

SPECIAL MEETING OF THE CALEDONIA CITY COUNCIL
CITY COUNCIL CHAMBERS, CITY HALL
CALEDONIA, MINNESOTA
Wednesday, March 28, 2018

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 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 Schroeder, Robert Burns, Paul Fisch, Robert Lemke, and Randi Vick. City staff present: Casey Klug, public works and zoning director; Stephanie Mann, finance officer (at 6:30 p.m.); Adam Swann, clerk-administrator. Visitor(s) present: Tom Kellogg, WSB & Associates, Inc.; Craig Moorhead, *Caledonia Argus*.

CONSENT AGENDA: Member Fisch moved to approve the consent agenda, and Member Vick 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 March 12, 2018 regular meeting
- b. Rescind approval of 3.2% off-sale beer license for The Wired Rooster, LLC
- c. Approval of 3.2% on-sale beer license for The Wired Rooster, LLC

PUBLIC COMMENT: None.

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 \$3,457,597.65 through February 28, 2018. Mann reported that cash and investments had dropped since December 31, 2017 because the City had several large expenditures, including the following: \$45,225 to rehab well #7, \$179,553 to purchase the new ambulance, and \$196,200 on debt payments. Mann noted that the City had paid off G.O. sewer revenue note 2010A in March 2018.

b. Review of 2018 budget v. actual for General Fund, enterprise funds, and special revenue funds: Mann reported on the 2018 budget v. actual for the General Fund, enterprise funds, and special revenue fund. Mann reported that due to the \$150,000 payment in lieu of taxation to the General Fund, the Electric Fund showed a projected surplus of \$1,215, although the fund’s cash flow was higher because of depreciation. Mann reported that the new water and sewer rates had not been factored into the 2018 budget for Water Fund and Sewer Fund. Mann reported that the Liquor Fund showed a projected budget deficit of \$21,460, but this number included \$22,155 in charges for administrative expenses, which helped the General Fund. The Liquor Fund was also budgeted to have \$4,000 in depreciation. Mann further reported that the Ambulance Fund was budgeted to have a deficit of \$143,605 because of the purchase of the new \$179,553 ambulance.

CLERK-ADMINISTRATOR:

a. Updates:

i. Part-time administrative assistant at Police Department: Clerk-Administrator Swann reported that the job announcement had been posted internally starting March 19 and would be advertised in the *Argus* on March 28, April 4, and April 11, with the first review of applications on April 20, 2018.

ii. Caledonia Downtown Redevelopment Program award: Swann reported that the Caledonia EDA had approved an application from John and Diane Hauser for a forgivable loan of up to \$20,000 to pay 50% of the cost for demolishing the building at 119 S. Kingston. Swann further reported that the

EDA had included several conditions on the award, including that the project had to be completed by May 1, 2018.

iii. Local Update of Census Addresses Operation (LUCA): Swann reported that he, Utility Billing Clerk Jessica Kohnen, and Assistant to the Clerk-Administrator Allison Wagner were going to be working on LUCA, which was a program that allowed cities and counties to review and update addresses for housing units in the City to ensure that every City resident is counted during the 2020 Census.

iv. First aid/CPR training: Swann reported that most City employees had completed a first aid/CPR/AED training provided by Ambulance Director Mike Tornstrom and Mary Betz. Swann thanked Tornstrom and Betz for providing the training.

NEW BUSINESS:

a. Review of bid results for 2018 N. Kingston St. Reconstruction Project: Council reviewed the bid tabulation summary prepared by WSB & Associates, Inc. for the N. Kingston St. Reconstruction project; bids were opened on February 22, 2018 at 10:00 a.m. Tom Kellogg, senior project engineer for WSB & Associates, Inc., summarized the process if the City accepted a bid and awarded a contract. Member Burns moved to accept the bid from A-1 Excavating, Inc. for the base bid + alternate 2 in the amount of \$1,720,020.45 and award A-1 Excavating, Inc. a contract for the 2018 N. Kingston St. Reconstruction Project. Member Fisch seconded the motion. All members present voted in favor of the motion, and the motion passed.

b. Consideration of revised policy for access to diseased tree site: Public Works and Zoning Director Casey Klug presented Council with a proposed revised policy for accessing the City's diseased tree site. Under the revised policy, the tree site would be open on Mondays (from 10am-4pm), Wednesdays (from 10am-4pm), and Saturdays (from 9am-4pm) during the period April 1 – November 1. The City would not issue keys to contractors or residents for accessing the site. The City would charge a commercial tree trimmer \$5.00 for a pickup or equivalent small trailer; \$10.00 for a tonner truck or large trailer; and \$40.00 for a large commercial truck. A commercial tree trimmer could also pay \$1,500 per year for unlimited use when the tree site was open. Member Burns moved to approve the revised tree site policy. Mayor Schroeder seconded the motion. All members present voted in favor of the motion, and the motion passed.

c. Discussion re playground maintenance at Veterans Park: Public Works and Zoning Director Casey Klug reported that he was contracting to have new woodchips placed at the playground at Veterans Park. Klug reported that he had considered using rubber chips but had been advised against it by a representative of the League of Minnesota Cities Insurance Trust. The members supported the maintenance but wanted the City to order more woodchips to achieve a 9-inch deep layer rather than a 6-inch deep layer.

d. Consideration of recommendation from Caledonia EDA to conduct hotel market study: Clerk-Administrator Swann reported that the Caledonia EDA had recommended hiring Core Distinction Group to conduct a hotel market study. Member Burns explained that the cost of the full study would be \$7,500, but if CDG's preliminary findings determined there was not sufficient demand for a hotel, the cost would only be \$3,750. Swann reported that he had checked CDG's references and found at least several instances where CDG had determined there was insufficient demand for a hotel, so Swann was optimistic CDG would provide an objective analysis. Swann further reported that the EDA budget had \$4,000 for labor services, so the EDA might need the City to help cover the cost of the market study if the City was charged the full \$7,500. On the basis of the recommendation from the EDA, Member Burns moved to approve the hiring of Core Distinction Group, LLC to do a comprehensive hotel market study, with the City paying 50% of the cost of the study if the preliminary findings warranted a full study for \$7,500.

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

e. Recommendation to hire Philip Rettke as a full-time police officer: Clerk-Administrator Swann reported that there had been two rounds of interviews. Mayor Schroeder participated in the second round of interviews and summarized the process. Mayor Schroeder reported that based on the second round of interviews, the recommendation was to hire Philip Rettke. Member Burns moved that based on the recommendations of the two rounds of interviews the City offer the full-time police officer position to Philip Rettke provided that he passed the background and psychological testing. Member Lemke seconded the motion. All members present voted in favor of the motion, and the motion passed.

f. Review of revised job description for custodian position: Swann presented Council with a revised job description for the custodian position. Member Burns moved to approve the revised job description as presented. Member Fisch 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 February 26, 2018 – March 11, 2018. No further action was taken by the Council.

ANNOUNCEMENTS: The next regular Council meeting would be on April 9, 2018 at 6:00 p.m.

ADJOURNMENT: There being no further business before the Council, a motion to adjourn was made by Member Fisch, seconded by Member Burns. All members present voted in favor, and the motion was declared carried to adjourn at 8:28 p.m.

DeWayne “Tank” Schroeder
Mayor

Adam G. Swann
Clerk-Administrator