

REGULAR MEETING OF THE CITY COUNCIL  
CITY OF CALEDONIA, MINNESOTA  
Monday, March 9, 2015

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

ROLL CALL: Members present: Mayor Joshua Gran, Council Members: DeWayne Schroeder, Bob Lemke, Bob Burns and Paul Fisch. City Staff Present: Administrative Coordinator Mike Gerardy, City Clerk/Administrator Ted Schoonover City Attorney Tim Murphy and Police Chief Kurt Zehnder. Caledonia Argus reporter: Daniel McGonigle, Guests: Marge Birkeland, Mary Pieper, DeAnna McCabe, Lois Greer, Steve Reiman, Mary Mell, Dan Kruse, Paul Weichert, Joe and Alli Jennings, Dave Tessmer and Steve Peplinski.

AGENDA: Motion by Member Burns, second by Member Schroeder to approve the agenda. All present voted in favor and the motion was declared carried.

CONSENT AGENDA APPROVAL: Motion by Member Schroeder, second by Member Fisch to approve the consent agenda, which consisted of the regular meeting minutes from the February 23, 2015 regular meeting. Roll call of votes. Yes: Mayor Gran, Members Schroeder, Burns and Fisch. No. None. Abstain: Member Lemke. The motion was declared carried.

VISITORS AND COMMUNICATIONS: None.

ADMINISTRATIVE COORDINATOR: The first issue was a complaint against the city from Starlite Lanes Bowling Center Owner Steven Peplinski. He is claiming that city wrongfully contracted with an unlicensed plumber to repair the private water service line that feeds his business and 4 other property owners. He further wanted to know if the city was in the habit of hiring unlicensed contractors to do work for the city. Mayor Gran and Attorney Tim Murphy explained to Mr. Peplinski that a license is required to do plumbing work on private property, but is not mandated that the city ask for or request to see such a license, per the Minnesota Department of Labor and Industry. Administrator Schoonover also informed him that in a normal situation we would have an easement or be working in the right-of-way and in that instance no license is required to that. This is a special incident and one we should have handled differently. Mayor Gran asked Mr. Peplinski if the leak was stopped, he stated it had been but there needs to be more gravel placed there. Again Mayor Gran asked him if he felt the leak was repaired. Again Mr. Peplinski stated it had but there needs to be more gravel to fill the hole. Member Schroeder informed him that it is located on private property and he should take care of that himself. With the water line issue resolved, Mr. Peplinski went onto another complaint and that was a letter he received from the City informing him that he and his son could not reside within the Bowling Center as it not allowed in an Industrial zoned district. He stated that he felt he qualified under the Conditional Use section 153.153 (A) "Dwellings for watchpersons or custodians of industrially used property only". He stated that his son is the custodian and he is the watchperson, so therefore he felt he should be allowed to reside there. Schoonover asked him what he produced or made and his response was bowling balls and pins. Schoonover asked him if he made the actual balls or just drilled them for recreational use. Schoonover then stated he would prefer that this determination be made by the City Attorney. Mr. Murphy stated he would have to review the ordinance and would let us know. Mr. Peplinski then stated he also had an issue with the Police Department constantly driving through their area and then stopping customers for alcohol violations. In particular one incident when a resident was stopped at Kwik Trip for excessive acceleration and was given a field sobriety test, and this patron does not consume alcohol. After a few questions by Chief Zehnder it was determined the stop was initiated by the Houston County Sheriff's Deputy and not a City Police Officer. Chief Zehnder also informed the owner that his officers have been told not to drive through those areas unless called upon to do so, other than normal security checks, and he also assured everyone in attendance that his department is not stalking or watching establishments for alcohol or other infractions. No further action was taken.

Gerardy then presented the council with two quotes to repair the sewer line between Lincoln St. and Grant St. Municipal Pipe and Tools quote was for \$14,120.00, and Visu-Sewers quote was for \$16,020. Motion by Member Schroeder, second by Member Fisch to approve the hiring of Municipal Pipe and Tool to complete the project as presented. All members present voted in favor and the motion was declared carried.

Gerardy presented the council with a quote to repair the sign on the Fire Station. During the winter it appears that one of the letters fell off and was destroyed. The estimate was \$1,265.00 to repair and replace the word Station, or to replace both words for \$1,785.00. Mayor Gran asked if this something that the Vo-Tech program at the high school could build or some other person that works with plastic lettering. Gerardy stated he would look into it further and no further action was taken.

Gerardy then presented the council with two quotes to replace the sign at the Liquor Store. One would be a reskinning and new fixtures for \$3,885.00 and the other would be a totally new sign for \$4,980.00. Member Schroeder asked if maybe one of the beer distributors would be interested in advertising on the sign and assist in the replacement of the current sign. Gerardy stated he would look into it. No further action was taken.

The Council then discussed our current bulk water rates and the need to increase it. It is currently at \$7.50 per 1,000 gallons with no administrative fee tied to it. A lot of other cities tie a fee to it in order to cover billing charges. Member Burns stated that he can do some research and get a listing of what other cities charge and we can relook at it. No action taken.

#### CITY CLERK/ADMINISTRATOR:

Member Burns then informed the members and audience about the meeting that was held with Member Schroeder, Administrator Schoonover, USAquatics and himself. We had a very long discussion with them and went through the estimate line by line and discovered that we could shave some of it off. We decided that we could cut 7' off the pool therefore saving a significant amount of money and some other areas we can redesign and approve or disapprove them at the time of construction. In the end we informed them that we needed to get the total package down to at least 1.5 million if not below that level. He stated he and his staff would review it and get back with us. We have not heard from them as of today. Several of those in attendance had questions of how the city would pay for it and if they would call for a referendum when the time comes. Member Burns again informed them that we would have to bond for 1 million dollars and use the remaining money on hand and what is pledged to complete the project. But he also informed them that we are still levying for other bonds that are currently paid off, so if we borrow 1 million dollars we would only have to assess or tax for the remaining \$600,000 because we are already levying for the other \$400,000. As for calling for a referendum the city will call for one when we have the data we need and feel comfortable moving forward. At this time I can't give you a definite date. No further discussion or action was taken.

Motion by Member Fisch, second by Member Lemke to approve the claims payable as presented. All members present voted in favor the motion was declared carried.

Abrams & Schmidt LLC	Consulting Attorney	607.50
Acentek Ascending Tech.	Communication Expense	1,255.29
Auto Value Parts Store	Miscellaneous Items, Sm. Tools, Fluids	319.92
Blue Cross Blue Shield of MN	M. Coffield Health Insurance	1,525.42
Bound Tree Medical, LLC	Miscellaneous Items	563.60
Burroughs Equipment	Inspection/Repairs/Maintenance	140.48
Caledonia Implement Co.	Skid loader Repair	5,816.86
Caledonia Oil Company	Car 20 Tire Mount	93.00
Carquest Auto Parts Store	Car Wash, Tools	25.78
City of Caledonia	Utilities	10,837.40
Davy Engineering	Engineering Fee's	660.57
Davy Laboratories	Lab's	1,682.06
Dawson Truck Parts, Inc.	Truck Repairs	1,635.44
EO Johnson Company	Copier Agreement	480.38
Earl F Andersen	Sign Bracket/Post	1,452.52
ECM Publishers, Inc.	Ad/Notice/Etc.	270.47
Farrell Equipment & Supply Co.	Shovel Truck 15, 1 <sup>st</sup> Aid Kit Truck	89.97
Fastenal Company	Miscellaneous Items	99.83
Galls, LLC	Uniforms	108.45
Gopher State One-Call	Location Notifications	4.35
Hawkins, Inc.	Chemicals	1,672.57
Hoskins Electric Co.	Repair Parts/Maintenance	751.37
Houston Co. Treasurer	Special Assessment Admn. Charges	397.95
Innovative Office Solutions	Office Supplies	88.41
Jack Neumann Trucking	Freight Expense	110.00
Johnson Brothers Liquor Co.	Liquor Store Inventory	2,405.08
Kemske	License Forms	185.19
McMaster-Carr Supply Co.	Heaters	67.38
Med Compass	Fire Dept. - Med Exam	1,830.00
MN Department of Commerce	4 <sup>th</sup> Quarter Fiscal Year	531.28
MN Department of Health	Water Service Connection Fee	1,809.00
MN Energy Resources	Natural Gas	7,058.46
Mississippi Welders Supply Co.	Oxygen	141.17
MN Pollution Control Agency	2014 Annual Permit Fee	1,450.00
Moss & Barnett	Mediacom Franchise Renewal	32.00
Northern Beverage Distribution	Liquor Store Inventory	1,624.25
Phillips Wine & Spirits Co.	Liquor Store Inventory	884.41
Pomp's Tire Service, Inc.	Flusher Truck	428.00
Richard's Sanitation, LLC	Refuse Disposal	160.00
Schilling Supply Company	Liquor - Bags/Cleaners	130.44
Schott Distributing Co, Inc.	Liquor Store Inventory	4,277.05
SE Libraries Cooperating	Auto Fee's	458.82
SEMNET	Technical Services	980.00
Showcases	Library - DVD Cases	88.29
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	133.25

St. Mary Auto Body Shop	Tow Fee	65.00
Stuart C. Irby Company	Testing Expense	145.76
Tri-County Electric Co-op	Electric Energy	185,877.25
Tri-State Doors	Keyless Entry Door	210.00
Verizon Wireless	Communication Expense	218.77
VISA	Travel Expense, DVD's	438.09
Warning Lites of MN, Inc.	Traffic Cones	357.76
Water Systems Company	Drinking Water	7.36
Wiebke Tire & Exhaust, LLC	Flusher Truck Maint.	200.00
Winona Controls, Inc.	Boiler Repair	331.02
Winter Equipment Co, Inc.	Plow Parts	1,015.60
		<u>\$ 244,317.81</u>

Motion by Member Burns, second by Member Schroeder to approve the prepaid claims as presented. All members present voted in favor and the motion was declared carried.

Expert T Billing	Ambulance – Contracted Billing	962.00
G & F Distributing	Liquor Store Inventory	76.75
Schott Distributing Co., Inc.	Liquor Store Inventory	2,753.60
Star Energy Services	Light – Engineering Fee's	224.00
Water Systems Company	Drinking Water	7.36
Business Financial Planning	Cafeteria Plan	384.60
Commissioner of Revenue	State Withholding	1,620.41
D S Electric Supply, Inc.	Light – Inventory	-.50
ING Institutional Plan Services	TSA Payday 2-17-15	700.00
Merchants Bank	Federal/FICA/Medicare	8,671.47
MN Benefit Association	MBA Payday 2-17-15	62.96
MN Child Support Payment Cnt.	2 Case's	817.25
NCPERS Minnesota	NCPERS Payday 2-17-15	96.00
Public Emp. Retirement Assn.	PERA Payday 2-17-15	7,343.71
Andy Allen Construction	Fire Barn – Roof Replacement	20,000.00
Airgas USA, LLC	Oxygen/Acetylene	132.37
Bank of Zumbrota	TE Micro Loans	16,605.00
Caledonia True Value	Miscellaneous Items	106.71
DUECO, Inc.	Light Truck Testing	1,528.00
Ken's Small Engine	Sharpen Chains	40.50
League of MN Cities Ins. Trust	Annual Pay Plan	216.00
Mayo Clinic Health System	Health Care Cards	80.00
Wirtz Beverage Minnesota	Liquor Store Inventory	1,207.19
Goodyear Auto Service Center	Tires for Squad #20	476.60
Mayo Clinic Health System	Health Cards	26.00
Northern Beverage Distribution	Liquor Store Inventory	2,009.35
Principal Life	Life/Ad&d/STD	468.44
Schott Distributing Co, Inc.	Liquor Store Inventory	2,036.30
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	208.35
Traffic & Parking Control	Radar Feedback Signs	8,285.00
Baker & Taylor Books	Library Books	1,090.80
Betz, Meghan	Instructor Fee – EMT Refresher	75.00
Blue Cross Blue Shield of MN	Health Insurance	1,525.42
Clarey's Safety Equipment, Inc.	Fire Extinguisher Maintenance	464.00
Corcoran, Paul	Instructor Fee – EMT Refresher	125.00
Cox, Chris	Instructor Fee – EMT Refresher	125.00
Houston Co. Treasurer	Ho. Co. Collection Site	4,014.00
Humble, Lynn	Instructor Fee – EMT Refresher	125.00
Kennedy & Graven	Aquatic Center – 2015 Bond Ref.	1,482.00
Klug, Anthony	Consulting Services	800.00
Kraus Oil Company, Inc.	Diesel	1,264.00
Rask, Nicholas	Animal Control – Rent/Misc.	75.00
Rislov, Karen	Instructor Fee – EMT Refresher	125.00
Roberton, Jim	Instructor Fee – EMT Refresher	75.00
Roberton, Michele	Instructor Fee – EMT Refresher	175.00
Runningen, David	Instructor Fee – EMT Refresher	125.00
Universal Truck Equipment, Inc.	Balance of Truck Box	1,135.75
Wendel, Darin	Instructor Fee – EMT Refresher	125.00
Jack Neumann Trucking	Freight Expense	122.00
Johnson Brothers Liquor Co.	Liquor Store Inventory	2,786.91
Phillips Wine & Spirits Co.	Liquor Store Inventory	1,266.10
Wine Merchants	Liquor Store Inventory	140.00
B & M Service Center	Fuel	72.25
Bogges & City, Dominick	Meter Deposit Refund	250.14
Nickels & City, Michael	Meter Deposit Refund	250.19
Slavicek & City, Cheyenne	Meter Deposit Refund	250.07
US Postal Service	Stamped Envelopes	6,213.25
Whitman & City, Stephanie	Meter Deposit Refund	250.22
G & F Distributing	Liquor Store Inventory	309.50
MN Dept. of Revenue	Sales/Use Tax	17,063.00
Richard's Sanitation, LLC	Collections – Recycling	6,563.60
Schott Distributing Co, Inc.	Liquor Store Inventory	1,391.30
Vinocopia, Inc.	Liquor Store Inventory	126.25
Wirtz Beverage Minnesota	Liquor Store Inventory	397.38

Commissioner of Revenue	State Withholding	1,805.57
Merchants Bank	Federal/FICA/Medicare	10,105.16
Public Emp. Retirement Assn.	PERA Payday 3-3-15	8,258.12
Business Financial Planning	Cafeteria Plan	384.60
Caledonia Conv. & Tourism	Tourism	244.85
Caledonia Police Association	PD Assn. Dues	95.00
ING Institutional Plan Services	TSA Payday 3-3-15	700.00
IUOE Local 49	Union Dues	429.00
IUOE Local 49 Benefit Fund	Health Insurance	17,520.00
MN Child Support Payment Cnt.	2 Case's	817.25
Pearson, Nathan	2015 Uniform Allowance	413.84
Southern Wine & Spirits of MN	Liquor Store Inventory	1,229.67
Anderson & City, Konen	Meter Deposit Refund	250.25
Besse & City, Dylan	Meter Deposit Refund	250.12
Buttell & City, Zachary	Meter Deposit Refund	250.15
Fisch & City, Erik	Meter Deposit Refund	250.25
Folsom & City, Aaron	Meter Deposit Refund	250.07
Gulbranson & City, Jakob	Meter Deposit Refund	250.14
Gunn & City, Tim	Meter Deposit Refund	250.15
Hanson & City, Kelly	Meter Deposit Refund	250.15
Hershner & City, Christian	Meter Deposit Refund	250.06
Ludgood & City, Tracey	Meter Deposit Refund	250.04
Mauss & City, Josh	Meter Deposit Refund	250.13
Meyer & City, Lindsey	Meter Deposit Refund	250.16
Monks & City, Michelle	Meter Deposit Refund	250.20
Roker & City, Henry	Meter Deposit Refund	250.25
Runnigen & City, Kyle	Meter Deposit Refund	250.25
Ryttilahti & City, Ray	Meter Deposit Refund	250.17
Schuldt & City, Matt	Meter Deposit Refund	250.20
Snyder & City, Elmer	Meter Deposit Refund	250.25
Tri & City, Adam	Meter Deposit Refund	250.19
		<u>\$ 175,279.79</u>

Motion by Mayor Gran, second by Member Burns to approve the hiring of Michelle Des Lauriers as a Clerk at the Liquor Store with a starting wage of \$8.00 per hour. All members present voted in favor and the motion was declared carried.

Motion by Member Fisch, second by Member Burns to approve the severance package for Joyce Guillaume's retirement in the amount of 49.5 hours of lost vacation time from 2007. Total amount would be \$914.76. The council again stated that this is the least we can do for an employee that has shown such dedication and professionalism for over 51 years. All members present voted in favor and the motion was declared carried.

Motion by Member Burns, second by Mayor Gran to increase the Park and Recreation Directors wage to \$12.25 per hour for 600 hours and to increase the umpires as follows: 12 and under to \$13.00 per hour and 13 and above to \$15.00 per hour. All members present voted in favor and the motion was declared carried.

Motion by Member Fisch, second by Member Burns to approve a ½ page advertisement in the new Caledonia Community Guide Brochure being produced by the Argus. All members present voted in favor and the motion was declared carried.

Motion by Mayor Gran, second by Member Lemke to approve the one day liquor license for Caledonia Community Celebrations – Founders Day June 20, 2015. Roll call of votes: Yes: Mayor Gran, Members Lemke, Fisch, Schroeder. No: Member Burns. Motion was declared carried.

Schoonover and Gran presented the council with a proposal to do a marketing film to market the City of Caledonia. Schoonover and Gran have talked to a producer of a program that would air the short 5 minute film over 20 channels in prime markets. The cost would be \$19,800.00 and we would retain ownership of the clip. Although this is fairly reasonable for an advertisement the city felt we were not yet in a position to do that type of marketing and would rather market to a closer audience. No action taken.

Schoonover then presented the council with statements from our Insurance representative and from the League of Minnesota Insurance Trust stating that in their opinion the city needs to implement and have in place a policy to control the use and access to the City Auditorium. Mayor Gran stated that he would rather see unrestricted use to the facility to ensure it gets used at the tax payers leisure. Schoonover reminded the council that we have been given direct guidance from our carrier that we need to have a policy in place to ensure the users understand their liability and to release us from that liability. Motion by Member Schroeder, second by Member Lemke to not allow permanent Auditorium keys signed out by the general public. Roll call of votes: Yes. Schroeder, Lemke. No. Mayor Gran, Members Fisch, Burns. Motion failed. Motion by Mayor Gran, second by Member Burns to change the wording in the proposed policy to read "To allow a responsible resident to retain a key for a one year period with approval from the City Council and entering into an agreement on usage of the facility. Roll call of votes: Yes: Mayor Gran, Members Fisch and Burns. No. Members Schroeder and Lemke. Motion was declared carried. Schoonover will update the proposed policy and agreement and present it a later date.

Schoonover presented the council with a bid packet that he developed for the solid waste bids that will be upcoming this year and wanted them to review it and provide him some feedback. He also stated that Mr.

Skauge had spoken with him and inquired if the city would be interested in just extending the current contract. I informed him that he could address the council on the 23<sup>rd</sup> and present that offer at the time. No further action was taken.

The City council reviewed the March police schedule and overtime report. No action taken.

At 8:55 p.m. Mayor Gran closed the regular session of the meeting and convened a closed session in accordance with Minnesota Statute 13D.03 for discussion of labor negotiations. At 9:13 the closed session was closed and the regular meeting re-opened. No further action was taken from the closed session.

The next regular meeting will be on Monday March 23, 2015, at 6:00 p.m.

ADJOURNMENT: There being no further business before the Council, A motion to adjourn was made by Mayor Gran second by Member Fisch. All voted in favor and the motion was declared carried to adjourn at 9:15 p.m.

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Joshua D. Gran  
Mayor

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Ted A. Schoonover  
Clerk-Administrator