REGULAR MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Monday, November 26, 2007

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. Members absent: None. Consultants and City staff present: Stephanie Mann, Michael Gerardy, Randy Shefelbine and Robert L. Nelson. Visitors present: Kurt Kuehlers, Mike Nanof, Scott Betz, Norman Snodgrass and Charlie Werner, Reporter.

CONSENT AGENDA: Following brief discussion, a motion was made by Member Fisch, seconded by Member Vick, to approve the Consent Agenda Items, listed below. All members voted in favor and the motion was declared carried.

A. MINUTES OF PAST MEETINGS: To approve the minutes of the Regular Meeting held Tuesday, November 13, 2007.

VISITORS AND COMMUNICATIONS
A. HAZARD MITIGATION: Kurt Kuehlers, Houston County Emergency Manager, explained that the Hazard Mitigation Program was passed by Congress in the year 2000. Houston County and each municipality within the County is required to adopt a Hazard Mitigation Plan. With the law passed by Congress, 25% of in kind match will guarantee 75% of the costs for drafting a plan to be paid by the State. Houston County has currently solicited 4 proposals from different firms for drafting a Hazard Mitigation Plan. For economy purposes, Houston County will join with Fillmore County. Taking part in the plan will make the Counties and municipalities eligible for future aid in the event of a catastrophe. Approximately 8 to 10 million dollars of federal funding is available. Mr. Kuehlers said City staff would join in monthly meetings to draft a Hazard Mitigation Plan. Following discussion, a motion was made by Mayor Morey, seconded by Member Standish to join Houston County in drafting a Hazard Mitigation Plan. All members voted in favor and the motion was declared carried.

B. UTILITY ACCOUNT: Mike Nanof, Matinee.org, reviewed the circumstances with his building, being the old elementary public school, from the time he bought it until present with regard to his past due utility bill. Mr. Nanof reported that he bought the property in 2005 and started filling the building with the intent of having a mall and rental property for other businesses. The mall businesses started in the summer of 2005 and the first business tenant, Fastenal, arrived in the fall of 2005 for a rental of $1,500 per month. Mr. Nanof explained how the City had mistakenly billed for electricity from the time he purchased the building until September of 2006 when the City contacted him saying there had been an error in billing, resulting in his receiving electricity for just a few tenths of a cents over what the City paid for whole sale price and the billing was corrected to be that of 3 Phase Power. Since Mr. Nanof's lease agreement with Fastenal was for a flat rate, there was no way for him to collect a higher monthly rental fee for making up the utility billing which almost doubled upon the correction. Mr. Nanof presented over an hour long address to the Council and ended asking for a more reasonable monthly payment schedule than had been drafted by the Mayor and requested that the City charge him only for the erroneous charge of the electrical rate he had originally been charged until the time that Fastenal left the building, being the period from September 2006 through April 2007. He informed the council that the current payment rate demanded by the Mayor's agreement was the current monthly bill plus $1,000 to make up for the past due amount. The past due amount in August 2007 was over $11,000 and is at this time over $5,000. The Mayor's agreement obligated Mr. Nanof to pay $2,500 for August and September followed then by the payment of the current monthly bill and $1,000 toward the past due bill. Following discussion, a motion was made by Member Klug, seconded by Member Standish, to revise the agreement to enable Mr. Nanof to pay $500 by the 10th of each month which is to be applied to the past due amount of his utility account and to pay the current monthly billing by the 20th of each month. Any late payment on either date would call for disconnection of the electrical meter the following day. All members voted in favor and the motion was declared carried.

C. CITY ACCOUNTANT: Stephanie Mann, Accountant, reviewed the cash and investment balances showing cash at $450,985.93 and total investments at $3,198,000 at the end of October. Thereafter she reviewed the balance sheet as the end of October showing total assets, liabilities and equity. Thereafter she reviewed the budget worksheet through the end of October 2007.

D. NUISANCE COMPLAINT: Scott Betz, 806 West Main Street, complained about large halogen lights installed by the Eitzen State Bank of their property across the street from his residence. He complains the lights are extremely bright and light up his entire backyard. He has asked the bank to put shields on his side of the light bulbs, but the bank refuses to comply.

E. POLICE DEPARTMENT

1. FREEDOM TO BREATHE ACT: Randy Shefelbine, Police Chief, informed the Council of his investigation concerning the new Freedom to Breathe Act, reporting that smoking may take place anywhere outdoors, even immediately adjacent to doorways or windows. Also, alcoholic beverages may be served outdoors where people are smoking, such as on a patio, provided that area is authorized on their liquor license.

2. PROPOSAL TO PURCHASE SQUAD CAR: Chief Shefelbine reported that he now had a detailed bid price for a vehicle to be ordered in 2008. The outfitted squad car would be a Crown Victoria Ford and the quote is from the Monticello Ford/Mercury company. The package price is $21,857. That vehicle would then have to be outfitted with a radio, light bar, decals and other features, anticipated to cost approximately $5,000. Following discussion, a motion was made by Mayor Morey, seconded by Member Fisch, to approve the squad car bid price of $21,857 plus an authorization for up to $5,000 in accessory needs to complete the squad. All members voted in favor and the motion was declared carried.

3. POLICE DEPARTMENT STAFFING: Chief Shefelbine continued the discussion on the Police Sergeant position which he encouraged the Council to accept, handing out a job description. Mayor Morey indicated it is hard to understand having a sergeants position in a small city when the sergeant only works alone most of the time and is probably off 3 or 4 days in a row when other officers would be working their shifts. Chief Shefelbine contented again that his recommendation for the position lies more with having someone available for making a command decision in his absence and for investigating more frequent serious crimes such as sexual assaults and to have responsibility for designated serves in the police department such as being responsible for equipment and vehicles. He recommended the City try the position for a 3 month probationary period and accesses its efficiency and effect at the end of that period. Member Klug commented that the City had gotten by since its inception without having a sergeants position. Chief Shefelbine acknowledged that the Council appeared to be against creating the position and then informed the Council that he had already named Officer Stemper to occupy a sergeant's position. Chief Shefelbine said he believed he had authority to do so. State Law says he had to have someone authorized to make command authority decisions in his absence. He saw nothing in Minnesota Statutes or City Ordinances which prohibited him from making such a decision. He compared it to the Firefighters appointing or electing persons to office for the Fire Department. He commented at this time to order Stemper to remove the sergeant stripes from his uniform would be the equivalent of a demotion and Stemper has had no behaviors which would call for demotion. He acknowledged that Stemper had been promoted and was wearing his sergeant stripes for approximately 1 month. Mayor Morey said the issue should be tabled for this evening, but invited Chief Shefelbine back to a Continued Meeting to be held at 6:00 p.m. on Monday, December 3, to present whatever references or evidence he had for authorization to create a position in the police department and appoint an officer to it. The City also would investigate the issue.

F. CITIZEN REQUEST: Norman Snodgrass, 825 North Kingston Street, informed the Council he heard there was disagreement with his bringing a semi trailer in on his mothers' property at 825 North Kingston Street to store all items from the old rootbeer stand while it was dismantled and a new garage was built. He said the semi trailer would probably be there until next April or May, giving him time to dismantle the old rootbeer stand and rebuild a garage. He is renting the semi trailer for $125 a month and wants to complete the work as soon as possible to reduce rental payments. He claims all other rental units in the City are full and there is no where to store all items in the 28' x 42' building. Following discussion, a motion was made by Mayor Morey, seconded by Member Fisch, to have the semi trailer removed from the property before December 22, 2007. Members voting in favor: Morey, Fisch and Vick. Opposed: Klug and Standish. The motion was declared carried.

G. ADMINISTRATIVE COORDINATOR

1. ELECTRIC DEPARTMENT GARAGE: Mike Gerardy, Administrative Coordinator, presented a final estimate for Caledonia Lumber Company for work performed on the electric department garage in the amount of $5,450.34. He also informed the Council that the total cost for the building to date was $275,000. Following discussion, a motion was made by Member Fisch, seconded by Member Vick, to authorize payment of the final estimate to Caledonia Lumber Company in the amount of $5,450.34. All members voted in favor and the motion was declared carried.

2. NUISANCES: Mr. Gerardy indicated he had contacted the property owners of 2 properties on West Washington Street to remove vacant homes or the debris remaining from a home. He had a response from 1 property owner who said the building had to be inspected for asbestoses and an engineering evaluation had to be done. He heard nothing from the other property owner. After brief discussion, the council directed Mr. Gerardy to turn the issue over to the City Attorney to begin a legal process to have the remaining partial building and the burned out property cleaned up.

H. COMMUNICATIONS

1. Mediacom, Service & Rate Changes.

OLD BUSINESS

A. LIQUOR LICENSE FEES: Reviewing again the license fees of other communities, this time including the City of Spring Grove and Houston County, a motion was made by Mayor Morey, seconded by Member Standish, to leave the City of Caledonia liquor license fee as is, meaning $1,500 for the On-Sale Liquor License and $100 for the Sunday Liquor License. All members voted in favor and the motion was declared carried.

NEW BUSINESS

A. AUDIT AGREEMENT: Clerk Nelson recommended approval of the agreement proposed by Tostrud & Temp to complete the 2007 year calendar audit for the City of Caledonia for an amount to range from $18,500 to $19,700 with a stipulation, should a single audit be required for federal aid monies received, then the estimate would increase to $21,500. Following brief discussion, a motion was made by Member Fisch, seconded by Member Klug, to approve the quoted price and appoint Tostrud & Temp to prepare the audit for calendar year 2007. All members voted in favor and the motion was declared carried.

B. SPECIAL ASSESSMENT ROLL: Brief review was made of the special assessment roll prepared for 4 properties whose owners had requested payment by the City for repair of sanitary sewer lines or water service lines leading from the main into their respective properties. The special assessment roll was for a 10 year period with interest to be applied at the rate of 6.25% and the first payments to begin in 2008. Following discussion, a motion was made by Mayor Morey, seconded by Member Klug, to approve the assessment roll and submit it to the Houston County Auditor. All members voted in favor and the motion was declared carried.

C. RESOLUTION – FIRE RELIEF ASSOCIATION: Enclosed with the Agenda was a Resolution from the Fire Relief Association to be adopted by the Council, authorizing its endeavor in charitable gambling operations to have a premises permit at The Ranch, 111 East Grove Street and at Elsie's Bar and Café, 226 East Main Street. Member Fisch indicated that the Council should receive a report from the Fire Relief Association as to the success of the gambling operation. He suggested the Resolution be postponed to the next Regular Meeting where a representative of the Relief Association could make a presentation to the Council of the profits or losses of the gambling events. The Council concurred by general consensus

D. RESIGNATION: At this time the Council reviewed and accepted a letter of resignation from Police Officer Charles Rolbiecki with the resignation to be effective November 21, 2007. The letter of resignation, dated November 7, 2007, had been presented on that date to Chief Shefelbine. A motion to accept was made by Mayor Morey and seconded by Member Klug. All members voted in favor and the motion was declared carried.

CLERK'S REPORT

A. EMPLOYEE TIME RECORD: Enclosed with the Agenda was the Employee Time Record for pay period November 5 – 18, 2007.

B. FOUNDER'S DAYS WEEKEND: Clerk Nelson reported that Arien O'Heron coordinated certain events of Founder's Days with Mike Gerardy. She reports that Houston

County granted permission to shut down a block of Main Street from approximately 8 a.m. to 12 o'clock noon on Saturday, December 8. The Street Department will leave barricades at both ends of that block on Friday afternoon. Wedl's Catering will be serving alcohol upstairs in the auditorium on Friday evening and downstairs in the auditorium on Saturday from approximately 10 a.m. to 1 a.m. Sunday morning. The Council is requested at this time to authorize the catering service to conduct business in the City Auditorium on those days. At that time a motion was made by Mayor Morey, seconded by Member Vick, authorizing Wedl's Catering to conduct business in the City Auditorium. All members voted in favor and the motion was declared carried.

C. UP COMING MEETINGS:

- December 3, 6:30 p.m.: Truth In Taxation Meeting/Budget Review
- December 10, 7:00 p.m.: Regular Council Meeting
- December 12, 6:0 p.m.: Truth In Taxation Meeting Continuation if necessary.
- Meeting with Houston County and Ma-Cal Developers yet to be scheduled. (Committee)
- Labor Agreement Negotiations, yet to be scheduled. (Committee)
- Monday, December 24, 7:00 p.m.: Regular Meeting (Cancel?)

D. POLICE OFFICER POSITIONS: Mayor Morey and Member Fisch informed the other Council Members that Police Officer interviews had been conducted and there were 4 finalists all of whom where to receive a background investigation with the tentative intent to be to select 1 and possibly 2 of those applicants for employment.

MISCELLANEOUS ITEMS

A. COUNCIL MEETING: Mayor Morey directed the Continuation of this Council Meeting to 6:00 p.m. on Monday, December 3, at the Council Room, City Hall.

ADJOURNMENT: Mayor Morey recessed this meeting to continue at 6:00 p.m. on Monday, December 3, 2007, in the Council Room, City Hall.

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Michael J. Morey, Mayor

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Robert L. Nelson
City Clerk – Administrator

CONTINUED MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Monday, December 3, 2007

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

ROLL CALL: Members present: Mayor Michael J. Morey; Council Members: Paul Fisch, Randi Vick (6:16 p.m.) and Gary Klug. Members absent: Member Standish. Consultants and City staff present: Randy Shefelbine, Mike Tornstrom, Chuck Gavin and Robert L. Nelson. Visitors present: Charlie Werner, Reporter.

BUSINESS ITEMS:

A. POLICE DEPARTMENT STAFFING: Chief Shefelbine said he had contacted the League of Minnesota Cities and the Attorney Generals Office as well as the POST Board. He asked each of them whether or not the Chief of Police had authority to create a sergeants position and appoint from within the department to fill that position. Although absolute and explicit answers were not given, the League of Minnesota Cities suggested that the Chief of Police may not have the authority to take such action. The Attorney Generals Office could see it happening either way that a Chief of Police had the authority or may not be granted the authority. The POST Board representative commented that when a person such as a Chief of Police is hired to do a job, he or she should be allowed to do the job. Mayor Morey said the City had fielded the question to the City Attorney who held the opinion that there was no authority for the Chief of Police to create a position or appoint from within the department to fill a position. Chief Shefelbine said the POST Board suggested that there should be a human resources study done of municipalities the same size as Caledonia to determine the frequency of cases where the Police Chief would be empowered to take such actions. When asked by Mayor Morey why he had taken the authority to make such an appointment, Chief Shefelbine responded that he had asked the

City Council to consider such position about a month before he took the action. Having heard no response from the City he would then be permitted to create a position and promote to it from within the department. He thought the City should have gotten back to him within that one month period. Chief Shefelbine suggested a three month probationary period for the City to evaluate the position. Mayor Morey commented that there was no pay scale for this position and no real job description in addition to the fact that he was not convinced the position was necessary. He commented that the sergeant cannot supervise other police officers when he or she is not on duty. Mayor Morey also commented that he wanted one supervisory position in the Police Department so that all orders and policies could be traced back to the same individual. Member Klug asked if Sheriff's Officers, such as Lieutenants, could not make command decision responses for Caledonia Police Officers if Randy were not available. When discussion ended, a motion was made by Mayor Morey, seconded by Member Klug, to issue a directive to Chief Shefelbine to withdraw and vacate the sergeants' position. All members present voted in favor and the motion was declared carried.

Chief Shefelbine informed the City Council that Police Officer Allan Johnson had successfully written and received a grant to purchase an AED for the Squad Car.

B. EMERGENCY RESPONSE POLICY: Mike Tornstrom, Ambulance Director and Chuck Gavin, Fire Chief, discussed and agreed that a Policy should be in place stating that when the ambulance service was dispatched to an automobile accident, the Fire Department Rescue Vehicle should be dispatched at the same time. Also, when the Fire Department is dispatched to a structure fire, the ambulance service should be dispatched at the same time. Following discussion, a motion was made by Mayor Morey, seconded by Member Vick, to assign City Staff to draft a policy describing the above circumstances and present it back to the City Council. All members present voted in favor and the motion was declared carried.

C. RESOLUTION – FIRE RELIEF ASSOCIATION: Clerk Nelson reported that Bob Lemke, Fire Relief Association Gambling Officer, informed him that the Resolution presented at the November 26 meeting and tabled was to have been submitted to the State on or before December 2. Therefore, Mayor Morey and Clerk Nelson signed the Resolution having dated it December 3 and requesting the Council to ratify it at this time. The rational for signing is that Bob Lemke agreed to attend the December 10 Regular Council Meeting and inform the Council of the profits and losses and distributions made from the Fire Relief Association Gambling. At that time a motion was made by Member Fisch, seconded by Member Vick, to approve the Resolution for the Fire Relief Association to obtain leases from The Ranch and Elsie's Bar and Café. All members present voted in favor and the motion was declared carried.

D. FIRE DEPARTMENT POSITIONS AND PAY: Clerk Nelson informed the Council that over calendar year 2007 the position of Fire Marshall was sometimes vacant and duties of the Fire Marshall were performed by the Fire Chief. Therefore the recommendation from the Fire Department and from Clerk Nelson is that the $600 annual wage assigned to the Fire Marshall should be paid to the Fire Chief, Chuck Gavin. Following brief discussion, a motion was made by Mayor Morey, seconded by Member Fisch, to authorize payment of the Fire Marshall's wage of $600 for 2007 to be paid to Fire Chief Chuck Gavin. All members present voted in favor and 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 Klug. All members present voted in favor, the motion was declared carried and the meeting then adjourned at 6:34 p.m. The next Regular Meeting of the City Council is scheduled for 7:00 p.m., Monday, December 10, 2007, in the Council Room, City Hall.

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Michael J. Morey, Mayor

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Robert L. Nelson
City Clerk – Administrator

SPECIAL MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Monday, December 3, 2007

CALL TO ORDER: Following due call and notice thereof, Mayor Morey called the meeting to order at 6:35 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. Members absent: None. Consultants and City staff present: Stephanie Mann, Michael Gerardy, Mike Tornstrom, Chuck Gavin and Robert L. Nelson. Visitors present: David Graf and Charlie Werner, Reporter.

2008 BUDGET AND 2007 LEVY: At this time Mike Tornstrom, Ambulance Director, made recommendations for the Ambulance Department budget for 2008 encouraging the Council to consider a new position within the ambulance service for a crew leader to be designed for a person who lives in town and has the ability to conduct training sessions and direct the other attendants at times that the ambulance director would not be available. This would include the ability to conduct the twice monthly meetings, including training programs. Mr. Tornstrom recommended the reimbursement for this position would be a call rate of $16 per hour. Mike Gerardy reviewed some of the items deemed most important to be kept in the budget for 2008 including some items which would be anticipated to provide better efficiency and save the City money in day to day operation. Mr. Gerardy and Chuck Gavin, Fire Chief, discussed a vehicle which could be utilized both for the fire department and for other city purposes, being a water tanker. Stephanie Mann, City Accountant, then guided the Council through a 38 page draft budget listing for revenues and expenditures of the general fund. Thereafter, the Council reviewed the line item budget making over $182,000 of decreases in expenditures and making over $11,000 of increases in revenues.

Charlie Werner, Reporter, left the meeting at 9:45 p.m.

Analysis of the draft line item budget continued until 11:55 p.m. when the Council completed its review. Mayor Morey closed the Truth-N-Taxation Public Hearing.

ADJOURNMENT: There being no further business before the Council, a motion to adjourn was made by Mayor Morey and seconded by Member Standish. All members voted in favor, the motion was declared carried and the meeting then adjourned at 11:55 p.m.

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Michael J. Morey, Mayor

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Robert L. Nelson
City Clerk – Administrator