

REGULAR MEETING OF THE CITY COUNCIL  
CITY OF CALEDONIA, MINNESOTA  
Monday, October 26, 2015

CALL TO ORDER:

Following due call and notice thereof, Mayor Gran called the meeting to order at 6:02 p.m. in the Council Room, City Hall.

ROLL CALL:

Members present: Mayor Joshua Gran, Council Members: Paul Fisch, DeWayne Schroeder, Bob Burns and Robert Lemke. City Staff Present: Administrative Coordinator Mike Gerardy, Accountant Stephanie Mann, Utility Billing Clerk Jessica Kohlen and Secretary Allison Wagner. Also present was City Attorney Tim Murphy. Guests: Steve Peplinski, Matt Klug, Steve Schuldt, and Argus reporter Zack Olson.

AGENDA:

Member Lemke wanted to add to the agenda the possible hiring of a new person at the liquor store. Motion by Member Fisch, second by Mayor Gran to approve the agenda. All members present voted in favor and the motion was declared carried.

CONSENT AGENDA APPROVAL:

Motion by Member Lemke, second by Member Schroeder to approve the consent agenda, which consisted of the regular meeting minutes from October 12, 2015. All members present voted in favor and the motion was declared carried.

VISITORS AND COMMUNICATIONS:

Steve Peplinski was present to address several concerns he had with the city. Mr. Peplinski began by asking who the new city administrator was. Mayor Gran responded that currently there wasn't one. Mr. Peplinski's first issue he wanted to discuss involved a letter he received from the City Attorney Tim Murphy. Discussion followed. They discussed several letters that have been written back and forth between Mr. Peplinski and Attorney Murphy.

Mr. Peplinski's second issue was a sewer issue. Mr. Peplinski had a sewer issue that the city had fixed for him. He wanted to know why he had to sign a contract saying he was solely responsible for paying the city for the work. Mr. Peplinski signed the contract, however he felt he should only be responsible for 1/3 of the bill, and that his neighbors should also be responsible. Discussion followed. The city responded that Mr. Peplinski was billed and is solely responsible because he was the one who requested the service, it was his property where the sewer work was done, and he signed the contract.

Mr. Peplinski's third issue with the city had to do with a water issue. Mr. Peplinski wanted to know why a water leak had been fixed without anyone requesting it. Discussion followed. The mayor responded that the water leak was costing the city money at the time. Mr. Peplinski asked why five people were billed for the water issue, but not the sewer issue. The city council responded that these were two separate issues. The difference was that Mr. Peplinski had requested the sewer work be done on his property, he was the only one having issues with the sewer, and had signed a contract. Tim Murphy responded that the city did not bill for the water issue, and that currently there were no outstanding bills on the water issue. It was the general consensus of the council, that the water issue had already been resolved.

Mr. Peplinski's fourth concern was about him and his son residing in the bowling alley. Discussion followed. Mr. Peplinski asked why he had not received a letter from the city telling him he needed to move out if he was violating an ordinance. Mayor Gran asked if he ever got a letter saying he was violating an ordinance, and Peplinski responded that he had from the previous City Clerk Ted Schoonover. Member Schroeder responded that if Mr. Peplinski wanted a letter they could take care of that. Lengthy discussion followed.

Mr. Peplinski's final concern had to do with his truck. He wanted to know why the city had not charged him for pulling his truck out after it got stuck. He asked how the city decides who they are going to bill. He said he got a letter from the city stating that the city did it out of the goodness of their heart, they were being a good Samaritan. Member Schroeder and Member Lemke asked if there was something wrong with this. Discussion followed. Tim Murphy informed the council that Mr. Peplinski has filed a claim against the city's insurance company. No further action was taken on this.

Matt Klug was present to address concerns he had over a fire hydrant that was recently installed. He wanted to know why another fire hydrant was put up 131 feet from an existing hydrant on a 500 gallon per minute line. He said he was concerned about the investment. Mr. Klug felt that there were other areas of the city that were more in need of hydrants. Discussion followed. Administrative Coordinator Mike Gerardy said they used a hydrant they already had, and the ground was already opened up there. Mr. Klug stated that he just wanted his concerns heard. He did not feel that anything was gained by adding the second hydrant. He also wanted assurance that the first original

hydrant won't go anywhere. Member Schroeder, Lemke and Burns felt there was no need to remove it. No further action was taken.

#### ADMINISTRATIVE COORDINATOR:

Administrative Coordinator Mike Gerardy presented a Kwik Trip sign permit. Mr. Gerardy stated Kwik trip would not need a variance for these signs. A short discussion followed. Motion by Mayor Gran, second by Member Schroeder to approve the sign permit. Members Fisch, Schroeder, Burns and Mayor Gran voted in favor. Member Lemke abstained. Motion carried.

#### CITY ACCOUNTANT:

City Accountant Stephanie Mann discussed cash and investments. They dropped just a little bit. She stated there was not a lot of activity going on this month. A short discussion followed. Mrs. Mann then presented long term debt. She said she likes to present this at the end of each quarter. The city still has an EDA payment and a sewer payment to go out. Mrs. Mann then presented the budget. Discussion followed.

#### OLD BUSINESS:

In this section a letter from the resident at 119 West South Street regarding a street repair was briefly discussed. Burns stated it had been the city's policy for years. No action was taken on this matter.

#### NEW BUSINESS:

Steve Schuldt was present and was interested in the interim city clerk position. Mr. Schuldt said he would also be interested in the permanent position that the city is advertising. He stated the county auditor was currently checking to make sure there were no issues. He has an accounting and finance background. In addition, he has a government background as an elected official. He is also currently the City Clerk of Eitzen. Discussion followed. Mayor Gran felt that instead of hiring an interim, members of the current city staff could share the duties until a full time clerk was hired. Member Burns made a motion to contract Mr. Schuldt part time as the interim clerk at the rate of \$35.00 per hour starting October 27, 2015. Member Fisch seconded the motion. Roll call of votes: Yes. Members Fisch, Schroeder, Burns and Lemke. No. Mayor Gran. Motion carried.

Discussed was an assessment of water/sewer charges for John Hauser that was listed under new business on the agenda. Mrs. Mann pointed out that when the figures were added from the letter that former City Clerk Ted Schoonover sent to Mr. Hauser, the numbers were miscalculated. Mr. Schoonover did not charge Mr. Hauser enough money. Mayor Gran stated that since it was the city's mistake the city should honor the original, lesser total amount sent to Mr. Hauser in the letter. It was the general consensus of the council that it was the city's mistake and they would honor the original amount that had been billed. Motion by member Fisch to approve the \$6,425.77 to be accessed on his taxes. Mayor Gran seconded the motion. All voted in favor and the motion carried.

The council discussed the increase of Houston County household fees for the Houston County Drop-off Site. Mrs. Mann stated that currently we charge \$3.25 for household fees and now they will go up to \$3.50. Burns suggested that we make a motion to go to \$3.75. Discussion followed. Mrs. Mann explained that the household numbers are slightly off between the city and the county. The county currently bills the city for around 35 more households than the city bills. Mrs. Mann said the city does collect the late fees on the bills, however if someone never pays the city eats the cost. Mayor Gran asked what would happen if we did not pay the county for the extra households we do not bill. He wondered why the city does billing for the county. Member Burns stated he thought this was a great service. It was the general consensus of the council that this was a great service for the residents of Caledonia. Accountant Mann said she would look into the figures again, especially how many mobile homes are being billed. It was the general consensus of the council to table this until the next meeting.

Next the council discussed the aquatic center. Mayor Gran did not think the city should move forward with the pool. Member Fisch said he thought they should look at the new list and continue to move forward. Member Burns mentioned having more things that local contractors could bid on. Member Burns stated that for the additional \$5,000 they should take a shot to see where they end up. Member Schroeder mentioned having a pre-contractors meeting so that local contractors could come with their suggestions. Member Burns made a motion that they move forward with USA Aquatics on the basis of the restructured project taking into consideration the adjustments and the means of receiving more bidding from local contractors, that being breaking down the bid packages and meeting with the contractors. Member Lemke seconded the motion. Members Fisch, Schroeder, Burns and Lemke voted in favor. Mayor Gran voted no. Motion carried.

Employee overtime reports were reviewed with no action taken.

Member Lemke presented an application for Liquor Store Clerk, that he received from Liquor Store Manager Patty Gavin. He said she wanted to know if it was okay to hire the applicant, or if the council wanted to interview the applicant. Discussion followed. Motion by member Lemke second by member Fisch to let Manager Gavin hire Sheena Steele at the minimum wage which is \$9.00 per hour. All voted in favor and the motion carried.

The clerk application process was discussed. The deadline for applications will be Friday, November 6, 2015. Mayor Gran stated that the plan would be for the council to review the applications after the 6<sup>th</sup>.

Member Schroeder asked if the council had received an e-mail from City Electrician Matt Blocker regarding some new lighting. Member Schroeder asked if the council liked the lights and if they preferred 40 or 70 watts. It was the consensus of the council that they preferred the 70 watts. Member Fisch stated brighter is better.

The council discussed sending a letter to Mr. Peplinski asking him to vacate his residence at the bowling alley. Motion by Member Burns to send Mr. Peplinski a letter to vacate the residence pending Attorney Murphy's drafting and approving the letter. Member Lemke seconded the motion. Mayor Gran also added sending Mr. Peplinski another bill for the sewer charges that were still unpaid. All voted in favor and the motion carried.

Further discussion followed regarding other businesses with tenants living in areas that are violating the city's ordinance. It was mentioned that letters had been sent out by Mr. Schoonover, however a set date for these residents to be vacated was not addressed in the letter. Motion by Member Schroeder for Attorney Murphy to draft the letters stating residents, including Mr. Peplinski, must be vacated by November 14, 2015. Member Burns seconded the motion. All voted in favor and the motion carried.

The next regular meeting will be on Monday, November 9, 2015 at 6:00 p.m. in the Council Room, City Hall.

ADJOURNMENT:

Being there was no further business before the council, a motion was made by Member Burns, second by Member Schroeder to end the meeting. All voted in favor and the motion was declared carried to adjourn at 9:59 p.m.

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Mike Gerardy  
Administrative Coordinator

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Joshua D. Gran  
Mayor