

REGULAR MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Monday, February 9, 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: Mike Gerardy, Matt Blocker and Robert L. Nelson. Visitors present: Charlie Warner, Report.

CONSENT AGENDA: Following brief discussion, a motion was made by Mayor Burns, seconded by Member Vick, 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, January 26, 2009, as presented.

VISITORS AND COMMUNICATIONS

A. ADMINISTRATIVE COORDINATOR

1. EQUIPMENT RENTAL RATES: Mike Gerardy reviewed equipment rental rates with the Council recommending that an annual increase be made for the cost of living and that the presently used system for billing gasoline or diesel fuel be changed. Currently the adopted procedure is to perform work with a vehicle such as a dump truck and when that work is complete, then the driver is to immediately go to the shop area to refill the gas tank and bill the exact amount of used gasoline to the renter. Following discussion and questioning, a motion was made by Member Lemke, seconded by Member Vick, to increase all items on the equipment rental rate and materials charges sheet by 3%, then, additionally, increase the hourly rate of all vehicles that burn gasoline or diesel fuel by \$10 except the department pickup and van will be increase by an additional \$5 per hour. All members voted in favor and the motion was declared carried.
2. ZONING APPLICATION FORM CHANGE: Mr. Gerardy recommended changing the Zoning Application form by adding a comment that all construction projects must be completed within a 180 day period, otherwise a new permit must be obtained. Discussion then arose on remodeling projects which do not require a zoning application. Following discussion, a decision was made that Mr. Gerardy would review the questions raised during discussion with the City Attorney to determine how the City might require a timely completion of other types of work not directly associated with a zoning application.
3. SHADE TREE PROGRAM: Mr. Gerardy recommended the City proceed with the Shade Tree Program this year since it had not been conducted for the past 2 summers. He reported that the number of orders would allow a nursery shipment of 60 trees, but some residents would be notified that the variety of trees they requested were not available and they would receive a refund of their payment. He reminded the Council that orders had to be placed in minimum numbers of 10 trees, therefore, orders received for varieties of trees of only 1 or 2 in number would not be placed since the City would then have to find a location for the remaining 8 or 9 trees. Following discussion, a motion was made by Member Vick, seconded by Member Lemke, to approve placing an order for approximately 60 trees of the varieties requested. All members voted in favor and the motion was declared carried.

B. ELECTRIC DEPARTMENT ISSUES

1. CITIZEN REQUEST TO BURY OVERHEAD WIRES: Extensive discussion was conducted on a request made long ago for the resident at 309 West South Street to bury the overhead wires in front of the property and remove the existing pole which was located at approximately the center of the lot along the front property line. Matt Blocker, City Electric Department, was not thoroughly familiar with the case at this point, but took part in the discussion said he would investigate the request and circumstance of the situation for what could be conveniently done. Mr. Blocker did say that cable television and telephone company lines would also have to be relocated since they are attached to the pole. A comment was made that the homeowner may wish to stop and speak to the

- council personally regarding the reason or reasons he wishes to have the pole relocated.
2. **METER TESTING BENCH:** Mr. Blocker explained the department needed a meter testing bench with the large numbers of meters presently requiring testing and a plan for future rates of testing as well. He explained that the materials cost would be in the range of approximately \$2,000. Following discussion, a motion was made by Member Perry, seconded by Member Vick, to approve the request to construct a meter testing bench with expenditures for materials not to exceed \$2,000. All members voted in favor and the motion was declared carried.
 3. **COMMITTEE CLARIFICATION:** Clerk Nelson explained that Members Perry and Murphy comprised the government committee which was assigned the responsibility to interview all job applicants. Members Lemke and Murphy are the committee members for the enterprise departments. With a question of how many staff members there should be on the electric department is it proper that Committee Members Lemke and Murphy would make that determination, then if a decision were made to hire a new staff member the interviewing committee would be Members Perry and Murphy? The Council concurred that would be the proper use of the committee members.
 4. **ELECTRICAL RATE POWER COST ADJUSTMENT (PCA):** Clerk Nelson reported that Tri-County Electric Cooperative had been charging a wholesale power cost adjustment to the City of Caledonia which in January cost the City an additional \$14,489.89 above and beyond the normal wholesale rate. Tri-County recommends that the City of Caledonia also establish a power cost adjustment rate at its retail level. Following discussion, a motion was made by Mayor Burns, seconded by Member Murphy, to confer with the electrical engineers for implementation of a power cost adjustment to begin with the billing of March 1, 2009, with the first power cost adjustment to be based upon the additional wholesale charge to the City of Caledonia of \$14,489.89. All members voted in favor and the motion was declared carried.
 5. **PREDICTED WHOLESALE ELECTRICAL RATE CHANGE:** Clerk Nelson reported that Tri-County Electric Cooperative gave notice to the City that there will be a 10% to 13% wholesale rate increase effective with the beginning of the next contract year, May 1, 2009. Nelson said he discussed how to calculate a rate increase for the City of Caledonia based upon the 10% to 13% wholesale increase with Electrical Engineer Tom Nigon, PowerPlus Engineering. At the time Mr. Nigon responded that increasing each of the retail charge rates by the percentage should assure the City will receive adequate compensation. Following that conversation, Mr. Nigon sent an e-mail to the City saying two or three municipalities had made inquiry about adjusting their retail rates and he would calculate the increases for a fee not to exceed \$1,000. Nelson asked the Council if they wanted to turn the calculation over to PowerPlus Engineering for a fee of \$1,000 or simply increase the current rates by the percent of increase of the Tri-County Electric wholesale bill to the City of Caledonia. The council said the city staff could calculate the increase provided it can be done with adequate confidence that the results will assure reimbursement to the City for the full amount of wholesale increase.
 6. **LOCATE SEMINAR:** Mr. Blocker requested authorization to attend a locate seminar on February 26, 2009, at Brooklyn Park. In addition to training our 2 locating machines would be calibrated without charge. A condition for that recalibration without charge is that one calibration would be done per attendee. Therefore, both Mr. Blocker and Mr. Evans would have to attend the seminar. Following discussion, a motion was made by Mayor Burns, seconded by Member Lemke, to authorize both electric department staff members to attend the locate seminar on February 26. All members voted in favor and the motion was declared carried.

CLAIMS

A. **PREPAID CLAIMS:** Following review, discussion and deliberation, a motion was made by Member Perry, seconded by Member Vick, to approve the Prepaid Claims list for January 2009. All members voted in favor and the motion was declared carried.

Public Emp. Retirement Assn.	Payday 1-13-09	5,395.87
Alltel	Communication Expense	47.41
Caledonia True Value	Miscellaneous Items	375.10
Debauche Truck & Diesel	Light – Truck Maintenance	346.89
Hoscheit, Matt	Mileage	95.70
Houston County Public Health	Hep B #2 – Dylan Becker	60.00
Kraus Oil Inc.	Diesel	1,150.00
Riverland Community College	Fire – Extrication vehicle class	325.00
Schulze Plumbing & Heating	Check Manhole	50.00
Tri-State Ambulance, Inc.	Intercept fee	250.00
Us Postal Service	Postage Stamps	210.00
Clarey's Safety Equipment	Extinguishers Inspection	269.14
E O Johnson Company	Copier Maintenance	92.00
Heuser, Chad	2009 Uniform Allowance	65.98
Kraus Oil Co. Inc.	Unleaded	823.50
Lorenz Schuldt & City, Katrina	Meter Deposit Refund	100.21
Schott Distributing Co, Inc.	Beer	3,608.40
Speltz & City, Nathan	Meter Deposit Refund	127.40
Spring Grove Soda Pop, Inc.	Beer	182.00
Tamiko's Salon & City	Meter Deposit Refund	128.75
Tri-State Ambulance	Intercept Fee	250.00
Ducharme, Ron	Reimbursement – Baseball Eq.	598.06
LaCrosse Area Independent	League Fee	100.00
League of MN Cities	Registration Fee – Perry	285.00
Northern Beverage Distribution	Beer	3,402.65
Perry, Peggy	Reimbursement – Conf. Exp.	218.00
Alltel	Ambulance – Communication Exp	61.81
Chamber of Commerce	09 Contribution for tourism	175.00
Dairyland Power Cooperative	Labor Wild Turkey Substation	1,480.00
Franciscan Skemp Healthcare	CPR Cards	42.00
Geske, Dave	Mosquito Control	1,965.00
Johnson, Allan	Mileage Reimbursement	185.90
Ken's Small Engine	Equipment – Maintenance	28.14
Metro Sales, Inc.	Copier Agreement – PD	59.40
Sam's Club	PD – 2 Digital Cameras	329.28
Schott Distributing Co, Inc.	Beer	2,306.55
Spring Grove Soda Pop, Inc.	Beer & Soft Drinks	34.10
Tri-County Electric Co-op	Appliance Rebate	25.00
US Postal Service	Stamped Envelopes	1,657.60
Johnson, Allan	09 Uniform Allowance	223.33
Alltel	Police – Communication Exp.	133.88
Bank of the West	Federal/FICA/Medicare	7,047.41
Business Financial Planning	Cafeteria Plan	741.44
City of Caledonia Emp. Assn.	Association Dues	75.00
Commissioner of Revenue	State Withholding	1,281.71
Gavin, Mike	Animal Control	75.00
Griggs, Cooper & Company	Liquor / Wine	2,512.08
Houston County Treasurer	Ho. Co. Collection Site	3,330.00
Jack Neumann Trucking	Liquor – Freight Expense	40.00
Klug, Jason	FD – travel expense	111.65
Minnesota NCPERS Life Ins.	Payday 1-27-09	96.00
MN Benefit Association	payday 1-27-09	126.84
Orchard Trust Co, LLC	payday 1-27-09	695.00
Printy Quik	Bottle Tickets	54.75
Public Emp. Retirement Assn.	Payday 1-27-09	5,669.39
SE MN Historic Bluff Country	Tourism	830.30
U.S. Department of Education	Garnishment Order – Evans	171.36
USA Mobility Wireless Inc.	Communication Expense	57.29
VISA	Miscellaneous Items	828.37
Ziebell's Hiawatha Foods, Inc.	Wine / Mix	57.27
PB Electrics Inc.	Police – Pro Laser II	1,510.00
Riverland Community College	Fire School – Klug & Gengler	1,760.00
Meisch, Jane	Skating Rink – Reim. Expense	50.00
MN Dept. of Revenue	Sales / Use Tax	14,507.00
Principal Life	Life/Ad&d/Short Term Dis.	640.36
Richard's Sanitation	Recycling Collections	5,909.90
Schott Distributing Co, Inc.	Beer	2,644.85

Spring Grove Soda Pop, Inc.	Beer & Soft Drinks	37.35
Tri-State Ambulance	Intercept Fee	500.00
United Parcel Service	Ups Fee	71.00
US Postal Service	Utility Billing	327.35
Ace Link Telecommunications	Communication Expense	1,054.23
Bank of the West	Federal/Fica/Medicare	1,471.91
Jack Neumann Trucking	Freight Expense	116.00
Johnson Brothers Liquor Co.	Liquor / Wine	1,699.22
Paustis & Sons Wine Company	Wine	87.00
Phillips Wine & Spirits co.	Liquor / Wine	1,905.14
St. Joseph Equipment Inc.	Wheel Loader	21,300.00
Tornstrom, Michael	Reimbursement Exp (storage bins)	42.16
Tri-County Electric Co-op	Electric Energy	84.27
Commissioner of Revenue	State Withholding	168.87
Public Emp. Retirement Assn.	Payday 2-4-09	790.52
Blackburn & City, Sandra	Meter Deposit Refund	127.33
EDA Revolving Loan Fund	Return Advance to General Fund	100,000.00
Erickson & City, Shirley	Meter Deposit Refund	128.75
Johnson & City, Lee	Meter Deposit Refund	126.58
Johnson, Allan	09 Uniform Allowance	7.58
Merchants Bank	ACH Fee February 09	20.99
Northern Beverage Distribution	Beer	1,648.10
Petty Cash	Replenish Petty Cash	81.39
Schott Distributing Co, Inc.	Beer	3,038.80
Spring Grove Soda Pop, Inc.	Beer & Soft Drinks	203.15
Valdovinos & City, Sandra	Meter Deposit Refund	125.27
		<u>213,844.98</u>

B. CLAIMS PAYABLE: Following review, discussion and deliberation, a motion was made by Mayor Burns, seconded by Member Perry, to approve and authorize payment of the Claims Payable list for January 2009. All members voted in favor and the motion was declared carried.

A-1 Vacuum Sales & Service	Vac Parts	49.98
Affordable Technology Sol.	Office Supplies	404.98
Airgas North Central	Street – Oxygen / Acetylene	76.04
Alco Discount Store	PD – Binders	23.98
Alltel	Fire Dept. – Communication Exp.	44.86
APN Wisconsin, Inc.	Light – Equipment repair	35.00
Artic Glacier Inc.	Liquor – Ice	61.68
Baker & Taylor Books	Library Books	139.50
Bank of the West	Federal/FICA/Medicare	6,245.45
Bob's Lock & Safe, Inc.	Door Repair Parts	149.00
Bonanza Grain Inc.	Crushed Rock	99.05
Bound Tree Medical, Inc.	Ambulance – Supplies	455.42
Business Financial Planning	Cafeteria Plan	741.80
Caledonia Haulers, Inc.	Truck 50 Brake Repairs	745.29
Caledonia Implement Co.	Repair Parts	6.39
Caledonia Oil Co.	PD & FD Car Maintenance	1,188.08
Caledonia Police Association	Association Dues	85.00
Carquest Auto Parts	Repair Parts & Oil Filter	55.47
Clarey's Safety Equipment	Fire Department Expense	8,624.36
Commissioner of Revenue	State Withholding	1,094.62
Communication Service Inc.	Battery Pack	48.46
Crystal Canyon	Cooler Rent	32.43
Curt & Candy's Hardware Hank	Miscellaneous Items	91.11
D S Electric Supply	Bulbs	594.17
Davy Laboratories	Lab & 3 Total Coliforms	2,008.30
Dept. Of Public Safety	PD – Remote Access	540.00
ECM Publishers Inc.	Advertisements	392.18
EMS Regulatory Board	MNSTAR Forms	78.92
First Supply	Supply	8.30
Gopher State One-Call	2009 Annual User Fee & Locates	105.80
Griggs, Cooper & Co.	Liquor / Wine	1,946.80
H & L Mesabi	Snow Plow Parts	1,652.95
Hoskins Electric Co.	Bush Street Lift Station	476.71
Houston County Hwy. Dept.	Trucking Salt	3,168.52
Jack Neumann Trucking	Freight Expense	35.00

Kennedy & Graven	Go Certificate of Indebtedness	3,500.00
Kwik Trip Stores	Unleaded	87.87
Lackore Electric Motor Repair	Motor Repair	195.30
League of MN Cities	Registration Fee – Tom Murphy	285.00
Menard's	Water Heater Blanket	25.99
Midwest Tape	Library DVD(s)	46.98
Midwest Wheel Companies	Repair Parts	219.70
Mississippi Welders Supply	Oxygen	249.80
Orchard Trust Co, LLC	payday 2-10-09	695.00
Pladsen Ford, Inc.	Truck Maintenance	115.10
PowerPlus Engineering, LLC	4 Year Plan	337.50
Printy Quik	2009 Uniform Allowances	215.53
Public Emp. Retirement Assn.	Payday 2-10-09	5,150.35
Richard's Sanitation	Refuse Disposal	154.44
Rippe, Hammell & Murphy	General Matter, Prosecution Matters	4,268.75
Road Rescue Emer. Vehicles	Repair Parts	253.46
Ronco Engineering Sales, Inc.	Sander Parts	5.23
Sandry Fire Supply, LLC	FD – Uniforms	292.97
Schilling Supply Company	Copy Paper, Towels	427.70
Schmitz Refrigeration	Cooler Repair	73.00
Schulze Plumbing and Heating	Sewer Plant – Motor repair	77.50
Servocal Instruments	Flow meter & installation	3,203.52
St. Mary Auto Body Shop	Tow Cars for snow removal	63.90
State of MN	Chemical Invoice Fee	400.00
Streicher's	PD – equipment (safe & sober)	685.79
Team Distributing Inc.	Foam Soap, Ice Melt	96.25
Traveler's Directory Service	Brochure Ad – Liquor	224.00
Tri-County Electric Co-op	Electric Energy	165,043.42
Tri-County Fire Fighters Assn.	2009 Dues	50.00
U.S. Department of Education	Garnishment Order – Evans	171.36
United Auto Supply Inc.	Miscellaneous Items	290.15
United Laboratories	Cleaning Supplies	145.16
Winona Controls, Inc.	Switch Repair	215.00
Witmer Associates, Inc.	Helmet ID	120.99
Witt's Pharmacy	Amb. – Misc.	266.38
WWTP MPCA PFA Loan Fund	Loan payment	<u>3,500.00</u>
		\$ 225,355.45

OLD BUSINESS

A. 2009 LGA REDUCTION: Clerk Nelson commented that the only number available for knowledge of what local government aid maybe reduced is that presented by Governor Pawlenty, being \$72,120 for calendar year 2009. To achieve that reduction, Clerk Nelson offered possible proposals which would include a \$36,060 transfer into the general fund by the electric department and a reduction of \$18,030 to the pool activities and athletic field activities for the summer of 2009; an alternate proposal maybe to take \$9,015 from pool activities and athletic field activities and reduce street work to be done by contractors by an amount of \$18,030. There was significant discussion concerning the types of cuts that could be made and the varieties of activities in the entire budget for the general fund. Following discussion, the Council decided to continue this regular meeting to 8:00 a.m., Saturday, February 14, in the Council Room, City Hall.

B. PER DIEM PAYMENTS: Clerk Nelson asked for clarification on per diem payments which were approved at a recent meeting for \$100 per day for firefighters attending the IS 300 Course for emergency management. The question was whether or not that per diem was intended to apply to Council Members who attended the course. The Council affirmed by general consensus that the \$100 per day per diem payments was intended for Council Members as well as firefighters.

C. BUDGET REDUCTIONS FOR 2009/2010: This issue will be addressed at the newly scheduled Continued Meeting for Saturday, February 14, from paragraph A, above.

D. MOBILE HOME PARK REGULATIONS: Member Perry said she and Mayor Burns will meet to review materials on mobile home parks and will offer an outline to the Council at a later date.

NEW BUSINESS

A. AUDITORIUM USE

1. CENSUS BUREAU REQUEST: Following discussion about the use of the City Auditorium without payment for census bureau training the Council recommended the Census Bureau contact the School for a training room.
2. LOCAL USES: Discussion was held on the fact that many local organizations such as boy scouts, girl scouts, 4-H and the like, use the facility without charge. Others use the facility for walking exercise and some persons rent the facility for a very minimal charge. Following discussion, it was determined that study should be given to the issue and rates should be established for at least some of the uses which are now offered free of charge.

B. AMBULANCE RATES: Clerk Nelson reported a recommendation from Ambulance Director Mike Tornstrom to increase the loaded mileage charge for patients from \$10 per mile to \$10.41 per loaded mile. This recommendation is based upon a change in approved rates of Medicare to pay the \$10.41 per mile charge. This rate applies to the first 17 miles. After that the rate drops to about \$6.00 per loaded mile. Following discussion, a motion was made by Member Perry, seconded by Member Vick, to increase the loaded mileage rate for ambulance patients from \$10 to \$10.41 effective this date. All members voted in favor and the motion was declared carried.

C. PROPOSAL FOR A JOINT PROGRAM: Clerk Nelson informed the Council that he had contact by the Spring Grove Administrator, Theresa Coleman, proposing a meeting of Council Members to attempt to coordinate some type of joint summer athletic program or pool activity, which might reduce costs for both municipalities. Mayor Burns and other Council Members thought it would be a worthwhile effort.

CLERK'S REPORT

A. POLICE DEPARTMENT REPORTS: Enclosed with the Agenda was the Police Officer Activity List and Officer Activity Summary for January 2009.

B. DISCHARGE MONITORING REPORT: Enclosed with the Agenda was the Discharge Monitoring Report for January 2009 showing a Total Average Monthly Nitrogen of 7.5 mg/l.

C. CITIZEN REQUEST FOR REIMBURSEMENT: Enclosed with the Agenda was a letter from Lloyd Ogilvie who had suffered series of sanitary sewer backup into his basement within a six or seven month period, asking the City to consider reimbursement for damages. The Cities insurance adjuster had investigated the most recent incident and denied any benefit payment because the City was not found negligent.

D. FIRE DEPARTMENT GRANT: Clerk Nelson informed the Council that the fire department is going to write a grant to request reimbursement for training expenses from the Minnesota Board of Firefighter Training and Education (MBFTE).

RECESS: There being no further business at this time, Mayor Burns recessed the meeting to be continued at 8:00 a.m. on Saturday, February 14, 2008.

Robert H. Burns, Mayor

Robert L. Nelson
City Clerk – Administrator

CONTINUED MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Saturday, February 14, 2009

CALL TO ORDER: Following due call and notice thereof, Mayor Burns called the meeting to order at 8:02 a.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: Mike Gerardy and Robert L. Nelson. Visitors present: None.

BUSINESS ITEMS: The Council reviewed the 2009 budget including revenues and expenditures on a section by section basis, to determine where the City may increase revenues or decrease expenditures in order to compensate for the predicted \$72,120 loss of local government aid based upon the State of Minnesota shortfall predicted at this time to be 4.8 billion dollars. During the course of the four hour review, the Council selected as possibilities such actions as personal reduction, reduction of personal time, meaning working a 36 hour week instead of a 40 hour week, and selected certain line items for a decrease of expenditures, such as contracted labor for the street maintenance program. Cuts were considered in numerous departments including the swimming pool and athletic field programs as well as the auditorium and other departments as well. Following the four hour meeting, Mayor Burns directed that a special meeting be held in April to invite all department heads and discuss what the City may do to adjust to the reduced local government aid distributions. The Council Members will consider all the suggested reductions mentioned at this meeting until the next Regular Meeting when they will consider making motions for specific actions with regard to reducing the budgeted expenditures.

ADJOURNMENT: There being no further business before the Council, a motion to adjourn was made by Mayor Burns and seconded by Member Vick. All members voted in favor, the motion was declared carried and the meeting then adjourned at 11:55 a.m. The next Regular Meeting of the City Council is scheduled for 6:00 p.m., Monday, February 23, 2009, in the Council Room, City Hall.

Robert H. Burns, Mayor

Robert L. Nelson
City Clerk - Administrator