

REGULAR MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Tuesday, December 27, 2005

CALL TO ORDER: Following due call and notice thereof, Mayor Morey called the meeting to order at 7:00 p.m. in the Council Room, City Hall.

ROLL CALL: Members present: Mayor Michael J. Morey; Council Members Paul Fisch, Randi Vick, Gary Klug and Robert Standish. Members absent: None. Consultants and City staff present: Robert Augedahl and Robert L. Nelson. Visitors present: Jane Palen, reporter.

CONSENT AGENDA: Following brief discussion, a motion was made by Member Klug, seconded by Member Standish, to approve the Consent Agenda items, listed below. 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, December 12, 2005, as presented.

B. GAMBLING – EXEMPT PERMIT: To approve an Application for Exempt Permit for a Charitable Gambling Event, submitted by Caledonia Founders Inc., to be held in the City Auditorium Lower Level on January 27, 2006, to include Raffles and Pull-Tabs, further, to waive the thirty day waiting period.

C. FIREFIGHTER APPOINTMENT: To appoint Jeremy Szaflarski as a volunteer firefighter for the Caledonia Volunteer Fire Department.

VISITORS AND COMMUNICATIONS

A. AMBULANCE RATES: Robert Augedahl, Ambulance Service Director, presented a recommendation to the City Council for establishing new rates to be effective January 1, 2006. Mr. Augedahl explained the billing criteria for Medicare patients were changing to allow only a base rate charge and mileage charge. Currently and through December 31, 2005, Medicare would also honor charges for supplies and equipment used on patients. Mr. Augedahl recommended that they rates, allowed by Medicare, be applied to all ambulance runs for simplicity in billing. Having studied the average cost of supplies for the runs made in 2005, Mr. Augedahl recommended the new rates be established as follow.

- Emergency – Non-Subsidized: \$630
- Emergency – Subsidized: \$390
- Non-Emergency – Non-Subsidized: \$475
- Non-Emergency – Subsidized: \$390
- Mileage (per loaded mile) \$8.50

Following discussion, a motion was made by Member Standish, seconded by Member Fisch, to adopt the rates proposed by Mr. Augedahl to become effective January 1, 2006. All members voted in favor and the motion was declared carried.

B. COMMUNICATIONS:

1. Letter, Blandin Foundation, 11-10-05.
2. Letter, LMCIT, 2005-2006 Insurance Coverage Changes, 12-7-05.
3. Letter, Houston County, Government Efficiency.
4. MN Cities, Oct 2005, Understanding the Kelo Decision.
5. MN Cities, Oct 2005, Managing the Council-Staff Partnership.
6. Letter, Dave Geske, 12-19-05, Mosquito Control.
7. State Auditor's E-Update.

OLD BUSINESS

A. 2003 SANITARY SEWER PROJECT: Clerk Nelson informed the Council that James Kochie, P.E., Davy Engineering Company, had prepared final estimate #8 for Badger Environmental & Earthworks, Inc. calculating the final amount payable at \$28,490.48. This would include work accomplished under Change Order #7 which resulted in a net increase of the prior contract amount of by \$9,182.88. Following discussion, a motion was made by Member Fisch, seconded by Member Vick, to approve Change Order #7 and Final Estimate #8 with payment of \$28,490.48. All members voted in favor and the motion was declared carried.

NEW BUSINESS

A. CHAMBER OF COMMERCE MEMBERSHIP: Clerk Nelson reported receipt of membership renewal for the Caledonia Area Chamber of Commerce in the amount of \$175.

Nelson reminded the Council that at the time of membership consideration in January 2005, information was found on the Minnesota State Auditor’s Webpage that municipalities had no legislative authorization to expend monies for memberships in a chamber of commerce. At that time, the Council voted to make a contribution to the Chamber of Commerce in the amount of \$650 for purposes of promoting the City, which was an authorized expenditure. Following discussion, a motion was made by Member Klug, seconded by Mayor Morey, to authorize a contribution to the Caledonia Area Chamber of Commerce in the amount of \$675 for purposes of promoting the City. All members voted in favor and the motion was declared carried.

B. WHOLESALE ELECTRIC RATES/RATE ANALYSIS: Clerk Nelson explained that Tri-County Electric representatives Brian Krambeer and Ted Kjos met with Mayor Morey, Member Fisch and himself recently to explain that the guaranteed, controlled rate of increase on certain wholesale prices, which the City enjoyed since May 1, 2001, is to expire on April 30, 2006. Because of extreme expense increases to Dairyland Power Company for the generation of electricity, rates are anticipated to increase significantly. Nelson distributed an information sheet from Tri-County Electric entitled utilities face “The Perfect Storm” in preparation for the anticipated rate increases, Tri-County Electric negotiated with PowerPlus Engineering Company to perform Rate Analysis studies for those municipalities served by Tri-County. PowerPlus prepared an offering to perform the service at a fee of \$6,640 per utility, provided that four of the five municipalities agreed to have the rate analysis done. If less than four municipalities agreed to the study, the cost would be \$8,300 per community. Following discussion, a motion was made by Member Fisch, seconded by Member Vick, to authorize the Rate Analysis study by PowerPlus Engineering provided four communities participated with a resulting cost of \$6,640. All members voted in favor and the motion was declared carried.

C. EMPLOYEE WAGES: Clerk Nelson reported that the Wage Committee (Morey and Fisch) reviewed the wages for those staff members who are not members of an Employee Association and made recommendations for wage increases for calendar year 2006 as presented on the agenda. Following brief discussion, a motion was made by Member Klug, seconded by Member Fisch, to approve the wage increases as presented. All members voted in favor and the motion was declared carried.

<u>Name</u>	<u>2005 Rate</u>	<u>Increase</u>	<u>2006 Rate</u>
Randy Shefelbine	\$23.75/hr	+ \$0.75	\$24.50/hr
Bob Nelson	\$58,300/yr	+ \$1,900/yr	\$60,200/yr
Tree Disposal Site	\$ 7.50/hr	+ \$0.50	\$ 8.00/hr
Marla Burns	\$ 12.60/hr	+ \$0.55	\$ 13.15/hr
Eileen Jacobson	\$ 9.50/hr	+ \$0.55	\$ 10.05/hr

CLERK’S REPORT

A. STATE AIDS: Distributed with the Agenda was a copy of the State Aid distribution received by the City on December 23, 2005. Aids included \$29,176.85 as Market Value Credit Aid; \$346,610.50 as Local Government Aid; \$654.42 as Market Value Credit Mobile Home Aid; \$180.44 as Market Value Credit Ag Aid; and, \$1,394.50 as PERA Rate Increase Aid, for a grand total of \$378,016.71.

B. 2005 TAX LEVY: Enclosed with the Agenda was a copy of the Tax Levy data adopted by the Council at the Regular Meeting of December 12, 2005, as it was presented to the Houston County Auditor with the total Tax Levy being \$395,077.

C. GOPHER STATE ONE-CALL LOCATES: Clerk Nelson reported there are new rules to take effect January 1, 2006, for the performance of locates of underground utilities. Mike Gerardy, Administrative Coordinator, is working on the compliance requirements with the Electric and Water/Sewer Departments.

D. EMPLOYEE TIME RECORD: Enclosed with the Agenda was the Employee Time Record for pay period December 5 – 18, 2005.

E. HOUSTON COUNTY PROPOSED JUSTICE CENTER: Clerk Nelson reported that Mark Schiltz, Project Manager, had updated him at the Clerk’s Office during the past week, explaining that new illustrations of possible layouts of the proposed new building were submitted to the Houston County Commissioners. These illustrations, as previous illustrations, were only merely possibilities of the building location and configuration. Mr. Schiltz did report that Houston County is actively negotiating the purchase of certain properties on the two blocks south of the courthouse square.

F. EMPLOYEE DRUG AND ALCOHOL TESTING POLICY: Distributed with the Agenda was a copy of the City of Winona Policy for Employee Drug and Alcohol Testing. Clerk Nelson reported that he had reviewed one other municipality's policy, finding the Winona Policy a preferable document from which to draft a Caledonia Policy. He asked the Council to review the document and present any questions at the next Regular Meeting.

G. HIGHWAY 44 LIGHTING: Clerk Nelson reported that Michael Gerardy, Administrative Coordinator, had investigated the possibility of the Minnesota DOT contributing to installation of lighting along STH 44 from the intersection of STH 76 at the north end of Caledonia to Old Highway Drive at the south end of the City. The MNDOT Representative informed Mr. Gerardy that the DOT has long range plans which would prohibit them from making any contribution in cash or in kind for Caledonia for a period of approximately five years. The representative indicated that, if the City is interested in installing lighting in the near future, the City should submit a permit application illustrating the proposed work and fund the expenses entirely on its own.

ADJOURNMENT: There being no further business before the Council, a motion to adjourn was made by Member Klug and seconded by Mayor Morey. All members voted in favor, the motion was declared carried and the meeting then adjourned at 8:45 p.m. The next Regular Meeting of the City Council is scheduled for 7:00 p.m., Monday, January 9, 2006, in the Council Room, City Hall.

Michael J. Morey, Mayor

Robert L. Nelson
City Clerk - Administrator