

REGULAR MEETING OF THE CALEDONIA CITY COUNCIL
CITY COUNCIL CHAMBERS, CITY HALL
CALEDONIA, MINNESOTA
Monday, January 22, 2018

CALL TO ORDER: Following due call and notice thereof, Auxiliary Mayor Robert Lemke called the meeting to order at 6:00 p.m. in the Council Room of City Hall.

PLEDGE OF ALLEGIANCE: Auxiliary Mayor Robert Lemke led the Council, City staff, and visitors in stating the Pledge of Allegiance.

ROLL CALL: Council members present: Auxiliary Mayor Robert Lemke, Robert Burns, Paul Fisch, and Randi Vick. Council members absent: Mayor DeWayne "Tank" Schroeder. City staff present: Casey Klug, public works and zoning director; Stephanie Mann, finance officer; Adam Swann, clerk-administrator. Visitor(s) present: Craig Moorhead, *Caledonia Argus*; Olivia Niday, Houston County emergency management director.

CONSENT AGENDA: Member Vick moved to approve the consent agenda, and Member Fisch seconded the motion. All members present voted in favor to approve the consent agenda, and the consent agenda was approved. The consent agenda comprised the following items:

- a. Approval of minutes from January 8, 2018 regular meeting
- b. Approval of Alex Betz, Connor McCormick, Michael Nelson, and Jeremy Reinhardt as members of Caledonia Fire Department
- c. Approval to hire Connor McCormick as EMT for Caledonia Ambulance Department

PUBLIC COMMENT: None.

PRESENTATION:

- a. Olivia Niday, Houston County emergency management director
 - i. Houston County All-Hazard Mitigation Plan, 2015 Update: Ms. Niday reported on the proposed 2015 update to the Houston County All-Hazard Mitigation Plan. Niday reviewed the City's top hazards. Niday explained that it was important for the City to approve a resolution adopting the Houston County plan so that the City would be eligible for FEMA disaster mitigation grants.

FINANCE OFFICER:

- a. Review of cash and investments: Finance Officer Stephanie Mann reported that the cash and investments for the City's governmental, special revenue, and enterprise funds totaled \$3,982,834.80 as of December 31, 2017.
- b. Review of long-term debt: Mann reported that the City made a payment of \$76,387.50 on G.O. Sewer Revenue Refunding Bond 2009A at the end of December 2017.

CLERK-ADMINISTRATOR: Swann reported that the City of St. Charles had five full-time police officers (4 patrol officers and 1 police chief) and was preparing to hire a sixth full-time officer due to the difficulty in retaining part-time officers and the cost of training part-time officers.

NEW BUSINESS:

- a. Review of 2018 budgets for enterprise and special revenue funds: Mann presented Council with the proposed 2018 budgets for the enterprise and special revenue funds. Mann presented Council with a summary of the projected cash flow for the enterprise funds in 2018. Council reviewed and discussed the documents. No action was taken by the Council.

b. Review of water and sewer rates: Mann explained the factors used to calculate the proposed 2018 water and sewer rates.

i. 2018 water rates: Mann explained that using revised estimates for the cost of repainting the water reservoirs and rebuilding the well pumps would require an extra \$270,000 for the water replacement fund, requiring increases in the fixed monthly meter charge. This increase would be \$1.30 for buildings with 5/8" and 3/4" meters. Mann explained that an estimated \$8,295 increase in operation and maintenance expenses for water service would require a \$.10 increase (from \$2.00 to \$2.10) in the variable volumetric charge per 1000 gallons.

ii. 2018 sewer rates: Mann explained that reduced debt and replacement fund costs in 2018 would lower the monthly fixed meter charge for customers. For customers with 5/8" and 3/4" meters, rates would decrease from \$13.23 to \$12.30, a decrease of \$.93 per month. Mann explained that an estimated increase in operation and maintenance expenses of \$26,250 combined with a 5 million gallon reduction in usage would increase the volumetric charge (i.e., sewer use charge) from \$4.33 to \$5.40 per 1000 gallons, an increase of \$1.07.

Council reviewed the calculations and discussed the proposed 2018 water and sewer rates. Member Burns moved to increase water and sewer rates—as presented by Finance Officer Stephanie Mann and Clerk-Administrator Swann—effective February 15, which would appear on April 1 bills. Member Fisch seconded the motion. All members present voted in favor of the motion, and the motion passed.

c. Consideration of proposal from Davy Engineering to prepare preliminary report for water system: Members reviewed a proposal from Davy Engineering to prepare a preliminary report for the water system—at a cost of \$15,000. The water report was necessary if the City wanted to move ahead with a new well. Member Fisch moved to approve the Davy Engineering proposal to prepare a preliminary report for the water system. Member Vick seconded the motion. All members present voted in favor of the motion, and the motion passed.

d. Proposed work schedule for N. Kingston St.: Members discussed the hours the bid documents would allow contractors to work during the project. By consensus the Council authorized work to be done Monday through Friday from 7 a.m. – 7 p.m. and Saturday from 9 a.m. – 5:00 p.m.

e. Discussion regarding amending City Code to prohibit tobacco use in City parks: Swann reported that a couple of community members had requested the City prohibit tobacco use in City parks. Swann asked Council whether there was any support for the idea and whether any Council members wanted City staff to draft a proposed ordinance change. No Members expressed support for changing the City Code. No action was taken by the Council.

f. Overtime report: Members reviewed the overtime report for the pay period January 1-14, 2018. No further action was taken by the Council.

ANNOUNCEMENTS: The next regular meeting will be on Monday, February 12, 2018 at 6:00 p.m.

ADJOURNMENT: There being no further business before the Council, a motion to adjourn was made by Member Burns, seconded by Member Vick. All members present voted in favor, and the motion was declared carried to adjourn at 8:26 p.m.

Robert Lemke
Auxiliary Mayor

Adam G. Swann
Clerk-Administrator