

REGULAR MEETING OF THE CITY COUNCIL  
CITY OF CALEDONIA, MINNESOTA  
Monday, August 24, 2009

CALL TO ORDER: Following due call and notice thereof, Mayor Burns called the meeting to order at 6:02 p.m. in the Council Room, City Hall.

ROLL CALL: Members present: Mayor Robert H. Burns; Council Members: Randi Vick, Peggy Perry, Robert Lemke and Tom Murphy. Members absent: None. Consultants and City staff present: Mike Gerardy, Kurt Zehnder and Robert L. Nelson. Visitors present: Brandon Wold, Randy Shefelbine and Charlie Warner, Report (6:48 p.m.).

AGENDA APPROVAL: Member Murphy recommended discussing preparation of a capital improvements list during the second meeting of October 2009 and recommended further discussion at this meeting take place during the city accountant's presentation.

CONSENT AGENDA: Following brief discussion, a motion was made by Member Lemke, seconded by Member Perry, to approve the Consent Agenda items, listed below. All members voted in favor and the motion was declared carried.

A. MINUTES OF PAST MEETINGS: To approve the minutes of the Regular Meeting held Monday, August 10; Special Meeting held Tuesday, August 11 and Continued Meeting held Thursday, August 13, 2009, as presented.

VISITORS AND COMMUNICATIONS

A. ADMINISTRATOR COORDINATOR TOPICS

1. ZONING APPLICATION – WOLD: Brandon Wold, 406 East South Street, and Mike Gerardy, Zoning Administrator, described Mr. Wold's proposal to construct a 24' x 24' unattached garage to be located approximately 7' from the east (side) property line and 7' from the south (rear) property line. That location would be the same setback variance as an adjoining neighbor has for his garage. Asked if that is the minimum variance in order to achieve the project, Mr. Wold contended that it was the minimum variance because moving the garage further from the property line would mean eliminating one or two trees in the rear yard. Following discussion, a motion was made by Mayor Burns, seconded by Member Lemke, to approve the 3' setback variance on the east and south property lines. Members voting in favor: Burns, Perry, Lemke and Murphy. Opposed: Vick. The motion was declared carried.
2. HAND SANITIZERS: Mr. Gerardy displayed quotes received from DELCO and Schilling Paper Company for hand sanitizer and cream purchases for the City Hall and other city departments. The better price appeared to be Schilling Paper Company for a case price of \$81.09 as opposed to DELCO's price of \$94.61. The proposed sanitizer is Purell. The Council by general consensus authorized Mr. Gerardy to purchase the Purell from the lesser expensive company, but Member Perry commented that he should contact the CDC before ordering to be assured that the product will counter act germs producing the H1N1 Virus.
3. OTHER TOPICS: Mr. Gerardy updated the Council on a number of other issues.
  - Mr. Gerardy informed the Council that the traffic controller device would be installed the following day.
  - In completing renovations to the waste water treatment plant control panel, the computer device had been installed by the electrician; finding it did not perform as planned, it was then removed and returned to the factory for adjustment.
  - Regarding lightning damage to controls at the waste water treatment plant, one final item is remaining to be installed, the cost for which will be submitted to the insurance company.
  - Mr. Gerardy explained the most recent work being done on the Houston County parking lot north of Sunset Boulevard.
  - Mr. Gerardy reported that the street materials ended up costing approximately \$10,000 to replace the culverts, whereas the estimate was \$9,200. The next work in Sunnyside would be to attempt to seal off the sink hole.

4. PORTABLE ADVERTISING SIGN: Member Vick asked Mr. Gerardy what his opinion would be of the City taking over the Founders Days advertising sign which is mounted on a trailer and has the flashing arrow. Discussion was held among all Council Members and Mr. Gerardy about how the City would control the sign and whether or not the City it would continue to be used for advertising private events or be limited to City activities only. Following discussion, a motion was made by Mayor Burns, seconded by Member Perry, to accept the advertising sign if Founders Days no longer wished to continue its use, but to limit the sign to City activities only, meaning that it would not be rented out to other organizations or private entities. All members voted in favor and the motion was declared carried.

B. POLICE DEPARTMENT

1. WAGES FOR TESTIMONY – SHEFELBINE: Randy Shefelbine, past Police Chief, requested the Council to consider making payment for his charges to return and testify in criminal cases which had not been tried during his active service as Police Chief. Mr. Shefelbine said he was charging mileage and for a portion of his hours at the rate of time and one half. Clerk Nelson explained that Chief Shefelbine had informed the Clerk's Office that he had contacted Court Administration prior to his retirement, forecasting the event and asking that all cases for which he would be required to testify would be tried before his retirement date of June 1<sup>st</sup>. Several cases were not tried before his retirement, casing him to now return and testify after retirement. Nelson informed the Council that Mr. Shefelbine had submitted claims to the City Clerk's Office for mileage and charges for a portion of his time reviewing the cases and testifying in court at the rate of time and one half his final police chief salary. Because Houston County had not scheduled these cases prior to his retirement date, Clerk Nelson says he submitted the claims to Houston County, requesting their consideration for payment. The County then submitted a proposal to Mr. Shefelbine that it would pay mileage and a flat rate of \$20 for each case. Clerk Nelson proposed to the Council that the County be allowed to pay mileage and \$20 and the City would then pay the difference resulting in a reimbursement of time and one half as Mr. Shefelbine requested. When discussion concluded, a motion was made by Mayor Burns, seconded by Member Vick, to cost share with Houston County in such manner that the final result would reimburse Mr. Shefelbine for mileage and time and one half for the hours he charged. Members voting in favor: Burns, Vick, Lemke and Murphy. Opposed: Perry. The motion was declared carried.

(Charlie Warner, Reporter, arrived at the meeting – 6:48 p.m.)

2. ISSUE OF LOST \$795: Mr. Shefelbine asked the Council if it were willing to reimburse him the \$532 paid out of his personal funds to reimburse a defendant who was released from court trial because the County failed to bring the case to trial before the statute of limitations expired. While Council Members commented that he should have contacted the Council or City Clerk's Office or City Attorney at the time, Mr. Shefelbine contented that the judge had ordered immediate reimbursement of the individual, since he had filed a civil claim against the City demanding the return of his money. Mr. Shefelbine explained the circumstances in chronological order and presented details of how the event proceeded. Following discussion, a motion was made by Member Vick, seconded by Member Murphy, to reimburse Mr. Shefelbine his \$532 and to reimburse the TIP Fund from which he took the other \$263 in order to reimburse the subject the full \$795, contingent upon the signed release from the subject for having received the \$795 and a copy of Mr. Shefelbine's checking or savings account showing the date he withdrew the funds to pay the subject. Members voting in favor: Burns, Vick, Lemke and Murphy. Opposed: Perry. The motion was declared carried.

C. VANDALISM: Lisa Loomis, 704 North Sprague Street, did not attend the meeting.

D. POLICE DEPARTMENT

1. POLICY HANDBOOK: Kurt Zehnder, Police Chief, informed the Council he had revised the police department administrative handbook, updating out of date sections and adding sections which had not previously existed. Maintaining proper control of evidence was one of the newly added sections. Following discussion, a motion was made by Mayor Burns, seconded by Member Perry, to

approve the policy handbook revisions. All members voted in favor and the motion was declared carried.

2. OTHER TOPICS: Chief Zehnder informed the Council that he is still gathering data for the traffic study on Highway 44. He reported that policing at the fair went well, although there needs to be better communication between the fair board and the police department.

E. CITY ACCOUNTANT: Stephanie Mann, City Accountant reviewed the cash and investment sheet, reporting that the July 31 balance of cash was \$586,858.94 and investments totaled \$2,547,900. Ms. Mann reviewed the budget worksheets for calendar year 2009 through the period July 31. Expenditures of \$921,427 appear to be on target, being under seven twelfths of the budgeted amount for 2009. Ms. Mann then reviewed the final budget worksheet for calendar year 2008. Showing for the general fund actual revenues of \$2,160,405.12 with total expenditures of \$2,497,886.92 leaving a deficit of \$337,481.80. She conducted a review of the enterprise funds, as well.

F. PROPOSED TAX LEVY: Ms. Mann and Clerk Nelson reviewed with the Council a draft proposal for the 2009 tax levy, collectible in 2010. Ms. Mann reviewed a series of five possible tax levies, each taking into consideration a levy for the general fund, a levy for the indebtedness funds and a levy for recouping the monies un-allotted from Local Government Aid for calendar year 2008 and calendar year 2009. The amount of money un-allotted from Local Government Aid was \$54,060 in 2008 and \$74,304 in 2009. The lowest proposed draft amount was an 8.4% increase and the highest draft levy amount was 20.71% increase. The 8.04% increase would result in a total levy of \$561,477 and the 20.71% increase would result in a total levy of \$627,363. Ms. Mann presented a bar chart of municipalities, their population and levy for calendar year 2009 calculated to a per capita amount. The chart was comprised of 15 municipalities in Southeast Minnesota with Caledonia having had a per capita levy of \$177.80 as the lowest per capita levy. The highest per capita levy was in the City of Harmony at \$526.41. Following discussion, the Council agreed by general consensus to discuss the levy and 2010 budget at the Regular Meeting to be held November 9, 2009 with the final budget and tax levy to be determined at the Regular Meeting to be held on December 14, 2009. A motion was made by Mayor Burns, seconded by Member Murphy, to set a proposed tax levy at a 20.71% increase. All members voted in favor and the motion was declared carried.

#### OLD BUSINESS

A. CLERK – ADMINISTRATOR’S POSITION: Clerk Nelson introduced discussion asking the Council if they wished to reconsider their decision on the evening on August 13 to bypass background investigations. Since the Council had an initial stages of preparation for hiring for the Clerk – Administrator’s position endorsed having background investigations, Nelson asked if they would believe it a wiser choice to proceed with investigations to assure, as far as possible, the integrity of the future Administrator. Following discussion, a motion was made by Mayor Burns, seconded by Member Perry, to authorize background investigations to be conducted on the top three candidates. Investigations are to be conducted by Kelley McGraw and City Attorney Tim Murphy. Clerk Nelson is to request Attorney Murphy to speak with the City Attorney’s of other communities where these applicants have worked. All members voted in favor and the motion was declared carried.

#### NEW BUSINESS

A. SCHEDULE OF SALUTES: Council Members reviewed the schedule of salutes and selected some to be funded by the City. Following discussion, a motion was made by Mayor Burns, seconded by Member Perry, to approve those salutes selected at the meeting and to direct Clerk Nelson to select other salutes for approval up to a grand total of 8 salutes. All members voted in favor and the motion was declared carried.

B. AUDIT QUOTES: Enclosed with the Agenda were proposals from Tostrud & Temp for prices to conduct the annual audit for calendar years 2009, 2010 and 2011 in the amounts of \$16,900, \$17,750 and \$18,350. A second, larger amount was stated if the audit year required a Single Audit due to receiving a qualifying amount of federal funds. Nelson reported that the actual audit cost for calendar year 2008 was \$19,175 and the actual cost for calendar year 2007 was \$19,735. Following discussion, a motion was made by Mayor Burns, seconded by Member Perry to approve the proposals for calendar years 2009 through 2011 as stated by Tostrud and Temp. All members voted in favor and the motion was declared carried.

CLERK'S REPORT

A. TRAINING SESSIONS: Enclosed with the Agenda was an early forecast of training sessions to be held this fall. Council members are welcome to attend any of these sessions along with pertinent employees.

B. ELECTRICAL IMPROVEMENT PROJECT: Tom Nigon, PowerPlus Engineering, reports that he and his staff are currently revising plans to replace transformers and other electrical apparatus in the rear yard locations where the existing boxes are located. Plans will be prepared for construction in the spring / summer of 2010.

MISCELLANEOUS ITEMS

A. WINNEBAGO STREET IMPROVEMENTS: Mayor Burns reported that he had a discussion with Houston County Engineer Brian Pogodzinski. Concerning sidewalks to be incorporated into the project, Mayor Burns recommended that the sidewalk beginning at the south city limits be located on the east side of Winnebago Street, but cross to the west side on the north side of Bush Street. Explaining the rationale for this cross from east to west, Mayor Burns and other council members stated that the value of trees located on the east side was sufficient to prompt the move of the sidewalk to the west boulevard.

ADJOURNMENT: There being no further business before the Council, a motion to adjourn was made by Mayor Burns and seconded by Member Perry. All members voted in favor, the motion was declared carried and the meeting then adjourned at 9:17 p.m. The next Regular Meeting of the City Council is scheduled for 6:00 p.m., Monday, September 14, 2009, in the Council Room, City Hall.

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Robert H. Burns, Mayor

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Robert L. Nelson  
City Clerk - Administrator