REGULAR MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Monday, November 23, 2015

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

ROLL CALL: Members present: Mayor Joshua Gran, Council Members: Bob Lemke, DeWayne Schroeder, Bob Burns and Paul Fisch. City Staff Present: Interim City Clerk/Administrator Steve Schuldt, City Accountant Stephanie Mann, P.D. Chief Zehnder and Administrative Coordinator Mike Gerardy, Guests: Steven Peplinski, Kenneth Rask, Shelly Jilek, Lloyd Swalve, Debbie Betthauser, Bruce Kuehmichel Kris Buege, Carol Schulze, Chuck Gustafson and Tom Nigon. Caledonia Argus reporter: Zach Olson.

AGENDA: Motion by Member Schroeder, second by Member Lemke and the motion passed to approve the agenda with amendment to include a report from Chief Zehnder and the inclusion of an amended resolution.

CONSENT AGENDA APPROVAL: Member Lemke moved, second by Member Fisch and motion passed to approve the consent agenda, which consisted of the minutes from the November 9, 2015 regular meeting.

VISITORS AND COMMUNICATIONS: Caledonia Police Chief Zehnder reported that the Ford Taurus patrol car has been deemed a total loss by the League of Minnesota Cities Insurance Trust (LMCIT). The policy will pay replacement cost up to $40,000.00, less a $1,000.00 deductible. Chief Zehnder explained that it may be difficult to find an identical replacement and that council should also consider replacing with a Ford SUV. The cost will be slightly higher but still below LMCIT's limit of $40,000.00. Member Burns moved, second by Member Lemke and the motion passed to search for another Ford Taurus.

Member Burns gave a committee report regarding an accident involving the City's Ford Taurus patrol car. He has reviewed the car's dash-cam and was informed by the Houston County Sheriff's Office that the investigation is still pending.

Chuck Gustafson and Tom Nigon from Star Energy Services provided a Power Point presentation showing the process of converting the current 4kV substation to 12.5 kV. Areas in which power would be interrupted during conversion were shown on projected maps. Cost estimates showing hourly rates charged by Karian Peterson and that of a competitor indicated that Karian Peterson is slightly higher. Minnesota law requires competitive bidding for contracts over $100,000.00 and direct negotiation for contracts between $25,000.00 and $100,000.00. The majority of work is hourly labor and estimated to be less than $100,000.00. In conclusion, Gustafson and Nigon recommended a negotiated contract with Karian Peterson because of their familiarity with the system. The project completion date would be fall of 2016. Mayor Gran moved, second by Member Burns and the motion passed to approve the project with a negotiated contract with Karian Peterson.

Debbie Betthauser representing SEMCAC Senior Dining in Caledonia informed council that the program is in danger of being closed. SEMCAC contracts with United Methodist Church to use their kitchen for food preparation then distribution to Spring Grove, Mabel, Canton and Eitzen, as well as on site dining in Caledonia. SEMCAC serves on average 35 residents in Caledonia, 18 in Spring Grove, 25 in Mabel, in addition to weekly meals on wheels to Eitzen and Canton. United Methodist Church is requesting $25.00 per day for utilities and maintenance from SEMCAC to help set-off expenses they incur as a result of the program. The Church does not want the dining program to discontinue but cannot afford continuing subsidize it. The program will only allow participants to make a contribution toward their meal, suggested at $3.50, however, 63% of the seniors participating are low income and the average contribution is $2.78 each. Council suggested contacting other cities, churches and organizations for contributions to the program rather than a full subsidy by the City of Caledonia. Ms. Betthauser will return to the December 14 council meeting with additional information.

Mike Tornstrom spoke to Council in regard to staffing the ambulance service during daytime hours. The proposal includes:

- Staffing proposal be accepted.
- Mary Betz stays on in current position
- Discuss director's salary - perhaps put a hourly rate on extensive staffing hours - and general director hourly rate when on calls.
- EMT daytime "call time" increase to $3.00 per hr. 0600-1600hr.
- EMR daytime "call time" increase to $1.50 per hr. 0600-1600hr.
- Increase weekend call time Friday and Saturday nights 1800-0600 to the same as above.
- Allow ambulance service to utilize other city employees for ambulance runs if they are available and credentialed. Allow them to maintain their primary job wages while on ambulance calls. - ex: police
- EMT recruitment funds be immediately available to send EMR staff and new employees to EMT school. Total per candidate $1250 paid in increments of $250. $250 upfront and $250 per month with last two payments paid after course completion. Offer current EMT students a $500 bonus for completion plus the $600 grant from the state after 1 year of service. Contract for 1 year of service...
- Increase uniform allowance - EMTs will need to be in uniform during daytime staffed hours.

- Allow director and assistant to interview and recommend hiring to city. This greatly increases the time from interview to employee working.....

In addition, Mr. Tornstrom requested that he be appointed interim director with a base pay of $1,500.00 per month plus hourly wages of $25.00 per hour during on-call. He further explained that the director can opt. to cover days in which staff EMT's are unavailable. City Accountant Stephanie Mann estimated a cost increase of $50,000.00 annually to the ambulance service with Mr. Tornstrom's proposal. A proposal provided by Tri-State Ambulance Service for daytime coverage would exceed $100,000.00 annually. Discussion regarding township assessment came to no conclusions. Member Burns moved, second by Member Schroeder and the motion passed to approve the proposal with Mayor Gran voting in the negative.

A hearing for assessment of past due utilities was convened by Mayor Gran. Ken Rask spoke to the Council regarding a past due account on one of his rental properties. Mr. Rask asserted that the City should have collected the full $250.00 utility deposit from a tenant rather than taking small payments. The tenant vacated the property still owing $70.00 toward the utility deposit which Mr. Rask believes should be written off by the City. Mr. Rask stated that he would pay the remaining amount due after the $70.00 adjustment. Member Schroeder moved, second by Member Lemke and the motion passed to reimburse $70.00 on the amount owed by Mr. Rask, with the understanding that he will pay the balance. Carol (Fred) Schulze requested an extension of 6 months on an unpaid balance of $71.84 owed by 2 tenants. Ms. Schulze stated that additional time was needed to contact and collect the amount owned by the tenants. Member Burns mentioned that certifying to taxes would make half the amount owed deferred until May 2016 and the balance in October 2016. The Council's consensus was that certifying would be the same result as granting an extension. Member Burns moved, second by Mayor Gran and the motion passed to certify all of the delinquent properties as presented with the exception of Ken Rask.

Administrative Coordinator Mike Gerardy presented the Council with the unpaid invoice for water repairs from Randy Steele Construction which was the responsibility of Steven Peplinski. Mr. Peplinski has refused to pay his invoice from Randy Steele. Mayor Gran moved, second by Member Lemke and the motion passed to pay the invoice due to Randy Steele Construction.

Mr. Gerardy proposed that Council consider restarting the tree program within the City, stating that many trees have been lost due to disease or insect infestation. He felt that funding could come from the light fund because shading from trees is beneficial to cooling homes in the summer. By consensus, Council requested that Mr. Gerardy look into the cost of the program and report back at a future meeting.

Mr. Gerardy suggested that Council consider widening the public works entry gate from 20 feet to 30 feet and to move it back approximately 10 feet from the sidewalk. The work would be in addition to repairs already underway as a result of an accident. Widening will allow better passage for large trucks and the setback allows better visibility when entering Old Highway Drive from the facility. Cost of the changes will be $3,687.00 with $1,156.00 to be paid by the person who damaged the gate initially. Member Burns moved, second by Member Fisch and the motion passed to proceed with widening the gate and moving it back from the sidewalk approximately 10 feet.

Mr. Gerardy informed Council that the tractor that was to be delivered April 22nd and later promised to be delivered August 10th will be ready for delivery on November 20. Members discussed imposition of a $20.00 per day penalty for late delivery. Council by consensus authorized payment of the contracted price less a penalty deduction of $4,240.00 for late delivery.

Mr. Gerardy informed Council that a drill press budgeted for $2,000.00 is insufficient to meet the needs of the public works department. An adequate machine will cost approximately $5,000.00 after sales tax. Discussion was held regarding the need for a bigger machine and whether one could be rented as needed. It was explained that the current machine runs too fast and causes damage to drill bits and work pieces. Renting someone else's equipment would be impractical because work is sometimes done after normal business hours and there may be a liability issue when a nonemployee enters the premises of another to use equipment. The more expensive machine is built to perform better and last longer in heavy machining applications. Consideration was also given to the fact that the current machine can be sold to further offset the cost of a new machine. Member Fisch moved, second by Member Lemke and the motion passed to spend up to $5,000.00 for a heavy duty drill press.

Discussion was held with Attorney Murphy regarding complaints against Steven Peplinski and complaints against the City by Mr. Peplinski. Attorney Murphy sent Peplinski a letter alleging that he is residing in the basement of the bowling alley in violation of city ordinance and must vacate on or before November 27. Mr. Peplinski asserts that Attorney Murphy had no authority because he has no contract with the City nor was there a motion made by the Council approving the action. Discussion followed regarding the small claims filing against Mr. Peplinski for repairs to the sewer line on his property. Mr. Peplinski had contracted with the City to have his sewer line repaired, then defaulted by nonpayment of the invoice. Attorney Murphy filed a small claims suit against Peplinski for recovery, to which Mr. Peplinski filed counter suits for property damage and again claiming that Attorney Murphy had no contract or authority to represent the City. Member Lemke moved, second by Member

Burns and the motion passed to authorize Attorney Murphy to represent the City in all legal matters whether now in process or hereafter arising, including, but not limited to matters involving Steven Peplinski.

CITY ACCOUNTANT: Stephanie Mann presented Council with budget and financial data for review. Mayor and members questioned various line items for clarity. Mayor Gran questioned the budgeted cost for the auditorium and the limited amount of use it provides to the community. No action was taken. Additional lines items were reviewed and questioned with no action being taken. Ms. Mann presented a time of day sales report. Mayor Gran requested that the report be mailed to all council members for further study and discussion at the next regular council meeting.

A contract with Expert T for ambulance billing was presented for consideration. It was noted that the price will increase from $26.00 to $27.00 per billed account and the contract will run for 5 years with a 60 day notice to cancel by either party. Member Fisch moved, second by Member Burns and the motion passed to approve the contract as presented.

Members reviewed the overtime report with no issues being raised and approved it by consensus.

Members were reminded of the upcoming Winter Wonderland Parade on Friday, December 4 at 7:00 pm.

The next regular meeting will be on Monday December 14, 2015, at 6:00 p.m.

ADJOURNMENT: There being no further business before the Council, Member Burns moved, second by Member Fisch and the motion passed to adjourn at 11:21 pm.

Joshua D. Gran
Mayor

Steve Schuldt
Interim Clerk-Administrator