REGULAR MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Monday, December 10, 2012

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, Tom Murphy, Bob Lemke and Paul Fisch. Members Absent: None. City Staff Present: City Clerk/Administrator: Ted Schoonover, Administrative Coordinator Mike Gerardy and City Accountant Stephanie Mann. Guests present: Dewayne (Tank) Schroeder, Caledonia Argus Reporter Clay Schuldt. Arriving at 7:00 p.m. County Commissioner Steve Schuldt.

AGENDA: will stand as read.

CONSENT AGENDA APPROVAL: A motion was made by Mayor Burns, seconded by member Vick to approve the consent agenda, which consisted of the special minutes of the November 28, 2012 special budget worksession meeting. All members present in favor and the motion was declared carried.

VISITORS AND COMMUNICATIONS: None.

ADMINISTRATIVE COORDINATOR TOPICS:

Administrator Coordinator Mike Gerardy informed the council that Mid-west testing will be present this week to install the remaining meters, property owners have been notified and appointments arranged for the installation process. This should keep us on track to make the deadline of December 15, 2012.

Gerardy presented the council with a quote to repair two lift stations from Electric Pumps in the amount of $12, 390.63. Motion by Vick, second by Murphy to approve the purchase quote and make the needed upgrades. All members present in favor and the motion was declared carried.

Gerardy stated that Bob Klug had presented a plan to build a privacy fence to his property to mitigate the noise, lights and other distractions from the Houston County Law Enforcement Center. The fence he is planning is 8' tall versus the required 6' limitation and will be within the 2' setback from the property line. This is a joint venture and agreement between the Klug's and Houston County, and the city needs a signed agreement by both parties. Motion by Vick, second by Murphy to approve the variance with the caveat of having a written agreement between both property owners. All members present in favor and the motion was declared carried.

Motion by Fisch, second by Lemke to approve payment request #4 to Griffin Construction in the amount of $85,607.04. All members present in favor and the motion was declared carried.

The water meter disconnect /reconnection fee was discussed. There are residents that wish to have water meters removed from buildings that no longer require water. Charging a fee is to ensure that we have control over the meters and to pay for the labor to remove/install them . The council also considered raising the Houston County Collection Site fees. Recently the county raised the price to all cities by fifty cents to $3.00. This account has always ran in the red because of the difference in the numbers of housing units being billed. Schoonover mentioned that some apartment owners are only being billed as one residential unit versus the number of actual units available, this throws the numbers off. He mentioned that he feels that all apartment owners, mobile home parks and multi-family dwellings need to be billed according to the units available for occupation. Motion by Burns, second by Fisch to approve the connection/disconnection fee for water meters and to increase to the Houston County Collection Site fee from $2.50 to $3.25, and to bill multi-family dwellings in accordance with the number of units available. All members present in favor and the motion was declared carried.

Motion by Burns, second by Lemke to approve payment request #2 to Winona Mechanical in the amount of $44,366.00. All members present in favor and the motion was declared carried.

CITY ACCOUNTANT:

Accountant Mann presented the board with the current and proposed 2012 budget amendments. Motion by Lemke, second by Vick to approve the amendments as presented. All members present in favor and the motion was declared carried.

At 6:39 p.m. the Mayor closed the regular meeting and opened the Truth in Taxation public hearing. There were no public comments written or oral. The Mayor reviewed the levy totals and gave a summation of the levies.

The public hearing was closed at 6:44 p.m. The Mayor informed the Council and public that there would be no change to the General Fund levy rate.

Motion by Burns, second by Lemke to approve Resolution 2012-020 Adopting 2013 Tax Levy for the City of Caledonia. Roll call of all members present in favor and the motion was declared carried.

RESOLUTION 2012-20: RESOLUTION ADOPTING 2013 TAX LEVY
CITY OF CALEDONIA, MINNESOTA

Be it resolved by the Council of the City of Caledonia, County of Houston, Minnesota, that the following sums of money be levied for the current year, collectible in 2014, upon taxable property in the City of Caledonia, for the following purposes:

General Fund Levy	$588,941
Indebtedness Levy	$111,376
Economic Development Tax Abatements	$ 15,605
Total Proposed Levy	**$ 715,922**

Indebtedness Levy

Fund		Payment	Levy
101	Cert of Indebtedness 2009	$ 19,406	$ 20,376
101	Cert of Indebtedness 2012	$ 20,000	$ 20,000
311	98/99 Main St Improvement	$ 71,374	$ 54,921
313	98/99 Hi-Way Improvement	$ 11,461	$ 8,819
314	98/99 Lincoln St. Improvement	$ 9,435	$ 7,260
		$131,676	$111,376

The City Clerk/Administrator is hereby instructed to transmit a certified copy of this resolution to the County Auditor of Houston County, Minnesota.

Adopted by the City Council on December 10, 2012.

_____

I, Ted A. Schoonover City Clerk/Administrator of the City of Caledonia, hereby certify that the above resolution was duly moved, seconded and passed by unanimous vote at a regular council meeting held Monday, December 10, 2012.

_____	_____
Bob Burns	Ted A. Schoonover
Mayor of Caledonia	City Clerk/Administrator

Discussion ensued regarding the 2013 budget. It was the approved to include 120 hours of part-time police officers within the budget. Motion by Burns, second by Fisch to approve the 2013 as presented and developed at the work session with the exception of changing the part-time police officer hours to 100, and the statement that the implementation of a permanent part-time officer should negate the need for stand by time usage. All members present in favor and the motion was declared carried.

Motion by Burns, second by Murphy to approve Resolution 2012-021 Property Tax Assessment to Property Owners. Roll call of all members present in favor and declared carried.

RESOLUTION NO. 2012-021

RESOLUTION TO AUTHORIZE THE ASSIGNMENT OF PAST DUE BILLS TO BE ASSESSED TO THE PROPERTY OWWNERS

WHEREAS, the Caledonia City Council considered all relevant options;
WHEREAS, both parties cannot work out a suitable agreement of payments or other arrangements,
WHEREAS, the City has certified the following for collection with property taxes payable in 2013 for the following;
Certification of Diseased tree and stump as per Minnesota Statute 429.101
Michael Connor $1665.00
324 W. Main St
Caledonia, MN 55921
Parcel ID # 210119001
Certification of Electrical Drop line from wind storm and tree limb falling, public safety risk as per Minnesota Statute 429.001

Kristen Davenport $181.37
315 W. Grove St.
Caledonia, MN 55921
Parcel ID # 210144000

NOW, THEREFORE, BE IT RESOLVED by the City of Caledonia City Council, as follows:
A motion was made by _____, seconded by _____, at the December 10, 2012 Caledonia City Council meeting, to certify the above-mentioned charges for collection with property taxes payable in 2013.

ATTEST:_____ APPROVED:_____
TED SCHOONOVER ROBERT H. BURNS
Clerk/Administrator Mayor

Discussion regarding the Certificate of Indebtedness ensued and options were discussed including the length of the note. Motion by Fisch, second by Lemke to approve the Clerk/Administrator to proceed with the process to initiate the certificate with Eitzen State Bank at 3% for a term of six years and with the end loader being paid off first with the police cruiser second. All members present in favor and the motion was declared carried.

Discussion regarding the Decertification of TIF 1-1. By keeping the TIF the city is paying approximately half of the proceeds to fees and generating minimum revenues. Consensus of the council was to not decertify at this juncture. No further action taken.

NEW BUSINESS:

Discussion concerning the installation of an internet connection to the Waste Water Treatment Plant (WWTP). An estimate was obtained and it would cost $3,000.00 to run a hard line connection from the electrical shop to the plant, versus a 2-year contract at a cost of $39.95 per month with Ace group for a wireless connection. Motion by Fisch, second by Murphy to approve the 2 year contract with Ace group to allow wireless access for the WWTP. All members present in favor and the motion was declared carried.

Clerk/Administrator Schoonover presented the board with a request form the Rotary club to act as a pass through agent to allow them to qualify for a grant, in order to paint the city owned gazebo. All members present in favor and the motion was declared carried. Member Lemke left the meeting.

Motion by Burns, second by Murphy to approve the following liquor licenses subsequent to qualification of all state statutes and insurance requirements, and to ensure that all licensees are allowed to hold such a license: The Ranch, Elsies Bar and Grill, Good Times Pizza, Starlite Lanes and the American Legion. In addition the above licensees have in good faith kept current on the amount of payments to the City of Caledonia. All members present in favor and the motion was declared carried.

Motion by Vick, second by Fisch to approve the following tobacco licenses; Quillin's, Kraus Oil and Kwik trip. All members present in favor and the motion was declared carried.

Motion by Fisch, second by Vick to approve claims payable as presented. All members present in favor and the motion was declared carried.

Affordable Technology Sol.	Office Supplies	482.13
Airgas North Central	Repair Parts	23.80
Alco Discount Store	Miscellaneous Items	87.11
American Highway Products	Parts for Manhole Adj. Rings	203.83
Artic Glacier Inc.	Ice	62.98
Bonanza Grain, Inc.	Materials, Main Break, Dump Truck Rent	834.60
Bound Tree Medical, LLC	Ambulance – Misc. Supplies	319.01
Brad's Electric, Inc.	2012 Project	3,495.00
Caledonia Implement, Co.	Equipment Rental, Repair Parts	937.31
Caledonia Oil Co.	Repair Parts, Car #21 Maint.	518.04
Carquest Auto Parts Store	Repair Part, Welding Supplies	15.17
City of Caledonia – Utilities	Electric, Water & Sewer	13,386.46
Comstock Trucking	Maintenance Materials	84.00
Crystal Valley Hardwoods, Inc.	Pool Playground	192.38
Davy Engineering	Engineering Fees	37,872.47
Davy Laboratories	Lab	1,505.10
E O Johnson Company	Copier Maint. Agreement	152.00
Earl F. Andersen	Sign Brackets	386.76
ECM Publishers, Inc.	Ad Sponsor, Audit Proposal	486.25
Expert T. Billing	Contracted Billing	500.00
Farmers Coop Elevator Co.	Snow Fence Posts	64.13
Fastenal Co.	Repair Parts	251.35
Gopher State One-Call	Location Notifications	56.65
Griffin Construction Co, Inc.	Sewer Rehab 2012 Payment	85,607.04
Hawkins, Inc.	Repair Parts, Chemicals	1,345.23

Hoskins Electric Co.	Service Call – Lift Station	253.83
Innovative Office Supplies	Office Supplies	171.86
Kwik Trip Stores	Pool Project Scrip	706.50
LaCrosse Glass Co.	Misc. Repair Parts	35.20
Lackore Electric Motor Repair	Motor Repair	641.66
Mac Queen Equipment	Sweeper Parts	67.92
Mathy Construction	Patching Materials	7,029.52
Menard's	Welding Supplies, Snow Fence	191.95
Michael's Truck Equipment	001 Plow Parts	42.20
Minnesota Dept. of Commerce	3rd Quarter Fiscal Year 2013	452.77
Minnesota Dept. of Health	Water Service Connection Fee	1,809.00
Minnesota Pipe & Equipment	Repair Parts, Repair Clamps	284.17
Mississippi Welders Supply	Oxygen	14.11
MN Ambulance Association	Individual Membership	25.00
North Central EMS Cooperative	2013 Membership Dues	75.00
Quillin's IGA	Wine Tasting Event	68.83
Resco	Inventory	2,884.21
Richard's Sanitation, LLC	Refuse Disposal	187.01
Rippe, Hammell & Murphy	General Matters & Prosecution Matters	4,167.00
Schilling Supply Company	Bags, Towels, Copy Paper	302.66
Schulze Plumbing & Heating	Line Repair, Main Break, Boiler Repairs	1,046.35
Servocal Instruments Inc.	Flow Meter Calibration	400.00
St. Mary Auto Body Shop	Tow Red Corsica	53.44
Star Energy Services	Projects	1,347.97
Storlie's Portable Pit Stops	2012 Project	96.19
Tri-County Electric Co-op	Electric Energy	159,507.98
Tri State Doors	Replace Overhead Doors	2,210.00
United Auto Supply, Inc.	Gloves, Fluids, Bulbs	37.91
Verizon Wireless	Communication Expense	204.02
Water Systems Company	Drinking Water	7.11
Welscher, Doug	Credit on Account after Final Billing	44.26
Winona Controls, Inc.	Heater Maint/Repairs	471.83
Winona Mechanical	2012 Sanitary Sewer Rehab	44,366.00
WWTP MPCA PFA Loan	Loan Payment	3,500.00
Ziebell's Hiawatha Foods, Inc.	Liquor Store Inventory	25.94
		$ 381,598.20

Motion by Vick, second by Murphy to approve the prepaid claims as presented. All members present in favor and the motion was declared carried. Member Lemke returned to the meeting.

A-1 Glass Co., Inc.	Windshield Repair	290.00
Business Financial Planning	Cafeteria Plan	455.95
Caledonia Police Association	PD Association Dues	75.00
Caledonia True Value	Miscellaneous Items	255.87
Clarey's Safety Equipment, Inc.	Truck 1410 Repairs	633.92
Gormly & City, Rachel	Meter Deposit Refund	125.17
Hale Skemp Hansen Skemp Sleik	Case No. 11-CV-67-A	344.98
Hammell & City, James	Meter Deposit Refund	250.25
Holter & City, Jerry	Meter Deposit Refund	250.25
Houston County Sheriff	File No. 1040	86.25
ING Institutional Plan Services	TSA Payday 11-13-12	480.00
Kirkman & City, Shawn	Meter Deposit Refund	250.25
Kumpf & City, Rosanna	Meter Deposit Refund	125.13
Luhman & City, Kristina	Meter Deposit Refund	250.25
Minnesota Energy Resources	Natural Gas	1,779.58
MN City/County Man. Assn.	Membership Fee	100.00
Munson & City, Lance	Meter Deposit Refund	250.56
Principal Life	FICA, Medicare	19.67
Printy Quik	Pool Campaign	107.41
Ranzenberger & City, Heather	Meter Deposit Refund	250.25
Reed & City, Adrian	Meter Deposit Refund	250.25
Rose & City, Randy	Meter Deposit Refund	250.25
Rubin & City, Wayne	Meter Deposit Refund	250.25
SEMA Equipment, Inc.	Meter Deposit Refund	500.50
Yaggy Colby Associates	WWTP Site Appraisal	4,000.00
B & M Service Center	Fuel	77.00
Baker & Taylor Books	Library Books	790.16
Better Homes & Gardens Books	X-Mas Booking	33.04
DEMCO	Library Book Jackets	129.75
G & F Distributing	Liquor Store Inventory	406.80
Garden & Associates, Inc.	PD – Services Case #12001725	135.00
Jack Neumann Trucking	Liquor – Freight Expense	187.00
Johnson Brothers Liquor Co.	Liquor Store Inventory	3,695.62
Kinneberg, Myron	Reimbursement – Supplies	14.22
Kwik Trip Stores	Pool Project – Scrip	1,980.00

Metro Sales, Inc.	PD – Copier Agreement	45.23
Midwest Tape	Library – DVD(s)	429.79
Phillips Wine & Spirits	Liquor Store Inventory	1,263.00
Schott Distributing Co., Inc.	Liquor Store Inventory	2,826.25
SE Libraries Cooperating	Library – Auto Fees	395.42
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	70.10
Stuart C. Irby Co.	Light – Inventory	583.92
Tri-State Ambulance, Inc.	Intercept Fee Run	1,000.00
Ziebell's Hiawatha Foods, Inc.	Liquor Store Inventory	34.04
Galls, Inc.	PD – Uniforms	46.99
Karian Peterson Power Line	2012 Project	150,733.65
Perdue, Aaron	Re-Issue Meter Deposit Refund	219.19
Principal Life	Life/Ad&d/STD	585.39
Birkland, Marge	Reimbursement Wine & Choc. Event	181.33
Business Financial Planning	Cafeteria Plan	455.95
Caledonia Conv. & Tourism	Tourism	1,165.98
Caledonia Oil Company	Unleaded	1,566.12
City of Caledonia Emp. Assn.	Association Dues	70.00
Commissioner of Revenue	State Withholding	1,393.53
Hale Skemp Hansen Skemp Sleik	Case No. 11-CV-67-A	344.98
Houston Co. Sheriff	File No. 1040	86.25
Houston County Treasurer	Ho. Co. Collection Site	3,340.00
ING Institutional Plan Services	TSA – payday 11-27-2012	480.00
Jack Neumann Trucking	Liquor – Freight Expense	35.00
Merchants Bank	Federal/FICA/Medicare	6,584.09
MN Benefit Association	MBA Payday 11-27-12	97.59
MN Dept. of Agriculture	Tree Care Registry	25.00
NCPERS Minnesota	Payday 11-27-12	80.00
Public Emp. Retirement Assn.	PERA Payday 11-27-12	5,841.23
Rask, Nick	Animal Control	75.00
Schott Distributing Co, Inc.	Liquor Store Inventory	8,502.65
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	145.65
Wirtz Beverage Distribution	Liquor Store Inventory	1,051.98
SLJ Design	#01 Plow Truck Door Decals	80.01
Century Manufacturing Corp.	Cleaning Supplies	950.00
Kraus Oil Company, Inc.	Diesel	1,925.00
MN Department of Revenue	Sales / Use Tax	17,362.00
Northern Beverage Distribution	Liquor Store Inventory	4,292.70
Richard's Sanitation, LLC	Collections	6,289.15
Schott Distributing Co, Inc.	Liquor Store Inventory	2,639.65
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	24.30
Goetzinger, Patricia	Reimbursement Registration Fee	25.00
Ace Link Telecommunications	Communication Expense	1,098.35
Commissioner of Revenue	State Withholding	768.08
Crescendo Consulting	Pool Project	9,803.00
G & F Distributing	Liquor Store Inventory	525.30
Jack Neumann Trucking	Liquor – Freight Expense	156.00
Johnson Brothers Liquor Co.	Liquor Store Inventory	3,540.11
Klug, Anthony	Consulting Services	1,080.00
Kraus Oil Company, Inc.	Diesel Fuel	366.58
Merchants Bank	Federal/FICA/Medicare	5,796.16
Paustis & Sons Wine Company	Liquor Store Inventory	210.50
Phillips Wine & Spirits	Liquor Store Inventory	558.85
Printy Quik	Pool Campaign	36.34
Public Emp. Retirement Assn.	PERA Payday 12-3-12	3,656.05
VISA	Ambulance Travel Expense	119.93
Buttell's Lighting	Bulbs	127.73
E O Johnson Company	Copier Maintenance Agreement	67.50
Edwards Investments	TIF 2-2	3,185.25
Farmhouse	Wine/Choc. Event	240.47
Gerardy, Michael	Reimbursement – 2012 Parade Candy	43.04
Medin, Carolyn	Reimbursement – Wine/Choc. Event	31.49
Nelson, Carol	Reimbursement – Wine/Choc. Event	100.00
Quillin's	Fruit Trays for Wine/Choc. Event	149.97
US Bank NA	General Obligation Revenue Bonds	66,181.25
West Main Townhomes	TIF Payment 2-1	5,574.86
Abrams & Schmidt LLC	Consulting Attorney	3,646.50
Gerardy, Michael	2012 Uniform Allowance	125.00
Schott Distributing Co, Inc.	Liquor Store Inventory	2,475.25
Southern Wine & Spirits of MN	Liquor Store Inventory	372.39
Spring Grove Soda Pop, Inc.	Liquor Store Inventory	162.80
		$ 352,622.44

Motion by Murphy, second by Burns to approve the Collective Bargaining Agreement between the City of Caledonia and the International Union of Operating Engineers, Local 49 for a period of 2012-2014. All members present voted in favor and the motion was declared carried.

Clerk/Administrator Schoonover presented the council a breakdown of auditing firms that submitted quotes for the annual audit. It was the Accountants and Schoonover's recommendation that the council consider Smith and Schafer as the best qualified, even though they were not the lowest quote they appeared to be readily available and ready to assist the city. Accountant Mann stated that it was more than the audit functions but stated they will act more like a financial advisor and assist the city in many facets. Their costs are as follows: 2012 - $17,855; 2013 - $18,390 and 2014 - $18,970. Motion by Fisch, second by Murphy to approve the recommendation of the Clerk and Accountant and select Smith and Schafer to conduct the 2012-2014 audits. Members Fisch, Murphy, Lemke and Vick voted in favor of the motion. Mayor Burns opposed. Motion was declared carried.

Clerk/Administrator Schoonover presented the council with the employee time sheets and a copy of the November police blotter. And mentioned the next regular meeting will be on December 27, 2012 at 6:00 p.m. This is a Thursday evening and being moved due to the Christmas holiday.

ADJOURNMENT: There being no further business before the Council, A motion to adjourn was made by Mayor Burns, seconded by Vick. All voted in favor and the motion was declared carried to adjourn at 8:30 p.m.

_____
Robert H. Burns

_____
Ted A. Schoonover
Clerk-Administrator