REGULAR MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Monday, December 8, 2008

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: Randi Vick, Gary Klug and Peggy Perry. Members absent: Robert Standish. Consultants and City staff present: Mike Gerardy, Stephanie Mann, Randy Shefelbine, Allan Johnson, Dan Schwirtz and Robert L. Nelson. Visitors present: Tom Murphy, Bob Burns and Steve Schuldt.

CONSENT AGENDA: Following brief discussion, a motion was made by Mayor Morey, seconded by Member Vick, to approve the Consent Agenda items, listed below. Members voting in favor: Morey, Vick and Perry. Opposed: Klug. The motion was declared carried.

A. MINUTES OF PAST MEETINGS: To approve the minutes of the Regular Meeting held Monday, November 24, and Special Meeting held Monday, December 1, 2008, as presented.

B. TOBACCO LICENSES: To approve Tobacco License for a fee of $25 to Quillin's IGA, Kraus Oil and Kwik Trip Store #733.

C. LIQUOR LICENSES: To approve the renewal of Liquor Licenses for Goodtimes Bar & Grill, Elsie's Bar & Grill, The Ranch, Starlite Bowling Center and the American Legion Club.

D. GAMBLING PERMIT: To approve an Application for Exempt Permit submitted by St. Mary's Parish to conduct a Charitable Gambling event at St. Mary's Grade School, 308 East South Street, on February 27, 2009, to conduct a raffle. Further, to approve a waiver of the 30 day waiting period.

VISITORS AND COMMUNICATIONS

A. CITY ACCOUNTANT

1. 2009 BUDGET: Stephanie Mann, City Accountant, reviewed the calculations she had performed since the truth-n-taxation meeting held December 1. After double-checking the changes made that evening she announced the deficit of expenditures over revenues for the general fund budget was still $25,485. Some options to eliminate the deficit include, transfer of the entire $25,485 from the electric department, cutting $25,485 from remaining expenditures, doing a permanent transfer from the electric department for the following outstanding inner-fund loan payments: Police/Ambulance Building $11,650; Sweeper $14,300; and EDA Loan $7,225 for a total of $33,175, leaving a positive balance of $7,690 for the general fund. Another course of action would be to increase the fees being charged for the street lights by either 25¢ or 50¢ per month which would yield an increase of $4,605 or $9,210 per year, respectively. Following several minutes of discussion, Mayor Morey recommended deleting $485 from line item 101.41940.383, city hall gas utilities; $15,000, representing a MRX Monitor from line item 101.42153.540 of the ambulance department, small equipment and $10,000 from line item 101.43121.400 streets, labor and services. This would balance the revenues and expenditures. Following discussion, a motion was made by Mayor Morey, seconded by Member Vick, to make the above mentioned decreases to expenditures thereby balancing the proposed 2009 budget at $1,836,590 for both revenues and expenditures. All members present voted in favor and the motion was declared carried.

2. CERTIFICATE OF INDEBTEDNESS: At this time discussion was raised on the possibility of the City doing a certificate of indebtedness for eligible equipment purchased during the past year or so such that the amount of revenue the City were to reimburse itself would be eligible for a special levy, not subject to the levy limitation placed upon municipalities by the state. Following discussion and explanation, a motion was made by Mayor Morey, seconded by Member Vick, to accomplish a certificate of indebtedness for $130,000 plus the bond council eligible fees to reimburse the City for its expenditure in the purchase of a fire department tanker. All members present voted in favor and the motion was declared carried.

3. 2008 LEVY, COLLECTIBLE IN 2009: The City Council took up discussion of the proposed levy in the amount of $519,715, being an increase of $24,763 or 5%

over the 2007 levy. Following discussion, a motion was made by Mayor Morey, seconded by Member Vick, to levy the $519,715 as advertised as the proposed levy. All members present voted in favor and the motion was declared carried.

B. POLICE DEPARTMENT

1. ALTERNATE SIDE PARKING: Chief Shefelbine was invited to the meeting to discuss the policies and practices for police officers to deal with alternate side parking. Chief Shefelbine reported there were at this time 43 parking citations left over from past years which would be of significant cost to the City and time spent by police and city attorney staff if they were all to proceed to prosecution. He said the issuance of citations for non-compliance with the alternate side parking was not a huge issue to date because there had been no snow. Now that it has snowed, the officers will be more attentive to the alternate side parking as long as they are not on a higher priority duty. He encouraged the street department personal to notify the police officers if they are out plowing and find vehicles on the wrong side of the street. Mayor Morey inquired as to what the procedure for collections was. Chief Shefelbine responded that when citations are issued 50% of the people pay immediately. After the police send a letter a few more persons pay and then the police send another letter which results in again a few more persons paying. He commented that the City of LaCrosse puts the unpaid tabs on people's utility bill. Mayor Morey said their appeared to be a little activity with issuance of citations according to the fines that were paid being that in the year 2006 fines were $2,600, 2007 fines were $1,400 and in 2008 fines were $320.

2. GRANT WRITING ACTIVITY: Chief Shefelbine complemented Officer Allan Johnson, saying that he had written a Safe & Sober Grant earning the City $2,500 from the Department of Public Safety. The award is to be used for traffic safety items. At Chief Shefelbine's request, a motion was made by Member Vick, seconded by Member Perry, to adopt a resolution authorizing acceptance of the traffic safety award, appointing Chief Shefelbine as the person to execute agreements and to administer the grant on behalf of the Caledonia Police Department. All members present voted in favor and the motion was declared carried. The complete resolution is on file at the Police Department and City Clerk's Office. Chief Shefelbine also credited Officer Johnson with successfully writing a grant for 2 defibrillators for a value of $3,000, one for each squad car. One of the defibrillators came from the Arlin Faulk Grant.

C. INQUIRY FOR SNOW CLEARANCE: Dan Schwirtz, Street Department, was present to ask what the City had in mind for snow removal from sidewalks on the old elementary school property. Following discussion, a plan was decided for Mr. Gerardy to contact the Bangor Bank to inquiry about its preparation for winter sidewalk maintenance.

D. COMMUNICATIONS

1. Letter, 11-19-08, Jose Cole Circus.
2. Letter, 11-26-08, Houston County Solid Waste Management Plan.

CLAIMS

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

Houston County Recorder	Recording Fee – Jostad	46.00
Channing Bete	Activity Books – Ambulance	258.87
Credit Bureau Data, Inc.	Collection Fee	138.83
EO Johnson Company	Maintenance Agreement	178.89
Houston County Auditor	2008 Election – Ballot Preperation	240.00
Matco Tools	Shears – Fire Dept.	53.57
MN Municipal Utilities Assn.	Registration Fee – Evans	400.00
Northern Beverage Dist.	Beer	3,028.70
Ranzenberger, Dorothy	2007 Uniform Allowance	39.04
Schott Distributing Co., Inc.	Beer	5,329.05
Spring Grove Soda Pop, Inc.	Beer & Soft Drinks	200.60
Bank of the West	Federal/FICA/Medicare	6,616.27
Commissioner of Revenue	State Withholding	1,160.66
Orchard Trust Co, LLC	TSA payday 11-18-08	1,480.00
Public Emp. Retirement Assn.	PERA	5,145.56
Affordable Technology Solution	Smart Switch/Battery Backup/Tech	1,116.27

Business Financial Planning	Cafeteria Plan	544.98
Caledonia Haulers, Inc.	Refund Billing	12,439.20
Caledonia True Value	Miscellaneous Items	212.85
City of Caledonia Emp. Assn.	Association Dues – Month of Nov.	80.00
Franciscan Skemp Healthcare	Cards for Training Classes	12.00
Galls, Inc.	Tape Measure	130.95
Griggs, Cooper & Company	Liquor / Wine	3,509.76
Jack Neumann Trucking	Liquor – Freight Expense	60.00
Metro Sales, Inc.	Copier Agreement	74.15
Minnesota NCPERS Life Ins.	Payday 11-18-08	96.00
Minnesota Trails	Tourism – Ad	152.00
MN Benefit Assn.	Payday 11-18-08	157.27
Petty Cash	Replenish Petty Cash	96.54
Ranzenberger, Dorothy	Reimbursement #10 Envelopes	12.85
Tri-State Ambulance, Inc.	ALS intercept fee	250.00
U.S. Department of Education	Garnishment – Evans	162.10
UCARE	Refund – Error Amb. Billing	577.78
Alltel	Communication Expense	62.21
Aramark	Uniforms	351.40
Connor & City, Mary	Refund – over estimate on water	390.52
Energywise Radiant Inc.	Furnace Repair parts	160.43
Kraus Oil Co. Inc.	Unleaded	926.00
Massman, Michael	Overpayment on final bill	14.30
Schott Distributing Co, Inc.	Beer	3,020.45
Schroeder, Brent	Overpayment on final bill	3.54
SE MN Historic Bluff Country	Tourism	1,344.25
Spring Grove Soda Pop, Inc.	Beer	176.30
Minnesota Dept. Of Health	Pool – 2008 State Assessment	430.00
Ron Ducharme	Reimbursement for 3 Rakes	117.86
Amaril Uniform Company	Safety Uniforms	245.32
Bound Tree Medical, LLC	Ambulance – Supplies	642.59
Houston County Highway Dept.	Chloride Applied	48.50
Tri-State Ambulance	Intercept Fee	250.00
USA Mobility Wireless Inc.	Communication Expense	57.37
Houston County Recorder	Recording Fees	138.00
Jack Neumann Trucking	Freight Expense	76.00
Johnson Brothers Liquor Co.	Liquor / Wine	742.98
Phillips Wine & Spirits Co.	Liquor / Wine	1,267.64
Rogich, Mike	Tree Removal	750.00
UCare	Refund – Void Check	-577.78
US Postal Service	Water – Utility Billing Clerk	336.97
Ziebell's Hiawatha Foods, Inc.	Liquor – Mix	48.90
Gavin, Mike	Animal Control	75.00
Houston County Treasurer	Ho. Co. Collection Site	3,330.00
MN Dept. of Revenue	Sales/Use Tax	12,852.00
Richard's Sanitation	Recycling Collections	5,836.45
Schmidt, Joannie	Training Stethoscopes	26.00
Feil & City, Darrin	Meter Deposit Refund	219.80
Fromm & City, Shelia	Meter Deposit Refund	137.38
LaFayette & City, Jeanne	Meter Deposit Refund	126.08
Massman, Michael	Meter Deposit Refund	129.13
Peters & City, Jason	Meter Deposit Refund	219.80
Sultze & City, Jared/Jamie	Meter Deposit Refund	219.80
Wood, Dayle	Meter Deposit Refund	125.00
Bank of the West	Federal/FICA/Medicare	8,318.72
Business Financial Planning	Cafeteria Plan	544.98
Caledonia Police Reserves	PD Association Dues	85.00
Commissioner of Revenue	State Withholding	1,397.17
Griggs, Cooper & Company	Liquor / Wine	1,106.21
Jack Neumann Trucking	Liquor – Freight Expense	35.00
MN Department of Agriculture	Concession Stand – Food License	102.00
Nelson, Robert	Reimbursement – Parade Candy	79.92
Northern Beverage Dist.	Beer	2,307.25
Orchard Trust Co, LLC	payday 12-2-08	1,480.00
Public Emp. Retirement Assn.	PERA	6,118.24
Schott Distributing Co, Inc.	Beer	7,187.40
Spring Grove Soda Pop, Inc.	Beer	140.00

Tri-County Electric Co-op	Electric Energy	79.35
Tri-State Ambulance Inc.	Intercept Fee	500.00
U.S. Department of Education	Garnishment – Evans	161.43
United Parcel Service	Ups Fee	78.63
Bluff & Valley Balloon Rally	Donation from Am. Legion	200.00
Evans, Tim	Reim. of 60% for Course Tuition	300.00
Kraus Oil	Diesel	1,255.00
League of MN Cities	Work Comp (Final Audit)	2,421.00
MN Chiefs of Police Assn.	2009 Membership Dues	130.00
US Bank NA	GO Sewer Revenue Bonds	57,815.00
VISA	Miscellaneous Items	343.46
Ameripride Services	Administrative Cord. – Uniform All.	33.25
Aramark	Clerk's Office – Uniforms	24.99
Burns, Marla	Reimbursement – X-mas Tree	73.84
Hoscheit, Matt	Per Diam for Fire / Mileage	231.04
Principal Life	Life/Ad&d/STD	712.32
		$ 171,582.13

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 November 2008. All members present voted in favor and the motion was declared carried.

Ace Link	Communication Expense	1,049.32
Affordable Tech. Solutions	Office Supplies	932.22
Airgas North Central	Oxygen/Acetylene	94.68
Alltel	Communication Expense	70.44
American Test Center	Fire/Light – Test & Inspect	1,770.00
Artic Glacier Inc.	Ice	58.87
Baker & Taylor Books	Library Books	223.18
Better Homes & Gardens Books	Library Book	31.91
Blue Cross Blue Shield of MN	Health Insurance	27,577.00
Braun Pump & Controls, Inc.	Life Station Repairs	3,518.36
Bubbers Jewelry	Mayor – 2008 Football Plaque	104.55
Caledonia Implement	Hydrant Markers Bolts	10.87
Caledonia Oil Co.	Car Maintenance	77.90
Caledonia Ready Mix, Inc.	Fix Valve Winnebago St.	565.52
Communications Service, Inc.	Pager Repairs/Batteries	459.89
Crystal Canyon Inc.	Drinking Water/Cooler Rental	78.10
Curt & Candy's Hardware Hank	Parts/Misc/Bulbs	135.40
D S Electric Supply	Bulbs	40.62
Dalco	Miscellaneous Supplies	153.84
Davy Engineering	Engineering Fees	3,687.54
Davy Laboratories	3 Total Coliforms/Lab	1,709.92
Diversified Engraving	Name Signs for new council	23.42
ECM Publishers	Advertisements	640.60
Ellingson Motors	Van Maintenance	34.50
First Supply	Valve Parts – Winnebago St.	199.24
Franciscan Skemp Healthcare	CPR Cards	18.00
Gavin, Patricia	2008 Uniform Allowance	60.00
Gopher State One-Call, Inc.	21 Location Notifications	29.00
Green Power Equipment	Misc./Generator Labor	313.58
Hawkins, Inc.	Chemicals	1,490.88
Heiman Fire Equipment, Inc.	Hose	485.00
High Voltage Testing & Safety	Test Equipment	148.04
Jack Neumann Trucking	Liquor – Freight Expense	53.00
Johnson Brothers Liquor Co.	Liquor / Wine	1,079.76
Ken's Small Engine	Oil	32.34
Kwik Trip Stores	Diesel Fuel	91.00
Lackore Electric Motor Repair	Battery for cordless drill	130.50
Mathy Construction Co.	Hot Mix	228.44
Michael's Truck Equipment	Truck 004 Part	275.84
Midwest Tape	Library – DVD(s)	233.64
Minnesota Dept. Of Health	Water Service Connection Fee	1,809.00
Minnesota Energy Resources	Natural Gas	5,401.05
Mississippi Welders Supply Co.	Oxygen	184.40
M-R Sign Company	Traffic Engineering – Signs	143.97

Nelson Flag & Display	X-mas Bulbs	139.72
Philips Medical Systems	Pedi/Small Adult	192.50
Phillips Wine & Spirits Co.	Liquor / Wine	793.58
PowerPlus Engineering, LLC	4-Year Plan/Engineering Fees	989.44
PT Welding & Driveshaft	Make Wear Bar	91.01
RESCO	Light – Inventory	8,189.85
Schilling Supply Company	Copy Paper/T. Tissue/Bags	450.75
Schott Distributing Co, Inc.	Beer	2,713.46
Schulze Plumbing & Heating	Valve Repair Winnebago St.	525.00
SE Libraries Cooperating	Patron Codes / Barcodes	83.23
Snap-on Tools	Cordless Hand Tool	414.27
Spring Grove Soda Pop, Inc.	Beer & Soft Drinks	133.65
St. Joseph Equipment	Snowblower Repair	1,329.38
St. Mary Auto Body Shop	Door Repair	75.00
Streicher's	Irritant / Aerosol	113.92
Taste of Home Books	2 Cookbooks	52.97
Tri-County Electric Co-op	Electric Energy	146,560.78
United Auto Supply, Inc.	Misc.	15.26
Witt's Pharmacy	Contour Strips	117.98
WWTP MPCA PFA Loan Fund	Loan Payment	3,500.00
Zep Manufacturing Company	Trash Bags/Snow Plow Grease	191.41
Ziebell's Hiawatha Foods, Inc.	Liquor – Mix	16.50
		$ 222,144.99

OLD BUSINESS

A. SEMDC CONTRACT: A motion was made by Mayor Morey, seconded by Member Vick, to approve a contract with SEMDC to provide a person as Economic Development Director for the City of Caledonia, namely Jane Schiltz. The contract amount would increase to $34,592, being an increase of $1,170 or 3.5% over the 2008 contract. All members present voted in favor and the motion was declared carried.

B. EMPLOYMENT: Clerk Nelson explained that the City had been advertising for 2 to 3 months for a Certified Journeyman Lineman, but had received no applications with anyone having that certification. He reported discussion with Matt Blocker who is currently supervising one apprentice lineman and Mr. Blocker stated he believed he could successfully supervise 2 persons. Clerk Nelson then asked for authorization to change the employment solicitation from requiring a Journeyman Lineman to simply a lineman. Following discussion, a motion was made by Member Klug, seconded by Mayor Morey, to authorize advertisement for a lineman with the intent that he would enroll in an apprenticeship program to achieve certification as a Journeyman Lineman. Further, that the wage would be commensurate with his experience and knowledge. All members present voted in favor and the motion was declared carried.

NEW BUSINESS

A. OFFICE HOURS AT CHRISTMAS: A request was made of the Council to authorize the City Clerk's Office to be closed the Friday after Christmas. Explanation was made that the Caledonia Employee Labor Agreement makes the day before Christmas and Christmas Day a holiday which would mean City Hall would be closed. Because Christmas is on Thursday, in order to make an extended weekend, the Association requested approval from the Council for the covered employees to work a half day on Christmas Eve, using holiday leave for the remaining half; then on Friday using the other half day of holiday leave and half a day of vacation or work without pay to take the remainder of the day off. Following brief discussion, a motion was made by Mayor Morey, seconded by Member Vick, to deny the request. All members present voted in favor and the motion was declared carried.

B. CONTRIBUTION: A motion was made by Member Klug, seconded by Mayor Morey, to accept a pass through contribution in the amount of $200 from the American Legion Post 191 to the Balloon Rally Committee (at this time the paperwork was submitted for signature by the City. The check will be sent when the paperwork is returned to the American Legion.) All members present voted in favor and the motion was declared carried.

CLERK'S REPORT

A. EMPLOYMENT: Enclosed with the Agenda was a copy of the ad for City Lineworker Superintendent, showing the due date for applications as December 23, 2008.

B. COUNTY CSAH ROAD FUNDS: Enclosed with the Agenda was a letter to Brian Pogodzinski, Houston County Engineer, asking if the County State Highway Funds for roads

inside municipal limits of less than 5,000 population can be used for city projects such as sidewalk improvements. No response had been received as of this date.

C. POLICE DEPARTMENT: Enclosed with the Agenda was the Officer Activity List and Officer Activity Summary for November 2008.

D. OUTDOOR FURNACES: Enclosed with the Agenda was an illustration of an outdoor furnace showing the recommended height of the chimney alongside homes of varying styles and landscape arrangements.

E. APPRENTICESHIP PROGRAM: Clerk Nelson informed the Council that Tim Evans, Apprentice Lineman, completed book 1 of the Merchant Training Course for Journeyman Lineman. In accordance with the agreement with Mr. Evans, the City shall be reimbursing him $300 toward the cost of that book.

F. INSURANCE COST PROJECTIONS: Enclosed with the Agenda was a letter from Danielson Insurance Agency summarizing the insurance cost projections for the League of MN Insurance Trust Coverage for the year beginning July 1, 2009.

G. EMPLOYEE TIME RECORD: Enclosed with the Agenda was the Employee Time Record for pay period November 17 – 30, 2008.

H. NEW COUNCIL MEMBER TERMS: Clerk Nelson informed those present that according to Minnesota Statute 412.02, Subdivision 2, terms of office begin on the 1st Monday of January.

MISCELLANEOUS ITEMS

A. SECOND MEETING OF DECEMBER: Following brief discussion, the Council opted to cancel the second meeting of December which would fall on Monday, December 22, as had been the past practice for several years.

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 8:47 p.m. The next Regular Meeting of the City Council is scheduled for 6:00 p.m., Monday, January 12, 2009, in the Council Room, City Hall.

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Michael J. Morey, Mayor

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Robert L. Nelson
City Clerk - Administrator