

REGULAR MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Monday, August 27, 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: Interim City Clerk/Administrator Paul Sparks, Administrative Coordinator Mike Gerardy, Accountant Stephanie Mann and Secretary Jessica Kohnen. Visitors present: Norman Snodgrass, Kate Peterson, Brianne Wood, Kathy Richards and Caledonia Argus Reporter Clay Schuldt.

AGENDA APPROVAL: A motion was made by Mayor Burns, seconded by Member Vick, to approve the agenda with the following additions: Bonanza Grain Engineering Costs and two Caledonia Argus Advertisements. All members 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. 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 13, 2012 and the Special Meeting held Monday, August 20, 2012.

VISITORS AND COMMUNICATIONS

A. ADMINISTRATIVE COORDINATOR TOPICS

1. ZONING APPLICATION – NORMAN SNODGRASS: Administrative Coordinator Mike Gerardy reviewed the zoning application submitted by Norman Snodgrass. Mr. Snodgrass lives at 1110 East Grant Street and is proposing to construct a 26' x 46' storage shed with 16 foot high ceilings and 14 foot high overhead doors on each end, therefore requesting a 4' height variance for each of the two garage doors. Mayor Burns requested clarification that this building was for residential use and not for commercial use. Mr. Snodgrass assured the Council it was not for his commercial trucks, rather to store his camper. Member Murphy asked if the City has recourse if the building does get used for commercial purposes rather than just residential use. Mayor Burns and Mr. Gerardy indicated that the City Zoning Ordinance would give them recourse. Following discussion, a motion was made by Mayor Burns, seconded by Member Vick, to approve the zoning application and grant the 4' height variance, because the storage shed will sit in a lower elevation to the house and will match the appearance of the house. All members voted in favor and the motion was declared carried.

- B. PLOW TRUCK UPDATE: Administrative Coordinator Gerardy reported to the Council that the used plow truck is ready and they will be going to get it on Wednesday, August 29.

B. METH LAB INQUIRY: Kathy Richards and Brianne Woods approached the Council stating that Houston County Public Health Director Deb Rock said they were going to test the trailer that the meth lab was in and then destroy it. Ms. Richards stated she would like to see the trailer not destroyed, but rather have the Cole's pay the City back for the cost of cleaning and testing in January of 2013. The Council indicated their hands are tied and Ms. Rock and Houston

County Sheriff Doug Ely are the ones who they need to talk to. The City is responsible for the costs of cleaning, testing and destroying the trailer because it lies within the jurisdiction of the City. Ms. Richards asked if the trailer is tested and comes back with low levels why the trailer can't be cleaned versus destroyed. The Council suggested she seek the advice from the Houston County Attorney as there are guidelines by the State of Minnesota that need to be followed.

C. CITY ACCOUNTANT TOPICS

1. 2011 TIF REPORT: City Accountant Stephanie Mann reviewed the 2011 TIF Reporting Forms that were submitted to the State Auditor's Office by Shannon Sweeney from David Drown Associates. Discussion was held on whether to decertify the Williams Hotel TIF 1-1, the consensus of the Council was to review this TIF again next year.
2. EQUIPMENT PURCHASES: Accountant Mann and Secretary Jessica Kohnen presented four estimates from E O Johnson Office Technologies for new copy machines in the Clerk's Office and the Police Department. Ms. Mann indicated money was allotted for leasing options when the 2012 budget was prepared. Discussion included cost comparisons to the current maintenance agreement and the quoted one and whether a color or black and white copy machine was needed. A motion was made by Member Fisch, seconded by Member Vick, to approve a three year lease agreement for two color copy machines – one for the Police Department and one for the Clerk's Office. During discussion, Member Murphy asked why another quote was not obtained from Metro Sales. Ms. Kohnen stated she believed other quotes were obtained during to the 2012 budget process, but for whatever reason, E O Johnson's quotes were the ones used to complete the budget. Member Murphy asked Ms. Mann what this would do to the general fund and he feels a color copy machine is not needed. Mayor Burns called for vote by order. Member voting in favor: Fisch and Vick. Opposed: Lemke, Burns and Murphy. The motion failed. Discussion continued, Mayor Burns stated he felt a five year lease option was a better option. Member Murphy indicated he would not be in favor of leasing anything until January 2013. Mayor Burns made a motion, seconded by Member Lemke, to enter into a five year lease agreement with E O Johnson Technologies for a color copy machine for the Clerk's Office only. Member voting in favor: Burns, Lemke, Fisch and Vick. Opposed: Murphy. The motion was declared carried.
3. CASH AND INVESTMENTS: Accountant Mann reviewed the Cash and Investments sheet with the Council. No action was taken.
4. BUDGET WORKSHEET: Accountant Mann reviewed the 2012 Budget Worksheet through July 2012. Discussion was held on the capital equipment and projects. No action was taken.
5. 2013 LEVY DISCUSSION: Discussion was held on setting the proposed 2013 Levy. Mayor Burns scheduled a Special Meeting for 6:30 p.m., Wednesday, September 5, 2012, for the purpose of budget review and setting the proposed 2013 Levy. Accountant Mann indicated she would have the rough draft of the budget to them by Friday. Member Fisch reminded Ms. Mann to include the 1.7 million for the Aquatic Center in the 2013 Pool Budget.

F. COMMUNICATIONS: None.

OLD BUSINESS

A. CITY INSURANCE ANSWERS – TOM DANIELSON MEMO: Interim City Clerk – Administrator Paul Sparks reviewed a memo he received from Tom Danielson answering questions that were raised during the August 13, 2013, Regular Meeting that he attend. No action was taken.

B. WAIVER OF LATE FEES FOR WATER/SEWER BILLS FOR FINAL READINGS BILL: Interim City Clerk – Administrator Sparks said that the Utility Billing Program will allow the City to adjust the late penalties on an individual basis. The Council indicated they would like to deal with the issue on a case by case scenario.

C. CONTRACTOR'S PAY ESTIMATE – DAKOTA SUPPLY GROUP – WATER METERS: Enclosed with the Agenda was a contractor's pay estimate in the amount of \$201,475.10. Davy Engineering has reviewed the estimate and recommends paying. A motion was made by Member Lemke, seconded by Member Fisch, to approve the Contractors pay estimate. All members voted in favor and the motion was declared carried.

D. BONANZA GRAIN ENGINEERING COSTS: Interim City Clerk – Administrator Sparks informed the Council that he contacted the League of MN Cities to inquire whether the City could assess the expenses or file a cause of action lawsuit. Mr. Sparks indicated there was not a lot of hope for either. He stated the City could not assess the expenses because there was no improvement made to the property which an assessment requires. Mr. Sparks further indicated that a cause of action lawsuit is difficult if no contract was formed with the property owner. Mr. Sparks stated the League is still researching whether the City could file a lien against the property.

NEW BUSINESS

A. CLOSE OUT OF SEPARATE POOL FUND CHECKING ACCOUNT: Interim City Clerk – Administrator Sparks suggested that the separate checking account that was established for the Capital Campaign Pool Project be closed out and the money be deposited into the City's general account. Mr. Sparks indicated that by having the money in the City's account would be a better accounting practice. A motion was made by Mayor Burns, seconded by Member Fisch, to close out the separate Caledonia Community Pool Fund checking account and to send the money currently in the account to the City's general account with the money being coded into a special account. All members voted in favor and the motion was declared carried.

B. MAINTENANCE AGREEMENT FOR ROUTINE COMPUTER SERVICING: Enclosed with the Agenda was a Maintenance Service Agreement from Affordable Technology Solutions, this is a new service they are offering. Discussion was held on the Agreement, Ms. Kohnen was asked to research the agreement further and report back to the next meeting.

C. CALEDONIA ARGUS ADVERTISEMENTS: Member Vick requested approval to run a thank you ad for Music in the Park at the approximate cost of \$21.90. Interim City Clerk – Administrator Sparks shared he received an e-mail from the Caledonia Argus asking if the City wished to advertise in the Wild Turkey Times as they have in the past, the cost of the advertisement is \$550.00. Following discussion, a motion was made by Member Vick, seconded by Member Murphy to approve the two advertisements in the Caledonia Argus. All members voted in favor and the motion was declared carried.

CLERK'S REPORT

A. EMPLOYEE TIME RECORD: Enclosed with the Agenda was the Employee Time Record for pay period August 6 – 19, 2012. Discussion was held on the overtime for Ryan Skillings and Coady Heiderscheit. The Council agreed by general consensus that their weekend overtime can continue until the end of September at which time they must go back to the practice of taking 6 hours off during the week so as to avoid overtime on the weekends they are scheduled to work.

MISCELLANEOUS ITEMS

A. GRANT STREET LIGHT: Mayor Burns introduced discussion on a call her received about a light down on the East Grant Street cul-de-sac. He asked if City Electrician Matt Blocker could take a look.

B. SIDEWALK FALL: Interim City Clerk – Administrator Sparks informed the Council that an individual fell on the sidewalk between Elsie's Bar & Grill and Soul Sister Funk Fashion Express. He stated the woman did receive significant facial injuries and a claim has been filed. The Insurance Adjustor will be coming to Caledonia on Tuesday, August 28th to take a look at the sidewalk.

CLOSED SESSION: We closed the meeting at 9:37 pm to discuss labor negotiations. The closed session was recorded and a copy of the recording will be kept on file. The closed session was declared closed at 10:08 pm by Mayor Burns and the regular meeting was re-convened.

ADJOURNMENT: There being no further business to come before the Council, Mayor Burns moved to adjourn, seconded by Member Vick. All voted in favor of the motion and the motion was declared passed and the meeting was adjourned at 10:09 p.m.

Robert H. Burns
Mayor

Paul Sparks
Interim City Clerk/Administrator