

REGULAR MEETING OF THE CITY COUNCIL  
CITY OF CALEDONIA, MINNESOTA  
Monday, September 25, 2006

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, Gary Klug and Robert Standish. Members absent: None. Consultants and City staff present: Michael Gerardy, Stephanie Mann and Robert L. Nelson. Visitors present: Jane Palen, Reporter.

CONSENT AGENDA: Following brief discussion, a motion was made by Member Klug, seconded by Member Standish, 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, September 11 and Special Meeting held Wednesday, September 20, 2006, as presented.

B. REGIONAL MEETING: To authorize Patty Gavin, Liquor Store Manager, to attend the Annual MMBA Regional Meeting at Rochester on October 17 for a registration fee of \$15 and reimbursement of mileage and other eligible expense.

VISITORS AND COMMUNICATIONS

A. PUBLIC HEARING – CITY: After Mayor Morey recessed the Regular Meeting to open the Public Hearing for a Zoning Application. Michael Gerardy, Administrative Coordinator, explained the proposed location of the Electric Department Garage, which is to be placed 14' from the east boundary line of city property, immediately south of the Street Department Garage. The 60' x 120' proposed building would require a 36' setback variance from the east property line. While newspaper publication and individual mailed notices had been sent to all property owners within 350' of the city parcel, no persons appeared at the public hearing. Following review and discussion, when there was no further testimony; Mayor Morey closed the public hearing and resumed the regular meeting. A motion was made by Member Fisch, seconded by Member Vick, to approve the Zoning Application and grant a 36' setback variance on the east property line. All members voted in favor and the motion was declared carried.

B. OTHER ADMINISTRATIVE COORDINATOR TOPICS

1. PROPOSED ELECTRIC DEPARTMENT GARAGE: Mr. Gerardy reported that the draft plans are being reviewed by city staff for any changes in preparation for final plans to be completed by the engineering firm.
2. HIGHWAY LIGHTING: Mr. Gerardy reported that MNDOT District 6 Officials indicated the City will be given permission to install highway lighting following submittal of a specific plan and that MNDOT will provide two poles and fixtures for the Esch Drive / STH 44/76 Intersection.
3. PEDESTRIAN PATHWAY: Mr. Gerardy indicated that MNDOT District 6 Officials implied permission would be granted to the City to construct a Pedestrian Path from Esch Drive to the Sprague Woods following submittal of a Limited Use Plan.
4. SALT AND SAND SHED: Mr. Gerardy reported initial findings on the construction features and cost of the superstructure for a proposed salt and sand storage building. The structure design is dome shaped with a metal framework covered by a durable cloth like material. The estimated cost is just over \$19,000. The base structure to support the dome is to be of a ready mix concrete or concrete block construction. Costs for the base are not yet determined.

C. AUDITORIUM USE: There was no discussion on this issue since Debbie Schellsmidt did not attend the meeting.

D. ACCOUNTANT'S REPORT: Stephanie Mann, City Accountant, reported on cash balances for the city funds, scheduling for indebtedness payments from the present through 2023, and the 2006 budget balance to date. The sum of all cash balances for all funds at the end of August 2006 was \$591,534 and the total investments were \$3,085,000. Discussion included questions on the balances of specific funds, particularly those with a negative balance. Following her presentation, a motion was made by Member Fisch, seconded by Member

Standish to accept the financial report. All members voted in favor and the motion was declared carried.

#### OLD BUSINESS

A. UTILITY ACCOUNT COLLECTION POLICY: Clerk Nelson explained to the Council that the previous Utility Account Collection Policy had recently been revised for simple word changes and maintained the same dollar values as previously existed. Discussion included the consideration of changing the reconnection fee rate from the stated \$20 amount to \$35. Following discussion, a motion was made by Mayor Morey, seconded by Member Fisch, to increase the reconnection from \$20 to \$35. All members voted in favor and the motion was declared carried.

B. FIRE AND AMBULANCE STATION: Clerk Nelson reported the first committee meeting had been held September 19 for the purposed new fire station and discussion at that meeting led to an invitation to the ambulance department to join the planning process for garage and office space in the proposed new building. The rationale for inviting the ambulance service to join the planning process is based on the interrelationship and possible future expansion of that relationship between activities of the ambulance service and fire department. At this time the Council was requested to authorize committee members to take an option to purchase or first right of refusal on properties for site location of the proposed new station. The intent of this action would be to hold properties for a period of time until sufficient areas were obtained by option and a determination was made to proceed with purchase plans by the City Council. Clerk Nelson commented that the plan requested would include the Council granting the committee authority to obtain options or first rights of refusal, allowing up to an amount such as \$5,000 being applied to the options. Member Klug opposed authorizing the committee to obtain options, stating each property to be optioned could be brought individually to the City Council at a regular meeting. Member Vick commented that the building size should be known before giving consideration to any particular site. The issue was discussed extensively with no action being taken.

C. RESOLUTION TO REIMBURSE CITY: Clerk Nelson recommended to the Council that it adopt a resolution for the City to be reimbursed for the expenditure of funds to purchase the 1998 Ford F800 for an amount of \$14,900 and other necessary expenditures associated with the purchase to be reimbursed to the City through a Certificate of Indebtedness, should the City opt to initiate such certificate. Nelson explained to the Council that to fulfill the procedures of law, such resolution has to be made within 60 days of the motion, August 28, 2006, to purchase a capital asset or that expenditure is not eligible to be included in a certificate of indebtedness. Following brief discussion, a motion was made by Member Vick, seconded by Member Klug, to adopt the reimbursement resolution. All members voted in favor and the motion was declared carried.

#### NEW BUSINESS

A. INFORMAL CLAIM FOR DAMAGES: Clerk Nelson explained an informal disagreement between the City Of Caledonia and another corporate entity which maybe more successfully negotiated if the entities name were not made public. He reported the City had been contacted by the entity with a claim that storm water runoff had caused certain damages for which the City was asked to voluntarily contribute a sum of up to \$8,000 for its claimed responsibility for the storm water runoff. This request had been discussed with a council committee, who are aware of the entity, with the committee recommendation for response being that the City felt the claim was not sufficiently substantiated and certain actions had been taken by the entity with no prior input from the City for which reimbursement was being requested. Clerk Nelson reported the City has now received a second letter from the entity asking the City to reconsider its position or suggesting that more formal measures may have to be taken Nelson said the issue is being brought to the full Council at this time because of the inference made toward legal action, but reaffirms the council committees conviction and his conviction that substantiation of the claim is not adequate, that other property owners then the City may also have a responsibility and that the City may not be justified in making a voluntary payment based solely on a request. Following brief discussion, a motion was made by Member Klug, seconded by Member Standish, to follow the recommendation made by the Council Committee to deny a voluntary payment for damages. All members voted in favor and the motion was declared carried.

B. LMC REGIONAL MEETING: Clerk Nelson requested authorization for up to and including two staff persons to attend the LMC Regional Meeting at St. Charles on October 26 with the registration fee being \$35 per person and with the driver being reimbursed for mileage and payment made at a per hour rate for hourly staff. A motion was made by Member Fisch,

seconded by Member Standish, to approve the request. All members voted in favor and the motion was declared carried. Mayor Morey indicated he also wished to attend the meeting.

C. WATER TOWER LEASE AGREEMENT: Clerk Nelson reported that Midwest Wireless had returned the draft copy of an agreement for their lease of the water tower to mount antennas on the tower and place necessary electrical equipment at its base. Nelson clarified that Midwest Wireless had initially sent an Agreement to the City; he advised that Agreement returning it to Midwest and Midwest had no submitted revisions to his revisions. Nelson indicated he is reviewing the document and will present it to the Council, tentively suggesting at the next Council Meeting of October 9.

#### CLERK'S REPORT

A. EMPLOYEE TIME RECORD: Enclosed with the Agenda was the Employee Time Record for pay period August 28 – September 10 and distributed at the meeting was the Record for September 11 – 24, 2006.

#### MISCELLANEOUS ITEMS

A. POSSIBLE NUISANCE: Member Vick suggested other Council Members inspect the Richard Sanitation site in the Industrial Park to receive their opinion of whether or not the condition of the property constituted a nuisance.

B. CONGRATULATORY LETTER: Member Standish recommended sending a letter congratulating Ardell Lien, 619 E. Main Street, on his successful sailing trip around the world.

ADJOURNMENT: There being no further business before the Council, a motion to adjourn was made by Member Standish and seconded by Member Vick. All members voted in favor, the motion was declared carried and the meeting then adjourned at 9:32 p.m. The next Regular Meeting of the City Council is scheduled for 7:00 p.m., Monday, October 9, 2006, in the Council Room, City Hall.

---

Michael J. Morey, Mayor

---

Robert L. Nelson  
City Clerk - Administrator