

REGULAR MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Monday, June 12, 2006

CALL TO ORDER: Following due call and notice thereof, Mayor Morey called the meeting to order at 7:00 p.m. in the Council Room, City Hall.

ROLL CALL: Members present: Mayor Michael J. Morey; Council Members Paul Fisch, Randi Vick, Gary Klug and Robert Standish. Members absent: None. Consultants and City staff present: Joyce Iverson, Randy Shefelbine, Mike Gerardy and Robert L. Nelson. Visitors present: Dan Stemper, Jim Jennings, Bob Lemke, Brandon Bjornson, Melisse Klug, Winifred Schulte, Mark Schulte and Jane Palen, Reporter.

CONSENT AGENDA: Following brief discussion, a motion was made by Member Fisch, seconded by Member Standish, to approve the Consent Agenda items, listed below. Members voting in favor: Morey, Fisch, Vick and Standish. Opposed: Klug. The motion was declared carried.

A. MINUTES OF PAST MEETINGS: To approve the minutes of the Regular Meeting held Monday, May 22, 2006, as presented.

B. FLOOR REPAIR: To approve an estimate for repair of a section of flooring tile in the front entry of city hall for an amount of \$330 and for an area on the City Auditorium Gymnasium floor under the drinking fountain for \$355.

C. LIBRARY EQUIPMENT: To approve the purchase of two computers through SELCO at a price of \$635 each.

VISITORS AND COMMUNICATIONS

A. ECONOMIC DEVELOPMENT: Joyce Iverson presented the following data.

1. CALEDONIA TRUE VALUE – JIM JENNINGS: Joyce Iverson reported that an Economic Development Application had been presented to the Economic Development Authority Board for an amount of \$62,500 on behalf of the proposal submitted by Mr. Jennings to relocate his hardware business from its present location to a property at the intersection of STH 44/76 and Old Highway Drive. She reported there were no planned increases in jobs at this time but two positions may be added in the future. If the development agreement were to call for an increase in employee positions, those positions would have to be added within a two year time frame. She reported that Eitzen State Bank provided a guarantee document of the loan of the EDA Loan. The loan would carry an interest rate of 4% and be repayable with the first installment due one month after the closing date. If the Council were to grant the \$62,500 amount, there would be approximately \$50,000 remaining for Economic Development Loans to others. Ms. Iverson said she had contacted Tri-County Electric Cooperative and other agencies as a preliminary measure to acquire more loan funds for EDA purposes. She reported that the Economic Development Authority Board recommended approval of this loan to the Council. Following discussion, a motion was made by Member Klug, seconded by Member Standish, to approve an Economic Development Loan to Mr. Jennings for the requested amount of \$62,500. All members voted in favor and the motion was declared carried.
2. CALEDONIA OIL COMPANY, INC – ROBERT LEMKE/ERIC HEFTE: Robert Lemke and Ms. Iverson, reviewed the request for an Intermediary Relending Program Loan in the amount of \$12,500 to be contributed from the City, matching a \$12,000 grant from the American Lung Association in addition to private funds to install an E85 gas pump. Ms. Iverson reported that the Caledonia Economic Development Authority Board passed a motion recommending approval to the City Council. Following discussion, a motion was made by Member Standish, seconded by Member Klug, to approve the Economic Development Loan in the amount of \$12,500. All members voted in favor and the motion was declared carried.

3. TOURISM ADS: Ms. Iverson reported to the Council that the cost of a recent advertisement shared with the Caledonia Area Chamber of Commerce was \$206 each for advertisement in the Minnesota Tourism Magazine of which a color copy was presented at the meeting. She further commented that a similar ad was placed in a local tourism magazine for a cost of \$90.
4. LODGING TAX ADMINISTRATION: Ms. Iverson asked the Council if there had been a change of opinion concerning an offer from Houston County to collect and administer lodging tax from various hotels, motels, etc., with regard to the counties offer to receive and administer the funds. The Council indicated by general consensus that the City Of Caledonia would continue to collect and administer lodging tax from room rental within the municipality.

B. ZONING APPLICATION – KLUG: Melisse Klug, 624 South Marshall Street and Mike Gerardy, Administrative Coordinator, reviewed her application to remove an existing garage and replace it with a 26' x 36' attached garage on the west side of the existing dwelling to be located approximately 12' from the west (rear) property line. This application requires an 18' setback variance from the west (rear) property line; a variance of 136 sq. ft. for an oversized garage and a variance of 600 sq. ft. on the minimum lot size of the parcel itself. While Clerk Nelson limiting the garage area to 800 sq. ft. in compliance with the ordinance, based upon the 6,600 sq. ft. parcel and the 18' setback variance, Ms. Klug requested consideration for storing two vehicles and a boat which she believed preferable as opposed to leaving the boat sit on the public street or parking it in the yard next to the garage. Reduction of the proposed garage from 936 sq. ft. to 800 sq. ft. would only cause a dimension reduction of approximately 5'. Following discussion, a motion was made by Member Klug, seconded by Mayor Morey, to approve the request and grant variances as presented. Members voting in favor: Morey, Fisch, Klug and Standish. Opposed: Vick. The motion was declared carried.

C. ZONING APPLICATION - RANZENBERGER: Although the petitioners were not present, Mr. Gerardy reviewed the Zoning Application of Brandon and Nichole Ranzenberger, 607 South Winnebago Street, proposing to construct a 30' x 39' two story addition on the east (rear) of the existing dwelling to be located approximately 3' from the north (side) property line. This proposal requires a 7' setback variance on the north property line and 600 sq. ft. variance on the minimum lot size which is 6,600 sq. ft. as opposed to 7,200 sq. ft. stipulated by the ordinance as a build-able lot. Clerk Nelson recommended against the zoning application based upon the size of the parcel being 6,600 sq. ft. when the ordinance states that a parcel must be 7,200 sq. ft. to be a build-able lot combined with the proposal to construct a combination addition of garage and living area which is 30% larger than the existing structure. In addition, the proposed location being 3' from the north property line with a two story building makes an unreasonable imposition upon the adjoining property owner and is excessive in comparison to similar requested variances which typically are no nearer than 5' from the property line for a single story building. Winifred Schulte commented that she was opposed to the Zoning Application based upon the proposed building being to large for the lot and to near the property line. Clerk Nelson reported that two neighboring property owners had submitted response forms indicating disagreement with the proposed addition. Following discussion, a motion was made by Member Fisch, seconded by Member Vick, to deny the request based upon the findings as stated by Clerk Nelson and in consideration of the objection of surrounding property owners. All members voted in favor and the motion was declared carried.

D. AMBULANCE DEPARTMENT: Robert Augedahl, Director, made the following report to the City Council. He reported 94 ambulance runs from January 1 – May 30, 2006, saying that the annual average number of runs is about 250. Thus far, ambulance billings have summed \$52,040 credits to those charges have been \$27,345 leaving a balance of \$24,695. Expenses thus far have been \$41,211.19. Mr. Augedahl reported that the water problem has not yet been corrected, meaning that when ambulances are washed, water sprayed to the back of the room tends to run toward the office door rather than toward the floor drain. He reported that ambulance attendants did not receive a uniform allowance for calendar year 2005 or thus far in 2006. Discussion was held on the uniform allowance being a non accountable payment which must be recorded on the employees W-2 Form as income or an accountable plan which calls for documentation of the uniform purchases. Mr. Augedahl will obtain estimates for particular uniforms which may then be purchased directly by the City and made available to the employees.

He commented that the ambulance attendants would appreciate an increase in their hourly rate of service which is now \$12 and has not changed for approximately 5 years. Standby time is paid at the rate of \$2 per hour. Member Fisch commented that the Council would take that into consideration a wage rate increase for calendar year 2007. Comment was made that the billing agreement with Winona Area Ambulance service is due to expire June 30, 2006. The intent is to renew the agreement.

E. OLD CITY CEMETERY: This item was not discussed since Barb Twite was not present at the meeting.

F. POLICE DEPARTMENT: Randy Shefelbine, Police Chief, discussed scheduling with the Council Members. Chief Shefelbine said that the schedule generally represents an effort to obtain the best coverage for periods when crimes have historically occurred and to achieve the anticipated number of hours of service per week or per pay period for each officer. He said that miscellaneous tasks are performed when multiple officers are on duty at the same time which is not always possible when only one officer is on duty. Chief Shefelbine said he had designed a number of varying schedules, but there were certain draw backs to all of them. He said he would require the officers to do door checks and would re-evaluate the schedule to eliminate, as far as possible, multiple shift overlaps or assignment of officers during the same hours, particularly on the Wednesday schedules when that most frequently occurs. Brief discussion, was held on Nitro, the Drug Dog. Generally, the Council agreed the contract for use of Nitro as a police drug dog would not be renewed and that the dog would be dedicated to its trainer, Officer Logan.

G. COMMUNICATIONS:

1. LMC, Friday Fax, 5-26-06.
2. The Wheel, June 2006.

CLAIMS

A. PREPAID CLAIMS: Following review, discussion and deliberation, a motion to approve the Prepaid Claims list for May 2006 was made by Member Fisch and seconded by Member Klug. All members voted in favor and the motion was declared carried.

Carquest Auto Parts	Miscellaneous Items	156.79
Jahn's Transfer, Inc.	Liquor – Freight Expense	73.16
Ken's Small Engine	Miscellaneous Items	38.99
League of MN Cities	2006 Directory	44.84
Northern Beverage Distribution	Beer	1,630.35
Pepsi Cola Bottling Co.	Liquor Store – Soft Drinks	69.50
Resco	Inventory – Light Department	498.28
Schott Distributing Co, Inc.	Beer	3,642.70
Tri-County Electric Co-op	Electric Energy	88,565.69
US Postal Service	Postage Stamps	213.00
Wells Fargo Brokerage Services	PD/Ambulance Loan	11,957.68
Ellingson Motors	25 Car Wash Tickets	100.00
Kraus Oil Company, Inc.	Unleaded	1,320.50
Municipal Economic Develop.	TIF Management Services	210.35
Rask, Mark	Frame Aerial Photo Map	75.00
Caledonia True Value	Miscellaneous / Paint	65.95
Minnesota Revenue	Hazardous Waste Fee	411.00
Municipal Emergency Services	Hood Carbon Ultimate/Vest/Batteries	92.00
River Valley Newspaper Group	Employment Ad – Clerk's Office	145.83
Burns, Marla	Mileage Reimbursement	65.86
Coulee Region Softball	League Fee – Year 2006	20.00
US Postal Service	Stamped Envelopes	27.30
Northern Beverage Distribution	Beer	901.60
WPS-Medicare Part B	Refund – overpayment	18.12
Acker, Betty	Meter Deposit Refund	79.50
Conway & City, Jody	Meter Deposit Refund	212.00
Hahn & City, Amber	Meter Deposit Refund	79.50
King & City, Sara	Meter Deposit Refund	125.36
Snell & City, Elaine	Meter Deposit Refund	79.50
Steele & City, Greg	Meter Deposit Refund	79.50
Bank of the West	Fed/Fica/Med	6,644.35

City Of Caledonia	Employee Share Health Insurance	383.55
City Of Caledonia Emp. Assn.	Association Dues – May	80.00
Commissioner of Revenue	State Withholding	2,644.86
Griggs, Cooper & Company	Liquor / Wine	998.97
Houston County Treasurer	Recording Fee	46.00
Johnson Brothers Liquor Co.	Liquor / Wine	1,450.60
Midwest Wireless Comm.	Mobile Unit	131.92
Minnesota NCPERS Life Ins.	NCPERS	64.00
MN Benefit Association	MBA	165.88
Orchard Trust Company, LLC	TSA	1,380.00
Phillips Wine & Country	Liquor / Wine	885.95
Public Employee Ret. Assn.	PERA	4,454.66
Spring Grove Soda Pop, Inc.	Beer & Soft Drinks	134.60
Clarey's Safety Equipment	Hose	353.74
Gavin, Charles	Travel Reimbursement	2,008.01
Hoscheit, Matt	Travel Reimbursement	200.00
Klug, Gary	Reim- Registration Fee	10.00
Sandry Fire Supply, LLC	Flashlights	96.93
SLJ Design	Truck Decals	57.51
South Central College	Safety & Health Training	715.50
Treasurer, State of Minnesota	License Fee	342.00
Witmer Associates, Inc.	Helmets – FD	5,012.00
G & F Distributing	Beer	159.90
Gade, Jeanne	WSI Course Fee Reimbursement	215.00
Jahn's Transfer, Inc.	Liquor – Freight Expense	22.99
Northern Beverage Distribution	Beer	1,995.90
Petty Cash	Replenish Petty Cash	82.17
Schott Distributing Co, Inc.	Beer & Busch Chairs	7,737.52
Spring Grove Soda Pop, Inc.	Beer	167.00
Vacuum Sales & Service	Vac Part	21.09
Bonanza Grain, Inc.	Crushed Rock	586.49
Franciscan Skemp Healthcare	Rabies Vaccine – Mike Gavin	541.25
Myhre Constructions LLC	Grind/Clean Up Stump	105.00
Northern Beverage Distribution	Beer	185.25
Ranzenberger, Dorothy	WSI Course Fee Reimbursement	215.00
VISA	Miscellaneous Expenses	723.88
Ziebell's Hiawatha Foods, Inc.	Liquor – Mix	12.88
Gavin, Mike	Animal Control – Rent / Miscellaneous	75.00
Houston County Treasurer	Ho Co. Site June 2006	3,300.00
MN Dept. of Revenue	Sales Tax – May 2006	11,579.00
Richard's Sanitation	Recycling – Collections	5,846.50
Sam's Club	Room Air Conditioner	158.12
SE MN Historic Bluff Country	Tourism	1,461.68
Steelton Volunteer Fire Dept.	Fire Department 1971 Ladder Truck	21,500.00
United Parcel Service	Ups Fee	119.33
US Postal Service	Utility Bill May 2006	305.17
Bank of the West	Fed/Fica/Med	1,136.70
Ace Link Telecommunications	Communication Expense	958.22
Buttell's Lighting	Bulbs	76.21
Law Enforcement Targets, Inc.	6 Steel Targets	871.41
Public Emp. Retirement Assn.	PERA	511.52
Schott Distributing Co, Inc.	Beer	8,116.75
Spring Grove Soda Pop, Inc.	Beer	90.45
Streicher's	Tie Bars & Badges	474.78
Bank of the West	Fed/Fica/Med	6,893.88
Caledonia Police Association	PD Association Dues	67.00
City Of Caledonia	Employee Share Health Insurance	383.55
Orchard Trust Co, LLC	TSA	1,380.00
Public Emp. Retirement Assn.	PERA	4,435.84
Aquila	Natural Gas	1,549.69
Arch Wireless	Mobile Unit	51.27
B & D Sealcoating MFG	Fill Cracks	3,950.00

Caledonia Oil Company	Unleaded	1,512.62
Extreme Beverage, LLC	Mix/Soft Drinks	96.00
Gavin, Mike	Animal Control – Dog Food	23.76
Gavin, Patricia	Reimbursement for Office Chair	89.28
Griggs, Cooper & Co.	Liquor / Wine	2,426.64
Johnson Brothers Liquor Co.	Liquor / Wine	2,137.56
Kruas Oil Company Inc.	Diesel	1,084.00
Merchants Bank	Interest / Principal	14,199.85
Minnesota Trails	MN Trails Magazine	206.50
MN Rural Water Association	Membership	205.00
Phillips Wine & Spirits Co.	Liquor / Wine	2,432.73
Principal Life	Life/Ad&d/std	585.69
Traveler's Directory Service	Brochure Ad	155.00
US Bank NA	Go Sewer Revenue Bonds 2002	14,333.75
Ziebell's Hiawatha Foods, Inc.	Liquor – Mix	12.88
Bovee & Heil	Music in the Park	350.00
Tri-County Electric Co-op	Locate Cable/Electric Energy	447.87
US Postal Service	Annual Fee – PO Box 232	232.00
Fisch, Paul	Mileage Reimbursement	72.52
Rogich, Mike	Storage Unit Rent	500.00
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		\$ 269,056.47

B. CLAIMS PAYABLE: Following review, discussion and deliberation, a motion was made by Member Fisch, seconded by Mayor Morey, to approve the Claims Payable and authorize payment of claims for May 2006. Members voting in favor: Morey, Fisch, Vick and Standish. Opposed: None. Absent: Klug (Member Klug momentarily stepped out of the Council Room), the motion was declared carried.

Airgas North Central	First Aid Supplies	321.64
Alco Discount Store #273	Cleaning Supplies	71.22
American Red Cross	Lifeguard Training Card	20.00
American Safety Utility Corp	Safety Equipment / Tools	830.12
Artic Glacier Inc.	Ice	337.20
Baker & Taylor Books	Library Books	688.27
Caledonia Drugs	Gloves	13.94
Caledonia Electronics	File Folders / Cleaning Supplies	290.09
Caledonia Haulers, Inc.	Unit #1410 Parts	204.57
Caledonia Implement Co.	Coupling / Hose	178.79
Caledonia Lumber Co, Inc.	Sewer Repair Materials	228.67
Caledonia Oil Company	Vehicle Permit	35.45
Caledonia Ready Mix, Inc.	Storm Drainage – Concrete	48.72
Caledonia Veterinary Service	Lyme Vaccination – Nitro	45.14
Caledonia Wheel Alignment	98 Repairs	500.89
Carquest Auto Parts	Street Equipment	187.54
Clarey's Safety Equipment	Water Trap Filter	360.00
Comstock Trucking	Sand for backfill	132.00
Crystal Canyon Inc.	Drinking Water	48.33
Curt & Candy's Hardware Hank	Miscellaneous Items	168.44
D S Electric Supply Inc.	Inventory	1,353.58
Dalco	Air Fresheners / Cleaners	107.98
Davy Laboratories	3 total coliforms	79.20
Demco	Miscellaneous Supplies	200.37
Dunn Blacktop Company	Cold Mix	299.69
ECM Publishers Inc.	Notices & Advertisements	668.85
Ellingson Motors	Brake Box on 06 Truck	251.55
EMS Regulatory Board	MNSTAR Forms	65.61
G & F Distributing	Beer	30.00
Gareth Services	Library Books	84.50
Gopher State One-Call, Inc.	53 Location Notifications	76.85
Hawkins, Inc.	Chemicals	1,195.76
High Voltage Test Laboratory	Equipment / Test Equipment	2,466.08
Hoskins Electric Company	Install Outlet	1,276.62

Information Management Ser.	Technician Services	677.23
Ken's Small Engine	Miscellaneous	36.32
Lackore Electric Motor Repair	Gearmotor Repairs & Cordless Drill	995.95
League Of MN Cities	Registration Fee – Gerardy & Blocker	30.00
League of MN Cities Ins. Trust	Transformer Coverage	40.00
Metro Sports	Ball Program Equipment	645.38
Midland Telecom Inc.	Pager Repair	59.00
Midwest Tape	Library DVDs	137.61
Minnesota Dept. of Commerce	1 st quarter	56.59
Minnesota Dept. of Health	Water Connection Fee 2 nd qtr.	1,482.00
Minnesota Historical Society	Microfilm year 2005	32.50
Mississippi Welders Supply	Oxygen	35.81
National Waterworks, Inc.	Inventory for resale	1,258.19
Northland Business Systems	Recorder & Transcriber	1,356.57
P & H Services	Parts & Radio installation	659.08
Pioneer Manufacturing	Cleaner	28.12
PowerPlus Engineering, LLC	Engineering Expense	5,967.80
Printy Quik	Final Notice Stamp	20.18
Resco	Inventory – Light Department	301.61
Richard's Sanitation	Refuse Disposal	189.54
Rippe, Hammell & Murphy	Prosecution Matters	3,197.25
Ronco Engineering Sales, Inc.	Street & Light Equipment	328.54
Schilling Supply Company	Bags & Copy Paper	340.43
Schulze Plumbing and Heating	Repair Leaks	463.60
SE Libraries Cooperating	Barcodes & Auto Fees	414.34
SE MN Development Corp.	Comm RLF/Caledonia Oil	231.88
St. Mary Auto Body Shop	Tow Honda Prelude	42.60
Taste of Home Books	Favorite Brand Name Recipes	28.98
Tri-County Electric Co-op	Electric Energy	133,126.29
Tri-State Business Machines	Copier Agreement	59.03
United Auto Supply, Inc.	Miscellaneous Items	85.08
Wiebke Tire Company	Trencher Tire	175.85
WWTP MPCA PFA Loan Fund	1993-96 PFA Loan	3,725.00
Zep Manufacturing Company	Trash Bags	143.55
Ziebell's Hiawatha Foods, Inc.	Mix and Coolers	99.51
		<u>99.51</u>
		\$ 169,409.00

OLD BUSINESS

A. POLICE ASSOCIATION LABOR AGREEMENT: Member Fisch reviewed agreement changes, which were listed on a summary sheet enclosed with the Agenda. The single largest difference was in the wage schedule which increased by 3.25% for each contract year 2006 and 2007 on all steps. Following discussion, a motion was made by Member Fisch, seconded by Mayor Morey, to approve the Labor Agreement with all terms retroactive to January 1, 2006. All members voted in favor and the motion was declared carried.

B. TENNIS COURT REPAIR: Mike Gerardy, Zoning Administrator reported that he had obtained an estimate of \$20,000 per court to overlay a court with plastic material similar to the work done at St. Charles. Mr. Gerardy reported that he had already contracted for repair of the cracks on the tennis courts for an amount of \$205. Comment was made that perhaps a more expensive project could be considered when the budget for 2007 is assembled this winter.

C. OUTDOOR BURNING DEVICES: Clerk Nelson reported that the Council has in the past approved certain outdoor burning devices which are commercially manufactured and are relatively assured to contain all sparks and ash. He reported that recently a complaint had been received taking the form of a nuisance because of outdoor burning devices causing smoke which filled adjoining houses with the windows open. Nelson asked if the Council wished for an investigation of other communities to inquire whether or not those communities might deem certain burning in outdoor devices a nuisance at times of day, or the like. Following discussion, the Council agreed by general consensus that the stipulations already in place should remain the same.

D. MILEAGE PAYMENT FOR PRIVATE VEHICLE USE: Following brief discussion on the rate of mileage, a motion was made by Member Fisch, seconded by Mayor Morey, to increase the mileage rate from .37¢ per mile to 44.5¢ per mile for all city officials and employees. All members voted in favor and the motion was declared carried. Effective June 12, 2006.

E. ELECTRIC DEPARTMENT PROPOSED BUILDING: Member Klug commented that he believed the current electric department building could be insulated and prepared for heated use, thereby eliminating the cost to build a new garage facility which may cost as much as \$250,000. Discussion was held on the quality of the building and difficulties in preparing for the intended use which would be accommodated by a new building.

NEW BUSINESS

A. UNCOLLECTIBLE CHARGES: Clerk Nelson reported that the uncollectible charges for 2005 Ambulance Billings in the amount of \$27,863.88 are predominately fees that are not collectable due to the Medicare formula. Other miscellaneous charges submitted by the auditors for write off as uncollectible debt were in the amount of \$4,016.63. Following review of the itemized list, the Council eliminated one debt of \$98.61 proposing that the City attempt further collection, reducing the amount to be written off to \$3,918.02. Following discussion, a motion was made by Member Fisch, seconded by Member Standish, to approve the write-off as uncollectible debt of \$27,863.88 for ambulance billings in 2005 and miscellaneous billings in the amount of 3,018.02. All members voted in favor and the motion was declared carried.

B. ACCOUNTANT POSITION: Clerk Nelson informed the Council that the individual who had been offered the position notified the Clerk's Office that they opted to reject the offer. The committee will continue to investigate appointment of a qualified person.

C. ACCOUNTANT POSITION WORKSTATION COSTS: Clerk Nelson reported the estimated costs for assembling a workstation with office equipment for the proposed accountant position was \$9,300 for the major items. Following brief discussion, a motion was made by Mayor Morey, seconded by Member Fisch, to approve an expenditure of up to \$10,000 to create a workstation for the proposed accountant position. All members voted in favor and the motion was declared carried.

D. WAGE RATE: With regard to setting a wage rate for service of other city employees to perform hands on work with the electric department, a decision was made by general consensus to table the issue until it had been further investigated with the Caledonia Employee Association.

E. LIABILITY COVERAGE – WAIVER FORM: Following brief discussion, a motion was made by Member Klug, seconded by Member Vick, to approve the liability coverage – waiver form for the insurance renewal period of July 1, 2006 through June 30, 2007. All members voted in favor and the motion was declared carried.

F. PROPERTY GIFT – SPRAGUE WOODS: Clerk Nelson reported that Caledonia Green had decided to dedicate "Sprague Woods" to the City of Caledonia, attaching a restriction that the property must be kept in its natural state, except for installation/maintenance of walking paths and seating for the convenience of visitors, adding that City Attorney Timothy Murphy was drafting the Deed for property transfer. Following brief discussion, a motion was made to accept the gift in accordance with stipulated restrictions for use by Member Fisch and seconded by Member Klug. All members voted in favor and the motion was declared carried.

G. MUSIC IN THE PARK: A motion was made by Member Vick, seconded by Member Fisch, to allocate \$1,500 from the Caledonia Municipal (Hometown) Liquor Store to pay for bands expense for the Tuesday evening Music in the Park events. All members voted in favor and the motion was declared carried.

CLERK'S REPORT

A. POOL ISSUES: Clerk Nelson reported that Mark Murphy, Lifeguard Manager, plans to purchase approximately six outdoor chairs for the convenience of parents, watching their children at a price of \$20 or less per chair. Also, Lifeguards wish to conduct a "Car Wash" to earn funds for pool purposes. Quillin's IGA has given permission to use their parking lot for the event. Tom Danielson, Danielson Insurance Agency, said the City Volunteer Coverage should

apply to the event should there be any injury during the Car Wash. Lifeguards will conduct the event on a weekend, attempting to choose one when rain is not forecast.

B. DISCHARGE MONITORING REPORT: The Discharge Monitoring Report Form for May 2006 shows a Total Average Monthly Nitrogen Level of 3.58 mg/l, maximum allowable being 10.0 mg/l.

C. CITY PROPERTY VALUATION: Clerk Nelson reported that last Fall, the League of Minnesota Cities Insurance Trust (LMCIT) hired a firm to assess all properties insured by the League. Tom Danielson has had a number of exchanges with the League and City staff, concerning those valuations since receiving the initial reports, making follow-up adjustments for some structures, which were obviously mis-valued. The final result is that the value of insured City property, previously stated at \$10,226,879 is increased to \$13,981,579, causing a property insurance premium increase of \$3,757, which is waived for the current policy period July 1, 2005 to June 30, 2006, but will be applied at renewal time for the period July 1, 2006 to June 30, 2007.

D. FOUNDERS DAYS WEEKEND: Clerk Nelson reported that City staff have been working with Founders Days Officers to organize necessary logistics for the June 16 – 18 event. This includes arrangements for delivery of picnic tables and bleachers; set-up/testing of the scoreboard and PA System and electrical supply analysis.

E. POLICE DEPARTMENT: Enclosed with the Agenda was the Police Department Activity List and Summary for May 2006.

F. EMPLOYEE TIME RECORD: Enclosed with the Agenda were the Employee Time Records for the pay periods May 6 – 21 and May 22 – June 4, 2006.

MISCELLANEOUS ITEMS

A. FOUNDERS DAYS EVENTS/PROPERTY IMPROVEMENTS: Clerk Nelson reported that Founders Days Officers had proposed a plan to mount three outlet boxes, including a 220V outlet, one box each on the Warming House, Concession Stand and American Legion Shelter. Doug Colsch, Electrician, would volunteer his time to Founders Days for the labor, but materials costs are anticipated to be \$382.00. Founders Days Officers ask if the City would be agreeable to sharing 50% of the cost since the boxes would be permanently affixed and can be used for any park activities in the future. Following brief discussion, a motion was made by Member Fisch, seconded by Mayor Morey, to authorize payment for the full amount of \$382.00 by the City. All members voted in favor and the motion was declared carried.

ADJOURNMENT: There being no further business before the Council, a motion to adjourn was made by Member Standish and seconded by Member Vick. All members voted in favor, the motion was declared carried and the meeting was then adjourned at 10:36 p.m. The next Regular Meeting is scheduled for 7:00 p.m., Monday, June 26, 2006, in the Council Room, City Hall.

Michael J. Morey, Mayor

Robert L. Nelson
City Clerk-Administrator