

REGULAR MEETING OF THE CITY COUNCIL  
CITY OF CALEDONIA, MINNESOTA  
Monday, June 11, 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: Caledonia Argus Reporter Clay Schuldt.

AGENDA APPROVAL. A motion was made by Mayor Burns, seconded by Member Murphy, to approve the agenda with the following addition: TH 44 Preconstruction Meeting, Pressure Sewer Project, Steve Bauer Power Request. All members present voted in favor and the motion was declared carried.

CONSENT AGENDA. A motion was made by Mayor Burns, seconded by Member Murphy, 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, May 29, 2012.

VISITORS AND COMMUNICATIONS.

A. ADMINISTRATIVE COORDINATOR TOPICS.

1. DUANE OLSON ZONING. Administrative Coordinator Mike Gerardy shared that a zoning application was submitted by Duane Olson, 723 East Main Street, proposing to construct a 28'x30' (840 square feet) unattached garage, to be located approximately 5' from the north (rear) property line and 22' from the east (side) property line. Mr. Gerardy further noted that the proposal required consideration of the following variances: (1) A 5' setback variance on the north (rear) property line; (2) An 8' setback variance on the east (side) property line; and (3) A 40' square foot area variance. Discussion ensued. Hearing no comments or concerns from the public, a motion was made by Member Fisch, seconded by Member Vick, to approve the setbacks only. All members voted in favor and the motion was declared carried.

2. TRUCK UPDATE. Administrative Coordinator Gerardy shared that the used snow plow truck for sale in Chicago, Illinois that he went to view ended up having significant rust on the box due to being exposed to salt on a regular basis. As a result, Mr. Gerardy stated that the decision was made to forgo purchasing the used snow plow truck. Instead, Mr. Gerardy noted that he will continue researching used snow plow trucks available.

3. GERARLD PIEPER DRIVEWAY. Administrative Coordinator Gerardy shared that Gerald Pieper, 440 North Sunnyside Drive, would like to install a driveway curb cut in addition to an existing driveway curb cut for the purpose of accessing the rear of his property. Mr. Pieper was present and noted that he had no plans to put in driveway base as he would drive over his grass to access the rear of his property. Discussion ensued. A motion was made by Mayor Burns, seconded by Member Lemke, to approve the request. All members present voted in favor and the motion was declared carried.

4. TH 44 PRECONSTRUCTION MEETING IN WINONA. Administrative Coordinator Gerardy shared that he would be attending an upcoming preconstruction meeting in Winona for the TH 44 project with Light Department Line Foreman Matt Blocker, and Water/Wastewater Operator Ryan Skillings. Mayor Burns stated that he would make a phonecall in an effort to move the location of the meeting to Caledonia. No official action was taken as this item was included for informational purposes.

5. TREE DISPOSAL SITE REQUEST FROM EVERGREEN CEMETERY. City Clerk/Administrator Feely shared that a request was received from Robert Schroeder with Evergreen Cemetery to dispose of tree branches at no cost to the Evergreen Cemetery. Administrative Coordinator Gerardy noted that past practice has been to waive the fee to dispose of small brush at the disposal site. Mayor Burns noted that it should be on the record that the City will allow this practice of disposing small brush at no charge, however, if a tree were to be taken down and hauled to the disposal site, then the appropriate disposal fees would apply. No official action was taken as the consensus of the Council was to allow Evergreen Cemetery to continue disposing small brush to the City's disposal site at no charge.

B. COMMUNICATIONS.

1. CCC TABLE REQUEST. City Clerk/Administrator Feely shared that attached with the agenda was a letter from Caledonia Community Celebrations (CCC) regarding a request to waive the fees for tables to be used at the upcoming City Summer Fest. Feely reported that an anonymous donation was received with the intent of covering the rental cost of tables for the CCC event. No action was taken as a donation was received to cover the rental fees associated with the use of tables for the CCC event.

2. LETTER FROM SMIF. City Clerk/Administrator Feely shared that a letter was received from Southern Minnesota Initiative Foundation (SMIF) regarding a request for the City to invest in SMIF so as to help support the economic vitality within the 20-county region that Caledonia is part of. Feely reported that Tim Penny would be attending the upcoming July 9 City Council meeting to talk about SMIF. In addition, it was noted that Mr. Penny would be attending a Special EDA meeting at 5:00 p.m. on July 9 to talk about ways in which SMIF can assist the EDA in possibly developing a business incubator center. No action was taken as this item was included for informational purposes.

3. FLYER FROM THE CALEDONIA AREA CHAMBER OF COMMERCE. City Clerk/Administrator Feely shared that attached with the agenda was a flyer from the Caledonia Area Chamber of Commerce regarding an upcoming Annual Golf Outing on June 29, 2012 at MaCal Grove Golf Course. No action was taken as this item was included for informational purposes.

4. LETTER FROM HOUSTON COUNTY ENVIRONMENTAL SERVICES. City Clerk/Administrator Feely shared that a letter was received from Houston County Environmental Services regarding the recent 2012 Fluorescent and HID Bulb Collection. No action was taken as this item was included for informational purposes.

5. ALLIED RISK MANAGEMENT INVESTMENTS. City Clerk/Administrator Feely shared information received from Allied Risk Management Investments. Discussion ensued. The consensus of the Council was that there was no interest at the present time in pursuing a meeting to discuss services available through Allied Risk Management Investments.

6. CORRESPONDENCE RECEIVED IN RESPONSE TO DANGEROUS DOGS DISCUSSION. City Clerk/Administrator Feely shared that attached with the agenda was correspondence received from numerous dog breeders and individuals in response to the dangerous dogs discussion held at the May 29 City Council meeting. No action was taken as the correspondence was included for informational purposes.

7. FLYER FOR WINONA FRAC SAND PUBLIC INFORMATIONAL MEETING. City Clerk/Administrator Feely shared that attached with the agenda was a flyer for an upcoming Winona Frac Sand informational meeting. No action was taken as the item was included for informational purposes.

8. NOTICE FROM LMC. City Clerk/Administrator Feely shared that attached with the agenda was a memo from the League of Minnesota Cities (LMC) regarding notice of an upcoming dues increase for 2013. No action was taken as the notice was included for informational purposes.

#### CLAIMS

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

Caledonia Bakery	PD – Meeting Refreshments	25.20
Caledonia True Value	Miscellaneous Items	232.03
Kwik Trip Stores	Pool Project – Scrip	1,800.00
MN Pollution Control Agency	Stormwater Permit Application	400.00
Northern Beverage Distribution	Liquor Store Inventory	1,184.20
Printy Quik	Pool Project – 70 Case Statements	43.39
Schott Distributing Co, Inc.	Liquor Store Inventory	4,418.32
SE MN Fire Dept. Association	FD – Membership Dues	50.00
Seven Rivers Surplus LLC	Sewer – Misc.	9.62
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	109.10
Tri-State Ambulance, Inc.	Intercept Fee	250.00
G & F Distributing	Liquor Store Inventory	70.50
Jack Neumann Trucking	Liquor – Freight Expense	132.00
Johnson Brothers Liquor Co.	Liquor Store Inventory	3,622.83
Phillips Wine & Spirits Co.	Liquor Store Inventory	956.35
Ziebell’s Hiawatha Foods, Inc.	Liquor Store Inventory	18.50
Brownsville Fire Department	Reimbursement Training Expense	3,060.00

Caledonia Conv. & Tourism	Tourism	439.75
Houston Fire Department	Reimbursement Training Expense	400.00
LaCrescent Fire Department	Reimbursement Training Expense	800.00
Resco	Light – Inventory	14,421.29
Spring Grove Fire Department	Reimbursement Training Expense	1,800.00
Augedahl, Brad	Reimbursement – Ball Program Equip.	1,788.38
Equipment Management Co.	FD – Jaws of Life Repairs	525.00
Kwik Trip Stores	Pool Project – Scrip	1,530.00
Tri-State Ambulance	Intercept Fee	250.00
Business Financial Planning	Cafeteria Plan	611.33
Caledonia Oil Company	Unleaded	1,603.35
Chatfield, City of	WWTP Operators – May 2012	3,743.66
Commissioner of Revenue	State Withholding	1,300.51
Four Seasons Community Center	EDA Event	60.00
Gavin, Mike	Animal Control – Rent / Misc.	75.00
Hale Sknep Hansen Skemp Sleik	Case No. 11-CV-87-A	248.07
Holmen Youth Baseball	Registration Fee	175.00
Houston County Treasurer	Ho. Co. Collection Site	3,340.00
ING Institutional Plan Services	TSA Payday 5-29-12	480.00
Merchants Bank	Federal/FICA/Medicare	6,203.82
Northern Beverage Distribution	Liquor Store Inventory	1,801.95
Printy Quik	Pool Project	862.55
Public Emp. Retirement Assn.	PERA Payday 5-29-12	5,306.58
Schott Distributing Co, Inc.	Liquor Store Inventory	7,295.35
Southern Wine & Spirits of MN	Liquor Store Inventory	389.10
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	242.20
United Parcel Service	Ups Fee	115.87
Adamson Industries Corp.	New Squad Accessories	1,241.55
Advertising Concepts	Recreation Park – Shirts	2,243.00
M.C. & City	Meter Deposit Refund	250.05
J.I. & City	Meter Deposit Refund	250.10
H.L. & City	Meter Deposit Refund	250.25
Loeffler, Craig	Mileage Reimbursement	27.75
C.M. & City	Meter Deposit Refund	250.31
J.M. & City	Meter Deposit Refund	250.25
MN Dept. of Revenue	Sales/Use Tax	14,022.00
J.R. & City	Meter Deposit Refund	250.25
Richard’s Sanitation	Recycling – Collections	6,389.70
D.S. & City	Meter Deposit Refund	250.25
S.S. & City	Meter Deposit Refund	250.25
B.S. & City	Meter Deposit Refund	250.25
B.S. & City	Meter Deposit Refund	250.25
J.W. & City	Meter Deposit Refund	250.05
Ace Link Telecommunications	Communication Expense	1,120.81
Department of Transportation	Construction/Engineering – STH 44	144,619.33
Houston Co. Treasurer	AFG Grant – Reimbursement	2,122.30
Jack Neumann Trucking	Liquor – Freight Expense	35.00
Northern Beverage Distribution	Liquor Store Inventory	2,357.85
Schott Distributing Co, Inc.	Liquor Store Inventory	3,657.50
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	152.80
US Postal Service	Stamped Envelopes	6,492.80
Wirtz Beverage Distribution	Liquor Store Inventory	1,129.88
Abrams & Schmidt LLC	Consulting Attorney	5,496.50
Betz, Mark	Reimbursement Travel Expense	12.73
Commissioner of Revenue	State Withholding	184.12
Gerardy, Michael	Reimbursement Travel Expense	26.58
Merchants Bank	Federal/FICA/Medicare	1,194.30
Public Emp. Retirement Assn.	PERA Payday 6-4-12	790.55
Verizon Wireless	Communication Expense	207.45
Crescendo Consulting LLP	Pool Project	10,385.00
G & F Distributing	Liquor Store Inventory	50.60
Jack Neumann Trucking	Liquor – Freight Expense	100.00
Johnson Brothers Liquor Co.	Liquor Store Inventory	2,125.98
Phillips Wine & Spirits	Liquor Store Inventory	1,946.87
VISA	Travel Expense, Ambulance Lic. Renew	955.92
Ziebell’s Hiawatha Foods, Inc.	Liquor Store Inventory	58.58
Blue Cross Blue Shield of MN	Health Insurance	26,591.00

Kwik Trip Stores	Pool – Scrip	1,305.00
Riverland Community College	Training/House Burn	9.00
US Bank NA	GO Sewer Revenue Refunding Bond	6,181.25
TDS Media Direct	Liquor – Brochure Ad	205.00
Bob Bovee & Gail Heil	Music in the Park	350.00
Fusion	Music in the Park	400.00
Jim Busta Band	Music in the Park	599.99
Northern Beverage Distribution	Liquor Store Inventory	3,798.70
Schott Distributing Co, Inc.	Liquor Store Inventory	4,172.25
Southern Wine & Spirits of MN	Liquor Store Inventory	1,445.04
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	211.50
		<u>\$ 330,136.58</u>

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

Affordable Technology Sol.	Tech Services & Office Supplies	75.93
Alco Discount Store	Camera Battery, Phone Minutes, Misc.	159.55
Artic Glacier Inc.	Ice	387.02
Baker & Taylor Books	Library Books	985.20
Bonanza Grain, Inc.	Storm Sewer Materials	375.13
Brad's Electric, Inc.	Water – Well #6 Pump Install	699.98
Caledonia Implement Co.	Street Equipment Repair Materials	13.63
Caledonia Veterinary Clinic	Animal Control Services	159.50
Caledonia Wheel Alignment	Truck & Van Maintenance	206.66
Carquest Auto Parts Store	Repair Parts, Wiper Blades, Misc.	354.27
City of Caledonia	Utilities	9,673.40
Commercial Pool	Pool Chemicals	51.18
Crystal Canyon / Ecowater	Drinking Water	20.20
Dalco	Cleaning Supplies, T. Tissue	214.83
Davy Engineering	Engineering Fees	13,599.22
Davy Laboratories	Lab	1,641.58
Demco	Book Jacket Materials	215.98
Dueco, Inc.	Truck 91 & 106 Repairs & Testing	1,695.25
ECM Publishers, Inc.	Publications	761.36
Ellingson Motors	Van Maintenance	761.71
Expert T Billing	Ambulance Contracted Billing	725.00
Farmers Coop Elevator Co.	Chemicals	149.00
Gopher State One-Call	Location Notifications	81.20
Hawkins, Inc.	Chemicals	1,170.77
HD Electronics, Inc.	Locator Repairs	546.90
Hoskins Electric Company	Repair Outlets, Pump Switch Repair	363.53
In the Swim	Pool – Chemicals	1,312.85
Independent School District	City Share Crossing Guards	1,660.42
Industrial Hardware Dist, Inc.	FD – Truck 1420 Repair Part	44.42
Innovative Office Solutions	Office Supplies	378.53
Ken's Small Engine	Saw Chain & Bar Oil, Weed Eater	367.20
Kwik Trip Stores	PD – Dare Program Graduation	15.04
LaCrosse Tribune	52 Week Subscription	144.00
Lackore Electric Motor Repair	Repair Chlorine Pump	276.01
LaCrosse Forage & Turf Seed	Waterway Materials, Grass Seed	217.07
Menard's	Warming House	15.96
Meyer, Michael	Mow – 824 E. Grove Street	245.81
Midwest Tape	Library DVD's	547.78
Minnesota Dept. of Commerce	1 <sup>st</sup> Quarter Fiscal Year	460.71
Minnesota Dept. of Health	Water Service Connection Fee	1,809.00
MN Energy Resources	Natural Gas	1,099.47
Mississippi Welders Supply	Oxygen, Cylinder Deposit	172.93
Municipal Pipe Tool Company	Jet Clean Sanitary Sewer	10,052.31
Quillin's IGA	Liquor Store Inventory	32.80
Richard's Sanitation	Refuse Disposal	233.77
Rippe, Hammell & Murphy	Prosecution Matters	6,140.25
Rogich, Mike	Storage Unit Rent	500.00
Schilling Supply Company	Towels, Copy Paper, Bags	721.05
Schulze Plumbing & Heating	Pool Bath House Repairs	571.95
SE Libraries Cooperating	Barcodes, Auto Fees	404.83

Sherwin-Williams Company	Traffic Engineering – Yellow Curb Paint	29.00
Showcases	DVD Cases	49.50
St. Mary Auto Body Shop	PD Tow, FD Truck Repairs	1,517.31
Staggemeyer Stave Co, Inc.	Landscaping Materials	45.00
Storlie’s Portable Pit Stops	Toilet Rent	192.38
Stryker Sales Corporation	Ambulance Cot	11,976.00
T & R Service Company	PCB Analysis	60.00
Tri-County Electric Co-op	Electric Energy	152,557.82
United Auto Supply	Misc.	24.57
Upstart	Summer Reading Program	68.95
Wiebke Tire	Mount / Balance Tires	100.00
Wiebke Trading Company	Animal Control – Camera’s	633.00
Witt’s Pharmacy – Caledonia	Misc. Supplies	32.14
WWTP MPCA PFA Loan Fund	PFA Loan June 2012	3,500.00
Zarnoth Brush Works, Inc.	Street Equipment – Broom Refill	694.69
Zetronix Corp.	16GB HD DVR Pen	202.98
Merchants Bank	ACH Fee	29.74
Everest	Road Rescue Ambulance	117,652.00
Tri-County Electric	Electric Energy	88.81
Star Energy Services	2012 Project	1,545.32
Pioneer Manufacturing Co.	Marking Chalk	290.17
Airgas North Central	Oxygen/Acetylene	116.48
Bound Tree Medical	Ambulance Supplies	1,221.88
Buttell’s Lighting	Bulbs	57.60
Caledonia Bakery	Refreshments – EDA Meeting	16.80
Dueco	Truck 91 Repairs	2,785.84
Johnson Brothers Liquor Co.	Liquor Store Inventory	3,011.06
Jack Neumann Trucking	Freight Expense	112.00
Metro Sales, Inc.	PD Copier	50.93
		<u>\$ 361,174.11</u>

**OLD BUSINESS.**

A. **WATER/WASTEWATER OPERATOR POSITION.** City Clerk/Administrator Feely reported that to date, the City had received five (5) applications for the position of Water/Wastewater Operator. Discussion then ensued regarding scheduling interviews for Monday, June 18 and Wednesday, June 20. Feely noted that even if the City hired another Water/Wastewater Operator, there would still be a need to contract for a Class A operator to be able to legally operate the plant. It was noted that the City is currently contracting with Stantec for Class A operator services for a minimum of six (6) hours per week at a weekly cost of \$950.00. The consensus was for Feely to schedule Water/Wastewater Operator interviews for Monday, June 18 and Wednesday, June 20, with the Personnel Committee conducting the interview process.

B. **REQUEST FROM PODAWILTZ DEVELOPMENT CORPORATION.** City Clerk/Administrator Feely shared that attached with the agenda was an email from Mike Podawiltz with the Podawiltz Development Corporation regarding his request for the City Council to approve a resolution of support for a tax credit application for the acquisition and rehabilitation of West Main Townhomes, a 24 unit existing multifamily housing project. Discussion ensued. The consensus of the Council was to forgo approving a resolution of support for Mr. Podawiltz.

**NEW BUSINESS.**

A. **LIABILITY COVREAGE WAIVER FORM.** City Clerk/Administrator Feely shared that attached with the agenda was a liability waiver coverage form regarding waiver of liability limits option and excess liability coverage. Discussion ensued. A motion was made by Mayor Burns, seconded by Member Murphy, to waive the monetary limits on tort liability established by Minnesota Statutes 466.04, to the extent of the limits of the liability coverage obtained from LMCIT. All members present voted in favor and the motion was declared carried.

B. **AUTHORIZATION TO PURCHASE CHLORINATOR.** City Clerk/Administrator Feely shared attached with the agenda were two (2) quotes for the purchase of a new chlorinator. Feely went on to note that according to Water/Wastewater Operator Ryan Skillings, the City currently has three (3) chlorinators, all of which are at least 10-15 years old. As a result, Mr. Skillings requested authorization to purchase a new chlorinator to have on hand as a reserve. Discussion ensued. A motion was made by Mayor Burns, seconded by Member Fisch, to purchase a new chlorinator from Hawkins in the amount of \$1,105.00. All members present voted in favor and the motion was declared carried.

C. ACH AGREEMENT WITH MERCHANTS BANK. City Clerk/Administrator Feely shared that attached with the agenda an ACH agreement update from Merchants Bank in Caledonia. It was noted that the current charges and method of processing would remain the same. Discussion ensued. A motion was made by Member Fisch, seconded by Member Lemke, to approve the ACH agreement update from Merchants Bank in Caledonia. All members present voted in favor and the motion was declared carried.

D. AUTHORIZATION TO PURCHASE FIVE (5) YARDS OF ADDITIONAL BALLFIELD MATERIAL. City Clerk/Administrator Feely shared that pricing was obtained from Waupaca Sand for the purchase of five (5) additional yards of Red Diamond top dressing mix for the ballfield. It was noted that there would be a significant cost savings for the City to send an employee to pick up the top dressing rather than have the top dressing delivered to Caledonia. Discussion ensued. A motion was made by Mayor Burns, seconded by Member Lemke, for the Street Department to send an employee to pick up five (5) yards of Red Diamond Top Dressing Mix for the ballfield from Waupaca Sand at a cost of \$646.98, plus tax. All members present voted in favor and the motion was declared carried.

E. WORKERS' COMPENSATION RENEWAL QUOTE. City Clerk/Administrator Feely shared that attached with the agenda was a copy of the workers' compensation renewal quotation information that was received from the League of Minnesota Cities Insurance Trust (LMCIT). A motion was made by Mayor Burns, seconded by Member Murphy, to approve accepting the workers' compensation renewal quote from LMCIT totaling \$47,768. All members present voted in favor and the motion was declared carried.

F. APPOINTMENT OF ELECTION JUDGES FOR PRIMARY AND GENERAL ELECTION. City Clerk/Administrator Feely shared that a motion was necessary to appoint the following individuals, listed below, as Election Judges for the upcoming Primary and General Election:

Ethyelyn Gensmer	Lolita St. Mary (Head Election Judge for Precinct 2)
Rita Noel	Sandy Hanson
Iyla Mulvenna	LuEtta Fruechte
Lee Grippen	Mary Leary
Ronald Freigo	Winifred Schulte
Sue Kittleson	Mary Ellen Lapham
Lucille Lemke	Patricia Kaufman
Jane Hayes	Anita Deters
Robert Schroeder	Mary Schroeder
Jessica Kohnen	Joyce Guillaume
Vera Standish	Jennifer Feely (Election Administrator and Head Election Judge for Precinct 1).

Feely went on to review important upcoming election dates with the Council, noting that August 14 was the last day to file affidavits for candidacy for the November 6 general election. A motion was made by Mayor Burns, seconded by Member Vick, to appoint election judges for the Primary and General Election. All members present voted in favor and the motion was declared carried.

G. FIRE DEPARTMENT REQUEST TO FILL PRIVATE SWIMMING POOLS. City Clerk/Administrator Feely shared that a request was received from the fire department regarding obtaining permission to fill up private swimming pools as doing so would allow firefighters the opportunity to gain valuable training experience using a tanker truck and pump. Discussion ensued. No action was taken as the consensus of the Council was that there is too much liability risk involved with filling private swimming pools.

H. DETERMINATION OF EMPLOYMENT STATUS OF FIREFIGHTER. City Clerk/Administrator Feely shared that as per the recommendation of Fire Chief Chuck Gavin, Jesse Peterson was no longer an active member of the Caledonia Fire Department and was deemed to have resigned. It was noted that no formal resignation was received from Mr. Peterson despite efforts from Chief Gavin to contact Mr. Peterson regarding his status on the Caledonia Fire Department. Discussion ensued. A motion was made by Member Murphy, seconded by Member Fisch, to accept the apparent voluntary resignation of firefighter Jesse Peterson, effective his last date of service to the fire department. Voting in favor: Burns, Murphy, Fisch, and Vick. Voting against: None. Abstaining: Lemke. All members present voted in favor and the motion was declared carried.

I. DETERMINATION OF EMPLOYMENT STATUS OF AMBULANCE EMT. City Clerk/Administrator Feely shared that as per the recommendation of Ambulance Director Mike Tornstrom, Traci Heaney is no longer an active member of the Caledonia Ambulance Department. It was noted that no formal resignation was received from Ms. Heaney despite efforts from Director Tornstrom to contact Ms. Heaney regarding her status on the Caledonia Ambulance Department. Discussion ensued. Member Lemke distributed an email received from Ms. Heaney. The consensus of the Council was to hold off making a determination of employment status until the next meeting.

J. MIDI LOAN PROGRAM FINANCING AND PFA INTEREST RATE. City Clerk/Administrator Feely shared that attached with the agenda was a resolution in conjunction with the sewer rehab project for financing through the MIDI Loan Program. Discussion ensued. The consensus of the Council was that since Gary Kruckow stated that he did not wish to pursue the pressure sewer project, that the bids would be left to expire for the pressure sewer project. Therefore, the MIDI Loan amount would be reduced to \$160,847.80. A motion was made by Mayor Burns, seconded by Member Murphy, to approve the resolution providing for the issuance, sale, and delivery of a general obligation sewer revenue note, series 2012A; establishing the terms and conditions therefore; creating a project account and a debt service account therefore, and awarding the sale thereof, so long as the local banks were provided an opportunity to submit a bid, as well as a resolution approving the provisions of MN Statutes, Section 446A.086 to guarantee the payment of the principal and interest on the city's general obligation sewer revenue notes, series 2012A. All members present voted in favor and the motion was declared carried. Discussion then ensued regarding approving the sewer rehab and water meter contracts. The consensus of the Council was that the contracts should not be approved until the agreement with PFA for financing has been fully executed. A motion was made by Member Murphy, seconded by Mayor Burns, to send a letter to PFA to lock in the interest rate as of June 12, 2012. 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 May 14, 2012 – May 27, 2012.

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

C. LETTER FROM STATE DEMOGRAPHER. City Clerk/Administrator Feely shared that attached with the agenda was a letter from the State Demographer's Office regarding population and household estimates as of April 1, 2011.

D. AFG UPDATE. City Clerk/Administrator Feely shared that the AFG award is closed with the exception of filling out and submitting the closeout report which will not be available by AFG until the end of 2012. Feely went on to report that a reimbursement was recently issued to Houston County in the amount of \$2,122.30 as the actual federal share requested totaled \$618,754.00, leaving the grantee's share of the responsibility as 5 percent of this amount, or \$30,937.70. When the grant was initially awarded, the approved federal share was \$628,158.00, while the required grantee portion was \$33,060. Due to the fact that less than \$628,158 was utilized by the grantee, the matching 5% portion was less than the initial amount required. A check was received from the County in the amount of \$33,060 when the award was initially executed. Feely reported that the overpayment was returned last week to Houston County, and was be evident in the payables included with the City Council packet claims.

E. PURCHASE OF USED SQUAD CAR. City Clerk/Administrator Feely shared the Caledonia Police Department successfully purchased a used 2005 Crown Victoria squad car from Spring Grove in the amount of \$4,000.00 with approximately 60,348 miles.

F. COMMENCEMENT OF ELECTRICAL PROJECT. City Clerk/Administrator Feely shared that the electrical project for 2012 was scheduled to commence on Tuesday, June 12.

G. RESPONSE TO AQUATIC CENTER INQUIRY ABOUT INDOOR AQUATIC FACILITY. City Clerk/Administrator Feely shared that an inquiry was submitted to USAquatics regarding the feasibility of constructing an indoor aquatic center. It was noted that as per USAquatics, it would cost the City approximately \$600,000-\$700,000 annually to operate such a pool. In addition, it would cost approximately \$3.75 million dollars to construct a 25,000 square foot indoor pool.

H. STATUS OF SOLID WASTE ORDINANCE. City Clerk/Administrator Feely shared that the solid waste ordinance would be included in the upcoming June 25 City Council packet after City Attorney Tim Murphy had a chance to review and approve.

I. STEVE BAUER POWER LINE REQUEST. City Clerk/Administrator Feely shared that per her conversation with City Light Department Line Foreman Matt Blocker, Steve Bauer was requesting the power be shut off so as to allow him to take down a tree. The consensus was for Mr. Blocker to attend the upcoming meeting to explain the request in more detail with the City Council.

J. SATISFACTION OF MORTGAGE. City Clerk/Administrator Feely shared that Sno Pac Foods recently paid their EDA loans in full and that City Attorney Murphy had recently drawn up the Satisfaction of Mortgage documents requiring the EDA President's signature as well as the Clerk/Administrator's signature.

MISCELLANEOUS ITEMS. None.

ADJOURNMENT. A motion to adjourn was made by Mayor Burns, seconded by Member Vick, at 9:15 p.m. All members present voted in favor and the motion was declared carried.

---

Jennifer Feely  
City Clerk/Administrator

---

Robert H. Burns  
Mayor