

REGULAR MEETING OF THE CALEDONIA CITY COUNCIL  
CITY COUNCIL CHAMBERS, CITY HALL  
CALEDONIA, MINNESOTA  
Monday, January 9, 2017

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

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

ROLL CALL: Council members present: Mayor DeWayne “Tank” Schroeder, Robert Burns, Paul Fisch, Robert Lemke, and Randi Vick. City staff present: Adam Swann, clerk-administrator. Visitor(s) present: Daniel McGonigle, *Caledonia Argus*; Amanda Ninneman, Hazel Street Creative.

AGENDA: Member Fisch moved to approve the agenda; the motion was seconded by Member Burns. All members present voted in favor to approve the agenda, and the agenda was approved.

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

- a. Approval of minutes for December 12, 2016 regular meeting
- b. Approval of application by Caledonia Founder’s Day to hold gambling event on Feb. 11, 2017
- c. Approval of application by Caledonia Rod and Gun Club to hold gambling event on Feb. 18, 2017
- d. Approval of application by Caledonia Fire Dept. Relief Association to hold gambling events on premises of MAAD Properties, LLC at 114 Bissen St.
- e. Approval of request from Helen Olson for key to Municipal Auditorium
- f. Reduction of Councilmember Burns’ salary from \$2,900 to \$1,400 for 2017

PUBLIC COMMENT: None.

CLERK-ADMINISTRATOR:

a. Updates: Clerk-Administrator Swann reported the following: (i) he, Matt Blocker (line foreman), and Nate Becker (line worker) met with representatives of Dairyland Power and MiEnergy Cooperative on Jan. 4 to discuss removal of the substation adjacent to the Fire Dept. building and to discuss the maintenance and operation of the City’s new substation, Wild Turkey II; (ii) SEMCAC’s Debbie Bettehauser was working to secure a new location for senior dining in the City of Caledonia; (iii) JBB Real Estate, LLC and Tactacam, LLC declined to move forward with the loan from the Minnesota Investment Fund but still wanted to proceed with the loan from the City; (iv) Kwik Trip Store 733 and Houston County paid in full the electric undercharges on their accounts; (v) the MN Dept. of Revenue estimated that a .5% local sales and use tax would generate about \$95,000; (vi) Allison Wagner was working with Amanda Ninneman of Hazel Street Creative on a new City website, which was expected to be ready within a month; and (vii) work was progressing on the republication of the City Code.

NEW BUSINESS:

a. Public hearing re application by Miken Sports for three setback variances at 131 Bissen St.: At 6:10 p.m. the regular meeting was adjourned to hold a public hearing on a request from Miken Sports for three variances to the setback requirements at 131 Bissen St. The application submitted by Miken Sports requested a setback variance of 7 feet from the west property line, a setback variance of 20 feet from the south property line, and a setback variance of 14 feet from the southwest corner of the property (which

required a clear zone of 50 feet). The setback variances were requested for purposes of installing a new 9' x 3' sign 23 feet from the west property line, 10 feet from the south property line, and 36 feet from the southwest corner of the property. No members of the public wished to address Council about the request for setback variances. At 6:15 p.m. Mayor Schroeder closed the public hearing and reconvened the regular meeting.

b. Consideration of application by Miken Sports for sign permits and three setback variances at 131 Bissen St.: Council reviewed applications for two sign permits and an application for setback variances of 7 feet from the west property line, 20 feet from the south property line, and 14 feet from the southwest corner of the property (which required a clear zone of 50 feet). The first application was for a new 9' x 3' non-illuminated post and panel sign; the second application was for a new 4'8" x 15' non-illuminated wall sign to replace the existing wall sign. Member Burns moved to approve the application for setback variances of 7 feet from the west property line, 20 feet from the south property line, and 14 feet from the southwest corner of the property. Member Fisch seconded the motion. All members present voted in favor of the motion, and the motion passed.

Member Burns moved to approve both applications for sign permits. Member Vick seconded the motion. All members present voted in favor of the motion, and the motion passed.

c. Proposal to add new full-time police officer position and reduce permanent part-time hours: Council reviewed and discussed a proposal to add a fifth full-time police officer position, eliminate one permanent part-time position, and reduce the hours of the second permanent part-time position. Clerk-Administrator Swann reported that the proposal was intended to reduce the turnover in the two permanent part-time positions—which included five officers since 2013—including the recent resignation of Trent Prince, a permanent part-time police officer working 60 hours every two weeks. Swann reported that adding a fifth full-time officer position, eliminating the 60-hour permanent part-time position, and reducing the 70-hour permanent part-time position from 70 hours to 50 hours would cost the City an estimated \$15,707.81, which included \$3,332.81 in wages, \$12,000 in health insurance costs, and \$375 for a uniform allowance. Swann reported that the additional cost might be offset by savings in training costs for permanent part-time officers, which typically lasted 16-18 weeks per officer and cost \$11,488 in wages for each officer. Swann further reported that replacing one of the two permanent part-time officer positions with a full-time position would address the concern about having two permanent part-time officer positions vacant at the same time, which presented problems for training and scheduling. Police Chief Zehnder expressed his support for the proposal and answered Council's questions about whether the City could reduce the cost of adding a full-time officer by reducing the remaining permanent part-time position even further—below 50 hours. Member Burns moved to hire a new full-time police officer to replace the vacant permanent part-time position and to have one remaining permanent part-time position not to exceed 46 hours every two weeks. Member Vick seconded the motion. All members present voted in favor of the motion, and the motion passed.

d. 2017 City Positions/Appointments and Council Committees: Council reviewed and discussed the City positions/appointments and Council committees for 2017. Member Burns moved to approve the positions/appointments and Council committees with one amendment, appointing Stephanie Mann as deputy city clerk. Member Lemke seconded the motion. All members present voted in favor of the motion, and the motion passed.

e. Appointment of Francis Myhre and Jon Haggerot to EDA Board of Commissioners: Council considered Mayor Schroeder's nominations of Francis Myhre and Jon Haggerot to the EDA Board of Commissioners. Member Burns moved to approve the appointments. Member Fisch seconded the motion. All members present voted in favor of the motion, and the motion passed.

f. Resolution 2017-001: Resolution Accepting Donation from American Legion Post 191: Council considered Resolution 2017-001, a resolution accepting a \$1,000 donation from the American Legion Post 191 to be used towards the cost of a new scoreboard at Veterans Memorial Park. Member Fisch moved to approve the resolution. Member Vick seconded the motion. All members present voted in favor of the motion, and the motion passed.

g. Review of Revised Municipal Auditorium Usage Policy: Council reviewed and discussed a revised Municipal Auditorium usage policy. Member Burns moved to approve the revised usage policy with one amendment, reducing the rate from \$7.50 to \$5.00 per hour for non-profit groups, adult recreation, and government meetings. Member Lemke seconded the motion. All members present voted in favor of the motion, and the motion passed.

h. Review of Request from Dale Baskett to Use the Municipal Auditorium: Council reviewed a request from Dale Baskett to use the Municipal Auditorium for his speed-training classes. The consensus of the Council was that Baskett could use the auditorium but should be charged the commercial rate of \$15.00 per hour.

i. Review of non-union wages for 2017: Council reviewed non-union wages and salaries and discussed increases for non-union employees in 2017. Member Burns moved to approve the following wage and salary changes effective January 1, 2017: i) increasing Clerk-Administrator Swann’s salary by \$2,100 and ii) increasing Police Chief Zehnder’s salary by 80 cents per hour. Member Vick seconded the motion. Member Burns moved to amend his prior motion by also i) increasing the salaries of Municipal Liquor Store employees Nancy Steele, Randy Spruill, and Barb Peters by 50 cents per hours; and ii) increasing the salaries of Ken Van Minsel and Dean Schutte by 50 cents per hour if the minimum wage was increasing to \$10.00 per hour; if the minimum wage was not increasing, their wages would be discussed at the next meeting. Member Vick seconded Member Burns’ amendment to his original motion. All members present voted in favor of the motion and amendment, and the motion and amendment passed.

j. Overtime reports: Council reviewed and discussed the overtime reports for December 5 through December 18, 2016 and December 19, 2016 through January 1, 2017. No further action was taken by Council.

k. Prepaid claims: Council reviewed the prepaid claims for the period December 14, 2016 through January 6, 2017. Member Fisch moved to approve the prepaid claims listed below. The motion was seconded by Member Lemke. All members present voted in favor of the motion, and the motion passed.

|                                |  |           |
|--------------------------------|--|-----------|
| A 1 Precision Pumping, Inc     | Cal Aquatic Ctr – Toilet Rental        | 100.00    |
| Boesen, Dan                    | Personal Phone Stipend Dec 2           | 25.00     |
| Caledonia Fire Department      | Relief Assn – 4 <sup>th</sup> Qtr 2016 | 600.00    |
| Goodyear Auto Service Center   | PD – Tires for Squads 22 & 23          | 1,105.20  |
| Jack Neumann Trucking          | Liquor – Freight Exp                   | 96.00     |
| Johnson Brothers Liquor Co     | Liquor Store Inventory                 | 2,767.94  |
| Louks, Seth                    | PD – Reim Travel Exp                   | 427.83    |
| Nelson, Craig T                | Personal Phone Stipend Dec 2           | 25.00     |
| Neuman Pools, Inc              | Cal Aquatic Ctr – Payment #5           | 35,040.75 |
| Phillips Wine & Spirits Co     | Liquor Store Inventory                 | 1,057.34  |
| Rask, Nicholas D               | Animal Control – Rent/Misc Exp         | 75.00     |
| Richard’s Sanitation, LLC      | Aquatic Ctr – Refuse Disposal          | 356.90    |
| Wieser Bros Gen Contractor Inc | Aquatic Center – Payment #6            | 5,080.18  |

|                              |                                 |           |
|------------------------------|---------------------------------|-----------|
| Caledonia True Value         | Mult – Misc                     | 356.22    |
| Caledonia Veterinary Clinic  | Tax Abatement                   | 14.42     |
| Davy Laboratories            | Stp – Lab                       | 1,748.25  |
| Edwards Investments          | TIF 2-2 Interest Payment        | 3,653.36  |
| Great Lakes Coca-Cola Distr  | Liquor Store Inventory          | 120.96    |
| Kraus Oil Co Inc             | Mult – Fuel                     | 971.00    |
| Miken Sports                 | Tax Abatement                   | 2,255.11  |
| Northern Beverage Dist       | Liquor Store Inventory          | 3,511.20  |
| Sno Pac Foods Inc            | Tax Abatement                   | 6,925.12  |
| Towmaster                    | Street Equip – Truck 07 Parts   | 96.21     |
| Zehnder, Kurt                | PD – Uniform Allowance          | 132.19    |
| Zenke Incorporated           | Water – Main Break Winnebago    | 1,155.00  |
| Louks, Seth                  | PD – Reim Travel Exp            | 6.31      |
| Swann, Adam G                | Clerk/Adm – Travel Exp          | 95.80     |
| Tornstrom, Michael           | Reim – Mileage Exp              | 24.84     |
| B & M Service Center         | Street Equip – Fuel             | 28.35     |
| Beier & City, Glenn          | Meter Deposit Refund & Interest | 250.70    |
| Breakthru Beverage MN        | Liquor Store Inventory          | 521.10    |
| Business Financial Planning  | Café Plan Payday                | 312.01    |
| Commissioner of Revenue      | State W/H – Payday              | 1,960.08  |
| Crail & City, Jacob          | Meter Deposit Refund & Interest | 250.60    |
| G & F Distributing           | Liquor Store Inventory          | 151.20    |
| Iverson & City, Jeremy       | Meter Deposit Refund & Interest | 250.60    |
| Leversque & City, Paige      | Meter Deposit Refund & Interest | 251.28    |
| Mcmaster-Carr Supply Co      | Stp – Chain                     | 382.88    |
| Mcmullen & City, Charles     | Meter Deposit Refund & Interest | 250.80    |
| Merchant’s Bank              | Fed/Fica/Med – Payday           | 10,423.46 |
| Meyer’s Lawn Service         | Streets – Snow Removal          | 225.00    |
| MN benefit Association       | MBA Payday                      | 35.34     |
| MN Child Support Payment Ctr | 1 Case Id                       | 203.04    |
| MN State Retirement System   | MNDCP/Roth – Payday             | 745.00    |
| NCPERS Minnesota             | NCPERS Payday 12/20/2016        | 48.00     |
| Public Emp Retirement Assn   | Pera                            | 8,653.69  |
| Schott Distributing Co, Inc  | Liquor Store Inventory          | 3,581.60  |
| Southern Glazer’s of MN      | Liquor Store Inventory          | 495.50    |
| Spring Grove Soda Pop, Inc   | Liquor Store Inventory          | 55.00     |
| Winter Equipment Co, Inc     | Street Equip – Plowguards       | 589.12    |
| Temple Display LTD           | Streetscapes – Pole Wraps       | 3,193.20  |
| Community Spirit Caledonia   | Pass Thru Contr From A Falck    | 3,000.00  |
| Printy Quik                  | Mayor – Schroeder Nameplate     | 14.00     |
| Jack Neumann Trucking        | Liquor – Freight Exp            | 60.00     |
| J-Line Design                | PD – Rec Permit Stickers        | 37.50     |
| Johnson Brothers Liquor Co   | Liquor Store Inventory          | 1,121.74  |
| MN Chiefs of Police Assn     | PD – 2017 Membership Zehnder    | 230.00    |
| Petty Cash                   | Replenish Petty Cash            | 62.32     |
| Phillips Wine & Spirits Co   | Liquor Store Inventory          | 1,267.45  |
| Principal Life               | Mult – Life/Ad&D/Dep Life       | 501.44    |
| Schott Distributing Co, Inc  | Liquor Store Inventory          | 1,122.10  |
| Spring Grove Soda Pop, Inc   | Liquor Store Inventory          | 147.50    |
| Wine Merchants               | Liquor Store Inventory          | 72.00     |
| Caledonia Oil Co             | Street Equip – Fuel             | 1,235.30  |
| Decorah Auto Center          | Light Dept – Truck 08 Repairs   | 1,036.79  |

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| Independent School Dist 299  | City Share X-ing Guards Sep-Dec | 761.19              |
| Pearson, Nathan              | PD – 2016 Uniform Allowance     | 38.51               |
| Sema Equipment, Inc          | Street Equip – Additives        | 612.98              |
| Semnit                       | Mult – Tech Svces               | 1,294.93            |
| G & F Distributing           | Liquor Store Inventory          | 287.91              |
| Houston County Treasurer     | HO Co Coll Site Jan 2017        | 4,686.50            |
| Nelson, Craig T              | 2016 Uniform Allowance          | 11.22               |
| Northern Beverage Dist       | Liquor Store Inventory          | 1,603.85            |
| Richard’s Sanitation, LLC    | Recycling – Collections Dec     | 6,516.20            |
| Schott Distributing Co, Inc  | Liquor Store Inventory          | 814.50              |
| Spring Grove Soda Pop, Inc   | Liquor Store Inventory          | 77.75               |
| MN Dept of Revenue           | Sales/Use Tax – Dec 2016        | 33,088.00           |
| Commissioner of Revenue      | State W/H – Payday              | 2,124.21            |
| Merchant’s Bank              | Fed/Fica/Med – Payday           | 11,186.36           |
| MN State Retirement System   | MNDCP/Roth – Payday             | 745.00              |
| Business Financial Planning  | Café Plan Payday                | 311.75              |
| Caledonia Police Association | PD Assn Dues – Jan 2017         | 95.00               |
| Elsie’s Bar & Grill          | PD – Lunch for Chief’s Mtg      | 49.70               |
| IUOE Local #49               | Union Dues – January 2017       | 442.00              |
| Louks, Seth                  | PD – 2017 Uniform Allowance     | 650.00              |
| MN Child Support Payment Ctr | 1 Case Id                       | 203.04              |
| Public Emp Retirement Assn   | Pera Payday 1-3-2017            | 793.37              |
| Coffield, Mark               | PD – Health Insurance           | 450.00              |
| IUOE Local 49 Benefit Fund   | Mult – Health Insurance         | 21,930.00           |
| MN State Fire Chiefs Assn    | FD 2017 Dues – Mult             | 193.00              |
| Schott Distributing Co, Inc  | Liquor Store Inventory          | 6,114.25            |
| Southern Glazer’s of MN      | Liquor Store Inventory          | 739.88              |
| Spring Grove Soda Pop, Inc   | Liquor Store Inventory          | 163.25              |
| US Bank                      | Aquatic Center – Interest       | 12,675.20           |
| Viking Electric Supply       | Light – Misc                    | 20.16               |
| Visa                         | Mult – Misc                     | 2,190.82            |
|                              | <b>Total:</b>                   | <b>\$204,971.25</b> |

f. Claims payable: Council reviewed the claims payable for January 2017. Member Fisch moved to approve payment of the claims listed below. The motion was seconded by Member Vick. All members present voted in favor of the motion, and the motion passed.

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|--------------------------------|----------------------------------|----------|
| Abrams & Schmidt LLC           | Consulting Attorney – Labor/Svcs | 216.00   |
| Acentek Ascending Technology   | Mult – Comm Exp                  | 1,108.85 |
| Airgas USA, LLC                | Street – Oxygen/Acetylene        | 146.52   |
| American Society of Composers  | Mult – Lic Fee                   | 341.00   |
| Artic Glacier USA, Inc         | Ice                              | 41.12    |
| Auto Value Parts Store         | Mult – Misc                      | 459.78   |
| Baker & Taylor Books           | Library – Books                  | 380.63   |
| Banyon Data                    | Utility Billing Support          | 795.00   |
| Becker & Stemper Electric, LLC | PD/AMB – Labor (Outlet Install)  | 45.85    |
| Bonanza Grain, Inc             | Street – Maint Mtls              | 166.80   |
| Bound Tree Medical, LLC        | Amb – Misc                       | 478.86   |
| Burroughs Equip Repair Inc     | Street Equip – Repairs/Maint     | 6,484.36 |
| Caledonia Lumber Co, Inc       | Street – Misc                    | 83.95    |
| Caledonia Oil Co               | Mult – Repairs/Maint             | 711.10   |

|                                |   |                     |
|--------------------------------|---|---------------------|
| Carquest Auto Parts Store      | Street Equip – Mult                       | 372.21              |
| City of Caledonia - Utilities  | Mult – Electric, Water, Sewer             | 10,982.60           |
| Dairyland Power Cooperative    | Light – Wild Turkey Agr 2017              | 1,480.00            |
| Davy Engineering               | Mult – Misc                               | 1,868.44            |
| Davy Laboratories              | Stp – Lab                                 | 89.25               |
| Discount Magazine Sub Service  | Library – Magazine Subscriptions          | 992.42              |
| E O Johnson Company            | Mult – Copier Agr                         | 468.47              |
| ECM Publishers, Inc            | Mult – Misc                               | 593.68              |
| Ellingson Motors               | Street Equip - #06 Brake Repairs          | 144.00              |
| Fastenal Co                    | Mult – Parts & Batteries                  | 116.78              |
| Gske, Dave                     | Arboviral Control                         | 1,470.00            |
| Gopher State One Call          | Light – Location Notifications            | 8.10                |
| Hammell & Murphy, PLLP         | Prosecution Matters                       | 2,849.25            |
| Hoskins Electric Co            | Stp – Service Call & Tank Modifications   | 11,881.32           |
| Houston County Treasurer       | Streets – Maint Mtls/Sand                 | 1,591.76            |
| Image Trend, Inc               | Amb – Annual Support                      | 900.00              |
| Innovative Office Solutions    | Mult – Misc                               | 279.22              |
| Junior Library Guild           | Library – Books                           | 189.60              |
| Ken’s Small Engine, Inc        | Aud – Snowblower Repair Parts             | 136.35              |
| Kwik Trip Stores               | Water/Sewer – Fuel                        | 19.36               |
| La Crosse County Health Dept   | Arbovirus Control Prgrm 2016              | 480.00              |
| Law Enforcement Tech Group     | PD – Software Maint Agr 2017              | 2,875.60            |
| Menard’s                       | Street Equip – Misc                       | 16.12               |
| Minnesota Energy Resources     | Mult – Nat’l Gas                          | 4,923.99            |
| Mississippi Welders Supply Co  | Amb – Oxygen                              | 109.57              |
| MN Public Facilities Authority | Stp – Interest Go BDS MN PFA              | 11,643.14           |
| Northland Trust Services, Inc  | Go Ref BDS & Sewer Rev Note               | 113,273.50          |
| Olsen Chain & Cable, Inc       | Light – Annual Crane Inspection           | 280.00              |
| Pearson Education              | Amb – EMT Class Instr Mtls                | 696.22              |
| Pine Island Bank               | Go Tax Abatement BDS                      | 34,474.50           |
| Pomp’s Tire Service, Inc       | Street Equip – 07 Front Tires             | 1,295.00            |
| R C T Sewer & Vac              | Sewer- Video                              | 125.00              |
| Schilling Supply Company       | Clerk’s Office /Liquor – Paper & Bags     | 222.39              |
| SE Libraries Cooperating       | Library – Auto fees, 2 Computers, Monitor | 2,532.67            |
| Semnit                         | Mult – Misc                               | 440.00              |
| Severson Oil Company           | Street Equip – Diesel Eshause Fl          | 36.70               |
| Taser International            | PD – Taser Supplies                       | 382.90              |
| Todd’s Towing & Transport      | PD – Tow Fee                              | 100.00              |
| Tri County Electric Co-Op      | Mult – Elec Energy, Lighting              | 203,056.49          |
| United Laboratories            | Mult – Cleaning Supplies                  | 147.62              |
| US Bank                        | Go Sewer Rev Ref Bonds 2009A              | 450.00              |
| Verizon Wireless               | Ambulance – Comm Exp                      | 242.37              |
| Water Systems Company          | Clerk’s Office – Drinking Water           | 13.72               |
| Wiebke Tire & Exhaust, LLC     | Street Equip – Tire Repair                | 509.50              |
| Winona Controls, Inc           | City Hall – Repairs/Maint                 | 441.31              |
|                                | <b>Total:</b>                             | <b>\$426,660.94</b> |

ANNOUNCEMENTS: The next regular Council meeting will be on Monday, January 23, 2017 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 Lemke. All members present voted in favor, and the motion was declared carried to adjourn at 7:40 p.m.

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DeWayne "Tank" Schroeder  
Mayor

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Adam G. Swann  
Clerk-Administrator