

REGULAR MEETING OF THE CITY COUNCIL  
CITY OF CALEDONIA, MINNESOTA  
Monday, April 9, 2012

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, Bob Lemke, and Paul Fisch. Members absent: None. Consultants and City staff present: City Clerk/Administrator Jennifer Feely and Administrative Coordinator Mike Gerardy. Visitors present: Nick Kowalewski and Caledonia Argus Reporter Charlie Warner.

AGENDA APPROVAL. A motion was made by Mayor Burns, seconded by Member Vick, to approve the agenda with the following additions: Bond Counsel and Level 4 Appraisal. All members present voted in favor and the motion was declared carried.

CONSENT AGENDA. A motion was made by Member Vick, seconded by Member Lemke, to approve the consent agenda. Voting in Favor: Burns, Vick, Fisch, and Lemke. Abstaining: Murphy. Voting against: None. The motion was declared carried.

A. MINUTES OF PAST MEETING. To approve the minutes of the Regular Meeting held Monday, March 26, 2012, as presented.

B. APPLICATION FOR TEMPORARY ON-SALE STRONG BEER LICENSE: AMERICAN LEGION. Attached with the agenda was an application for a temporary on-sale strong beer license from the American Legion at the Veteran's Memorial Field on Thursday, June 28, 2012.

VISITORS AND COMMUNICATIONS.

A. NICK KOWALEWSKI: LIQUOR LICENSE INQUIRY. Nick Kowalewski was present to inquire as to the probability of obtaining the following liquor licenses: on-sale, 3.2 off-sale, Sunday, and 2 A.M. Mr. Kowalewski explained that he may be purchasing the former Hardware Hank building in the near future for the purpose of opening a bar that will serve only sandwiches and have an atmosphere of a sports bar. Mr. Kowalewski went on to share that he had not yet set an opening date, and that the bar would be open seven days a week from approximately 3:00 p.m.-4:00 p.m. in the afternoon until 2:00 a.m. Member Vick inquired about parking. Member Fisch inquired as to whether the proposed location was within 500 feet of a church or school. Discussion ensued. Mayor Burns stated that from the Council's perspective, there are no concerns with approving the liquor license application when it is submitted. City Clerk/Administrator Feely will work with Mr. Kowalewski regarding filling out the necessary liquor license application paperwork and associated fees.

B. ADMINISTRATIVE COORDINATOR TOPICS.

1. ZONING APPLICATION: BLOCK 1 PINE ESTATES. Administrative Coordinator Mike Gerardy shared that a zoning application was received from Robert Oesterle regarding a single family home to be installed on frost piers in block one of Pine Estates. Gerardy shared that according to the City's ordinance, dwellings in an R-1 district are to be placed on a permanent foundation. It was noted that the City's ordinance did not clearly define "permanent foundation". City Clerk/Administrator Feely shared that she contacted the League of Minnesota Cities as well as the City's attorney. Both are of the opinion that without language to the contrary, there is little the City can do to prohibit the installation of a single family home on frost piers until the language of the ordinance is amended to read differently. Discussion

ensued. The consensus of the Council was that frost piers would be acceptable as per the City's ordinance requiring a permanent foundation, however, it was noted that the language of the ordinance should be amended so as to clearly define what constitutes a permanent foundation.

2. PLOW TRUCK UPDATE. Administrative Coordinator Gerardy shared that if a new plow truck was ordered tomorrow, it would not arrive until July or August. It was noted that the cab and chassis portion would total approximately \$80,000, while the plow and dump truck portion would total an additional \$70,000. Discussion ensued. No action was taken.

3. BOB AND JAN KLUG QUESTIONS. Administrative Coordinator Gerardy provided an update with respect to responding to Bob and Jan Klug's concerns regarding the Houston County Justice Center. Gerardy stated that he was still in the process of investigating the various concerns identified by Bob and Jan Klug regarding the Houston County Justice Center.

4. JOHN KLUG. City Clerk/Administrator Feely shared that she was recently contacted by John Klug regarding concerns with noise pollution coming from the industrial park area. Discussion ensued. The consensus was for Administrative Coordinator Gerardy to take random decibel readings in the morning and evening hours, and then revisit the matter at the upcoming meeting. No action was taken.

5. WWTP NEEDS. Administrative Coordinator Gerardy shared that Water/Wastewater Operator Ryan Skillings would like to purchase tools instead of sharing with the Street Department in order to be more sanitary and efficient. Discussion ensued. The consensus of the Council was to hold off on any significant purchases until Skillings could put together a list of needed items in order of priority. No action was taken.

#### C. COMMUNICATIONS.

1. INVITATION FROM TEC TO ATTEND ANNUAL MEETING. City Clerk/Administrator Feely shared that attached with the agenda was an invitation to attend the annual TEC meeting on April 25 at 7:00 p.m. in Rushford. No action was taken.

2. SEMLM MEETING NOTICE. City Clerk/Administrator Feely shared that attached with the agenda was an email notice regarding the upcoming April 30 SEMLM meeting to be held in Caledonia. The consensus was that Mayor Burns, Member Lemke, and Member Vick would attend the meeting, with the understanding that if Members Fisch and Murphy were able to attend, the City would pay for their registration as well.

3. MNDOT MEETING NOTICE. City Clerk/Administrator Feely shared that attached with the agenda was an email notice from MNDOT regarding an upcoming transportation planning meeting on April 19 at 9:30 a.m. No action was taken.

#### CLAIMS

A. PREPAID CLAIMS. Following review, discussion and deliberation, a motion was made by Member Fisch, seconded by Member Vick, to approve the Prepaid Claims List for March 2012. All members present voted in favor and the motion was declared carried.

|                                 |                               |          |
|---------------------------------|-------------------------------|----------|
| MN Pollution Control Agency     | MCPL Permit Annual Fee        | 1,450.00 |
| Post Board                      | License Renewal               | 270.00   |
| Straight Forward Software, Inc. | Aquatic Project – Life Line 8 | 855.00   |
| Bellboy Corporation             | Liquor Store – Shelf Numbers  | 65.89    |
| Caledonia Oil Company           | Unleaded                      | 1,862.69 |
| Caledonia Police Reserves       | Pass Thru Contribution        | 200.00   |

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|---------------------------------|--|-----------|
| Caledonia True Value            | Light – Misc.                              | 121.96    |
| Houston County Auditor          | TIF District Annual Maint Fee              | 451.95    |
| Houston Co. Recorder            | Recording Fee                              | 92.00     |
| Northern Beverage Distribution  | Liquor Store Inventory                     | 2,513.20  |
| Rippe, Hammell & Murphy         | Prosecution Matters                        | 2,416.50  |
| Schott Distributing Co, Inc.    | Liquor Store Inventory                     | 6,238.70  |
| Southern Wine & Spirits Co.     | Liquor Store Inventory                     | 453.57    |
| Spring Grove Soda Pop, Inc.     | Liquor Store Inventory                     | 97.65     |
| Tri-County Firefighters Assn.   | Fire Dept. 2012 Dues                       | 50.00     |
| Tri-State Ambulance             | Intercept Fee                              | 250.00    |
| Business Financial Planning     | Cafeteria Plan                             | 611.33    |
| Caledonia Bakery                | EDA – Meeting Refreshments                 | 8.40      |
| City of Caledonia Emp. Assn.    | Association Dues                           | 70.00     |
| Commissioner of Revenue         | State Withholding                          | 1,342.55  |
| ING Institutional Plan Services | Tax Sheltered Annuity                      | 580.00    |
| Jack Neumann Trucking           | Liquor – Freight Expense                   | 40.00     |
| Merchants Bank                  | Federal/FICA/Medicare                      | 6,415.52  |
| Minnesota Revenue               | Wage Levy Letter                           | 431.20    |
| MN Benefit Association          | MBA 3-20-12                                | 97.59     |
| NCPERS Minnesota                | NCPERS payday 3-20-12                      | 80.00     |
| Public Emp. Retirement Assn.    | PERA payday 3-20-12                        | 5,804.66  |
| Steele, Nancy                   | Liquor Store – 2012 Uniform Allowance      | 15.19     |
| Wirtz Beverage Minnesota        | Liquor Store Inventory                     | 1,720.47  |
| Ziebell's Hiawatha Foods, Inc.  | Liquor Store Inventory                     | 56.03     |
| Buttell's Lighting              | Bulbs                                      | 143.96    |
| Clarey's Safety Equipment       | FD – Batteries/Flashlights                 | 365.97    |
| Motorola Solutions, Inc.        | AFG/Equipment – Batteries                  | 4,081.00  |
| Petty Cash                      | Replenish Petty Cash                       | 61.59     |
| Principal Life                  | Life/Short Term Disability                 | 527.09    |
| Rippe, Hammell & Murphy         | General Matters                            | 408.50    |
| Caledonia Conv & Tourism        | Tourism                                    | 216.13    |
| Caledonia Volunteer Fire Dept.  | Relief Association 1 <sup>st</sup> Quarter | 600.00    |
| S.A. & City                     | Meter Deposit Refund                       | 250.05    |
| Gavin, Mike                     | Animal Control                             | 75.00     |
| Houston Co. Treasurer           | Ho. Co. Collection Site                    | 3,340.00  |
| Houston Fire Department         | Fire Dept. Mutual Aid                      | 400.00    |
| M.H. & City                     | Meter Deposit Refund                       | 250.25    |
| Kohnen, Jessica J.              | 2012 Clothing Allowance                    | 60.00     |
| D.K. & City                     | Meter Deposit Refund                       | 250.09    |
| Metro Sales Inc.                | PD – Copier Agreement                      | 57.53     |
| S.M. & City                     | Meter Deposit Refund                       | 250.25    |
| QuarterMaster                   | Zehnder Uniform Allowance 2012             | 220.94    |
| B.R. & City                     | Meter Deposit Refund                       | 250.19    |
| Schott Distributing Co., Inc.   | Liquor Store Inventory                     | 4,505.70  |
| Skillings, Ryan                 | Reimbursement Travel Expense               | 25.64     |
| Spring Grove Soda Pop, Inc.     | Liquor Store Inventory                     | 81.00     |
| J.W. & City                     | Meter Deposit Refund                       | 250.21    |
| Caledonia Volunteer Fire Dept.  | FD – Relief Association                    | 3,000.00  |
| G & F Distributing              | Liquor Store Inventory                     | 472.50    |
| Jack Neumann Trucking           | Liquor – Freight Expense                   | 56.00     |
| Johnson Brothers Liquor Co.     | Liquor Store Inventory                     | 830.80    |
| Motorola Solutions, Inc.        | AFG/Equipment                              | 12,001.50 |

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| Phillips Wine & Spirits Co.     | Liquor Store Inventory             | 931.60               |
| RDO Equipment Co.               | Street Equipment – 2012 JD 544K    | 25,300.52            |
| Ziebell's Hiawatha Foods, Inc.  | Liquor Store Inventory             | 26.75                |
| Ace Communications Group        | Auditorium – Communication Expense | 504.40               |
| Commissioner of Revenue         | State Withholding                  | 9.36                 |
| Merchants Bank                  | Federal/FICA/Medicare              | 306.36               |
| Public Emp. Retirement Assn.    | PERA payday 3-27-12                | 225.00               |
| Houston Co. Recorder            | Recording Fee                      | 46.00                |
| Mayo Clinic Health System       | Health Cards                       | 300.00               |
| MN Dept. of Revenue             | Sales/Use Tax March 2012           | 19,277.00            |
| Northern Beverage Distribution  | Liquor Store Inventory             | 4,340.45             |
| Richard's Sanitation            | Recycling Collections March        | 6,212.70             |
| Schott Distributing Co, Inc.    | Liquor Store Inventory             | 2,179.75             |
| Southern Wine & Spirits of MN   | Liquor Store Inventory             | 1,088.64             |
| Tri-State Ambulance             | Intercept Fee                      | 250.00               |
| VISA                            | Street – Saw Blades                | 21.09                |
| Business Financial Planning     | Cafeteria Plan                     | 611.33               |
| Caledonia Police Association    | PD Association Dues                | 75.00                |
| Commissioner of Revenue         | State Withholding                  | 2,176.44             |
| ING Institutional Plan Services | Tax Sheltered Annuity              | 580.00               |
| Merchants Bank                  | Federal/FICA/Medicare              | 10,871.91            |
| Minnesota Revenue               | Wage Levy Letter                   | 229.02               |
| Public Emp. Retirement Assn.    | PERA Payday 4-3-12                 | 6,744.78             |
| Ace Link Telecommunications     | Communication Expense              | 1,058.67             |
| J.C. & City                     | Meter Deposit Refund               | 250.25               |
| Crescendo Consulting LLP        | Pool Project Consulting Fees       | 10,923.13            |
| Extreme Beverage Distribution   | Liquor Store Inventory             | 134.00               |
| D.F. & City                     | Meter Deposit Refund               | 125.13               |
| Kraus Oil Company Inc.          | Diesel                             | 2,058.00             |
| J.L. & City                     | Meter Deposit Refund               | 200.09               |
| Northern Beverage Distribution  | Liquor Store Inventory             | 991.70               |
| K.P. & City                     | Meter Deposit Refund               | 250.18               |
| QuarterMaster                   | PD – Uniforms Stemper              | 53.97                |
| G.T. & City                     | Meter Deposit Refund               | 250.04               |
| J.V. & City                     | Meter Deposit Refund               | 250.25               |
| B.V. & City                     | Meter Deposit Refund               | 250.25               |
| J.W. & City                     | Meter Deposit Refund               | 125.13               |
|                                 |                                    | <u>\$ 166,922.83</u> |

B. CLAIMS PAYABLE. Following review, discussion and deliberation, a motion was made by Member Vick, seconded by Member Murphy, to approve the Payable Claims List for March 2012, with the exception of the claims submitted for various police department meal reimbursements that resulted from trainings within city limits. All members present voted in favor and the motion was declared carried.

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|------------------------------|-------------------------------------|-----------|
| Affordable Technology Sol.   | Office Supplies, Anti-Virus Renewal | 1,083.35  |
| Airgas North Central         | Oxygen/Acetylene                    | 118.60    |
| Alco Discount Store          | Phone Minutes, Cell Phone Case      | 63.57     |
| Artic Glacier Inc.           | Ice                                 | 100.06    |
| Blue Cross Blue Shield of MN | Health Insurance                    | 23,871.00 |
| Bonanza Grain, Inc.          | Maintenance Materials               | 290.17    |
| Bound Tree Medical           | Ambulance Supplies                  | 72.08     |

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| Brad's Electric                | Cooler Repairs – Liquor Store            | 193.60     |
| Burroughs Equipment            | Vehicle Inspections                      | 200.00     |
| Caledonia Oil Co.              | Van Maintenance                          | 117.86     |
| Carquest Auto Parts Store      | Battery                                  | 188.64     |
| City of Caledonia Utilities    | Electric, Water & Sewer                  | 11,101.87  |
| Credit Bureau Data, Inc.       | Utility Collection Fees                  | 203.59     |
| Crystal Canyon/Ecowater        | Drinking Water                           | 15.13      |
| Curt & Candy's Hardware Hank   | Misc.                                    | 89.38      |
| Davy Engineering               | Engineering Services                     | 9,833.75   |
| Davy Laboratories              | Lab's                                    | 1,914.34   |
| ECM Publishers                 | Advertisements                           | 415.71     |
| Expert T Billing               | Ambulance Billing                        | 950.00     |
| Farmer's Cooper Elevator Co.   | Park Areas – Chemicals                   | 81.00      |
| Farrell Equipment & Supply Co. | Hart Hat & Shovel                        | 78.86      |
| Finance & Commerce             | Publishing, 2012 Rehab Project           | 332.53     |
| Fire Safety USA, Inc.          | FD – Batteries                           | 21.55      |
| G & F Distributing             | Liquor Store Inventory                   | 108.00     |
| Gopher State One Call          | 29 Location Notifications                | 42.05      |
| Hawkin's, Inc.                 | Pump/Fittings                            | 821.08     |
| Innovative Office Solutions    | Office Supplies, Battery Back-Up         | 508.68     |
| Jack Neumann Trucking          | Freight Expense                          | 166.00     |
| Johnson Brothers Liquor Co.    | Liquor Store Inventory                   | 3,745.99   |
| Ken's Small Engine             | Safety Glasses, Blower & Chain Saw       | 685.11     |
| League of MN Cities            | Registration Fee                         | 20.00      |
| Mathy Construction Co.         | Maintenance Materials – Cold Mix         | 540.27     |
| Mayo Clinic Health System      | AED Cards                                | 60.00      |
| Menards                        | STP – Misc.                              | 3.92       |
| MN Energy Resources Corp.      | Natural Gas                              | 4,282.80   |
| Mississippi Welders Supply Co. | Oxygen, Cylinder Deposit                 | 223.27     |
| Motorola Solutions Inc.        | Travel Charger                           | 2,493.75   |
| Paustis & Sons Wine Company    | Liquor Store Inventory                   | 426.00     |
| Phillips Wine & Spirits        | Liquor Store Inventory                   | 2,255.92   |
| Pioneer Manufacturing          | Ballpark Marking Chalk                   | 733.16     |
| Precision Office Machines      | Shredder Repair                          | 128.00     |
| Quillin's IGA                  | Liquor Store Inventory                   | 21.48      |
| Resco                          | Light Inventory 2012 Project             | 6,407.86   |
| Richard's Sanitation           | Refuse Disposal – March 2012             | 148.05     |
| Ruffridge Johnson Equipment    | Coco Mats for Ballfield                  | 163.21     |
| Sam's Club                     | Membership Dues                          | 221.56     |
| Schilling Supply Company       | Towels, Copy Paper                       | 580.33     |
| Schott Distributing Co, Inc.   | Liquor Store Inventory                   | 5,228.80   |
| SEMA Equipment, Inc.           | Maintenance Parts, Tower 50 Repair Parts | 555.61     |
| Seven Rivers Surplus LLC       | Sewer – Misc.                            | 39.54      |
| Spring Grove Soda Pop, Inc.    | Liquor Store Inventory                   | 82.10      |
| St. Mary Auto Body Shop        | 3 Tow's                                  | 245.82     |
| Star Energy Services           | 2012 Project                             | 3,922.75   |
| Tri-County Electric            | Electric Energy                          | 157,111.78 |
| United Auto Supply, Inc.       | Light – Repair Parts                     | 6.15       |
| Verizon Wireless               | Communication Expense                    | 207.61     |
| Winona Controls                | Auditorium Repair Parts                  | 473.06     |
| Witt's Pharmacy                | Ambulance – Supplies                     | 658.92     |
| WWTP MPCA PFA Loan Fund        | 1993-96 PFA Loan                         | 3,500.00   |

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|--------------------------------|-------------------------------|---------------|
| Zep Sales & Service            | Trash Bags, Cleaning Supplies | 343.95        |
| Ziebell's Hiawatha Foods, Inc. | Liquor Store Inventory        | <u>44.36</u>  |
|                                |                               | \$ 248,543.58 |

OLD BUSINESS. None.

NEW BUSINESS.

A. AMBULANCE POWER COT REQUEST. City Clerk/Administrator Feely shared that discussion took place at the March 12 City Council meeting regarding Ambulance Director Mike Tornstrom's need to purchase another ambulance power cot from Stryker EMS. It was noted that the consensus at that time was for Mr. Tornstrom to obtain a firm quote to be included in an upcoming City Council packet for review and approval. Attached with the agenda was a quote from Stryker EMS for the purchase of one (1) ambulance power cot at a cost of \$11,976.00. Discussion ensued. A motion was made by Member Fisch, seconded by Member Vick, to approve purchasing a power cot from Stryker EMS at a cost of approximately \$11,976.00, with the stipulation that the new power cot should not be used until the new ambulance arrives. All members present voted in favor and the motion was declared carried.

B. PURCHASE OF INFLUENT FLOW METER. City Clerk/Administrator Feely shared that Water/Wastewater Operator Ryan Skillings requested permission to purchase a new influent flow meter. Discussion ensued. The consensus was to delay purchasing a new influent flow meter until more research could be done to determine whether the purchase could be delayed. No action was taken.

C. RECOMMENDATION TO HIRE NEW WATER/WASTEWATER SUPERVISOR. City Clerk/Administrator Feely provided an update with respect to the filling of the vacant water/wastewater supervisor position. Discussion ensued. The consensus of the Council was to delay making a recommendation to hire until the continuation meeting scheduled for Thursday, April 12. No action was taken.

D. DESIGNATION OF LEVEL 4 APPRAISER. City Clerk/Administrator Feely shared that based upon the recommendation of the City's engineer, Mike Davy, the City should select a Level 4 appraiser to conduct an appraisal of a possible alternative WWTP site. It was noted that the purpose of the appraisal was to establish a price for an option to purchase land for an alternative site in the future if necessary. Discussion ensued. The consensus of the Council was that it may be necessary to obtain a second opinion as there is not a desire to relocate the WWTP site due to the cost involved with doing so unless absolutely necessary. The consensus of the Council was to select Yaggy Colby as the Level 4 appraiser given that they are located in Rochester.

E. CITY CLERK/ADMINISTRATOR TWO YEAR PERFORMANCE EVALUATION. Mayor Burns stated that the regular meeting would be closed at 9:15 p.m. as permitted by section 13D.05, subdivision 3(a), to evaluate the performance of the City's clerk/administrator, Jennifer Feely. The meeting re-opened at 9:45 p.m. The consensus of the Council was for Councilmembers to fill out their performance evaluation forms and bring back to the continuation meeting to be held on April 12. No action was taken.

CLERK'S REPORT.

A. EMPLOYEE TIME RECORD. Attached with the agenda were the Employee Time Records for March 19, 2012 – April 1, 2012.

B. POLICE OFFICER ACTIVITY LIST. Attached with the agenda was the Police Officer Activity List for March 2012.

C. EDA PROJECT FUNDING. City Clerk/Administrator Feely inquired as to hypothetical projects in which funding should be sought so as to narrow research. Discussion ensued. Feely will research funding options for various projects.

D. FRIDAY FAXES FROM THE LMC. City Clerk/Administrator Feely shared that attached with the agenda were Friday Faxes from the League of Minnesota Cities. Discussion ensued.

E. DISCUSS ANIMAL ORDINANCE. City Clerk/Administrator Feely inquired as to whether the City Council was interested in amending the language of the existing animal ordinance as a suggestion was recently received from a resident that the ordinance be amended to require that animals be tied up in the backyards of properties. Discussion ensued. The consensus of the Council was for the ordinance to be amended to read that dogs chained up in a yard are to be kept at least five feet away from the public thorough fare or sidewalk. No action was taken as the matter will be revisited at an upcoming meeting.

F. CALEDONIA AQUATIC CENTER CAPITAL CAMPAIGN UPDATE. City Clerk/Administrator Feely shared that USAquatics would be in Caledonia on April 17 at 5:00 p.m. for the purpose of discussing different options for amenities while staying within budget. Discussion ensued. The consensus of the Council is that 2/3 of the total project cost must be in the bank prior to construction getting underway. No action was taken as this item was included for informational purposes.

G. LIFEGUARD STAFFING UPDATE. City Clerk/Administrator Feely shared that due to the fact that most of the applicants for the pool manager and assistant pool manager positions consisted of that of college students, interviews would be conducted by phone with the City's Personnel Committee.

H. PART-TIME LIQUOR STORE STAFFING UPDATES. City Clerk/Administrator Feely shared that two applications were received for Part-Time Liquor Store Clerk positions at the Liquor Store. Feely will review the applications with Liquor Store Manager Patty Gavin to determine if interviews should be scheduled. No action was taken as

I. SOLID WASTE ORDINANCE UPDATE. City Clerk/Administrator Feely shared that the Solid Waste Ordinance will be reviewed at an upcoming meeting prior to adoption. No action was taken.

MISCELLANEOUS ITEMS. None.

CLOSED SESSION. The regular meeting was closed at 9:50 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 its Employee Association and its Police Association. The regular meeting was re-opened at 10:43 p.m.

ADJOURNMENT. A motion to recess the meeting until Thursday, April 12, 2012 was made by Mayor Burns, seconded by Member Vick, at 10:45 p.m. All members present voted in favor and the motion was declared carried.

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Jennifer Feely  
City Clerk/Administrator

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Robert H. Burns  
Mayor