

REGULAR MEETING OF THE CITY COUNCIL  
CITY OF CALEDONIA, MINNESOTA  
Monday, August 28, 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: Michael Gerardy, Tony Klug, Stephanie Mann and Robert L. Nelson. Visitors present: Janice Kutina and Jane Palen, Reporter.

CONSENT AGENDA: Following brief discussion, a motion was made by Member Fisch, 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, August 14 and Special Meeting held Wednesday, August 23, 2006, as presented.

B. NEWSPAPER SALUTES: Authorization to participate in 12 newspaper salutes at a cost of \$27.50 each for a grand total of \$330.00.

C. MINNESOTA EXPLORER NEWSPAPER AD: To authorize advertisement in the Minnesota Explorer for its next 3 issues and cost share the expense with the Chamber of Commerce. Total advertisement cost is \$325.00 with the cities share then to be \$162.50.

D. DONATION: To accept a donation from the American Legion in the amount of \$985.00 to pay for the cost of a Beaver System to drain water from the storage room in the auditorium basement.

E. EXEMPT PERMIT: To approve an application for Exempt Permit from the Caledonia USBC, WBA, Inc. for a raffle to be held at the Starlite Bowling Center, 114 Bissen Street, on January 13, 2007.

VISITORS AND COMMUNICATIONS

A. CITY ACCOUNTANT: Stephanie Mann, Accountant, reviewed the balance of cash and investments at July 31, 2006. Current total cash was \$781,265.51 and current total investments was \$3,085,000.00. Ms. Mann also reviewed a 35 page detailed budget worksheet as of July 31, showing the current status of expenditures verses budgeted amounts for calendar year 2006.

B. SANITARY SEWER DEPARTMENT: Tony Klug, Water / Waste Water Superintendent, reviewed a quote from Winona Controls, Inc., to rehabilitate the methane burner system at the Waste Water Treatment Plant for a quote of \$43,800. Following discussion, a motion was made by Mayor Morey, seconded by Member Standish, to direct Mr. Klug to reject the quote and prepare specifications to solicit sealed bids for the methane burner repair / replacement. All members voted in favor and the motion was declared carried.

Mr. Klug further explained the wearing on the comminuter or grinder which grinds up cloth and debris which finds its way into the sanitary sewer system into small pieces which will not plug the piping system. Mr. Klug recommended replacement for which he has an estimated cost of \$26,000. He reported that this type of work is typically done by specialty companies such as the company from whom he received this cost estimate. Following discussion, a motion was made by Mayor Morey, seconded by Member Fisch, to authorize Mr. Klug to purchase and have installed a new grinder for expense of up to \$28,000, including sales tax, shipping and other miscellaneous fees. All members voted in favor and the motion was declared carried.

C. ADMINISTRATIVE COORDINATOR

1. CITY AUDITORIUM BOILER ADJUSTMENT: Mike Gerardy, Administrative Coordinator, reported an inspection of the auditorium boilers with the intent of installation of a low fire hold switch on each boiler which would allow a low flame burn during the spring and autumn seasons when a minimal level of heating would be sufficient. Currently the boilers are on low burn for only momentarily when the boilers fire up, then automatically go to a high flame. Installation of this control on both boilers has an estimated cost of \$724.00. Following discussion, a motion was made by Member Vick, seconded by Member Fisch, to approve the installation of the low fire hold switch for the estimated cost of \$724.00. All members voted in favor and the motion was declared carried.

2. **PROPOSED PURCHASE OF USED TRUCK:** Mr. Gerardy reported the condition of a vehicle inspected for hauling snow and other purposes was satisfactory according to the consulting mechanic. The vehicle is a Ford model 800 and is available for \$14,900. Following brief discussion, a motion was made by Member Fisch, seconded by Mayor Morey to authorize purchase of the vehicle. All members voted in favor and the motion was declared carried.
3. **MOTOR GRADER SALE:** Mr. Gerardy informed the Council that a construction firm from Foley, Minnesota, made an offer of \$2,000 for the city motor grader, recommending acceptance of the offer. Following brief discussion, a motion was made by Member Fisch, seconded by Member Standish, to accept the offer of \$2,000 for the city motor grader. All members voted in favor and the motion was declared carried.

**D. COMMUNICATIONS**

1. Letter, Mediacom, 8-23-06.

**OLD BUSINESS**

A. **GAZEBO:** Clerk Nelson reported there had been recent discussion on controlling use of the Gazebo for particular events. Included with the Agenda was a copy of the minutes of September 12, 2005, when the issue had also been discussed. At that time, the Council directed that the City Clerk's Office would establish a control system for use of the Gazebo. Nelson explained this issue was overlooked and nothing had been done to achieve control. Following discussion the Council reaffirmed that the Clerk's Office was to acquire an enclosed tablet of some sort for outside use and scribe the dates and times of specific events when the Gazebo would be reserved for use by a particular person or group.

B. **CITY ORDINANCE PENALTIES:** Clerk Nelson reported that the Houston County Court System was having concerns with the penalties for nuisance violations for the City Of Caledonia since the ordinance did not prescribe a monetary penalty for each type of incident. Apparently, other municipalities have specific fines for each explicit infraction. Nelson reported that he and Police Chief Shefelbine could confer and submit a recommended fine amount for Council approval.

**NEW BUSINESS**

A. **ELECTRICAL SYSTEM SUMMARY:** Enclosed with the Agenda was a summary, prepared by PowerPlus Engineering of electrical improvements to be performed over the next 4 year period, 2007 – 2010, having a cost of approximately \$200,000 per year. Work purposed in paragraphs #1, #2, #4 and #5 is to be considered "all or nothing" since the electrical conversions and equipment would result in an overall change from the downtown substation to the wild turkey substation. Paragraph #3, replacement of electrical wiring in the Foltz Addition and First Addition to the Foltz Addition in the northwest part of the city was the only stand alone improvement. Following discussion, a motion was made by Member Standish, seconded by Member Klug, to approve the plan to the extent that approximately \$200,000 of improvements would be made annually during the 4 year plan. All members voted in favor and the motion was declared carried.

B. **TRUTH IN TAXATION SCHEDULE:** Clerk Nelson reviewed the available dates for conducting Truth-In-Taxation Hearings, explaining the delay required by law between the initial hearing and continuation hearing and the obligation to choose dates other than the scheduled dates when the County or Public School would be conducting hearings. Following discussion, a motion was made by Member Fisch, seconded by Mayor Morey to hold the initial Truth-In-Taxation hearing at 6:00 p.m., Monday, December 4 and the Continuation Hearing at 6:00 p.m., Thursday, December 14, 2006, in the Council Room, City Hall. All members voted in favor and the motion was declared carried.

C. **PROPOSED TAX LEVY:** Following discussion concerning the proposed tax levy to be provided to the Houston County Auditor before September 15, a motion was made by Member Klug, seconded by Mayor Morey, to declare a proposed tax levy increase of 10% (\$39,508) over the 2006 total levy of \$395,077, making the proposed total tax levy of 2006 \$434,585. All members voted in favor and the motion was declared carried.

D. **PETITION FOR SPECIAL ASSESSMENT:** Clerk Nelson reported that Colette O'Heron, 401 South Winnebago Street, requested that the City pay the expense of installation of new water and sanitary sewer lines to her residence and reimburse itself through Special Assessments against her property with the anticipated cost being \$3,500. Following discussion, a motion was made by Member Fisch, seconded by Member Vick, to approve her request and special assess

the expenses over a 10 year period. All members voted in favor and the motion was declared carried.

**CLERK'S REPORT**

- A. **EMPLOYEE TIME RECORD:** Enclosed with the Agenda was the Employee Time Record for pay period July 31, - August 13, 2006.
- B. **DRUG DOG AGREEMENT:** Enclosed with the Agenda was a copy of the Agreement between Officer Logan and City Of Caledonia for services of Nitro, trained drug finding dog, which expired August 1, 2006. Nitro now becomes the personal property of Officer Logan.
- C. **PUBLIC SAFETY COMMITTEE:** Brief discussion with Mayor Morey and Member Fisch concerning possible dates to meet and discuss public safety issues as required for the Fire Department, Ambulance Department and Police Department.
- D. **MOSQUITO CONTROL:** Enclosed with the Agenda was a listing of sites where tires or other water holding containers are located as presented by Dave Geske, Mosquito Control Official.
- E. **HOUSTON COUNTY ANNUAL AUCTION:** Enclosed with the Agenda was a listing of items sold at the annual Houston County Auction on August 15, 2006. Total amount of sales was \$4,189 with a 7% commission of \$293.23 leaving a balance of \$3,895.77 to the City Of Caledonia. Larger items sold on that sale included a 1993 Ford Van from the Water / Waste Water Department, a 1977 Truck from the Street Department and a 1999 Ford Crown Victoria from the Police Department.
- F. **CUSTOMER SECURITY DEPOSITS:** Enclosed with the Agenda was a page from the State of Minnesota Department of Commerce Web Page declaring that the State mandated interest rate for security deposits for calendar year 2006 is to be 4.4%. Clerk Nelson informed the Council that the current rate established by the City Council is 2% whereupon a motion was made by Member Klug, seconded by Mayor Morey, to increase the interest rate on security deposits for calendar year 2006 to 4.4% in compliance with State Law. 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 Mayor Morey. All members voted in favor, the motion was declared carried and the meeting then adjourned at 9:35 p.m. The next Regular Meeting of the City Council is scheduled for 7:00 p.m., Monday, September 11, 2006, in the Council Room, City Hall.

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Michael J. Morey, Mayor

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Robert L. Nelson  
City Clerk - Administrator