

REGULAR MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Monday, February 23, 2009

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, Peggy Perry, Robert Lemke and Tom Murphy. Members absent: None. Consultants and City staff present: Jane Schiltz, Stephanie Mann, Matt Blocker and Robert L. Nelson. Visitors present: Emily Schroeder, Dave and Kris Wedl, Rick Frank and Charlie Warner, Report.

CONSENT AGENDA: Following brief discussion, a motion was made by Member Vick, seconded by Member Murphy, 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, February 9, and Continued Meeting held Saturday, February 14, 2009, as presented.

B. GOPHER STATE ONE-CALL WORKSHOP: Clerk Nelson asked for authorization for Matt Blocker and Mike Gerardy to attend a Gopher State One-Call Workshop at Winona on March 18 for which there is no registration fee. Mr. Blocker said the purpose for this workshop is to train attendees on the procedure for computer registration of locates to be performed on behalf of the City. At this time, Mr. Blocker has had no training and must inform the Clerk's Office secretary of locates to be performed by the City. The secretary then enters the request to gopher state one-call via her computer.

VISITORS AND COMMUNICATIONS

A. EDA PROJECT: Jane Schiltz, EDA Director, joined Emily Schroeder in a presentation concerning Mrs. Schroeder's proposal to begin a daycare center. Ms. Schroeder reviewed her business plan in detail, explaining the investigation she had done into various locations for a building and inspections of existing buildings before arriving at her final proposal. Her plan calls for 6 full time jobs and 4 part time jobs and provides daycare for 42 children of varying ages. The daycare is a curriculum based program for those infants over 15 months of age. Anticipated hours of operation will be 6:30 a.m. to 6:30 p.m. Monday through Friday. She is requesting \$42,500 from the Economic Development Authority and requests interest only payments during the first year of the loan. Ms. Schiltz informed the Council that the Economic Development Authority recommends approval for her application. Following discussion and questions, a motion was made by Mayor Burns, seconded by Member Vick, to approve a \$42,500 Economic Development Loan to accept either second or third position which regard to other organizational loans and to accept interest only for the first years' payments. All members voted in favor and the motion was declared carried.

B. MUNICIPAL LIQUOR STORE: Mr. and Mrs. Dave Wedl informed the Council that they believed it was inappropriate for a governmental entity to be in business competition with private businesses and requested that the City close the municipal liquor store and sell licenses for off-sale intoxicating liquor to qualifying business establishments. They claimed it was a disservice and hardship for their customers who wanted to order a carryout to then have to go to the municipal liquor store in order to get a bottle of intoxicating liquor or a 6 pack of strong beer. They contended that municipal liquor stores initially started to control the sale of liquor, but turned into a money making venture for municipalities, which are now competing with private business owners. Following discussion, Mayor Burns informed them the question would be referred to committee and when the committee was prepared to make a recommendation regarding their suggestions, they would be notified to return to a Council Meeting.

C. ADMINISTRATIVE COORDINATOR REPORT: Mr. Gerardy had no reports to submit to the Council and was not present at the meeting.

D. CITY ACCOUNTANT

1. CASH AND INVESTMENT BALANCE: Stephanie Mann, City Accountant, reviewed the Cash and Investment balance showing a combined cash and investment total of \$2,688,229.15 with cash being \$231,079.15.
2. BUDGET REDUCTION ITEMS: At this time Ms. Mann reviewed the budget with the City Council on a line by line basis, but with financial information on certain items which had been discussed for possible reduction or deletion at previous meetings. Changes discussed by the Council include the following:

elimination of a secretarial position at the cost of approximately \$53,640.54 per year for 2009, prorated down to \$40,230 if the position were discontinued as of April 1. Continuing on a line by line basis, a recommendation was made to reduce line item 43110.520 Street Department – Buildings/Structures by an amount of \$5,000. A proposal was made to reduce line item 43121.400 Streets Ect. – Labor / Services by \$29,500. A suggestion was made to reduce 45122.101 Athletic Field – Wages by an amount of \$5,000. A suggestion was made to reduce 45124.101 Pool – Wages by an amount of \$5,000. A suggestion was made to accomplish that by shortening the pool season by one week at the beginning of the season and one week of the end of the season and also by closing the baby pool. A further suggestion was not to open the pool for swimming in the evening for the first two weeks of the season since it was usually quite chilly at that time. A suggestion was made to reduce line item 45127.101 Skating Rink – Wages by \$500. A suggestion was made to reduce item 45181.400 Auditorium – Labor / Services by an amount of \$2,000. A suggestion was made to reduce line item 45500.430 Library – Miscellaneous by an amount of \$2,000. A suggestion was made to reduce line item 49020.430 miscellaneous donation by an amount of \$500. A suggestion was made to reduce line item 49300.710 general-transfers out by an amount of \$7,225. A suggestion was made to reduce the mayor's wages by \$1,040 leaving only the wage of \$2,060 shown on line item 41310.101 Mayor – wages. (The mayor's total wage is \$3,100) Following discussion, a motion was made by Mayor Burns, seconded by Member Vick, to adopt all the suggestions listed above for a grand total estimated reduction of \$97,995. All members voted in favor and the motion was declared carried. A motion was then made by Member Vick, seconded by Member Perry, to cut the work hours of fulltime employees from 40 to 36 per week for all city departments except the liquor store and police department. The four hours to be cut where the last four hours of the work day on Friday. Members voting in favor: Perry. Opposed: Burns, Vick, Lemke and Murphy. The motion was declared failed.

E. HOUSTON COUNTY PROJECTS

1. FLUORESCENT BULB COLLECTION: Rick Frank, Houston County Solid Waste Officer, asked the Council if the City of Caledonia intended to participate again this year in the Fluorescent Bulb Collection which was to be held on April 4. Following brief discussion, a motion was made by Member Vick, seconded by Member Lemke, to participate in the Fluorescent Bulb Collection since a vast majority of the bulbs to be recycled come from City buildings. All members voted in favor and the motion was declared carried.
2. DROP-OFF SITES: Mr. Frank then gave a summary report of the Houston County Drop-off Sites revenue and expenditures report for calendar years 2006, 2007 & 2008. He reported there was no planned household fee increase this year. The current charge is \$2.50 per household per month.

F. COMMUNICATIONS

1. Letter, Houston County EDA, Joint Meeting.

OLD BUSINESS

A. CLERK-ADMINISTRATOR POSITION: Clerk Nelson distributed copies of a flyer advertising for a city administrator for the City of New Port. The flyer was done by The Brimeyer Group, Inc. Clerk Nelson asked the Council if they would be interested in contacting an agency such as The Brimeyer Group to conduct the hiring process for the Clerk-Administrator's position upon his retirement in October. Following discussion, the Council agreed by general consensus to contact The Brimeyer Group to ask about their rate structure for the hiring process.

B. ELECTRIC DEPARTMENT STAFFING: At this time the hiring committee of Member Perry and Member Murphy made a recommendation to appoint Matt Blocker as the City Electrician with his rate of pay to be that rate established in the Labor Agreement for his predecessor for calendar year 2009, being \$26.80 per hour. The increased rate of pay is to be retroactive to January 1, 2009 and Mr. Blocker is to be assigned a probationary period of six months running from January 1 thru June 30, 2009. The committee has not made a determination on his request to be moved from Tier 3 to Tier 2 for purposes of insurance premium payment division between the City and employee. Following discussion, a motion was made by Member Murphy, seconded by Member Lemke, to appoint Matt Blocker as the City Electrician with his increased rate of pay at \$26.80 per hour being retroactive to January 1, 2009, and to have Mr.

Blocker serve a 6 month probationary period. All members voted in favor and the motion was declared carried.

NEW BUSINESS

A. ANNUAL FIRE DISTRICT MEETING: The Council was informed that the Annual Fire District Meeting had taken place on February 12. As usual, a list of expenditures had been presented at the meeting for all fire fighter expenses for calendar year 2008. While discussing those expenditures, a disagreement was raised by district president Kermit McRae regarding two items which he perceived where of benefit to the City of Caledonia only and should not be shared with the fire district. He proposed removing the cost of fire hydrant markers prorated to a district share of \$691.21 and he proposed removing the expense for 98 hours of firefighter time shoveling snow away from fire hydrants during the winter season. Mr. McRae calculated 28.2% of overhead or benefit time to be added to the \$12.00 per hour firefighter rate, making the hourly amount used for calculation \$15.38 per hour. During discussion, Mayor Burns disagreed with use of the overhead factor and recommended the deduction be calculated only at the rate of \$12.00 per hour. Following discussion, a motion was made by Mayor Burns, seconded by Member Lemke, to reduce the amount of billing for fire department expenses by the \$691.21 cost for fire hydrant makers and to reduce the cost of firefighter time for shoveling snow away from the hydrants by \$588.00 for a total reduction of \$1,279.21, making the payable portion by the district for 2008 expenditures \$41,056.11. Members voting in favor: Burns, Lemke and Murphy. Opposed: Vick and Perry. The motion was declared carried.

B. REPORT ON LACROSSE BASEBALL AND SOFTBALL LEAGUE MEETING: Mayor Burns informed the Council that he had attended the annual meeting of the LaCrosse Baseball and Softball Leagues where a suggestion was made that the area be divided into east and west leagues so traveling distance would not be as great. Some parents and volunteer coaches have commented that they do not like to travel all the way to Tomah for an evening game. Mayor Burns commented that the rules of play were discussed at the meeting and that all member teams are to have their sign-up information returned by May 1st. Mayor Burns also commented that the City of Spring Grove had contacted Caledonia to discuss the possibility of creating a more local league and inviting Caledonia to join instead attending the LaCrosse league.

CLERK'S REPORT

A. POWERPLUS ENGINEERING: Clerk Nelson informed the Council that PowerPlus Engineering will make a presentation at the March 9 Council Meeting for 2010 electrical improvements in the City, with an estimated cost of approximately \$550,000.

B. UPCOMING MEETINGS

1. Senator Erickson – Ropes to conduct a Town Hall Meeting in Caledonia on Saturday, February 21 at 1:30 p.m. at the Caledonia Middle/High School Auditorium.
2. The MNDOT Long Range State Wide Transportation Plan Meeting will be held at Rochester from 1:00 p.m. to 3:30 p.m. on Thursday, February 26 at the Ramada Hotel and Conference Center, 1517 16th Street SW, located off Highway 52 at the 16th Exit in Rochester.
3. The Annual Board of Appeal Meeting for the City of Caledonia will be conducted during the Regular Council Meeting of April 13th, beginning at 6:00 p.m.

C. COMMITTEE MEETING: Clerk Nelson requested a Committee Meeting for the Police Department (Members Vick and Lemke) immediately after the Council Meeting.

D. EMPLOYEE TIME RECORD: Distributed at the Meeting was the Employee Time Record for pay period February 9 – 22, 2009.

ADJOURNMENT: There being no further business before the Council, a motion to adjourn was made by Mayor Burns and seconded by Member Perry. All members voted in favor, the motion was declared carried and the meeting then adjourned at 9:00 p.m. The next Regular Meeting of the City Council is scheduled for 6:00 p.m., Monday, March 9, 2009, in the Council Room, City Hall.

Robert H. Burns, Mayor

Robert L. Nelson
City Clerk - Administrator

