

REGULAR MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Monday, February 25, 2008

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: Mike Gerardy, Stephanie Mann and Robert L. Nelson. Visitors present: Doug Ely and Charlie Warner, Reporter.

CONSENT AGENDA: Following brief discussion, a motion was made by Member Klug, 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 Monday, February 11, 2008, as presented.

B. GAMBLING APPLICATION: To approve a lease for lawful gambling activity, submitted by American Legion Post 191, License Number 00773, to conduct bingo at the Caledonia Auditorium, 219 East Main Street, for a fee of \$165 per month.

C. WATERWORKS OPERATOR SCHOOL: To approve the attendance of Tony Klug, Water / Waste Water Superintendent, to attend the Waterworks Operators School at Rochester on March 12-14 for a fee of \$135 and to include mileage reimbursement and other out of pocket expenses.

VISITORS AND COMMUNICATIONS

A. ADMINISTRATIVE COORDINATOR

1. ENERGY AUDIT: Mike Gerardy, Administrative Coordinator reviewed a 14 page report from Tri-County Electric Cooperative entitled Caledonia Municipal Energy Evaluation, dated February 7, 2008. This report covers inspection of the City Hall, City Auditorium, Police and Ambulance Station and Municipal Liquor Store. While the report acknowledged that a number of energy efficiency changes had already been made in most of these buildings, there were areas which could be improved. There was general agreement that the proposed energy savings corrections would be examined at budget preparation time and worked into the budget in an orderly fashion.

B. ACCOUNTANT: Stephanie Mann, Accountant, reviewed the cash and investment balances, indicating a cash balance of \$395,620.02 as of the end of January 2008 and investment balances of \$2,904,000. Further, an interest income report for calendar year 2007 showed total interest income of \$148,129.56. She also reviewed a schedule of the city's indebtedness. Total indebtedness as of December 31, 2007 was \$2,654,073.33. She also reported information from the auditors, Tostrud & Temp, which stem from new regulations pertaining to financial entities such as the City of Caledonia. Regulations from the Governmental Accounting Standards Board (GASB) now require that the City Council must pass a motion stating that it is acceptable for the auditors to make book entries as well as perform the annual audit. The alternative to making such motion would be for having City staff trained to the point that the annual financial statement could be prepared in-house and submitted to the auditors for review. Following discussion, a motion was made by Member Klug, seconded by Member Standish, to accept the fact that Tostrud & Temp do financial work as well as audit the annual financial records of the city and to continue performing in the same manner until such time as the city may train staff to prepare financial statements in-house. All members voted in favor and the motion was declared carried.

C. COMMUNICATIONS

1. LMC Friday Fax, 2-15-08.

OLD BUSINESS

A. POLICE OFFICER INTERVIEWS: Discussion was held on the panel members who should conduct interviews for police officers or any other departments. Discussion revealed that the Council believed each panel should consist of 2 Council Members, the respective Department Head and the Clerk-Administrator. Following discussion, a motion was made by Mayor Morey, seconded by Member Klug, to assign those parties to be the panel for any interview and hiring process. All members voted in favor and the motion was declared carried. Regarding the police

interviews, Mayor Morey said his business was to active at this time to participate so the Council Committee would be comprised of Member Fisch and Member Vick.

B. APPRENTICESHIP PROGRAM: Clerk Nelson informed the Council that the plan had originally been to provide a completed contract to the Council for review and approval concerning the apprenticeship program for Tim Evans. The state representative, who was to come to Caledonia the past, did not come because of the forecast 8" of snow that day. That individual is now attending a weeklong seminar in Washington D.C. and the apprenticeship contract will not be completed until she returns and reviews the information with Clerk Nelson.

C. ZONING DISTRICTS: Clerk Nelson reported that there was a request from business owners in an Industrial Park within the City, asking if they could improve the basement level of their business property for a home in which to reside. Following discussion concerning the division of lands according to zoning ordinance designations for many years and several editions of the zoning ordinance as well as referencing the comprehensive plan which was just recently re-accomplished for a cost of \$25,000 the Council decided that the double use of the property would be improper as was historically perceived by the zoning ordinance. The council by general consensus instructed Clerk Nelson to send a response to the requesting party saying that approval would not be granted to combine the residential use with the industrial use.

NEW BUSINESS

A. LIQUOR STORE STAFFING: Clerk Nelson reported that Patty Gavin, Manager, requested appointing Steve Meiners as a part-time liquor store clerk to replace a current employee who gave notice of termination at the end of March. Appointment at this time would provide the opportunity for Mr. Meiners to be trained before taking over on scheduled work shifts. Following discussion, a motion was made by Mayor Morey, seconded by Member Vick to appoint Steve Meiners as a part-time liquor store clerk. All members voted in favor and the motion was declared carried.

B. GAMBLING LICENSE: A motion was made by Member Klug, seconded by Member Standish, to approve a Charitable Gambling License for the Caledonia Sno Gophers to conduct gambling at Good Times Bar & Restaurant during the period May 1, 2008 through April 30, 2010, to conduct the sale of pulltabs. All members voted in favor and the motion was declared carried.

C. ZONING ORDINANCE AMENDMENT: Enclosed with the Agenda was a letter to Commissioner Ann Thompson along with a proposed zoning ordinance amendment to designate the Criminal Justice Center and County Highway Department Building as permitted uses in Agricultural and Industrial Districts. Following discussion, a motion was made by Member Standish, seconded by Member Klug, to schedule a public hearing to consider these changes in the zoning ordinance with the public hearing to be held on March 24, 2008. All members voted in favor and the motion was declared carried.

D. AMBULANCE SUBSIDY: Clerk Nelson explained that Ambulance Director Mike Tornstrom and he had spoken with the officers of 2 townships, Mayville and Wilmington, requesting their consideration to increase the township paid subsidy for the ambulance service from \$5.00 per capita to \$7.50 per capita. By general consensus the Council indicated their approval of the request, acknowledging the increases of cost over the several years since the last rate had been set in approximately 1993.

CLERK'S REPORT

A. MINUTES OF THE ANNUAL RURAL FIRE DISTRICT MEETING: Enclosed with the Agenda were the Minutes of Annual Rural Fire District Meeting which was held February 12, 2008. A summary of the decisions made by the Rural Board are as follows:

- 1.) Approved City/Rural Agreement
- 2.) Approved payment of the rural share of the operating expenses of \$38,481.61 for the 2007 year.
- 3.) Approved the 2008 loan payment for the '02 Pumper of \$11,515.00 when due, August 12, 2008.
- 4.) Concur with City to add a third Equipment Custodian to Fireman's Staff and recommend a salary of \$300.00 per year.
- 5.) Concur with City to replace 1975 1200 gal tanker with a new 3300 gal tanker. Payment as previously outlined.
- 6.) Support the City and Firemen in the purchase of an all terrain vehicle to be purchased with the Firemen's monies.
- 7.) Increased Assessment for 2008 by \$5,000 to a total of \$57,500.00

8.) President Kermit McRae, Secretary Norman Oseth, and Treasurer Maynard Welscher were elected as the Executive Board for the 2008 year.

B. ANNUAL REPORT OF WATER USE: Enclosed with the Agenda was the Annual Report of Water Use showing a total of 85,736,423 gallons sold with 109,334,000 gallons having been pumped. The state fee for the municipalities water use was \$496.55.

C. CALEDONIA TOWNSHIP NEWS: Enclosed with the Agenda were copies of the Caledonia Township News, Volume 4, February 1, 2008.

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 8:48 p.m. The next Regular Meeting of the City Council is scheduled for 7:00 p.m., Monday, March 10, 2008, in the Council Room, City Hall.

Michael J. Morey, Mayor

Robert L. Nelson
City Clerk - Administrator