

REGULAR MEETING OF THE CALEDONIA CITY COUNCIL  
CITY COUNCIL CHAMBERS, CITY HALL  
CALEDONIA, MINNESOTA  
Monday, July 23, 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, Robert Burns, Paul Fisch, Robert Lemke, and Randi Vick. City staff present: Casey Klug, public works and zoning director; Stephanie Mann, finance officer. Visitor(s) present: Emily Johnson, Houston County Ag Society; Craig Moorhead, *Caledonia Argus*; and Craig Welsh, Houston County Ag Society.

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

- a. Approval of minutes from July 9, 2018 regular City Council meeting
- b. Approval of Stephanie Schellsmidt as election judge for Primary Election on Aug. 14, 2018
- c. Approval of administrative services contract between City of Caledonia, Semcac, and CEDA for Small Cities Development Program
- d. Accept letter of resignation from Allison Wagner as assistant to clerk-administrator for City of Caledonia, effective 5:00 p.m. on July 27, 2018

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 \$5,271,722.71 through June 30, 2018. Mann reported that the City had received \$12,295 from the Minnesota Department of Transportation for street funding as part of the Small Cities Assistance Account, and the City would be receiving \$24,590 in total for 2018. Mann reported that the City had received its first payment of Local Government Aid in the amount of \$491,947 on July 20, 2018.

b. Review of long-term debt: Mann reported that in June 2018 the General Fund had made a final payment on an interfund loan from the Capital Improvement Fund to the General Fund for a Fire Dept. rescue truck. Mann further reported that in August the Sewer Fund would be making a payment of \$103,944.40 on the 2012 MN PFA Clean Water Revolving Loan for sewer rehab.

c. Review of 2018 budget v. actual for General Fund, enterprise funds, and special revenue funds: Mann reported on the 2018 budget versus actual for the General Fund, enterprise funds, and special revenue funds through June 30, 2018.

CLERK-ADMINISTRATOR:

a. Updates:

i. 2018 E. South St. and S. First St. Public Improvement Project: Clerk-Administrator Swann reported that the City had budgeted \$21,357 for contingencies for the project, and the City had spent \$93,063 in contingency because of the additional \$79,227 cost for the storm sewer. The remaining change orders totaled \$13,836. The total project cost was estimated at \$614,648.90.

- ii. 2018 N. Kingston St. Reconstruction Project: Swann reported that the City was emailing weekly project updates to residents and posting updates on the City website. Swann reported that the City was not satisfied with the contractor's communication with residents and that the City had sent a letter to the contractor in response to the contractor's failure to notify residents of a water shut-off.
- iii. Appeal of MN State Demographic Center 2017 population estimate for Caledonia: Swann reported that the MN State Demographic Center had adjusted the City's population estimate from 2,800 to 2,821 in response to the City's appeal.
- iv. Public hearing on Aug. 13 re proposed Ordinance 18-002, an ordinance increasing salaries of mayor and councilmembers in 2019: Swann reported that there would be a public hearing at the Aug. 13, 2018 Council meeting to discuss the proposed Ordinance 18-002, which would increase the salaries of mayor and councilmembers in 2019.
- v. Easement request from 425 Badger St., LLC: Swann reported that he had not received further response from legal counsel for 425 Badger St., LLC re a requested easement along the western edge of Veterans Park.
- vi. Update re hazardous building at 119 S. Kingston St.: Swann reported that the City had a court hearing on July 23 regarding the City's motion to enforce the City Council order to tear down the hazardous building at 119 S. Kingston Street. Swann reported that the judge did not make a ruling and took the matter under advisement.

#### NEW BUSINESS:

- a. Consideration of Houston County Ag Society request to waive sewer charges: Craig Welsh and Emily Johnson of the Houston County Ag Society requested that the Council waive sewer charges of \$248.46 (for the period of April 16, 2018 – May 15, 2018) and \$100.50 (for the period of May 15, 2018 – June 15, 2018). Welsh and Johnson requested the waiver because they reported that there had been a water leak at the Houston County Fairgrounds, and the water that passed through the meter did not go into the sewer. Council took no action on the request.
- b. Consideration of Mayor Schroeder's nomination of Amanda Ninneman to serve on Caledonia EDA Board of Commissioners: Mayor Schroeder reported to the Council that Craig Schroeder had resigned his seat on the Caledonia EDA Board of Commissioners. The Mayor explained that he wanted to appoint Amanda Ninneman to the Caledonia EDA Board to fill the remainder of Craig Schroeder's term, which would end on December 31, 2021. Mayor Schroeder moved to approve the appointment of Amanda Ninneman to the Caledonia EDA Board of Commissioners. Member Fisch seconded the motion. All members present voted in favor of the motion, and the motion passed.
- c. Consideration of request from Officer Seth Louks for boot reimbursement: Council discussed a request from Officer Seth Louks to reimburse him for the cost of his boots, which were reportedly damaged while responding to a call. Clerk-Administrator Swann reported that he had denied the request because the City's contract with the police officers specified that the City would replace "standard issue" uniform items damaged in the line of duty of an emergency or unavoidable nature, but boots weren't listed as an item of standard issue in the contract. Swann further reported that Officer Louks could use his \$675 uniform allowance for 2018 to pay for the boots.

Member Vick moved to reimburse Officer Louks for the pair of boots that were damaged. The motion failed for lack of a second.

Mayor Schroeder moved not to approve the reimbursement request because it was not required under the contract and would establish a precedent. The motion failed for lack of a second.

No further action was taken by the Council.

d. Discussion re stormwater fees in Southeast Minnesota and possible implementation of stormwater fees in Caledonia: Council reviewed information on stormwater charges in other cities in southern Minnesota or of comparable size in Minnesota, including Dodge Center, Harmony, Lake City, Lanesboro, Spring Grove, and St. Charles. Swann reported that most cities were adding stormwater charges on utility bills. Swann presented Council with a breakdown of the City's electric accounts that had been prepared by Utility Billing Clerk Jessica Kohnen, showing the City had a total of 1575 electric accounts (including residential, commercial, three-phase, and large power). Council discussed ways the City could generate at least \$50,000 per year to fund the City's stormwater needs. One option discussed was to implement two categories of fees—one for residential electric accounts (\$3/mo.) and one for non-residential electric accounts (\$8/mo.)—to make administration of the charges more manageable. No action was taken by the Council.

e. Overtime report: Members reviewed the overtime report for the pay period July 2 – July 15, 2018. No action was taken by the Council.

f. Closed meeting: Pursuant to M.S. § 13D.05, subd. 3(a), a closed meeting to conduct yearly evaluation of Adam Swann, clerk-administrator: At 8:20 p.m. Member Burns moved to recess the regular Council meeting to hold a closed Council meeting to conduct the yearly performance evaluation of Adam Swann, clerk-administrator, pursuant to M.S. § 13D.05, subd. 3(a). Member Lemke seconded the motion, and all members present voted in favor of the motion. The regular City Council meeting was closed at 8:20 p.m. At 8:39 p.m. the regular City Council meeting was reconvened.

g. Summary of performance evaluation of Adam Swann, clerk-administrator: Member Burns reported that the Council considered Swann's work performance to be exemplary and over and above expectations and that the Council was happy and pleased with Swann's performance. Member Burns moved to increase Swann's salary from \$78,540 to \$82,000 on July 30, 2018, with a 2.5% increase the first pay period of 2019. Member Fisch seconded the motion. All members present voted in favor of the motion, and the motion passed.

h. Search for assistant to clerk-administrator position: Member Fisch requested that he be recused from the Personnel Committee with respect to the search for the assistant to the clerk-administrator position because Member Fisch was related to one of the candidates. Member Lemke offered to fill in for Member Fisch during the interview process, and there were no objections from the Council about the change.

#### ANNOUNCEMENTS:

a. The next regular Council meeting was scheduled for August 13, 2018 at 6:00 p.m.

ADJOURNMENT: There being no further business before the Council, a motion to adjourn was made by Member Burns, seconded by Mayor Schroeder. All members present voted in favor, and the motion was declared carried to adjourn at 9:00 p.m.

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DeWayne "Tank" Schroeder  
Mayor

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Adam G. Swann  
Clerk-Administrator