

REGULAR MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Monday, August 8, 2005

CALL TO ORDER: Following due call and notice thereof, Mayor Morey called the meeting to order at 7:00 p.m. in the Council Room, City Hall.

ROLL CALL: Members present: Mayor Michael J. Morey; Council Members Paul Fisch, Randi Vick, and Gary Klug. Members absent: Robert Standish. Consultants and City staff present: Michael Gerardy. Visitors present: Larry Salm, Nikki Rud, Mr. and Mrs. Lyle Lapham, John Esch and Jane Palen, reporter.

CONSENT AGENDA: Following brief discussion, a motion was made by Member Fisch, seconded by Member Klug, to approve the Consent Agenda items, listed below. All members 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, July 25, 2005, as presented.

B. SEMINARS – ELECTRIC DEPARTMENT

1. 2005 SUBSTATION SCHOOL: To approve Matt Blocker's attendance, August 23 – 25, at the Rochester Public Utilities for a registration fee of \$350, mileage and other miscellaneous expense such as parking fees.
2. ARC FLASH HAZARD ANALYSIS: To approve attendance by Matt Blocker and Tim Evans at the Rochester Public Utilities for registration fee of \$175 each plus mileage and any miscellaneous expense reimbursement.
3. 2005 OVERHEAD SCHOOL: To approve attendance by Matt Blocker and Tim Evans, September 27 – 30, at the MMUA Training Center in Marshall for registration fees of \$375 each, hotel room expense for the three nights, mileage, meals and reimbursement of miscellaneous expenses.

VISITORS AND COMMUNICATION

A. MULTI-FAMILY HOUSING: The Council reviewed a letter, which had been sent to landlords, proposing that the City would begin enforcement of the Conditional Use Permit process for converting single family homes to multi-family uses. Discussion over the issue was conducted with the Mr. and Mrs. Lyle Lapham and John Esch, who asked questions for which answers were not clearly discernable. Following discussion, the issue was referred to committee for further clarification and presentation at a future council meeting.

B. LIQUOR STORE EMPLOYMENT: Larry Salm, previous liquor store retail clerk, inquired of the Council what had been done concerning the letter written to them charging discrimination and reporting other undesirable conditions at the Municipal Liquor Store where he had recently been employed. Mr. Salm contended that a change had been made to the work schedule, causing him to miss work on Saturday, July 16, making the assertion that the change of work schedule was contrived to set him up for dismissal since he was the only male employed at the store. Mayor Morey responded that a Council Committee will meet with Patty Gavin, Liquor Store Manager and City Attorney Tim Murphy to review his claims. Mr. Salm also presented a booklet, containing telephone numbers to assist the elderly, needy and new comers to the community, who required emergency services or financial assistance. Mr. Salm was the designer and author of this booklet. No action was taken at this time.

C. COMMUNICATIONS

1. The Wheel, August 2005.
2. Agenda, Commercial – Industrial and Ag – Business Subcommittee Meeting, Houston County Economic Development Authority, 8:00 a.m., 8-10-05, Caledonia City Hall.
3. Meeting Minutes, Commercial – Industrial and Ag – Business Subcommittee, Houston County Economic Development Authority, 6-15-05.

CLAIMS

A. PREPAID CLAIMS: Following review, discussion and deliberation, a motion was made by Member Fisch, seconded by Member Vick, to approve the Prepaid Claims List for July 2005. All members present voted in favor and the motion was declared carried.

Badger Environmental & Ear	Estimate #7	28,607.62
Corvel Corporation	City Of Caledonia – MCO Enrollment	357.00
Crystal Canyon Ice	Cooler Rent	69.64
Kraus Oil Company	Unleaded Gas	1,026.00
Mauss Pumping Service, Inc.	Portable Toilet	79.88
Metro Sports	Bat/Baseballs	230.00
Bangor Rec Department	Tourney Fee – Boys	85.00
Betz Estate, Shirley	Ambulance Refund	391.75
Buttell's Lighting	Bulbs	136.02
Carquest Auto Parts	Miscellaneous Supplies	228.16
Moe Fencing, Inc.	Fence Repair	298.20
Northern Beverage Distribution	Beer	1,868.50
Schott Distributing Co., Inc.	Beer	1,822.05
Winona Area Ambulance Svcs.	Contracted Billing	740.00
Independent School District	Pitching Machine Rent	200.00
Sam's Club	Concession Stand	208.92
Bank of the West	Fed/Fica/Medicare	9,004.50
Caledonia True Value	Miscellaneous Supplies	137.38
City Of Caledonia	Employee Share Health Insurance	658.25
City Of Caledonia Emp. Assn.	Association Dues – Month of July	150.00
City of Onalaska	Registration Fee – Girls	100.00
Commissioner of Revenue	State Withholding	3,348.18
Griggs, Cooper & Company	Liquor / Wine	2,171.50
Johnson Brothers Liquor Co.	Liquor / Wine	1,916.20
Minnesota NCPERS Life Ins.	NCPERS Insurance	32.00
MN Benefit Association	MBA Insurance	152.63
Orchard Trust Company	TSA	1,255.00
Phillips Wine & Spirits Co.	Liquor / Wine	1,448.63
Public Emp. Retirement Assn.	PERA	3,767.34
Tri – State Ambulance Service	Reimbursement for Bulb	44.99
League of MN Cities	Registration Fees	235.00
League of MN Cities Ins. Trust	Volunteer Coverage	431.00
Midwest Wireless Comm.	Mobile Units	206.99
Minnesota Dept. of Commerce	Alt Energy Fee	35.88
MN Dept. of Public Safety	Chemical Assessment Fee	400.00
Municipal Economic Devel.	TIF Management Services	778.31
Nelson, Kathy	Refund of Final Water Bill	18.24
Northland Securities	Disclosure Report	1,450.00
Petty Cash	Replenish Petty Cash	91.22
League of MN Cities Ins. Trust	Work Comp	29,797.00
Jahn's Transfer, Inc.	Liquor – Freight Expense	50.09
Northern Beverage Distribution	Beer	534.55
Pepsi Cola Bottling Co.	Soft Drinks	63.60
Schott Distributing Co, Inc.	Beer & Root Beer	4,430.35
Spring Grove Soda Pop, Inc.	Beer & Soft Drinks	532.05
Ziebell's Hiawatha Foods, Inc.	Liquor – Mix	105.19
Bebbe & City, Shar	Meter Deposit Refund	76.54
Bollom & City, Duane	Meter Deposit Refund	76.27
Bray & City, Paul	Meter Deposit Refund	212.00
Brennan & City, Danielle	Meter Deposit Refund	75.57
Finn & City, Jeff	Meter Deposit Refund	204.87
Grenawalt & City, Crystal	Meter Deposit Refund	75.57
Houston County Treasurer	Forfeiture Case	1,107.15
Jackson & City, Christina	Meter Deposit Refund	77.61
Johnson & City, Kevin	Meter Deposit Refund	208.57
Macatee – Bryant & City, Diane	Meter Deposit Refund	76.00
Treasury Division, Finance	Forfeiture Case	296.32
Arch Wireless	Mobile Unit	58.12
Houston County Highway Dept.	Equipment Rental	886.00
Information Management Svcs.	Tech Services	559.90
Lundtvedt, Arnold	Boiler Maintenance	76.20
SE MN Historic Bluff Country	Tourism	1,343.00
SLJ Design	Sign for Tree Disposal Site	90.53
Ziebell's Hiawatha Foods, Inc.	Liquor – Mix, Can Coolers	82.88
Bangor Rec Department	Tourney Fee	(85.00)
Meyer Brothers	Curb & Gutter Repair	4,188.00
Pepsi Cola Bottling Co.	Soft Drinks for Tourney	1,039.90

C & D Oil Services of Waseca	Disposal of Used Filters	30.00
U S Postal Service	Utility Billing July 2005	278.03
United Parcel Service	Ups Fee	64.00
VISA	Clerk's Office – Software	71.18
Ace Link Telecommunications	Communication Expense	1,051.57
Conway, Justin	Mileage Reimbursement	177.23
Gavin, Mike	Animal Control	300.00
Hanson, Ted	Mileage Reimbursement	299.70
Hauser, Zach	Mileage Reimbursement	372.22
Houston County Treasurer	Ho Co. Collection Site	3,267.50
Ideker, Angie	Mileage Reimbursement	179.82
Nathan, Klug	Mileage Reimbursement	96.57
Lange, Jessica	Mileage Reimbursement	202.76
Loeffler, Kevin	Mileage Reimbursement	180.56
Ma-Cal Developers	TIF Payment	11,832.69
Messner, Cory	Mileage	145.04
MN Dept. of Revenue	Sales/Use Tax – July 2005	12,454.06
MN Municipal Beverage Assn.	Annual Association Dues	395.00
Northern Beverage Distribution	Beer	638.10
Richard's Sanitation	Collections – July 2005	5,644.25
Schott Distributing Co., Inc.	Beer & Root Beer	5,796.60
Spring Grove Soda Pop, Inc.	Beer & Soft Drinks	258.25
West Main Townhomes	TIF Payment	7,908.57
Bank of the West	Fed/Fica/Med	9,514.76
Bonanza Grain, Inc.	Miscellaneous Items	848.92
Buttell's Lighting	Bulbs	38.02
Caledonia Police Association	PD Association Dues	48.50
City Of Caledonia	Emp. Share Health Insurance	381.40
Griggs, Cooper & Company	Liquor / Wine	1,049.10
Johnson Brothers Liquor Co.	Liquor / Wine	1,001.01
Merchants Bank	Water ACH Fee Aug 2005	28.80
Orchard Trust Company	TSA	1,255.00
Principal Life	Life / Ad & d / STD	579.89
Public Emp Retirement Assn.	PERA	3,914.03
Sam's Club	Refrigerator	506.27
Aquila	Natural Gas	2,518.28
Jahn's Transfer, Inc.	Freight Expense	46.04
League of MN Cities Ins. Trust	Prepaid Insurance	61,941.00
Northern Beverage Distribution	Beer	2,455.50
Schott Distributing Co., Inc.	Beer	2,217.60
Spring Grove Soda Pop, Inc.	Beer	340.00
Tri-County Electric Co-op	Electric Ennergy	57.59
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		250,808.22

B. CLAIMS PAYABLE: Following review, discussion and deliberation, a motion was made by Member Fisch, seconded by Member Vick, to approve and authorize payment of the Claims Payable List for July 2005. All members present voted in favor and the motion was declared carried.

Ability Building Center	Flag Repair	41.25
Airgas North Central	Charger, Oxygen/Acetylene	196.90
American Red Cross	Adm Fee	7.00
Artic Glacier, Inc.	Ice	537.54
Baker & Taylor Books	Library Books	566.68
Better Homes & Garden Books	Library Book	31.85
Border States Electric Supply	Inventory	2,553.78
Caledonia Argus	Library – 1 year subscription	32.00
Caledonia Chamber of Comm.	Chamber Info Folder	150.00
Caledonia Drugs	Gloves	13.94
Caledonia Electronics	Miscellaneous Stuff	156.15
Caledonia Implement Company	Gear Oil & Bulk Steel	62.48
Caledonia Lumber Co.	Miscellaneous Items	27.35
Caledonia Oil Company	Squad Repairs	328.04
Caledonia Ready Mix	Crushed Rock	688.58
Caledonia Veterinary Service	Frontline Plus for Nitro	66.46
Communications Service, Inc.	Pager Repairs	110.49
Country Books	Library Book	23.98
Curt & Candy's Hardware Hank	Miscellaneous Items	102.54

D S Electric Supply	Inventory	1,405.19
Davy Engineering Company	2003-2005 Sanitary Sewer Project	1,084.60
Davy Laboratories	Lab Analysis	1,324.05
Demco	Miscellaneous Supplies – Library	42.76
Ebsco Subscription Services	Annual Magazine Subscription	1,170.75
ECM Publishers, Inc.	Advertisements	755.98
Emergency Medical Products	Ambulance Equipment	587.90
EMS Regulatory Board	MNSTAR Forms	62.69
Farmers Co-op Elevator Co.	Weed Spray	432.05
Fire Instructors Assn. of MN	Handbooks, Sourcebooks	209.65
First Supply	Boiler Parts	64.02
Fox Valley Systems, Inc.	Paint	104.09
Great River Water Treatment	Boiler Water Treatment	288.14
Hawkins, Inc.	Syphon Valve, Chemicals	1,222.40
Hoskins Electric Co.	Garage Door Repair	57.26
Information Management Svcs	Tech Services	195.56
Ken's Small Engine	Chain Saw Repairs	46.20
Mac Queen Equipment Inc.	Parts	542.70
Metro Sports	Rec Park Equipment	176.00
Midwest Tape	Library DVDs	65.97
Mike's Building Supply Inc.	Digging Bar	19.35
Mississippi Welders Supply	Oxygen	8.25
MN Dept. of Labor & Industry	Boiler/Pressure Vessel	10.00
National Waterworks, Inc.	Meters, Connectors, Touch Pads	1,215.75
P & H Services	Battery	180.00
Pladsen Ford, Inc.	Car Maintenance	86.52
PT Welding & Driveshaft	Labor	175.98
Random House, Inc.	Library Books	81.00
Recorded Books, LLC	Recorded Library Books	458.40
RESCO	Inventory	1,171.50
Richard's Sanitation	Refuse Disposal – July 2005	126.36
Rippe, Hammell & Murphy	Prosecution Matters	3,687.50
Sandry Fire Supply, LLC	Pants	477.45
Schilling Supply Company	Copy Paper	379.64
Schmitz Refrigeration Htg & A	A/C Repairs/Maintenance	185.90
Scott Construction, Inc.	Crack Filling City Streets	12,644.44
SE Libraries Cooperating	Auto Fees	382.00
SE MN Development Corp.	Commercial RLF/Rice Pharmacy	140.85
St. Joseph Equipment	Loader 621 Parts	31.03
St. Mary Auto Body Shop	2 Tow's & Door Repair	374.76
Torgerson's Paint & Floor	Paint / Supplies	286.36
United Auto Supply, Inc.	Glass Fuse, Fuse Holder	23.97
United Laboratories	Cleaning Supplies	169.61
Winona Controls, Inc.	Boiler Repairs	76.00
Witt's Pharmacy – Caledonia	Ice Packs	4.36
WWTP MPCA PFA LOAN	1993-96 PFA Loan	3,725.00
Zarnoth Brush Works, Inc.	Broom Refill	185.31
Zep Manufacturing Company	Zep Formula, Trash Bags	318.15
Tri-County Electric	Electric Energy – July 2005	<u>111,258.54</u>
		153,416.95

OLD BUSINESS

A. STH 44/76 FLASHING LIGHTS: Mr. Gerardy informed the Council that Houston County will do a survey to measure the site distance north and south of the crosswalk. He will also contact the Rochester MNDOT Office to inquire where the application should be hand delivered upon completion.

B. SCHOOL CONCESSION STAND: A motion was made by Mayor Morey, seconded by Member Klug, to waive the \$100 permit fee for the Caledonia Public High School Concession Stand Zoning Application since the City contributed \$500 towards the cost of the building from the municipal liquor store fund. All members present voted in favor and the motion was declared carried.

C. POOL FENCING: Following review of the proposal from Moe Fencing, Inc., for an amount of \$3,235 to extend the west fence of the pool to incorporate a grassy area into the pool area, the Council directed that City staff make inquire of the lifeguard manager and other lifeguards opinions of the creating such area and to obtain a price for a walk thru gate installed

along the west fence line. Further, the Council directed that tent-like structures should be priced in conjunction with the possible addition of this grassy area. No action was taken at this time.

D. SEAL COAT REPAIR: Mr. Gerardy informed the Council that Fred Carlson Company was to come on August 9, Tuesday, to repair the unacceptable work areas completed during the summer of 2004.

NEW BUSINESS

A. LACROSSE HOME SHOW: Mayor Morey informed the Council that he wished to participate on behalf of the City Of Caledonia in the LaCrosse Home Show for the second year. The application fee is \$500. Solicitation of the local businesses would be made to fund this cost. The Show is scheduled for the third weekend in February 2006. Following discussion, a motion was made Member Fisch, seconded by Member Vick, to approve a \$500 entry fee for the LaCrosse Home Show with solicitations to be made to locale businesses to reimburse the City for the expense. All members present voted in favor and the motion was declared carried.

B. FIRE BARN GARAGE DOORS: Following review of the Agenda which stated that the previous cost of two installed garage doors, received in 2003 was for an amount of \$2,894, but the current cost to install two more 12' x 10' is approximately \$3,800, primarily due to an increase in the cost of steel. The 2005 Budget contains an amount of \$11,300 for work to be performed on the garage, landscaping and driveway replacement. If the driveway replacement were postponed until 2006 the City should be able to install the two overhead doors and remain within the budget. The staff recommendation was to replace the doors at this time before the design changed and like doors were no longer available. Following discussion, a motion was made by Member Fisch, seconded by Mayor Morey, to replace the two 12' x 10' overhead fire barn garage doors for an approximate amount of \$3,800. All members present voted in favor and the motion was declared carried.

C. Mid-Year Fire District Meeting: Mayor Morey and Member Fisch reviewed the Mid-Year Fire District Meeting discussions which were held on July 26 with the Rural Fire District. Issues included the agreement between the City and District which had, over the years, incorporated language giving the appearance of a joint agreement rather than an agreement to simply provide fire protection services and commented that the language would be changed to remove the probability of liability claims against the District. They reviewed discussions on new purchases of equipment and accessories and discussed the issue of a \$1,000 annual increase to the salary of the Fire Chief. The also reported on the ¾ ton pick-up and generator from the Department of Natural Resources for an estimated cost of \$400 – \$600 for transportation. Following discussion, a motion was made by Member Klug, seconded by Mayor Morey, to approve a wage increase of \$1,000 per year for the Fire Chief, Chuck Gavin, effective, retroactively to January 1, 2005. All members present voted in favor and the motion was declared carried. Further, a motion was made by Member Fisch, seconded by Mayor Morey, to instruct the Fire Chief to apply to the DNR for the ¾ ton pick-up and generator. All members present voted in favor and the motion was declared carried.

D. POLICE DEPARTMENT: In accordance with the request of Clerk Nelson, made on the Agenda, the Public Safety Committee (Morey and Fisch) directed that a meeting be scheduled with Police Chief Randy Shefelbine to make plans for the absence of Amy Hoscheit who requested a 12 week maternity leave anticipated to begin at the end of September.

E. FAIR BOOTH SCHEDULE: A sign – up sheet was circulated for Council Members to volunteer to man the EDA Fair Booth during the period August 18 – 21.

F. LIQUOR STORE: Upon the recommendation of Patty Gavin, Manager, a motion was made by Member Vick, seconded by Member Klug, to appoint Candis Wiste as a retail clerk at the municipal liquor store, effective immediately, according the schedule for a three month probationary period at the starting salary with the standard wage increase to be effective at the end of a successful probationary period. All members present voted in favor and the motion was declared carried.

G. MASONIC LODGE SIDEWALK: Mayor Morey explained the circumstances of the sidewalk formation in front of the Masonic Lodge. Discussion ended with other council members asking to delay action until they had opportunity to inspect the site. Following discussion, the question was tabled to a future meeting.

H. CITY HALL ROOF REPAIR: Mr. Gerardy informed the Council that WHV Construction had submitted an estimate for repair of the City Hall Roof for approximately \$710. Following discussion, a motion was made by Member Fisch, seconded by Mayor Morey, to

approve the estimate and authorize repairs to be made. All members present 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 July 18 – 31, 2005.

B. MINIMUM WAGE: The Agenda commented that minimum wage in the State of Minnesota increased from \$5.15 per hour to \$6.15 per hour effective August 1, 2005, for large employer, such as the City Of Caledonia.

C. TREE INSPECTION – TEWES: Mr. Gerardy informed the Council that only one tree on Royce Tewes property at 803 East South Street appears to have any type of hazardous condition. There are limited numbers of branches and one main trunk which are suffering rot. The Council directed that Mr. Tewes be sent notification that the rotted trunk and branches of this tree are to be trimmed for safety.

D. DISCONNECTION OF ELECTRIC METER: The Agenda referenced Minnesota Statute 216B.0975, commenting that city staff only recently became aware of this regulation which prohibited disconnection of electric meters during an excessive heat watch, heat advisory or the like. A copy of the statute was provided with the Agenda.

E. SALES TAX EXEMPTION: The Agenda informed the Council that the S & S Super Wash recently submitted documentation, provided by a consulting firm, that its sales were 100% exempt from Minnesota Sales Tax for water use and 74% exempt from Minnesota Sales Tax for electrical use. The analysis performed by the consultant energy company provided for reimbursement of appropriate Minnesota Sales Tax for the past 3.5 year period. The reimbursement application will be submitted directly to the State of Minnesota Department of Revenue.

F. POLICE DEPARTMENT ACTIVITIES: Enclosed with the Agenda was the Police Department Activities List and Summary Report for July 2005.

G. EDA ACTIVITIES: Enclosed with the Agenda was a list of EDA activities for the month of May and June 2005.

H. STREET LIGHTING FEE: Enclosed with the Agenda was a copy of the Council Minutes of June 16, 2003, and a letter to a city resident explaining that the monthly fee of \$1 for residential property and \$2 for commercial property had not been designated a sunset date.

I. RECENT REVENUES

1. First Half Taxes, Special Assessment and TIF Distribution: \$218,783.80.
2. First Half State Aids: \$348,005.
3. Ace Telephone First and Second Quarter Franchise Fees: \$5,080.80.

J. LOCAL GOVERNMENT AID: Enclosed with the Agenda was notice from the Minnesota Department of Revenue, forecasting the 2006 Local Government Aid amount to be \$747,863.

K. HOUSTON COUNTY MEETING – JAIL LOCATION: Enclosed with the Agenda was a notice stating that Houston County had scheduled a meeting for 7:30 a.m., Tuesday, August 9, in the Commissioners Room to discuss the location for the planned future jail building.

L. LMC INSPECTION: Enclosed with the Agenda was a copy of the letter from the League of Minnesota Cities for Loss Control, indicating a number of improvements to be made by the City to enhance safety. Also included was the e-mail report of the corrections having been made.

M. SANITARY SEWER BOND PAYMENT: The Agenda reported payment of the August 20 Semi-Annual payment in the amount of \$20,971.44.

MISCELLANEOUS ITEMS

A. DEVELOPMENT PROJECTS: Mr. Gerardy reported that Clerk Nelson is working on a list of issues, including storm water control, to review with a Council Committee for inclusion in the city development ordinance.

B. ZONING APPLICATION: Randi Vick explained circumstances that have slowed work their Zoning Permit and requested that the permit be extended to November 15, 2005. Following

discussion, a motion was made by Member Fisch, seconded by Mayor Morey, to extend the Zoning Permit issued to Roger and Randi Vick to November 15, 2005. Members voting in favor: Morey, Fisch and Klug. Abstaining: Vick. Opposed: None. The motion was declared carried.

C. NEW REVENUE SOURCE: Brief discussion was conducted on the possibility of establishing a storm water or similar fund such as had been discussed at the League of Minnesota Cities Meeting at Lanesboro. A suggestion was made that a \$1 or \$2 monthly fee could be imposed on the utility bill, such as now exists for street lighting, but use the funds for fixing water ways or purchasing a new street sweeper when necessary or other like purchases.

ADJOURNMENT: There being no further business before the Council, a motion to adjourn was made by Member Fisch and seconded by Member Vick. All members present voted in favor, the motion was declared carried and the meeting then adjourned at 9:46 p.m. The next Regular Meeting of the City Council is scheduled for 7:00 p.m., Monday, August 22, 2005, in the Council Room, City Hall.

Michael J. Morey, Mayor

Robert L. Nelson
City Clerk - Administrator