REGULAR MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Monday, December 14, 2009

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

ROLL CALL: Members present: Mayor Robert H. Burns; Council Members: Randi Vick, Peggy Perry, Robert Lemke and Tom Murphy. Members absent: None. Consultants and City staff present: Mike Gerardy, Stephanie Mann, Mike Tornstrom, Kris Buege, Mark Schiltz and Richard Fursman. Visitors present: Paul Weichert, Greg Weichert and Charlie Warner, Report.

AGENDA APPROVAL: There were no addition or deletions to the Agenda; therefore a motion was made by Mayor Burns, seconded by Member Perry to approve the Agenda. All members voted in favor and the motion was declared carried.

CONSENT AGENDA: A motion was made by Mayor Burns, seconded by Member Vick, to approve the Consent Agenda items, listed below. All members voted in favor and the motion was declared carried.

A. MINUTES OF PAST MEETINGS: To approve the minutes of the Regular Meeting held Monday, November 23, 2009; Special Meeting held Monday, December 7, 2009 and Continued Meeting held Thursday, December 10, 2009, as presented.

B. TOBACCO LICENSES: Consideration for approval of Tobacco Licenses to Kraus Oil, Kwik Trip and Quillin's IGA.

C. LIQUOR LICENSES: Consideration for approval of the Intoxicating Liquor Licenses for the following businesses: Good Times Bar & Grill, Elsie's Bar & Grill, The Ranch, Starlite Bowling Center and the American Legion Club; Contingent upon applicants meeting all legal requirements including local and state laws.

VISITORS AND COMMUNICATIONS

A. THE BRIMEYER GROUP: Mr. Richard Fursman, President, The Brimeyer Group, discussed with the Council the candidate profile brochure that his company prepared for the hiring of a new city clerk for Caledonia. He requested the Council clarify the salary range, which after discussion it was set at $60,000 to $75,000. Mr. Fursman indicated to the Council that the dates for interviews would be February 8th at a Regular Council Meeting and following that the top 5 candidates and spouses would be in town February 19th and 20th to again meet with the Council and that all meetings would be publicized as special meetings so that the public could attend. The Council indicated they would pay for all meals during those two days along with one night lodging. Following discussion, a motion was made by Mayor Burns, seconded by Member Lemke, to set the salary range from $60,000 to $75,000, and to approve paying for all meals and lodging. All members voted in favor and the motion was declared carried.

B. CITY ACCOUNTANT

1. AMBULANCE DEPARTMENT: Mike Tornstrom, Director, was present to discuss the purchase of 3 new computers, called tough books, for both ambulances & an extra one. He explained these computers would be hooked up to the MNSTAR system for recording calls, that way attendants can fill out the reports online, therefore eliminating a tremendous amount of paperwork. These computers were a budgeted item for 2009. Mr. Tornstrom further explained that they had received an Arlin Faulk Grant in the amount of $6,400 and he is asking the City to pay the remaining balance of $9,000; being the total for all computers is approximately $15,000. After brief discussion and review of the ambulance department 2009 budget worksheet, a motion was made by Mayor Burns, seconded by Member Perry, to approve the purchase of three tough book computers. All members voted in favor and the motion was declared carried.

2. 2010 BUDGET: Stephanie Mann, Accountant, presented the updated calculations for the 2010 budget numbers, following the Continued Meeting on December 10th. Ms. Mann presented a total of $114,008 for the capital item expenditures that were approved for the 2010 budget. After brief discussion of the changes for the 2010 general fund budget, a motion was made by Mayor Burns, seconded by Member Perry, to approve the 2010 general fund budget with revenues totaling $1,894,786 and expenditures of $1,833,353 leaving a surplus of $61,433.

Members voting in favor: Burns, Perry, Vick, Lemke and Murphy. The motion was declared carried.

3. 2009 TAX LEVY, COLLECTIBLE IN 2010: Mayor Burns recessed the regular meeting and open the public hearing to discuss the 2009 Tax Levy. Ms. Mann presented the final changes to the 2010 general fund budget, which included the full proposed levy of 20.71%. Mayor Burns opened the floor to any comments from citizens. Greg Weichert had questions on his City portion of the tax that was considerably more than the proposed. After discussion, the Council determined that his property was not homesteaded and that he would have to take his notice to the assessors' office to inquire on the change. Gary Klug expressed his concern in regards to the large increase and the effect it will have on the elderly and those who have fixed incomes. With their being no more testimony from citizens, Mayor Burns closed the public hearing and resumed the regular meeting, whereupon the Council reviewed various grafts that compared the City of Caledonia to other cities in the area, showing their tax rates and levy per capita. Lengthy discussion was also held regarding the possibility of further cuts of Local Government Aid in 2010. Following discussion, a motion was made by Mayor Burns, seconded by Member Murphy, to approve the 2010 tax levy of $627,363, which is an increase of 20.71%. Members voting in favor: Burns, Murphy, Vick, Perry and Lemke. The motion was declared carried.

4. NON – ASSOCIATION WAGES: The wage committee consisting of Member Perry and Member Murphy recommended to the full council that no wage increases be given to non association or part time employees, with the exception that Stephanie Mann, City Accountant, would get the 70¢ per hour raise in 2010 just like other city employees of the City of Caledonia Employee Association would be getting for 2010. After brief discussion a motion was made by Mayor Burns, seconded by Member Lemke, to approve the recommendation from the Wage Committee that no wage increases be given in 2010, with the exception of Ms. Mann. All members voted in favor and the motion was declared carried.

5. LETTER – DAVID DROWN ASSOCIATES: As requested by the Council, a letter from Shannon Sweeney, David Drown Associates was distributed to the Council. The letter was Mr. Sweeney's summary of the financial status of the City of Caledonia.

CLAIMS

A. PREPAID CLAIMS: Following review, discussion and deliberation, a motion was made by Mayor Burns, seconded by Member Vick, to approve the Prepaid Claims List for November 2009. All members voted in favor and the motion was declared carried

American Lock & Key	Liquor Store – 10 Keys	138.50
Bluff & Valley Balloon Rally	Donation from American Legion	200.00
Houston County Recorder	Recording Fee's	92.00
Richard's Sanitation	Balance Due on Inv. 49665	98.46
Rippe, Hammell & Murphy	Prosecution Fees	1,991.25
Schott Distributing Co, Inc.	Beer	4,290.10
Spring Grove Communications	FD – Cell Phone	74.80
Spring Grove Soda Pop, Inc.	Beer	199.80
Tri-County Electric Co-op	Appliance Rebate	100.00
Tri-State Ambulance Inc.	Intercept Fee	250.00
Verizon Wireless	Communication Expense	40.73
Burns, Marla	SELCO Meeting – Mileage Reimbursement	86.90
Bank of the West	Federal/FICA/Medicare	5,588.36
Brimeyer Group, LLC	Clerk Search	4,000.00
Commissioner of Revenue	State Withholding	1,146.39
Business Financial Planning	Cafeteria Plan	641.44
Caledonia True Value	Miscellaneous Items	295.97
City of Caledonia Emp. Assn.	Association Dues – November	60.00
D.S. Erickson & Assoc.	Garnish – Zehnder	410.88
E O Johnson Company	Clerk's Office – Maintenance Agr.	184.95
ING Institutional Plan Serv.	Payday 11-17-09	630.00
Jack Neumann Trucking	Freight Expense	35.00
Minnesota NCPERS Life Ins.	Payday 11-17-09	64.00
MN Benefit Association	payday 11-17-09	126.84
Public Emp. Retirement Assn.	Payday 11-17-09	5,266.91

Wirtz Beverage Minnesota	Liquor / Wine	1,686.74
Ziebell's Hiawatha Foods, Inc.	Liquor – Mix	70.94
Cheaper than Dirt	Ammo	1,086.01
Emergency Apparatus Maint.	Fire Department Maintenance	3,836.48
Fabricating Technologies LLC	Truck 1410 Repairs	461.35
Metro Sales Inc.	Copier Agreement	117.58
Precision Office Machines	Cash Register	587.81
Racom Corporation	Pager Service	88.00
Tri-State Doors	Install 2 Garage Doors – Street	4,500.00
Kraus Oil Company Inc.	Unleaded	1,170.00
Northern Beverage Distribution	Beer	3,918.25
Rippe, Hammell & Murphy	General Matters	108.00
Schott Distributing Co, Inc.	Beer	3,668.95
Shefelbine, Randy	Court Cases	506.12
Spring Grove Soda Pop, Inc.	Beer & Soft Drinks	94.63
Jack Neumann Trucking	Liquor – Freight Expense	69.00
Johnson Brothers Liquor Co.	Liquor / Wine	1,000.95
Phillips Wine & Spirits Co.	Liquor / Wine	894.16
USA Mobility Wireless Inc.	Communication Expense – Light & Street	57.61
Verizon Wireless	Communication Expense – Amb.	59.86
Bland & City, Melissa	Meter Deposit Refund	126.84
Blockhus & City, Krystal	Meter Deposit Refund	126.17
Buttell's Lighting	Bulbs	300.85
Foellmi & City, Jamie	Meter Deposit Refund	127.94
Klug & City, Kristen	Meter Deposit Refund	126.41
Koch & City, John/Lisa	Meter Deposit Refund	206.00
Palbicki & City, Lynn	Meter Deposit Refund	128.75
Reining & City, Mike	Meter Deposit Refund	200.20
Schroeder & City, Rom	Meter Deposit Refund	205.84
Schulze Plumbing & Heating	Repairs – Ruth Ann St. Mary	4,453.79
US Postal Service	Utility Billing November 2009	328.52
Verizon Wireless	Police – Communication Exp.	145.00
Vickerman & City, Cory	Meter Deposit Refund	127.41
Wood & City, Damon	Meter Deposit Refund	204.66
Affordable Technology Sol.	Amb. & Liquor – Tech. Services	132.75
Burmeister	Light – Inventory	168.86
MN Dept. of Revenue	Sales / Use Tax	15,503.00
Ace Link Telecommunications	Communication Expense	1,059.24
Extreme Beverage, LLC	Liquor Store – Energy Drink	67.00
Houston County Recorder	Recording Fee's	92.00
Jack Neumann Trucking	Freight Expense	35.00
Morey, Michael	Summer Ball Program Reimbursement	40.00
Rommes, Paul	Curb Replacement / Sidewalk Replacement	612.50
SE MN Historic Bluff Country	Tourism	1,304.65
Spring Grove Soda Pop, Inc.	Beer	108.20
Tri-County Electric Co-op	Electric Energy	93.96
VISA	Miscellaneous Items	420.39
Wirtz Beverage Minnesota	Liquor / Wine	1,602.42
Bank of the West	Federal/FICA/Medicare	6,889.44
Commissioner of Revenue	State Withholding	1,347.88
Gavin, Mike	Animal Control	75.00
Houston County Treasurer	Ho. Co. Collection Site	3,330.00
ING Institutional Plan Serv.	Payday 12-1-09	630.00
Richard's Sanitation	Recycling Collections	5,840.60
Sam's Clug	Council – Parade Candy	81.97
Business Financial Planning	Cafeteria Plan	641.44
Caledonia Police Assn.	Association Dues	85.00
D.S. Erickson & Assoc.	Garnish – Zehnder	410.80
Public Emp. Retirement Assn.	Payday 12-1-09	684.55
Loomis, Sara	Step 1 Longevity	30.00
MN Chiefs Of Police Assn.	2010 Membership Dues	180.00
Northern Beverage Distribution	Beer	2,588.90
Principal Life	Life/Ad&d/STD	567.17
Schott Distributing Co., Inc.	Beer	3,768.15
Spring Grove Soda Pop, Inc.	Beer	145.60
US Postal Service	2010 Annual Permit 45	370.00
Affordable Technology So.	Technical Services	180.00

Blue Cross Blue Shield	Health Insurance	28,954.00
Eitzen State Bank	General Obligation Loan	6,295.75
Hanson Tire Service	PD – Tires	885.61
Jack Neumann Trucking	Liquor – Freight Expense	81.00
Johnson Brothers Liquor Co.	Liquor / Wine	2,323.34
Minnesota Energy Resources	Natural Gas	3,031.98
MN Licensed Beverage Assn.	Registration Fee	75.00
Nickelatti, Anthony	Ambulance – Instructor Fee	160.00
Phillips Wine & Spirits	Liquor / Wine	892.29
Bank of the West	Federal/FICA/Medicare	6,094.35
Commissioner of Revenue	State Withholding	443.54
Public Emp. Retirement Assn.	Payday 12-8-09	2,515.90
Resco	Light – Inventory	18,701.52
Kraus Oil Co., Inc.	Diesel	1,210.96
Merchants Bank	ACH Fee's	21.48
Petty Cash	Replenish Petty Cash	91.00
Verizon Wireless	Fire – Communication Expense	41.93
		$ 183,103.26

B. CLAIMS PAYABLE: Following review, discussion and deliberation, a motion was made by Mayor Burns, seconded by Member Vick, to approve and authorize payment of the Claims Payable for November 2009. All members voted in favor and the motion was declared carried.

A-1 Vacuum Sales & Service	PD/Amb. – Vacuum Parts	36.90
Affordable Technology Sol.	Office Supplies	206.36
Airgas North Central	Oxygen / Acetylene	79.51
Alco Discount Store	Auditorium – Misc.	23.67
Artic Glacier Inc.	Ice	97.85
Austin International Inc.	Inventory	36,637.45
Baker & Taylor Books	Library – Books	1,345.62
Bound Tree Medical, LLC	Trainer & Misc. Supplies	1,578.30
Caledonia Ambulance	Reimbursement – Lunch @ Training	45.39
Caledonia Implement Co.	Street Equipment	206.66
Caledonia Oil Co.	Vehicle Maintenance	773.40
Caledonia Veterinary Service	Animal Control	12.08
Caledonia Wheel Alignment	Wheel Alignment	65.00
Carquest Auto Parts	Fuel Filters	376.60
Clarey's Safety Equipment	Flashlights	166.09
Clia Laboratory Program	Ambulance – Lab User Fee	150.00
Curt & Candy's Hardware	Hand Truck/Chain Snaps	80.29
D S Electric Supply	Coding Tape / Misc.	113.97
Davy Engineering	Plan / Zone – Eng. Fees	199.78
Davy Laboratories	Lab	1,492.46
Earl F. Andersen & Assoc.	Lab	1,492.46
ECM Publishers	Advertisements	447.06
Esch Builders	Storm Sewer	101.40
G A Thompson	Traffic Ticket Forms	321.00
Gopher State One-Call, Inc.	23 Location Notifications	33.35
Green Power Equipment	Floor Dry / Equipment Parts	263.80
Hawkins, Inc.	Chemicals	1,980.02
Hoskins Electric Co.	Well #7 Repairs	183.23
Houston County Highway Dept.	Street Eq. Rental	1,905.11
Jack Neumann Trucking	Freight Expense	40.00
Ken's Small Engine	Bar Oil, Chain Saw, Carb Repair	524.62
LaCrosse Truck Center	Street Equipment – Fuel Additive	66.79
Menard's	Gloves	25.56
Midwest Tape	Library – DVD(s)	242.45
Minnesota Dept. Of Health	Water Service Connection	1,809.00
Minnesota Pip & Equipment	Repair Parts	2,783.73
Mississippi Welders Supply Co.	Oxygen	129.40
M-R Sign Co.	Traffic Eng. – Signs	468.05
Philips Healthcare	Heartstart ALS Monitor	13,992.97
PowerPlus Engineering	4 Year Plan	650.00
Quartermaster	Badges for Part-Time Officers	330.56
Randy Steele Construction	Sidewalk	1,001.00
Richard's Sanitation	Refuse Disposal	197.12
Rippe, Hammell & Murphy	Prosecution Matters & General Matters	2,731.50

Sandry Fire Supply, LLC	Socks, Pants, Suspenders, Flashlights	1,111.62
Schilling Supply Company	Copy Paper/Towels/Tissue	489.36
SE Libraries Cooperating	Auto Fees / Barcodes	426.31
Seven Rivers Surplus LLC	Light – Misc.	33.13
St. Mary's Auto Body Shop	Towing Charge, Door Handle Repair	190.28
Taste of Home Books	Taste of Home Christmas	24.98
Tornstrom, Michael	Reimbursement – Parade Candy	24.42
Tri-County Electric Co-op	Electric Energy	142,039.16
Uniforms Unlimited	Taser Cartridges	313.81
United Auto Supply Inc.	Misc./Mini Lamp/Shop Supplies	31.33
Vitaid	Ambulance Supplies	292.50
Wiebke Tire	Sludge Hauler Repairs / Tires	111.16
Winona Controls, Inc.	Burner Repairs, Thermostat Replacement	1,662.50
Wirtz Beverage Minnesota	Liquor / Wine	1,908.73
WWTP MPCA PFA Loan Fund	Loan Payment	3,500.00
		$ 226,254.01

OLD BUSINESS

A. COMPUTER UPGRADE: Interim Clerk Mike Gerardy explained to the Council that $300 had been budgeted in 2009 for a RAM upgrade to his computer in the Administrative Coordinator's Office and he would like that installed at this time. Following brief discussion, a motion was made by Mayor Burns, seconded by Member Vick, to approve the purchase of the computer RAM for a cost not to exceed $300. All members voted in favor and the motion was declared carried.

B. CONSERVATION IMPROVEMENT PLAN: Member Murphy presented to the Council his draft of the CIP Plan he has put together and explained the highlights of the plan to be adopted by January 1, 2010. Member Murphy asked the Council to review the plan and bring forth any suggestions or questions to the next regular meeting. He also suggested changes can be made as the time passes but this would be the initial plan for adoption. Following review, a motion was made by Member Lemke, seconded by Member Perry, to adopt the Conservation Improvement Plan. All members voted in favor and the motion was declared carried.

NEW BUSINESS

A. CONSULTING FEE: Mr. Gerardy stated to the Council that he would like to set a consulting fee for retired City Clerk Bob Nelson. Since his Retirement City staff has called upon him for his knowledge of past dealings with the City and Gerardy felt it would be appropriate that he would be paid for his time. After brief discussion, motion made by Mayor Burns, seconded by Member Murphy to put Bob Nelson's rate of pay at $30 per hour. Gerardy would keep track of Nelson's time and we would pay him after January 1st, 2010 for 2009 time spent. All members voted in favor and the motion was declared carried.

B. CONTRACTED SERVICES: Mr. Gerardy asked the Council to set a wage for any persons that would be assisting in the snow hauling operations when snow removal was done in the downtown area. After brief discussion, a motion was made by Member Perry, seconded by Member Murphy, to set a pay rate of $10 per hour for people driving city equipment and assisting with snow removal operations. All members voted in favor and the motion was declared carried.

C. POLICY FOR NON – ASSOCIATION MEMBERS OVERTIME HOURS: Gerardy suggested to the Council that a policy should be set for non association employees overtime hours. He reminded the Council that this topic came up at another council meeting when council members were reviewing timesheets and noticed that overtime was paid after 8 hours for part time non association employees. Mr. Gerardy stated that upon his research he found that there is nothing that addresses part time people not in association agreements. Therefore the Council would need to set a policy for rate of pay for part time non association members, according to his findings, part time annual employees would be paid over time after 40 hours of work in any given week. Any part time seasonal employees or students such as in the park and recreation and pool area, they would receive overtime after 48 hours of work in any given week. After brief discussion, a motion was made by Mayor Burns, seconded by Member Lemke, to set a policy to pay overtime after 40 hours of work in any given week for non association employees and after 48 hours of work in any given week to seasonal employees, further that this policy would be in place as of January 1, 2010. All members voted in favor and the motion was declared carried.

D. WATER LEVEL DETECTOR FOR CITY WELLS: Tony Klug, Water / Waste Water Superintendent, requests authorization to purchase a second water level detector, so that each well could have there own. According to the new water conservation plan that was accepted by

the MN DNR, one of their specific requirements was that the water in each well be monitored and recorded monthly, versus annually, therefore it would be more appropriate to have water level detector in each well rather than pulling it up each time and moving it from well to well, which would be time consuming when they were over 500 feet. After brief discussion, a motion was Mayor Burns, seconded by Member Lemke, to purchase a second water level detector. All members voted in favor and the motion was declared carried.

E. INSURANCE CHANGES FOR 2010: The Council reviewed a letter from Tom Danielson, Danielson Insurance Agency, defining the league's most recent letter regarding the changes of insurance coverage fort eh City of Caledonia.

CLERK'S REPORT

A. LIQUOR STORE: Patty Gavin, Manager, informed Mr. Gerardy that she will be on medical leave for 6 to 8 weeks and wanted to inform the Council that she asked Rhonda Oesterle a former employee of the liquor store to come and work. Rhonda Oesterle accepted and she will be helping out at the liquor store for an extended period of time.

B. EMPLOYEE TIME RECORD: Enclosed with the Agenda was the Employee Time Record for pay period November 16 – 29, 2009.

C. POLICE DEPARTMENT REPORTS: Enclosed with the Agenda was the Officer Activity List and Officer Activity Summary for the month of November.

D. DISCHARGE MONITORING REPORT: Enclosed with the Agenda was the Discharge Monitoring Report, showing a Total Monthly Average Nitrogen Level of 4.69 mg/l.

E. 2010 ELECTRICAL PROJECT: Gerardy reminded that we should start working on it again for the 2010 season.

F. COUNCIL MEETING: After discussion, the Mayor commented that the meeting would not be held unless a matter came into City Hall that had to be dealt with before the end of the year.

G. METER READING EQUIPMENT: Gerardy presented a request from the meter readers to purchase some gators which would water proof their pants from the knees down so that dredging through the snow they do not get soaking wet. Approximate estimate was $30 per pair. The Council agreed by general consensus to purchase three pairs for meter readers.

MISCELLANEOUS ITEMS

A. CIP PLAN: Mayor Burns suggested that when the Conversation Improvement Plan would be adopted, the City may be able to run an ad in the Caledonia Argus notifying residents of the plan and some of its requirements or language for rebates.

ADJOURNMENT: There being no further business before the Council, a motion to adjourn was made by Member Vick and seconded by Mayor Burns. All members voted in favor, the motion was declared carried and the meeting then adjourned at 9:02 p.m. The next Regular Meeting of the City Council is scheduled for 6:00 p.m., Monday, January 11, 2010, in the Council Room, City Hall.

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Robert H. Burns, Mayor

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Michael F. Gerardy
Interim City Clerk - Administrator