

REGULAR MEETING OF THE CALEDONIA CITY COUNCIL
CITY COUNCIL CHAMBERS, CITY HALL
CALEDONIA, MINNESOTA
Monday, February 26, 2018

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

PLEDGE OF ALLEGIANCE: Mayor Schroeder led the Council, City staff, and visitors in stating the Pledge of Allegiance.

ROLL CALL: Council members present: Mayor Schroeder, Paul Fisch, Robert Lemke, and Randi Vick. Council member(s) absent: Robert Burns. City staff present: Casey Klug, public works and zoning director; Stephanie Mann, finance officer; Adam Swann, clerk-administrator. Visitor(s) present: Craig Moorhead, *Caledonia Argus*; Shannon Sweeney, David Drown & Associates, Inc.

CONSENT AGENDA: Member Lemke moved to approve the consent agenda, and Member Vick seconded the motion. All members present voted in favor to approve the consent agenda, and the consent agenda was approved. The consent agenda comprised the following items:

- a. Approval of minutes from February 12, 2018 regular meeting
- b. Approval of following street closures for Founder’s Day Weekend on June 16-17, 2018 from 8 a.m. to 2 a.m.:
 - i. E. Main St. from Kingston St. to Pine St.
 - ii. Marshall St. from E. Grove St. to E. Lincoln St.
 - iii. E. Lincoln St. from N. Marshall St. to N. Pine St.

PUBLIC COMMENT: None.

FINANCE OFFICER:

a. Review of cash and investments: Finance Officer Stephanie Mann reported that the cash and investments for the City’s governmental, special revenue, and enterprise funds totaled \$4,073,100.15 (pre-audit) as of December 31, 2017. Mann further reported the preliminary numbers through January 31, 2018 showed cash and investments of \$3,731,326.68. Mann cited bond payments in early January as a reason for the drop in cash and investments.

b. Review of long-term debt: Mann reported on the City’s long-term debt. Mann reported that the City made the following debt payments on February 1, 2018:

- i. Payment of \$18,801.00 on 2009 certificate of indebtedness for fire tanker
- ii. Payment of \$11,738.58 on 2013 certificate of indebtedness for equipment
- iii. Payment of \$34,082.50 on 2014A general obligation tax abatement bonds
- iv. Payment of \$12,929.00 on 2012A general obligation sewer revenue note
- v. Payment of \$91,465.00 on 2016A general obligation tax abatement bond (for Caledonia Aquatic Center)

c. Review of final 2017 budget v. actual (pre-audit) for General Fund, enterprise funds, and special revenue fund: Mann reported on the projected surplus for the General Fund budget in 2017 and reviewed the 2017 revenues and expenses for the enterprise funds and special revenue fund. Member Fisch moved to transfer \$72,000 from the projected 2017 General Fund surplus to the Capital Improvement Fund (fund 352) and add approximately \$65,000 to the General Fund reserves to keep the City’s General Fund reserves at approximately 55% of the General Fund operating budget. Member Vick seconded the motion. All members present voted in favor of the motion, and the motion passed.

CLERK-ADMINISTRATOR:

a. Updates:

i. E. South St. and S. First St. Public Improvement Project: Clerk-Administrator Swann reported that he and Public Works/Zoning Director Casey Klug had met with Jim Kochie of Davy Engineering and reviewed the plans and specs for the 2018 E. South St. and S. First St. Public Improvement Project. Swann reported that the City was going to advertise for bids starting March 14 and open bids on April 4.

ii. Small Cities Development Program grant: Swann reported that the City had submitted its application for a Small Cities Development program grant of \$824,698 on February 16.

iii. Police officer interviews: Swann reported that the City would be offering interviews for the full-time officer position to five candidates on March 8, 2018.

iv. Mediation with Law Enforcement Labor Services: Swann reported that the City's mediation with Law Enforcement Labor Services had been scheduled for May 30. Swann reported that the date was selected by the Bureau of Mediation Services.

v. Houston County Economic Summit: Swann reported that there would be a Houston County economic summit on February 27, 2018 at 5:00 p.m. to discuss ways local businesses and organizations could engage Houston County students to help create a qualified workforce in the future.

vi. Compass Now 2018 Meeting: Swann reported that councilmembers were invited to attend a meeting hosted by Greater Rivers United Way and the Houston County Public Health Department.

NEW BUSINESS:

a. Review of bid results for 2018 N. Kingston St. Reconstruction Project: Council reviewed the bid tabulation summary prepared by WSB & Associates, Inc. for the N. Kingston St. Reconstruction project; bids were opened on February 22, 2018 at 10:00 a.m. The bid tabulation summary showed that A-1 Excavating, Inc. was the apparent low bidder with a total base bid + alternate 2 of \$1,720,020.45. Zenke, Inc. was the next lowest bidder with a total base bid + alternate 2 of \$1,787,020.45. No further action was taken by the Council.

b. Public hearing re Resolution 2018-007: A Resolution Adopting a Street Reconstruction Plan and Approving the Issuance of General Obligation Street Reconstruction Bonds: At 6:06 p.m. Member Fisch moved to adjourn the regular Council meeting to hold a public hearing on Resolution 2018-007. Member Lemke seconded the motion. All members present voted in favor of the motion, and the motion passed. At 6:07 p.m. the regular meeting of the City Council was adjourned, and the public hearing was opened on Resolution 2017-007, a resolution adopting a street reconstruction plan and approving the issuance of general obligation street reconstruction bonds. Shannon Sweeney of David Drown & Associates, Inc. reviewed the funding options for the 2018 N. Kingston St. Reconstruction Project and reported that the street reconstruction bonds were the best option. Sweeney reported that the City's debt limit was \$3,847,026, and the City's available debt capacity under the debt limit was \$3,817,462 because the City had \$29,564 in outstanding debt that was subject to the limit. Sweeney explained that the proposed street reconstruction plan was supposed to identify any street projects for which the City intended to issue street reconstruction bonds.

Finance Officer Stephanie Mann reported that the City could help pay for the proposed street reconstruction bonds with savings in 2019 from not having to levy \$30,000 for two interfund loans and \$44,390 for two certificates of indebtedness. Sweeney reported the proposed bonds would have a call

option after 8 years, and the City would make the first payment on February 1, 2019 using proceeds from the bonds.

No members of the public were present who wanted to address Council about the proposed resolution.

c. Consideration of Resolution 2018-007: A Resolution Adopting a Street Reconstruction Plan and Approving the Issuance of General Obligation Street Reconstruction Bonds: At 6:43 p.m. the public hearing was closed, and the regular City Council meeting was reconvened. Member Fisch moved to approve Resolution 2018-007, a resolution adopting a street reconstruction plan and approving the issuance of general obligation street reconstruction bonds. Member Lemke seconded the motion. All members present voted in favor of the motion, and the motion passed.

d. Consideration of quotes for converting overhead power line to underground line on N. Kingston St.: Council reviewed two quotes for converting the overhead power line to an underground line on N. Kingston St. (from the intersection of Caledonia St. to North Park). The first quote was from Legacy Power Line, Inc. in the amount \$25,180. The second quote was from Karian Peterson in the amount of \$45,240. Mayor Schroeder moved to accept the quote from Legacy Power Line, Inc. in the amount of \$25,180. Member Vick seconded the motion. All members present voted in favor of the motion, and the motion passed.

e. Consideration of quotes for installing new street lighting on N. Kingston St.: Council reviewed two quotes for installing 11 new street lights on N. Kingston St. The first quote was from Becker & Stemper Electric, LLC in the amount of \$84,977.95. The second quote was from P&T Electric, Inc. in the amount of \$88,000.00. Member Fisch moved to accept the quote from Becker & Stemper Electric for \$84,977.95. Member Lemke seconded the motion. All members present voted in favor of the motion, and the motion passed.

f. Discussion re wage for part-time administrative assistant at Police Department: Clerk-Administrator Swann requested the Council approve a wage for the part-time PD administrative assistant position so that Swann could negotiate a wage with IUOE Local 49 and advertise for the position. Mayor Schroeder expressed concerns about the cost and need for the position. No further action was taken by the Council.

g. Overtime report: Members reviewed the overtime report for the pay period January 29 – February 11, 2018. No further action was taken by the Council.

ANNOUNCEMENTS: The next regular Council meeting would be on March 12, 2018 at 6:00 p.m.

ADJOURNMENT: There being no further business before the Council, a motion to adjourn was made by Member Vick, seconded by Mayor Schroeder. All members present voted in favor, and the motion was declared carried to adjourn at 8:17 p.m.

DeWayne "Tank" Schroeder
Mayor

Adam G. Swann
Clerk-Administrator