REGULAR MEETING OF THE CITY COUNCIL
CITY OF CALEDONIA, MINNESOTA
Monday, July 14, 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, Robert Standish and Peggy Perry. Members absent: None. Consultants and City staff present: Tony Klug, Matt Hoscheit, Chuck Gavin, Mike Gerardy, Stephanie Mann and Robert L. Nelson. Visitors present: Scott Betz, and Charlie Warner, Reporter.

CONSENT AGENDA: Following brief discussion, a motion was made by Member Standish, seconded by Member Klug, to approve the Consent Agenda Items, stated 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, June 23, 2008, as presented.

B. GAMBLING PERMIT: To approve an Application for Exempt Permit, submitted by Caledonia Founders Days to conduct a charitable gambling event at the Houston County Fairgrounds on August 14, 15, 16 and 17 to conduct bingo. Further, to waive the 30 waiting period.

C. GAMBLING: To approve a request to conduct charitable gambling by the Starlite Bowling Center, 314 Bissen Street, in association with the USBC, WBA, Inc.

D. GAMBLING: To approve a Clerk's Certificate for the American Legion to conduct charitable gambling at the American Legion Club for the duration of the gambling license period.

E. EDA BOARD MEMBERS: To appoint Craig Schroeder, Merchants Bank, to the Economic Development Authority Board for a four year term.

VISITORS AND COMMUNICATIONS

A. COMPLAINT: Scott Betz, 806 West Main Street, informed the Council that Eitzen State Bank had put a shield on the nearest row of fluorescent lights to his home, but failed to shield the second row of lights, which continue to light his yard as had been part of his previous complaint. He reports that the lighting is still too bright, especially when looking out toward Highway 44. Clerk Nelson asked Mr. Betz if he did not think the condition of his property constituted a nuisance to surrounding neighbors. Reference was made to the salvage materials and significant amounts of exterior storage about the property; not only the home at 806 West Main Street but also the home on the north side of the 300 block of East Main Street which had been under rehabilitation for the last several years. During that time there had been extensive quantities of debris about the yard, weeds growing, and the like. The Council finished its discussion within agreement for each council member to inspect the area before making a decision.

B. ADMINISTRATIVE COORDINATOR TOPICS

1. LIFT STATION REPAIR: Mike Gerardy and Tony Klug reviewed 2 estimates received for repair of the Bissen Street lift station. Braun Pump gave a quote of $23,997 and North Star Pump gave a quote of $26,469. Following discussion, a motion was made by Member Klug, seconded by Member Standish, to award the lift station repair to Braun Pump and Controls for their bid price plus an amount totaling up to $27,000 for supplemental work required by an electrician and others. All members voted in favor and the motion was declared carried. Mr. Klug said a second lift station also needed to be rebuilt. That was at the east of end of Bush Street and would probably cost slightly less than this lift station.

2. ZONING AMENDMENTS: Mr. Gerardy and Clerk Nelson introduced recommended Zoning Amendments to assure the quality of housing in residential districts. In addition consideration was given to an application fee of $50. Following discussion, a motion was made by Mayor Morey, seconded by Member Perry, to amend Section 153.079 (E) and 153.094 (E) with additional language as follows. The new language is underlined.

Minimum floor area. There shall be at least three livable rooms contained in each dwelling unit. The following minimum floor areas shall be required. Dwellings shall be designed to be placed on a permanent foundation. <u>A permanent foundation means a basement wall or concrete slab, except</u>

in a Manufactured Home Park where piers or other satisfactory supports may serve as a Manufactured Home foundation with the intent of using skirting material to enclose the gap from the bottom of the structure to the ground. The structure shall have a conventional dwelling roof (an inverted "V") and roof lines similar to the roof lines of other dwellings in the immediate neighborhood, except that this requirement shall not apply to structures located in a manufactured home park.

Further, a motion was made by Member Standish, seconded by Member Vick, to approve the addition of section 153.008. All members voted in favor and the motion was declared carried. The added language is as follows.

Fees for various permits and services in conjunction with Zoning shall be established by the City Council and changed from time to time. These fees may be due before permits are issued or services are rendered. Fees shall be collectible by any means allowed by law.

3. INTERSECTION SIGNING: Mr. Gerardy informed the Council that Police Chief Randy Shefelbine recommended no signing changes for the intersection of West Grove Street and North Decorah Street or for the intersection of East Madison Street and South East Street. Following discussion, a motion was made by Member Vick, seconded by Member Standish, to leave the intersections unsigned or signed as they presently exist. All members voted in favor and the motion was declared carried.

4. WEST MAIN STREET POND: Mr. Gerardy explained that Davy Engineering had completed a study of the capacity of the West Main Street storm water pond, determining that it is sufficient for existing conditions. Further developments, however, will create a need for additional storm water control. Any developer or builder is obligated under Minnesota Statute to control the first ½" of rainfall calculated for all impervious surface areas of an improved parcel. Therefore, any future development would obligate the developer to measure the impervious surface area of the property, including the buildings, driveways and any other areas having an impervious surface and design a storm water pond or other control measure to retain the first ½" of rainfall which would fall on those impervious areas.

C. FIRE DEPARTMENT: Fire Chief Chuck Gavin and Firefighter Matt Hoscheit discussed the following items.

1. FIRE HYDRANT INSPECTION: Following brief discussion, a motion was made by Mayor Morey, seconded by Member Klug, to authorize the fire department staff to inspect and create a record of the inspection for all fire hydrants. A copy of the inspection record is to be filed at the City Clerk's Office. The offer for this inspection is a lump sum of $1,600 and is to be conducted only 1 time in the remainder of calendar year 2008. All members voted in favor and the motion was declared carried.

2. EMERGENCY MANAGEMENT DIRECTOR: The Council discussed whether or not there should be a deputy or assistant emergency management director in the event the Mayor would be out of the City and unreachable during or immediately after a catastrophe. Following discussion, a motion was made by Mayor Morey, seconded by Member Vick, to appoint Chuck Gavin as Deputy Emergency Management Director. All members voted in favor and the motion was declared carried.

3. FIREFIGHTER APPOINTMENT: Upon the recommendation of Chief Gavin, a motion was made by Mayor Morey, seconded by Member Vick, to appoint Wally Macomber and Dillon Becker as volunteer firefighters. All members voted in favor and the motion was declared carried.

4. REIMBURSEMENT FOR THE COST OF BRUSH TRUCK MOTOR: Chief Gavin explained that the auto parts company had given the fire department a $1,300 credit against the motor that blew up in the brush truck. Referencing the recommendation made by the Fire District at the mid-year meeting, Chief Gavin asked if the City wanted the $1,300 credit for city wide use or if it would be turned over to the fire department. The department was in need of some new equipment and hand tools. He reported that the cost of the new motor to replace the one which blew up was $2,281. Following discussion, a motion was made by Member Vick, seconded by Mayor Morey, to authorize the Fire Department to use the $1,300 credit at the auto parts store and to reimburse the remaining $981

to the Fire Department. All members voted in favor and the motion was declared carried.

D. ACCOUNTANT'S REPORTS: Stephanie Mann, City Accountant, reviewed the cash and investment balances as of May 31, reporting total cash and investments in the amount of $2,883,899.99. The change in cash balance since last month was a decrease of $25,708.08. She also reviewed the budget worksheet as of May 31, 2008, showing in the various funds such as the general fund, water fund, and the like, the dollar values and percentages of budget remaining to be spent during the remainder of the year.

E. UTILITY RATE INCREASES: Ms. Mann reviewed a proposed rate increase for the water fund and sanitary sewer base rates. She showed examples of a number of utility bills with different usages to show the effect of the rate increase. Her recommendation was to increase the base rate for water by $.50 per month and to increase the base rate for sanitary sewer by $1.00 per month for each of the categories. She also showed a comparison of utility rates and costs throughout the State of Minnesota and where the City of Caledonia fell into that range. Following discussion, a motion was made by Mayor Morey, seconded by Member Perry to increase the base rates for the water fund by $.50 per month and the sanitary sewer fund by $1.00 per month to be effective with the billing of August 1, 2008. All members voted in favor and the motion was declared carried.

F. BANKING POLICY: Ms. Mann and Clerk Nelson asked for a council committee to meet and discuss whether or not it would be a wise decision for the City to bank with just one institution instead of alternating every two years as it has done for the past several years. Mayor Morey and Member Klug volunteered to be the committee members.

G. COMMUNICATIONS
1. Letter, Mediacom, 7-7-08, Rate Increases.
2. Letter, State Demographic Center, 5-30-08, Population Estimates.

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 June 2008, requesting explanation of the billing from Affordable Technology, payments made to reserve police and the reason for the purchase of a taser. All members voted in favor and the motion was declared carried.

Affordable Tech. Solutions	Tech Services	510.00
Alltel	Communication Expense	48.40
Buttell's Lighting	Bulbs	165.54
Clary's Safety Equipment	Glass Tool, Blades for Glass Tool	1,176.02
CW Von Arx & The Highway 3	Music in the Park	450.00
DeWall & LeRoy	Refund American Legion Shelter Rent	42.60
Fire Safety USA, Inc.	Extrication Glove	57.00
Granny Band	Music in the Park	150.00
LaCrosse Tribune	52 Week Subscription	136.00
PT Welding & Driveshaft	Brush Truck Tank	2,849.49
Schiltz, Jane	Seminar Registration Fee	20.00
Schulze Plumbing & Heating	Faucet / Toilet Repairs	208.80
Shefelbine, Randy	.5 Month Cobra Reimbursement	61.25
St. Mary Auto Body Shop	Paint Transformer	80.00
Tri-State Ambulance Inc.	Intercept Fee	250.00
Winona Controls, Inc.	Boiler Repairs	908.31
Winona Post, Inc.	Employment Ad	131.28
Carquest Auto Parts	Brush Truck Repair Parts	233.27
Glasstech Windshield Repair	Street Truck #06	60.00
Mathy Construction Co.	Asphalt Patching	1,007.54
Merchants Bank	Principal and Interest on Loan	14,199.85
MN Rural Water Assn.	Membership Dues	210.00
Tri-County Electric Co-op	Used Meters – Light	399.38
US Bank NA	GO Sewer Revenue Bonds	12,815.00
Bonanza Grain, Inc.	Crushed Rock	2,916.75
Houston County Treasurer	April 2008 Fluorescent Bulb Coll.	419.32
Image Tech Services	Marking Paint	78.55
Johnson, Allan	2008 Uniform Allowance	268.25
Northern Beverage Distribution	Beer	785.85
Paustis & Sons Wine Company	Liquor Store – Wine	174.00

Printy Quik	Bottle Tickets	51.51
Schmitz Refrigeration, Heating	Cooler Repair	108.47
Schott Distributing Co, Inc.	Beer	6,923.20
Spring Grove Soda Pop, Inc.	Beer & Soft Drinks	153.45
Bank of the West	Federal/FICA/Medicare	9,268.19
Business Financial Planning	Cafeteria Plan	544.98
City of Caledonia Emp. Assn.	Association Dues	80.00
Commissioner of Revenue	State Withholding	1,572.59
Ho. County Sheriff's Office	Evans	167.06
Minnesota NCPERS Life Ins.	NCPERS	64.00
Orchard Trust Co, LLC	TSA	1,480.00
Public Emp. Retirement Assn.	PERA	5,256.73
Shefelbine, Randy	Reimbursement .5 Month Cobra	61.25
Alltel	Communication Expense	62.19
Baker & Taylor Books	Library Books	422.96
Better Homes & Gardens	Library Book	31.91
Caledonia Oil Company	Unleaded	2,125.20
Caledonia True Value	Supplies	449.60
Griggs, Cooper & Company	Liquor / Wine	3,158.40
Highsmith Inc.	CD Albums	42.12
Jack Neumann Trucking	Freight Expense	61.00
Laser Product Technologies	Light – Ink Cartridge	62.05
Leahy, Jason	Labor / Surveillance	45.00
Metro Sales Inc.	Copier Agreement	63.17
Meyer, Michael	Labor / Surveillance	40.00
Mid America MFG & Dist.	Snap Capps	47.76
Midwest Tape	Library – DVD(s)	71.62
Minnesota Historical Society	Microfilm Year 2007	32.50
Northern Beverage Distribution	Beer	1,524.80
Printy Quik	Print Tourney Brochure	52.93
Schott Distributing Co.	Beer	2,939.30
Spring Grove Soda Pop, Inc.	Beer & Soft Drinks	207.15
Taste of Home Books	Library Books	28.98
Welscher, Dianne	Refund Swim Lesson	35.00
Winona Area Ambulance	Contracted Billing	1,742.50
Affordable Tech. Solutions	Tapes / Back-up System	1,158.79
Bovee, Bob	Music in the Park	350.00
Independent School District	City Share Crossing Guard Agreement	1,633.77
Stars of Tomorrow, Inc.	Registration Fee – 14 & Under	175.00
US Postal Service	Postage Stamps	8.50
Bank of the West	Federal/FICA/Medicare Taxes	529.60
Commissioner of Revenue	State Withholding	67.36
Games People Play	Uniforms - Pool (Cost Share)	773.00
Jack Neumann Trucking	Freight – Liquor	90.00
Johnson Brothers Liquor Co.	Liquor / Wine	2,183.94
MN Benefit Association	MBA	157.27
MN Municipal Utilities Assn.	Registration Fee (Blocker & Evans)	350.00
Michael Morey	Reimbursement for Mileage	86.24
Phillips Wine & Spirits	Liquor / Wine	1,437.97
SE MN Historic Bluff Country	Tourism	1,399.35
Ziebell's Hiawatha Foods Inc.	Mix & Can Coolers	92.90
Affordable Technology	Computer Equipment / Labor	2,122.63
Caledonia Volunteer Fire Dept.	Relief Association – 2nd Quarter	600.00
Connie's Body Shop	PD – Tow	185.25
Gavin, Mike	Animal Control	75.00
Holmen Youth Baseball	Registration Fee	125.00
Houston County Treasurer	Ho Co. Collection Site July 2008	3,330.00
MN Department of Revenue	Sales Tax	13,654.00
Richard's Sanitation	Recycling – Collections – June	5,915.55
US Postal Service	Utility Billing June 2008	332.27
Bank of the West	Federal/FICA/Medicare	10,394.32
Business Financial Planning	Cafeteria Plan	544.98
Caledonia Police Assn.	PD Association Dues	60.00
Commissioner of Revenue	State Withholding	1,723.80
Orchard Trust Co, LLC	TSA	1,480.00
Public Emp. Retirement Assn.	PERA	5,713.18
Aasum & City, Lucas	Meter Deposit Refund	76.51

Ace Link Telecommunication	Communication Expense	1,082.32
Affordable Technology Solution	Tech Services	42.50
American Red Cross	Learn To Swim Certificate	19.00
Civic Systems, LLC	Semi-Annual Support	2,215.00
Ellingson Motors	Car Wash Tickets	120.00
Fink & City, James	Meter Deposit Refund	78.19
Florian & City, Rose	Meter Deposit Refund	51.54
Frauenkron, John	Meter Deposit Refund	56.57
Fruechte & City, Deborah	Meter Deposit Refund	133.30
Fusion	Music in the Park	350.00
Good Friends	Music in the Park	400.00
Griggs, Cooper & Company	Liquor / Wine	1,365.37
Hill & City, Jennifer	Meter Deposit Refund	206.58
Hintz & City, Nicole	Meter Deposit Refund	82.43
Hoscheit, Matt	Ambulance – Labor / Standby	12.00
Jack Neumann Trucking	Freight Expense – Liquor	35.00
Jim Busta Band	Music in the Park	599.99
Kinsland & City, Louise Meyer	Meter Deposit Refund	126.66
Liverance & City, Mike	Meter Deposit Refund	129.48
Mashak & City, Rebecca	Meter Deposit Refund	130.13
Meyer, Michael	Ambulance – Labor / Standby	28.00
MN Pollution Control Agency	Certificate Renewal	23.00
Myhre & City, Amber	Meter Deposit Refund	132.56
Northern Beverage Distribution	Beer	3,340.55
Onalaska Park & Recreation	Registration Fee – 14 & Under	125.00
Petty Cash	Replenish Petty Cash	86.27
Phillips Wine & Spirits	Liquor / Wine	461.50
Principal Life	Life/Ad&d/STD	608.05
Schott Distributing Co, Inc.	Beer	6,834.22
Sosnowski & City, Stacy	Meter Deposit Refund	206.27
Southeast Consultants Inc.	EDA Services – 3rd Quarter	8,346.00
Spring Grove Soda Pop, Inc.	Beer & Soft Drinks	218.75
Streicher's	Miscellaneous Supplies-Heuser	558.45
T.A.Z. Crackfilling LLC	Crackfilling	15,640.00
Taser International	Taser (replacement)	350.00
Tri-County Electric	Electric Energy	76.37
Tri-State Ambulance Inc.	Intercept Fee	250.00
United Parcel Service	UPS Fee	111.71
US Bank NA	GO Improvement Loans	23,112.50
USA Mobility Wireless Inc.	Communication Expense	57.37
VISA	Travel Expense, Safety Manuals	439.69
Worthen & City, Matthew	Meter Deposit Refund	212.57
Affordable Tech. Solutions	Tech Services	85.00
Ranzenberger, Katie	Reimbursement – Pool Supplies	10.70
Schott Distributing Co, Inc.	Beer	4,673.57
Spring Grove Soda Pop Inc.	Beer & Soft Drinks	274.40
Eitzen State Bank	GO Tax Increment Bond	432.25
Identity Works	Ambulance – Uniforms	790.91
Jack Neumann Trucking	Liquor – Freight Expense	52.00
Johnson Brothers Liquor Co.	Liquor / Wine	1,190.27
Merchants Bank	ACH Fee – Utility Billing	20.29
Minnesota Energy Resources	Natural Gas	6,326.32
Pearson Education	Instruction manuals – 1st Responder Class	582.74
Phillips Wine & Spirits	Liquor / Wine	1,519.69
Ziebell's Hiawatha Foods	Liquor – Coolers / Mix	73.60
Alltel	Communication Expense	42.82
Blue Cross Blue Shield of MN	Health Insurance	21,652.00
Business Financial Planning	Flex Administration Fees	99.00
MN Municipal Beverage Assn.	Annual Association Dues	395.00
Northern Beverage Distribution	Beer	1,104.35
Schott Distributing Co, Inc.	Beer	5,863.65
Spring Grove Soda Pop, Inc.	Beer & Soft Drinks	342.35
Stars of Tomorrow	Registration Fee	-175.00
		$ 250,646.76

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

Affordable Technology	Office Supplies	598.59
Airgas North Central	Oxygen/Acetylene	71.25
Alco Discount Store	Supplies	143.64
American Safety Utility Corp	Cleaner	66.25
Artic Glacier Inc.	Ice	325.01
B & D Sealcoating MFG	Gravel Road	300.00
B & M Service Center	Diesel	150.00
Baker & Taylor Books	Library Books	809.75
Border States Electric Supply	Inventory	4,447.89
Bubbers Jewelry	Tourney Medals	174.42
Caledonia Implement Co.	Repairs	313.45
Caledonia Lumber Co, Inc.	Repair Supplies	66.99
Caledonia Oil Co.	Gas & Diesel	505.50
Carquest Auto Parts	Equipment	96.35
Clarey's Safety Equipment, Inc.	Fire Extinguisher	31.95
Communications Service Inc.	Pager Repair / Service	2,249.49
Connie's Body Shop	Towing Charge	75.00
Crystal Canyon / Gladden Water	Drinking Water	64.70
Curt & Candy's Hardware Hank	Miscellaneous Items	209.67
D S Electric Supply Inc.	Inventory / Coding Tape	3,162.54
DALCO	Floor Finish / Floor Care	819.77
Davy Engineering	Engineering Fees	3,245.77
Davy Laboratories	3 Total Coliforms / Labs	1,438.54
DEMCO	Office Supplies, Headphones, Sign	72.21
Earl F. Andersen & Associates	Belt Seat	279.56
ECM Publishes, Inc.	Advertisements	1,080.20
Ellingson Motors	Van Maintenance	33.57
Emblem Enterprises, Inc.	100 Patches	335.80
Emergency Medical Products	Miscellaneous Supplies	389.63
First Supply	Storm Sewer / Sewer Charges	380.54
Flexible Pipe Tool Company	Equipment Parts	975.58
Franciscan Skemp Healthcare	AED Cards	24.00
G-Cubed	Survey RR Property	1,550.00
Gopher State One-Call Inc.	34 Location Notifications	49.30
Green Power Equipment	Repair Parts	177.43
Hawkins Inc.	Chemicals	2,906.74
High Voltage Testing & Safety	Testing Expense	65.63
Hoskins Electric Co.	Electrician Expense	1,686.64
Houston County Treasurer	Disposal Fee For Cooler	67.50
Image Tech Services	Marking Paint	99.62
Kemske/Oswald Co.	Receipt Books	293.29
LaCrosse Athletics	Ball Equipment	4,463.00
Lackore Electric Motor Repair	Exhaust Fan Motor Parts	310.44
Laser Products Technologies	Toner	147.25
M. Peters Enterprises, Inc.	Flags	754.02
Mary Ann's Floral	Flowers/Planting	22.00
Matco Tools	Light Department – Tool	14.43
Meisch Upholstery	Miscellaneous Labor	26.10
Menard's	Bulbs, Parts	124.20
Metro Sales	Copier Agreement	50.60
Mid America MFG	Liquor Store - Snap Capps	143.28
Midwest Tape	Library – DVD(s)	131.62
Minnesota Pipe & Equip.	4 Year Plan	94.55
Mississippi Welders Supply Co.	Oxygen	43.45
Mulqueen's Hardware	Liquor Store – Dolly Rent	7.46
Municipal Pipe Tool, Co.	Clean Sanitary Sewers	2,336.00
Myhre, Heidi	Refund Swim Lesson	30.00
P & H Services	Pager Battery	120.00
Paradise Pool & Spa	Miscellaneous Supplies	18.90
Pladsen Ford, Inc.	Repair / Parts	432.67
PowerPlus Engineering	4 Year Plan / Engineering Fees	601.56
Quarter Master	Badge Holder	20.07
Quillin's	Cleaning Supplies	14.59

Racom Corporation	Battery/Etc.	178.92
Rapids Wholesale Equipment	Beverage Cooler	3,440.80
Richard's Sanitation	Refuse Disposal	271.44
Rippe, Hammell & Murphy	Prosecution Matters/General Matters	6,340.00
River Valley Newspaper Group	Employment Ad	421.72
Roble, Jessica	Refund Swim Lesson	35.00
Ronco Engineering Sales, Inc.	Batting Cage Material	143.85
Schilling Supply Company	Towels / Tissue	663.28
Schmitz Refrigeration Heating	Leak in Drain Pan	73.84
Schulze Plumbing & Heating	Heater Repairs	118.75
SE Libraries Cooperating	Barcodes / Auto Fees	431.42
SE MN League of Municipalities	Membership Dues	35.00
Sir Speedy	Copies	19.50
Staggemeyer Stave Co.	½ Scoop Bark	19.17
Storey Kenworthy	Laminating Sheet	27.68
Tostrud & Temp	Final Billing	7,250.00
Tri-County Electric Co-op	Electric Energy	140,754.15
Uniforms Unlimited	Uniforms (Heuser)	254.10
United Auto Supply, Inc.	Miscellaneous Items	174.07
Winona Area Ambulance	Contracted Billing	485.00
Winona Controls	Boiler Parts	357.86
Witt's Pharmacy	Benedryl & Aspirin, Epipen	186.63
WWT MPCA PFA Loan Fund	PFA Loan	3,500.00
Zep Manufacturing Company	Trash Bags	191.71
		$ 205,114.04

OLD BUSINESS

A. POLICE OFFICER POSITION: Members Vick and Klug informed the Council that they had met with Officer Chad Heuser to discuss final arrangements before making a recommendation to the City Council on whether or not the job offer should be made in its final form. The committee had come to the following terms with Officer Heuser. The committee recommended the hire of Officer Heuser with a designated probationary period of 6 months, granting a 6 month successful completion of probation already served since he began full-time employment in October 2007, responding to the loss of 2 police officers at that time. Further, to start him at step 2 of the labor agreement as of his date of appointment and to stipulate that he shall relocate his residents to a 15 minute response time area within 1 year of his appointment or, if unable to during that period, he must seek a further extension from the Council at that time. Following discussion, a motion was made by Member Klug, seconded by Member Vick, to hire Officer Chad Heuser as a fulltime police officer effective this date and according to the terms described above with the current labor agreement step 2 rate being $18.33 per hour. All members voted in favor and the motion was declared carried.

B. BADGES: At this time the Council reviewed a letter submitted by Jason Leahy, Chief of Police Reserves and Allen Johnson, Police Officer and Liaison to the Reserves, requesting the City purchase new badges for the reserve unit. The letter explained that the numbering system is changing in the state and Caledonia officers are going to have to exchange their 400 numbers to 100 numbers in the very near future. Following discussion, the Council by general consensus asked that an estimate be prepared and submitted to the Council indicating the number of badges necessary to purchase with their purchase price.

C. CERTIFICATE OF SURVEY: At this time the Council discussed the Certificate of Survey showing an illustration of the old railroad track and Dean Foltz's property, as well as the City's eastside lift station. The illustration also showed an easement requested by Dean Foltz to obtain ingress and egress privileges to a parcel of land he owns which is located south of the old railroad track. Following discussion, a motion was made by Member Standish, seconded by Mayor Morey, to grant Mr. Foltz an ingress/ egress easement over the area shown from Grant Street across the railroad track to the land he owns on the south side of the railroad track. Members voting in favor: Morey, Klug, Standish and Perry. Opposed: Vick. The motion was declared carried.

D. AMBULANCE SERVICE: Clerk Nelson reported the City received 3 applications for the position responsible for preparing and submitting MN STAR reports for ambulance runs. Following discussion, the Council decided by general consensus to conduct interviews which would be held between 4:30 and 6:00 p.m. on Monday, July 28, before the next Council Meeting.

E. MEMBERSHIP FEES: Clerk Nelson reported that the school superintendent informed him that school representatives pay their own membership fees to Rotary or any other organization. The school district does not pay for any memberships. The school district, however, does not except or demand the staff to belong to any organization. This discussion relates to an item from the past council meeting, asking whether the council wished to continue the practice of paying the membership fee for the EDA Director to attend Rotary Club. Following discussion, a motion was made by Member Vick, seconded by Member Standish, to authorize the City to pay the Rotary Club membership fee for the EDA Director, stating that a council member could attend in her place anytime she was unable to attend the meeting. Members voting in favor: Vick, Klug and Standish. Opposed: Morey and Perry. The motion was declared carried.

NEW BUSINESS

A. WINONA AREA AMBULANCE BILLING CONTRACT: At this time brief review was made of the new contract submitted by Winona Area Ambulance Service to continue billing ambulance runs for the City of Caledonia. Notation was made that the Winona Area Ambulance Service no longer wished to do the MN STAR reporting. Following discussion, a motion was made by Mayor Morey, seconded by Member Perry, to enter the contract for ambulance billing services for the next two year period from July 1, 2008 through June 30, 2010. All members voted in favor and the motion was declared carried.

B. SNO PAC FOODS ELECTRICAL RATE PROPOSAL: The Council reviewed the recommended rate for electrical service for Sno Pac Foods in consideration of their request to operate 24 hours a day, 7 days per week and not have to shut down when their Dairyland Power gave notice of entering a peak demand period. Following discussion, a motion was made by Member Klug, seconded by Member Standish, to approve the proposed rate calculated by PowerPlus Engineering. All members voted in favor and the motion was declared carried.

Rate	Facility	Energy	Demand	Winter	Summer	
Large C & I	$100	$0.050	$8.00	$0.00	$0.00	New Rate
Peak Alert	$160	$0.050	$3.00	$23.10	$42.68	Old Rate

C. NUISANCE CONDITION: Clerk Nelson reported their had been a request from the sponsors of the Relay For Life Cancer Walk which is scheduled for August 1 to mow the grass and cut the weeds around the Caledonia Mall area. Following discussion, the Council directed by general consensus the City should approach the weed problem in its normal routine of sending notices and, if necessary, abating the nuisance.

CLERK'S REPORT

A. MINIMUM WAGE: Clerk Nelson informed the Council that a flyer entitled the "Reporter" announced an increase in the Federal Minimum Wage Law from $5.85 to $6.55 per hour, effective July 24, 2008. The Fair Minimum Wage Act of 2007, further provides for another increase to $7.25 effective July 24, 2009.

B. POLICE DEPARTMENT REPORTS: Enclosed with the Agenda were the Officer Activity Lists and Officer Activity Summary for June 2008.

C. EMPLOYEE TIME RECORD: Enclosed with the Agenda was the Employee Time Record for pay period June 16-29, 2008. Distributed at the meeting was the Employee Time Record for pay period June 30 – July 13, 2008.

D. SEMLM: Clerk Nelson asked if any Council Members would like to attend the Southeast Minnesota League of Municipalities meeting at Hokah on July 29? Member Klug indicated he would like to attend.

E. MOSQUITO INSPECTION: Enclosed with the Agenda was a list of locations observed or treated for mosquitos.

F. CANDIDATES FOR OFFICES: Clerk Nelson informed the Council that the period to sign-up as a candidate for city council is from August 26 – September 9, 2008, inclusive. He asked if any members knew for certain whether or not they would be running for office. Member Standish indicated he will run and Member Klug indicated he will probably run.

G. JOURNEY LINEMAN POSITION: Clerk Nelson reported there were no applications received for the Journey Lineman Position, he said the City would re-advertise and advertise in larger cities and through the MMUA to contact a larger portion of the population.

ADJOURNMENT: There being no further business before the Council, a motion to adjourn was made by Member Klug and seconded by Member Standish. All members voted in favor, the motion was declared carried and the meeting then adjourned at 9:04 p.m. The next Regular Meeting of the City Council is scheduled for 6:00 p.m., Monday, July 28, 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