

REGULAR MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Monday, June 28, 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: Mayor Robert H. Burns; Council Members: Randi Vick, Peggy Perry, Robert Lemke, and Tom Murphy. Members absent: None. Consultants and City staff present: City Clerk/Administrator Jennifer Feely and Administrative Coordinator Mike Gerardy. Visitors present: Caledonia Argus Reporter Charlie Warner.

AGENDA APPROVAL. The following item was added to the agenda for discussion: road discussion. A motion was made by Mayor Burns, seconded by Member Perry to add the above-mentioned item to 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 item, listed below. Members voting in favor: Mayor Burns, Member Vick, Member Lemke, Member Murphy. Opposed: None. Abstaining: Member Perry. The motion was declared carried.

A. MINUTES OF PAST MEETINGS. To approve the minutes of the Regular Meeting held Monday, June 14, 2010, as presented.

VISITORS AND COMMUNICATIONS.

A. LORETTA KNUTSON, FARMER'S MARKET. Loretta Knutson was present on behalf of the Farmer's Market to inquire as to whether a permit was required to sell items at their flea market held on Thursdays. Discussion ensued. No action was taken as Council determined no permit was necessary.

B. MA CAL DEVELOPERS. John Esch and Gary Kruckow were present on behalf of Ma Cal Developers to request the Council's consideration in eradicating the requirement that lots in which structures other than those with residences shall have a setback of at least 150' from a residential district or school property. Esch stated that with the 150' setback, the affected Ma Cal Developers property is essentially condemned and useless. Discussion ensued. A motion was made by Mayor Burns, seconded by Member Lemke to hold a public hearing to consider eliminating the 150' setback requirement and reverting back to the 50' setback. All members present voted in favor and the motion was declared carried.

C. TOM DANIELSON, INSURANCE AGENT. Tom Danielson, City Insurance Agent, presented renewal information for workers' compensation coverage. The net deposit premium for 2010-2011 was \$40,466. Danielson presented a review of the City's experience modification factor and premium amount for the years 2001 – 2010. Danielson went on to explain that

experience modification factors are developed from the workers' compensation claims that occur during the past three complete policy years. For 2010, the factor was based on the claims experience from 2006-2007; 2007-2008; and 2008-2009. This factor is then applied to the base premium which is developed by the amount of payroll the city has times the rate applicable to each type of work performed by the city employees. Discussion ensued. A motion was made by Mayor Burns, seconded by Member Lemke to approve the renewal quote for workers' compensation in the amount of \$40,466. All members present voted in favor and the motion was declared carried.

D. LLOYD SWALVE, CALEDONIA CARE AND REHAB. Lloyd Swalve, Caledonia Care and Rehab, was present to discuss three quotes obtained from area contractors to pave the gravel access road used by Caledonia Care and Rehab and citizens using the City's park next to the pool. It was noted that Strub Inc. of Lansing, Iowa came in as the low bidder to pave the gravel drive. Swalve then went on to request the Council's consideration in cost-sharing this project as it would be beneficial to both parties. No action was taken.

E. CITY ACCOUNTANT TOPICS.

1. CASH AND INVESTMENT BALANCE. City Accountant Stephanie Mann was in attendance to report that as of May 31, 2010, the total cash balance was \$422,546.53 and the total investment balance was \$2,699,900. Mann noted she is still working with Mike Davy to provide him with the necessary meter information for the rate study. Discussion ensued.

2. 2010 BUDGET WORKSHEET. Mann reviewed the budget worksheet which showed the line item detail of revenues and expenditures through May 31, 2010. Discussion ensued concerning increasing the amount in which a purchase is to be considered a capital asset. A motion was made by Mayor Burns, seconded by Member Perry to designate expenditures of \$1,000 or more as capital assets. All members present voted in favor and the motion was declared carried. Discussion then took place concerning having the auditors attend an upcoming meeting and present the 2009 audit report. City Clerk/Administrator Feely will contact the auditors to schedule the 2009 audit presentation. Councilmembers stated they will request that this service be provided at no additional charge.

3. CAPITAL PROJECT LIST. The consensus of the Council was to discuss this list at an upcoming meeting.

F. ADMINISTRATIVE COORDINATOR TOPICS.

1. HOUSTON COUNTY JUSTICE CENTER ZONING. Administrative Coordinator Mike Gerardy presented the following three variance requests made by Houston County which would allow for an emergency generator to be installed in the northwest corner of the County's property: (1) 5' setback variance on West property line; (2) 5' variance on North property line; and (3) 4' variance to install a 10' high concrete wall and chain link fence as containment. Gerardy noted that the neighboring property owners were contacted and raised no objections to the installation of the generator. Discussion ensued concerning possible noise pollution. County representatives Mark Schiltz and Mark Redding were available to answer questions. Schiltz and Redding indicated that noise should not be an issue. They went on to explain that the generator will be tested once monthly and will take place during daytime hours.

Mayor Burns requested that the 3-4 parking spaces eliminated as a result of the generator should be replaced. A motion was made by Mayor Burns, seconded by Member Lemke that the Houston County Justice Center variance requests be granted so long as no objections were raised from surrounding property owners, the once monthly testing of the generator is conducted during normal daytime hours, and the 3-4 parking spaces eliminated due to the space occupied by the generator be replaced. All members present voted in favor the motion was declared carried.

2. SWIMMING POOL STUDY. Administrative Coordinator Mike Gerardy reviewed the preliminary cost estimate and recommendations for the existing pool provided by Davy Engineering. The preliminary cost estimate, totaling \$477,300, consisted of eliminating the existing wading pool and construction a zero-depth addition to the existing pool. No action was taken as the matter was referred to the Park and Rec Committee for further discussion and review.

3. AUDITORIUM STORMWATER ISSUE. Administrative Coordinator Mike Gerardy noted that due to the recent rainfall, the east well foundation of the basement level at the City Auditorium was leaking. Discussion ensued regarding installing a Beaver water collection system. Gerardy noted that he obtained an estimate totaling approximately \$2,800 to do the necessary work. The consensus of the council was for Gerardy to obtain several quotes and report back his findings at an upcoming meeting.

4. CITY HALL AIR CONDITIONING UNITS. Administrative Coordinator Mike Gerardy noted that two air conditioning units are not functioning effectively at City Hall. Gerardy recommended that council consider having him explore options available to eliminate having three air conditioning units in the main office area by installing a more efficient cooling system. Gerardy will research this issue and report back his findings at an upcoming meeting.

5. SOUTH STREET SEWER ISSUE. Administrative Coordinator Mike Gerardy presented information from Davy Engineer Mike Davy concerning options available to remedy a sewer issue identified on South Street. The options consisted of the following: (1) Sewer Spot Repair/Lining at an estimated cost of approximately \$157,250 or (2) Sewer Replacement at an estimated cost of \$436,820. Discussion ensued. Gerardy and City Clerk/Administrator Feely will schedule a conference call with Davy the following day to discuss the options available as well as funding. No action was taken.

G. COMMUNICATIONS.

1. Local Board of Appeal and Equalization Training Notice, dated June 11, 2010.

OLD BUSINESS. None.

NEW BUSINESS

A. HIRING OF WATER/WASTEWATER OPERATOR. A motion was made by Mayor Burns, seconded by Member Vick to hire Ryan Skillings as the Water/Wastewater Operator at an hourly rate of \$15.97, contingent upon the successful completion of a criminal history background investigation. As with all new hires, Skillings will be subject to a six month probationary period. All members present voted in favor and the motion was declared carried.

B. HIRING OF ADDITIONAL LIFEGUARD. A motion was made by Mayor Burns, seconded by Member Perry to authorize the hiring of Katie Schieber as an additional lifeguard for the 2010 season at an hourly rate of \$7.75. All members present voted in favor and the motion was declared carried.

C. APPOINTMENT OF ELECTION JUDGES. A motion was made by Mayor Burns, seconded by Member Perry to appoint the following individuals as election judges for the upcoming primary and general elections:

Janice Dokken	Lolita St. Mary (HJ - Precinct 2)
Rita Noel	Sandy Hanson
Iyla Mulvenna	LuEtta Fruechte
Lee Grippen	Mary Leary
Ronald Freigo	Winifred Schulte
Sue Kittleson	Jennifer Feely (Election Administrator)
Joyce Guillame (HJ – Precinct 1)	Jessica Kohnen
Jana Dittmer	Patricia Kaufman
Jane Hayes	Anita Deters
Vera Standish	Mary Ellen Lapham
Marian Simser	Ethyelyn Gensmer (Alternate)

All members present voted in favor and the motion was declared carried.

D. PERA RESOLUTION FOR PART-TIME POLICE OFFICER. A motion was made by Member Vick, seconded by Member Lemke to approve Resolution 2-2010; declaring that part-time police officer Nathan C. Pearson meets all police and fire membership requirements to become a member of the Public Employees Police and Fire Plan. All members present voted in favor and the motion was declared carried.

E. TIM MURPHY, CITY ATTORNEY. The meeting adjourned into closed session at 8:25 p.m. as per MN Statutes 13D.05, Subdivision 2(2). The meeting re-opened at 8:50 p.m.

CLERK'S REPORT

A. DISCHARGE MONITORING REPORT. Attached with the agenda was a discharge monitoring report showing a monthly average Nitrogen Level of 6.43 mg/L.

B. EMPLOYEE TIME RECORD FOR PAY PERIOD MAY 31, 2010 – JUNE 13, 2010. Enclosed with the agenda was the Employee Time Record for pay period May 31, 2010 – June 13, 2010.

MISCELLANEOUS ITEMS. None.

ADJOURNMENT. A motion to adjourn was made by Mayor Burns, seconded by Member Perry. 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, July 12, 2010 at 6:00 p.m. in the Council Room, City Hall.

Jennifer Feely
City Clerk/Administrator

Robert H. Burns
Mayor