

REGULAR MEETING OF THE CALEDONIA CITY COUNCIL  
CITY AUDITORIUM  
CALEDONIA, MINNESOTA  
Monday, April 26, 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 (arrived at 7:00 p.m.); and Adam Swann, clerk/administrator. Visitor(s) present: Cindy Creswell, Houston County Assessor’s Office; Craig Moorhead, *Caledonia Argus*; Joe Olson, Houston County Assessor’s Office; Charlene Selbee, *Fillmore County Journal*; Dave Utke.

CONSENT AGENDA: Member Rykhus moved to approve the consent agenda. Member Fitzpatrick 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 April 12, 2021 regular City Council meeting
- b. Approve Payment Application No. 4 from Ricchio, Inc. in the amount of \$71,060 for work performed on the Caledonia Pool Gutter Replacement Project
- c. Approve Change Order Proposal No. 1 from Ricchio, Inc. to add four pool wall inlets for the total cost of \$2,292 as part of the Caledonia Pool Gutter Replacement Project
- d. Approve request from Sleepy Hollow Auto to close the following streets on Friday, June 4, 2021 from 5:00 p.m. to 11:00 p.m. for grand opening event:
  - i. N. Kingston St. (between Main St. and Lincoln St.)
  - ii. East half of W. Lincoln St. (between the Sleepy Hollow garage and N. Kingston St.)
- e. Approve request from Sleepy Hollow Auto for temporary variance to noise/nuisance ordinance in order to host grand opening event on Friday, June 4, 2021 from 5:00 p.m. to 11:00 p.m. at 113 N. Kingston St.

PUBLIC COMMENT: None.

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 \$5,015,451.38 through March 31, 2021, a decrease of \$74,855.79 since February 28, 2021. Mann reported that the City received the Rural Fire District’s payment for its share of 2020 expenses. Mann further reported that the Electric Fund increased by \$81,020.45 in March.

b. Report on long-term debt: Mann reported that there were no changes in the City’s debt. The City would have two loan repayments due by June 1, 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 in March the City purchased the asphalt hot box, the former Hauser property, and the former Paulette F. Chamberlin Trust property for the new ambulance station. Mann reported that sales were on target for the enterprise funds and that most General Fund line items were under budget or on target.

PUBLIC WORKS/ZONING DIRECTOR:

a. Updates:

i. Spring cleanup: Public Works/Zoning Director Klug reported that spring cleanup had started that morning and would continue until Friday afternoon.

ii. Watermain loop project on E. South St. and E. Washington St. Klug reported that the watermain loop project for the new Houston County Highway Department facility had one more day of digging and burying pipe. When this was completed the pipe would undergo testing.

CLERK/ADMINISTRATOR:

a. Updates

i. Triangular structure in North Park: Clerk/Administrator Swann reported that per Council's request at the prior Council meeting, he had contacted the Chamber of Commerce's tourism committee and asked if they had a use for the triangular structure in North Park. Swann reported that one idea was to use the structure for displaying barn quilts. Swann reported that he would put the matter on a future Council agenda for further discussion.

ii. Minnesota census results: Swann reported that initial 2020 Census results indicated that the State of Minnesota would keep all eight congressional districts.

NEW BUSINESS:

a. Local Board of Appeal and Equalization Meeting: At 6:01 p.m. Mayor Schroeder opened the Local Board of Appeal and Equalization meeting. Cindy Creswell and Joe Olson were present from the Houston County Assessor's Office. Creswell provided the following information on valuations for taxes payable in 2021.

Estimated market value:	\$182,156,800
Taxable market value:	\$159,643,200
Tax capacity:	\$1,790,939
Tax capacity rate:	55.637

Creswell reported that the County Assessor's Office did not have to raise Caledonia's residential valuations for taxes payable in 2022 because the ratio of estimated market value to sales price was 93.59%.

Creswell reported that the County Assessor's Office had received four appeals that needed Council review, including the following:

i) 805 Highway 44/76 North, Parcel ID 21.1148.001, Owner: Ronald Carlsen

Creswell reported that the estimated market value for taxes payable in 2022 was \$435,000. It was her recommendation that the City approve lowering the value to \$397,700 due to reduced income for office space because of COVID-19.

ii) 111 E. Grove St., Parcel ID 21.0025.000, Owner: WS Investments, LLC

Creswell reported that the property was assessed at \$76,000 and that the property had been purchased for \$80,000, so the Houston County Assessor's Office was recommending no change in valuation.

iii) 214 E. Jefferson St., Parcel ID 21.1001.000, Owner: Gran Properties, LLC

Creswell reported that the property was valued at \$55,300 but had been purchased for \$13,000 in 2021 (after the January 2, 2021 valuation date). Creswell reported that it needed to be revalued in 2022 for taxes payable in 2023.

iv) 209 S. 1st St., Parcel ID 21.0363.000), Owner: Michael Schwirtz

Creswell reported that the estimated market value for taxes payable in 2022 was \$148,600, an increase of \$500 over the valuation for taxes payable in 2021. Creswell reported that the County's information on the property was accurate. The property was listed as having a porch because of a front patio. Creswell further reported that the property was listed as having a framed addition because of the garage. Creswell reported that the Assessor's Office was willing to inspect the house to confirm these details for valuations for taxes payable in 2023.

Creswell informed the Council that they had three options for each appeal: 1) raise valuation, 2) lower valuation, or 3) choose no change. Creswell noted that if the Council chose not to change a valuation, a property owner could still appeal with the Houston County Board of Appeal and Equalization and the Minnesota Tax Court.

**Member Rykhus moved to make the following decisions on the four appeals:**

**i) 805 Highway 44/76 North, Parcel ID 21.1148, Owner: Ronald Carlsen**

**Lower the valuation from \$435,000 to \$397,000**

**ii) 111 E. Grove St., Parcel ID 21.0025.000, Owner: WS Investments, LLC**

**No change**

**iii) 214 E. Jefferson St., Parcel ID 21.1001.000, Owner: Gran Properties, LLC**

**No change**

**iv) 209 S. 1st St., Parcel ID 21.0363.000), Owner: Michael Schwirtz**

**No change**

**Member Klug seconded the motion. All members present voted in favor of the motion, and the motion passed.**

At 7:00 p.m. Mayor Schroeder closed the Local Board of Appeal and Equalization meeting.

b. Consideration of request from Henrietta Foltz, owner of real property at 820 State Highway 44/76 South, to install a septic system at 820 State Highway 44/76 South due to the lack of access to public sewer: Dave Utke was present on behalf of the property owner. Utke reported that the property owner currently had a holding tank for solids and had been using a pressure system to pump liquids to a city sewer main but the system had failed. The property owner wanted to fix the current system if possible but wanted the option of installing a septic field if it was needed. Public Works/Zoning Director Klug reported that the property was about 1,000 feet from the nearest sewer main, so it would be very expensive to extend the public sewer main to the property.

Member Klug moved to allow the installation of a septic system as a last resort if the property owner could not get the current system working. Member Fitzpatrick seconded the motion. All members present voted in favor of the motion, and the motion passed.

c. Consideration of Resolution 2021-08: A Resolution Authorizing the City of Caledonia to Submit an Application for the \$7,000,000 Special Appropriation from the State of Minnesota for the New Wastewater Treatment Facility and to Execute the Grant Agreement with the Minnesota Public Facilities Authority: Member Rykhus moved to approve proposed Resolution 2021-08, a resolution authorizing the City of Caledonia to submit an application for the \$7,000,000 special appropriation from the State of Minnesota for the new wastewater treatment facility and to execute the grant agreement with the Minnesota Public Facilities Authority. Member Ninneman seconded the motion. All members present voted in favor of the motion, and the motion passed.

d. Consideration of application by Katie O'Regan of Sacred Noise Society for permit to erect electronic sign at 111 E. Main St.: Public Works/Zoning Director Klug reported that City Code prohibited signs "in a location which would interfere with the view of any traveler on any roadway of approaching vehicles or of traffic-control devices or signs for a distance of 500 feet." Klug reported that the proposed sign would be located approximately 50 feet from the City stoplights at the intersection of Main Street and Kingston Street. Klug reported that Houston County Engineer Brian Pogodzinski had concerns about the proposed location because of the location of the stoplights, but the proposed sign would not be in the County right-of-way.

Several Council members expressed concerns about the proposed location of the sign due to the proposed colors and scrolling messages. The consensus of the Council was that City staff should discuss these concerns with Ms. O'Regan and prepare a list of stipulations for the sign if Ms. O'Regan wanted to proceed. No further action was taken by the Council.

e. Review of proposed revisions to the intergovernmental agreement between the City of Caledonia and Caledonia Township to cooperate on improvement of Green Acres Drive: Council reviewed the Township's proposed revisions to the intergovernmental agreement between the City and Township to cooperate on improvement of Green Acres Drive. There were no objections from the Council to the Township's requests to remove the provisions splitting the cost of seal coating in 2022, removing the provision to split the cost of engineering expenses (if any), and removing \$500 for traffic control (that had been included in Griffin Construction Co. Inc.'s quote). Clerk/Administrator Swann reported that the Township's attorney still needed to review the proposed intergovernmental agreement, so the Township might request additional revisions.

f. Overtime report: Members reviewed the overtime report for the pay period April 5, 2021 – April 18, 2021. No further action was taken by the Council.

**ANNOUNCEMENTS:**

- a. Spring cleanup had started on Monday, April 26 and would end on Friday, April 30.
- b. The next regular City Council meeting was scheduled for Monday, May 10, 2021, at 6:00 p.m. There would be a public hearing regarding the future of Sprague Woods during the City Council meeting on May 10, 2021. The hearing was scheduled for 6:00 p.m.

**ADJOURNMENT:** There being no further business before the Council, a motion to adjourn was made by Member Klug, seconded by Member Fitzpatrick. All members present voted in favor, and the motion was declared carried to adjourn at 8:01 p.m.

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DeWayne "Tank" Schroeder  
Mayor

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Adam G. Swann  
Clerk/Administrator