce the charges incurred by the Caledonia School District for the use of lights during track meets. Member Murphy stated that he was not in favor of making any changes to the way the school district is billed as doing so would open the City up to having to renegotiate individual utility accounts for other customers. Member Fisch then asked Meyer if there was any way the two track meets could be scheduled during the same billing period so as to reduce the large power demand charge. Meyer indicated that doing so was not workable. Hearing no further comments, the issue was dropped.

C. PUBLIC HEARING: ZONING PERMIT APPLICATION FOR 118 BISSEN STREET. Mayor Burns adjourned the regular meeting at 6:17 p.m. and opened the public hearing at 6:18 p.m. Hearing no comments from the public, the hearing was closed at 6:19 p.m. Administrative Coordinator Gerardy shared that a zoning application was received by Dave Wedl, owner of Good Times Restaurant, located at 118 Bissen Street, proposing to construct an 8' x 10' utility shed. The proposal requires consideration of a 10' setback variance on the north side of the property line. Hearing no comments or concerns from the public, a motion was made by Mayor Burns, seconded by Member Lemke to approve the zoning permit application for 188 Bissen Street. All members present voted in favor and the motion was declared carried.

D. ZONING PERMIT APPLICATION FOR 916 EAST SOUTH STREET. Administrative Coordinator Gerardy noted that Dave Rask, 916 East South Street, submitted a zoning application to construct a 12' x 20' addition on to an existing 12' x 20' utility shed. It was noted that the request required an 80 square foot variance. Hearing no comments or concerns from the public, a motion was made by Mayor Burns, seconded by Member Lemke to approve the zoning permit application for 916 East South Street. All members present voted in favor and the motion was declared carried.

E. ZONING APPLICATION: 127 NORTH SECOND STREET. Administrative Coordinator Gerardy noted that Cory Wiebke, 127 North Second Street, submitted a zoning application to construct a 10' x 18' deck on the front of his home. The proposed construction would be located approximately 20' from the east property line. Hearing no comments or concerns from the public and considering the application was for an old part of town, a motion was made by Mayor Burns, seconded by Member Vick to approve the zoning permit application for 127 North Second Street. All members present voted in favor and the motion was declared carried.

F. ZONING APPLICATION: 509 SOUTH HIGHWAY 44/76. Administrative Coordinator Gerardy noted that Caledonia Implement, 509 South Highway 44/76, submitted a zoning application to replace an existing sign with a new sign. Hearing no comments or concerns from the public, a motion was made by Mayor Burns, seconded by Member Lemke to approve the zoning application. All members present voted in favor and the motion was declared carried.

G. MIKE TORNSTROM, AMBULANCE DEPARTMENT: REVISIT COT ISSUE. Ambulance Director Mike Tornstrom and Ambulance Crew Member Mark Schiltz were present on behalf of the Caledonia Ambulance Department to conduct a demonstration using the Stryker cot and request the Council's consideration in revisiting the purchase of the cot. In an email to the Council at the September 27 meeting, Tornstrom summarized the reasons why the cot request was brought before Council. In December of 2009, Tornstrom had ordered a new cot for the ambulance service with a delivery date of September 15, 2010. The purchase order included an option to cancel at any time for any reason prior to its delivery date if necessary. The reason for the early order was that the Ambulance Department was trying to save money by having the purchase order signed before January 2010 in an effort to avoid 2010 rate increases. Tornstrom did so with the mindset that if the budget was looking good, a cot could then be purchased. Unfortunately, due to a lower call volume than anticipated, the order was cancelled. The cot representative failed to follow up on the cancel order request and the cot arrived at the Ambulance Department on September 15. After numerous phone calls, Tornstrom received a couple offers from the cot representative as sending the cot back would be costly to the manufacturer. The options included the following: (1) Manufacturer would pick up the cot with no financial obligation to the City or (2) Ambulance Department could purchase the cot at a demo price of \$9,410 versus the original price of \$11,225. Tornstrom's recommendation was for the Council to authorize the purchase of the cot at a demo price. He went on to note that the Ambulance Association would be willing to contribute \$3-4,000 to purchase the cot. The consensus at the September 27 meeting was to go back to the manufacturer and see if they would be willing to sell the cot at a lower price versus having to pay to ship it from Caledonia. After completing the cot demonstration, discussion ensued concerning options available to pay for the cot. Tornstrom stated that he anticipated receiving approximately \$1,000 for the sale of the existing cot to put towards this purchase. An additional \$4,000 would be paid by the Ambulance Association. Mayor Burns suggested transferring the remaining portion from the Liquor Store Fund and then lump the purchase of the cot into a certificate of indebtedness in 2011. A motion was made by Mayor Burns, seconded by Member Murphy to purchase the Stryker cot at a cost of \$9,410, with \$4,000 coming from the Ambulance Association, \$1,000 from sale of the existing cot, and the remainder from liquor store fund until the purchase could be lumped into a certificate of indebtedness. All members present voted in favor and the motion was declared carried.

H. MIKE DAVY, DAVY ENGINEERING. Davy Engineer Mike Davy was in attendance at the meeting to present the Council with the recently completed sewer rate study findings and discuss concerns with the discharge being received from Caledonia Haulers. Davy stated that

sewer rates will have to go up as the City has been underfunding the Sewer Fund by approximately \$650,000 over the past 10 years. Davy went on to state that the City will have to establish a rate structure that will produce enough revenue to not only cover the expense of operating the system each year, but also to set aside money for future improvements and repairs. Davy noted that even with the increase in rates, Caledonia's rates will remain quite low compared to other similarly situated cities in the area. According to Davy, the City has practically been giving this service away to residents for a long period of time as they have not been paying their fair share. Davy went on to state that with the upcoming 2011 Sewer Improvement Project, rates will have to be increased to pay for this work. It was noted that Davy and City staff recently met with representatives from USDA Rural Development to discuss funding options for the upcoming project and found out that the City is not eligible to receive grant funds unless the average monthly sewer residential rate is at least \$40. Davy discussed figuring in a \$65,000 payment from the Sewer Fund to the Light Fund each year for 10 years until the \$650,000 was paid back to the Light Fund. Member Murphy inquired as to whether this money could be dedicated to finance future sewer improvements versus paying the Light Fund back. Mayor Burns emphasized the importance of implementing the sewer rate increases incrementally so as to provide residents with adequate time to plan accordingly for an increase in their monthly utility bill. Discussion ensued concerning the need to gather comparative data from other cities before scheduling a public hearing to allow residents to voice their input and discuss the matter with the Council. The consensus was to schedule a public hearing for the November 8 meeting and, in the meantime, gather comparative data from other similarly situated cities in the area. No official action was taken. Davy wrapped up discussion by noting that he will work with staff and Caledonia Haulers in an effort to resolve pretreatment issues.

I. ADMINISTRATIVE COORDINATOR TOPICS.

1. INTERIM USE PERMIT. Administrative Coordinator Gerardy provided Council with an update concerning amending the City's Zoning Ordinance to include a provision allowing for what is called an Interim Use Permit (IUP). Gerardy noted that he contacted League of Minnesota Cities Land Use Attorney Jed Burkett to obtain sample ordinances from other cities that include language for such a permit. A sample amendment will be presented at an upcoming meeting.

2. SOUTH STREET SEWER PROJECT UPDATE. Administrative Coordinator Gerardy noted that Winona Mechanical will likely request a week extension to complete the project as a delay was experienced in September due to the wet weather.

3. FUEL CONTRACTS. Administrative Coordinator Gerardy asked Council for their input regarding signing a fuel contract. The consensus was that the Council was not interested in signing a fuel contract.

J. COMMUNICATIONS.

1. PROPERTY/CASUALTY PROGRAM INCENTIVES INFORMATION. Included with agenda was an informational piece from the League of Minnesota Cities concerning property/casualty program incentives. No action was taken.

CLAIMS

A. PREPAID CLAIMS. Following review, discussion, and deliberation, a motion was made by Mayor Burns, seconded by Member Vick, to approve the Prepaid Claims List for September 2010. All members voted in favor and the motion was declared carried.

Evans, Tim	Reimbursement Course Tuition	300.00
Houston County Recorder	Recording Fee	46.00

Lee, Keith	Safety Vests	54.00
Rippe, Hammell & Murphy	General & Prosecution Matters	4,529.25
Ability Building Center	Recreation Park	101.50
Ho. Co. Hwy Dept.	Chloride Applied	381.30
Houston Co. Treasurer	Refuse Disposal	148.00
Northern Beverage Distribution	Beer	1,948.25
Printy Quik	EDA – Caledonia Brochures	123.98
Schott Distributing Co, Inc.	Beer	928.34
Spring Grove Soda Pop, Inc.	Beer & Soft Drinks	77.75
Tri-State Ambulance	Intercept Fee	500.00
American Safety Utility Corp.	Tools/Equipment	702.43
Business Financial Planning	Cafeteria Plan	556.52
Buttell's Lighting	Liquor Store & Auditorium – Bulbs	325.00
City of Caledonia Emp. Assn.	Association Dues	65.00
Commissioner of Revenue	State Withholding	1,217.31
D.S. Erickson & Associates	Acct. 00108042	409.68
Franciscan Skemp Healthcare	Ambulance – First Aid & AED Cards	210.00
Houston Co. Hwy Dept.	Chipper & Tractor, Survey Markers	443.54
ING Institutional Plan Services	TSA Payday 9-21-10	580.00
Karian Peterson Power Line	Light Dept. 2010 Project	73,772.20
League of MN Cities	Registration Fee	80.00
League of MN Cities Ins. Trust	Work Compensation Insurance	759.00
Merchants Bank	Federal/FICA/Medicare	6,236.81
Minnesota NCPERS Life Ins.	Payday 9-21-10	64.00
MN Benefit Association	Payday 9-21-10	96.41
Printy Quik	Water Meter Cards	127.17
Public Emp. Retirement Assn.	PERA Payday 9-21-10	5,499.71
RESCO	Light Inventory	982.34
Tri-State Ambulance	Intercept Fee Run	250.00
Caledonia True Value	FD – Misc. Equipment	230.22
Extreme Beverage, LLC	Liquor Store – Energy Drink	67.00
League of MN Cities	2010 – 2011 Membership Dues	2,674.00
Mayville Repair	Generator Cords, Backup Camera Screen	667.29
Metro Sales	PD – Copier Agreement	61.10
Northern Beverage Distribution	Beer	910.35
Petty Cash	Replenish Petty Cash	70.65
SE MN Historic Bluff Country	Tourism	1,238.80
Verizon Wireless	Ambulance – Communication Expense	60.14
Affordable Tech. Solution	PD – Tech Services	156.38
Caledonia Vol. Fire Department	Relief Association	600.00
Gavin, Mike	Animal Control	75.00
Ho. Co. Treasurer	Ho. Co. Collection Site	3,340.00
Schott Distributing	Beer	781.42
Spring Grove Soda Pop, Inc.	Beer & Soft Drinks	271.75
Tri-State Ambulance, Inc.	Intercept Fee Run	250.00
USA Mobility Wireless Inc.	Street & Light – Communication Expense	45.32
Verizon Wireless	Police – Communication Expense	92.49
Jack Neumann Trucking	Liquor – Freight Expense	106.50
Johnson Brothers Liquor Co.	Liquor / Wine	2,339.01
Merchants Bank	Federal/FICA/Medicare	396.92
Phillips Wine & Spirits	Beer, Liquor & Wine	1,549.77
Public Emp. Retirement Assn.	PERA/DCP Payday 9-28-10	174.08

Ziebell's Hiawatha Foods, Inc.	Liquor – Mix	15.88
US Postal Service	Utility Billing September	397.40
MN Dept. of Revenue	Sales / Use Tax – September	19,382.00
Northern Beverage Distribution	Beer	2,989.40
Principal Life	Life / Ad&d/Std	559.74
Richard's Sanitation	Recycling – Collections	6,066.80
Schott Distributing Co, Inc.	Beer	2,552.25
Spring Grove Soda Pop, Inc.	Beer	60.00
Tri-State Ambulance, Inc.	Intercept Fee	250.00
VISA	Library – Printer, Ink, Supplies	544.62
Ace Link Telecommunications	Communication Expense	1,065.35
B & D Seal Coating	Crack & Seal	24,635.50
Business Financial Planning	Cafeteria Plan Payday 10-5-10	556.52
Caledonia Police Association	PD Association Dues	85.00
Caledonia Volunteer Fire Dept.	2010 Fire State Aid	18,440.00
Commissioner of Revenue	State Withholding	1,453.89
Galls, An Aramark Company	PD – Uniforms (Johnson)	79.21
ING Institutional Plan Services	TSA – Payday 10-5-10	580.00
Jack Neumann Trucking	Light – Freight Expense	35.00
Merchants Bank	Federal/FICA/Medicare	7,500.93
MN Dept. of Labor & Industry	Boiler License Renew	45.00
Nelson, Robert L.	Consulting Fee	135.00
Public Emp. Retirement Assn.	PERA Payday 10-4-10	6,158.87
Wirtz Beverage Minnesota	Liquor / Wine	1,818.74
Ziebell's Hiawatha Foods, Inc.	Liquor – Mix	40.80
ECM Publishers, Inc.	Advertisements	1,554.23
Blue Cross Blue Shield of MN	Health Insurance	25,073.00
Gavin, Mike	Reimbursement – Dog/Cat Food	55.22
Minnesota AWWA	Registration Fee (Skillings & Klug)	50.00
MN Energy Resources	Natural Gas	882.24
Printy Quik	Council – Fisch Name Plate	12.83
Randy Steele Construction	10' x 82' Apron	3,675.00
Tri-County Electric Co-op	Labor Wild Turkey	405.00
Northern Beverage Distribution	Beer	967.85
Ranzenberger, Jeff	Sidewalk Replacement Program	87.60
Schott Distributing Co, Inc.	Beer	1,728.75
Spring Grove Soda Pop, Inc.	Beer	78.25
Tri-County Electric Co-op	Electric Energy	94.91
US Postal Service	Cold Weather Mailing	285.18
		<u>285.18</u>
		\$ 248,071.64

B. CLAIMS PAYABLE. Following review, discussion, and deliberation, a motion was made by Member Vick, seconded by Member Lemke, to approve and authorize payment of the Claims Payable for September 2010. All members voted in favor and the motion was declared carried.

Affordable Tech. Solution	Office Supplies	630.97
Airgas North Central	Oxygen/Acetylene/6" Vise	424.68
Alco Discount Store	Legion Shelter – Storage Tote	11.75
Allied Products Corporation	Park Areas – Flags	659.75
Artic Glacier Inc.	Ice	177.12
Baker & Taylor Books	Library – Books	445.82

BellBoy Corporation	Can/Bottle Coolers	154.41
Bound Tree Medical, LLC	Ambulance Supplies	831.34
Caledonia Implement Co.	FD – Equipment Repair Parts	144.20
Caledonia Oil Co.	FD Truck Repairs / PD Car Repairs	719.33
Carquest Auto Parts	Safety Glasses / Air Hammer	14.02
Clarey's Safety Equipment, Inc.	Safety Glasses	191.90
Communications Service Inc.	FD – 2 Pagers & Accessories	971.10
Crystal Canyon Inc.	Drinking Water	17.40
Curt & Candy's Hardware Hank	Cleaning Supplies / Misc.	46.20
Dalco	Cleaning Supplies	46.27
Davy Engineering	Sewer Rehab Project/Rate Study	14,965.42
Davy Laboratories	Lab's	2,457.10
Electric Pump	ABS Impeller/12 V Beacon/Strobe	1,662.26
Esch Builders	Dig Electric Wire Wild Turkey	113.15
Farmers Coop Elevator	Chemicals	413.02
Fire Safety USA, Inc.	Truck 1410 Camera Charger	270.00
First Supply	PVC Gasket, Valve Box Risers	246.09
G & F Distributing	Beer	473.50
Gopher State One-Call, Inc.	29 Location Notifactions	42.05
Hawkin's, Inc.	Water – Chlorinator Parts	30.24
Hoskins Electric Co.	Replace Timing Relay	87.00
Jack Neumann Trucking	Liquor – Freight Expense	110.00
Johnson Brothers Liquor Co.	Liquor / Wine	3,972.62
Ken's Small Engine	Chain Saw Labor/Repair	23.08
Lackore Electric Motor Repair	N. Pine St. Lift Station Pump Repair	1,057.70
Midwest Tape	Library – DVD(s)	316.18
Mississippi Welders Supply	Ambulance – Oxygen	38.48
MN Dept. Of Labor & Industry	Elevator Operator Permit	100.00
Paustis & Sons Wine Company	Liquor Store – Wine	827.75
Phillips Wine & Spirits Co.	Liquor / Wine	1,068.73
PowerPlus Engineering, LLC	4 Year Plan	130.00
Reiman Publications	Library Books	60.22
Reliance Business Forms	Utility Billing Forms	1,575.29
Richard's Sanitation	Refuse Disposal – September 2010	181.96
Roscor Wisconsin	Cable TV – 2 DVD Players	305.95
Schilling Supply Co.	Copy Paper / Bags	154.95
Schulze Plumbing & Heating	Galv Pipe	104.36
SE Libraries Cooperating	Library Cards/Patron Cards/Auto Fees	466.42
Servocal Instruments, Inc.	Flow Meter Calibration	390.00
SOS Technologies	Defibrillator Replace Pads	70.00
Southeast Consultants, Inc.	EDA Services – 4 th Quarter	8,648.00
Traffic Marking Service	Streets – Striping	461.04
Tri-County Electric Co-op	Electric Energy	138,648.47
United Auto Supply	Misc. Supplies	45.68
United Laboratories	Cleaning Supplies	343.96
United Systems Technologies	PD Maintenance	3,630.00
Wiebke Tire	Light - Vehicle Maintenance	55.00
Winona Mechanical	South Street Sewer Rehab	45,547.75
Witt's Pharmacy – Caledonia	Ambulance – Misc.	393.33
WWTP MPCA PFA Loan Fund	Loan Payment	<u>3,500.00</u>
		\$ 242,832.53

OLD BUSINESS.

A. REVISIT EMPLOYEE ASSOCIATION REQUEST. The consensus of the Council was that there was no interest in revisiting the issue of an increase in compensation for the part-time liquor store cashier as wages for 2010 were already negotiated.

NEW BUSINESS.

A. SOUTH STREET SEWER PROJECT: PAY ESTIMATE NO.1. The consensus was to approve Pay Estimate No. 1 for the South Street Sewer Project. No official motion was made as the estimate was included in the invoices payable list, which was approved in a previous motion.

B. INVESTMENTS. City Clerk/Administrator Feely shared with the Council that information was gathered to determine the best interest rate available for certificates of deposit and money markets as the City would have \$150,000 in investments coming due within a week. The consensus of the Council was for Feely and City Accountant Stephanie Mann to re-invest the money as they saw fit so long as it was done in accordance to the City's recently adopted Investment Policy.

C. THE WINE COMPANY CREDIT APPLICATION. City Clerk/Administrator Feely presented Council with a request from Liquor Store Manager Patty Gavin to approve a credit application for purchasing liquor store inventory. A motion was made by Member Fisch, seconded by Mayor Burns to authorize City Clerk/Administrator Feely to approve The Wine Company credit application and all similar such credit applications moving forward. All members present voted in favor and the motion was declared carried.

D. LEAVE REQUEST FORM. City Clerk/Administrator Feely presented the Council with a proposed Leave Request Form, which she noted she put together in an effort to promote a more accurate attendance and absence record as no such system currently existed. Feely went on to note that the purpose of the leave request form was not to discourage employees from taking time off; the point was to ensure that doing so would be done in a manner that doesn't negatively affect the productivity of the City. It was noted that upon implementation of the leave request form, employees who are going to be absent from work will be required to notify their supervisor as soon as possible in advance of their absence by filling out such a form. In the event of an unexpected absence, employees are to call their supervisor as soon as reasonably possible before the scheduled starting time. If the supervisor is not available at the time, the employee will be required to leave a message that includes a telephone number where he/she can be reached. Feely stated that she planned to schedule a staff meeting later that week to disseminate leave request forms and answer any questions with respect to the new procedure. The consensus of the Council was that this is a management right and no official action was necessary.

E. BALL FIELD POLE INSPECTION AGREEMENT. City Electrician Matt Blocker was present to discuss a proposal from Ameripole Inspection Company to inspect and treat 10 light poles at the City ball field. Member Fisch asked Blocker what he thought of the agreement. Blocker stated that he hoped it turned out well as there isn't another company willing to perform this service at a lower cost. A motion was made by Mayor Burns, seconded by Member Fisch to approve the Ameripole Inspection Company agreement. All members present voted in favor and the motion was declared carried.

F. HIRING OF NEW FIREFIGHTER. A motion was made by Mayor Burns, seconded by Member Vick to authorize the hiring of Ryan Skillings as a new firefighter. All members present voted in favor and the motion was declared carried.

G. STANDARD AND POOR'S RATING AGREEMENT. City Clerk/Administrator Feely presented the Council with a Letter of Engagement with Standard & Poor's credit rating agency in conjunction with the pending refunding of the City's 2003A-B Bonds and 1994 PFA loan. Discussion ensued. The consensus was to move forward with the unrated issue for refinancing and forgo participating in such a credit rating review at this time.

H. LETTER TO MNDOT. City Clerk/Administrator Feely presented the Council with a proposed letter to send to MnDOT regarding setting up a meeting to begin dialogue concerning options available to install a traffic control device at the intersection of Highway 44 and Esch Drive in Caledonia. The consensus was to proceed in sending the letter.

I. PERSONNEL MATTER: POLICE CHIEF PROBATIONARY PERIOD. A motion was made by Member Murphy, seconded by Member Vick to extend the already extended probationary period of Police Chief Kurt Zehnder by an additional 90 days as there is an investigation involving Zehnder that has not yet been completed. Voting in Favor: Murphy, Vick, and Burns. Voting Against: Lemke. Abstaining: Fisch. The motion was declared carried.

CLERK'S REPORT.

A. EMPLOYEE TIME RECORD. Enclosed with the agenda was the Employee Time Record for September 20, 2010-October 3, 2010. Discussion ensued concerning Police Department scheduling. City Clerk/Administrator Feely was directed to speak with Police Chief Zehnder concerning why there is an overlap occurring on Tuesdays and Wednesdays.

B. POLICE OFFICER ACTIVITY LIST. Enclosed with the agenda was a police officer activity list.

C. DISCHARGE MONITORING REPORT. Enclosed with the agenda was a discharge monitoring report showing an average Nitrogen Level of 10.29 mg/L.

D. FALL CLEAN-UP NOTICE. Enclosed with the agenda was a fall clean-up notice. City Clerk/Administrator Feely noted that the notice would be running a week longer in the newspaper than usual as there were significant changes made to the procedure in which leaves and brush would be collected in 2010 due to the fact that the leaf vac is inoperable.

CLOSED SESSION. The regular meeting was closed at 10:20 p.m. as permitted by Minnesota Statutes, section 13D.03, to discuss the City's labor negotiation strategy related to the City's negotiations with the Caledonia Employee Association. The meeting was re-opened at 10:55 p.m.

ADJOURNMENT. A motion to adjourn was made at 10:55 p.m. by Mayor Burns, seconded by Member Lemke. All members present voted in favor and the motion was declared carried. The next regularly scheduled meeting of the City Council is scheduled for Monday, October 25, 2010 at 6:00 p.m. in the Council Room, City Hall.

Robert H. Burns
Mayor

Jennifer Feely
City Clerk/Administrator

