

REGULAR MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Monday, December 13, 2010

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: Robert Burns, Randi Vick, Tom Murphy, Robert Lemke, and Paul Fisch. Members absent: None. Consultants and City staff present: City Clerk/Administrator Jennifer Feely, Administrative Coordinator Mike Gerardy, Visitors present: Argus Reporter Charlie Warner, Jane Bjerke, and Matt Blocker.

AGENDA APPROVAL. A motion was made by Member Fisch, seconded by Member Murphy to approve the agenda with the following additions: Personnel Matter –Salary Increase, City Crews Plowing Streets, and December 23-Possible Office Closure. All members present voted in favor and the motion was declared carried.

CONSENT AGENDA. A motion was made by Mayor Burns, seconded by Member Lemke to approve the consent agenda. 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 22, 2010 and the minutes of the Special Meeting held Thursday, December 9, 2010, as presented. A motion was made by Mayor Burns, seconded by Member Lemke to approve the minutes. All members present voted in favor and the motion was declared carried.

VISITORS AND COMMUNICATIONS.

A. PUBLIC HEARING: ZONING APPLICATION. A public hearing was held to consider a conditional use permit request made by Jamie Bjerke, dba Bjerke Therapeutic Massage and Bodyworks, 506 Foltz Drive, proposing to operate a business in a B-2 Highway Business District and to install a 3’x5’ sign in conjunction with the existing signage at the aforementioned location. It was noted, on the record, that Jane Bjerke was in attendance on behalf of her daughter, Jamie. Mayor Burns asked if anyone from the public had any comments or concerns. City Clerk/Administrator Feely shared that she received a phone call from Doris Besikof, owner of the property, regarding the proposed zoning request. Besikof raised an objection to the zoning request on the basis that she was not made aware of the zoning request by Bjerke until she received the City’s notice of the public hearing in the mail. Besikof shared that she does not necessarily object to the request, however, she would like to discuss the matter further with Bjerke and establish a written agreement. Given the above-mentioned information, Administrative Coordinator Gerardy recommended that the City Council approve the application contingent upon Bjerke providing the City with a copy of an agreement signed by both Bjerke and Besikof. Hearing no further comments or concerns, a motion was made by Mayor Burns, seconded by Member Vick to approve a conditional use permit contingent upon proof of a satisfactory agreement between Bjerke and Besikof in addition to approving placement of a 3’x5’ sign on the existing sign. All members present voted in favor and the motion was declared carried.

B. TRUTH-IN-TAXATION HEARING. Mayor Burns opened the hearing to the public. Hearing no comments or questions, Mayor Burns provided a recap of the 2011 budget and tax levy. Discussion ensued. Again, hearing no comments or questions, the hearing was closed.

C. CITY ACCOUNTANT TOPICS.

1. 2011 Budget Review. Accountant Stephanie Mann presented the Council with a revised copy of the 2011 budget. After a review of the November expenditures and revenues of the 2010 budget, Mayor Burns provided an overview of the 2011 budget and noted that the proposed levy of \$666,490 resulted in a 6% increase over the previous year's levy. Mayor Burns then noted that the total budget expenditures for 2011 are set at \$1,745,325, which is approximately \$88,000 less than the total expenditures that were budgeted for in 2010. Mayor Burns commented that due to the large state budget deficit and the associated uncertainty with Local Government Aid (LGA) disbursements in 2011, the Council would be factoring in a worst-case scenario of less than 30% of the certified LGA. A motion was made by Member Fisch, seconded by Member Lemke to approve the 2011 budget as presented. All members present voted in favor and the motion was declared carried.

2. WATER RATE INCREASE. Accountant Mann presented the Council with three water rate increase scenarios. Discussion ensued. The consensus of the Council was to approve a water rate increase so as to maintain an adequate fund balance to be able to pay for ongoing maintenance. A motion was made by Member Murphy, seconded by Member Vick to approve a 1% water rate increase, effective January 1, 2011. All members present voted in favor and the motion was declared carried.

D. ADMINISTRATIVE COORDINATOR TOPICS.

1. STANSFIELD VENDING AGREEMENT. Administrative Coordinator Gerardy asked if the Council would like to revisit the Stansfield Vending agreement as it expires at the end of the year. Gerardy noted that Stansfield had not yet sent over a new agreement. The consensus of the Council was to revisit the issue when an agreement has been received from Stansfield Vending. No action was taken.

2. SKID LOADER QUOTES. Administrative Coordinator Gerardy shared that only one quote was returned for a new skid loader and noted that it was received from Caledonia Implement. The base quote came in at \$48,395, with a reduction of \$29,795 for the trade-in of the New Holland LS 170, leaving a grand total of \$18,600, plus \$1,278.75 in tax. Mayor Burns asked Matt Blocker if he had an opportunity to look over the specifications and whether the skid loader satisfied what the Light Department was looking for. Blocker indicated that he had looked over the specifications and the skid loader would meet the Light Department's needs. Member Fisch inquired as to whether the existing attachments would be compatible with the new skid loader. Gerardy noted that the existing attachments would also work with the new skid loader. Mayor Burns directed City Clerk/Administrator Feely to research whether the skid loader could be paid for using a portion of Light Department funds with the remainder coming from a certificate of indebtedness. Feely will research the matter and report back at the upcoming meeting. A motion was made by Member Fisch, seconded by Member Lemke to approve the purchase of a new skid loader, with 40% being paid using Light Department funds and 60% to be paid from the Street Department fund as part of a certificate of indebtedness. All members present voted in favor and the motion was declared carried.

3. CALEDONIA VET CLINIC. Administrative Coordinator Gerardy shared a sign request from the Caledonia Vet Clinic and noted that no formal action was required. The consensus was to approve the sign request.

4. SOUTH STREET SEWER UPDATE. Administrative Coordinator Gerardy provided the Council with an update concerning flowable fill used on a portion of the South Street Sewer Project.

5. MA CAL GROVE COUNTRY CLUB REQUEST. Administrative Coordinator Gerardy shared a request received from the Mike Staggemeyer on behalf of the Ma Cal Grove Country Club. In a letter to the City, Staggemeyer noted that in April of 2010, Ma Cal Grove Country Club had a plan design done by G Cubed out of Chatfield, MN to repair water damage to Hole #3 at the Ma Cal Grove Golf Course. Staggemeyer estimated that the majority of approximately 1,400 acres of drainage came primarily from the City of Caledonia. The estimated project cost came in at \$18,600, plus \$2,400 for the plan design. According to Staggemeyer's letter, the bids came in higher than expected due to the nature of the job and the amount of labor involved. The Soil and Water District paid 100% of the plan design and 93% of the construction for a total of \$21,270.94. The actual cost of the project was \$23,761, which left a balance of \$2,490.06. According to Gerardy, the City previously agreed to pay approximately \$850 towards the project. A motion was made by Mayor Burns, seconded by Member Vick to cost-share the remaining balance of \$2,490.06, resulting in a payment from the City of \$1,245.03. Voting in Favor: Mayor Burns, Member Vick, and Member Lemke. Voting Against: None. Abstaining (Due to a Potential Conflict of Interest): Member Fisch and Member Murphy. The motion was declared carried.

6. AUTOMATIC WATER READ METERS. Administrative Coordinator Gerardy noted that Water/Wastewater Supervisor Tony Klug would like to buy a reasonable amount of water meters each year in an effort to incrementally phase-in automatic readers. Discussion ensued. No action was taken.

E. COMMUNICATIONS.

1. None.

CLAIMS CLAIMS

A. PREPAID CLAIMS. Following review, discussion, and deliberation, a motion was made by Member Fisch, seconded by Member Vick, to approve the Prepaid Claims List for November 2010. All members voted in favor and the motion was declared carried.

Buege, Kristin	Reimbursement Reg. Fee	25.00
Business Financial Planning	Cafeteria Plan	556.52
Caledonia Oil Company	Diesel	916.50
Caledonia True Value	Miscellaneous Items	137.77
City of Caledonia Emp. Assn.	Association Dues	70.00
Commissioner of Revenue	State Withholding	1,231.87
E O Johnson Company	Maintenance Agreement	319.30
Evans, Tim	Reimbursement – Garnishment in Error	231.31
Gavin, Mike	Reimbursement – Dog/Cat Food	17.87
ING Institutional Plan Services	TSA Payday 11-16-2010	580.00
Jack Neumann Trucking	Liquor – Freight Expense	38.00
Johnson Brothers Liquor Co.	Liquor / Wine	193.00
Merchants Bank	Federal/FICA/Medicare	6,254.52
Metro Sales, Inc.	PD – Copier Agreement	56.08
Minnesota NCPERS Life Ins.	Payday 11-16-10	80.00
MN Benefit Association	MBA Payday 11-16-10	96.41
Public Emp. Retirement Assn.	PERA payday 11-16-10	5,488.22

Schott Distributing Co, Inc.	Beer	4,334.65
Spring Grove Soda Pop, Inc.	Beer & Soft Drinks	83.50
Verizon Wireless	Fire Dept – Communication Expense	41.88
Wirtz Beverage MN	Liquor / Wine	1,726.51
Emergency Apparatus Maint.	Fire Department Vehicle Maint.	2,635.20
Ball & City, Justin	Meter Deposit Refund	125.35
Ellingson & City, Andrea	Meter Deposit Refund	200.06
Floyd-Sabo & City, Mary	Meter Deposit Refund	201.80
Keefe & City, Maria	Meter Deposit Refund	126.13
Koch & City, Jessica	Meter Deposit Refund	125.57
Northern Beverage Distribution	Beer	2,269.80
Pepsi Cola of LaCrosse	Liquor Store – Soft Drinks	92.50
Schott Distributing Co, Inc.	Beer	1,859.98
Tri-State Ambulance, Inc.	Intercept Fee	250.00
Twite & City, Jason	Meter Deposit Refund	125.09
Wagen & City, Pamela	Meter Deposit Refund	125.15
Ziebell's Hiawatha Foods, Inc.	Liquor – Mix	17.75
Buttell's Lighting	City Hall – Bubles/Ballasts	269.22
Gavin, Mike	Animal Control	75.00
Houston County Treasurer	Ho. Co. Collection Site	3,340.00
Jack Neumann Trucking	Liquor – Freight Expense	70.00
Johnson Brothers Liquor Co.	Liquor / Wine	1,570.36
Kinneberg, Myron	2010 Uniform Allowance	125.00
Mayville Repair	Fire Department – Batteries	451.05
Phillips Wine & Spirits Co.	Liquor / Wine	820.29
SE MN Historic Bluff Country	Tourism	1,205.55
Baker & Taylor Books	Library – Books	1,486.21
D S Electric Supply	Inventory, Misc. Parts	2,036.43
Davis, Susan	Library Book	13.00
Flow-Rite Pipe & Sewer Ser.	Sewer Camera	250.00
Kraus Oil Company	Diesel	1,600.00
Mathy Construction Co.	Hot Mix, Pave Patches	2,371.99
Menard's	Snow Fence	101.94
Midwest Tape	DVD's	418.06
MN Dept. of Agriculture	Tree Care Registry	25.00
Resco	Light – Inventory	1,426.54
SE Libraries Cooperating	Auto Fees	386.42
USA Mobility Wireless	Communication Expense	45.29
Verizon Wireless	Ambulance – Communication Expense	60.05
Gerardy, Mike	2010 Uniform Allowance	125.00
Commissioner of Revenue	State Withholding	1,268.59
Merchants Bank	Federal/FICA/Medicare	6,416.06
US Postal Service	Utility Billing	388.65
Ace Link Telecommunications	Communication Expense	1,065.35
Business Financial Planning	Cafeteria Plan	556.52
ING Institutional Plan Ser.	TSA Payday 11-30-10	580.00
Jack Neumann Trucking	Liquor – Freight Expense	75.00
Johnson Brothers Liquor Co.	Liquor / Wine	1,607.25
MN Dept. of Revenue	Sales / Use Tax	15,195.00
Public Emp. Retirement Assn.	PERA Payday 11-30-10	5,331.72
Richard's Sanitation	Recycling – Collections	6,110.65
Schmitz Refrigeration	Liquor Store – Cooler Repair	201.88

Schott Distributing Co, Inc.	Beer	4,096.25
SE MN Historic Bluff Country	Tourism	66.69
Spring Grove Soda Pop, Inc.	Beer & Soft Drinks	101.50
Verizon Wireless	Police – Communication Expense	15.66
VISA	Clerk’s Office – Stamped Envelopes	69.60
Wirtz Beverage Minnesota	Liquor / Wine	1,265.80
Commissioner of Revenue	State Withholding	207.70
Merchants Bank	Federal/FICA/Medicare	1,154.74
Public Emp. Retirement Assn.	PERA Payday 12-2-10	701.74
Sam’s Club	X-Mas Parade Candy	45.67
Kraus Oil Co, Inc.	Light – Oil	40.66
Minnesota Dept. of Health	2011 License Renewal	522.50
New Albin Savings Bank	Light – Investment	150,000.00
Northern Beverage Distribution	Beer	2,909.85
Principal Life	Life/Ad&d/STD	559.74
Schott Distributing Co, Inc.	Beer	6,279.50
Spring Grove Soda Pop, Inc.	Beer	265.75
US Postal Service	2011 Annual Permit 45 & 76	370.00
Commissioner of Revenue	State Withholding	527.50
Merchants Bank	Federal/FICA/Medicare	6,382.75
Public Emp. Retirement Assn.	PERA Payday 12-6-10	2,866.80
Caledonia Oil Company	Unleaded	1,574.64
Eitzen State Bank	Investment	150,000.00
Jack Neumann Trucking	Liquor – Freight Expense	55.00
Johnson Brothers Liquor Co.	Liquor / Wine	993.74
Manhart, Dorothy	Sidewalk Replacement Program	537.50
Meyer Brothers	Sidewalk Labor	3,994.00
Minnesota Energy Resources	Natural Gas	3,679.83
MN Ambulance Association	Individual Membership	25.00
Phillips Wine & Spirits	Liquor / Wine	710.86
Schulze Plumbing & Heating	Repair Water Leak	826.60
Tri-State Ambulance	Intercept Fee’s	750.00
Blue Cross Blue Shield of MN	Health Insurance	25,811.00
G & F Distributing	Beer	443.50
Gerardy, Mike	Reimbursement – Phone Minutes	42.74
Schott Distributing Co, Inc.	Beer	2,954.70
Spring Grove Soda Pop, Inc.	Beer	133.25
Tri-County Electric Co-op	Electric Energy	94.04
Verizon Wireless	Fire Dept. Communication Expense	42.43
		<u>\$ 458,821.59</u>

B. CLAIMS PAYABLE. Following review, discussion, and deliberation, a motion was made by Mayor Burns, seconded by Member Fisch, to approve and authorize payment of the Claims Payable for November 2010. All members voted in favor and the motion was declared carried.

Affordable Tech. Solutions	Office Supplies	232.27
Airgas North Central	Repair Parts/Oxygen/Acetylene	93.11
Alco Discount Store	Parade Candy & 1 st Aid Kit Supplies	16.89
Amaril Uniform Company	Safety Uniforms (Evans)	719.00
Ameripole Inspection Company	Test/Treat Poles	505.40
Artic Glacier Inc.	Ice	24.36

Blackburn Manufacturing Co.	Flags for Locating	83.49
Bonanza Grain, Inc.	Rock/Sand, Crane to set transformer	1,062.71
Bound Tree Medical	Ambulance Supplies	937.43
Bubbers Jewelry	Mayor – 2010 FB Plaque	120.50
Business Financial Planning	Cafeteria Plan	364.22
Buttell’s Lighting	Ballasts for Shop, Inventory, X-Mas Bulbs	439.61
Caledonia Implement Co.	Materials, Tractor Rental, Bulk Steel	383.12
Caledonia Oil Company	Diesel, Vehicle Maintenance	2,118.74
Caledonia Police Association	PD Association Dues	85.00
Caledonia Ready Mix	South Street Repair	158.18
Carquest Auto Parts Store	Maintenance Supplies	72.05
Commissioner of Revenue	State Withholding	1,445.09
Community Tree Works, LLC	Light Dept. – Bore CJC	4,200.00
Com-Tec Land Mobile Radio	Travel Charger & Pager Repair	255.31
Crystal Canyon / Ecowater	Drinking Water	17.56
Curt & Candy’s Hardware Hank	Miscellaneous Items	75.67
Dalco	Cleaning Supplies	145.89
Davy Engineering	Engineering Fees	22,164.24
Davy Laboratories	Lab	1,569.58
ECM Publishers	Advertisements	470.70
Ellingson Motors	Van Maintenance	37.72
Expert T Billing	Contracted Billing	742.50
Farmers Co-op Elevator	2 Scoop Shovels (FD)	106.88
Gopher State One-Call Inc.	36 Location Notifications	52.20
Green Power Equipment	JD Repair Parts	38.48
Hawkins Inc.	Chemicals	1,549.67
Hoskins Electric Co.	Replace Starter on Pump	1,920.98
ING Institutional Plan Services	TSA payday 12-14-10	580.00
Interstate Roofing	Liquor Store – Roof Repair	604.60
Jeff’s Automotive Repair	Repair 94 Truck	136.33
JR Burroughs Blading	Rec Park – Blading	180.00
Kemske/Oswald Co.	Receipt Books	316.71
Ken’s Small Engine	Street Equipment – Oil	11.16
Kwik Trip Stores	Propane Tank	19.36
Merchants Bank	Federal/FICA/Medicare	7,304.55
Metro Sales	Copier Agreement	52.48
Minnesota Dept. Of Commerce	3 rd Quarter Fiscal Year	409.45
Minnesota Dept. of Health	Water Service Connection Fee	1,809.00
Mississippi Welders Supply	Oxygen	38.48
North Central EMS Cooperative	2011 Membership Dues	75.00
Petty Cash	PD Replenish Petty Cash	49.78
Public Emp. Retirement Assn.	PERA payday 12-14-10	5,767.84
Quillin’s IGA	Liquor – Wine Tasting Event	61.96
Richard’s Sanitation	Refuse Disposal	239.67
Rippe, Hammell & Murphy	General Matters & Prosecution Matters	3,462.75
Rogich, Mike	Tree Removal	600.00
Sandry Fire Supply, LLC	Flashlight & Uniforms	874.75
Schilling Supply Company	Copy Paper, Bags & Rugs	637.43
SOS Technologies	PD Heartsmart Replacement Pads	44.95
Storey Kenworthy	Clerk’s Office – Files	20.01
Stuart C. Irby	Light – Equipment Testing	55.33
Sunfirst Bank	Research ICR10001586	33.00

Tri-County Electric Co-op	Electric Energy	149,608.95
Tri-State Ambulance	Intercept Fee	250.00
United Auto Supply	Miscellaneous Items	99.91
United Laboratories	Cleaning Supplies	141.97
United Parcel Service	Ups Fee	31.41
Wiebke Tire	Tire Repair	20.00
Winona Controls, Inc.	Replace Steam Lines	12,530.00
Witmer Associates	Helmet Shield Id's	76.00
World Point ECC, Inc.	Training Supplies	58.45
WWTP MPCA PFA Loan	Loan Payment	<u>3,500.00</u>
		\$ 231,909.83

OLD BUSINESS.

A. **CERTIFICATION OF DELINQUENT ELECTRIC CHARGES.** City Clerk/Administrator Feely reported that at the November 22, 2010 City Council meeting, discussion took place concerning certification of delinquent utility charges to be collected with taxes as the existing practice has been to write-off delinquent charges after attempting to collect over a span of five years. The consensus was to research whether electric charges could also be certified with delinquent water and sewer charges to be collected with taxes. Feely reported that according to an informational piece from the League of Minnesota Cities, municipal gas and electric utilities do not have specific statutory authority to certify delinquent charges to taxes. However, as per the informational piece, there is some disagreement with this position as in 1989, a law was passed giving towns the authority to certify unpaid service charges to the county auditor to be collected with taxes. Additionally, in a 1973 law, which was amended in 2003, cities were afforded all the same powers as those given to towns. Feely then stated that given the fact that literature from the LMC states that the question of whether a city has the power to assess delinquent electric charges to a property is unsettled law in Minnesota, she recommended that City Attorney Tim Murphy be asked to provide a formal opinion prior to any official City Council action on the matter. Feely will contact City Attorney Murphy and report back at the January meeting.

B. **REVIEW OF UTILITY BILL COMPLAINT.** City Clerk/Administrator Feely reported that following the Special City Council meeting held on December 9, 2010, in which Brian Mower attended for the purpose of raising an issue with respect to his utility account, she visited with Utility Billing Clerk Joyce Guillaume and Water/Wastewater Supervisor Tony Klug to discuss the utility bill matter in more detail. As per Klug, there has never been a water meter that has malfunctioned by advancing forward; however, the opposite has occurred in which an old meter has run slower than it should. It was further reported that Guillaume verified the meter was recorded as being read on August 9, 2010. As was discussed at the December 9 meeting, while processing the utility bills, Guillaume noticed that the reading seemed high so she had the meter readers go back out and check the meter. Apparently, the meter readers were unable to verify the reading as the meter was no longer there. Guillaume noted that this took place sometime in mid-August. Upon a review of the findings, the consensus of the Council was for Feely to send Mr. Mower a letter explaining that the utility bill stands as is. Discussion ensued amongst the Council regarding the set up for water meters at the Eastside and Highland Trailer Parks. It was noted that each of the aforementioned trailer parks has a main meter. Member Fisch inquired as to whether each trailer is charged a sewer and water base fee. The consensus of the Council was for Feely to research the matter and report back at the upcoming meeting.

C. **INSURANCE COVERAGE QUESTIONS.** City Clerk/Administrator Feely reported that at the November 22, 2010 City Council meeting, a question arose as to the amount of coverage the City has with respect to theft, disappearance, and destruction of money. Per an email

received from City Insurance Agent Tom Danielson, the City has an automatic \$250,000 per occurrence with a \$1,000 deductible. Further, Danielson noted that the coverage applies to all City locations including City Hall and the Liquor Store as well as outside City premises while in the care, custody and control of a “messenger” or armored vehicle. It was noted that “messenger” means any employee having the care and custody of the money and securities outside the premises. The consensus of the Council was for City Clerk/Administrator Feely to research whether the City ever submitted a claim after the Liquor Store burglary incident that took place in 2009 and report back at the upcoming meeting.

D. STATUS OF FENCE SETTLEMENT OFFER. City Clerk/Administrator Feely shared that as per her phone conversation with Ron Johnson, Frontier Claims Adjuster, on Friday, December 10, the City could expect to receive an official response regarding the fence settlement offer on Monday, December 13, 2010. It was reported that no such letter was received prior to the meeting. No action was taken as the issue will not be revisited until the City receives a response from Frontier Claims Adjuster Ron Johnson.

E. TRAIL FUNDS. City Clerk/Administrator Feely shared that at the November 22, 2010 City Council meeting, Member Fisch inquired as to whether there were any funds available through the Legacy Amendment Act for trails. Feely reported that she spoke with a DNR representative and will be filling out and submitting an application for one of two possible grants that seem most applicable to the City’s desired trail project. Feely will work with Administrative Coordinator Gerardy to obtain trail measurements and specifications.

F. SEMDC CONTRACT AND STAFF PERFORMANCE APPRAISAL. Attached with the agenda was a contract for professional services with SEMDC, in addition to a staff performance appraisal form. The consensus of the Council was for Members Murphy and Vick to complete a staff performance appraisal with SEMDC Support Staff Jane Schiltz. Discussion ensued regarding how the Council wanted to proceed with respect to the 2011 contract. Mayor Burns noted that Ron Ziegler indicated that the contract could be changed mid-year. Member Fisch inquired as to the estimated cost savings associated with reducing staff time at City Hall. No action was taken with respect to signing the agreement as the consensus was that there may still be changes made to the agreement.

G. PD OVERTIME/CALL-TIME DISCUSSION. City Clerk/Administrator Feely shared that at the November 22, 2010 City Council meeting, a request was made for Feely to provide a copy of the page of the Caledonia Police Labor Agreement that deals with over-time/call-time compensation. A copy was presented to the Council and discussion ensued. No action was taken as this was for informational purposes only.

H. SEWER FUND DISCUSSION. Mayor Burns reviewed the recommendation made by Tostrud and Temp to adopt an ordinance authorizing the restricting of net assets. Discussion ensued. Member Fisch inquired as to whether language could be inserted to include “up to \$30,000” versus naming a specific dollar amount. Member Fisch went on to question what would happen if the ordinance stated that \$30,000 was to be set aside in restricted net assets and less than that amount was actually collected in revenues. Member Murphy asked if it could be stipulated that usage should go for things other than the new plant, such as system improvements.

NEW BUSINESS.

A. MN/DOT RESPONSE REGARDING INSTALLING TRAFFIC DEVICE. Mayor Burns reviewed an unfavorable response received from Mn/DOT District Traffic Operations Engineer Nancy Klema regarding reasons why installing a traffic control device at the intersection of

Highway 44 and Esch Drive in Caledonia was not feasible. Discussion ensued. The consensus of the Council was to talk to area legislators next.

B. DAVID EHLERS: SPECIAL ASSESSMENT REQUEST. City Clerk/Administrator Feely shared that a special assessment request was received from David Ehlers, 1025 E. Caledonia Street, with respect to \$826.60 incurred for repairing a water service line and restoring a portion of a sidewalk disturbed in the process. Mayor Burns inquired as to whether the City had an Assessment Policy. Feely replied that the City does not have such a policy in place. The consensus of the Council was for Feely to draft a policy of some sort and present at an upcoming meeting. A motion was made by Mayor Burns, seconded by Member Fisch to approve the special assessment for collection with property taxes over the next three years. All members voted in favor and the motion was declared carried.

C. JEROME HELICKSON: SPECIAL ASSESSMENT REQUEST. City Clerk/Administrator Feely shared that a special assessment request was received from Jerome Hellickson, 505 North Kingston Street, with respect to \$600 incurred for the removal of an unsound tree from his property. A motion was made by Mayor Burns, seconded by Member Fisch to approve the special assessment for collection with property taxes over the next three years. All members voted in favor and the motion was declared carried.

D. AGSTAR GRANT. Enclosed with the agenda was a grant agreement from AgStar for a \$2,500 Emergency Response Services Equipment Grant and Resolution 8-2010: Accepting Donation to the City of Caledonia. A motion was made by Mayor Burns, seconded by Member Lemke to accept the \$2,500 AgStar grant to be used in purchasing a grain structure rescue device and to assist in securing wildland firefighter gear to prevent overheating and increase the mobility of manpower during a wildland fire or rescue. All members present voted in favor and the motion was declared carried.

E. USDA INTERMEDIARY LOAN REPORTING REQUIREMENTS: AGREEMENT FOR ELECTRONIC TRANSACTIONS. Enclosed with the agenda was a letter from USDA Rural Development regarding new reporting requirements associated with USDA Intermediary Relending Loans. Discussion ensued. A motion was made by Member Murphy, seconded by Mayor Burns to approve signing the agreement, contingent upon the EDA's review of the information contained in the report. All members present voted in favor and the motion was declared carried.

F. SOUTH STREET SEWER PROJECT: CHANGE ORDER NO.2. Enclosed with the agenda was Change Order No.2 for the South Street Sewer Project. City Clerk/Administrator Feely explained that the change order addressed additional work items completed on the project, adjusted the contract amount to reflect current quantities completed so far and extended the substantial completion date by an additional 10 days to coincide with the placement of the initial life of asphalt surfacing. It was noted that the change order results in a net reduction in the amount of \$6,346.59. A motion was made by Member Lemke, seconded by Member Vick to approve Change Order No. 2. All members present voted in favor and the motion was declared carried.

G. SOUTH STREET SEWER PROJECT: PAY ESTIMATE NO.3. Enclosed with the agenda was Pay Estimate No. 3 in conjunction with the South Street Sewer Project. City Clerk/Administrator Feely shared that Davy Engineering reviewed the request for compliance with the contract work completed and recommends payment in the amount of \$30,938.41. A motion was made by Member Lemke, seconded by Member Vick to approve Pay Estimate No. 3. All members present voted in favor and the motion was declared carried.

H. FINAL DRAFT OF PROPOSED CITY AND COUNTY SOLID WASTE ORDINANCES. Enclosed with the agenda were a final draft of the proposed City Solid Waste Ordinance and a copy of the proposed County Solid Waste Ordinance. It was noted that there would be a public hearing to consider the adoption of the proposed Houston County Solid Waste Ordinance on Tuesday, December 21 in the Commissioners Room of the Houston County Courthouse. Mayor Burns noted that he would like to know what kind of a charge is being referred to in Section 5.3.1 under Per Household Charges. City Clerk/Administrator Feely was directed to contact Rick Frank to obtain this information.

I. HIRING OF ADDITIONAL PART-TIME EMT. A motion was made by Member Vick, seconded by Mayor Burns to hire Andrew Ballantine as a part-time EMT for the Caledonia Ambulance Department at an hourly rate of \$14 per hour, contingent upon the completion of a successful background check. All members present voted in favor and the motion was declared carried.

J. HIRING OF ADDITIONAL PART-TIME LIQUOR STORE CLERK. A motion was made by Member Lemke, seconded by Member Vick to hire Katie Schmitz as a part-time Liquor Store Clerk at an hourly rate of \$7.25, contingent upon the completion of a successful background check. All members present voted in favor and the motion was declared carried.

K. AMBULANCE BILLING: REMOTE ACCESS AGREEMENT. Enclosed with the agenda was a Remote Access Agreement from EPNI with respect to accessing necessary patient data to process ambulance claims. The consensus was to refer the matter to City Attorney Tim Murphy for his review and approval prior to being revisited at the January meeting.

L. PERSONNEL MATTER – PAY INCREASE. A motion was made by Member Murphy, seconded by Mayor Burns that following City Clerk/Administrator Feely's six month review to increase her wage by \$2,500, retroactive to her six month review as per her employment agreement. All members present voted in favor and the motion was declared carried.

M. CITY HALL TO BE OPEN OR CLOSED ON DECEMBER 23. City Clerk/Administrator Feely shared with the Council that as per the Employee Association Agreement, December 23 would be a paid holiday for those employees covered under the agreement. Feely noted that she and Accountant Mann would be the only employees working in the office and inquired as to whether Council would like non-association employees to take a vacation day and close the office or leave it open. The consensus was for City Hall to remain open.

N. CITY CREWS AND SNOW REMOVAL. Member Murphy commended the City crews for a job well done clearing the snow. The overall consensus of the Council was that the City crews did a great job moving snow and ensuring Caledonia streets were passable.

CLERK'S REPORT.

A. EMPLOYEE TIME RECORD. Enclosed with the agenda was the Employee Time Record for November 15, 2010-November 28, 2010.

B. POLICE OFFICER ACTIVITY LIST. Enclosed with the agenda was a police officer activity list.

C. DISCHARGE MONITORING REPORT. Enclosed with the agenda was a discharge monitoring report showing an average Nitrogen Level of 10.80 mg/L.

D. COMMUNITY MEETING FOR POOL IMPROVEMENT PROJECT. City Clerk/Administrator Feely noted that she would be meeting with Nancy Runnigen in the near future to discuss ways in which the City and School District might be able to work together to cost-share publication expenses to advertise summer activities. Feely inquired as to whether the Council would be interested in advertising for a community meeting to discuss the proposed pool improvement project in such a publication. The consensus was for Feely to meet with Runnigen and see what options exist.

MISCELLANEOUS.

A. UTILITY BILL COMPLAINT. Council reviewed a utility complaint received at the meeting. The consensus was for City Clerk/Administrator Feely to draft a response informing the account holders that there have been no overcharges or errors with respect to their utility account.

ADJOURNMENT. A motion to adjourn was made at 9:45 p.m. by Mayor Burns, seconded by Member Vick. All members present voted in favor and the motion was declared carried. The next regularly scheduled meeting of the City Council is scheduled for Monday, December 27, 2010 at 6:00 p.m. in the Council Room, City Hall.

Robert H. Burns
Mayor

Jennifer Feely
City Clerk/Administrator