

REGULAR MEETING OF THE CITY COUNCIL  
CITY OF CALEDONIA, MINNESOTA  
Monday, December 10, 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: Michael Gerardy, Stephanie Mann and Robert L. Nelson. Visitors present: Toby Burrichter and Charlie Warner, Reporter.

CONSENT AGENDA: Following brief discussion, a motion was made by Member Vick, seconded by Member Klug, 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 Monday, November 26, the Continued Meeting held Monday, December 3, and Special Meeting for Truth N Taxation held December 3, 2007, as presented.

B. LICENSES: To approve Cigarette/Tobacco Licenses for Quillins IGA, Kraus Oil, Kwik Trip Store #733 and Good Times Supper Club. Further, to approve a Liquor License and Sunday Liquor License for Good Times Bar & Restaurant, Elsie's Bar and Grill, The Ranch and Starlite Bowling Center. Further, to issue a Club License to the American Legion Club. These license authorizations are made contingent upon the applicants completing all necessary paperwork and paying all fees.

C. CONTRIBUTION: To accept a contribution from the American Legion Post #191 in the amount of \$200 and pass that contribution on to the 2008 Balloon Rally Committee.

D. MINNESOTA LAWFUL GAMBLING: To approve an Application for Exempt Permit submitted by the Caledonia Rod and Gun Club, proposing to conduct a gambling event on March 28, 2008, in the Caledonia City Auditorium, 219 East Main Street, to include raffles and tip boards, and to waive the waiting period.

E. MINNESOTA LAWFUL GAMBLING: To approve an Application for Exempt Permit, submitted by Caledonia Founders Inc. proposing to conduct a gambling event on January 25, 2008, in the Caledonia City Auditorium, 219 East Main Street, to include raffles, pull-tabs and tip boards, and a waiver of the waiting period.

VISITORS AND COMMUNICATIONS

A. AMBULANCE DEPARTMENT: Mike Tornstrom, Ambulance Director, was unable to attend this meeting.

B. FIRE RELIEF ASSOCIATION GAMBLING REPORT: Robert Lemke, Fire Relief Association, was unable to attend this meeting.

C. BUDGET AND LEVY

1. 2008 GENERAL FUND BUDGET: Stephanie Mann, Accountant, reviewed all changes made to the draft budget at the meeting of December 3 and made any mathematical corrections. Ms. Mann informed the council that the revised budget of \$2,032,890 had a \$23,850 deficit of expenses over revenues after making all council directed adjustments and mathematical corrections. These changes included eliminating the air conditioning unit from City Hall and adding the air conditioning unit for the City Auditorium. This budget also eliminated one police officer position. Ms. Mann also commented that the plan may require specific decreases or under spending in some areas.
2. 2007 LEVY: At this time Ms. Mann and Clerk Nelson recommended to the Council the 16% Levy increase as advertised in September. Following discussion, a motion was made by Mayor Morey, seconded by Member Standish, to set the 2008 General Fund Budget at \$2,032,890 as discussed in sub-paragraph 1, above, and to declare a 2007 Levy of \$494,952, being a 16% increase over last years levy of \$426,683. Members voting in favor: Morey, Fisch, Vick and Standish. Opposed: Klug. The motion was declared carried.

- 3. DEPARTMENT BUDGET REVIEW: Following brief discussion, a motion was made by Member Standish, seconded by Member Fisch, to direct Ms. Mann to meet with individual department heads once every two months to update them on the remaining budget balance for the year to keep on target for each department and to advise the council of any emergencies which would threaten a balanced budget. All members voted in favor and the motion was declared carried.
  
- 4. CAFETERIA PLAN: Ms. Mann informed the Council that a cafeteria plan had been studied in detail and employees were asked if they would enjoy having a cafeteria plan for child care, insurance expense and reimbursement of medical and dental expenses. The responses seemed favorable toward a plan and Mr. Mann then reviewed an outline of the terms for maintaining a cafeteria plan and advantages to the City. Following discussion, a motion was made by Mayor Morey, seconded by Member Fisch, to authorize starting a cafeteria plan for those employees who work 14 or more hours per week, include a 30 day waiting period from the date of employment and authorize a 2.5 month grace period for submitting claims at the start of each year along with declaring a maximum of \$1,500 for health care reimbursement expense. All members voted in favor and the motion was declared carried.

D. ADMINISTRATIVE COORDINATOR

- 1. STREET SWEEPER: Mike Gerardy, Administrative Coordinator, informed the Council that it was extremely important to keep the street sweeper in the budget because this was one of the last 2 or 3 models available for the year of manufacture. When these few were sold, the newer models would cost approximately \$30,000 more. The salesman said the actual price for state bid was \$147,149. He would give the City of Caledonia an additional \$18,165 discount and would give the City \$7,500 on trade-in of their present street sweeper, leaving the cost of the new sweeper at \$121,484.
  
- 2. SNOW PLOW: Mr. Gerardy explained that one snow plow on a City vehicle was breaking down almost every time it was used and requested authorization to order a new plow for an estimated cost of \$12,000. Following discussion, a motion was made by Mayor Morey, seconded by Member Fisch, to authorize Mr. Gerardy to order a new plow for the estimated cost of 12,000. All members voted in favor and the motion was declared carried.
  
- 3. BOILER PLUMBING LEAK: Mr. Gerardy reported that Myron Kinneberg, Custodian, said he has found it necessary to add water to the boiler system repeatedly over the last several days. Because of the snow melting between the City Auditorium and City Hall, there is suspicion that one or more of the boiler pipes leading to the City Hall has broken and is allowing steam and hot water to escape. Mr. Gerardy said he would contact a plumber to follow up on investigation of the problem.

E. COMMUNICATIONS

- 1. Letter, 12-4-07, Danielson Insurance Agency.
- 2. Letter, 12-3-07, Mediacom.
- 3. Lacrosse Disposal System, November 2007.
- 4. Historic Bluff Country, December 2007.

CLAIMS

A. PREPAID CLAIMS: Following review, discussion and deliberation, a motion was made by Mayor Morey, seconded by Member Vick, to approve the Prepaid Claims list for November 2007. All members voted in favor and the motion was declared carried.

Caledonia True Value	Miscellaneous Expense	214.03
EO Johnson Company	Maintenance Agreement	153.45
Hoskins Electric Company	General Install – Partial Payment	10,414.00
Houston County Attorney	30% of 1977 Ford Sold by PD	237.00
Jack Neumann Trucking	Liquor – Freight Expense	104.50
Jahn’s Transfer Inc.	Liquor – Freight Expense	61.00
Johnson Brothers Liquor Co.	Liquor / Wine	2,891.35
Kraus Oil Company Inc.	Diesel	1,348.00
Ness, Paul	Pay Equity Assistance	148.50
Northern Beverage Distribution	Beer	562.20
Paustis & Sons Wine Company	Liquor Store – Wine/Beer	214.00

Petty Cash	Replenish Petty Cash	72.27
Phillips Wine & Spirits Co.	Liquor / Wine	1,320.55
Quillins	Miscellaneous	121.17
Schott Distributing Co, Inc.	Beer	2,482.60
Spring Grove Soda Pop, Inc.	Beer / Soft Drinks	89.00
Bank of the West	Federal/FICA/Medicare	6,580.46
City of Caledonia Emp. Assn.	Association Dues – Month of November	80.00
Commissioner of Revenue	State Withholding	1,138.87
Minnesota NCPERS Life Ins.	NCPERS	64.00
MN Benefit Association	MBA	157.27
Orchard Trust Co., LLC	TSA	1,480.00
Public Emp. Retirement Assn.	PERA	4,661.45
Alltel	Communication Expense	142.75
Caledonia Oil Company	Unleaded	1,537.60
Jack Neumann Trucking	Liquor – Freight Expense	35.00
Knife River Midwest, LLC	New Electric Shop – Rock	513.13
Northern Beverage Distribution	Beer & Credit	1,091.15
Schulze Plumbing and Heating	Water–Repair Service (Ehlers & Kuecker)	4,881.30
Taser International	Training/Allan Johnson	95.00
SE MN Historic Bluff Country	Tourism	1,645.82
Myron Corp	PD-Calendars (53)	143.69
Bonanza Grain, Inc.	New Electric Shop & Misc.	1,441.48
Brad’s Electric, Inc.	Pitching Machine & Temp Generator	569.80
Bubbers Jewelry	2007 Football Plaque	127.88
Gavin, Mike	Animal Control	75.00
Griggs, Cooper & Company	Liquor / Wine	987.05
Houston County Treasurer	Ho. Co. Collection Site – December	3,310.00
Schott Distributing Co, Inc.	Beer	7,118.20
Spring Grove Soda Pop, Inc.	Beer	167.50
United Parcel Service	UPS Fee	74.39
US Postal Service	Postage Stamps	140.00
USA Mobility Wireless Inc.	Communication Expense	53.09
Caledonia Volunteer Fire Dept.	2007 Fire State Aid	22,663.00
US Postal Service	Utility Billing November 2007	333.85
Frauenkron & City, John	Meter Deposit Refund	202.22
Heaney & City, Jodi	Meter Deposit Refund	133.65
Klug & City, Casey & Kari	Meter Deposit Refund	85.23
Meyer Brothers	Floor Repair / ADA Ramps / Gen. Build.	9,031.00
Munson & City, Lance	Meter Deposit Refund	86.25
Murphy & City, Mike	Meter Deposit Refund	138.89
Pitts & City, Corina	Meter Deposit Refund	85.07
Schutte & City, Jennifer	Meter Deposit Refund	127.28
Smith, City, Myrtle	Meter Deposit Refund	83.38
MN Department of Revenue	Sales / Use Tax	14,464.00
Northern Beverage Distribution	Beer	1,938.35
Richard’s Sanitation	Recycling – Collections November	5,687.00
Schott Distributing Co, Inc.	Beer	3,084.45
Spring Grove Soda Pop, Inc.	Beer	174.50
Ziebell’s Hiawatha Foods, Inc.	Liquor – mix	15.25
Eitzen State Bank	GO Tax Inc. Bonds 1999	6,568.75
Merchants Bank	Principal & Interest	14,199.85
Tri-County Electric Co-op	Green Acres Lighting & Tree Disposal	83.30
Bank of the West	Federal/FICA/Medicare	13,788.52
Caledonia Oil Company	Diesel	1,849.80
Caledonia Police Association	PD Association Dues	60.00
Caledonia Ready Mix, Inc.	Generator Building – Concrete	474.90
Caledonia Rotary Club	City Membership 1 <sup>st</sup> Quarter 2008	90.00
Commissioner of Revenue	State Withholding	1,663.41
Griggs, Cooper & Company	Liquor / Wine	1,191.68
Jack Neumann Trucking	Liquor – Freight Expense	74.00
Johnson Brothers Liquor Co.	Liquor / Wine	1,890.13
Merchants Bank	ACH Fee December 2007	20.43
Nelson, Robert L.	Reimbursement – Parade Candy	75.33
Orchard Trust Co., LLC	TSA	1,480.00
Phillips Wine & Spirits LLC	Liquor / Wine	766.55
Principal Life	Life/Ad&d/STD	637.10
Public Emp. Retirement Assn.	PERA	5,922.68

Tornstrom, Michael	Mileage Reimbursement	22.25
US Bank NA	Sewer Revenue Bonds of 2002	58,602.50
VISA	Miscellaneous Items	550.31
Bluff & Valley Balloon Valley	Donation From American Legion	200.00
Sam's Club	Ambulance – Parade Candy	50.38
Ace Link Telecommunications	Communication Expense	977.47
Blue Cross Blue Shield of MN	Health Insurance	22,559.00
Northern Beverage Distribution	Beer	713.10
		<u>\$ 251,590.31</u>

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 for November 2007. All members voted in favor and the motion was declared carried.

Ability Building Center	Park Areas – Flag Repair	24.00
Affordable Tech. Solution	Office Miscellaneous Items	507.66
Airgas North Central	Oxygen / Acetylene	69.65
Albert, Marvel	Defective Sidewalk Replacement	160.00
Alco Discount Store	Cleaning Supplies & Bulbs	12.77
Artic Glacier Inc.	Ice	101.06
Baker & Taylor Books	Library Books	611.19
Better Homes & Gardens Books	Crafting for the Holiday	31.91
Betz, Alexander	Black Dirt	630.00
Caledonia Implement Co.	Miscellaneous Items	704.76
Caledonia Lumber Co.	Foam Poly, Screws/Bits	56.61
Caledonia Oil Company	Diesel	162.59
Carquest Auto Parts	Oil Filter	27.94
Clarey's Safety Equipment, Inc.	Testing Expense	185.50
Communications Service Inc.	Pager / Radio Repair	152.03
Crystal Canyon Inc.	Cooler Rent	71.11
Curt & Candy's Hardware Hank	Miscellaneous Items	172.91
D S Electric Supply Inc.	Light – Inventory	961.60
Davy Laboratories	Lab, 3 Total Coliforms	1,703.20
ECM Publishers, Inc.	Advertisements	488.80
EDC Educational Services	Library Books	131.88
Ellingson Motors	Car Wash Tickets	100.00
EMS Regulatory Board	MNSTAR Forms	45.05
Energywise Radiant Inc.	Glo Bar Igniter	80.94
Esch Builders	Mole under Street (John Hauser)	262.00
Extreme Beverage, LLC	Mix/Soft Drinks	32.00
Farmers Coop Elevator Co.	Fertilizer	24.37
Farrell Equipment & Supply Co.	New Shop Epoxy Paint	116.90
Gopher State One-Call, Inc.	22 Location Notifications	31.90
Great River Water Treatment	Boiler Water Treatment	115.42
Gundersen Lutheran	Photos	10.00
Hanson Tire Service, Inc.	4 Tires (Squad # 19)	472.99
Hawkins, Inc.	Chemicals	849.43
HD Supply Waterworks, LTD	Meter / Connections	1,170.94
Houston County Treasurer	Dispose of 4 Tires	12.00
Jack Neumann Trucking	Liquor – Freight Expense	55.00
Johnson Brothers Liquor Co.	Liquor / Wine	1,350.63
Kemske / Oswald Co.	Liquor – Inventory Sheets	140.55
Midland Telecom Inc.	Charger	42.40
Midwest Tape	Library DVD(s)	319.77
Minnesota Dept. Of Commerce	3 <sup>rd</sup> Quarter Fiscal Year	276.01
Minnesota Dept. Of Health	Water Service Connection Fee	1,809.00
Minnesota Energy Resources	Natural Gas	5,417.39
Mississippi Welders Supply	Oxygen	39.62
Municipal Pipe Tool Co., Inc.	TV Inspection of Sanitary Sewer	4,638.60
Nelson Flag & Display	X-Mas Bulbs	34.50
P & H Services	Radio & Installation	2,012.22
P & T Electric	Parts for 84 Snow Plow	178.14
Phillips Wine & Spirits co.	Liquor / Wine	749.50
Pladsen Ford, Inc.	2006 Crown Vic Repair	494.39
PowerPlus Engineering, LLC	4 Year Plan	156.00
Richard's Sanitation	Refuse Disposal – Nov 2007	262.08
Rippe, Hammell & Murphy	Prosecution Matters	3,204.00

Schilling Supply Company	Roll of Towels	110.46
Schulze Plumbing and Heating	Repair Parts, Water Main Break, Boiler	674.22
SE Libraries Cooperating	Auto Fees	419.33
St. Mary Auto Body Shop	Bumper Repair	175.52
Tom's Speedometer Shop	Lock Repair	60.00
Tri-County Electric	Electric Energy	133,219.79
Tri-Anim Health Services, Inc.	Supplies	533.39
United Auto Supply, Inc.	Miscellaneous Items	188.93
Weichert Motors	Dougherty Mirror	98.49
Wennes Communications	Caledonia Football AD	200.00
Wiebke Tire Company	New Holland Skid Loader Tires	60.00
Winona Controls, Inc.	Water Pump Repair	287.00
WWTP MPCA PFA Loan Fund	1993-96 PFA Loan Fund	3,500.00
		\$ 170,998.04

OLD BUSINESS

A. CITY EMPLOYEE LABOR ASSOCIATION LABOR AGREEMENT: Member Fisch informed the Council that negotiations had been successfully completed earlier that evening with the Caledonia Employee Association. He reported the areas to be changed in the labor agreement which are as follows. A motion was made by Member Fisch, seconded by Member Klug, to approve the changes listed below and enter them into the labor agreement for the period January 1, 2008 through December 31, 2010. All members voted in favor and the motion was declared carried. Further, a motion was made by Mayor Morey, seconded by Member Fisch, to allow the employees to take the full day of Christmas Eve off as a holiday this year, still being under the old agreement, and work a full day on New Year's Eve. All members voted in favor and the motion was declared carried.

12.31 OUT OF CITY TRAVEL: "...receive mileage reimbursement at the current federal rate."

12.35 CLOTHING ALLOWANCE

12.351 EMPLOYEES WORKING OUTSIDE

"Employees shall receive an initial distribution of five (5) garments (with lettering if shirts) for the first calendar year employed, then \$125.00 annually with receipts submitted to the Clerk's Office documenting purchases."

13.532 EMPLOYEES WORKING INSIDE

"Employees shall receive an initial distribution of two (2) garments (with lettering if shirts) for the first calendar year employed, then \$60.00 annually with receipts submitted to the Clerk's Office documenting purchases."

AND: Liquor Store Part-time Employees: To receive one shirt annually with lettering.

15.1 HOLIDAYS

Combine New Year's Eve with Christmas Eve for a full day off on Christmas Eve, making December 31 a regular workday.

15.3 HOLIDAYS (Continued)

"Employees who perform work on a holiday shall be paid the base rate for the holiday and base rate for each hour of advance scheduled work. In the event of mandatory call-out for unplanned, emergency work, payment shall be made at the rate of 1.5 times the base rate for each actual hour of work."

16.23 SICK LEAVE

Add "Parent-in-law" to list of immediate family.

WAGES:	Increase per hour.		
	2008	2009	2010
	\$0.60	\$0.65	\$0.70

B. WAGES, NON-ASSOCIATION STAFF: Member Fisch and Mayor Morey presented a summary of their recommend for wage increases to those who are not members of an association. Following their summary, a motion was made by Member Fisch, seconded by Mayor Morey, to approve the 2008 wages of non association staff as listed below. All members voted in favor and the motion was declared carried. Any names or positions not listed remain the same as 2007.

NAME	2007 RATE	2008 RATE
Robert L. Nelson	\$62,000	\$64,000
Stephanie Mann	\$ 17.00 per hour	\$17.75 per hour
Randy Shefelbine	\$ 25.50 per hour	\$ 26.00 per hour
Ambulance Attendants	\$ 12.00 per hour	\$ 14.00 per hour
Marla Burns	\$ 13.70 per hour	\$ 14.30 per hour
Eileen Jacobson	\$ 10.60 per hour	\$ 11.20 per hour
Election Judges		
- Head Judge (2)	\$ 7.60 per hour	\$8.00 per hour
- General Judge	\$ 6.85 per hour	\$7.25 per hour

NEW BUSINESS

A. MEDICAL DIRECTOR: Ambulance Director Michael Tornstrom had previously recommended Eric W. Voter, M.D. for Medical Director for the Caledonia Ambulance Service, considering that Dr. Brenza is transferring back to Chicago and his last day of work in Caledonia is December 19. Following discussion, a motion was made by Member Vick, seconded by Member Fisch, to accept the recommendation of Ambulance Director Tornstrom and appoint Dr. Voter as the Medical Director for the Caledonia Ambulance Service, effective December 20, 2007. All members voted in favor and the motion was declared carried.

B. CONTRACT FOR PROFESSIONAL SERVICES: Following brief discussion, a motion was made by Mayor Morey, seconded by Member Standish, to approve and authorize signing the Contract for Professional Services for the EDA Director Position in Caledonia for an amount of \$33,422 for calendar year 2008 being a \$1,130 or 3.5% increase over the contract amount for calendar year 2007 (\$32,292). All members voted in favor and the motion was declared carried.

C. ONE-WAY TRAFFIC PROPOSAL: Clerk Nelson reported that Norman Snodgrass proposed a plan for one-way traffic on South Kingston Street from Main Street to Washington Street where traffic would travel in a southward direction and parking would be on the east side of the street at a diagonal layout (angle parking). Council Members indicated by general consensus that they were not interested in pursuing or investigating one-way traffic in this 2-block area.

D. SECOND DECEMBER MEETING: The Council decided by general consensus that since the second meeting of the month would fall on Christmas Eve, December 24, that meeting would be cancelled.

E. RATE INCREASES

1. ZONING PERMIT APPLICATION FEES: A motion was made by Mayor Morey, seconded by Member Standish, to increase the Zoning Permit Application Fees according to the sample shown below. All members voted in favor and the motion was declared carried.

	<u>2007 Rate</u>	<u>2008 Rate</u>
New Commercial/Industrial/Organizational Bld.	\$ 150.00	\$ 200.00
New Residential Building	\$ 75.00	\$ 100.00
New Addition to Existing Building	\$ 40.00	\$ 50.00
New Garage	\$ 40.00	\$ 50.00
New Utility Shed (256.1 sf and larger)	\$ 40.00	\$ 50.00
New Utility Shed (80.1 sf to 256 sf)	\$ 20.00	\$ 40.00
New Deck (raised wooden structure, over 100 sf)	\$ 20.00	\$ 40.00
Sewer Connection Fee	\$ 150.00	\$ 160.00
Water Connection Fee	\$ 75.00	\$ 85.00
Water Meter (Residential Remote 5/8")	\$ 115.00	\$ 125.00

2. SWIMMING POOL & ATHLETIC FIELD FEES: Following brief discussion, a motion was made by Member Fisch, seconded by Mayor Morey, to increase the Athletic Field and Pool Rates as shown on Addendums #13A & #13B. All members voted in favor and the motion was declared carried.

<u>Summer Recreation Fees</u>	<u>2007 Rate</u>	<u>2008 Rate</u>
14 and Under	\$ 35.00	\$ 40.00
12 and Under	\$ 35.00	\$ 40.00
10 and Under	\$ 35.00	\$ 40.00
Pee Wee	\$ 20.00	\$ 25.00
T-Ball	\$ 20.00	\$ 25.00
Family Max	\$ 80.00	\$ 90.00
<u>Swimming Pool Fees</u>	<u>2007 Rate</u>	<u>2008 Rate</u>
LEVEL I		
- Residents	\$ 20.00	\$ 25.00
- Non Residents	\$ 25.00	\$ 30.00
LEVEL II-VI		
- Residents	\$ 30.00	\$ 35.00
- Non Residents	\$ 35.00	\$ 40.00
FAMILY PASSES		
- Residents	\$ 85.00	\$ 90.00
- Non Residents	\$ 95.00	\$ 100.00
INDIVIDUAL PASSES		
- Residents	\$ 40.00	\$ 45.00
- Non Residents	\$ 50.00	\$ 55.00

3. LICENSES: Following brief review, a motion was made by Member Fisch, seconded by Member Standish, to withdraw Pool Table License Fees which had been set at \$5.00 per table. All members voted in favor and the motion was declared carried. Further, a motion was made by Mayor Morey, seconded by

Member Klug, to increase the Soft Drink License fee from \$5.00 to \$10.00 per year. All members voted in favor and the motion was declared carried.

4. **PROPOSED AUDITORIUM, CITY HALL & AMERICAN LEGION SHELTER RENTAL RATES:** Following brief discussion, a motion was made by Mayor Morey, seconded by Member Fisch, to increase the City Hall, American Legion Shelter and Auditorium Rates as shown below. All members voted in favor and the motion was declared carried.

	2007 Rate	2008 Rate
City Hall	\$ 25.00	\$ 35.00
Trade Shows (for profit)	\$ 70.00	\$ 100.00
Dining Hall	\$ 50.00	\$ 60.00
Dining Hall & Kitchen	\$ 70.00	\$ 80.00
Dining Hall, Kitchen & Gymnasium	\$ 125.00	\$ 135.00
Private Use (dances, parties, etc...)	\$ 75.00	\$ 85.00
American Legion Bingo	\$ 45.00	\$ 45.00
Government Meetings	\$ 35.00	\$ 45.00
Non Profit Groups (Lions, Legion, etc...)	\$ 65.00	\$ 75.00
Rummage Sales	\$ 45.00	\$ 55.00
School Games/Practices	\$ 20.00	\$ 30.00
American Legion Shelter	\$ 25.00	\$ 40.00

**CLERK’S REPORT**

- A. **POLICE DEPARTMENT REPORTS:** Enclosed with the Agenda was the Officer Activity List and Officer Activity Summary for November 2007.
- B. **MEDICARE AMBULANCE RATE:** Enclosed with the Agenda was a 2007 and 2008 Reimbursement Rate for Ambulance Service from Medicare; the mileage rate increased by 17¢ per mile. The base rate fee increased from \$312.38 to \$306.56, an increase of \$4.18.
- C. **LMC CONFERENCE FOR EXPERIENCED OFFICIALS:** Distributed with the Agenda was a notice of the LMC Conference to be held in Bloomington on January 18 and 19 for a registration fee of \$210.
- D. **EMPLOYEE TIME RECORD:** Enclosed with the Agenda was the Employee Time Record for pay period November 19 – December 2, 2007.
- E. **ELECTRIC DEPARTMENT IMPROVEMENT PROJECT:** Enclosed with the Agenda was an advertisement for bid which will be placed in the Caledonia Argus for a bid opening on January 14. The project will be scheduled to start on or before April 1, 2008.
- F. **RELIABILITY STANDARD:** Enclosed with the Agenda was an article from the Minnesota Municipal Utility Association flyer concerning reliability standards for electric utilities.

**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 voted in favor, the motion was declared carried and the meeting then adjourned at 9:26 p.m. The next Regular Meeting of the City Council is scheduled for 7:00 p.m., Monday, January 14, 2008, 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 17, 2007**

**CALL TO ORDER:** Following due call and notice thereof, Mayor Morey called the meeting to order at 6:30 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: Randy Shefelbine, James Stemper, Gary Bubbers, Mike Gerardy and Robert L. Nelson. Visitors present: Randy Klinski, Doug Ely and Charlie Warner, Reporter.

**BUSINESS ITEM**

A. **POLICE OFFICER HIRING PROCESS:** Discussion was introduced concerning the 4 prospective officers who were to be receiving background investigation for possible hire as a Caledonia Police Officer. Two of the information packets were returned to the police station in a timely manner and two arrived late. The late packets had been sent on Friday by priority mail which the post office declares should be delivered in one day. Both packages, however, did not arrive until the following Wednesday, December 12. Some Council Members expressed the opinion that, having been mailed in a timely manner according to the prescriptions of the post office, those packets should be considered timely and background investigations should be performed on all four candidates. Chief Shefelbine and Sheriff Ely expressed the opinion that it was the candidates' responsibility to assure the packets were returned in a timely manner; even if they had to be hand delivered. Following discussion, a motion was made by Member Fisch, seconded by Member Standish, that background investigations should be conducted on all four candidates. All members voted in favor and the motion was declared carried.

B. **BOILER REPAIR:** Mike Gerardy, Administrative Coordinator, presented estimates concerning the damaged water or steam lines coming from the City Auditorium to City Hall. Randy Klinski, who presented the cost estimates, reviewed the information with the City Council. To replace the broken pipelines from the Auditorium to City Hall would cost an estimated \$10,056 plus an unknown cost for asbestos removal and sidewalk replacement. A second option was to install two new boilers in the City Hall mechanical room which would operate independently from the Auditorium boilers. That would eliminate the need to excavate the damaged pipes between the building and it would provide an improved heating system, sufficiently sensitive to outside temperatures to adjust the level of heat to be provided in the building. Estimated cost for installation of the new boilers and removal of all unnecessary equipment in the mechanical room was \$16,800 except that there was no estimate was provided for asbestos removal or for electrical wiring to the boilers and there was no estimate for any gas company charges to convert the meter to a 2 pound meter. Following significant discussion, a motion was made by Member Fisch, seconded by Member Standish, to select the option for installing the 2 new boilers in City Hall at the estimated cost of \$16,800 acknowledging that there was no estimate given for asbestos removal, electrical wiring to the boilers or any gas company charges to convert the meter to a 2 pound meter. All members 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 Vick. All members voted in favor, the motion was declared carried and the meeting then adjourned at 7:40 p.m.

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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  
Thursday, January 3, 2008**

**CALL TO ORDER:** Following due call and notice thereof, Mayor Morey called the meeting to order at 5:05 p.m. in the Council Room, City Hall.

**ROLL CALL:** Members present: Mayor Michael J. Morey; Council Members: Randi Vick, Gary Klug and Robert Standish. Members absent: Paul Fisch. Consultants and City staff present: Randy Shefelbine, James Stemper, Gary Bubbers, Allan Johnson, Chad Heuser, Timothy Murphy and Robert L. Nelson. Visitors present: Doug Ely, Scott Yieter and Charlie Warner, Reporter.

**BUSINESS ITEM**

A. **PRELIMINARY CONSIDERATION OF ALLEGATIONS OR CHARGES:** Randy Shefelbine, Police Chief, the subject of this meeting, informed the Council that he had not been notified of this meeting until New Year's Eve Day and had not time to find an attorney to represent him at the meeting. He also noted the absence of Paul Fisch, Council Member, who is a Council Committee Member for the Police Department. He presented a copy of Minnesota Statute 626.89, Police Officer Discipline Procedures Act, commenting that he had not received explicit or written notice of the complaint which is the cause of this meeting. He asked of the Council why this complaint had not been brought up on November 26<sup>th</sup> when the Council



learned that he had created the position of Sergeant and appointed James Stemper to the position. He contended there is a period of 10 days to register complaints. City Attorney Murphy concurred that Chief Shefelbine should have opportunity to be represented by an attorney and should have a written notice of the complaint. Chief Shefelbine referred to rules of procedure, contending that usually an outside agency investigates a matter and presents facts of the case. He requested whether or not the City would pay for his attorney fees if he must be represented or asked Attorney Murphy if he as the City Attorney would represent him. Attorney Murphy responded that his duty was to represent the City not individual employees and that as far as paying for attorney fees or reimbursing the cost of attorney fees, there are varying laws that address that depending upon the circumstances. Chief Shefelbine asked if he is allowed to bring witnesses and ask what the actual complaint was that is to be filed and whether or not the letter of reprimand distributed at the beginning of the meeting constituted the actual complaint. Attorney Murphy commented that to declare the letter of reprimand the complaint would be the cleanest way to precede with this. In reference to the letter of reprimand, Attorney Murphy commented that there was no authority for others than the City Council to create positions or give promotions unless delegated by the Council. Chief Shefelbine presented a copy of his Job Description contending that bullet #7 under Essential Functions gave him authority to create the position of sergeant and appoint Officer Stemper to that position. That bulleted item states, "Undertakes or effectively recommends the full complaint of personnel actions including interviewing applicants, hiring, transfer, rewarding and promotion, training, assigning and prioritizing work, coaching and performance evaluation; and recommends actions such as discipline/suspension/discharge to the City Council." He said he discussed the issue with the League of Minnesota Cities, POST Board and other municipalities, some of which said there Chief of Police has authority for such actions. He commented further, that his research of Minnesota Statutes and the like did not reveal any law which prohibited him from such action. When asked if he believed the authority was fully his to take such action why he presented a request to the City Council at the Regular Meeting held October 8 to create a sergeants position, Chief Shefelbine said it was done merely out of courtesy. Member Klug noted that the sergeants' position had already been created and Stemper promoted to that position before Chief Shefelbine returned to the Council Meeting of November 13, requesting again that the Council create the sergeant's position. Chief Shefelbine commented that police must make split decisions and cannot wait a month to do something. Attorney Murphy inquired whether the council might say a misunderstanding occurred if Chief Shefelbine would then accept the fact that he did not have authority to create positions or promote to a new position. Officer Stemper than asked about the circumstances of all other essential functions, i.e., does clarification have to be made on each? City Attorney Murphy, seeking a resolution to the problem, commented that all research is not at hand in this meeting, stating the City Council is normally the body to hire, fire, etc. and that if the City Council were willing to set aside the idea of reprimand, could there be common ground in examining the interpretation of the bulleted item #7 under the essential functions listing? Significant discussion was then held on the #7 bulleted item under essential functions with opposing sides stating how and why they understood the intent of the phrase the way they did. City Attorney Murphy asked Chief Shefelbine again if the City Council were willing to drop the reprimand would the Chief accept Council interpretation of the job description bulleted item #7 that the Council alone had authority to create new positions and make appointments? He further indicated that the issues at hand appear to be whether the City or the Chief had the authority to create a new position, whether the complaint should be filed for a letter of reprimand or whether each side should accept the circumstances that there may have been a misunderstanding and misinterpretation of the job description with the effect being that the City Council has all authority to create positions and promote and that the letter of reprimand would be withdrawn. Chief Shefelbine commented again that he acted in good faith and within the scope of his authority. Member Standish commented that the bulleted paragraph #7 should be rewritten for clarity. He stated further that Chief Shefelbine should be the ultimate person to make that decision, asking the question "are we asking too much here?" Chief Shefelbine said assigning the sergeants position was an effort to streamline the police department, commenting that the Caledonia Police Department had handled 3,050 complaints in 2007. Sheriff Ely informed the Council that he supported Chief Shefelbine and questions why the City is not hiring 2 officers to fully complete the police department as it was a few months ago, commenting that the County had only \$2,700 complaints during 2007. Mayor Morey asked what Chief Shefelbine wanted to straighten this affair out – another officer? Chief Shefelbine replied of course another officer, stating it was a slap in the face to reduce the staffing of the police department. In response to a question from Mayor Morey, Chief Shefelbine said the current grievance proceedings initiated by the Caledonia Police Association is the Associations doing, not his, but that he will testify should the issue go to court or arbitration that his interpretation of his job description authorized his action in creating the sergeants position and promoting Officer Stemper to that position. Officer Gary Bubbers commented that he Chief's concern was to have someone else in authority who can fill-in if he is gone from the Community. Following discussion, a motion was made by Member Vick, seconded by Mayor Morey, to table the question of whether or not a letter of

reprimand should be given to Chief Shefelbine until the issue could be re-discussed with Member Fisch in attendance. Officer Stemper than contented that Member Fisch would not have been privileged to hear all the discussion this evening and would he fully understand what had been done at this time? Following further discussion, Member Vick and Mayor Morey agreed to withdraw their motion. Then a motion was made by Member Klug, seconded by Member Standish that the City would not precede with a complaint against Chief Shefelbine. 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 Vick. All members present voted in favor, the motion was declared carried and the meeting then adjourned at 6:29 p.m.

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Michael J. Morey, Mayor

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Robert L. Nelson  
City Clerk - Administrator