

REGULAR MEETING OF THE CALEDONIA CITY COUNCIL
CITY AUDITORIUM
CALEDONIA, MINNESOTA
Monday, July 27, 2020

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, Paul Fisch, David Fitzpatrick, Brad Rykhus, and Randi Vick. City staff present: Casey Klug, public works and zoning director; Stephanie Mann, finance officer (arrived at 7:20 p.m.); and Adam Swann, clerk/administrator. Visitor(s) present: Elsie Babler (arrived at 6:45 p.m.); Robert “Bob” Burns, Houston County commissioner; Benjamin Logging; Eric Lynne, Donohue & Associates (arrived at 6:45 p.m.); Craig Moorhead, *Caledonia Argus*; Susan and Mark Schwebach.

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 July 13, 2020 regular City Council meeting
- b. Approve governmental bonds post-issuance compliance policies and procedures
- c. Approve purchase of three automated external defibrillators for Police Department squad cars for cost of \$1,994.12
- d. Approve hiring Richard Cordes as emergency medical responder (EMR) for Caledonia Ambulance Service
- e. Accept letter of resignation from Samantha Hancock as administrative assistant, whose last day of employment will be August 25, 2020

PUBLIC COMMENT:

a. Elsie Babler, owner of Elsie’s Bar and Grill, was present and stated that Governor Walz’s Executive Order 20-81, which required face coverings in indoor public places, was a burden on restaurant employees, especially her younger workers. Babler thought the decision as to whether to wear a face covering should be left up to the individual.

b. Robert “Bob” Burns, Houston County Commissioner, was present and expressed support for Governor Walz’s Executive Order 20-81.

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 \$4,194,895.52 through June 30, 2020, an increase of \$1,030,743.81. Mann reported that the increase was due to the fact that the City had received its first half of property taxes. Mann further reported that she had transferred an investment from the Sewer Fund to the Electric Fund

and transferred the value of the investment in cash from the Electric Fund to the Sewer Fund because the Sewer Fund needed the cash.

b. Report on long-term debt: Mann reported that there were no changes in long-term debt since the last report in June, but Mann reported that there were several loan payments due August 1, 2020.

c. Review of 2020 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 reviewed the capital expenditures made this year and noted that the Fire Department had purchased three sets of turnout gear and the drop tank. Mann further noted that the Police Department was going to move forward with purchasing two new computers. Mann reported that the Liquor Fund was doing well this year.

PUBLIC WORKS/ZONING DIRECTOR:

a. Updates

i. Construction of Production Well No. 8: Public Works and Zoning Director Casey Klug reported that the start of construction of Production Well No. 8 had been delayed several weeks because Traut Companies was behind schedule. Klug anticipated that Traut Companies would start drilling in 10-14 days.

ii. Land use permits for new housing: Klug reported that the City had approved land use permits for two new houses; Klug further reported there was going to be a public hearing on a land use permit for a third new house during the City Council meeting on August 10, 2020.

iii. Recovery of costs for abatement of hazardous building at 916 E. Main St.: Klug reported that he had been trying to contact the owner of 916 E. Main St. and her family members to discuss transferring the property to the City in exchange for the City not enforcing the judgment against the property owner, but Klug had been unable to reach the property owner or her family. Klug further reported that he had recently sent the property owner and her family members certified letters.

CLERK/ADMINISTRATOR:

a. Updates

i. PFA loan for Production Well No. 8: Clerk/Administrator Swann reported that the City was finalizing the loan documents for the PFA loan in the amount of \$333,149.

NEW BUSINESS:

a. Public hearing re application by Benjamin Logging for the following setback variances to construct a 32' x 32' garage (1,024 square feet) at 124 E. South St. (parcel ID 210805000): [hearing @ 6:00 p.m.]:

- i. Setback variance of 8 feet from the west property line, resulting in a 2-foot setback in the side yard
- ii. Setback variance of 22 feet from the south property line, resulting in an 8-foot setback in the rear yard

At 6:02 p.m. Member Fitzpatrick moved to adjourn the regular City Council meeting to convene a public hearing on an application by Benjamin Logging for setback variances of 8 feet and 22 feet to construct a 32' x 32' garage at 124 E. South Street. Member Rykhus seconded the motion. All members present voted in favor of the motion, and the motion passed. The meeting was adjourned, and the public hearing convened at 6:02 p.m.

Mayor Schroeder read a letter from Susan and Mark Schwebach expressing concern about water runoff from the new proposed garage. Public Works/Zoning Director Casey Klug reported that the existing garage was 12 feet from the (south) rear property line and 2 feet from the (west) side property line. Applicant Ben Logging reported that the roof was going to slope east and west. Member Fisch inquired whether it would be possible to move the garage to S. Marshall Street. At 6:27 p.m. Member Rykhus moved to adjourn the public hearing and reconvene the regular City Council meeting. Member Vick seconded the motion. All members present voted in favor of the motion, and the motion passed. The regular City Council meeting was reconvened at 6:27 p.m.

b. Consideration of application by Benjamin Logging for the following setback variances to construct a 32' x 32' garage (1,024 square feet) at 124 E. South St. (parcel ID 210805000): [hearing @ 6:00 p.m.]:

- i. Setback variance of 8 feet from the west property line, resulting in a 2-foot setback in the side yard
- ii. Setback variance of 22 feet from the south property line, resulting in an 8-foot setback in the rear yard

Council made the following findings regarding the requested setback variances:

- (i) Exceptional or extraordinary circumstances did not apply to the property that did not apply generally to other properties in the same zone or vicinity, and the circumstances were not the result of the lot size or shape, topography or other circumstances over which the owners of the property had no control since enactment of Chapter 153 of the City Code because the applicant could reduce the size of the proposed garage or change the location.
- (ii) The literal interpretation of the provisions of Chapter 153 would deprive the applicants of rights commonly enjoyed by other properties in the same district because other properties in R-2 zoning districts had garages close to the property line;
- (iii) The special conditions or circumstances did result from the actions of the applicants because the applicant could reduce the size of the proposed garage or change the location;
- (iv) The granting of the variance requested would not confer on the applicants a special privilege that was denied by Chapter 153 to owners of other lands, structures, or buildings in R-2, Urban Residential Districts because there were other properties in R-2 districts and near the property with garages that were close to the property line;

(v) The variance requested was not the minimum variance that would alleviate the hardship because the applicant could construct a smaller 30' x 32' garage with a 5-foot setback on the (west) side property line;

(vi) The requested 8-foot setback variance would be materially detrimental to the purposes of Chapter 153 or other properties in the R-2, Urban Residential Districts because the garage would be too close to the property line, but a smaller setback variance would not be materially detrimental because the setback would be used for a garage in a residential area; and

(vii) The proposed variance would not impair an adequate supply of light and air to adjacent properties or substantially increase the congestion of the public streets, or increase the danger of fire, or endanger the public safety, or substantially diminish or impair property values within the neighborhood; the variance would reduce congestion by getting a vehicle off the street.

Based upon the preceding findings of fact, Member Fitzpatrick moved to approve a 6-foot setback variance on the (west) side property line for a 4-foot setback and a 22-foot setback variance on the (south) rear property line for an 8-foot setback. The motion failed for a lack of a second.

Based upon the preceding findings of fact and the fact that the City had traditionally required at least a 5-foot setback, Member Fisch moved to approve a 5-foot setback variance on the (west) side property line for a 5-foot setback and a 22-foot setback variance on the (south) rear property line for an 8-foot setback. Member Rykhus seconded the motion. The motion passed 4-1, with Member Fitzpatrick voting against the motion.

c. Review of proposed conceptual site layouts for new wastewater treatment plant: Project engineer Eric Lynne of Donohue & Associates reviewed three proposed conceptual site layouts for the new wastewater treatment plant. All three options would place the new wastewater treatment plant in the northwest corner of the 18.09-acre property purchased by the City from the George and Ann Frisch Trusts. The Council favored putting evergreen trees around the site—including on the north side of the site to provide a screen—and putting a fence around the entire site. The consensus of the Council was that the best layout was option #2, which would locate the oxidation ditch on the south side of the site, the admin building and cold storage on the north side, and the secondary clarifiers in between.

Project engineer Eric Lynne of Donohue & Associates also updated the Council on the status of the City's Point Source Implementation Grant (PSIG). Lynne reported that he had recently been notified by the MPCA that the MPCA was changing its policy and funding projects needed to address new pollution limits rather than existing limits. This change would mean that the City's wastewater treatment facility project would not be eligible for the PSIG because the City's wastewater treatment facility project was needed to meet an existing nitrogen discharge limit of 10 mg/L. Lynne reported that the MPCA's policy change had been made only 10 days before the application deadline. Clerk/Administrator Swann reported that the City had sent letters

to Minnesota State Representative Greg Davids and Minnesota State Senator Jeremy Miller, informing them about the MPCA's policy change.

d. Review of proposed Resolution 2020-12: A Resolution Opposing Governor Tim Walz's Executive Order 20-81 and review of proposed Resolution 2020-12: A Resolution Requesting Governor Walz Amend Executive Order 20-81: Clerk/Administrator Swann reported that he had received concerns about Governor Walz's Executive Order 20-81 from City employees and members of the community, so in consultation with Mayor Schroeder, he prepared a resolution opposing the order and provided Council with an alternative resolution requesting Governor Walz amend the order. Swann further reported that the resolutions were intended to be for discussion purposes so Council could express their opinions and report on what they had been hearing from community members. Mayor Schroeder, Member Fitzpatrick, and Member Rykhus favored allowing individuals to make the decision whether to wear a face covering/mask and that they didn't think it should be mandated. Member Fisch and Member Vick expressed that they thought the City should support Governor Walz's mandate. Clerk/Administrator Swann reported that he had received correspondence from community members Amanda Ninneman and Melissa Wray expressing that they thought the Council should refrain from taking a position on Governor Walz's executive order because the community had mixed views about it and they thought it was a political issue that would cause conflict in the community. No further action was taken by the Council.

e. Discussion re Coronavirus Aid, Relief, and Economic Security (CARES) Act funding: Council discussed how much of the City's CARES Act funding the City should allocate for business grants. Clerk/Administrator Swann reported that some cities were using their CARES Act funding to cover payroll for law enforcement and public safety personnel on the theory that the duties of these personnel had been shifted from what had been budgeted for the year. Clerk/Administrator Swann reported that he was not advocating the City pursue this route, but he wanted Council to be aware of it. Member Fisch moved to approve allocating \$100,000 of the City's \$212,761 in CARES Act funding towards business assistance. Member Vick seconded the motion. All members present voted in favor of the motion, and the motion passed. The consensus of the Council was that non-profit organizations should also be allowed to apply for business assistance grants.

f. Discussion re encroachments on City property purchased from George and Ann Frisch Trusts: Council discussed the movable encroachments on the property the City had purchased from the George and Ann Frisch Trusts in fall 2019. Council supported providing similar terms as those approved for properties with immovable encroachments. Member Rykhus moved to allow existing movable encroachments to remain on the City's property for up to five years or until the property transferred ownership, whichever occurred sooner. Member Fitzpatrick seconded the motion. All members present voted in favor of the motion, and the motion passed.

g. Overtime Report: Members reviewed the overtime report for the pay period June 29, 2020 – July 12, 2020. No further action was taken by the Council.

ANNOUNCEMENTS:

- a. There was going to be a special City Council meeting on Monday, August 3, 2020 at 6:00 p.m. to discuss the City's Comprehensive Plan update.
- b. The next regular City Council meeting was scheduled for Monday, August 10, 2020 at 6:00 p.m.

ADJOURNMENT: There being no further business before the Council, a motion to adjourn was made by Member Fitzpatrick, seconded by Member Rykhus. All members present voted in favor of the motion, and the motion was declared carried to adjourn at 9:00 p.m.

DeWayne "Tank" Schroeder
Mayor

Adam G. Swann
Clerk/Administrator