

REGULAR MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Monday, May 14, 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, Administrative Coordinator Mike Gerardy, City Attorney Tim Murphy, Davy Engineer Mike Davy, Journey Lineworker Tim Evans, and Journey Line Foreman Matt Blocker. Visitors present: Caledonia Argus Reporter Charlie Warner, Chris Gutchow with People Service, Bob and Jan Klug, Elizabeth Meyer with Hiawatha Valley Mental Health Center, and Ryan Skillings.

AGENDA APPROVAL. A motion was made by Mayor Burns, seconded by Member Vick, to approve the agenda with the following addition: Dangerous Animal Discussion. All members present voted in favor and the motion was declared carried.

CONSENT AGENDA. A motion was made by Mayor Burns, seconded by Member Fisch, to approve the consent agenda. All those present voted in favor and the motion was declared carried.

A. MINUTES OF PAST MEETINGS. To approve the minutes of the Regular Meeting held Monday, April 23, 2012 and the minutes of the Special Meeting held Monday, May 7, 2012, as presented.

VISITORS AND COMMUNICATIONS.

A. ELIZABETH MEYER: HIAWATHA VALLEY MENTAL HEALTH CENTER. Elizabeth Meyer with Hiawatha Valley Mental Health Center was present to request the Council's consideration in declaring May 2012 as Mental Health Month. A motion was made by Mayor Burns, seconded by Member Murphy, to proclaim May 2012 as Mental Health Month in the City of Caledonia. All members present voted in favor and the motion was declared carried.

B. MIKE DAVY: BID TABULATION OF SEWER REHAB PROJECT, WATER METER PROJECT, AND PRESSURE SEWER PROJECT. Davy Engineer Mike Davy was present to provide bid tabulation and recommendation information regarding awarding contracts for the proposed pressure sewer construction project, automatic read water meter project, and sewer rehab project.

Pressure Sewer Project. Mr. Davy began his presentation by reviewing the pressure sewer bid tabulation. It was noted that Mr. Davy recommended that the bid be awarded to Winona Mechanical, Inc. The bids were summarized as follows:

1. Winona Mechanical, Inc. – Winona, MN	\$29,475.15
2. Minncom Utility Construction – Mora, MN	\$34,370.00
3. Meyer Contracting – Maple Grove, MN	\$50,185.00
4. Ellingson Drainage, Inc. – West Concord, MN	\$44,607.00
5. A-1 Excavating – Bloomer, WI	\$46,957.00
6. GM Contracting, Inc. – Lake Crystal, MN	\$46,701.84

Mr. Davy explained that in order for the project to proceed, the City must complete the Pressure Sewer Extension Agreement with Bonanza Grain and obtain sewer easements from BGI and Wiebke.

Mr. Davy then summarized the following key elements of the Pressure Sewer Agreement:

- The City will construct the pressure sewer extension and BGI will repay the full cost at 4.0% interest over 10 years.
- BGI will provide the easement necessary for this project now and will provide the necessary additional easements for other users to connect at no charge when reimbursed for their share.
- The City owns and maintains all the sewers in the streets and easements. BGI owns and maintains all the sewers, including the grinder pump, on their property.
- Two grinder pump units are recommended but BGI only plans to install 1 now. An additional unit may be necessary in the future.
- The project cost will be an assessment against BGI's property.
- If additional users connect to this sewer main within 20 years, BGI will be reimbursed for their proportionate share.
- If a new sewer is extended to BGI's property in the future they will be reimbursed a proportionate share of this project cost against the assessment for that future project cost.

Mr. Davy stated that based on the tentative award, the current estimated project cost would be \$54,815.15. It was noted that the City plans to finance the project with a MIDI loan at 3.5%, 15 years with a 5% Debt Coverage requirement. The estimated annual amount is \$4,998.00. BGI's annual assessment will be \$6,758 per year for 10 years. It was noted that the project is capable of serving the existing 7 REU's. Wiebke, Kraus, Meyer, Caledonia Lumber and Opsahl are each considered 1 REU and Bonanza Grain 2 REU's. Dividing the estimated cost of the current project by 7 results in a cost of \$7,830 per REU. Each user will have additional costs for the lateral to their lot line and the grinder pump and some will have additional cost to extend the City pressure sewer main to their lot. If any new users connect to this pressure sewer within 20 years, the City will need to collect the \$7,830 as a Connection Charge and reimburse BGI. If new users request connection, the proportionate shares will need to be recalculated. The BGI sewer will serve both the elevator and shop and is assigned 2 REU's. At the current fixed charge of \$13.23 per month, BGI's fixed charge will be \$26.46 per month. BGI is not served by City water so there is no metered water usage available. Mr. Davy estimated that their usage would be similar to a single family home at 46,700 gallons per year. Applying the current \$4.30 per 1,000 gallons volumetric charge results in a charge of \$16.75 per month. Combining the fixed and estimated volumetric charge results in a Sewer Use Charge of \$43.21 per month for BGI. As designed, the pressure sewer main will adjoin the Wiebke parcel. As specified in the Sewer Use and User Charge Ordinance (attached page 8), connection is mandatory within 1 year when sewer is available to an occupied parcel. The pressure sewer discussion was wrapped up by noting that the award of the project is tentative, and subject to financing as well as completing the BGI Agreement and obtaining easements from BGI and Wiebke. Discussion ensued. A motion was made by Mayor Burns, seconded by Member Murphy, to tentatively award the pressure project to Winona Mechanical, Inc. contingent upon the following: the agreement with BGI is signed, the BGI easement is signed, the Wiebke easement is signed, and the necessary financing is secured through the MIDI Loan program. Voting in Favor: Burns, Murphy, Fisch, Vick, and Lemke. Voting Against: None. The motion was declared carried.

Water Meter Project. Mr. Davy reviewed the water meter bid tabulation. It was noted that Mr. Davy recommended that the water meter bid be awarded to Dakota Supply Group of Burnsville, MN. The bids were summarized as follows:

Badger Meter Base Bid

1. Dakota Supply Group – Burnsville, MN \$280,431.05

Neptune Meter Base Bid

1. Ferguson Waterworks – Blaine, MN \$320,508.28

Sensus Base Bid

No bids received.

Badger Meter Alternate Bid

1. Dakota Supply Group – Burnsville, MN \$442,827.69

Installation Only

1. Dakota Supply Group – Burnsville, MN \$80,130.00

2. Meyer Contracting – Maple Grove, MN \$104,688.76

3. 7 Rivers Mechanical – La Crescent, MN \$139,795.38

The recommended award was summarized as follows:

RECOMMENDED AWARD

Contractor: **Dakota Supply Group**
Burnsville, MN

SECTION A - BADGER METER BASE BID

FURNISH METERS/TRANSMITTERS	\$ 212,079.05
INSTALL METERS	\$ 73,480.00
ACCESSORIES AND SOFTWARE	\$ -
SALVAGE METERS	\$ (5,128.00)
TOTAL RECOMMENDED AWARD	\$ 280,431.05

Mr. Davy summarized that bids were received on the Badger Meter Recordall, Neptune and the Badger E-Series. It was noted that Sensus did not submit a bid. The Badger E-Series is a new model and substantially more expensive. Bids were also received for installation only. All of the installation-only bids were higher than the installation bids included with the meters. The Neptune requires a different reader system than that already in use by the electric utility. The necessary readers are included in the Neptune bid but that adds to the cost. The Badger Recordall provides the basic reading while the Neptune provides more data. The battery is more readily replaceable on the Neptune. The Badger will have higher costs for battery maintenance but most of that will not occur for 15 – 20 years. The Badger uses the Itron readers used by the electric utility. Assisting with setting up your water and sewer billing system software is included in the price.

The project budget was summarized as follows:

COST SUMMARY

TOTAL RECOMMENDED AWARD \$ 280,431.05

Preliminary & Specifications	\$	5,600.00	
Bid & Award	\$	2,500.00	
Contract Administration	\$	2,500.00	
Bond Counsel	\$	4,000.00	
Funding Applications	\$	2,000.00	
Payroll Reports Review	\$	1,000.00	
Legal & Administrative (1.5%)	\$	4,210.00	
Contingencies (5%)	\$	14,020.00	
Subtotal			\$ 35,830.00

TOTAL ESTIMATED PROJECT COST	\$ 316,261.05
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The specified schedule for the Water Meters work was summarized as follows:

SCHEDULE

First Delivery of Meters	September 1, 2012
Start Meter Installations	September 15, 2012
Complete Meter Installations	November 15, 2012
Software and Training	December 15, 2012
Substantial Completion	December 31, 2012
Ready for Final Payment	January 15, 2013

Mr. Davy noted that the new meters will be more accurate than the existing meters. To the extent this results in capturing more sewer and water revenue, the improved accuracy may eventually recover the capital cost. Meter reading labor will be reduced substantially, even when comparing the current quarterly frequency to the new monthly frequency. The new meters are required to meet the proposed “no lead” standards expected to be applicable in 2014. This project is expected to be funded with a Clean Water Revolving Loan (Sewer) via the Public Facilities Authority (PFA) along with the 2012 Sewer Rehabilitation project. Estimated terms are 1.5%, 20 years. A 5.0% Debt Coverage is required. The Water Utility will pay ½ the annual cost to the Sewer Utility as both utilities benefit by this project.

The financing was summarized as follows:

FINANCING

Project cost financed through PFA CWRF (Sewer)

Interest Rate, %	1.5%
Term, years	20
Annual Cost	\$19,341.00

Sewer - 50% \$9,670.50

Water - 50% \$9,670.50

Discussion ensued amongst the Council. A motion was made by Mayor Burns, seconded by Member Murphy, to tentatively award the water meter contract to Dakota Supply Group of Burnsville, Minnesota, contingent upon securing the necessary financing from PFA and the MIDI Loan program, as well as ensuring that current water and sewer rates are sufficient to pay for this project. Voting in Favor: Burns, Murphy, Fisch, Lemke, and Vick. Voting against: None. The motion was declared carried.

Sewer Rehab Project. Mr. Davy reviewed the sewer rehab project bid tabulation. It was noted that a comprehensive bid tabulation would be on file at city hall for review by the public. Mr. Davy went on to summarize the recommended award as follows:

RECOMMENDED AWARDS

PROPOSAL #1 – SPOT REPAIRS, SEWER REPLACEMENT, WATERMAIN, STORM SEWER & ST

Contractor: **Griffin Construction Co., Inc.**
Chatfield, MN

	Awarded	Deleted
SECTION A – Spot Repairs – Replacement Type A	\$ 157,509.60	
SECTION B – Spot Repairs – Replacement Type B	\$ 139,632.00	
SECTION C – Relay #2 - Across Yards B		\$ 30,790.00
SECTION D – Relay #3 – Grove St. B		\$ 145,762.90
SECTION E – Relay #5 – W. Washington & Mobile Lane B		\$ 94,116.50
SECTION F– Relay #7 – N. Kingston Street B	\$ -	\$ 276,220.50
SECTION G – Relay #8 – Lincoln Street A	\$ 121,048.50	
SECTION H – Relay #9 – Pine Street A	\$ 34,268.70	
SECTION I – Relay #10 – E. Lincoln Street/Grant Street A	\$ 318,910.50	
SECTION J – Street Construction -- Grant Street		\$ 210,624.25
Alternate Bid #1 - Street Repair - Grant St.	\$ 50,326.00	
TOTAL RECOMMENDED AWARD – PROPOSAL #1 (Section A – J)	\$ 821,695.30	\$ 757,514.15

PROPOSAL #2 – NO DIG LINING & SPOT REPAIRS

Contractor: **Visu-Sewer, Inc.**
Pewaukee, WI

SECTION A – Spot Repairs – No Dig Type A	\$ 101,200.00	
SECTION B – Spot Repairs – No Dig Type B	\$ 27,000.00	
SECTION C – Sewer Liner – No Dig A	\$ 99,931.00	
TOTAL RECOMMENDED AWARD – PROPOSAL #2 (Section A – C)	\$ 228,131.00	

PROPOSAL #3 – NORTH PINE ST LIFT STATION REPLACEMENT

Contractor: **Winona Mechanical, Inc.**
Winona, MN

SECTION A - Sanitary Sewer	\$ 14,315.00	
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SECTION B - Lift Station	\$	143,977.00
SECTION C - Street Repairs and Erosion Control	\$	22,198.00
	\$	180,490.00

Schedule of Suppliers

Lift Station Pumps/Controls and Above Grade Valve Enclosure	USEMCO with Hydromatic
Portable Generator	Atlas Copco

Schedule of Subcontractors

Electrical	Hoskins Electric
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TOTAL RECOMMENDED AWARD – PROPOSAL #3 \$180,490.00

TOTAL RECOMMENDED AWARDS	\$1,230,316.30
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Mr. Davy explained that the January, 2011, *Facility Plan – Sanitary Sewer Collection System and Lift Stations*, divided known sewer deficiencies into A, B and C priorities. The low priority C items were not bid. It was noted that considering the bid prices and available funding, the Council elected to defer some of the B priority Relay work as listed under the “Deleted” column above. The base bid Section J E. Grant St. segment was designed as an upgrade to an urban section street with curb & gutter. The Council considered the assessment options. The consensus was that there was not enough neighborhood support for a street upgrade in this area and the Alternate Bid #1 which simply patches the street after the sewer repair was awarded. The North Pine Lift Station #2 replaces an outdated, undersized lift station. A small parcel of land was acquired to locate the new lift station outside the street right of way. A 35 KW portable standby generator is included. This will be capable of running the 3 phase lift stations individually in the event of a power failure. Griffin Construction’s references were contacted and they were satisfactory. Visu-Sewer has performed similar rehab work. Winona Mechanical has constructed similar lift station projects before. As noted, Winona’s bid includes specific equipment and subcontractors. Deviations are not permitted without City approval. None of the low bidders are classified as an MBE or WBE. Some efforts to locate MBE or WBE subs were reported by the low bidders but none are proposed to be utilized. The project was divided into segments to be more accessible to MBE or WBE firms and the project was advertised for more than 30 days to attract bidders. This project is expected to be funded with a Clean Water Revolving Loan (Sewer) via the Public Facilities Authority (PFA) along with the Water Meters project. Some costs are not eligible for the CWRP. For the Sewer Relay segments, only the portion of the street repair necessary for the sanitary sewer replacement work is CWRP eligible. In most cases the entire street width will be replaced so only a portion is eligible. Those costs not eligible for the PFA loan will be financed with a “MIDI” loan through Minnesota Rural Water Association (MRWA). The project costs and CWRP eligible costs are summarized as follows:

COST SUMMARY

	Total	Financing	
		CWRP Eligible	MIDI
TOTAL RECOMMENDED AWARD – PROPOSAL #1	\$ 821,695.30	\$ 761,757.50	\$ 59,937.80
TOTAL RECOMMENDED AWARD – PROPOSAL #2	\$ 228,131.00	\$ 228,131.00	\$ -
TOTAL RECOMMENDED AWARD – PROPOSAL #3	\$ 180,490.00	\$ 180,490.00	\$ -
TOTAL RECOMMENDED AWARDS	\$ 1,230,316.30	\$ 1,170,378.50	\$ 59,937.80

Engineering			
Preliminary	\$ 26,500.00	\$ 25,210.00	\$ 1,290.00
Design	\$ 162,000.00	\$ 154,110.00	\$ 7,890.00
Bid & Award	\$ 12,000.00	\$ 11,420.00	\$ 580.00
Construction Phase	\$ 140,000.00	\$ 133,180.00	\$ 6,820.00
Post Construction	\$ 2,500.00	\$ 2,380.00	\$ 120.00
Bond Counsel	\$ 4,000.00	\$ 4,000.00	\$ -
Funding Applications	\$ 5,000.00	\$ 4,760.00	\$ 240.00
MIDI Program Fees	\$ 13,560.00	\$ -	\$ 13,560.00
Payroll Reports Review	\$ 1,000.00	\$ 1,000.00	\$ -
Lift Station Land	\$ 5,000.00	\$ -	\$ 5,000.00
Lift Station Electric Service	\$ 7,000.00	\$ 7,000.00	\$ -
Legal & Administrative (1.5%)	\$ 18,450.00	\$ 17,550.00	\$ 900.00
Contingencies (10%) (5% PFA)	\$ 123,030.00	\$ 58,520.00	\$ 64,510.00
Subtotal	\$ 520,040.00	\$ 419,130.00	\$ 100,910.00
TOTAL ESTIMATED PROJECT COST	\$ 1,750,356.30	\$ 1,589,508.50	\$ 160,847.80

PFA limits contingencies to 5%. With the inherent risks in underground rehab work, 10% contingencies is recommended. The amount not eligible for PFA is planned for financing with the MIDI loan.

The specified schedule for the 2012 Sewer Rehabilitation project is as follows:

SCHEDULE

Proposal #1

Substantial Completion Except 2nd Lift HMA - Relays	November 15, 2012
Substantial Completion	June 15, 2013
Ready for Final Payment	July 1, 2013

Proposals #2 and #3

Substantial Completion	December 30, 2012
Ready for Final Payment	December 21, 2012

PFA and the Minnesota Management and Budget office requires assurance that all their loan funds are expended on public property and that the property will remain public. For the new lift station site, a Real Property Declaration must be prepared and recorded. Most of the work will take place within public street rights of way or sewer easements. The City will need to submit a letter requesting a waiver for those locations. Once PFA completes their initial review of the loan they will advise the City on the steps to take. The Stormwater Permit for Construction Activity must be filed before work begins.

The proposed financing of the project is summarized as follows:

FINANCING

	PFA	MIDI
Estimated Interest Rate, %	1.5%	3.5%
Term, years	20	15
Annual P&I	\$92,582.09	\$13,965.62
Debt Coverage	5.0%	5.0%
Annual Cost	\$97,211.20	\$14,663.90

Mr. Davy wrapped up his presentation by noting that the City’s award of the sewer rehab contract is tentative, subject to confirmation that acceptable financing is available. Discussion ensued amongst the Council. A motion was made by Mayor Burns, seconded by Member Lemke, to tentatively award the sewer rehab project as follows contingent upon securing the necessary financing for the project through PFA and the MIDI Loan program: Spot Repairs, Sewer Replacement, Watermain, and Storm Sewer to Griffin Construction Co. Inc. of Chatfield, MN in the amount of \$821,695.30; No Dig Lining and Spot Repairs to Visu-Sewer, Inc. of Pewaukee, WI in the amount of \$228,131.00; the North Pine Street Lift Station Replacement to Winona Mechanical, Inc. of Winona, MN in the amount of \$18,490.00; Lift Station Pumps/Controls and Above Grade Valve Enclosure to USEMCO with Hydromatic; Portable Generator to Atlas Copco; and Electrical to Hoskins Electric. Voting in Favor: Burns, Lemke, Murphy, Fisch, and Vick. Voting Against: None. The motion was declared carried.

C. CITY ATTORNEY TIM MURPHY: PEOPLE SERVICE, INC. CONTRACT. City Attorney Tim Murphy was present to answer questions regarding the proposed People Service, Inc. contract for a Class A WWTP operator. Chris Gutchow with People Service, Inc. was also present to answer questions regarding the proposed contract. Discussion ensued regarding whether the city’s current operator could shadow the operator provided by People Service, Inc. Mr. Gutchow stated that due to concerns with People Services’ inability to give directives to a non-People Service, Inc. employee as well as liability concerns, the City’s current operator would not be able to work alongside the operator provided by People Service, Inc. Mr. Gutchow stated that the best scenario involves that of the City contracting with People Service, Inc. for two operators versus one to eliminate the concern with a City employee and People Service, Inc. employee working together and the ensuing potential liability concerns. After much discussion, the consensus of the Council and the City Attorney was for the City Attorney to contact the President of People Service, Inc. to find out if language could be changed in the proposed contract to allow for the City’s current operator to work alongside a People Service, Inc. employee. No action was taken.

D. ADJOURN INTO CLOSED SESSION FOR CONSIDERATION OF CHARGES AGAINST AN INDIVIDUAL SUBJECT TO THE CALEDONIA CITY COUNCIL’S AUTHORITY (MINNESOTA STATUTES 13D.05, SUBD. 2(b)). Tim Evans, subject of the personnel matter, waived his right to have the meeting remain open. The meeting was adjourned into closed session at 9:19 p.m. The meeting was re-opened at 9:35 p.m. A motion was made by Mayor Burns, seconded by Member Lemke, to place City employee Tim Evans on a three day unpaid suspension and implement a Performance Improvement Plan, effective immediately. All members present voted in favor and the motion was declared carried.

E. ADMINISTRATIVE COORDINATOR TOPICS.

1. BOB AND JAN KLUG. Administrative Coordinator Mike Gerardy shared that he recently met with Houston County Justice Center representatives regarding various concerns

raised by Bob and Jan Klug located at 223 East South Street. Gerardy reported that the Justice Center would be working on the light concern by turning off the hallway light(s) closest to the Klug property. Gerardy noted that the Justice Center will work on adjusting the lighting before exploring installing window shading. Gerardy then reported that he was unable to obtain a reading with the light reader. Regarding green space, Gerardy reported that according to the plan, the underwater stormwater storage area was supposed to take care of the 55% green space requirement. Questions then arose concerning whether an engineer's definition of the 55% of green space was necessary as well as does the 55% only apply to stormwater. The Klug's questioned whether there was supposed to be a variance obtained before piping was put into the ground. The Klug's alleged that the Justice Center did not meet zoning law as written. Next, discussion ensued regarding screening as the Klug's were concerned with gaps in the existing trees. A suggestion was made that a fence be put up on the property line so as to protect the Klug's privacy. Gerardy reported that as per the City's ordinance, the maximum fence height is six feet. The consensus of the Council is for Gerardy to contact Commissioner Steve Scholdt and invite him to attend the upcoming meeting to discuss the matter further and to help identify solutions to resolve the concerns brought forth by the Klug's. No official action was taken.

2. MIKE ROGICH. Administrative Coordinator Gerardy shared Mike Rogich would like to put a tractor museum at the old school property in which he currently rents out storage space. Discussion ensued. The consensus of the Council was that the IUP approved for storage space be allowed to continue, however, it was noted that there is no desire to permit storage space being extended to the west wing of the old elementary school. No official action was taken.

3. TREE DISPOSAL SITE PRICES FOR LARGE TRUCKS. Administrative Coordinator Gerardy suggested that tree disposal site fees be increased for large trucks. Discussion ensued. A motion was made by Mayor Burns, seconded by Member Fisch, to charge \$20.00 for any trucks exceeding 1 ton. All members present voted in favor and the motion was declared carried.

RECESS MEETING. Mayor Burns recessed the meeting at 10:30 p.m. until Tuesday, May 15, 2012 at 6:00 p.m.

Jennifer Feely
City Clerk/Administrator

Robert H. Burns
Mayor

CONTINUATION MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Tuesday, May 15, 2012

CALL TO ORDER. Following due call and notice thereof, Mayor Burns called the recessed 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. Visitors present: Ryan Skillings.

F. VISITORS.

A. STANTEC. Doug Trangsrud with Stantec was present to discuss options available with contracting for a Class A operator for six hours a week at a cost of \$950.00. Discussion ensued. The consensus of the Council was for City Attorney Tim Murphy to review the proposed contract and then revisit at the upcoming meeting. Discussion next ensued regarding advertising for another water/wastewater operator. City Clerk/Administrator Feely was directed to advertise for a water/wastewater operator to work alongside the City's existing water/wastewater operator.

G. COMMUNICATIONS.

1. SANITARY SURVEY REPORT FROM MDH. City Clerk/Administrator Feely shared that attached with the agenda was a Sanitary Survey Report from the Minnesota Department of Health (MDH). It was noted that no deficiencies were observed by the MDH. No action was taken as the report was included for informational purposes.

2. LETTER FROM CALEDONIA FOUNDERS, INC. City Clerk/Administrator Feely shared that attached with the agenda a letter from the Caledonia Founders, Inc. requesting donations for the 2012 Caledonia City Fest. No action was taken.

3. NOTICES FROM ACE. City Clerk/Administrator Feely shared that attached with the agenda were notices from ACE regarding a rate increase for its expanded basic video service and a channel change. No action was taken as the information was included for informational purposes.

4. HOUSTON COUNTY AUCTION NOTICE. City Clerk/Administrator Feely shared that attached with the agenda was a notice regarding the Houston County Auction as well as a list of items to be sold at the auction. No action was taken.

CLAIMS

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

Baker & Taylor Books	Library Books	768.83
Caledonia Oil Company	Unleaded	1,840.11
City of Caledonia	SEMLM Meeting	80.00
Family Circle	Annual Recipe Cookbook	30.91
Farm & Home Publishers	Plat Book & Directory	40.30
Ho. County Treasurer	Record Title 2012 Ford Interceptor	21.50
Merchants Bank	ACH Fee April 2012	29.67
Midwest Tape	Library DVD's	374.38
Millennium Credit Consultants	Agency Commission	274.01

Minnesota UC Fund	Steele Unemployment	527.00
Nelson Auto Center	PD 2013 Ford Car	28,790.64
Prosource Specialists	Summer Reading Supplies	59.00
Resco	Inventory	3,185.69
Rippe, Hammell & Murphy	General Matters & Prosecution Matters	2,578.00
SE Libraries Cooperating	Auto Fees	395.42
Servocal Instruments Inc.	Flow Meter Calibration	390.00
Showcases	DVD Cases	34.70
Tri-County Electric Co-op	Electric Energy	500.91
Caledonia True Value	Miscellaneous	71.05
Commissioner of Revenue	State Withholding	1,324.48
Galls, An Aramark Company	New Car Siren	455.98
Houston Co. Recorder	Loan Satisfaction	46.00
ING Institutional Plan Services	TSA payday 4-17-12	480.00
Jack Neumann Trucking	Liquor – Freight Expense	50.00
J-Line Design	New Car Graphics	410.63
Merchants Bank	Federal/FICA/Medicare	6,252.19
MN Pollution Control Agency	NPDES Permit	1,240.00
Northern Beverage Distribution	Liquor Store Inventory	3,157.90
Northern Safety Co, Inc.	Safety Equipment & Uniforms	247.78
Public Emp. Retirement Assn.	PERA Payday 4-17-12	5,609.23
Schott Distributing Co., Inc.	Liquor Store Inventory	2,651.17
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	35.50
Tri-State Ambulance, Inc.	Intercept Fee	252.50
Wirtz Beverage Minnesota	Liquor Store Inventory	2,529.51
Business Financial Planning	Cafeteria Plan	611.33
Buttell's Lighting	Bulbs	3,735.27
City of Caledonia Emp. Assn.	Association Dues	65.00
E O Johnson Company	Clerk's Office – Copier Agreement	122.00
Hale Skemp Hansen Skemp Sleik	Case No. 11-CV-67-A	283.54
Holdmeyer, Ryan	Refund Double Payment	226.11
Laser Product Technologies	Printer Repair/Maintenance – PD	410.69
Locator Equipment, LLC	Pipe & Cable Locator	4,584.51
MN Benefit Association	MBA payday 4-17-12	97.59
MN State Fire Chiefs Assn.	Web Ad Truck Bids	85.00
NCPERS Minnesota	NCPERS payday 4-17-12	80.00
Caledonia Conv & Tourism	Tourism	212.40
City of Caledonia	Murphy SEMLM Meeting	20.00
G & F Distributing	Liquor Store Inventory	485.30
Hawkins, Inc.	Water – Replacement Pump	-774.72
Horizon CPO Seminars	COP Certification Seminar	245.00
Jack Neumann Trucking	Liquor – Freight Expense	66.00
Jeff's Automotive Repair	Repair 96 Truck	258.60
Johnson Brothers Liquor Co.	Liquor Store Inventory	2,030.30
Mayo Clinic Health System	First Aid Cards	54.00
Metro Sales, Inc.	Copier Agreement	56.93
Meyer, Michael	Tilling at Ball Park	50.00
Nelcom Corporation	Emergency Warning Sirens	4,807.77
Northern Beverage Distribution	Liquor Store Inventory	911.80
Principal Life	Life/Ad&d/STD	527.09
Resco	Light – Inventory	13,795.20
Riverland Community College	MN Fire/EMS/Rescue	760.00

Schott Distributing Co, Inc.	Liquor Store Inventory	4,841.47
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	75.50
Whitewater Wireless, Inc.	Emergency Warning Sirens	25.00
Coulee Region Sports League	Rec Park – Summer 2012 League	350.00
Esch Builders	Light Building – Gas Leak	45.00
Gavin, Mike	Animal Control	75.00
Good Times Restaurant and Bar	Cater SEMLM Meeting	1,280.00
Houston Co. Treasurer	Ho. Co. Collection Site	3,340.00
Mayo Clinic Health System	Heartsaver/First Aid	54.00
MN Department of Revenue	Sales/Use Tax	16,081.00
MN Municipal Beverage Assn.	Registration Fee/Travel Expense	459.00
Northern Beverage Distribution	Liquor Store Inventory	1,054.50
Reinhart, Michelle	Refund, Ambulance Call	100.00
Richard’s Sanitation	Recycling Fee	6,637.50
Schott Distributing Co, Inc.	Liquor Store Inventory	7,866.55
Commissioner of Revenue	State Withholding	1,508.63
ING Institutional Plan Services	TSA payday 5-1-12	480.00
Merchants Bank	Federal/FICA/Medicare	7,427.26
Public Emp. Retirement Assn.	PERA payday 5-1-12	6,266.65
Bulman, Kevin	FD Classes	250.31
Business Financial Planning	Cafeteria Plan	611.33
Caledonia Police Association	PD Association Dues	75.00
Chatfield, City of	WWTP April 2012 Operations	375.77
Crescendo Consultants	Pool Project	8,290.00
Hale Skemp Hansen Skemp Sleik	Case No. 11-CV-67-A	344.96
Northern Beverage Distribution	Liquor Store Inventory	2,207.70
Resco	Light Inventory	8,046.25
Schott Distributing Co.	Liquor Store Inventory	4,692.30
SEMLM	Membership Dues	35.00
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	137.45
Stemper, James	Meals – Chief Conference	64.38
Tri-State Ambulance, Inc.	Intercept Fee Run	497.50
Zehnder, Kurt	Meals – Chief Conference	69.86
Ziebell’s Hiawatha Foods	Liquor Store – Inventory	33.09
Ace Link Telecommunications	Communication Expense	1,074.96
Blue Cross Blue Shield of MN	Health Insurance	26,591.00
K.B. & City	Meter Deposit Refund	250.05
Buttell’s Lighting	Inventory, Bulbs	755.00
L.C. & City	Meter Deposit Refund	250.02
K.C. & City	Meter Deposit REfudn	250.25
Dept. of Human Services	Refund Balance on Utility Bill	21.47
Expert T Billing	Ambulance Billing	575.00
R.F. & City	Meter Deposit Refund	250.25
G & F Distributing	Liquor Store Inventory	546.00
Jack Neumann Trucking	Liquor – Freight Expense	126.00
Johnson Brothers Liquor Co.	Liquor Store Inventory	2,223.02
C.L. & City	Meter Deposit Refund	250.20
B.L. & City	Meter Deposit Refund	250.25
J.M. & City	Meter Deposit Refund	50.09
Merchants Bank	ACH Fee	29.60
MN Energy Resources	Natural Gas	1,610.77
C.M. & City	Meter Deposit Refund	125.13

D.O. & City	Meter Deposit Refund	125.13
S.P. & City	Meter Deposit Refund	250.22
Phillips Wine & Spirits Co.	Liquor Store Inventory	1,982.91
Verizon Wireless	Communication Expense	206.38
VISA	Misc.	847.87
		<hr/>
		\$ 220,901.23

B. CLAIMS PAYABLE. Following review, discussion and deliberation, a motion was made by Mayor Burns, seconded by Member Lemke, to approve the Payable Claims List for April 2012. All members present voted in favor and the motion was declared carried.

A-1 Glass Co., Inc.	Ambulance – Windshield Repair	75.00
Abdo-Spotlight-Magic Wagon	Library Books	796.60
Abrams & Schmidt Attorneys	Consulting Attorney	1,336.50
Adamson Industries Corp	New Squad Accessories	924.85
Affordable Technology Sol.	Tech Services & Office Supplies	562.73
Airgas North Central	Oxygen/Acetylene & First Aid Kit	120.16
Also Discount Store	Battery, Misc. Supplies & Cleaning Supplies	35.22
Artic Glacier Inc.	Ice	62.68
Baker & Taylor Books	Library Books	579.66
Bell Lumber & Pole Company	Inventory	17,638.63
Bonanza Grain, Inc.	Maintenance Materials	386.89
Business Financial Planning	Cafeteria Plan	611.33
Caledonia Implement Co.	Bulk Steel	30.01
Caledonia Lumber Company	Materials for Van Shelf	75.77
Caledonia Oil Company	Car Maintenance & Batteries	1,078.93
Carquest Auto Parts Store	Safety Glasses	10.14
Century Manufacturing Corp	Cleaning Supplies	132.72
City of Caledonia Utilities	Electric, Water & Sewer	9,853.83
City of Caledonia Emp. Assn.	Association Dues	65.00
Commissioner of Revenue	State Withholding	1,299.44
Comstock Trucking	Maintenance Materials	78.00
Creative Product Sourcing, Inc.	Dare Program Supplies	387.82
Credit Bureau Data Inc.	Utility Collection Fees	16.80
Crystal Canyon/Ecowater	Drinking Water	21.49
Curt & Candy's Hardware Hank	Minor Equipment, Misc.	396.38
D S Electric Supply	Inventory, Misc.	645.41
Dakota Supply Group	Light – Inventory	5,020.69
Dakota Youth Ball Program	Registration Fee	100.00
Davy Engineering	Engineering Fees	7,577.19
Davy Laboratories	Lab, Parts	1,679.14
E O Johnson Company	Copier Agreement	532.87
ECM Publishers, Inc.	Advertising	878.90
Emergency Automotive Tech	Shipping on Bulb Exchange	24.24
Farmers Cooperative Elevator	Chemicals	95.02
Fire Safety USA, Inc.	Misc.	498.00
First Supply	Repair Parts	4.28
Goodyear Auto Service Center	Light – Van Tires	435.44
Gopher State One-Call	32 Location Notifications	43.50
Hale Skemp Hansen Skemp Sleik	Case No. 11-CV-67-A	344.96
Hawkin's Inc.	Chemicals	2,086.09
Hoskins Electric	Water Tower Wireless	14,373.00

Houston County Treasurer	April 2012 Fluorescent Bulb Collection	188.15
ING Instutional Plan Services	TSA payday 5/15/12	480.00
Innovative Office Solutions	Office Supplies	363.62
Jack Neumann Trucking	Freight Expense	35.00
Ken's Small Engine	Motor Fuel, Misc.	39.22
Kraus Oil Inc.	Unleaded	1,642.50
Locator Equipment, LLC	Battery Kit for Locator	442.10
Mayo Clinic Health System	Health Cards	6.00
Merchants Bank	Federal/Fica/Medicare	6,224.93
Metro Sales, Inc.	Copier Agreement	47.68
Midwest Tape	Library DVD's	158.74
MN Pipe & Equipment	Green Marking Paint	309.92
Mississippi Welders Supply Co.	Cylinder Deposit	14.11
MN Benefit Association	MBA payday 5-15-12	97.59
NCPERS Minnesota	payday 5-15-12	80.00
Northern Beverage Distribution	Liquor Store Inventory	1,603.70
Paustis & Sons Wine Company	Liquor Store Inventory	221.25
PT Welding & Driveshaft Repair	Materials for Dumpster	541.05
Public Emp Retirement Assn.	Payday 5-15-12	5,488.28
Quillin's IGA	Liquor Store Inventory	26.14
Resco	Inventory	35,402.31
Richard's Sanitation	Refuse Disposal	142.47
Rippe, Hammell & Murphy	Prosecution & General Matters	3,742.75
Ronco Engineering Sales, Inc.	Street Equipment – Galv Wire Rope	23.21
Schilling Supply Company	Copy Paper, Towels, Bags	264.72
Schott Distributing Co, Inc.	Liquor Store Inventory	3,324.30
Schulze Plumbing & Heating	FD Water Line Repair	317.25
SE Libraries Cooperating	Library – Auto Fees	395.42
SEMA Equipment, Inc.	Tractor Repairs	1,835.41
Skillings, Ryan	Travel Expense	39.35
Southern Wine & Spirits of MN	Liquor Store Inventory	1,329.25
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	167.10
Star Energy Services	2012 Project	3,993.64
Stars of Tomorrow	Registration Fee	275.00
Straight Forward Software, Inc.	Training/Data Import	80.00
Stuart C. Irby	Inventory	1,096.54
Tri-County Electric Co-op	Electric Energy	139,988.54
United Auto Supply Inc.	Repair Parts, Misc.	52.12
WatchGuard Video	Camera For New Squad	5,253.00
Wirtz Beverage Minnesota	Liquor Store Inventory	690.06
WWTP MPCA PFA Loan Fund	Loan Payment	3,500.00
		<u>3,500.00</u>
		\$ 291,385.76

OLD BUSINESS. None.

NEW BUSINESS.

A. HIRING OF TWO PART-TIME LIQUOR STORE CLERKS. City Clerk/Administrator Feely shared that a hiring committee, consisting of Mayor Burns, Member Murphy, City Clerk/Administrator Feely, and Liquor Store Manager Patty Gavin, recently interviewed three finalists for the position of part-time liquor store clerk. It was noted that the hiring committee recommended that Brittany Grossheim and Clay Schuldt be hired as part-time liquor store clerks at an hourly rate of \$7.25, with the understanding that a \$1.00 per hour increase be granted after

the successful completion of a performance evaluation following six months of employment. Discussion ensued. A motion was made by Mayor Burns, seconded by Member Murphy, to hire Brittany Grossheim and Clay Schuldt as part-time liquor store clerks at an hourly rate of \$7.25, with the understanding that a \$1.00 per hour increase be granted after the successful completion of a performance evaluation following six months of employment, and contingent upon the completion of successful background checks. All members present voted in favor and the motion was declared carried.

B. 2012 POOL APPOINTMENTS. City Clerk/Administrator Feely shared that a hiring committee, consisting of Mayor Burns, Member Vick, and City Clerk/Administrator Feely, recently interviewed lifeguards for the following positions: pool manager and two (2) co-assistant pool managers. It was noted that the hiring committee recommends that David Jergenson be appointed as the pool manager at an hourly rate of \$10.50, while Matt Jergenson and Megan Schmitz be appointed as assistant pool managers at an hourly rate of \$9.50. Discussion ensued. A motion was made by Mayor Burns, seconded by Member Vick, to approve the appointment of David Jergenson to the position of pool manager at an hourly rate of \$10.50, and the appointment of Matt Jergenson and Megan Schmitz to the position of co-assistant pool managers at an hourly rate of \$9.50. All members present voted in favor and the motion was declared carried.

C. EMT RESIGNATION. City Clerk/Administrator Feely shared that attached with the agenda was a resignation from EMT April Bayer, effective April 30, 2012. It was noted that Bayer served the ambulance department since August 8, 2011. A motion was made by Mayor Burns, seconded by Member Lemke. All members present voted in favor and the motion was declared carried.

D. AUTHORIZATION TO PURCHASE PARK AND REC EQUIPMENT. City Clerk/Administrator Feely shared that the following was attached with the agenda: (1) Email Estimate for 2012 Park and Rec Equipment from Miken Sports; (2) Copy of 2012 Inventory List from Park and Rec Director Craig Loeffler; and (3) Copy of 2012 Athletic Field Budget. Feely noted that to date the only funds expended from the Athletic Field budget included that of t-shirts and jerseys. Discussion ensued. A motion was made by Mayor Burns, seconded by Murphy, to approve spending up to \$1,800 on equipment for the 2012 season so as to stay within budget. All members present voted in favor and the motion was declared carried.

CLERK'S REPORT.

A. EMPLOYEE TIME RECORD. Attached with the agenda were the Employee Time Records for April 16, 2012 – April 29, 2012.

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

C. 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.

D. DISCUSS ELIGIBLE USES OF EDA REVOLVING LOAN FUNDS. City Clerk/Administrator Feely shared that per her inquiry to USDA RD, the City is not eligible to borrow funds from the RLF to complete community projects. Discussion ensued.

E. ANIMAL ORDINANCE UPDATE. City Clerk/Administrator Feely shared per her conversation with Police Chief Kurt Zehnder and Animal Control Officer Mike Gavin,

discussion will take place at the May 29 meeting regarding possibly adopting an ordinance to deal with dangerous and vicious dogs.

F. CALEDONIA AREA AQUATIC CENTER PROJECT. City Clerk/Administrator Feely shared inquired as to whether the Council had any concerns with Kwik Trip Scrip cards being sold at City Hall for the purpose of proceeds benefitting the aquatic center project. The consensus of the Council was that there were no concerns with Kwik Trip Scrip cards being sold at City Hall so long as all proceeds of the program helped to offset aquatic center project costs.

G. SOLID WASTE ORDINANCE UPDATE. City Clerk/Administrator Feely shared that she will be meeting with City Attorney Tim Murphy in the near future to review the Solid Waste Ordinance before bringing back to the City Council for final review and adoption.

H. WHOLESALE POWER RATE INCREASE FROM TRI-COUNTY ELECTRIC. City Clerk/Administrator Feely shared that Tri-County Electric has offered to pay for a rate study through Star Energy Services. Feely inquired as to whether the Council was interested in paying Star Energy Services Engineer Tom Nigon attend the upcoming meeting review his rate increase recommendations. It was noted that the cost to have Mr. Nigon attend the meeting would be \$144.00 per hour plus mileage expense for travel to and from the meeting. The consensus of the Council was for Mr. Nigon to attend the upcoming meeting and review his rate study findings.

I. CHAMBER OF COMMERCE BANNER REQUEST. City Clerk/Administrator Feely shared that a request was made at the recent Caledonia Area Chamber of Commerce meeting regarding having the banners put up along Main Street for the summer months. Feely noted that City staff would be putting up the banners when the flags are put up for Memorial Day weekend.

J. NEW AMBULANCE. City Clerk/Administrator Feely shared that the new ambulance is scheduled to arrive sometime in early June.

K. LIBRARY BENCH. City Clerk/Administrator Feely shared that Library Director Marla Burns requested permission to place two benches on the concrete slab outside of City Hall. It was noted that the benches would be four feet in length and paid for by the Friends of the Library group. The consensus was that the benches would add an aesthetically pleasing component to the entrance of City Hall.

MISCELLANEOUS ITEMS.

A. RYAN SKILLINGS. Ryan Skillings addressed the Council to say that he was not pleased that he was asked to attend a Certified Pool Operator training and the fact that he received a letter issuing him a directive to do so. City Clerk/Administrator Feely redirected Mr. Skillings to speak with his union representation regarding any concerns and then have them contact Feely or the City's labor relations representation to discuss the matter further.

ADJOURNMENT. A motion to adjourn was made by Mayor Burns, seconded by Member Vick, at 9:50 p.m. All members present voted in favor and the motion was declared carried.

Robert H. Burns
Mayor

Jennifer Feely
City Clerk/Administrator