

REGULAR MEETING OF THE CALEDONIA CITY COUNCIL
CITY AUDITORIUM
CALEDONIA, MINNESOTA
Monday, March 22, 2021

CALL TO ORDER: Following due call and notice thereof, Mayor DeWayne “Tank” Schroeder called the meeting to order at 6:00 p.m. in the City Auditorium.

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

ROLL CALL: Council members present: Mayor Schroeder, Member David Fitzpatrick, Member Robert “Bob” Klug, Member Amanda Ninneman, and Member Brad Rykhus. City staff present: Casey Klug, public works and zoning director; Stephanie Mann, finance officer; and Adam Swann, clerk/administrator. Visitor(s) present: Owen Blocker; Craig Moorhead, *Caledonia Argus*; Charlene Selbee, *Fillmore County Journal*.

CONSENT AGENDA: Member Ninneman moved to approve the consent agenda. Member Rykhus seconded the motion. All members present voted in favor of the motion, and the motion passed. The consent agenda comprised the following items:

- a. Approve minutes from March 8, 2021 regular City Council meeting
- b. Approve proposed Resolution 2021-06: A Resolution Accepting Donation from Caledonia Ambulance, Inc.
- c. Approve purchase of three-door display cooler from Schmitz Refrigeration, Heating & A.C. at a cost of \$6,934 for use at Caledonia Liquor Store
- d. Approve quote to move walk-in cooler condensing unit from inside to outside of the Liquor Store for cost of up to \$2,280.44
- e. Approve three-year pump station maintenance agreement with Minnesota Pump Works for yearly cost of \$2,558
- f. Approve proposed Memorandum of Understanding No. 1 between the City and I.U.O.E. Local 49

PUBLIC COMMENT: None.

PRESENTATION:

- a. Owen Blocker
 - i. Eagle Scout project presentation: Owen Blocker provided Council with an overview of his Eagle Scout project, which involved repainting the dugouts at the Veterans Memorial Park baseball field as well as adding storage shelves for helmets and installing hooks for bags.

PUBLIC WORKS/ZONING DIRECTOR:

- a. Updates:
 - i. Complaints about 420 W. Caledonia St.: Public Works/Zoning Director Klug reported that there had been complaints about the condition of 420 W. Caledonia Street and that City staff had been in the house and observed the unhealthy conditions of the property. Klug reported that he was trying to coordinate the sale of the property to a neighbor so that it could be torn down.
 - ii. Other:
 - a) Pool gutter replacement project: Klug reported that the contractor was still demolishing the old pool gutter.

b) Street sweeper repair: Klug reported that the street sweeper had been repaired and was supposed to be returned to the City later in the week.

c) Asphalt hot box purchase: Klug reported that the asphalt hot box had been purchased so City staff could patch potholes during winter.

d) Removal of winter decorations: Klug thanked Matt Blocker and Nate Becker of the Electric Division for taking down the winter street decorations.

e) Closure of N. Park parking lot: Klug reported that the N. Park parking lot had been closed at least temporarily due to soft pavement conditions.

FINANCE OFFICER:

a. Report on cash and investments: Finance Officer Stephanie Mann reported that the cash and investments for the City's governmental, special revenue, and enterprise funds totaled \$5,090,307.17 through February 28, 2021, an increase of \$347,336.02 since December 31, 2020. Mann reported that in January she moved the \$200,000 payment in lieu of transfer (PILOT) from the Electric Fund to the General Fund and moved \$115,000 from the General Fund to the Capital Improvement Fund for future street improvement projects—both of which had been budgeted for 2021. Mann reported that the City would be receiving a payment of approximately \$39,000 from the Rural Fire District.

b. Report on long-term debt: Mann reported that the City's total debt was \$5,000,243.66 as of the end of February 2021.

c. Review of 2021 budget v. actual for General Fund, enterprise funds, and special revenue funds: Mann reported on the budget v. actual for the General Fund, enterprise funds, and special revenue funds. Mann noted that of the \$314,310 in capital equipment and improvements budgeted for 2021, the City had only traded in the John Deere 1025 mower at a cost of \$9,500.

CLERK/ADMINISTRATOR:

a. Updates

i. 2021 summer baseball and softball season: Clerk/Administrator Swann reported that signups had started for the City's 2021 summer baseball and softball season. Swann reported that the registration deadline was April 16.

ii. Meeting with Fire Department, Council members, and Rural Fire District: Swann reported that Member Ninneman and Mayor Schroeder, who both served on the Council's Fire and Ambulance Committee, were going to be meeting with him, Finance Officer Stephanie Mann, the Fire Department officers, and Rural Fire District officers on Wednesday, March 24, 2021 to discuss the Fire Department's activities and needs.

iii. Public hearing on design and specs for new wastewater treatment facility: Swann reported that Donohue & Associates was going to be attending the next Council meeting to review with Council the design and specs for the new wastewater treatment facility. Swann further reported that the presentation would be part of a public hearing for members of the community who wanted to learn more about the project.

iv. Caledonia Street Scapes and Houston County Master Gardeners: Swann reported that Caledonia Street Scapes had submitted additional grant applications for the pocket park mural. Swann

- ## UNFINISHED BUSINESS:

- b. Discussion re future water and sewer rates: Council reviewed and discussed proposals for raising water and sewer rates in order to pay for the new well, well house and wastewater treatment facility. Members reviewed a proposal to increase sewer base charges by an average of \$5.35/mo. per year for four years for most residential customers, on bills issued July 1, 2021, and to increase sewer usage charges by an average of \$.375/1,000 gallons per year for four years starting on bills issued July 1, 2021. Under this proposal, monthly base sewer charges would increase \$5.90/month for 5/8" and 3/4" meters and \$.80/1,000 gallons on July 1, 2021 bills. Council reviewed a proposal to increase monthly water base charges by an average of \$1.65 per year for two years for most residential customers, starting July 1, 2021 bills, and to increase water usage charges by an average of \$.10/1000 gallons per year for two years starting with July 1, 2021 bills. Under this proposal, monthly water base charges would increase \$1.70/month for 5/8" and 3/4" meters, and water usage charges would increase \$.10/1,000 gallons starting with bills issued July 1, 2021.

Member Klug moved to approve the July 1, 2021 rate increases for water and sewer rates as shown on proposal #1, which are set forth below. Member Ninneman seconded the motion. All members present voted in favor of the motion, and the motion passed.

Sewer Rate Increase for July 2021								
MONTHLY FIXED METER CHARGE (DEBT)								
Meter Size	5/8", 3/4"	1"	1-1/4"	1-1/2"	2"	3"	4"	CH Milk
Monthly Fixed Meter Charge-Debt	\$19.20	\$38.40	\$57.60	\$76.80	\$134.40	\$307.20	\$537.60	\$886.80
Existing as of March 2019	\$13.30	\$26.60	\$39.90	\$53.20	\$93.10	\$212.80	\$372.40	\$1,062.70
Increase per month	\$5.90	\$11.80	\$17.70	\$23.60	\$41.30	\$94.40	\$165.20	-\$175.90
SEWER USE CHARGE (OM&R)								
Domestic Volumetric Charge per 1,000 gals	\$6.20	per 1000 gals.						
Existing as of Mar. 2019	\$5.40	per 1000 gals.						
Increase per month	\$0.80	per 1000 gals.						

Water Rate Increase for July 2021							
Fixed Charge:							
Meter Size	5/8",3/4"	1"	1-1/4"	1-1/2"	2"	3"	4"
Fixed Monthly Charge	\$17.30	\$34.60	\$51.90	\$69.20	\$121.10	\$276.80	\$484.40
<i>Existing as of May 2020</i>	\$15.60	\$31.20	\$46.80	\$62.40	\$109.20	\$249.60	\$436.80
<i>Increase per month</i>	\$1.70	\$3.40	\$5.10	\$6.80	\$11.90	\$27.20	\$47.60
Variable Volumetric Charge							
	\$ 2.40	per 1000 gals.					
<i>Existing as of May 2020</i>	\$ 2.30	per 1000 gals.					
<i>Increase per month</i>	\$ 0.10	per 1000 gals.					

NEW BUSINESS:

a. Discussion re Green Acres Dr.: Council reviewed four quotes to repair Green Acres Dr. The quotes did not include paving Green Acres Drive. Council asked City staff what the plan would be for rerouting traffic during construction. The consensus of the Council was that City staff should send the quotes to the Caledonia Township Board and find out how much the Township Board would contribute towards the cost.

b. Discussion re how to pay for purchase of former Hauser property: Clerk/Administrator Swann reported that the net cost to the City of purchasing the former Hauser property from Houston County would be approximately \$5,279.75 because the City would be receiving a portion of its \$13,200 offer price back due to delinquent taxes and the City's special assessment on the property. Member Klug moved to use proceeds from the Liquor Fund to pay for the net cost to the City of purchasing the property. Member Fitzpatrick seconded the motion. All members present voted in favor of the motion, and the motion passed.

c. Discussion re future of former Frisch property: The consensus of the Council was that it was premature to start planning for how to use the remainder of the former Frisch property—not needed for the new wastewater treatment facility—until the new wastewater treatment facility was constructed. The consensus of the Council was that it would be a safety hazard to have the public using the property during construction of the new wastewater treatment facility.

d. Overtime report: Members reviewed the overtime report for the pay period February 22, 2021 – March 7, 2021. No further action was taken by the Council.

ANNOUNCEMENTS:

- a. The next regular Council meeting is scheduled for Monday, April 12, 2021, at 6:00 p.m.
- b. The Local Board of Appeal and Equalization meeting is scheduled for April 26, 2021 at 6:00 p.m. The meeting will take place at the beginning of the regularly scheduled City Council meeting.

ADJOURNMENT: There being no further business before the Council, a motion to adjourn was made by Member Ninneman, seconded by Member Rykhus. All members present voted in favor, and the motion was declared carried to adjourn at 7:55 p.m.

DeWayne “Tank” Schroeder
Mayor

Adam G. Swann
Clerk/Administrator