CALL TO ORDER: Following due call and notice thereof, Mayor Morey called the meeting to order at 7:00 p.m. in the Council Room, City Hall.

ROLL CALL: Members present: Mayor Michael J. Morey; Council Members: Paul Fisch, Randi Vick, Gary Klug and Robert Standish (7:03 p.m.). Members absent: None. Consultants and City staff present: Michael Gerardy, Randy Shefelbine and Robert L. Nelson. Visitors present: Abe and Heather Hammell, Mike Werner, Gene Swain and Janice Kutina.

CONSENT AGENDA: Following brief discussion, a motion was made by Member Fisch, seconded by Member Klug, to approve the Consent Agenda Items, listed below. Members voting in favor: Morey, Fisch and Klug. Opposed: None. Abstaining: Vick. Still absent at this time: Standish. The motion was declared carried.

A. MINUTES OF PAST MEETINGS: To approve the minutes of the Regular Meeting held Monday, October 22, 2007

B. APPLICATION FOR EXEMPT PERMIT
   1. ST. MARY’S PARISH: To approve an Application for Exempt Permit, submitted by St. Mary’s Parish for an event to conduct a raffle at St. Mary’s Grade School, 308 East South Street on February 8, 2008, requesting a waiver of the waiting period.
   2. ST. MARY’S PARISH: To approve an Application submitted by St. Mary’s Parish to conduct a raffle at St. Mary’s Grade School, 308 East South Street, on March 7, 2008, requesting a waiver of the waiting period.
   3. KNIGHTS OF COLUMBUS: To approve an Application for Exempt Permit submitted by the Knights of Columbus to conduct a raffle at St. Mary’s Grade School, 308 East South Street, on January 27, 2008.

VISITORS AND COMMUNICATIONS
A. CONDITIONAL USE PERMIT – HEATHER HAMMELL: Abe and Heather Hammell, 424 South Marshall Street, petitioned the Council to conduct a therapeutic massage business in a portion of their home. Heather explained that she could only handle 1 client at a time, limit to 2 clients per hour and limit to 4 persons per day. Appointments may be anytime between 9:00 a.m. and 8:00 p.m., generally. Following discussion, a motion was made by Member Fisch, seconded by Member Standish, to approve the application and authorize a Conditional Use Permit. All members voted in favor and the motion was declared carried.

B. CHAMBER PRESENTATION: Mike Werner, Chamber President, thanked the Council for sponsoring a secretary for the Caledonia Area Chamber of Commerce Office through the Experience Works Program. He reported that Joyce Iverson is working on packets for LaCrosse Fabrication employees. As President, Mr. Werner would like to collaborate with the City, School District, businesses and other organizations to create efficiencies which may not have been achieved previously. He is interested in promoting tourism and encouraging outsiders to live in Caledonia. He also wishes to endorse hometown businesses such as the Caledonia Haulers, Sno Pac Foods and Miken Industries. He said he would like to hold a Chamber mixer about once every quarter where a different business would give detailed explanation of its activities. He also mentioned encouraging Historic Bluff Country to move to Caledonia as its headquarters or possibly have a second office located in Caledonia. Council Member Vick encouraged him to petition the Post Office to open the window to deal with customers on Saturday mornings when an employee is present from approximately 9:00 – 11:00 a.m. No action was necessary by the Council on any issues presented by Mr. Werner.

C. PROPOSAL TO CONDUCT DANCES: Gene Swain proposed to the Council that the City contract with Tim Patrin of Little Miami to conduct a number of dances in the City Auditorium throughout the course of the year. He suggested that having these dances could earn sufficient funds to pay for Music in the Park in the summer months. Council members Vick and Standish said they would meet with Mr. Patrin to discuss the issue.

D. STREET DEPARTMENT: Mike Gerardy reported on behalf of the street department, saying that the storage area fencing was complete and the street department staff had spent the summer helping some other departments accomplish their duties. He recommended summer help
at the ball park to accomplish such things as weeding, mowing, cleaning and light maintenance. Inquiry was made as to whether or not the Experience Works Program could be a resource for such summer help. Member Fisch asked that Mr. Gerardy tally the total cost of the new electric department garage for the next meeting. Regarding the City Hall garage storage area discussed for the last year or two, being the first stall immediately adjacent to City Hall, Mr. Gerardy said the improvement for a storage area appears as though it will take place as an Eagle Scout Project. Regarding the leaf vacuum, Mr. Gerardy said it is leaking oil badly and is bent to such extent that it cannot be disassembled for repair. In essence, when it stops running, it will have to be replaced because it is beyond repair. Discussion was also held on the fall clean-up, questioning whether or not the period of collection could be extended to 3 or 4 weeks. While Mr. Gerardy indicated the plan could be to conduct it over a 4 week period, should it snow during that time, collection would cease immediately.

E. ZONING APPLICATION – KWIK TRIP: Mr. Gerardy reported that Kwik Trip will eliminate the 2 cigarette signs on the posts of their main advertising sign and remove the ladder from the sign area. Following discussion, a motion was made by Mayor Morey, seconded by Member Fisch, to approve the change of face on the existing sign as proposed by Kwik Trip. All members voted in favor and the motion was declared carried.

F. POLICE DEPARTMENT
1. OFFICER RESIGNATION: Chief Shefelbine informed the Council that Officer Charles Rolbecki gave verbal notice of his resignation on November 27 to accept a job at Winona County.

2. SERGEANTS POSITION: Chief Shefelbine said the City is growing and this year the Police Department has received 20 sexual assault complaints. Currently one of those complaints has 300 pages of testimony. In the absence of a Chief, an officer is needed who can make a command decision. That is a primary need for a sergeants’ position. A sergeant would also be given routine additional duties over and above those of other officers, including investigation obligations, maintenance schedules for vehicles and other responsibilities. Chief Shefelbine said the City can name an officer as a command authority, but questioned why the officer would accept the responsibility with no additional incentive such as increased wages. He said an averaged salary in many municipalities for a sergeant is 3% to 5% above the highest paid police officer. Chief Shefelbine said the City could institute the sergeants’ position and appoint a person to that position with a 1 year probationary period. Should the new incoming Chief of Police prefer not to have a sergeants’ position, the City has authority to restructure its police department.

3. PROPOSED NEW POLICE VEHICLE: Chief Shefelbine explained that the state bid has been divided among 10 or more companies and, according to the schedule of prices, a police vehicle specification sheet would have to be established as nearly as possible for the vehicle to be ordered in order to get a price from 1 of those companies. He offered examples such as cruise control. If cruise control is desired a cost is added. Each feature has a cost attached. Following discussion, including whether a police squad car or SUV would be the preferred vehicle, a motion was made by Mayor Morey, seconded by Member Klug, to select a squad car, not an SUV. Members voting in favor: Morey, Fisch and Klug. Opposed: Vick and Standish. The motion was declared carried.

CLAIMS
A. PREPAID CLAIMS: Following review, discussion and deliberation, a motion was made by Member Fisch, seconded by Member Vick, to approve the Prepaid Claims list for October 2007. All members present voted in favor and the motion was declared carried. (Member Klug was momentarily out of the room.)

<table>
<thead>
<tr>
<th>Company</th>
<th>Service</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blue Cross Blue Shield of MN</td>
<td>Health Insurance</td>
<td>22,793.00</td>
</tr>
<tr>
<td>Barr, Kyle</td>
<td>Grind Tree Stumps</td>
<td>106.50</td>
</tr>
<tr>
<td>Caledonia Oil Company</td>
<td>Diesel Fuel</td>
<td>1,428.00</td>
</tr>
<tr>
<td>Mathy Construction Co.</td>
<td>Asphalt Patching, Prep &amp; Pave</td>
<td>18,980.00</td>
</tr>
<tr>
<td>Richard’s Sanitation</td>
<td>Refuse Disposal – September 2007</td>
<td>159.12</td>
</tr>
<tr>
<td>Spring Grove Coop Telephone</td>
<td>Fire Department Cell Phone</td>
<td>205.53</td>
</tr>
<tr>
<td>Tri-State Ambulance</td>
<td>ALS Intercepts</td>
<td>250.00</td>
</tr>
<tr>
<td>US Postal Service</td>
<td>Postage – Cold Weather Rule</td>
<td>176.70</td>
</tr>
<tr>
<td>Northern Beverage Distribution</td>
<td>Beer</td>
<td>798.10</td>
</tr>
<tr>
<td>Schott Distributing Co., Inc.</td>
<td>Beer</td>
<td>1,238.35</td>
</tr>
</tbody>
</table>
Spring Grove Soda Pop, Inc.  Beer & Soft Drinks  194.00
Caledonia True Value  Miscellaneous Items  140.49
Gopher State One-Call  38 Location Notifications  55.10
Knife River Midwest, LLC  Salt Shed & New Elec Shop – Rock  580.35
Metro Sales, Inc.  PD Copier Maintenance  63.25
Tri-State Ambulance, Inc.  ALS Intercept  250.00
Witt’s Pharmacy – Caledonia  Ambulance  384.27
Baker & Taylor Books  Library Books  578.83
Catering by Design  Library Books  49.45
Lamarche, Jacques  Library Books  27.90
Midwest Tape  Library Books  48.48
SE Libraries Cooperating  Auto Fees October 2007  419.33
Taste of Home Books  Library Book  57.96
Alltel  Fire Department – Communication Exp.  79.98
Becker, Gordon & Janet  Sewer – Backup  2,875.30
E O Johnson Company  Clerk’s Office – Maintenance Agreement  84.00
Emergency Apparatus Maint.  Engine 1410 Maintenance  704.89
Franciscan Skemp Healthcare  Vaccinations  132.50
Fruechte, Chester & Luetta  Sewer – Backup  370.40
Grey House Publishing  Library Books  163.00
Knife River Midwest, LLC  New Shop – Rock  604.01
Scholaric Library Publishing  Library Books  144.30
Tornstrom, Mike  Mileage Reimbursement  53.40
MN Municipal Beverage Assn.  Registration Fee – Server Training  150.00
Alltel  Ambulance – Communication Expense  62.18
Bank of the West  Federal/FICA/Medicare Payday 10-23  6,599.45
City of Caledonia Emp. Assn.  Association Dues – Month of October  80.00
Commissioner of Revenue  State Withholding Tax  1,161.29
Gavin, Mike  Animal Control  75.00
Griggs, Cooper & Co.  Liquor / Wine  2,283.68
Houston County Treasurer  Houston County Collection Site  3,310.00
Jack Neumann Trucking  Liquor – Freight Expense  50.00
Kraus Oil Company Inc.  Unleaded  834.00
La Crescent, City of  Ambulance Registration Fee  60.00
Minnesota NCPERS Life Ins.  NCPERS Life Insurance  64.00
MN Benefit Association  MBA payday 10-23-07  157.27
Northern Beverage Distribution  Beer  1,430.95
Orchard Trust Co., LLC  TSA payday 10-23-07  1,480.00
Phillips Wine & Spirits Co.  Liquor / Wine  530.50
Printy Quik  Liquor Store – Bottle Tickets  49.92
Schott Distributing Co., Inc.  Beer  3,155.65
Spring Grove Soda Pop, Inc  Beer & Soft Drinks  61.25
Tri-State Ambulance Inc.  ALS Intercept  250.00
Houston County Recorder  Recording Fee – Peterson  46.00
Johnson, Allan  Mileage Reimbursement  191.80
Northern Beverage Distribution  Beer  706.50
Schott Distributing Co.  Beer  3,352.00
Spring Grove Soda Pop  Beer  60.50
Commissioner of Revenue  Accident Report  5.00
Extreme Beverage, LLC  Mix / Soft Drinks – Liquor Store  32.00
Franciscan Skemp Healthcare  Drug Screens  156.00
Holter & City, Shelia  Meter Deposit Refund  86.25
Jack Neumann Trucking  Liquor – Freight Expense  95.00
Johnson Brothers Liquor Co.  Liquor / Wine  1,721.89
Kleinfeldt & City, Matt  Meter Deposit Refund  84.71
League of MN Cities Ins. Trust  Workers Compensation Insurance  3,078.00
Phillips Wine & Spirits Co.  Liquor / Wine  1,376.85
Pitts & City, Ashley  Meter Deposit Refund  213.59
Pottratz, Dorothy  Meter Deposit Refund  200.36
Richard’s Sanitation  Recycling – Collections  5,868.50
SE MN Historic Bluff Country  Tourism  1,431.61
Snow & City, Lynette  Meter Deposit Refund  230.00
Teffls Carpet Cleaning  Liquor Store – Carpet Cleaning  753.74
US Postal Service  Utility Billing October 2007  332.37
USA Mobility Wireless Inc.  Communication Expense  53.09
Ziebels’ Hiawatha Foods, Inc.  Soda/Mix Etc.  38.69
Johnson, Allan  Travel Expense  69.19
MN Department of Revenue  Sales / Use Tax  14,914.00
SE MN Flood Relief Fund 07  Donation to Flood Victims  100.00
United Parcel Service  UPS Fee  128.86
W A Roosevelt Co.  New Electric Shop – Plumbing Supplies  291.84
Bank of the West  Federal/FICA/Medicare  1,196.12
Brownsville Fire Department  Mutual Aid – John Diersen  197.00
Commissioner of Revenue  State Withholding  163.33
Northern Beverage Distribution  Beer  1,667.60
Public Emp. Retirement Assn.  PERA payday 11-2-07  603.65
Schott Distributing Co, Inc.  Beer  2,921.12
Spring Grove Soda Pop, Inc.  Beer  196.75
Tri-County Electric Co-op  Green Acres Lighting/Tree Disposal Site  79.89
Bank of the West  Federal/FICA/Medicare  6,551.41
Caledonia Police Association  PD Association Dues  85.00
Commissioner of Revenue  State Withholding  1,138.93
Department of Public Safety  Liquor Store Retailers Card  20.00
M. Peters Enterprises Inc.  Flag Pole Parts  103.40
Merchants Bank  ACH Fee November 2007  20.29
Orchard Trust Co, LLC  TSA payday 11-6-07  1,480.00
Principal Life  Life/Ad&Std  614.85
Public Emp. Retirement Assn.  PERA payday 11-6-07  4,676.97
SE MN Historic Bluff Country  Membership Dues 2008  1,500.00
Tri-State Ambulance  ALS Intercept  250.00
Johnson, Allan  2007 Uniform Allowance  85.67
Stemper, James  2007 Uniform Allowance  202.45
Ace Link Telecommunications  Communication Expense  1,027.32
Blue Cross Blue Shield of MN  Health Insurance  21,011.00
Minnesota Energy Resources  Natural Gas  1,273.44
Northern Beverage Distribution  Beer  838.50
Schott Distributing Co, Inc.  Beer  3,080.20

$ 167,410.10

B. CLAIMS PAYABLE: Following review, discussion and deliberation, a motion was made by Mayor Morey, seconded by Member Klug, to approve and authorize payment of the Claims Payable List for October 2007. All members voted in favor and the motion was declared carried.
Hawkins, Inc. Chemicals 393.40
HD Supply Waterworks, LTD Meters & Connectors 1,000.13
Independent School District 299 Snow blower 300.00
J P Cooke Company Animal Tags 2008 Licenses 93.80
Kwik Trip Stores Gas 21.20
Lackore Electric Motor Repair Pump Repair/Re-hook Hoist 560.92
Mauus Pumping Service Portable Toilet Rent 85.20
Meisch Upholstery Seat Belt Webbing 10.13
Menard’s Miscellaneous – New Elec. Shop 181.36
Metro Sales, Inc. Copier Agreement 77.22
Midwest Tape Library – Books 75.62
Mississippi Welders Supply Oxygen 217.79
P & H Services Radio Battery, Charger 160.85
Pearson Education Books for Training 604.21
Pladsen Ford, Inc. Repairs/Parts 1,778.40
PowerPlus Engineering, LLC 4 Year Plan 599.16
PT Welding & Driveshaft Equipment Repair Parts 112.23
Richard’s Sanitation Refuse Disposal 234.00
Rippe, Hammell & Murphy General Matters & Prosecution Matters 2,778.00
Sandry Fire Supply, LLC Boots 265.00
Schilling Supply Company Bags/Sacks/Beer Cups/Copy Paper/Towels 680.04
Schroeder Landscaping & Con. North Park – Hydroseeding 500.00
Schulze Plumbing and Heating New Electric Shop 1,611.42
Schumacher Elevator Co. City Hall – Elevator Maintenance 615.41
SE Libraries Cooperating Auto Fees – November 2007 419.33
Servocal Instruments Inc. Service Flowmeters 380.00
Severson Oil Company Oil 364.23
St. Mary Auto Body Shop Paint Leaf Basket 95.00
Storey Kenworthy Lanyards 18.96
Tri-County Electric Electric Energy 130,784.57
Tri-Anim Health Services, Inc. Miscellaneous Supplies 961.20
United Auto Supply, Inc. Street Equipment – Turn Lamp 8.57
Wennes Communications Caledonia Football Ad 100.00
Witt’s Pharmacy – Caledonia Gloves 10.78
WWTP MPCA PFA Loan Fund 1993-96 PFA Loan 3,500.00
Buttell’s Lighting City Hall/Auditorium Bulbs 324.83
Zep Manufacturing Company Cleaning Supplies 81.41

$169,578.36

OLD BUSINESS

A. LICENSES: Clerk Nelson asked the Council if they would like to review all license amounts and reasons for licensing such as soft drinks, pool tables, and the like. He explained that, although the fee was only $5.00, the restaurant license was deleted because the City never did anything with regard to inspections for sanitary conditions or any other reasons. Following discussion, the Council agreed that an analysis should be made.

B. ALCOHOL LICENSE FEES: The Council reviewed Addendum #4 showing the range of fees for On-Sale Intoxicating Liquor, most communities the size of Caledonia having a fee of more than $2,000 in comparison with Caledonia’s $1,500. Mrs. Kutina argued that license fees for this area should reflect those communities in Houston County rather than communities of the same size as Caledonia throughout the State. Following discussion, the Council by general consensus decided to postpone a decision on any change of rates until hearing what Houston County charges and the City of Spring Grove charges; that information will be brought back to the next Regular Council Meeting.

C. FREEDOM TO BREATHE ACT: Council Members Klug and Vick informed the Council of a Committee Meeting to review understanding of the Freedom to Breathe Act, the prescriptions of Minnesota State Law and issues left to discretion of the City Council. State Law covered any type of interior of a building, meaning that a public place such as a bar or restaurant or public meeting room would be prohibited from allowing smoking. Outside buildings is the area seemingly left to the discretion of municipalities or other governmental entities. Smoking outside is not restricted in any manner by State Law. A question arises with regard to licensing for alcohol sales if customers take drinks outside while they are smoking. Another questions arises concerning whether or not customers seated on a patio or deck outside should be served by waiters or waitresses who may then be exposed to smoke. City Staff will continue to research the question regarding waiters or waitresses serving smoking customers outside.
D. MIDWEST WIRELESS AGREEMENT: Clerk Nelson reported that Stephanie Mann, Accountant, is updating the rental fee of all Alltel for the antenna on the City’s water tower. The agreement called for automatic adjustment of the rental fee in the proportion of change for the consumer price index whether it increased or decreased.

E. PROPOSED CRIMINAL JUSTICE CENTER: Clerk Nelson informed the Council that Houston County had requested a meeting with Mayor Morey and another Council Committee Member to discuss location of the Criminal Justice Center at a site on the west side of STH 44/76. Nelson said their first choice appeared to be a 10 acre parcel north of Esch Drive. One Council Member commented that it would be nice for the building to be located where the current Houston County Highway Department is situated, since there appears to be a plan to relocate the Highway Department to a parcel north of Main Street. Another Council Member commented that there could be a savings in construction for the County if the Criminal Justice Center and proposed new Highway Department were located on the same piece of land, perhaps utilizing a single parking lot. Mayor Morey and a second Council Member will attempt to schedule a meeting with the County Commissioners to discuss issues concerning the Criminal Justice Center.

NEW BUSINESS
A. PARKING: Clerk Nelson reviewed Chapter 153.309 with the Council. Nelson suggested that the way the paragraph is written would almost be impossible to enforce and recommended changing it. The Council directed that he prepare the wording he wished to suggest and present it back to the Council.

B. PROPERTY USES, METER REMOVAL, RATES: Clerk Nelson informed the Council that a property owner who had purchased a large building, previously used for another purpose, requested consideration for the base rate for sanitary sewer and water charges. The building had a 2" water meter for which the base rate for water is $64.67 per month and for sewer is $30.10 per month. Current use of the building however results with only a few hundred cubic feet of water being used. The property owner was requesting changing the base rate to the rate for a 5/8" - 3/4" meter for residential use for which the base rate is $9.04 for water and $4.31 for sanitary sewer per month. Following discussion, the Council reiterated the recommendations of Davy Engineering Company who had established these rates. The philosophy is based on the ability to draw water with the larger meter and plumbing installed. The Council concluded that a property owner wishing to have a reduced rate should replace the large meter with a smaller meter.

C. CONTRACT FOR SERVICES: The Council briefly reviewed the contract from Southeast Minnesota Development Corporation for the services of Joyce Iverson, EDA Director, which is proposed to increase to an amount of $33,422 for calendar year 2008 an increase of $1,130 or 3.5% over the 2007 rate of $32,292. Following review, the Council by general consensus tabled the issue until the budget is reviewed for calendar year 2008.

CLERK’S REPORT
A. TESTS
   1. Discharge Monitoring Report: 8.29 mg/l.
   2. Fluoride: Satisfactory

B. POLICE OFFICER INTERVIEWS: The Council was informed that Police Officer interviews to fill the vacated position of Officer Logan are being conducted on Tuesday and Wednesday, November 13 and 14.

C. POLICE DEPARTMENT: Enclosed with the Agenda was the Police Officer Activity List and Summary List for the month of October 2007.

D. EMPLOYEE TIME RECORD: Enclosed with the Agenda was the Employee Time Record for pay period October 22 – November 4, 2007.

E. TIF CONSULTANT: Clerk Nelson informed the Council that Michelle Hartman, TIF Consultant, had contacted the Clerk’s Office saying she and her husband were retiring from the Tax Increment Financing Consulting Business. Nelson said he asked her to transfer the city records to David Drown & Associates.

MISCELLANEOUS ITEMS
A. POLICE DEPARTMENT – TEMPORARY SECRETARIAL POSITION: In consideration of the Family and Medical Leave Act absence planned by Amy Hoscheit, the Council considered the terms of employment for a temporary replacement or replacements to fill
the hours and days of Amy’s absence. Following discussion, a motion was made by Mayor Morey, seconded by Member Fisch, to hire Mary Betz and 1 other person at a rate of $12 per hour as temporary police secretaries to fill the hours of Amy Hoscheit’s absence. Members voting in favor: Morey, Fisch, Klug and Standish. Opposed: Vick. The motion was declared carried.

ADJOURNMENT: There being no further business before the Council, a motion to adjourn was made by Mayor Morey and seconded by Member Vick. All members voted in favor, the motion was declared carried and the meeting then adjourned at 11:29 p.m. The next Regular Meeting of the City Council is scheduled for 7:00 p.m., Monday, November 26, 2007, in the Council Room, City Hall.

Michael J. Morey, Mayor

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Robert L. Nelson
City Clerk - Administrator