

REGULAR MEETING OF THE CITY COUNCIL  
CITY OF CALEDONIA, MINNESOTA  
Monday, April 10, 2006

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: Michael Gerardy, Joyce Iverson and Robert L. Nelson. Visitors present: Jennifer Jaroski Guinan, Taylor Heard, Tom Molling, Joe Jennings, Todd Pakiz, Harold Kruse and Jane Palen, Reporter.

CONSENT AGENDA: Following brief discussion, a motion was made by Member Fisch, seconded by Member Klug, 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, March 27, 2006, as presented.

B. EXEMPT PERMIT: To approve an Application for Exempt, submitted by the Spring Grove Lions, to conduct a raffle on August 20, 2006, at the Houston County Fairgrounds during the annual fair.

C. SMALL CITIES DEVELOPMENT PROGRAM: To approve a Small Cities Development Program Commercial Loan to Steve and Kathy Nelson in the amount of \$7,039 for a project deemed eligible by the program administrator, Southeast Minnesota Development Corporation, with a total project cost of \$11,732 of which \$4,693 is to be provided by private funds.

VISITORS AND COMMUNICATIONS

A. PUBLIC HEARING – HUTTON COMPANIES: Joyce Iverson, EDA Director, and Taylor Heard, Hutton Companies, reviewed the Hutton Company Application for Tax Abatement in conjunction with construction of a right turn lane on the west side of STH 44/76 to access the entry to the proposed new Dollar Store. Brief review was made of the resolution for adoption of the proposed project. Three bids, documenting cost of the project were presented. Those bids were discussed, considering details including lack of signatures or lack of a grand total sum or the fact that one bid showed calculations of an averaging method of other bids. When there was no further discussion or testimony, Mayor Morey closed the public hearing.

B. PUBLIC HEARING – FOLTZ/SNODGRASS: At this time a public hearing was conducted on a Zoning Application to construct a pair of residential duplexes (total of 4 units) on Lot 3 and Lot 2, except the north 20 feet, Block 1, in the Fifth Addition to South Winnebago Estates Addition with the layout design placing the buildings perpendicular to South First Street such that the pair of duplexes faced one another, but had a side or end of the building facing South First Street. Michael Gerardy, Zoning Administrator, reviewed the layout of these four residential units, proposed to be sold as condominiums such that each would be separately owned, on the parcel being approximately 140' x 170', allowing less than 6,300 square feet per unit. He noted the narrow, 15' wide proposed driveway, and eluted to a Zoning Ordinance requirement that, "if it is intended that individual buildings of a multiple family dwelling complex be sold separately, provisions shall be made so that each such building to be sold abuts upon a public street." The surrounding property owners indicated they are generally opposed to the layout of this project and would most favorably encourage development of these parcels as single family homes, but otherwise to be at least according to the stipulations in the Zoning Ordinance. When there was no further discussion or testimony, Mayor Morey closed the public hearing and resumed the Regular Meeting.

C. TAX ABATEMENT APPLICATION – HUTTON COMPANY: At this time, the Council further discussed the Tax Abatement Application. A motion was made by Member Klug, seconded by Mayor Morey, to approve and adopt the Resolution for Tax Abatement for an amount not to exceed \$32,000 as the total abatement with the City Of Caledonia amount not to exceed \$12,000, with the understanding this action as a preliminary step with final approvals,

terms and obligations to be described in detail in a development agreement, yet to be drafted. All members voted in favor and the motion was declared carried.

D. ZONING APPLICATION – FOLTZ/SNODGRASS: Based upon the findings that the area of less than 6,300 square feet per unit is less than the prescribed or desired area for a residential property and that the layout positions the buildings with the sides facing the public street rather than the front of the building, which is a unique positioning in a new subdivision and that the layout is contrary to the Zoning Ordinance in that each unit does not abut a public street, a motion was made by Mayor Morey, seconded by Member Fisch, to deny the Zoning Application proposing to construct a pair of duplexes in the South Winnebago Estates Fifth Addition. All members voted in favor and the motion was declared carried.

E. MINNESOTA ALLIANCE FOR SAFE HIGHWAYS: Jennifer Jaroski Guinan, Field Director, Minnesota Alliance for Safe Highways, encouraged the Council to adopt a resolution to submit to the Minnesota Legislators to protest larger or heavier commercial vehicles being permitted on state roadways. She explained that commercial operators have applied to the legislator to adopt a bill that would increase the weight limits and increase the dimensions or number of accessory units which could be attached to hauling vehicles. These increased weight limits and dimensions would be applied to vehicles traveling on Minnesota Highways, since the Federal Government prohibited any increases in current standards for interstate highways. Discussion alluded to a presentation recently made to the Houston County Board of Commissioners which resulted in a directive from the Commissioners to the Houston County Highway Engineer to draft a letter for submittal to local legislative representatives. The Council concluded by asking for a copy of that letter for examination and chose to not make any resolutions or recommendations at this time.

F. ECONOMIC DEVELOPMENT

1. TOURISM AD: Joyce Iverson explained certain community interest in advertising in the magazine *Minnesota Trails*, asking if the Council wished to place an ad for the City Of Caledonia which would be approximately 1/12 page and cost \$162 for a one time ad. *Minnesota Trails* is published four times a year. Following discussion, a motion was made by Member Klug, seconded by Member Standish, to authorize publication of the ad contingent upon other community organizations or business entities participation for the quoted price. All members voted in favor and the motion was declared carried.
2. TIF DISTRICT CHANGE: Ms. Iverson reported to the Council that the property to situate the Dollar Store should now be removed from the TIF District since the Council had approved a Tax Abatement Program for the Hutton Company. A motion was made by Member Fisch, seconded by Member Klug, to authorize removal of the parcel of land to be the site for the Dollar Store to be removed from the TIF District 1-4. All members voted in favor and the motion was declared carried.

G. CRACK FILL BIDS: At this time Crack Fill Bids were open and read. Six bids were received as shown below. Following review, a motion was made by Member Klug, seconded by Member Standish, to award the Crack Fill work to B & D Sealcoating with the apparent low bid of \$.89 per pound. All members voted in favor and the motion was declared carried.

B & D Seal Coating	\$ 0.89
Scott Construction	\$ 0.919
American Pavement Solutions	\$ 0.93
Bergman Companies, Inc.	\$ 1.14
Bargen, Inc.	\$ 1.19
ASTECH Corporation	\$ 1.46

H. COMMUNICATIONS

1. LMC Friday Fax, 3-31-06.
2. LMC Friday Fax, 4-7-06.
3. The Wheel, April 2006.

CLAIMS

A. PREPAID CLAIMS: Following review, discussion and deliberation, a motion to approve the Prepaid Claims list for March 2006 was made by Member Fisch and seconded by Member Vick. All members voted in favor and the motion was declared carried.

Caledonia Oil Company	Diesel Fuel	1,092.00
Caledonia Police Association	PD Association Dues – March 06	63.50
Caledonia True Value	Miscellaneous Items	151.00
City Of Caledonia	Employee Share of Health Insurance	383.55
Orchard Trust Company, LLC	TSA payday 3-14-06	1,380.00
Public Emp. Retirement Ass.	PERA Payday 3-14-06	4,220.45
Recorded Books, LLC	Recorded Books for Library	111.60
Winona Area Amb. Service	Contracted Billing	1,353.50
Johnson, Allan	Reimbursement for Meals	10.00
Rolbiecki, Charles	Reimbursement for Meals	11.54
Sheldon Valley Sportsmen	PD Memberships	70.00
Bonanza Grain, Inc.	Snow Removal	300.00
Four Season's Comm. Center	Linen Rent Business Appreciation Dinner	47.50
Jahn's Transfer, Inc.	Liquor – Freight Expense	36.89
Midwest Wireless Comm.	Mobile Unit	130.35
Northern Beverage Distribution	Beer	2,059.85
Rippe, Hammell & Murphy	L Solberg/Repayment Agreement	45.00
Schott Distributing Co., Inc.	Beer	2,167.15
Sonny & Bev's	Catering Business Appreciation Supper	450.00
Spring Grove Soda Pop, Inc.	Beer	222.50
A-1 Fire Protection	Fire Extinguisher	234.81
Bonanza Grain, Inc.	Maintenance Materials	21.82
FSP Books & Videos	FD-Training Materials (Books)	171.90
Klug, Anthony	Wastewater Conference Expenses	406.97
Nelson, Robert L.	Reimbursement for EDA Meeting (subway)	51.01
Central Landscape Supply	Hose on Brush Truck	72.31
Emblem Enterprises, Inc.	200 Patches for PD	457.31
Logan, James	Reimbursement for Dog Food	99.46
Minnesota Animal Control	2006 MACA/NACA Dues	30.00
Northern Beverage Distribution	Beer	210.95
Parks & Trails Council of MN	Membership Fee	35.00
Printy Quik	Printing Caledonia Brochures	99.07
Schott Distributing Company	Beer	2,835.10
Spring Grove Soda Pop, Inc.	Beer & Water	95.00
Bank of the West	Fed/Fica/Med	6,637.91
City Of Caledonia	Employee Share of Health Insurance	383.55
City of Caledonia Emp. Ass.	Association Dues – March 06	80.00
Commissioner of Revenue	State Withholding – March 06	2,528.06
Houston County Attorney	City Court File	394.09
Houston County Treasurer	Recording Fee – Meiners	46.00
Johnson Brothers Liquor Co.	Liquor / Wine	3,239.84
Minnesota NCPERS Life Ins.	NCPERS payday 3-28-06	80.00
MN Benefit Association	MBA Payday 3-28-06	161.38
Orchard Trust Co, LLC	TSA payday 3-28-06	1,380.00
Phillips Wine & Spirits Co.	Liquor / Wine	1,937.19
Public Emp Retirement Assn.	PERA payday 3-28-06	4,268.10
Ability Building Center	Flag Repair	57.00
Arch Wireless	Mobile units	59.72
Caledonia Volunteer Fire Dept.	Relief Association – 1 <sup>st</sup> Quarter 2006	600.00
Gavin, Mike	Animal Control	300.00
Hatlevig, & City, Richard	Meter Deposit Refund	212.00
Houston County Highway Dept.	Mapping Project & Maintenance Salt	1,832.09
Houston County Treasurer	Houston County Collection Site	3,300.00
Information Management Ser.	3 Computers & 1 Monitor	5,667.58
Jones & City, Anthony	Meter Deposit Refund	210.96
Larson & City, Mike	Meter Deposit Refund	210.82
Nyakundi & City, City	Meter Deposit Refund	76.20
O'Brien & City, Darrell	Meter Deposit Refund	76.20

Rommes & City, Dale	Meter Deposit Refund	79.50
Southeast Consultants, Inc.	EDA Services	7,800.00
Swartz, & City, Vanessa	Meter Deposit Refund	144.47
Taylor & City, Tona	Meter Deposit Reund	79.27
United Parcel Service	Ups Fee	69.00
US Postal Service	Utility Billing March 2006	283.98
Visa	Miscellaneous Items	1,967.47
A-1 Fire Protection	Testing / Labor/ Parts	297.93
Ashbacher, Randall	Reimbursement for Travel Expense	126.44
Hawkins, Inc.	Chemicals	1,300.35
Kinneberg, Myron	Mileage Reimbursement	20.72
Northern Beverage Distribution	Beer	1,274.45
Post Board	License Renew – Rolbiecki	90.00
Schmitz, Roger	Mileage Reimbursement	125.80
Schott Distributing Co., Inc.	Beer	3,312.75
Spring Grove Soda Pop, Inc.	Beer & Soft Drinks	403.65
Betz, Mary	Reimbursement for Mileage	63.50
MN Department of Revenue	Sales Tax – March 2006	9,539.00
Richard's Sanitation	Collections March	5,918.00
Schwartz, Norene	Reimbursement for Mileage	56.24
Shefelbine, Randy	PD Office Supplies	135.54
Ace Link Telecommunications	Communication Expense	948.05
Bank of the West	Fed/Fica/Med	993.45
Blocker, Matt	Mileage Reimbursement	129.50
Chamber of Commerce	Tourism	43.42
Caledonia Oil Company	Unleaded	1,147.50
Gavin, Charles	FD Training Books	37.50
Houston County Treasurer	2006 Map Project	16.00
Merchants Bank	ACH Fee April 2006	19.87
Principal Life	Life/Ad&d/Std	585.69
Public Emp. Retirement Assn.	PERA payday 4-3-06	466.44
Resco	Inventory	13,483.73
Schroeder, DeWayne	Mileage Reimbursement	170.20
Tri-County Electric Co-op	Electric Energy	69.86
League of MN Cities	Registration Fee for Loss & Control	80.00
Caledonia Green	Donation	1,000.00
Logan, James	Travel Expense	230.14
Northern Beverage Distribution	Beer	655.55
Ranzenberger, Dorothy	2005 Clothing Allowance	25.26
Schott Distributing Co, Inc.	Beer	2,817.15
		<u>\$ 111,031.65</u>

B. CLAIMS PAYABLE: Following review, discussion and deliberation, a motion was made by Member Standish, seconded by Member Klug, to approve and authorize payment of the March 2006 Claims Payable. All members voted in favor and the motion was declared carried.

A-1 Fire Protection	Air Tank for Cascade	131.15
Accurint – Acct #1351695	PD – Contract Fee	33.50
Airgas North Central	Miscellaneous Items	128.05
Alco Discount Store #273	Vehicle Oil	40.64
Alcopro	Miscellenous Items	680.00
Artic Glacier, Inc.	Ice	60.70
Baker & Taylor Books	Library Books	1,299.09
Bank of the West	Fed/Fica/Med	6,428.84
Caledonia Drugs	City Hall – Gloves	6.97
Caledonia Electronics	Miscellaneous Items	238.35
Caledonia Implement Co.	Bulk Steel & Hardware	36.83
Caledonia Lumber Co, Inc.	Miscellaneous Items	50.76
Caledonia Oil, Co.	Fuel & Maintenance for vehicles	157.17
Caledonia Police Association	PD Association Dues	70.50
Caledonia True Value	Batteries	122.02
City Of Caledonia	Employee Share Health Insurance	383.55

Clarey's Safety Equipment, Inc.	Equipment & Airpak Repairs	3,349.00
Crystal Canyon Inc.	Drinking Water	45.03
Curt & Candy's Hardware Hank	Miscellaneous Items	239.45
D S Electric Supply Inc.	Inventory	733.39
Dalco	Cleaning Supplies	285.01
Davy Engineering	2003-2005 Sewer Rehab Project	4,971.41
Davy Laboratories	Lab Analysis	1,272.64
Earl F. Anderson & Assoc.	Swingset Repair	55.38
Ebsco Subscription Services	Magazine Subscription	14.68
ECM Publishers, Inc.	Advertisements	658.81
EDC Educational Services	Library Books	131.22
Farmers Coop Elevator Co.	Sign Posts	83.07
First Supply	Part for Water Main Break	39.67
Gopher State One-Call, Inc.	7 Location Notifications	10.15
Griggs, Cooper & Company	Liquor / Wine	1,808.26
Hawkins, Inc.	Well #7 Parts	85.23
Information Management Ser.	Technical Services	179.55
Ken's Small Engine	Oil Mix, Chain Saw & Glasses	185.94
Lackore Electric Motor Repair	Repair Parts	56.06
Little Falls Machine, Inc.	Snow Plow Parts	42.36
Midwest Tape	Library DVDs	403.47
Mississippi Welders Supply Co.	Oxygen	66.31
Mother Earth News	Subscription	14.95
Municipal Emergency Services	Bullet Chain for Saw	433.17
Orchard Trust Co, LLC	TSA payday 4-11-06	1,380.00
P & H Services	Speaker Mic for PD	49.00
PowerPlus Engineering, LLC	Engineering Expense	464.06
Printy Quik	Printing Business Guides	86.99
Public Emp. Retirement Assn.	PERA Payday 4-11-06	4,358.76
Recorded Books, LLC	Library Recorded Books	251.20
Richard's Sanitation	Refuse Disposal	147.42
Rippe, Hammell & Murphy	City of Caledonia General Matters	3,197.25
Ronco Engineering Sales, Inc.	Repair Parts	21.04
Schilling Supply Company	Bags & Towels	233.53
Scholastic Library Publishing	Library Books	140.40
Schulze Plumbing & Heating	Toilet Paper	25.15
SE Libraries Cooperating	Barcodes & Auto Fees	414.04
St. Mary Auto Body Shop	Towing & Snow Removal	1,336.37
Stemper, James	Travel Expense to Seminar	215.40
T & R Electric Supply Co.	Inventory	3,301.50
Taste of Home Books	Light & Tasty Annual Recipe Book	28.98
Tri-County Electric Co-op	Electric Energy	97,636.83
Tri-State Business Machines	Copier Agreement	59.03
Tveiten, John	Firearm Instruction	94.62
United Auto Supply, Inc.	Miscellaneous Items	29.85
Winona Mechanical, Inc.	Well House Repairs	499.23
Witt's Pharmacy – Caledonia	Epipen (2)	92.00
WWTP MPCA PFA Loan Fund	1993-96 PFA Loan – April 2006	3,725.00
Ziebell's Hiawatha Foods, Inc.	Can Coolers/Corkscrew	34.37
		<u>\$ 142,853.35</u>

#### OLD BUSINESS

A. ORDINANCE, SECTION 52.08: Clerk Nelson reviewed a proposed document for the Council to adopt as Ordinance #52.08, having to do with water supply, limiting the drilling of wells within the Municipal Limits and requiring connection to the public water system, provided it is reasonably available to a tract of land. Following explanation of the proposed ordinance, a motion was made by Member Klug and seconded by Member Standish to approve its adoption and publication. All members voted in favor and the motion was declared carried.

#### NEW BUSINESS

A. ANNUAL LMC CONFERENCE: Distributed with the Agenda was an announcement of the Annual LMC Conference to be held June 28 – 30 at the St. Cloud Civic Center. Clerk

Nelson asked if any Council Members were interested in attending, whereupon a motion was made by Mayor Morey, seconded by Member Vick, to authorize the attendance of any Council Members who chose to attend, approving the registration fee of \$320 for the full conference and necessary hotel costs and reimbursement of expenses. All members voted in favor and the motion was declared carried.

B. ANIMAL CONTROL OFFICER: Referring to a petition by Mike Gavin, Animal Control Officer, at a Council Meeting held February, Mayor Morey and Member Fisch, who had since met with Mr. Gavin, recommended a change in his compensation. In addition to his past monthly wage of \$300, they recommended a \$75 increase to be paid as rental for use of his private building and reimbursement of miscellaneous expense such as use of his private vehicle. They further recommended this additional \$75 be retroactive to February 1, 2006. In addition, clarification is made that Mr. Gavin is to perform duties as a City Employee rather than a contractor. Mr. Gavin was directed to give semiannual reports to the Council. Following discussion, a motion was made by Member Klug, seconded by Member Standish, to increase the compensation of Mike Gavin, Animal Control Officer from \$300 per month to \$375 per month, the additional to represent payment for rental of his private property and reimbursement for miscellaneous expense and vehicle use, retroactive to February 1, 2006, understanding that his services are to be performed as a City Employee. All members voted in favor and the motion was declared carried.

C. APPRAISAL COSTS: Member Fisch informed the Council that he and Mayor Morey were investigating various properties with a possible result of recommending purchase to the Council for storage of electric department and other vehicles and equipment. In order to determine an appropriate value for possible purchase, appraisals are recommended, costing up to \$3,000 per property. Following discussion, a motion was made by Member Fisch, seconded by Member Vick, to authorize expenditure of up to \$3,000 per appraisal for as many as three properties. Members voting in favor: Morey, Fisch, Vick and Standish. Opposed: Klug. The motion was declared carried.

D. SAFE AND SOBER PROGRAM: The Council reviewed a letter from Police Chief Randy Shefelbine recommending and requesting authorization for the Caledonia Police Department to participate in a Safe and Sober Program which would be overseen by the Houston County Sheriff's Office. Officers would volunteer for duty on this program for which shifts would be appointed at times other than their normal police shifts and assign them anywhere in the County according to Sheriff's directions. Shifts would probably be no more than three times per month and four hours per shift. The program is set for the Month of May 2006. Following discussion, a motion was made by Member Standish, seconded by Member Vick, to authorize the Caledonia Police Department to participate in the Safe and Sober Program. All members voted in favor and the motion was declared carried.

#### CLERK'S REPORT

A. POLICE DEPARTMENT REPORT: Enclosed with the Agenda was the Office Activity List and Officer Activity Summary for March 2006.

B. CITY OF CALEDONIA CLEAN-UP WEEK: Enclosed with the Agenda was an announcement declaring that Spring Clean-Up would be held from Monday, April 17 thru Sunday, April 23. Following brief discussion, the Council declared by general consensus that it should be extended through Sunday, April 30.

C. CABLE TV: Enclosed with the Agenda was a notice from Ace Communications Group that effective March 31, 2006, the Sun Dance East and Sun Dance West channel will no longer be available in the Ace Digital TV Showtime Unlimited Premium Package. Showtime has chosen not to reduce their fees to Ace Communications Group for their Showtime Unlimited Premium Package. As a result, there will not be any cost shavings passed onto the customers.

D. DISCHARGE MONITORING REPORT: Enclosed with the Agenda was the Discharge Monitoring Report for March 2006 showing the Average Monthly Total Nitrogen at 6.52 mg/l.

E. SEMINAR: Distributed with the Agenda was announcement of a seminar Promoting Excellents in Public Management: Innovations in Cities and Counties to be held April 27 at the

Cowles Auditorium, Hubert H. Humphrey Center, U of M. Clerk Nelson said this was brought to the Councils attention in the event any of them chose to attend.

F. ELECTRIC RATES: Clerk Nelson reported receiving a partial list of changes for the Cities wholesale rates from Tri-County Electric. Further information would follow. City rates would have to be reviewed to determine the new applicable retail rates which would be effective with May 1 usage with the first billing cycle showing the increase to be June 1.

G. DRINKING WATER REPORT: Clerk Nelson distributed copies of notice to submit the Annual Drinking Water Report as of July 1, 2006, received from the Minnesota Department of Health.

ADJOURNMENT: There being no further business before the Council, a motion to adjourn was made by Mayor Morey and seconded by Member Klug. 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 7:00 p.m., Monday, April 24, 2006, in the Council Room, City Hall.

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Michael J. Morey, Mayor

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Robert L. Nelson  
City Clerk – Administrator