

City of East Bethel

City Council Agenda

Regular Council Meeting – 7:30 p.m.

Date: August 7, 2013



Item

- 7:30 PM **1.0 Call to Order**
- 7:31 PM **2.0 Pledge of Allegiance**
- 7:32 PM **3.0 Adopt Agenda**
- 7:33 PM **4.0 Hearings and Presentation**
Page 3-12 A. Potentially Dangerous Dog Hearing-Todd Weller, 1608 207th Ave.
Page 13-47 B. EBFDRRA Pension Increase Proposal
- 8:15 PM **5.0 Public Forum**
- 8:30 PM **6.0 Consent Agenda**
Any item on the consent agenda may be removed for consideration by request of any one Council Member and put on the regular agenda for discussion and consideration
- Page 52-56 A. Approve Bills
Page 57-71 B. July 10, 2013 City Council Work Meeting Minutes
Page 72-75 C. July 10, 2013 City Council Special Meeting Minutes
Page 76-81 D. July 17, 2013 City Council Work Meeting Minutes
Page 82-101 E. July 17, 2013 City Council Regular Meeting Minutes
Page 102 F. Resolution 2013-41 Proclaiming Constitution Week
 G. Interim Use Permit Renewal – Mike & Cathy Beason - 3500 196th Ave. NE
Page 103 H. Resolution 2013-42 Domestic Violence Awareness Month
Page 104-110 I. Pay Estimate 24, Project 1, Phase1, Utility Project
Page 111-112 J. Resolution 2013-43, Approving Plans and Specification and Authorizing Bids for Whispering Aspens Overlay Project
Page 113-115 K. Pay Estimate #5, Jackson Street Construction Project
 L. Approval of Internal Hire/Promotion of Receptionist to the Community Development Department Administrative Support I Position
 M. Authorize the Advertisement of the Receptionist Position
Page 116 N. Resolution 2013-44, Accepting Donations from Chops, Inc.

New Business

7.0 Commission, Association and Task Force Reports

- 8:35 PM A. EDA Commission
 B. Planning Commission
Page 117-129 1. James Crews – Conditional Use Permit – 21461 Aberdeen St. NE – Tin Man Fabrication
 C. Park Commission
 D. Road Commission

8.0 Department Reports

- 8:45 PM
Page 130-131
- A. Community Development
 - B. Engineer
 - 1. Improvement Projects Update
 - C. Attorney
 - D. Finance
 - E. Public Works
 - F. Fire Department
 - G. City Administrator
 - 1. Website Policy
 - 2. 2014 Budget Discussion
- 8:50 PM
Page 132-140
Page 141

9.0 Other

- 9:00 PM A. Staff Reports
- 9:05 PM B. Council Reports
- 9:10 PM C. Other
 - 1. Closed Session-Union Negotiations- Minn. Stat. § 13D.03, subd. 1 (b).
 - 2. Closed Session-Active Litigation- Minn. Stat. § 13D.05, subd. 3 (b).
- Page 142
- Page 143

9:40 PM **10.0 Adjourn**



City of East Bethel City Council Agenda Information

Date:

August 7, 2013

Agenda Item Number:

Item 4.0 A

Agenda Item:

Potentially Dangerous Dog Hearing

Requested Action:

Determine if the potentially dangerous dog determination should be maintained, modified or removed.

Background Information:

The hearing requested by the animal owner relates to a dog bite incident that occurred on June 18, 2013. The Anoka County Sherriff's office reported a dog owned by Mr. Weller, 1608 207th Ave., bit a dog owned by Rhiannon Benson, 1709 207th Ave., in the public right of way.

The incident was unprovoked and it is now sufficient to issue a potentially dangerous dog notice pursuant to chapter 10 of the City Code. Staff has included a copy of the incident report and the animal owners appeal. A review of city records indicates that the dog is currently licensed and current on rabies vaccination.

On July 24, 2013, the City received a written request from Mr. Weller for a hearing before City Council. Pursuant to City Code Chapter 10, Section 10-72, they are to be granted a hearing before the city council. Mr. Weller will be present on August 7, 2013 to appeal the determination that the dog in question is a potentially dangerous dog by virtue of the evidence provided in the police report.

The City Council pursuant to Section 10-72 has several obligations and options regarding this matter.

1. Conduct the hearing allowing the owner to present reasons why the potentially dangerous dog determination should be lifted or sustained.
2. If the potentially dangerous dog determination is sustained, identify the action to be taken:
 - a. dispose of the animal
 - b. allow the owners to keep the animal with restrictions.
3. If the potentially dangerous dog determination is not sustained, make a determination that the animal is to be released without further action from or by the City Council.

We have outlined the requirements for maintaining the animal should the potentially dangerous dog determination be sustained. These include:

a) Requirements: If after a hearing, if a hearing is requested under Section 10 – 72, the City Council finds that the dog is potentially dangerous but does not order the destruction of the dog, the City Council shall order one or more of the following as the requirement(s) for the keeping of the dog in the city, which, beginning six months after the dog is declared a potentially dangerous dog, will be reviewed on an annual basis by the city administrator. If, in reviewing the requirement(s) for keeping a potentially dangerous dog, the owner has provided the evidence required under Minnesota Statutes, Sec. 347.51, Subd. 3a. and there have been no ordinance violations for a period of two years, the city administrator may use discretion in determining whether one or more or none of the requirement(s) set forth below will still be required:

- 1) That the owner provide and maintain a proper enclosure for the potentially dangerous dog as defined in Section 10 - 70; and
- 2) That the owner post the front and the rear of the premises with clearly visible warning signs, including a warning symbol, a copy of which will be furnished by the city, to inform children, that there is a potentially dangerous dog on the property in the manner specified in Minnesota Statutes Sec. 347.51. The owner must pay a reasonable fee to cover the cost of the warning symbol; and
- 3) That an easily identifiable, standardized tag identifying the dog as potentially dangerous and containing the uniform dangerous dog symbol must be affixed to the dog's collar at all times as specified in Minnesota Statutes, Sec. 347.51 for a dangerous dog; and
- 4) That the owner provides and shows proof annually of public liability insurance paid in full in the minimum amount of \$300,000.00. The insurance must insure the owner for any personal injuries inflicted by the potentially dangerous dog. The owner shall have 14 business days from the request to show proof of insurance, except that if the dog is impounded, proof of insurance must be demonstrated prior to the dog's release; and
- 5) That if the dog is outside the proper enclosure, the dog must be muzzled and restrained by a substantial chain or leash (not to exceed six feet in length) and under the physical restraint of a person 18 years of age or older. The muzzle must be of such design as to prevent the dog from biting any person or animal but will not cause injury to the dog or interfere with its vision or respiration; and
- 6) That all dogs deemed potentially dangerous by the City Council be registered with the City within 14 days after the date the dog was so deemed and provide satisfactory proof thereof to the City Administrator.
- 7) That the dog must have a lifetime license and be up to date on rabies vaccination.
- 8) That the owner must allow a compliance official on the owner's property to conduct a site inspection within 14 days of determination of potentially dangerous dog by the City Council.

b) Registration Fee: The owner(s) of a dog that has been declared potentially dangerous shall pay an annual registration fee to the City of \$250.00 in addition to any regular dog licensing fees and a reasonable fee to cover the City's administrative costs within 14 days of the

declaration and again on or before the anniversary date of the declaration for the two year period. If the dog has been impounded, the fee must be paid prior to the dog's release. The animal control authority shall issue a certificate of registration to the owner of the potentially dangerous dog if the owner presents sufficient evidence of compliance with the requirements of this section.

Attachment(s):

- 1) Incident Report #13132312 dated June 18, 2013
- 2) Request for a hearing from Mr. Weller, received July 19, 2013
- 3) File of other information regarding the incident

Fiscal Impact:

Recommendation(s):

Staff seeks direction regarding the potentially dangerous dog determination in this incident pursuant to City Code Chapter 10, Animals, Article II. Dogs, Division 3.

City Council Action

Motion by: _____

Second by: _____

Vote Yes: _____

Vote No: _____

No Action Required: _____



July 9, 2013

Todd Weller
1608 207th Lane NE
East Bethel, MN 55011

Dear :Mr. Weller

This letter is in response to an issue documented by Anoka County Sherriff's office case number 13132312 on June 18, 2013 relating to your dog.

Facts

On June 18, 2013 it was reported that your dog Tyson bit a dog owned by Rhiannon Benson as she was on a walk with her dog.

The incident was unprovoked and it is now sufficient to issue a "**Potentially Dangerous Dog Notice**" for the dog pursuant to City Code Section 10-75.

Notice of Potentially Dangerous Dog

A "potentially dangerous dog" means any dog that:

1. When unprovoked, inflicts bites on a human or domestic animal on public or private property;
2. When unprovoked, chases or approaches a person, including a person on a bicycle, upon the streets, sidewalks, or any public or private property, other than the dog owner's property, in an apparent attitude of attack; or
3. Has a known propensity, tendency, or disposition to attack, unprovoked, causing injury or otherwise threatening the safety of humans or domestic animals.

Your dog has displayed the behavior described above based on a police incident report. Once an animal displays these types of behaviors, the City is obligated to issue this notice.

Section 10-72 of the city code requires that the owner(s) of the dog shall be notified in writing or in person that the dog has been determined to be "potentially dangerous", or "dangerous".

This notice is a City matter and is in addition to any notices or citations the sheriff's office has issued or fines that have been paid.

The alternative is that you, as the owner of the animal in question, have 14 days from the date of this letter to submit a written appeal delivered to:

City of East Bethel
City Administrator
2241 221st Avenue NE
East Bethel, MN 55011

The written appeal is due on or before July 25, 2013.

An appeal hearing will be held within two weeks from the date the appeal is filed with the City. If you do not file an appeal on or before the time frame indicated in this notice, the City Administrator's determination will stand.

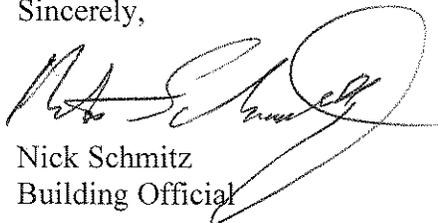
Hearing

If you, as the owner, request a hearing for determination as to the dangerous nature of the dog, the hearing shall be held before City Council not more than two weeks after you provide a written request for the hearing. Pending a hearing, the dog may be seized and kept at the City's place of impoundment unless you can show proof that the dog has a current city individual dog license, current rabies vaccinations and if required owner shall provide a copy of current kennel license. The city may waive the requirement for seizure and impoundment offsite, if owner submits a written statement allowing city staff to conduct a site visit, that the dog will not be permitted to be outside without being in a proper enclosure or must be muzzled and restrained by either a substantial chain or leash (not to exceed six feet in length) and under the physical restraint of a person 18 years of age or older. Muzzle must be of such design as to prevent the dog from biting any person or animal, but will not cause injury to the dog or interfere with its vision or respiration.

After considering all of the evidence pertaining to the temperament of the dog, the City Council shall make such order as it deems proper. Section 10-75 of the City Code lists the requirements for a dog that has been declared potentially dangerous.

Should you have any questions regarding this notice or your right to a hearing, please contact me. Should you fail to arrange for a hearing, the determination of the City Administrator shall stand.

Sincerely,



Nick Schmitz
Building Official

July 18, 2013

City of East Bethel
City Administrator
2241 221st Avenue NE
East Bethel, MN 55011

RE: Anoka County Sherriff's Office Case Number 13132312

Dear Administrator:

We have received your notice of the above case number. We are writing in an appeal for the label of "potentially dangerous dog". On June 18th, when the responding Sherriff came to our home, both of our dogs were contained in our fenced in yard so we were surprised to hear about the incident with Mrs. Benson's dog. We have owned our current dogs, Coco and Tyson since 2008 and have not experienced any issues with either of them. Both are currently licensed with update to date vaccinations (please see attached).

We have spoken to Mrs. Benson and are still unsure what provoked one of our dogs to attack hers; it was unclear if the dog had come up to the fence, being perceived as intrusive by our dogs... Since that time we did observe Coco sneak underneath the fence and return to the yard the same way. We suspect it would have been she, not Tyson that escaped the yard. We have made sure the fence is secure so that the dogs are not able to get out and have been looking into additional privacy fencing options.

We generally remain outside with the dogs when they are out and will continue to do so. If you would like to send someone out for a site visit Todd is generally home during the day and can be reached at 612-232-1701.

Sincerely,



Todd and Marge (Margaret) Weller
1608 207th Lane NE
East Bethel, MN 55011

Attach: Rabies certificate: Coco
License receipt: Coco
Rabies certificate: Tyson
License receipt: Tyson

Jack Davis

From: Rhiannon Langdon [rhiannon.langdon@gmail.com]
Sent: Wednesday, June 19, 2013 9:09 PM
To: Jack Davis
Subject: Unsure who to contact for City of East Bethel

Jack,

I am unsure who to contact with my complaint. I already filed a police report, but all I am aware that the sheriff is doing is being the mediator in the situation so that the family of the dog will pay my veterinarian bills.

I was on a walk around my block yesterday with my 1 year old son and dog (a 9lb yorkie) when a pit bull (1 of 2 that live at that house) slipped out from a faulty part of the fence (that they fixed with chicken wire...) and tried to kill my dog. He grabbed him by the throat and tried to strangle him. I had to get on top of the dog and pry his jaws apart. My dog is lucky to be alive. The vet called it a crushing injury. He has puncture wounds to his throat and some pretty severe emotional damage from the incident. I have spoken with the owner of the house where the dogs live and his daughter, who is the owner. They have been cordial and said they are willing to pay the vet bills but haven't done so yet.

I want something more done besides having them pay for the bill. I'd like them to be required to fix their fence so they won't be able to get out again. I'd like for them to have to put up signs warning other people of the fact that the dogs are dangerous and I'd like for her to be required to put a muzzle on her dog when she walks it. She walks the dog with a plain collar and leash, not even the choking kind. She is probably not even 115lbs and if that dog really wanted to get away from her it most definitely could. We already had an incident prior to the attack where the dog was barking and lunging toward our yard, as our dog was standing outside. Other people in the neighborhood are also concerned after hearing about the incident as they also have small dogs, or more docile breeds like labs. While my son went unharmed I still worry about his safety, as well as other children in the neighborhood. I am starting a home daycare in the next year or so, and would like to give parents piece of mind. As a parent I would worry that there was an aggressive pit bull taking walks around my child's daycare without a muzzle or a sufficient fenced in area.

If you aren't the correct person I'd need to speak to regarding the matter I would greatly appreciate it if you could forward my email to whomever the appropriate person might be. If you are unsure who I'll need to speak with please let me know and I'll try contacting someone else through the city.

Thank you,

Rhiannon Benson
763-226-3683

ANOKA COUNTY SHERIFF'S OFFICE 13301 HANSON BLVD NW, ANDOVER MN 55304				JCF	CASE NUMBER 13132312						
CLASSIFICATION ANIMAL - DOG BITES		CODE 09561	DISP S	CLASSIFICATION			CODE	DISP			
CLASSIFICATION		CODE	DISP	CLASSIFICATION			CODE	DISP			
CLASSIFICATION		CODE	DISP	CLASSIFICATION			CODE	DISP			
REPORTING OFFICER(S) CS019 HALLBERG, RYAN											
DATE REPORTED 6/18/2013	ASSIGNED 1106	ARRIVED 1132	CLEARED 1144	EARLIEST DATE/TIME OCCURRED			LATEST DATE/TIME OCCURRED				
LOCATION OF OFFENSE/INCIDENT 1709 207 AVE NE, EAST BETHEL, MN 55011-				APT #	GRID L00	VALUE STOLEN \$	VALUE DAMAGED \$	VALUE RECOVERED \$			
A/J A	REPORTING PARTY'S NAME RHIANNON RAE BENSON			DATE OF BIRTH 5/3/1990	SEX F	RACE W	HOME PHONE				
ADDRESS 1709 207 AVE NE			APT	CITY EAST BETHEL	STATE MN	ZIP 55011-	WORK PHONE				
NARRATIVE											
<p>R/P REPORTED A DOG BITE NEAR LOI. R/P STATED SHE KNOWS WHERE THE DOG LIVES. ARRIVED AND SPOKE TO R/P WHO TOLD US SHE WAS ON A WALK WITH HER DOG WHEN A PITBULL GOT LOOSE FROM A FENCE AND ATTACKED HER DOG. R/P WAS ABLE TO GET THE PITBULL AWAY AND R/P IMMEDIATELY WENT HOME. SPOKE WITH SUSPECT DOG OWNER AT HIS RESIDENCE WHO WAS UNAWARE OF THE SITUATION. DOG OWNER WAS ADVISED OF EAST BETHEL CITY ORDINANCE REGARDING LOOSE DOGS, QUARANTINE INFO, AND THAT HE HAS 24 HOURS TO PROVIDE RABIES AND CITY TAG INFO. OWNER ADVISED THAT HE WOULD BE KEEPING AN EYE ON THE DOGS WHILE THEY ARE OUTSIDE AND WILL FIX THE FENCE TO AVOID ANY FURTHER ISSUES. FOLLOW UP NEEDED.</p> <p>LATER IN THE SHIFT, I SPOKE WITH R/P WHO HAD RETURNED HOME FROM ANIMAL VET. R/P STATED THAT THE DOG WAS OK BUT WILL NEED ANOTHER VET APPT ON MONDAY (06-24-13) FOR RE-EVALUATION. R/P STATED THAT CURRENT VET BILLS ARE AT \$193.00.</p> <p>FOLLOW UP SCHEDULED FOR TUESDAY (06-25-13)</p> <p>CSO HALLBERG</p> <p>6/19/13 LJ</p> <p>CC: EAST BETHEL CITY HALL</p> <p>SUPPLEMENT OFFICER:</p> <p>ON 06/19/2013 AT 0517 HOURS, I RECEIVED A FAX OF THE DOG'S RABIES VACCINATION RECORDS. BOTH DOGS THAT RESIDE AT THE RESIDENCE ARE CURRENT ON RABIES. EXPIRATION DATE IS 11/21/2015.</p> <p>CSO R.HALLBERG</p> <p>:KH 6/21/13</p>											
A/J/U A	CODE O	NAME TODD WILLIAM WELLER			DOB 1/25/1965	SEX F	RACE W	HGT 509	WGT 205	HAIR	EYES BLU
ADDRESS 1608 207 LN NE				APT	CITY EAST BETHEL			STATE MN	ZIP 55011-		
ALIAS			HOME / BUS PHONE		WORK / 2ND BUS PHONE		CELL / PAGER / FAX				
A/J/U	CODE	NAME			DOB	SEX	RACE	HGT	WGT	HAIR	EYES

COON RAPIDS PET HOSPITAL, P.A.
2032 COON RAPIDS BLVD.
COON RAPIDS, MN 55433
(763) 755-2570

Rabies Certificate

Client ID: 4297
Client Name: Marge Weller *a Todd Weller*
Address: ~~8020 T43RD LN NW~~ *1608 267th Lane NE*
~~Ramsey, MN 55303~~ *East Bethel, MN 55011*
Phone: ~~(763)236-3747~~
612-232-1701

Patient ID: 3120
Patient Name: Cocoa
Species: CANINE
Breed: AMER. STAFFORDSHIRE
Sex: Female
Color: cocoa
Markings:
Birthday: 02/23/2008
Weight: 64.00 pounds on 11/21/2012

Tag Number: 052048
Lot Number: 12563
Rabies Vaccine
Producer: Merial
K/MLV/R: Killed Virus

Vaccination Date: 11/21/2012
Expiration Date: 11/21/2015

Staff Name: Dr. Susan Brentason, DVM
License Number: 01905

ICR # 13-132312
DOG BITE
- RABIES PROOF

COON RAPIDS PET HOSPITAL, P.A.
2032 COON RAPIDS BLVD.
COON RAPIDS, MN 55433
(763) 755-2570

Rabies Certificate

Client ID: 4287	Patient ID: 2888
Client Name: Marge Weller + <i>TBeth Weller</i>	Patient Name: Tyson
Address: 5020 149th LN NW <i>1108 JOPH LAKE NE</i>	Species: CANINE
<i>Ramsey, MN 55389</i>	Breed: MIX, PITBULL
<i>East Bethel, MN</i>	Sex: Neuter
<i>SSD11</i>	Color: tan/white
Phone: (763)296-3747	Markings:
<i>612-232-1701 (Toll)</i>	Birthday: 08/03/2007
	Weight: 49.60 pounds on 11/20/2012
	Microchip ID: 494834538E

Tag Number: 052042	Vaccination Date: 11/20/2012
Lot Number: 12583	Expiration Date: 11/20/2015
Rabies Vaccine	
Producer: Merial	
K / MLV / R: Killed Virus	

Staff Name: Dr. Susan Brenteson, DVM
License Number: 01905

ICE # 13-132312

DOG BITE
- RABIES PROOF



City of East Bethel City Council Agenda Information

Date:

August 7, 2013

Agenda Item Number:

Item 4.0 B

Agenda Item:

East Bethel Firefighters Relief Association’s Pension Benefits Increase

Requested Action:

The East Bethel Firefighters Relief Association (EBFRA) is requesting the city council ratify the EBFRA bylaws, Appendix C with a \$200 benefit increase (\$3,400 per year of service to \$3,600).

Background Information:

The East Bethel Firefighters Relief Association (EBFRA) is requesting the city council approve the attached amendments to the EBFRA Bylaws. The current Bylaws were approved by City Council on April 17th, 2013. The only change proposed is to amend Appendix C to include a \$200 benefit increase (\$3,400 per year of service to \$3,600). The fund is currently 128% funded. With this proposed increase of \$ 200 per service year, the fund is projected to be 122% funded as of December 31, 2013. The East Bethel Firefighters Relief Association Board of Trustees approved the change of this bylaw on Monday, July 22, 2013. For this by-law to take effect, the City Council must also approve this item.

Attachments:

- Appendix C, EBFRA Bylaws (existing), Attachment #1
- Appendix C, EBFRA Bylaws (proposed), Attachment #2
- EBRFA Bylaws (draft), Attachment #3
- EBRFA Appendix B (draft), Attachment #4

Fiscal Impact:

This change in bylaws will have no fiscal impact to the City of East Bethel. In the event the EBFRA portfolio falls below 95% of the fund balance, the City of East Bethel would be required to make mandatory contributions to the fund according to the State of Minnesota Auditor Office’s formula.

If the increase is not approved, the benefit stays at the current level and the fund is projected 128% funded.

Recommendation(s):

The Relief Association recommends City Council consider the approval of the increase in the pension benefit from \$3,400 per year to \$3,600 per year .

City Council Action

Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required:_____

APPENDIX C

EAST BETHEL FIREFIGHTERS RELIEF ASSOCIATION
Benefit Levels

Benefit Level Effective Date	Benefit Level per Year of Active Service	Interest Rate for Deferred Pension Benefit	Date Approved by Municipality
May 5, 2009	\$3,400 (no change)	NA	December 6, 2006
January 1, 2007	\$3,400	NA	December 6, 2006

NA means not applicable.
NR means not required.
TBD means to be determined

APPENDIX C

EAST BETHEL FIREFIGHTERS RELIEF ASSOCIATION
Benefit Levels

Benefit Level Effective Date	Benefit Level per Year of Active Service	Interest Rate for Deferred Pension Benefit	Date Approved by Municipality
October 1, 2013	\$3,600	NA	
May 5, 2009	\$3,400 (no change)	NA	December 6, 2006
January 1, 2007	\$3,400	NA	December 6, 2006

NA means not applicable.
NR means not required.
TBD means to be determined

RESTATED BYLAWS
OF
EAST BETHEL FIREFIGHTERS
RELIEF ASSOCIATION

The Bylaws of the Relief Association are hereby amended in their entirety and restated effective as of _____, 20_____.

ARTICLE I
NAMES

As provided in the Articles of Incorporation, the name of this organization shall be the East Bethel Firefighters Relief Association (the "Association").

ARTICLE II
DEFINITIONS

General Definitions

Whenever appropriate, words used herein in the singular shall include the plural, the plural may be read as the singular, and the masculine shall include the feminine.

The following words and phrases when used herein shall have the following meanings except as otherwise required by the context in which they are used:

"Active Member" is a member of the Association who is eligible for benefits and is currently meeting the minimum firefighter and service standards with the Fire Department. As of July 1, 2006, Active Members must be Volunteer Firefighters as defined in Section 2.1 of the Plan attached hereto.

"Board of Trustees" or "Board" shall mean the Board of Trustees of the Relief Association, and shall perform the functions and assume the same duties as a Board of Directors under Minnesota Statutes, Chapter 317A.

"Deferred Member" is a member of the Association who has retired or been terminated from the Fire Department but has not taken a distribution of benefits.

"Fire Department" is the Fire Department serving the Municipality.

"General Fund" shall mean the fund established pursuant to Minnesota Statutes, Section 424A.06 that holds the funds received from dues, fines, initiation fees, entertainment revenues and any money or property donated, given, granted or devised by any person, for unspecified uses.

“Material Financial Interest” is a financial interest or expectation of any kind on the part of a Board member or Relative, which is substantial enough to reasonably affect the judgment of the Trustee who has a conflict of interest. The term “financial interest” includes any and all monetary expectations and exists when a Board member or Relative has rights (whether or not a Deferred Member or beneficiary) to be paid compensation, retiree benefits, or to have their expenses reimbursed or obligations or other liabilities repaid, etc. (See Article IX Fiduciary Responsibility.)

“Municipality” is the City of East Bethel.

“Municipal Trustees,” formerly known as ‘ex-officios,’ are members of the Board of Trustees designated solely by the Municipality and shall include the two appointed or elected officials and the fire chief, as further defined in Section 5.1 herein.

“Relative” is a member of one’s family and includes spouses, parents, children, siblings, in-laws, aunts, uncles, first cousins, step-parents, step-children, and may include other family members such as common-law partners or long-time companions, of a Trustee who has a conflict of interest. (See Article IX Fiduciary Responsibility.)

“Special Fund” shall mean the fund as defined in Section 2.1 of the Plan attached hereto.

“Supermajority” is required when there is a conflict of interest on an item to be voted on by the Board of Trustees because one or more Trustees have a Material Financial Interest. A Supermajority is the majority of those Trustees after subtracting the Trustee(s) who has a conflict of interest (e.g., Nine (9) Trustees less two (2) with a conflict = Seven (7). Supermajority would require four (4) Trustees to vote in favor to pass the motion). (See Article IX Fiduciary Responsibility.)

ARTICLE III PURPOSE

As provided in the Articles of Incorporation, the purpose of the Association is to provide retirement relief and other benefits to members and their dependents. For purposes of Chapter 424A of Minnesota Statutes, the Association is a governmental entity that receives and manages public funds to provide retirement and ancillary benefits for individuals providing the governmental services of firefighting and, if applicable, emergency response. The Association may also raise funds from private sources to furnish fire and emergency equipment for the Fire Department, and for other purposes deemed necessary and appropriate by the Association to the extent permitted by law. Benefits paid to members and their dependents shall be funded exclusively through governmental sources and, to the extent provided by State law, through restricted donations.

ARTICLE IV MEMBERSHIP

4.1 Admission. All firefighters of the Fire Department are members of the Association and shall be eligible for benefits, except as otherwise stated in these bylaws. An application for membership shall be completed on the Membership Application and Beneficiary Designation form to become eligible for benefits in the Association. Upon approval of the member's application, such member shall accrue service credit for all active service while in probationary status.

4.2 Membership Duties. The Association does not require membership duties.

4.3 Membership Dues. The Association does not require membership dues.

4.4 Member Voting Rights. Each Active Member shall be entitled to one (1) vote on any matter voted upon by the membership. Deferred Members are not entitled to vote. Voting by proxy/absentee ballot is permitted following the procedures set forth in Section 4.5.

4.5 Proxy/Absentee Ballot. *Member Voting*: If permitted by the Board prior to a meeting, voting members may cast votes by submitting an absentee ballot provided by the Board that is signed by the member and deposited in the ballot box set out by the Board. Submission of an absentee ballot shall constitute a proxy to the officer of the Association designated and authorized on the ballot who is bound to cast the member's vote in accord with the member's ballot choices. The member may withdraw his/her proxy/absentee ballot by attending a meeting and voting in person. Use of proxies/absentee ballots may only be used on items listed on the ballot and may not be used when trustees and/or officers are elected from the floor during the meeting.

Counting Ballots: If ballots were used because there were more than two candidates for any Trustee position up for election as indicated under Section 7.2, an officer of the Association who is not standing for election shall count the ballots as follows: All first choices are counted, and if no candidate wins a majority of first choices, then the last place candidate is eliminated. Ballots of voters who ranked the eliminated candidate first are redistributed to their next choice candidates, as indicated on each voter's ballot. Last place candidates are successively eliminated and ballots are redistributed to next choices until one candidate remains or a candidate gains a majority of votes.

In case of a tie resulting from the above procedure, the candidates receiving the two highest number of votes shall be placed into new balloting to be effected at the meeting. The previously submitted proxy/absentee ballots shall be recounted using the above procedures for the two candidates who have tied. Simultaneously, members present at the meeting will recast their vote for the two candidates who have tied. Additional balloting including the proxy/absentee ballots for said office shall continue until one candidate shall receive a majority of votes cast on a reballot and he shall be elected to said office.

4.6 Separation. For records retention and administration of the Association, the Board may request that a Deferred Member complete and submit a Membership Separation Form.

4.7 Member Recognition. The Association may continue to honor members whose status has changed between volunteer/paid on-call and full- or part-time employee of the same Fire Department. The members shall adopt written policies and procedures, including any eligibility or types of recognition.

4.8 Termination. Any member who is terminated by the Fire Department or Municipality shall cease accruing benefits under the Association as of the date of termination.

ARTICLE V BOARD OF TRUSTEES

5.1 Composition. The Board of Trustees shall consist of nine (9) members. Six (6) trustees shall be elected from the membership of the relief association. There shall be three (3) officials drawn from the Municipality. The three (3) Municipal Trustees must be one (1) elected municipal official and one (1) elected or appointed municipal official, who are designated as municipal representatives by the municipal governing board annually, and the chief of the municipal fire department. The Municipal Trustees must be designated annually by the city council of the Municipality.

5.2 Duties. The Board of Trustees shall perform the functions and assume the same duties as a Board of Directors under Minnesota Statutes, Chapter 317A. In addition, the Board of Trustees shall:

- (a) Have exclusive control and management of all funds received by the Treasurer pursuant to the statutes of the State of Minnesota and all moneys or property donated, given, granted or devised for the benefit of the Association.
- (b) Examine the books, papers, funds, securities and property in the custody of the Treasurer, and general accounts, funds and securities, and property of the Association.
- (c) Examine and approve the validity of all claims prior to payment by the Treasurer.
- (d) Provide the forms on which members may submit claims to the Board of Trustees for their approval.
- (e) On an annual basis or more frequently as may be required to determine eligibility for benefits, confirm minimum firefighter and service standards pursuant to the Volunteer Firefighter definition in Section 2.1 of the Plan attached hereto.

- (f) Assume such additional duties as may be described in Article IX herein and in Association policies and procedures or required by state law including the establishment of any committee deemed necessary or appropriate.

ARTICLE VI OFFICERS

6.1 Number. The number of officers of the Association and their duties shall be as set forth below.

6.2 President. It shall be the duty of the President of the Association to:

- (a) Have general active management of the business of the corporation;
- (b) When present, preside at meetings of the Board and of the members;
- (c) See that orders and resolutions of the Board are carried into effect;
- (d) Sign and deliver in the name of the corporation bonds, contracts, or other instruments pertaining to the business of the corporation, except in cases in which the authority to sign and deliver is required by law to be exercised by another person or is expressly delegated by the articles or bylaws or by the Board to another officer or agent of the corporation;
- (e) Maintain records of and, when necessary, certify proceedings of the Board and the members; and
- (f) Perform other duties prescribed by the Board.

6.3 Pro Tem Officers. In the absence of the President and Vice President, if applicable, the Board of Trustees shall appoint an interim President from the existing Officers and/or Trustees other than the Municipal Trustees, who shall perform the duties applicable to the office.

6.4 The position of Vice President shall not exist.

6.5 Secretary. It shall be the duty of the Secretary of the Association to:

- (a) Keep a record showing the correct addresses of all members and request the names of their beneficiaries.
- (b) Keep or cause to be kept an accurate record of all meetings of the Association and of all meetings of the Board of Trustees.
- (c) Conduct and direct the investigation of all claims.
- (d) Keep a record of all monies received and paid out by the Treasurer.

- (e) Provide access to the Association's Articles, Bylaws, minutes, and financial statement on the last annual accounting period to all members or all Board of Trustees (including the Municipal Trustees), for any proper purposes they may have, in accord with Minnesota Statutes, Section 317A.461.

6.6 Treasurer. It shall be the duty of the Treasurer of the Association to:

- (a) Receive and receipt all monies due the Association from members and other sources and to keep accurate accounts and records of all the money so received.
- (b) Have custody of all monies and securities belonging to the Association.
- (c) Furnish a surety bond in favor of the Association for the faithful performance of all duties involving the Association and for the safekeeping of, or accounting for, all monies and securities that may come into its possession. The bond shall be in an amount equal to at least 10% of the assets up to a maximum of \$500,000.
- (d) Pay all properly approved claims for benefits, and to pay all bills incurred in the way of necessary expenses in the conduct of the business of the Association and to keep accurate accounts and records of all the money so paid.

6.7 General Duties.

- (a) It shall be the duty of the President, along with the Treasurer to countersign all checks issued by the Association.
- (b) The officers shall annually prepare an annual financial report of the Association's receipts, disbursements, and balances in the Special and General Funds for the preceding calendar year on a form prescribed by the Office of the State Auditor. They shall transmit the report to the city clerk or clerk-treasurer of the Municipality for inspection, signature and transmission to the State Auditor pursuant to law.
- (c) Pursuant to the Volunteer Firefighter Relief Association Financing Guidelines Act of 1971, the officers of the Association shall, annually, determine the financial requirements of the Special Fund for the following year. The financial requirements of the relief association and the minimum municipal obligation must be included in the financial report or financial statement.

6.8 Compensation. No compensation is authorized for services to the Association by any officer or trustee.

ARTICLE VII ELECTIONS

7.1 Trustee Terms. The Trustees shall be elected to staggered two-year terms. There will be three (3) Trustees elected by the membership each year at the annual meeting of the Association, and begin their individual terms on January 1 after the meeting at which they are elected.

Each appointed Municipal Trustee term is one (1) year or until the person's successor is qualified, whichever is later. The term of a Municipal Trustee shall terminate upon termination of the Trustee's position with the Municipality.

An individual Trustee may serve an unlimited number of terms.

7.2 Voting on Trustees. Each of the positions on the Board of Trustees who are not the Municipal Trustees shall be voted on separately by the Active Members in attendance at the annual meeting. No nominations of slates of candidates or cumulative voting shall be allowed. All votes unless specified prior to the vote, shall be conducted by a voice vote. A simple majority of those present at the meeting is needed to elect. If a simple majority cannot be determined by voice vote, the officer in charge of the vote shall ask for a show of hands or for a secret ballot. A trustee who was elected by the membership may be removed with or without cause by a simple majority vote of the Active Members in any subsequent annual, regular or special meeting.

If allowed by the Board of Trustees under Section 4.5, a proxy/absentee ballot may be used to perform "runoff voting" if there are more than two candidates for any Trustee position up for election and Active Members must rank candidates by order of preference. See Section 4.5 for counting ballots.

7.3 Officer Terms. The offices of President, Secretary, and Treasurer shall be elected to one-year terms, and begin their individual terms at the end of the meeting at which they are elected.

7.4 Voting on Officers. Officers shall be elected by the Board of Trustees from among the elected Trustees. Voting for officer positions by the Board of Trustees will take place at the first Association Board Meeting following the Annual Meeting. Each position will be nominated and elected separately at this meeting. A simple majority is needed for an officer to be elected. The officer in charge of the vote shall ask for a show of hands *but shall not allow* for a secret ballot, and each vote shall be recorded in a public journal. An officer may be removed with or without cause by a simple majority vote of the Trustees in any subsequent annual, regular or special meeting.

7.4 Voting on Officers. Officers are elected by the Active Members each year at the annual meeting of the Association from among the elected Trustees. Each position will be nominated and elected separately at this meeting. All votes unless specified prior to the vote, shall be conducted by a voice vote. A simple majority is needed for an officer to be elected. If a majority cannot be determined by voice vote, the officer in charge of the vote shall ask for a show of hands or for a secret ballot. Voting by proxy/absentee ballot will be allowed under Section 4.5. An officer may be removed with or without cause by a simple majority vote of the Active Members in any subsequent annual, regular or special meeting.

No individual may hold more than one (1) officer position at one (1) time.

7.5 Officer and Trustee Vacancies. In the case of death, resignation or removal from office for any elected officer or Trustee of the Association, except a Municipal Trustee, the vacancy shall be filled by the Board of Trustees from the membership at a Board meeting to be duly called for the purpose of filling out this term. In the event an officer fails to retain his position as an elected Trustee, he must vacate his officer position pursuant to Minnesota Statutes, Chapter 424A Volunteer Firefighters' Retirement.

ARTICLE VIII MEETINGS

8.1 Annual Meeting of the Members. The annual (regular) meeting of the members shall be held on the fourth Monday of October each year unless a different date is designated by the Board. The place of the meeting shall be designated and may be changed from time to time by the Board of Trustees.

8.2 Regular Meetings of the Members. Other regular meetings of the members shall be held on the fourth Monday each month except if that day is a holiday. If it is a holiday, the majority of the Board can set an alternate meeting date, by following the notice procedures under Section 8.4 below. The place of the meeting shall be designated and may be changed from time to time by the Board of Trustees. The schedule of the regular meetings on file at primary offices is sufficient for notice unless time or location is changed.

8.3 Special Meetings of the Members. Special meetings of the members may be called at any time upon the written order of the President and one (1) other member of the Board of Trustees, or six (6) voting members of the Association. The place of the meeting shall be designated and may be changed from time to time by the Board of Trustees.

8.4 Notice of Meetings of the Members. A notice of every annual and any special meetings of the members shall include the date, time, place and purpose of the meeting and be *posted* on the bulletin board of the Association, or if no bulletin board, on the door of its usual meeting room; *and* in accord with Minnesota Statutes, Section 317A.433 Subd 4, business at a special membership meeting must be limited to the stated purpose; *and further* in accord with Minnesota Statutes Section 317A.435, each voting member shall be *provided* at least five (5), but not more than sixty (60) days, before the meeting, (excluding the date of the meeting) with notice setting forth the date, time, place, and purpose of the meeting.

8.5 Member Quorum. Fifty-one (51) percent of the Active Members of the Association shall constitute a quorum for the transaction of business at their meetings.

8.6 Member Voting. Each Active Member present at the meeting shall be entitled to one (1) vote. All votes, unless specified prior to the vote, shall be conducted by a voice vote. If a majority cannot be determined by voice vote, the officer in charge of the vote shall ask for a show of hands or for a secret ballot. Voting by proxy/absentee ballot will be allowed under Section 4.5. A voting "majority" is majority of the quorum, not majority of the entire association membership.

8.7 Regular Meetings of the Board of Trustees. Meetings of the Board of Trustees shall be held on the fourth Monday of January, April, July and first Monday in November except that if that day is a holiday. If it is a holiday, the majority of the Board can set an alternate meeting date, by following the notice procedures under Section 8.9 below. Meetings of the Board of Trustees shall be held at the Fire Station unless noticed for another place within the City as designated by the Board.

8.8 Special Meetings of the Board of Trustees. Special meetings of the Board of Trustees may be called at any time upon the written order of the President and one (1) other member of the Board of Trustees. The meeting shall be held at the Fire Station unless noticed for another place within the City as designated by the Board.

8.9 Notice of Meetings of the Board of Trustees. The association is governed by Minnesota Statutes, Section 13D.01 which requires that all meetings of the Association's Board of Trustees be open to the public with rare exceptions. All notices provided for in this Article shall comply with Minnesota Statutes, Section 13D.04 which requires at a minimum that:

- (a) a schedule of any regular meetings of the Board of Trustees be kept on file at the Association offices, and
- (b) for special meetings, a notice stating the date, time, place and purpose of the meeting be *posted* on the bulletin board of the Association, or if no bulletin board, on the door of its usual meeting room; *and* in accord with Minnesota Statutes, Section 317A.231, each Trustee shall be *provided* at least three (3), but not more than sixty (60) days, before the meeting, (excluding the date of the meeting) with notice setting forth the date, time, place, and purpose of the meeting.

8.10 Board Quorum. A majority of the Board of Trustees then in office shall constitute a quorum for the transaction of business at its meetings.

8.11 Board Voting. Unless the Articles or Bylaws specify otherwise, an action of the Board shall be effected by a majority vote of the Trustees present and eligible to vote once a quorum has been achieved. The officer in charge of a vote shall ask for a show of hands *but shall not allow* for a secret ballot *nor proxy*, and each vote shall be recorded in a public journal. No action shall be considered once a quorum has been lost.

8.12 Electronic Meeting Prohibited. Any meeting of the Board of Trustees or the membership by solely electronic means (e.g., e-mail, simulchat or phone conference) that is not accessible to the public at a set meeting location is prohibited.

8.13 Order of Business. At any annual, regular and all special meetings, the order of business shall be as follows:

- (a) Call to order by the President
- (b) Roll call (verify quorum)
- (c) Secretary's Report (reading of previous minutes)

- (d) Treasurer's Report
- (e) Report of the Board (member meeting)
- (f) Report of other committees (Board or member meeting)
- (g) Election of Trustees and Officers, if applicable (annual member meeting)
- (h) Old Business
- (i) New Business
- (j) Adjournment

ARTICLE IX FIDUCIARY RESPONSIBILITY

9.1 Board of Trustees. Each member of the Board of Directors, also acts as a trustee of the Special Fund. The Board of Directors therefore also acts as the Board of Trustees. The Board of Trustees is charged with administering retirement and ancillary benefits under the Special Fund, and the Trustees are fiduciaries subject to the standard of care set forth in Minnesota Statutes, Section 11A.09 and Section 356A.04. This includes specifically assuming such additional duties as may be described in Association policies and procedures or required by state law, including:

- (a) adopting an investment policy;
- (b) providing written investment restrictions to brokers;
- (c) securing certificates of insurance; and
- (d) establishing a continuing education plan in order to keep abreast of their fiduciary responsibilities.

9.2 Prohibited Transactions. No fiduciary of the Association shall cause the Association to engage in a transaction if the fiduciary knows or should know that a transaction constitutes one (1) of the following direct or indirect transactions:

- (a) sale or exchange or leasing of any real estate between the Association and a Board member;
- (b) lending of money or other extension of credit between the Association and a Board member or member of the Association;
- (c) furnishing of goods, services, or facilities between the Association and a Board member;
- (d) transfer to a Board member, or use by or for the benefit of a Board member, of any assets of the Association. Transfer of assets does not mean the payment of Association benefits or administrative expenses permitted by law; or
- (e) sale, exchange, loan, or lease of any item of value between the Association and a fiduciary of the Association other than for a fair market value and as a result of an arm's-length transaction.

9.3 Fiduciary Responsibilities Apart from the Special Fund. Although the title “Trustee” is applied to members of the Board of Directors of the Association, the fiduciary standard that Directors are subject to is two-tiered as a matter of State law. With respect to the Association’s Special Fund, Trustees are required to meet a standard of care that applies to fiduciaries under Minnesota Statutes, Section 11A.09 and Section 356A.04, as described above. With respect to business and management decisions not including decisions related to the Special Fund, all Trustees are required to meet a standard of care that applies to nonprofit corporation Directors under Minnesota Statutes, Section 317A.251. These decisions include, but are not limited to, business decisions regarding fund-raising activities, and disposition of and management of the General Fund. Accordingly, in their decision-making and management, Trustees must discharge the duties of their position in good faith, in a manner the Director reasonably believes to be in the best interests of the Association, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances. Directors are not, in accord with that same statutory section, considered “Trustees” with respect to the Association or with respect to property held or administered by the Association.

9.4 Conflict of Interest Procedures. When a member(s) of the Board of Directors has a conflict:

- (a) Each member of the Board of Directors, whether acting as a Director or as an Officer of the Association, has a duty to disclose to the Board (or to any committee of the Board) the material facts of any proposed transaction or action of the Association in which they or a Relative have a Material Financial Interest.
- (b) The disclosure required under (a) (above) ***must be made, to the extent possible, prior to any consideration of such proposed transaction or action*** by the Board of Directors or by any applicable committee of the Board of Directors. If a Board member does not recognize the existence of a conflict prior to the Board of Director’s decision regarding the transaction, that person has a duty to disclose the material facts of the conflict as soon as the conflict is recognized.
- (c) The Board member having a conflict shall not participate in the deliberation or decision regarding the matter under consideration and shall leave the room during deliberations except when he has been invited by the Board or committee to participate, after consideration of the significance to the Association of the disclosed conflict. The Board of Directors or committee may also request that he provide the Association with any relevant information known to the Board member regarding the matter.
- (d) Any proposed transaction or action in which the Board of Directors has determined that a Director has a conflict of interest that is not “de minimis” is to be approved by a ***majority of all the Board of Directors then-serving who would be entitled to vote*** and who are not interested Board members at a meeting at which a quorum is present (i.e., by a Supermajority of the entire Board of Directors not including a Board member(s) who has a conflict of interest), even

though the non-conflicted directors may constitute less than a quorum). Deliberations by the Board of Directors regarding the conflict shall be documented in Board minutes no later than 60 days following the subject meeting. The votes of each Board member in support or in opposition to the transaction or action shall be noted.

- (e) All Board members are obligated to notify the Board of Directors if they believe another Board member has failed to disclose a conflict, and this procedure shall be followed by the Board of Directors in all such instances.

ARTICLE X FUNDS

10.1 Funds. All money received by the Association shall be kept in two (2) separate funds, the General Fund and the Special Fund. Disbursements from the funds shall be in accordance with Minnesota Statutes and Rules and the Bylaws of the Association.

10.2 General Fund. The funds received by this Association from: dues, donations, fines, initiation fees, entertainment revenues and any moneys donated for unspecified uses shall be kept in the General Fund and may be disbursed upon a majority vote of the membership or of the Board of Trustees for any purpose reasonably suited to promote the welfare of the Association and its members. All expenses shall be paid out of the General Fund, except as specifically authorized to be disbursed from the Special Fund. These records shall be open for inspection by any member of the relief association at reasonable times and places.

10.3 Special Fund. All funds received by this Association from any tax sources, membership dues, except for dues payable as contributions to the General Fund, and other money that may be directly donated or transferred to said funds, shall be kept in a separate account on the books of the Treasurer known as the Special Fund and shall be disbursed only for the following purposes:

- (a) Payment of members' service pension benefits in accordance with these Bylaws,
- (b) Payment of ancillary benefits in accordance with these Bylaws,
- (c) Payment of fees, dues and assessments to the Minnesota State Fire Department Association and to the Minnesota Area Relief Association Coalition,
- (d) Payment of insurance premiums to the Volunteer Firefighters Benefit Association, or an insurance company licensed by the State of Minnesota offering casualty insurance, and
- (e) All administrative expenses authorized under Minnesota Statutes, Section 69.80.

These records shall be public and open for inspection by any member of the relief association, any officer or employee of the state or municipality, or any member of the public, at reasonable times and places.

10.4 Deposits. All money belonging to this Association shall be deposited to the credit of the Association in such banks, trust companies, or other depositories as the Board of Trustees may designate. Board of Trustees shall make deposits in conformance with Minnesota Statutes, the Bylaws and the investment policy.

ARTICLE XI APPENDICES INCORPORATED IN BYLAWS

The following appendices attached hereto are expressly incorporated herein as a component of these Bylaws, with the same legal force and effect of Bylaws.

Appendix A: Bylaw Amendment History.

Appendix B: East Bethel Firefighters Relief Association Defined Benefit Lump Sum Retirement Plan.

Appendix C: Benefit Levels.

ARTICLE XII AMENDMENTS

12.1 Amendment of Articles of Incorporation by Members. Amendments to the Articles of Incorporation must be approved by a majority of the Board of Trustees and by a majority of the Active Members. The exception is changing the relief association's physical address; in that case, the Board of Trustees may amend the Articles of Incorporation without member approval. If an amendment is initiated by the Directors, proper notice of the proposed amendment must precede a meeting of the members at which the amendment will be considered and must include the substance of the proposed amendment. If an amendment is proposed, the members may demand a meeting of the Board of Trustees within 60 days for consideration of the proposed amendment if a regular meeting of the Board would not occur within 60 days.

12.2 Amendment of Articles of Incorporation by Board when Authorized by Members. When authorized by Active Members, the Articles of Incorporation may be amended by the Board of Trustees by the affirmative vote of a majority of the Trustees then in office, at a meeting for which notice of the meeting and the proposed amendment have been given. The members may prospectively revoke the authority of the Board to exercise the power of the members to amend the Articles, with the exception of amending the relief association's physical address, which the Board can amend without member approval. Nothing in this Section shall be construed to permit the Board to adopt, amend, or repeal provisions in the Articles that would alter the rights of the membership.

12.3 Amendment of Bylaws by Board. The Bylaws of the Association may be amended by the Board at any regular or special meeting of the Board by a vote of the majority present and voting, provided that a quorum is present; and provided further that a notice of date, time, place, purpose of the meeting and proposed amendment be *posted* on the bulletin board of the Association, or if no bulletin board, on the door of its usual meeting room, *and* in accord with Minnesota Statutes, Section 317A.231, each Trustee has been *provided* at least three (3), but not more than sixty (60) days, before the meeting, (excluding the date of the meeting) with notice setting forth the date, time, place, purpose of the meeting and proposed amendment.

Board Limitations of Bylaw Amendments. Nothing in this section shall be construed to permit the Board to adopt, amend or repeal provisions regarding:

- (a) Amending in any way the definition of “Active Service” set forth in the Plan attached hereto
- (b) Decreasing any benefit level set forth in the Plan attached hereto
- (c) Changing the deferred interest percentage set forth in the Plan attached hereto
- (d) Changing the vesting schedule set forth in the Plan attached hereto
- (e) Membership (Article IV)
- (f) Compensation (Section 6.8)
- (g) Elections (Article VII)
- (h) Member Quorum (Section 8.5)
- (i) Revise the number of Members required to amend the Bylaws (Section 12.4)
- (j) or limit the right of at least ten percent of the membership to propose a resolution for action by the members to adopt, amend, or repeal Bylaws that the Board has taken action to adopt, amend or repeal pursuant to this section.

12.4 Amendment of Bylaws by Members. The Bylaws of the Association may be amended at any regular or special meeting by a vote of two-thirds of the Active Members present and voting, provided that a quorum is present; and provided further that notice of any proposed amendment(s) shall be given by posting or reading the same at any regular or special meeting not more than thirty-one (31) days preceding that upon which such amendment(s) are to be acted upon (excluding the date of the meeting).

12.5 Ratification of Amendments by Municipality. If the Association amends its bylaws to affect the amount of, the manner of payment of, or the conditions for qualification for service pensions or ancillary benefits or disbursements other than administrative expenses, it may be necessary to obtain ratification of the amendment by the Municipality as described in Section 8.1 of Appendix B.

APPENDIX B
EAST BETHEL FIREFIGHTERS RELIEF ASSOCIATION
DEFINED BENEFIT LUMP SUM RETIREMENT PLAN

These model documents are drafted to conform to Minnesota state laws relating to relief association pension plans for volunteer firefighters. The model documents are not drafted to meet the requirements of tax-qualified retirement plans under the Internal Revenue Code, and it is doubtful that the model documents can meet those requirements. **Minnesota Firefighter Pension Consultants, LLC (MNFPC, LLC) makes no representation regarding the status of the plans under federal or state tax laws. MNFPC, LLC recommends that Relief Associations consult their own tax advisors regarding the treatment of the plan and distributions from the plan under state and federal tax laws.**

MNFPC, LLC is not a law firm. We recommend review by your legal counsel of model documents before adoption.

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EAST BETHEL FIREFIGHTERS RELIEF ASSOCIATION
DEFINED BENEFIT LUMP SUM RETIREMENT PLAN

The Board of Trustees of the Relief Association amends and restates its existing defined benefit pension plan in its entirety for the benefit of its eligible members.

ARTICLE I
NAMES, PURPOSE AND OTHER GENERAL INFORMATION

- 1.1 Name of Municipality: City of East Bethel
- 1.2 Name of Fire Department: East Bethel Fire Department
- 1.3 Name of Relief Association: East Bethel Firefighters Relief Association
- Address: 2751 Viking Boulevard NE, East Bethel, MN 55092
- 1.4 Federal Taxpayer Identification Number: 41-1435538
- 1.5 Name of Plan: East Bethel Firefighters Relief Association Defined Benefit Lump Sum Retirement Plan
- 1.6 Original Effective Date of Plan: September 21, 1960
- 1.7 Purpose. The purpose of the Plan is to provide benefits to eligible members of the Relief Association (Participants) and their lawful Beneficiaries.

ARTICLE II
DEFINITIONS AND INTERPRETATION

- 2.1 General Definitions. The following words and phrases when used herein shall have the following meanings except as otherwise required by the context in which they are used:
- (a) **“Accrued Benefit”** of a Participant shall mean the benefit determined under the terms of the Plan, as of a specified date.
 - (b) **“Active Service”** shall mean active service as defined by the Fire Department, as stated in its policies and procedures, except that Participants shall not receive credit for Active Service for periods during which the Participant is:
 - (i) a full- or part-time employee of the Fire Department who accrues pension service credit under the Public Employees Retirement Association of Minnesota Police and Fire Fund for the same firefighting service.

- (c) **“Alternate Payee”** shall mean a spouse or former spouse of a Participant who is recognized by a Domestic Relations Order as having a right to receive all, or a portion of, a Participant’s Beneficial Interest under the Plan, pursuant to Minnesota Statutes, Section 518.58, Subd. 4.
- (d) **“Beneficial Interest”** shall mean the amount of a Participant’s Accrued Benefit that is distributable to the Participant or the Participant’s Beneficiary in accordance with the terms of the Plan.
- (e) **“Beneficiary”** shall mean any person entitled to receive benefits that may be payable upon or after a Participant’s death.
- (f) **“Board of Trustees”** or **“Board”** shall mean the Board of Trustees of the Relief Association.
- (g) **“Break in Service”** shall mean a period as defined by the Fire Department in its policies and procedures, during which the Participant does not meet Active Service requirements. However, service restored pursuant to the uniformed services provisions of Article VII shall be considered Active Service and shall not be considered a Break in Service.
- (h) **“Bylaws”** shall mean the duly adopted bylaws of the Relief Association.
- (i) **“Code”** shall mean the Internal Revenue Code of 1986, and amendments thereto.
- (j) **“Disability Benefit”** shall mean the benefit, if any, paid to a Participant in lieu of a Retirement Benefit, pursuant to Section 4.4.
- (k) **“Domestic Relations Order”** shall mean any judgment, decree or order (including approval of a property settlement agreement) that complies with the provisions of Minnesota Statutes Sections 518.58 or 518.581.
- (l) **“Effective Date”** of the Plan shall be the effective date referenced on the first page of the Bylaws.
- (m) **“Entry Date”** shall mean the date of hire as defined in the Fire Department policies and procedures.
- (n) **“Participant”** shall mean a member of the Relief Association who has accrued or is accruing benefits under the Plan.
- (o) **“Plan Year”** shall mean the calendar year.
- (p) **“Qualification Procedures”** shall mean written procedures adopted by the Board of Trustees to:
 - (i) determine whether a Domestic Relations Order may be honored under the law and the terms of the Plan; and

(ii) to administer distributions under such orders.

The procedures shall be implemented within a reasonable time after receipt of a domestic relations order by the Board of Trustees. Qualification Procedures must permit an Alternate Payee to designate a representative for receipt of copies of notices sent to the Alternate Payee with respect to a Qualified Domestic Relations Order.

- (q) **“Qualified Recipient”** shall mean an individual who receives a lump sum distribution of pension or retirement benefits, including disability benefits, from the Relief Association for service performed as a Volunteer Firefighter, as it relates to Section 4.7 herein.
- (r) **“Resumption of Active Service Requirement”** shall mean the period of time equal to the period of time that elapsed between the Participant’s Separation Date and return to Active Service up to a maximum of three (3) years pursuant to Section 4.2.
- (s) **“Retirement Benefit”** shall mean the benefit payable to a Participant pursuant to Section 4.1, but only after the Participant has met all eligibility requirements of Section 4.1.
- (t) **“Separation Date”** shall mean the date of retirement or termination as defined in the Fire Department policies and procedures.
- (u) **“Special Fund”** shall mean the fund established pursuant to Minnesota Statutes, Section 424A.05 used to fund benefits under the Plan and for other purposes permitted by statute. The assets of the Special Fund shall be invested only in securities authorized by Minnesota Statutes, Section 69.775.
- (v) **“Supplemental Benefit”** shall mean the benefit paid to a Qualified Recipient pursuant to Minnesota Statutes, Section 424A.10, Subd. 2(a), as described in Section 4.7.
- (w) **“Supplemental Survivor Benefit”** shall mean the benefit, if any, paid to a Surviving Spouse or minor Surviving Children pursuant to Minnesota Statutes, Section 424A.10, Subd. 2(b), as described in Section 4.8.
- (x) **“Surviving Children”** shall mean any natural or adopted child of a deceased Participant.
- (y) **“Surviving Spouse”** shall mean the spouse of a deceased Participant who was legally married to the Participant at the time of death.
- (z) **“Survivor Benefit”** shall mean the benefit paid to a Participant’s Beneficiary pursuant to Section 4.5.
- (aa) **“Volunteer Firefighter”** shall mean any person who:

- (i) is engaged in providing emergency response services or delivering fire education or prevention services as a firefighter for the Fire Department or Municipality;
 - (ii) is trained in or is qualified to provide fire suppression duties or to provide fire prevention duties under Minnesota Statutes, Section 424A.001, Subd. 8; and
 - (iii) meets any other minimum firefighter and service standards established by the Fire Department or Municipality.
- (bb) **“Year of Active Service”** shall mean each 12-month period of Active Service commencing with a Participant’s Entry Date or anniversary thereof reduced by the Participant’s Break(s) in Service. This definition shall be used for the purposes of calculating the minimum funding requirements and computing benefits or service pensions payable. Service pensions will not be prorated monthly for fractional Years of Active Service pursuant to Minnesota Statutes, Section 424A.02, Subd. 1.

2.2 Interpretation. The words defined in this Article 2 shall have the meanings assigned to them except where specified otherwise in this instrument. Whenever appropriate, words used herein in the singular shall include the plural, the plural may be read as the singular, and the masculine shall include the feminine.

ARTICLE III VESTING

3.1 Full Vesting of Accrued Benefit. A Participant shall have a fully vested and non-forfeitable interest in the Participant’s Accrued Benefit upon completion of 20 Years of Active Service.

3.2 Partial Vesting of Accrued Benefit. The following vesting schedule shall apply to a Participant with fewer than 20 Years of Active Service:

<u>Years of Active Service</u>	<u>Vested Percentage</u>
10 but less than 11	60%
11 but less than 12	64%
12 but less than 13	68%
13 but less than 14	72%
14 but less than 15	76%
15 but less than 16	80%
16 but less than 17	84%
17 but less than 18	88%
18 but less than 19	92%
19 but less than 20	96%
20 or more	100%

3.3 Determining Years of Active Service for Vesting. All Years of Active Service shall be taken into account for purposes of determining a Participant's vested Accrued Benefit, including Years of Active Service with the Fire Department prior to the Effective Date.

ARTICLE IV
BENEFITS

4.1 Retirement Benefit. (a) *Eligibility.* To be eligible to receive a Retirement Benefit a Participant must satisfy each of the following requirements:

- (i) Have retired or ceased Active Service with the Fire Department;
- (ii) Be at least 50 years of age;
- (iii) Have been a Volunteer Firefighter in the Fire Department;
- (iv) Have been a member in the Relief Association; and
- (v) Have the minimum Years of Active Service required for a non-forfeitable interest (vested) in the Participant's Accrued Benefit.

(b) *Amount.* If so provided in Section 3.2, a Participant's Retirement Benefit shall be determined as follows:

Years of Active Service credited to Participant	multiplied by	Benefit level in effect for Participant	multiplied by	Vesting percentage for completed Years of Active Service
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The benefit level is set forth in Appendix C. The Participant's benefit level will be the benefit level in effect at the Participant's Separation Date. However, if the Participant had a Break in Service, the Participant's benefit level shall be determined as described in Section 4.2.

Subject to the provisions of Section 8.1 of this Appendix B, benefit levels are subject to increase and shall be effective as of the agreed upon effective date, provided that such increase shall not apply to any Participant who ceased Active Service before the effective date of the increase.

Such Retirement Benefit shall not be paid before the later of the Participant's Separation Date or the date the Participant attains age 50. The Retirement Benefit shall be paid at the time requested by the Participant in a properly completed and accepted Retirement Benefit Payment Request Form.

4.2 Return To Service. (a) *Return to Service Before Payment of Retirement, Disability or Survivor Benefit.* If a Participant:

- (i) Ceases Active Service with the Fire Department (incurs a Separation Date),
- (ii) Has not received a Retirement Benefit distribution from the Plan of the Participant's vested Accrued Benefit, and
- (iii) Subsequently returns to Active Service after at least 60 days have elapsed, the Participant shall qualify for increases in the benefit level implemented during or after the Separation Date from Active Service and additional Years of Active Service only if the Participant remains in Active Service for the Resumption of Active Service Requirement. If the Participant has not met this requirement by the time of the Participant's later Separation Date, the Participant's benefit shall be the benefit level in effect at the time of the Participant's prior Separation Date and Years of Active Service in effect at the time of the Participant's prior Separation Date plus Years of Active Service after the Participant's resumption of Active Service.

A Participant whose period of Break in Service does not exceed 365 consecutive days is exempt from the minimum period of Resumption of Active Service Requirement.

- (b) *Return to Service After Payment of Retirement Benefit.* If a Participant:
 - (i) Ceases Active Service with the Fire Department (incurs a Separation Date)
 - (ii) Receives a Retirement Benefit distribution from the Plan of the Participant's vested Accrued Benefit,
 - (iii) Subsequently returns to Active Service after at least 60 days have elapsed, the Participant shall be credited with additional Years of Active Service. A Participant's Retirement, Disability or Survivor Benefit at the Participant's later Separation Date shall be determined as follows:

Years of <i>Additional</i> Active Service credited to Participant after the return to service	multiplied by	Benefit level in effect for Participant as of the subsequent Separation Date	multiplied by	Vesting percentage for completed <i>Additional</i> Years of Active Service
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No Participant may be paid a service pension twice for the same period of Active Service.

4.3 Deferred Interest. The Board of Trustees shall not add interest or otherwise adjust a Participant's unpaid Retirement Benefit amount.

4.4 Disability Benefit. No Disability Benefit shall be paid under this Plan.

4.5 Survivor Benefit. (a) *Eligibility.* For a Participant's Beneficiary to be eligible to receive a Survivor Benefit, the Participant must have satisfied the following requirements:

- (i) Have died in Active Service with the Fire Department; or
- (ii) Have died prior to receiving his Retirement Benefit.

A Participant who dies while on leave for uniformed service under Article VII shall be deemed to have died while in Active Service.

(b) *Amount.* If a Participant in Active Service dies, the Participant's Beneficiary shall receive a lump sum payment equal to 100% of the Participant's Accrued Benefit.

The Survivor Benefit paid on behalf of a Participant in Active Service who dies before having completed five Years of Active Service shall be determined as if the Participant had completed five Years of Active Service.

If a Participant who has retired from or ceased Active Service dies, the Participant's Beneficiary shall receive a lump-sum Survivor Benefit determined as follows:

Years of Active Service credited to Participant	multiplied by	Benefit level in effect for Participant	multiplied by	Vesting percentage for completed Years of Active Service
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The Survivor Benefit level will be the benefit level in effect at the Participant's Separation Date. However, if the Participant had a Break in Service, the Survivor Benefit level shall be determined as described in Section 4.2.

Such Survivor Benefit shall be paid to the Participant's Beneficiary as soon as administratively feasible following the Participant's death and the approval of the Survivor Benefit Payment Request form.

A Participant's Beneficiary shall be as follows:

- (i) the Participant's Surviving Spouse; or
- (ii) if no Surviving Spouse, the Participant's Surviving Children or if so designated as a Beneficiary by the Participant, a trust for the benefit of the Participant's Surviving Children created under Chapter 501B; or
- (iii) if no Surviving Spouse or Surviving Children, the Participant's designated Beneficiary or Beneficiaries. To designate a Beneficiary, the Participant shall complete, sign and file with the Relief Association a designation of Beneficiary on a form to be provided by the Relief Association or by other written form acceptable to the Relief Association. On said form, the Participant shall designate a Beneficiary, which must be a natural person,

or a designated trust created under Chapter 501B of the Minnesota Statutes that shall be paid any sum that may be payable on account of the Participant's death (reserving, however, to the Participant the power to change the designation of Beneficiary using the Change of Beneficiary Designation form); or

- (iv) if no designated Beneficiary or Beneficiaries, to the estate of the Participant.

If there is a Surviving Spouse, but no Surviving Children, the Surviving Spouse may waive in writing all or a part of the Survivor Benefit otherwise payable to the Surviving Spouse, in which event, the Survivor Benefit waived shall be paid as if the spouse had predeceased the Participant.

4.6 Funeral Benefit. No Funeral Benefit shall be paid under this Plan.

4.7 Supplemental Benefit. Upon payment of a lump sum distribution, the Relief Association must pay a Supplemental Benefit to the Qualified Recipient. The Supplemental Benefit may be paid from the Special Fund. The amount of the Supplemental Benefit equals ten percent of the lump sum distribution, excluding any interest paid during a period of deferral, but in no case may the Supplemental Benefit exceed \$1,000.

4.8 Supplemental Survivor Benefit. Upon payment of a Survivor Benefit, the Relief Association must pay a Supplemental Survivor Benefit to the Surviving Spouse, or, if none, the Surviving Child(ren) of a Participant who had at least one (1) month of Active Service. The Supplemental Survivor Benefit shall be paid in lieu of the Supplemental Benefit and shall be paid from the Special Fund. The amount of the Supplemental Survivor Benefit equals twenty (20) percent of the lump sum distribution, but in no case may the Supplemental Survivor Benefit exceed \$2,000.

4.9 Benefit Payment Requests. Requests for benefit payment shall be in writing and filed with the Relief Association not less than 90 days prior to the next Board meeting, unless permitted earlier by the Board. Such request shall be made on the appropriate form described below:

<u>Requested Benefit</u>	<u>Required Benefit Form</u>
Retirement	Retirement Benefit Payment Request
Survivor	Survivor Benefit Payment Request
Disability	Disability Benefit Payment Request (if applicable)

Requests for Plan benefits shall be considered valid when approved by the Board. Upon approval of the request, the Board shall pay the Participant within 90 days and provide notices to the Participant as required by state or federal law with respect to pension or benefit payments, including, if required, the Special Tax Notice Regarding Plan Payments.

4.10 Forms of Payment. Plan benefits payable to a Participant or Beneficiary shall be made in single lump sum payment. The Participant shall specify that the payment be made in the manner of:

- (a) a check payment payable to the Participant or Beneficiary, subject to federal income tax withholding, as may be required; or
- (b) a direct rollover to an individual retirement account described in Section 408(a) of the Code to the extent permitted by law, or
- (c) a transfer to the Participant's account in the Minnesota Deferred Compensation Plan, to the extent permitted by law and the Minnesota Deferred Compensation Plan.

No other forms of distributions are allowed under the Plan.

4.11 Maximum Limitation on Benefits. Notwithstanding any provision of the Plan to the contrary, a Participant's benefit under the Plan shall not exceed the maximum amount permitted under Section 415 of the Code. Service pensions shall be further limited to the maximum amounts payable pursuant to Minnesota Statutes, Section 424A.02, Subd. 3.

4.12 Required Distributions. Notwithstanding any provision of the Plan to the contrary, a Participant's benefit shall be paid to the Participant by April 1 of the calendar year following the later of the calendar year in which the Participant attains age 70½ or ceases Active Service. Such distributions shall be determined and made in accordance with Section 401(a)(9) of the Code and regulations promulgated there under, including the minimum distribution incidental benefit requirement of Treasury Reg. Section 1.401(a)(9)-2, the provisions of which are incorporated herein by reference.

4.13 Unclaimed Benefits. If the Relief Association is unable with reasonable effort to locate a Participant or person/estate entitled to a Survivor Benefit under the Plan or applicable law, the benefit distributable to such Participant or person/estate shall be forfeited and will be credited to the Special Fund. Efforts to locate a Participant or person/estate must be documented. Forfeiture shall occur no earlier than thirty-six (36) months after the Board concludes the Relief Association was unable to locate such Participant or person/estate despite reasonable efforts to do so.

ARTICLE V

APPEALS PROCEDURE

5.1 Right of Appeal. In the event the Board of Trustees denies a written request for a Retirement, Disability or Survivor Benefit, the Participant or Beneficiary whose request was denied (a "claimant") shall be entitled to appeal the determination.

5.2 Denial of Benefits. If a written request is not approved, the Board shall return the form to the claimant within 30 days, noting which requirements the claimant does not meet. Thereafter, the claimant shall be furnished with the opportunity to be heard by the Board, on the question of

whether the claimant meets all of the eligibility requirements. A claimant who intends to appeal must furnish the Board with a written notice of appeal within 30 days of receiving an adverse determination.

5.3 Review Procedure. Upon receipt of the written notice of appeal, the Board of Trustees shall hold a special meeting within 60 days. Timely notice of the meeting shall be given to the claimant at least 15 days prior to the special meeting. The claimant shall have the reasonable opportunity to be heard by the Board of Trustees at the special meeting with regard to the negative determination. The Board shall decide the appeal and shall give the claimant written notice of its decision.

The exhaustion of these claims procedures is mandatory for resolving every claim and dispute arising under these Bylaws. Any legal action to recover benefits or to enforce or clarify rights under the Bylaws must be commenced in the proper forum within 120 days after the claimant has exhausted the claims procedures. For all purposes, knowledge of all facts that the Participant knew or reasonably should have known shall be imputed to every claimant who is or claims to be a beneficiary of the Participant or otherwise claims to derive an entitlement by reference to the Participant. The Board has full discretion to determine benefit claims under the Bylaws. Any interpretation, determination or other action of the Board shall be subject to review only if it is arbitrary or capricious or otherwise an abuse of discretion. Any review of a final decision or action of the Board shall be based only on such evidence presented to or considered by the Board at the time it made the decision that is the subject of review.

ARTICLE VI

CLAIMS AGAINST BENEFICIAL INTEREST

6.1 Nonassignability. No Participant or Beneficiary shall have any transmissible interest in the Plan or in the Participant's separate Beneficial Interest therein, either before or after the vesting thereof, or in any of the assets comprising the same prior to actual payment and distribution thereof, and shall have no power to alienate, dispose of, pledge or encumber the same, while in the possession or control of the Plan, nor shall the Plan recognize any assignment thereof, either in whole or in part, nor shall the interest of any Participant or Beneficiary be subject to attachment, garnishment, execution or other legal process while in the hands of the Plan, except as provided in Minnesota Statutes, Section 518A.53 or as otherwise provided herein.

6.2 Charge for Litigation. In the event that any Participant or any person claiming by or through a Participant should commence any equitable or legal proceedings against the Relief Association, the result of which is adverse to the plaintiff, or in the event that the Relief Association should find it necessary to commence any such proceeding against any Participant or any person claiming by or through a Participant, the result of which is adverse to the defendant, the cost to the Relief Association of defending or bringing the proceeding, as the case may be, shall be charged, to the extent possible and permitted by law, to the Accrued Benefit of the Participant and only the excess of such cost over the amount of the Participant's Accrued Benefit shall be included as an expense of administration.

6.3 Domestic Relations Orders. Notwithstanding any provision to the contrary herein, the Board of Trustees may assign the interest of a Participant in the Plan to an Alternate Payee pursuant to a Domestic Relations Order. In the event the Plan receives a Domestic Relations Order with respect to a Participant's Beneficial Interest in the Plan, the following provisions shall apply:

- (t) The Board shall promptly give written notification to the Participant and to the Alternate Payee of receipt of a domestic relations order and of Plan Qualification Procedures. The Board shall then proceed with Qualification Procedures to determine whether the order is a Domestic Relations Order and can be honored. The Board shall then notify the Participant and Alternate Payee (or the Alternate Payee's designated representative) of its determination.
- (u) Disputed funds shall be disposed of as follows:
 - (i) During the period in which the Qualification Procedures are in progress, the Board shall separately account for any amounts that would be payable to an Alternate Payee if the Domestic Relations Order can be honored.
 - (ii) If it is determined the Domestic Relations Order can be honored within the 18-month period commencing on the date payments are to begin under the order, the Board shall pay the amounts designated in the order, including any interest, to the Alternate Payee.
 - (iii) If the Board determines that the Domestic Relations Order cannot be honored or if the 18-month period described in (ii) above elapses and the qualification dispute has not been resolved, the Board shall pay the segregated amounts, together with earnings or losses, if required, to the persons who would have received the amounts if the order had not been issued.
 - (iv) If an order is qualified after expiration of the 18-month period described in (ii) above, payment of benefits to an Alternate Payee shall proceed prospectively and the Plan shall not be liable to an Alternate Payee for benefits attributable to the period prior to qualification.
- (v) Payment of benefits pursuant to a Domestic Relations Order shall be made only as permitted under the Plan. Payment to an Alternate Payee may not commence until the Participant submits a valid Retirement Benefit Payment Request form and the Participant's benefit becomes payable.
- (w) If a Domestic Relations Order does not address and determine the payment of the Supplemental Benefit payable under Section 4.7 in connection with the payment of a Retirement Benefit, the Supplemental Benefit shall be divided between the Participant and the Alternate Payee in the same proportion as the Retirement Benefit is so divided. In addition, the Board cannot honor a Domestic Relations

Order requiring that Supplemental Survivor Benefits be paid to anyone other than the persons listed in Section 4.8 in the order there listed.

- (x) To the extent permitted by law and except as otherwise provided under a Domestic Relations Order, the Board may, on a uniform basis, charge the reasonable and necessary expenses associated with the review of a Domestic Relations Order and the implementation of a Domestic Relations Order to the accounts of the Participant and Alternate Payee.

ARTICLE VII

UNIFORMED SERVICE (MILITARY SERVICE)

Subject to restrictions stated in this section, a Participant who is absent from firefighting service due to service in the uniformed services, as defined in the Uniformed Services Employment and Reemployment Rights Act ("USERRA"), will be granted Active Service credit under the Plan for the period of the uniformed service, not to exceed five years, unless a longer period is required under USERRA.

To be eligible for such credit, the Participant must return to firefighting service with coverage by the Relief Association (or by the successor to the Relief Association) upon discharge from service in the uniformed service within the time frame required in USERRA. However, Active Service credit is not authorized if the Participant separates from uniformed service with a dishonorable or bad conduct discharge or under other than honorable conditions.

Active Service credit is not authorized if the Participant fails to provide notice to the Fire Department that the Participant is leaving to provide service in the uniformed service, unless it is not feasible to provide that notice due to the emergency nature of the situation.

If the Participant does not return to Active Service with the Fire Department within the time frame required in USERRA, then except as otherwise provided in the following sentence, it shall be conclusively presumed that the Participant's Active Service terminated as of the date that the leave for uniformed services began. A Participant who dies or becomes Disabled while the Participant is on leave for uniformed services shall be deemed to have returned to Active Service and shall be deemed to have accrued years of Active Service during the period of leave for uniformed services.

ARTICLE VIII

RIGHT TO AMEND, DISCONTINUE OR TERMINATE

8.1 Amendment. Except as herein otherwise limited, the Relief Association shall have the right to amend this Plan, pursuant to Section 12.3 of the Bylaws, at any time to any extent that it may deem advisable. Such amendment will be stated in an instrument in writing executed by the Relief Association. Upon adoption and execution of such instrument, this Plan shall be deemed to have been amended in the manner therein set forth, and Participants shall be bound thereby.

If the Special Fund does not have a surplus over full funding pursuant to Minnesota Statutes,

Section 69.772, Subd. 3, clause (b), or Minnesota Statutes 69.773, Subd. 4, and if the Municipality is required to provide financial support to the Special Fund pursuant to Minnesota Statutes, Section 69.772 or 69.773, no amendment that would affect the amount of, the manner of payment of, or the conditions for qualification for service pensions or ancillary benefits or disbursements other than administrative expenses authorized pursuant to Minnesota Statutes 69.80 payable from the Special Fund shall be effective until it has been ratified by the governing body or bodies of the Municipality.

If the Municipality is not required to provide financial support to the Special Fund, the Relief Association may adopt an amendment of the Plan that increases or otherwise affects the service pensions or ancillary benefits payable from the Special Fund without municipal ratification so long as the changes do not cause the amount of the resulting increase in the accrued liability of the Special Fund to exceed 90 percent of the amount of the prior surplus over full funding and the changes do not result in the financial requirements of the Special Fund exceeding the expected amount of the future fire state aid to be received by the Relief Association.

The financial requirements are to be determined by the Board of Trustees following the preparation of an estimate of the expected increase in the accrued liability and annual accruing liability of the Relief Association attributable to the change. If the Relief Association adopts or amends the Plan without municipal ratification, and, subsequent to the amendment or adoption, the financial requirements of the Special Fund are such so as to require financial support from the Municipality, the provision that was implemented without municipal ratification shall no longer be effective without municipal ratification, and any service pensions or ancillary benefits payable with respect to the unapproved increase shall no longer be effective as of the January 1 of the year for which the Schedules I and II for the municipal contribution became due, and as of that January 1, service pensions or ancillary benefits shall be paid only in accordance with provisions of the Plan as amended or adopted with municipal ratification.

8.2 Consolidation and Plan Benefits. The Relief Association has not been consolidated with another relief association pursuant to Minnesota Statutes, Section 424B.02.

8.3 Termination of Plan. Upon dissolution of the Relief Association, after the settlement of nonbenefit legal obligations of the Special Fund, the Board shall transfer the remaining assets of the Special Fund, as securities or in cash, as applicable, to the chief financial official of the Municipality. The Board shall also compile a schedule of Participants to whom a service pension is or will be owed, any Beneficiary to whom a benefit is owed, the amount of the service pension or benefit payable based on the Bylaws and state law and the service rendered to the date of the dissolution, and the date on which the pension or benefit would first be payable under the Bylaws and state law.

The Municipality receiving the remaining assets of the Special Fund shall establish a separate account in the municipal treasury to function as a trust fund for Participants and their Beneficiaries eligible for Plan benefits. Upon submission of the proper form, on or after the initial date on which the service pension or benefit is payable, the municipal treasurer shall pay the pension or benefit due, based on the schedule described above and the other records of the dissolved Relief Association. The trust fund must be invested and managed consistent with Minnesota Statutes Section 69.775 and Chapter 356A. Upon payment of the last service pension or benefit due and owing, any remaining assets in the trust fund may be transferred to the general fund of the municipality. If the Special Fund had an unfunded actuarial accrued liability upon dissolution, the Municipality is liable for that unfunded actuarial accrued liability.

ARTICLE IX **MISCELLANEOUS**

9.1 Governing Law. This Plan shall be construed, administered, and governed in all respects under the laws of the State of Minnesota, except as preempted by federal law.

If any Minnesota laws are applicable solely to the Relief Association, then an Appendix F will be included to describe such laws.

9.2 Binding Effect. This Plan shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of any and all of the parties hereto.

9.3 Effective Date Application. If a member's Separation Date is prior to the Effective Date, the member's status and benefit under the Plan, if any, attributable to Active Service, shall be determined and paid in accordance with the provisions of the Plan in effect at the Separation Date.

If a member had a Separation Date prior to the Effective Date, but returns to complete a Year of Active Service that ends after the Effective Date, the member's status and benefits under the Plan for all Active Service shall be determined in accordance with the provisions of the Plan in effect at the subsequent Separation Date.

9.4 Authority of Board of Trustees. The Board of Trustees shall have full power, authority and discretion to do each and every act and thing which it is specifically required or permitted to do under the provisions of the Plan and to determine conclusively for all parties all questions arising in the interpretation or administration of the Plan.



City of East Bethel City Council Agenda Information

Date:

August 7, 2013

Agenda Item Number:

Item 6.0 A-N

Agenda Item:

Consent Agenda

Requested Action:

Consider approving Consent Agenda as presented

Background Information:

Item A

Approve Bills

Item B

July 10, 2013 City Council Work Meeting Minutes

Meeting minutes from the July 10, 2013 City Council Work Meeting are attached for your review and approval.

Item C

July 10, 2013 City Council Special Meeting Minutes

Meeting minutes from the July 10, 2013 Special City Council meeting are attached for your review and approval.

Item D

July 17, 2013 City Council Work Meeting Minutes

Meeting minutes from the July 17, 2013 City Council Work Meeting will be forwarded for your review and approval on Monday, August 5th.

Item E

July 17, 2013 City Council Regular Meeting Minutes

Meeting minutes from the July 17, 2013 City Council Regular Meeting are attached for your review and approval.

Item F

Resolution 2013-41 Proclaiming Constitution Week

The Daughters of the American Revolution, Anoka Chapter, requested that Council adopt a resolution proclaiming September 17-23, 2013 as Constitution Week.

Staff recommends adoption of Resolution 2013-41 Proclaiming September 17-23, 2013 Constitution Week.

Item G

Interim Use Permit Renewal – Mike & Cathy Beason – 3301 Viking Boulevard
Mike and Cathy Beason, dba The Pines Craft Center are requesting renewal of their Interim Use Permit for an additional three year period. The property is zoned Rural Residential. Staff has inspected the site and the Beason’s are in compliance with their existing Interim Use Permit and have no complaints from any adjoining neighbors.

Staff recommends that Council approve the IUP for an additional 3 years.

Item H

Resolution 2013-42 Domestic Violence Awareness Month
Resolution 2013-42 Proclaiming October Domestic Violence Awareness Month
At the request of Alexandra House, Resolution 2013-42 Proclaims October 2013 as Domestic Violence Awareness Month.

Staff requests Council adopt Resolution 2013-42 Proclaiming October as Domestic Awareness Month.

Item I

Pay Estimate 24 Phase 1 Project 1 Utility Project

This item includes Pay Estimate #24 to S.R. Weidema for the construction of the Phase 1, Project 1 Utility Improvements. This pay request includes payment for previously withheld amounts for final turf establishment and removal of erosion control devices and a reduction in the retainage from 5% to 2.5%. The total recommended payment of \$375,242.41 to S.R. Weidema includes a direct payment of \$33,897.36 and a release of \$341,345.05 from the Contractor’s escrow account at TCF Bank. A summary of the recommended payment breakdown and escrow balance is as follows:

Contractor Payment Summary			
	Totals to Date	Less Previous Payments	Amount Due this Estimate
MCES	\$7,110,481.05	\$6,901,005.80	\$209,475.25
City	\$4,327,159.35	\$4,211,159.28	\$116,000.07
County	\$1,940,916.72	\$1,891,149.63	\$49,767.09
Total	\$13,378,557.12	\$13,003,314.71	\$375,242.41
Escrow Summary			
	Current Total Escrow	Withdrawal Amount	Total Escrow after P.E. #24
MCES	\$363,210.83	\$180,890.80	\$182,320.03
City	\$221,639.96	\$110,687.16	\$110,952.80
County	\$99,534.19	\$49,767.09	\$49,767.10
Total	\$684,384.98	\$341,345.05	\$343,039.93

Payment for this project will be financed from the bond proceeds and County proceeds in accordance with the Joint Powers Agreement. Funds, as noted above, are available and appropriate for this project. A copy of the Pay Estimate is attached. Staff recommends that a direct payment in the amount of \$33,897.36 be made to S.R. Weidema. Staff further recommends that Council authorize staff to prepare the documents to release \$341,345.05 from the TCF Bank escrow account to S.R. Weidema.

Item J

Resolution 2013-43 Resolution Approving Plans and Specifications and Authorizing Bids for the Whispering Aspen Overlay Project

The City Engineer has prepared plans and specifications for the Whispering Aspen Street Surface Improvement Project. The project will consist of overlaying the streets in the plat of Whispering Aspen. The attached title sheet shows the streets that will be improved. A complete set of plans and specifications are available at City Hall for review. Payment for this project will be financed from the City Streets Capital Fund and through funds that are collected from the developer for street improvements in accordance with the Developers Agreement. Bids will be opened on August 28, 2013. Bids will be presented to the City Council at the September 4, 2013 City Council meeting. A completion date of October 18, 2013 has been established in the Contract Documents

Staff is recommending approval of Resolution 2013-43 Approving Plans and Specifications for the Whispering Aspen Street Surface Improvement Project and Direction to Solicit Bids.

Item K

Pay Estimate No. 5 Jackson Street Construction Project

This item includes Pay Estimate #5 to Rum River Contracting for the Jackson Street Reconstruction Project. This pay estimate includes payment for striping, retaining wall construction, landscaping and restoration. Staff recommends partial payment of \$57,293.05. A summary of the recommended payment is as follows:

Total Work Completed to Date	\$ 1,218,754.29
Less Retainage	\$ 36,562.63
Less Previous Payments	<u>\$ 1,124,898.61</u>
Total payment	\$ 57,293.05

Payment for this project will be financed from the Municipal State Aid Construction Fund. Funds are available and appropriate for this project. A copy of Pay Estimate #5 is attached.

Item L

Approve Promotion/Internal Hire of Administrative Support I- Community Development Department Position

Upon the retirement of Joan Steffen-Baker on October 4, 2013, Staff recommends that Carrie Frost be promoted to the position of Administrative Support I-Community Development Department at pay Grade 5, Step C-\$20.99/hr. and that she assumes this position effective October 7, 2013.

Item M

Authorize Advertisement of Receptionist Position

Staff is requesting approval to advertise for the City Receptionist/Recycle Coordinator Position This position will become vacant should Carrie Frost be promoted to the Administrative Support I-Community Development Department Position. The time frame for advertising, accepting applications and recommending an applicant to City Council should be completed by no later than September 18, 2013. The recommended start of employment for this position would be no

later than October 7, 2013. This position would be offered at Pay Grade 3 on the City Plan, \$16.16 to \$19.71, depending on qualifications.

Item N

Resolution 2013-44 Accepting Donation from CHOPS, Inc.

The City of East Bethel has received a donation of \$1,006.00 from Chops, Inc. that was used for the Family Fun Night on Friday, July 19, 2013.

Staff is recommending adoption of Resolution 2013-44 Accepting and Acknowledging Donation from Chops, Inc.

Fiscal Impact:

As noted above.

Recommendation(s):

Staff recommends approval of the Consent Agenda as presented.

City Council Action

Motion by: _____

Second by: _____

Vote Yes: _____

Vote No: _____

No Action Required: _____



Payments for Council Approval August 7, 2013

Bills to be Approved for Payment	\$767,478.63
Electronic Payments	\$47,185.50
Payroll City Staff - July 18, 2013	\$33,238.74
Payroll City Staff - August 1, 2013	\$33,361.27
Total to be Approved for Payment	\$881,264.14

City of East Bethel

August 7, 2013

Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
2010 GO WATER REVENUE NOTE	Bond Interest	071513	MN Public Facilities Authority	309	30900	\$312.95
2010 GO WATER REVENUE NOTE	Debt Srv Bond Principal	071513	MN Public Facilities Authority	309	30900	\$3,000.00
Accounts Receivable	Other Equipment Rentals	66182	Jimmy's Johnnys, Inc.	101		\$580.00
Arena Operations	Electric Utilities	072213	Connexus Energy	615	49851	\$1,276.86
Arena Operations	Gas Utilities	376497244	Xcel Energy	615	49851	\$79.59
Building Capital Projects	Bldgs/Facilities Repair/Maint	072213	DCC INC.	401	40100	\$7,631.00
Building Inspection	Permit Refund	233	Bassing Electric Inc.	101		\$50.00
Building Inspection	Permit Refund	263	Jody Brunet	101		\$79.00
Central Services/Supplies	Cleaning Supplies	666888091001	Office Depot	101	48150	\$32.86
Central Services/Supplies	Legal Notices	IQ 01816877	ECM Publishers, Inc.	101	48150	\$112.75
Central Services/Supplies	Office Equipment Rental	233588367	Loffler Companies, Inc.	101	48150	\$388.57
Central Services/Supplies	Office Supplies	14303	Norseman Awards	101	48150	\$13.89
Central Services/Supplies	Office Supplies	664315905001	Office Depot	101	48150	\$74.95
Central Services/Supplies	Office Supplies	666888091001	Office Depot	101	48150	\$10.18
Central Services/Supplies	Telephone	11102905	Integra Telecom	101	48150	\$224.40
City Administration	Travel Expenses	073113	Jack Davis	101	41320	\$166.11
Economic Development Authority	Office Supplies	284393	St. Paul Stamp Works Inc.,	232	23200	\$60.36
Finance	Office Supplies	663901062001	Office Depot	101	41520	\$65.86
Fire Department	Clothing & Personal Equipment	2013-1339	Eagle Engraving	101	42210	\$292.25
Fire Department	Clothing & Personal Equipment	47795	Metro Fire, Inc.	101	42210	\$378.17
Fire Department	Electric Utilities	072213	Connexus Energy	101	42210	\$684.42
Fire Department	Equipment Parts	47797	Metro Fire, Inc.	101	42210	\$26.61
Fire Department	Gas Utilities	376497244	Xcel Energy	101	42210	\$125.72
Fire Department	Heavy Machinery	65569	Rosenbauer Minnesota LLC	701	42210	\$178,895.00
Fire Department	Heavy Machinery	65570	Rosenbauer Minnesota LLC	701	42210	\$218,494.00
Fire Department	Motor Vehicle Services (Lic d)	3483	Kirvida Fire, Inc.	101	42210	\$129.96
Fire Department	Professional Services Fees	070113	City of East Bethel	231	42210	\$1,666.67
Fire Department	Refuse Removal	449419	Walters Recycling, Inc.	101	42210	\$42.11
Fire Department	Repairs/Maint Machinery/Equip	116929	BlueTarp Financial, Inc.	101	42210	\$64.26
Fire Department	Safety Supplies	1110017138	Allina Health System	101	42210	\$642.33
Fire Department	Telephone	11102905	Integra Telecom	101	42210	\$140.28
General Govt Buildings/Plant	Bldg/Facility Repair Supplies	30043	Menards Cambridge	101	41940	\$39.83
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	2117	LowVolts LLC	101	41940	\$504.00
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	3997	Northside Septic Svc, LLC	101	41940	\$280.00
General Govt Buildings/Plant	Electric Utilities	072213	Connexus Energy	101	41940	\$1,445.15
General Govt Buildings/Plant	Gas Utilities	376497244	Xcel Energy	101	41940	\$92.43
General Govt Buildings/Plant	Refuse Removal	449419	Walters Recycling, Inc.	101	41940	\$31.51
Jackson MSA Street Project	Architect/Engineering Fees	9645R	Northern Technologies, Inc	402	40326	\$640.00
Park Capital Projects	Bldg/Facility Repair Supplies	60276	PGM Construction Services	407	40700	\$3,100.00
Park Capital Projects	Bldgs/Facilities Repair/Maint	29268	Central Wood Products	407	40700	\$1,784.81
Park Maintenance	Bldg/Facility Repair Supplies	65437043	John Deere Landscapes	101	43201	\$44.01
Park Maintenance	Bldg/Facility Repair Supplies	29580	Menards Cambridge	101	43201	\$217.79
Park Maintenance	Bldg/Facility Repair Supplies	257202	S & S Industrial Supply	101	43201	\$198.79
Park Maintenance	Bldg/Facility Repair Supplies	BL0000000540	TrueNorth Steel	101	43201	\$143.64
Park Maintenance	Clothing & Personal Equipment	1182617963	G&K Services - St. Paul	101	43201	\$19.46

City of East Bethel

August 7, 2013

Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
Park Maintenance	Conferences/Meetings	756-C-006117	First Student	101	43201	\$165.00
Park Maintenance	Electric Utilities	072213	Connexus Energy	101	43201	\$737.78
Park Maintenance	Equipment Parts	426490	Ham Lake Hardware	101	43201	\$37.40
Park Maintenance	Equipment Parts	3538	Hydraulics Plus & Consulting	101	43201	\$86.44
Park Maintenance	Equipment Parts	02-20203	Lano Equipment, Inc.	101	43201	\$245.93
Park Maintenance	General Operating Supplies	28697	Menards Cambridge	101	43201	\$49.59
Park Maintenance	General Operating Supplies	257170	S & S Industrial Supply	101	43201	\$13.58
Park Maintenance	General Operating Supplies	257171	S & S Industrial Supply	101	43201	\$3.09
Park Maintenance	General Operating Supplies	257199	S & S Industrial Supply	101	43201	\$16.03
Park Maintenance	Motor Vehicles Parts	1539-230813	O'Reilly Auto Stores Inc.	101	43201	\$47.71
Park Maintenance	Other Equipment Rentals	65449	Jimmy's Johnnys, Inc.	101	43201	\$52.87
Park Maintenance	Other Equipment Rentals	66182	Jimmy's Johnnys, Inc.	101	43201	\$881.81
Park Maintenance	Park/Landscaping Materials	16567	Bjorklund Companies, LLC	101	43201	\$95.55
Park Maintenance	Park/Landscaping Materials	16581	Bjorklund Companies, LLC	101	43201	\$104.20
Park Maintenance	Park/Landscaping Materials	23782	Central Wood Products	101	43201	(\$10.00)
Park Maintenance	Park/Landscaping Materials	29270	Central Wood Products	101	43201	\$223.90
Park Maintenance	Park/Landscaping Materials	29395	Central Wood Products	101	43201	\$223.90
Park Maintenance	Park/Landscaping Materials	65335794	John Deere Landscapes	101	43201	\$97.11
Park Maintenance	Park/Landscaping Materials	65368209	John Deere Landscapes	101	43201	\$338.71
Park Maintenance	Park/Landscaping Materials	65368240	John Deere Landscapes	101	43201	(\$240.28)
Park Maintenance	Park/Landscaping Materials	29269	Menards Cambridge	101	43201	\$161.72
Park Maintenance	Park/Landscaping Materials	29490	Menards Cambridge	101	43201	\$178.09
Park Maintenance	Telephone	11102905	Integra Telecom	101	43201	\$51.42
Payroll	Garnishment Remittance	L0971639936	Minnesota Revenue	101		\$441.00
Payroll	Insurance Premium	08 2013	Dearborn National Life Ins Co.	101		\$1,140.21
Payroll	Insurance Premium	5194232	Delta Dental	101		\$1,000.70
Payroll	Insurance Premium	C0031947276	Medica Health Plans	101		\$9,900.78
Payroll	Insurance Premium	08 2013	NCPERS Minnesota	101		\$128.00
Payroll	Union Dues	07 2013	MN Public Employees Assn	101		\$458.00
Planning and Zoning	Legal Notices	IQ 01816812	ECM Publishers, Inc.	101	41910	\$46.13
Planning and Zoning	Legal Notices	IQ 01816813	ECM Publishers, Inc.	101	41910	\$46.13
Planning and Zoning	Office Supplies	663901062001	Office Depot	101	41910	\$48.95
Police	Professional Services Fees	229240	Anoka County Treasury Dept	101	42110	\$249,496.00
Recycling Operations	Electric Utilities	072213	Connexus Energy	226	43235	\$121.73
Recycling Operations	Gas Utilities	376497244	Xcel Energy	226	43235	\$26.72
Recycling Operations	Other Equipment Rentals	65449	Jimmy's Johnnys, Inc.	226	43235	\$915.27
Recycling Operations	Professional Services Fees	07 2013	Cedar East Bethel Lions	226	43235	\$1,000.00
Recycling Operations	Refuse Removal	449419	Walters Recycling, Inc.	226	43235	\$264.27
Sewer Operations	Chemicals and Chem Products	34890409 RI	Hawkins, Inc	602	49451	\$3,224.09
Sewer Operations	Cleaning Supplies	1539-232087	O'Reilly Auto Stores Inc.	602	49451	\$24.75
Sewer Operations	Electric Utilities	072213	Connexus Energy	602	49451	\$74.42
Sewer Operations	Electric Utilities	072213	Connexus Energy	602	49451	\$994.25
Street Capital Projects	Street Maint Services	101351	AAA Striping Service Co.	406	40600	\$3,454.70
Street Maintenance	Bldgs/Facilities Repair/Maint	1182617963	G&K Services - St. Paul	101	43220	\$5.70
Street Maintenance	Clothing & Personal Equipment	1182617963	G&K Services - St. Paul	101	43220	\$14.47

City of East Bethel

August 7, 2013

Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
Street Maintenance	Conferences/Meetings	756-C-006117	First Student	101	43220	\$165.00
Street Maintenance	Conferences/Meetings	64812	MN Trucking Assoc	101	43220	\$90.00
Street Maintenance	Electric Utilities	072213	Connexus Energy	101	43220	\$1,653.26
Street Maintenance	Equipment Parts	F-232000028	Allstate Peterbilt North	101	43220	\$75.17
Street Maintenance	Gas Utilities	376497244	Xcel Energy	101	43220	\$26.21
Street Maintenance	Heavy Machinery	W24726	RDO Trust # 80-5800	701	43220	\$29,999.00
Street Maintenance	Lubricants and Additives	1539-229033	O'Reilly Auto Stores Inc.	101	43220	\$40.42
Street Maintenance	Motor Vehicles Parts	FP150420	Crysteel Truck Equipment	101	43220	\$39.01
Street Maintenance	Motor Vehicles Parts	1539-228840	O'Reilly Auto Stores Inc.	101	43220	\$111.91
Street Maintenance	Motor Vehicles Parts	1539-228843	O'Reilly Auto Stores Inc.	101	43220	\$212.34
Street Maintenance	Motor Vehicles Parts	1539-229032	O'Reilly Auto Stores Inc.	101	43220	(\$104.74)
Street Maintenance	Motor Vehicles Parts	1539-229279	O'Reilly Auto Stores Inc.	101	43220	\$27.77
Street Maintenance	Motor Vehicles Parts	1539-229300	O'Reilly Auto Stores Inc.	101	43220	\$42.74
Street Maintenance	Office Supplies	666888091001	Office Depot	101	43220	\$32.48
Street Maintenance	Refuse Removal	449419	Walters Recycling, Inc.	101	43220	\$278.29
Street Maintenance	Sign/Striping Repair Materials	TI-0263460	Newman Signs	101	43220	\$1,615.84
Street Maintenance	Small Tools and Minor Equip	1409485	Cemstone Products Company	101	43220	\$53.44
Street Maintenance	Street Maint Materials	128017	City of St. Paul	101	43220	\$2,585.41
Street Maintenance	Telephone	11102905	Integra Telecom	101	43220	\$51.42
Transfers Out	Contingency	072513	Classic Construction	101	49360	\$21,600.00
Water Utility Capital Projects	Improvements Other Than Bldgs	9241	Great Northern Landscapes, Inc	433	49405	\$6,300.00
Water Utility Operations	Bldg/Facility Repair Supplies	27744	Menards Cambridge	601	49401	\$259.83
Water Utility Operations	Electric Utilities	072213	Connexus Energy	601	49401	\$1,202.87
Water Utility Operations	Gas Utilities	071813	CenterPoint Energy	651	49401	\$19.91
Water Utility Operations	Gas Utilities	071813	CenterPoint Energy	601	49401	\$12.82
Water Utility Operations	Legal Notices	IQ 01817057	ECM Publishers, Inc.	601	49401	\$112.75
Water Utility Operations	Legal Notices	741031996	Finance and Commerce	601	49401	\$105.63
Water Utility Operations	Professional Services Fees	1001	Bullseye Utility Locating, LLC	651	49401	\$199.50
						\$767,478.63

City of East Bethel

August 7, 2013

Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
Electronic Payments						
Payroll	PERA					\$11,594.62
Payroll	Federal Withholding					\$11,360.91
Payroll	Medicare Withholding					\$2,927.12
Payroll	FICA Tax Withholding					\$12,515.56
Payroll	State Withholding					\$3,767.15
Payroll	MSRS/HCSP					\$5,020.14
						\$47,185.50

EAST BETHEL CITY COUNCIL WORK MEETING

July 10, 2013

The East Bethel City Council met on July 10, 2013 at 6:00 PM for a work meeting at City Hall.

MEMBERS PRESENT: Bob DeRoche Ron Koller Richard Lawrence
 Heidi Moegerle Tom Ronning

ALSO PRESENT: Jack Davis, City Administrator
 Mike Jeziorski, Finance Director
 Mark DuCharme, Fire Chief/Emergency Management Director
 Colleen Winter, Community Development Director/City Planner
 Nate Ayshford, Public Works Director

Call to Order **The July 10, 2013 City Council work meeting was called to order by Mayor Lawrence 6:00 PM.**

Adopt Agenda **Moegerle made a motion to adopt the July 10, 2013 City Council work meeting agenda. Lawrence seconded; all in favor, motion carries.**

2014
Proposed
Budget

Davis, "We are here to review the 2014 proposed department budget requests. We have staff here to review the proposed department requests. Actually, they are here more to answer your questions. They will go over the main points of their department budgets. We will start with Colleen Winter and she will give us the Planning, Building and EDA budget requests for 2014."

Winter, "I will start with page 28 and 29, Planning Budget. Not a lot of changes. One change is a decrease in full-time employees regular. Went from \$142,000 to \$114,000. Reason for that is we have taken the clerical position in the Community Development department and we have split them amount two different departments. So part of that is here in Planning and part of it is under the Building department budget. The other line item that is a little change is under Professional Service Fees, there is a little increase in that fund of \$5,000. That is related to the standard fees we pay for Flatrock which is our Geographic System providers. They have some new tools and we wanted some money in the budget for that. And, Anoka County is doing a fly over and that is \$1,600 for aerial photography and there is a little in there for professional services for comp plan changes. Essentially, what you see here is a net decrease of 16%."

DeRoche, "Is part of the 16% because you are shifting it over to another department?"

Winter, "Yes." Davis, "If we hadn't made the change and divided the clerical person's time up 50/50, this budget request would be about 0%." DeRoche, "So our Professional Service Fees are going up \$5,000 and that is part of this new program?" Winter, "Well, I budgeted a little bit of money in there for that because we don't know exactly what that number is going to be yet. He just gave us a presentation on that and is still trying to put some numbers together so I just tried to estimate. It is not a new program, it is with our existing GIS, and it is just other features we can have as part of that program. And then in addition, the county is

requiring us to do a cost share allocation when they fly their pictometry, or aerial photographs. The cost allocation of that is very fair, the county is picking up a lot of that cost." Koller, "I was in the watershed meeting yesterday and they were hitting them up for money too. We shot it down."

Ronning, "As a point of information question, is it standard practice to use a budget estimate compared to another budget estimate, versus actual?" Davis, "We have had that discussion also about using previous budgets to base assumptions on for future budgets or zero base budgeting. In our case, we go by our historical experience and then we also make adjustments where we think we can anticipate cuts. The last two years we were actually able to reduce the City budget. This year due to factors, harsh winters, increased use of supplies in roads and extra cost in roads and some other factors including increased medical costs, there is a proposed slight increase in the budget. But we try to use a balance of both blends to come up with our projections for our budgets."

DeRoche, "One thing I think going through this that we have to keep track of, it was proposed about a year ago that we start a levy of 5% to start putting in an account for sewer and water because at some point we are going to have to pay for that. And, we are going to have to raise taxes. And, that can't get lost in these discussions of expenditures without keeping in mind that at some point these bonds need to be paid for." Davis, "That will be a separate discussion that we probably won't have time to get into tonight. We will have several work sessions on the budget. That will be a separate item that we will devote one evening to entirely." DeRoche, "I understand that, but as we are going through this that has to always remain in the back of our heads. I don't think people realize that we haven't raised taxes yet to pay for the sewer and water project. And that is going to be a reality; there is no two ways around it."

Ronning, "I noticed a lot of the reductions are the PERA Coordinated Plan, FICA/Medicare, that is stuff that should be consistent it would seem." Davis, "All that is based on salaries for that department. So the salaries in that department were reduced by approximately \$28,000 so therefore there will be a corresponding decrease in those benefits." DeRoche, "But that will be picked up in the Building department." Ronning, "Peter and Paul." Lawrence, "And the cell phone, are you dropping that?" DeRoche, "Yes, that went from \$500 to \$0." Davis, "This employee elected to take the stipend." DeRoche, "So that would be the \$30 per month." DeRoche, "So does that go against the General Fund?" Davis, "No. That should be \$360." Moegerle, "Printing and Duplicating, is that packets for Planning?" Winter, "It could be any number of things." Moegerle, "But that covers the packets?" Winter, "Yes."

Winter, "On pages 43 to 45 is the budget for the Building department. We now have part of the clerical salary reflected in this department. This also shows an increase because in addition to a building official we also have a building inspector. In 2014 will be a full year of having that person on board versus 2013 where we did not have him on board for the whole year. However, corresponding then, if you go down to Professional Service Fees, although we didn't spend a lot in 2013, there was a significant amount spent in 2012. And, that was for folks that we had to do contract work for us because we didn't have that

department fully staffed. So, you will see that is at a zero balance.”

DeRoche, “Who did we have do that?” Davis, “We hired a building official on a temporary basis when Larry Martin resigned. And we also utilized the services on a temporary basis of another individual to help us do septic inspections that year because we didn’t have enough personnel to cover that.” DeRoche, “This was the individual from Linwood?” Davis, “Yes, he was our building official and we used him occasionally after that because Nick was the only one here. And, a gentleman from Ham Lake also did some septic inspections for us.”

Winter, “The next line item I wish to discuss is the part-time employee. In addition to the 2.5 which is what we have for the full-time employees, as part of the budget request this year I am asking that the Council consider the addition of a part-time seasonal employee. The reason I am asking for that is because of the amount of work that is required in the building inspection department. Especially during their busy summer season. In addition to anything related to building, there are a number of enforcement issues that have to be addressed. And, that requires clerical support to send out letters, to do what is necessary for that. The planning department doesn’t get any less busy either so it is very taxing to have one person do all that work. So what happens is some things get behind. What I have always strived for in our department is that we provide very superior customer service. And that we have a very good turnaround time as far as when building permits get reviewed and issued out. And with not having that extra person to do those extra things, it is difficult for one person to handle all that. So, we are finding that it is taking a little bit longer to get those things turned around.”

Moegerle, “This is in part because we have had more business and it is picking up? But, also at one point Jack we had another person doing part-time in addition to the clerical person back there? Are we back to that situation?” Davis, “Actually that clerical person was full-time in the building department. And they rotated the receptionist duties. Also, this may come into play with the LaserFische and document scanning. This person can do some work there too.” DeRoche, “Do we have this big rash of code enforcement that we haven’t had to do in the past?” Davis, “This person will not do any enforcement at all. They might do some clerical work to support the enforcement.” DeRoche, “I understand that, but then other people must be doing the enforcement. Is it that we haven’t been enforcing the ordinances? Or if we have been, if it is a repetitive thing, is it something that we need to look at and maybe change the ordinance? If it is a repetitive problem of people coming in with the same issues, maybe we need to look at, “Is that ordinance appropriate for right now?”

Davis, “I agree wholly with that. Generally our code enforcement efforts entail trying to work with people. Giving them opportunities to work through the issues. I think we have been very good with that. If they are making progress on correcting them, we generally are a little more lenient. It does get to the point at times though, where they have to be cited and taken to court. Code enforcement can be very time consuming. If there are instances where our ordinances are not addressing things, then definitely they need to be changed.”

DeRoche, “Well, because one of the things we came on with was East Bethel was unfriendly to residents and businesses. And I don’t want to fall into that, we are not friendly to residents or we won’t work with them. And I am not micromanaging; I don’t come in here

every day, so I don't know that part of it. But if the inspectors need more time to do enforcement, is it because we have more problems? Or is it because the problems weren't taken care of? There has got to be a reason for it."

Winter, "There is actually a combination of both. I think there are a little bit more of these problems the last few years. Where we are seeing it is the homes that have been foreclosed on, that type of thing. Issues of junk cars, garbage, that type of thing. Citizens also have more access to get to us, with the website; it is easier to register complaints. It is also the fact that we are doing a good job of making sure we are aware as we are driving around, if we see something that we have to make sure we are addressing the best we can. And that is just the fact that we have more folks out there. Again, it is the fact that we have staffed this department full-time."

Moegerle, "I remember back when we came on that the letters hadn't gone out to remind people to pump their septic systems and those kinds of things. I think you have to pay the piper in order to have good public health, so septic systems and public health; we have those laws for a reason. Public safety and public health is why we are here, so if that is what it takes, that is what it takes." DeRoche, "Public health and public safety are one thing. But nitpicking and going around and being a thorn in someone's side is something different." Moegerle, "Have you heard of any of that recently?" DeRoche, "As a matter of fact, I have." Moegerle, "Really, please tell us." DeRoche, "I have discussed this with Jack." Davis, "We base this on, it is complaint driven. We don't go out and actively look for issues. If somebody spots something that is extremely egregious or just pops out it will be addressed. But, generally it is complaint driven." DeRoche, "That was a pretty simple answer, but somebody else gave an answer otherwise."

Ronning, "Salary costs are up roughly \$39,100. The other increases are PERA, FICA, Deferred Comp, and Cafeteria Contributions for \$12,800. Is that reflective of that last one?" Davis, "Yes, this is where we were talking about that balance. We assigned the clerical's person's time ½ in Planning and ½ in here, Building. Previously it hadn't been done that way so a significant increase shows up. But, a significant decrease shows up in Planning." Moegerle, "And I want to thank you because I think that it would be real easy for you to just leave it the way it was. This shows integrity that was are doing things the way they should be. I appreciate that candor." Lawrence, "Why don't we have the itemization of the funds we have received from Oak Grove in here?" Davis, "This is just the expenditure side. If you would like to see that, I would be glad to give that to you. We are not talking about the revenue side of the budget right now."

Ronning, "What is the head count in building inspections?" Winter, "Two and a half. If you look under Motor Vehicle Parts you will see a little increase and that is for maintenance of vehicles. We are going to have to put tires on at least one vehicle if not two." Ronning, "Motor Fuels are up 50%?" Davis, "That is up because it was under budgeted in previous years and we also have two people in the department now and are operating two vehicles."

Ronning, "On Department Goals with Building Inspection, provide plan reviews and permit issuance in a timely manner i.e.: residential permits issued within 3-14 working days."

Institutional Plans and permits within 30 days. Are we doing pretty well with that? Some people exaggerate and embellish some things. It sounds like we have some troubles with that.” Winter, “At times right now we are in a really busy season and it is really more just on the paperwork side of it trying to get it done. We actually have been under the 14 days up until this point; it has been 10 days provided all information is given to us. Once we get a complete packet we have been able to turn that around within 10 days.”

DeRoche, “How much of an effect does Oak Grove and Bethel have on taking up time?” Winter, “I think the way they split that time up, it doesn’t affect anything we do in East Bethel.” DeRoche, “Dealing with the workload, if we didn’t have Oak Grove and Bethel, would there be a shortage? It seems like we have a backlog of paperwork and if it were just East Bethel, would that backlog of paperwork still be there? Or is it because now we have Oak Grove and Bethel?”

Winter, “We do very little paperwork for Oak Grove. We do inspection and plan review. The paperwork I refer to is if our support person could spend 100% of their time in building inspection there is still the planning division, there is still a whole bunch of other things. A majority of their time is spent on other things, taking phone calls; it is the really busy time of year right now. Whether or not Oak Grove is here, it doesn’t change our busy time of year.” Ronning, “On Planning what is the head count?” Winter, “One and a half.” Ronning, “Half is part-time?” Winter, “Correct.” Davis, “Full-time, that is the clerical position.” DeRoche, “And how many people handle EDA Affairs?” Davis, “Generally it is my time, Colleens time, Carrie, Wendy, Rita and Mike do EDA. It just depends on what the issue is and what level of expertise we need.”

Winter, “My last budget starts on page 77 and 78, Economic Development Authority. This is funded through an ad valorem tax or a levy. We are projecting that to be \$133,022. That is not showing a levy increase. It is based on what exists today and what our market value is and that has gone down a bit. Legal Fees and Professional Service Fees are increased. The reason both of those are increase is so that if the City elects to take advantage of any sort of programs. Such as if the City decides to do another Tax Increment Financing District for a business that would come into the City, we would work with Ehlers to so the consulting services for that. We also have some legal. As we get busier and get development in the community, we will see an increase in developer’s agreements and we will have to have legal look at those.” Ronning, “Are you able to answer history type questions? Some of this is all over the board. Do you have knowledge of the 2012 Budget?” Winter, “No, I wasn’t here.” Davis, “That was the Ady Voldedge Study. That was approximately \$45,000. Some of the Professional Service Fees like legal as they relate to TIF, some can be charged back to an Escrow Account with the business and can be recouped.” Moegerle, “Going back to 2012, how much of the legal was the GRE Litigation? Where was that charged to?” Davis, “Legal, just a straight legal fee.”

DeRoche, “Where does the General Fund Transfer of \$56,000 allocated to?” Davis, “That goes back to cover staff time that is spent on EDA work. Goes to pay staff salaries for the administrator, community development director, city clerk and any administrative help that we need. It goes back to the general fund and is allocated to the departments for EDA work.”

Ronning, "Is that in a form of a resolution or is that an automatic transfer?" Davis, "That hasn't been an annual resolution. More like a transfer we do to Parks or Roads. We approve it in the budget and it is done as a transfer between budgets."

Ronning, "Contingency is kind of a broad description, is there a better description for that?" Winter, "It is. The reason we have that there is it is very similar to how as a City Council in your general fund you keep a certain percentage of your budget set aside for emergencies or whatever the case may be. It is a good accounting practice to keep this here because it is a special revenue fund versus a general fund, it is sort of following the same logic that you use for your general fund. Or, in case a special project would come up such as the reader board."

Moegerle, "We don't have anything in this budget for investment in the City's future to attract? So we don't have a marketing budget? That would come out of the contingency?" Winter, "Correct. The Met Council doesn't require us to update the Comp Plan until 2030, but we have been in discussions with Met Council because as the corridor has begun to develop, we would potentially like to look at doing some other types of planning in that area. That would be another example where we could funding from this contingency to work with some professional consultants to help us with some of that." DeRoche, "That \$27,000 is for the EDA to use at their whim." Davis, "It is discretionary for Council to approve. Any dollars spent by the EDA has to be approved by the Council." Winter, "The EDA is the same as the Planning Department. If we have to order paper or other items we aren't referring to that. What we are referring to is whatever you have as the amount before you have to go out for bids. The EDA follows the same rules as the other departments." Davis, "But the EDA is like any other department, they submit their bills for Council approval." Moegerle, "On this budget you have \$360 for telephone. Is that where the cell phone reimbursement is budgeted?" Winter, "That is where my telephone is." Moegerle, "Do you do more EDA than Planning, or Planning than EDA?" Winter, "It depends. If you want to split it between the two, you could."

DeRoche, "\$400 in Travel is that to cover your expenses?" Davis, "Yes, in case they have to take their own automobile." Davis, "One thing I want to point out is in the Professional services Fee, that includes the cost of hosting the website." Ronning, "What happens with a contingency if it isn't used?" Jeziorski, "You end up with a net income and it get rolled into the fund balance. So you will have a positive fund balance at the start of the year and that money can be used as a contingency." Ronning, "Can you take Council action to allocate some or all for debt reduction?" Davis, "We can do that. It is always a source. We can allocate this for anything by resolution." Moegerle, "And we could do that with the \$800,000 in the HRA? We can apply that towards the bonds too?" Davis, "No that would have to be paid back." Moegerle, "Well because that \$600,000 came back from the water and sewer. Remember, we paid ourselves back from the HRA." Ronning, "The money gets used for blight and similar stuff. For HRA." Davis, "Generally that is some type of a loan, although there can be instances where you do grants. In those cases it wouldn't have to be repaid. But, in the case of the bond payments, it would have to be repaid to the HRA."

Jeziorski, "You want to be careful when looking at one year. Right now you have about 53%. But, you have a policy in place to have 40-50% so you would have about 3%

available.” Ronning, “Ideally, if everything stays constant as far as your taxes and you don’t get behind on tax collection. Jeziorski, “What you will see is this year’s delinquency will be picked up by prior years being paid. So, it kind of evens itself out from people paying over the years. The first tax payment just came in and we are at 52% of our budget amount for 2013.” DeRoche, “Ehlers when they came in said where we were at with the 53% was about where we want to be. Where in the past we have heard 35 to 40%.” Jeziorski, “53% is the place to be and the reason for that is because we only get paid twice a year so if we have 50% of our funds available for the first part of the year we can actually front our cash flow. So we have a cash flow buffer there.” DeRoche, “Which when the bonds payments have to be paid, we really need to watch that.” Davis, “We need to keep that balance as high as we can.” Lawrence, “What is the max you can have?” Jeziorski, “You can have as much as you want.” DeRoche, “Until we stabilize and get the payments on the bond moving, it is a lot easier to have the money and not spend it.”

DuCharme, “I want to talk about the 2014 Fire department budget. One think I am sure you noticed right away is there is not a SAFER Grant budget. The SAFER Grant ends in November of this year. Many of those benefits that went along with the SAFER Grant that we designed, will no longer be in effect.” Ronning, “Can you explain what that grant is?” DuCharme, “The Staffing for Adequate Fire and Rescue Events. Part of a FEMA Grant. Granted to us four years ago and basically the grant was about \$83,000 a year. We were able to transfer many of our training costs to that grant, additional education,, and health insurance reimbursement that we offered the fire fighters. There was also some equipment and turn out gear that we were able to buy for the new people.”

Moegerle, “Isn’t there a County-wide SAFER Grant that will fill the gap there?” DuCharme, “There is a grant, but it doesn't fill the entire gap. Training was \$15,000 a year previously to receiving the grant, and so for 2014 I have built in \$8,000 for 2014. There are some other grants, including the Anoka County grant. I am predicting an increase to fire calls, by 2 calls to 510 calls.” Lawrence, “And the bulk of these calls will be?” DuCharme, “60% will be emergency medical services because that is the average.” Ronning, “Is there a percentage of cancelled calls?” DuCharme, “We run cancelled calls about 50 per year. I try to separate medical cancelled calls from the rest. Sometimes we get cancelled because they are being transported. Clothing and Personal Equipment, there is an increase in there and that is our turnout gear and uniforms. This is one of those SAFER Grant things, we are almost caught up on our turn out gear, this is our protective gear and some of our gear was made and issued in 1998. Usually we talk about a seven year shelf life on that stuff.”

Moegerle, “Are you adding more on-call fire fighters so we will need more gear next year?” DuCharme, “No, this is replacing old and worn out gear.” Davis, “Also in the SAFER Grant was \$20,000 allocated towards salaries, so that goes away.” Lawrence, “Overall how do you think your budget is coming. I know you had the loss of the SAFER Grant and that was a big loss. But, in general.” DuCharme, “In general, it is about a 5% increase.” Davis, “There is an item in there, \$12,000 heavy machinery. There is a possibility that we may be able to use the bond funds for that because basically that is equipment that would be used for rescue operation in confined spaces for the water and sewer system. We will consult and see if that

is an eligible item and if it is, we will pay for that with bond funds this year and eliminate that from the budget.” Lawrence, “What is the heavy machinery?” DuCharme, “This year it is some funds for hearing protection.” Koller, “I see in the replacement equipment you are getting a boat and another grass rig?” DuCharme, “I think we are going to defer the boat for a year. Mainly because of the frequency of use. You have seen our boat, it is too heavy to pick it up and move it. If we ever go to order a boat, it would be a smaller one that is more functional.”

DeRoche, “How did we go on Conferences and Meetings up to \$8,000?” DuCharme, “That is the training budget. We have been relying on the SAFER Grant for our training budget. What does that include? Sending people to special school. For example and Officer I school, Officer 2 school. We are lucky enough that for the next couple years on our firefighter I and II we will be able to send them off to Anoka County Fire Protection Schools and that is no charge.” DeRoche, “Does that include travel or is the \$1,000 for travel and expenses on top of this?” DuCharme, “Yes, that is on top of the \$8,000. It costs about \$17,000 a year for education for the East Bethel Fire Department. Where does that money come from? \$8,000 from the budget. Looks like we are going to get \$200 per firefighter from the Minnesota Training Board next year. So, that is roughly \$7,000. And, the Anoka County is not charging. I would like to keep the \$8,000 in there. But, we will use grant money. We do send two people to the Fire Chief conference every year. Deputy chief and one district chief.”

DeRoche, “What if any monies are available from the International Association of Firefighters? I watched that information on the hotshots and I think this association has funding for fire departments.” DuCharme, “That is the International Association of Firefighters. It covers all career firefighters.” DuCharme, “There have been special seminars funded by departments that we have been able to send people to. It does cost about \$17,000 to keep everyone trained and certified.” Ronning, “We look at the cost increases, but there are big decreases in the budget is there an explanation. It is a nice thing to see.” DuCharme, “That is looking at some real costs of what we have been paying out. We have been fortunate in the past to get a grant to replace the radios and weather sirens.” Ronning, “If something gets cut, I hope it doesn’t get cut too much so you have to come back later.”

Mike Jeziorski, “There is a 0% increase in the Finance Department page 20 and 21. Again the finance department handles all payroll, some HR functions, and insurance. Auditing is a separate line item. There is myself and the account technician in our department.” Ronning, “Is there an inventory of city equipment, property?” Jeziorski “Usually during the audit there is an inventory of all the fixed assets accordingly. That is done on an annual basis.” Ronning, “Is there a happy balance where you property worth is so much percent of your cash in the book?” Jeziorski, “I don’t think there is an ideal number for that. You compare yourself to your peers for that and that is how you get a range of where you should be.” Moegerle, “With regard to refunding of the bonds. The cost of that gets rolled into the bonds so we won’t see that in the finance department?” Jeziorski, “No, that is in separate funds.”

Jeziorski, “Risk Management, page 64 and 65. As a City we have a relationship with the League of Minnesota Cities (LMC) that covers our workers compensation insurance (not

covered in this department), general liability, property and vehicle insurance. We have a broker that works with the finance director and goes through renewal. That is the \$6,500 broker fee. General liability is a function of expenditures. Property and automotive is listed and varies from year to year. Pretty consistent from 2014 to 2013. Overall looks like we have a 5% increase.”

Moegerle, “Increase between 2012 and 2013, is that related to litigation?” Davis, “No. That reflects expenditures. No more than a normal increase.” Moegerle, “I am wondering if we got hit because of our claims history.” Jeziorski, “Any kind of insurance looks at your claims history.” Moegerle, “Done well for property insurance, no claims there.” Ronning, “Do claims stick to you like flies and mosquitos?” Jeziorski, “They are part of your history. That is a good question, I can ask the League when they fall off. They did just go through a holistic change of how they calculate the general liability insurance. There is no way another provider could provide these types of rates. And on the revenue side we get a dividend back.” Lawrence, “What is the machinery breakdown?” Davis, “That is a policy we have say in case something breaks down at the ice arena and we have to bring in generators.”

Jeziorski, “Debt Service, I put this on one sheet. What issues do we have out there, how much interest are we going to pay for the life of the bonds. First four issues are cash flowed to the end. 2005A bond, who houses the bond, when it is callable, principal and interest when it is operated, how much is due for 2013, how much is due for the life of the bond. First four issues are cash flowed. 2010A, 2010B and 2010C those are the ones we have been struggling with to get refinanced.”

Moegerle, “What is MNPERA? \$64,000. Can we just pay that off?” Jeziorski, “It is callable on August 1, 2013 so we are going to be in a position to pay it off. But, it is a 1% interest rate.” Davis, “That was the reason it didn’t make a lot of sense to do this, we pay almost zero interest on it.” Moegerle, “But, to reduce our debt load?” Davis, “But, we may need those funds elsewhere to reduce the debt loads with higher interest rates.” Jeziorski, “That makes perfect sense, but your cash flow is starting with \$7,500. If we had \$150,000 accumulated in that fund, it would make perfect sense to pay it off.” Moegerle, “In my personal life I am all for paying off debt. So, I would like to apply that here if I can. Are the interest rates on here?” Jeziorski, “The coupons are different on each one. So I will have to go through and get the weighted average.”

Jeziorski, “If we move to the last three issues, I have callable now. If we can’t get them financed, then we have to find a way to fund them.” DeRoche, “We would be better off putting in less than more for connections and if they happen, great.” Jeziorski, “You have to think about that. Your goals.” Davis, “One of the important considerations is getting out of this federal sequestration threat. We are like a puppet on a string.” Ronning, “We can’t have tunnel vision and just look at the money, we need to look at the freedom we would have.” Davis, “That is correct Tom and then you would know what you would owe each year. The way it is now, it is a moving target each year. The next budget meeting we have I would like to make this the major topic/focus. Discussion of the 2010 A, B & C Bonds and refinancing and addressing deficits and how to fund them.”

Davis, "First I have the Mayor and City Council budget. Showing a decrease of 3%."

Ronning, "The Professional Services Fees in 2011 was \$15,449 and then it took more than a 50% cut in 2012 and then it is forecasted back up to \$12,000. Is there some rhyme or reason to what kind of professional fees?" Davis, "Most of this was for ordinance updates. A lot of it depends on the ordinance revisions we do, it will not exceed, but it could be less than that." DeRoche, "Commission and board increase is that the \$20 we approved?" Davis, "That is the Watersheds." DeRoche, "What are the dues and subscriptions for mayor and city council." Davis, "League of Minnesota Cities, Anoka County Mediation Services, Alexandria House and TH 65 Corridor."

Davis, "The next one is the Administration budget. That is expected to increase 3%. That is because we have two people in the building department we are having to use personal vehicles more. Increase in travel and \$3,000 increase in salary. This department covers two positions, the city administrator and the receptionist." Ronning, "The cafeteria contribution has gone up and down." Davis, "That is based on medical cost and it is up and down. Last year we had a decrease, this year we are budgeting for an 8% increase. Generally they are based on medical costs, claims experience and age." Ronning, "Is the cities cost on those benefits fluxuating with the rate?" Davis, "It is fixed, everyone gets the same amount." DeRoche, "Travel expense, went from \$773 to \$2400." Davis, "In 2011 it only covered half the year for the city administrator. We try to use city vehicles whenever they are available, so that is for mileage reimbursements." DeRoche, "Who all drives those?" Davis, "Nick and Steve are the main drivers. It is available to any city staff that needs it. We try to limit personal vehicle use and use a city vehicle whenever possible."

Davis, "Elections, this budget has increased the most percentage wise. We have a JPA with Anoka County that saves us quite a bit of money there."

Davis, "City Clerk there is a decrease by 2%, basically due to reduction in overtime wages. One person in that department." DeRoche, "Is a lot of that overtime due to special meetings?" Davis, "That overtime is due to meetings like tonight or City Council meetings. In the past couple months though, if there is a night meeting this staff person comes in at a later time to result in a reduction of some of that overtime." DeRoche, "I was just wondering if some of this stuff couldn't be done at a Council meeting instead of a special meeting." Davis, "We had to award that contract by Friday, so that was time sensitive." Ronning, "That is not just because we have been dragging our feet that is because of the Met Council, right?" Davis, "The Met Council rejected those bids and we just got notice of their awards of their bids and they just submitted to their environmental committee last night and it was approved. Just a timing issue." Ronning, "It is on account of the Met Council that we are late." Davis, "We made it just under the wire." DeRoche, "It would be nice if this stuff didn't always come down to the wire." Ronning, "If this didn't happen, what our penalty would be if we missed?" Davis, "We would have to rebid the project, so rebid costs and the bids could come in higher."

Davis, "The Assessing budget is all professional service fees and there is no change. We did enter a three year contract with him last year."

Davis, "Next is Legal Fees and we are projecting no increase in legal fees." DeRoche, "Is there any way we can get a breakdown of the prosecution costs?" Davis, "I can get you that."

Davis, "The Human Resources Department Budget includes the OSHA Department Training. We contracted for this again. We found it was much more efficient and cheaper to do this for all staff."

Davis, "Next is General Government and Building Funds, this is the maintenance and cleaning of City buildings. Lights, AC and keeping the heat working. We project that to go down 2%. Less in gas."

Davis, "And, the Police Budget. This is the largest budget item we have for a department in the City. We contract with the Anoka County Sheriff's Department and they have indicated that their union negotiated an increase by 2.9%. We show an 3% increase here, we do also have the animal control contract in here." DeRoche, "Shelly came in here and said it was a 3% increase for the cafeteria plan." DeRoche, "Can we find out what we have paid in dog catcher fees?" Davis, "We have a set fee, and then if she does a pick-up she does try to bill that back to the owners." Davis, "She does a real good job of finding a home for them, whether it be working with animal rescue or others." DeRoche, "For about a year and a half, we were getting quite a few dogs left here. Kind of the dumping grounds." Davis, "That is what we suspected is that for the communities that didn't have animal control services, we had become the dumping grounds. They at least had some assurance that better care would be taken care of them. We had no proof, but it just seemed logical that was happening."

Lawrence, "With the police contract, I am getting questioned about the CSO do we need them?" Davis, "The CSO has a lot of value. Most cost efficient way we can have a patrol officer out there. They also help us out with code enforcement, they deliver citations, go along with personnel to a property. They do serve functions around here. Utilize them instead of city staff, what we pay for CSO, get quite a bit of value of them." Ronning, "If they do issue a citation, would it be a City or County citation?" Davis, "It is County. There is a lot of value of contracting with the County for the service." DeRoche, "I have talked to them when I saw them on the road. It is a presence." Davis, "We have a real good group of deputies that service the City. Most of them have worked here for a number of years. There is that continuity, they know the trouble spots. They know the issues, the history. For the most part they work well with the public." DeRoche, "A lot of them are about education than anything else. If they see the same person doing the same thing over and over, then they do get them."

Davis, "Engineering, no increase for this year. This is one from what I have been told and what I have seen, we have never exceeded that budget. Most years we are under. Most engineering charges are charged to projects." DeRoche, "Through May 3013 we only spent \$3,000+, but when we get budget projects every month it seems we get charged more than that." Davis, "Engineers are historically behind in billing." DeRoche, "Seems sometimes there are the same price, for the same date, on the same bill." Davis, "We would have to take a look at it." Ronning, "He is accurate on that. Some are the same code, same amount,

just a different date maybe.” Davis, “One thing about the engineers billing, it is very detailed. So, if there are questions, we can pick it out and get answers for it.”

Davis, “Civic Events, the only thing under here is \$2,500 for Professional Services for fireworks for Booster Day. This is reduced from \$5,000 in 2011 to \$2,500. The Ham Lake Chamber of Commerce made a donation to the City in the amount of \$4,500.

Davis, “The next department is Central Services and Supplies, pages 66, 67 and 68. This budget is for offices supplies, postage, and it will decrease by 2%. This includes Information Services, licenses, Anoka County Connectivity Agreement.”

Davis, “Transfers Out on page 69. This reflects what we have done traditionally for the building fund, streets capital, parks capital and trails capital. We funded the building fund at \$50,000 a year and that is maintain and repair the City buildings, not only City Hall but any City buildings. \$425,000 for street capitals, that is what funds street capital improvements. Parks capital \$100,000 last year it was reduced to \$75,000. Trails has been reduced to \$0 because we have funds that need to be expended before we transfer any additional funds to this fund. This is a 3% reduction.” DeRoche, “Why are we increasing Parks by \$25,000?” Davis, “That is just the proposal. There are several projects that are proposed and if Council wants to reduce this, it is entirely up to you.” DeRoche, “Well we don’t know what those projects are going to be.” Davis, “That will be on the next Council agenda to be approved as the Capital Improvement Plan.”

Ayshford, “Let’s start with Park Maintenance on page 53. The biggest change we have is we upped our fuel costs by \$2,000. We also increased our equipment parts fund. But, we lowered our electric utilities because we have been winterizing our park buildings. Otherwise it is unchanged from last year.” Lawrence, “I had a question from one of the residents, “When will pavilion be built on west side.” Ayshford, “Used to be a larger pavilion planned in Booster East. We don’t have any plans for that.” Ronning, “Welding supplies, no complaint, \$100, do they have a portable machine?” Ayshford, “Some of this stuff that is in park maintenance and street maintenance crosses over. The employees do the same jobs. They cross train on everything, a lot of the employees can do just about any job.” Ronning, “They have \$100 and streets have \$1,200.” Ayshford, “The majority of welding takes place in the street maintenance. A lot of guys are pretty talented on welding and manufacturing.”

Ayshford, “Move on to the Street budget on page 60. There again we also bumped up the fuel cost. Safety supply cost we increased a couple hundred and street maintenance materials and class 5 has gone up as well.” Ronning, “Is there enough in the estimate for safety supplies?” Ayshford, “The overall budget we always stay below. Sometimes we do go over in certain line items. And, one thing we are not too shy about going over on is safety supplies for the employees.” Ronning, “I just wonder have you allowed enough wiggle room for yourself.” Ayshford, “We can always add more to the safety supplies.” Moegerle, “They have the fire department right there and so they can borrow some Band-Aids from them.” Ayshford, “A lot of this is hard hats and things of that nature.” Lawrence, “Do you have a problem with people taking your orange cones?” Ayshford,

“Yes. Another item we seem to lose a lot of are street signs. Otherwise, this budget is very similar to last year.” DeRoche, “It is going up about \$30,000.” Ayshford, “A lot of that is the employees’ wages and then the fuel increase.” Lawrence, “How many employees?” Ayshford, “We have eight full-time and two seasonal.” Ronning, “Are you in this budget?” Ayshford, “Yes. I think four guys are under street and four under parks.”

Davis, “All of our public works employees are classified as maintenance technician workers. So there is no parks workers or streets workers. So, wherever they are needed. Like next Thursday and Friday all of them will be working in the parks getting ready for Booster Day.” Moegerle, “I noticed that in the past you had the part-time employees in the parks and this year you have one in the streets this year. Any reason why we changed that characterization?” Ayshford, “We have one this budget in each. Because they work in both..” DeRoche, “Do we still have one employee out?” Nate, “Yes.”

Ronning, “The equipment replacement charges, do you know the balance now?” Davis, “It is right around \$2 million.” Moegerle, “And we can’t tap that?” Davis, “We can tap that. We have in the past.” DeRoche, “I read that about \$50,000 was borrowed to pay some bonds?” Davis, “Actually it was about \$200,000.” DeRoche, “I remember when that was done with the HRA funds. But, that was to be paid back.” Jeziorski, “The important distinction is there are a couple different kind of transfers. One is an interfund loan which is meant to be paid back and then transfers to these equipment funds and those are permanent transfers, the money is never going to get paid back. It is there to fund purchases in the future.” DeRoche, “I know I saw the figure, so was that a transfer or a loan.” Davis, “That was a loan. It was an obligation that has to be repaid.”

Ayshford “Each year with the equipment replacement plan, we sit down and look at the equipment and see how many years the equipment is going to need to be replaced. What the estimated cost is going to be at that time and look to see if that amount is going to be there at that time to replace the equipment.” Ronning, “Do you keep some kind of a record book so you can see how long this or that lasts in the vehicle so you can forecast this is going to fall apart?” DeRoche, “How is the grader going to get paid for?” Davis, “Out of the equipment replacement fund.” Moegerle, “Is that a repair or replacement? It adds life to the equipment.” DeRoche, “I didn’t see anything in here about expanding the maintenance building. We have nice equipment, you should have it all inside and organized.” Ronning, “Is there any plans to expand the maintenance building?” Davis, “The problem we have there are the opportunities are kind of limited. When the cold storage building was put in, it was probably put in the wrong place and it limits the efficient expansion of the building. We could use the cold storage building as a garage and put in another cold storage building.” Ronning, “Would that change your ability to maintain or repair your equipment?” Ayshford, “With a larger shop? Probably not. Part of our problem is it is really tight when we have the plows on and you see people try to squeeze in truck.”

Ayshford, “Recycling is on page 73 and there are not a lot of changes there either.” Koller, “The gas bill went up.” Ayshford, “It is the same as we budgeted last year. Typically we have enough to cover it and a little cushion there.” Koller, “It sounds high, do we heat it all the time during the winter?” DeRoche, “It isn’t insulated.” Davis, “There is insulation in

the ceiling. But, a lot of this depends on how much it get used. There are the chutes to deposit the recycling. It gets maintained at 50 to 55 degrees.” Koller, “It was \$2,500 for that and \$6,000 for City Hall.” Davis, “It is a very drafty building. There are two big garage doors that don’t shut good. And five or six chutes in the front that have plywood panels. It used to be the old public works garage.” Ayshford, “We can apply for a grant from Anoka County every year and that is one thing we talked about for this year. Applying for some money to help make the building more energy efficient. And, maybe more appealing from the outside.” Moegerle, “Is there any additional cost to being a green step city. Is there any additional costs to that? Because I am really interested in seeing if the benefits out way the extra manpower associated with it.” Davis, “We thought we had made our recycling goal last year, but we hadn’t. We are the most improved. We are making improvements.” DeRoche, “A lot of it is educational.” Moegerle, “The schools do a lot by educating the kids.”

Ayshford, “Next is the Water and Sewer funds. Funds for Castle Tower operations on page 104. Basically other than personnel side of things that is unchanged. Water will stay the same. Sewer will drop off for up there.” Davis, “Jeremiah will be operating the water treatment plant at Whispering Aspen and the new water treatment plant over at Viking Boulevard. So, expenses will go down on the sewer side. With the exception of some lift station maintenance.”

Davis, “The Arena is on page 110 and as we discussed in the past the arena is another one of those city activities that requires some form of subsidy. This year we will be out of the red. Expenses of \$185,000 and income of \$245,000, but that doesn’t account for depreciation. This is one area we have made great strides.” Koller, “I wanted to see what it would cost to rent the arena for a day. There is no marketing on it. I went on the East Bethel Ice Arena Website, it is shut down. I went on their Facebook page and it is a blank page with an address and phone number. I went on the yellow pages and that is a blank page with an address and phone number. I went on Rink Time which schedules all the rinks in the area and they have a blank page with an address and phone number on it. I went to Gibson Management and that actually showed some things that happen at the Ice Arena. That is \$7,000 a month we are paying them to sit at a desk and play video games.” Davis, “We have a meeting with them in a week or two to go over the Ice Arena contracts for next year and this will be a good item for the agenda.” DeRoche, “That is a lot of money to pay someone to manage it.” Davis, “The other option is for the City to manage it and that was not a good option.”

Davis, “When would you like to meet again to discuss the 2010 A, 2010 B and 2010 C bonds? And, what effect it will have on taxes next year?” Moegerle, “How long will the meeting be next week?” Davis, “It is a relatively short agenda. If you want to meet prior to the meeting.” Koller, “Sounds good to me.” Moegerle, “When are we going to start talking about the revenue side? At the League they do the Legislative Summary and the legislature funded a whole lot of programs that may apply to us. The Legislative Summary is probably 20 pages long. I spent my day here, typing this up, not micromanaging, but, getting information from Jack and Colleen about what this could mean for us. I am sure they will

give us other information about this. Interesting information about grants and other laws in there. FYI for considering.”

Davis, “If we want to have a work meeting next Wednesday, what time do you want to set it for? We will be discussing how we are going to make our payment on the bonds. If we are looking at a scenario of no connections, then we will have a \$700,000 payment.” DeRoche, “How did that go from \$400,000 to \$700,000?” Davis, “Because we had an outstanding carryover that takes care of part of that. Cash flow that reduced that considerably I would recommend that we should start at 5:30 p.m. and that way we can adjourn by 7:00 p.m. and have time between the two meetings to take a little quick break and organize for the Council meeting. Or 6:00 p.m.” DeRoche, “6:00 p.m. That way people have to get stuff done.” Moegerle, “When will we add in some strategic planning? It all kind of builds on each other and meshes.” Davis, “We are going to have to look at a variety of options and how to pay them. Blending certain funds. We will present a number of scenarios. Or we can have it as part of the Council meeting.” Lawrence, “We can add this as part of the council meeting in case we need to need to carry it over.”

DeRoche, “Just a reminder, tomorrow morning is the ribbon cutting at Aggressive Hydraulics at 9:00 a.m.”

DeRoche made a motion to adjourn at 9:23 PM. Koller seconded; all in favor, motion carries.

Attest:

Wendy Warren
Deputy City Clerk

EAST BETHEL CITY COUNCIL SPECIAL MEETING

July 10, 2013

The East Bethel City Council met on July 10, 2013 at 5:30 PM for a special meeting at City Hall.

MEMBERS PRESENT: Bob DeRoche Ron Koller Richard Lawrence (5:38 PM)
 Heidi Moegerle Tom Ronning

ALSO PRESENT: Jack Davis, City Administrator
 Mark Vierling, City Attorney
 Craig Jochum, City Engineer

Call to Order **The July 10, 2013 City Council special meeting was called to order by Acting Mayor Moegerle at 5:31 PM.**

Adopt Agenda **Moegerle made a motion to adopt the July 10, 2013 City Council special meeting agenda. Ronning seconded; all in favor, motion carries.**

Consider Davis explained staff is recommending that Council accept Alternate 1 & 2, but not
Approval of Alternate 3. The City's forcemain project Base Bid consists of the construction of 6-inch, 8-
Resolution inch and 10-inch forcemain and one lift station. Bids were opened on May 14, 2013. There
2013-38 were also three Alternate Bids received. The Alternate Bids were as follows:

Accepting **Alternate Bid No. 1:** Construct a gravity pipe between the existing lift station on Pierce
Bids for the Street to the new lift station. This alternate will allow the City to eliminate the current lift
Castle station on Pierce Street.
Towers/Whis- **Alternate Bid No. 2:** Replace the proposed 8 inch forcemain with 10 inch forcemain. This
pering Aspen alternate will provide capacity of an additional 375 connections and will reduce the energy
2013 consumption of the Lift Station pumps.
Forcemain **Alternate Bid No. 3:** Replace the existing lift station that services the Castle Towers Mobile
Project and Home Park. This lift station is approximately 41 years old and is in very poor condition.
Change Order No. 1

A detailed summary of the Base Bids and the Alternate Bids for all the contractors is included on the attached resolution.

If Alternate No. 1 and Alternate No. 2 are accepted certain items will be eliminated from the Base Bid. These items are summarized on attached Change Order No. 1. The total contract amount as outlined on Change Order No. 1 is \$2,084,071.19.

Staff is recommending the Council award the Base Bid, Alternate Bid No. 1 and Alternate Bid No. 2. to LaTour Construction, Inc. in the amount of \$2,084,071.19. Adding costs for easements, overhead and contingency the total estimated project cost is \$2,355,000.00. Staff recommends adopting Resolution 2013-38 Accepting Bids and Change Order No. 1 and awarding the contract for the Castle Towers/Whispering Aspen 2013 Forcemain project to LaTour Construction in the amount of \$2,084,071.19 contingent on LaTour Construction executing Change Order No. 1. After this is discussed, we will discuss Alternate 3 as a separate agenda item.

Moegerle, "Do we have any indication from LaTour that they will accept Change Order No. 1?" Vierling, "Yes, we do. And actually, for record clarity, what you will be doing is the first action will be adopting the resolution awarding the base bid to LaTour Construction for the \$1,849,982.69 contingent on the Change Order being executed. And then the second action, a motion after that approving the change order."

Moegerle made a motion to approve LaTour's bid in the amount of \$2,084,071.19 contingent upon LaTour executing Change Order #1. Vierling, "We are going to ask you to adjust that action. We are asking for you to award LaTour Construction the Base Bid. Ronning made an amendment that we award LaTour the Base Bid in the amount of \$1,849,982.69 contingent on the Change Order being executed. Moegerle accepted the amendment. Ronning seconded.

DeRoche, "What is the bottom line? If we eliminate Alternate 3, at some point we will have to put it back in. Right?" Davis, "Alternate 3 is a separate item. This is the pump station that connects Castle Towers and we can keep that station in operation. However, it does need to be rehabilitated. We feel that by bidding this separately, we might get a lower bid. We are proposing this be bid independantly as a separate project in the next agenda item." DeRoche, "This is based on possible litigation? That is why we made this decision?" Vierling, "It is in part influenced by that issue." Ronning, "Doesn't the plaintiff have to show harm of some kind?" Vierling, "The issue that you have is that timing is important with these projects. If you end up with litigation, it isn't always whether they are right or wrong. You can end up winning the war but, but because of timing and costs you can lose the battle. There was basically a dispute on the tabulation. There was an issue on how the low number was tabulated no matter who got it. So that is why we are doing what we are doing tonight, awarding the base and coming back with a change order to award 1 & 2. Because even under the letter you got last week from LaTour's counsel, there was fundamentally a dispute of how the total numbers were being computed. This way we are not going to have a debate with them down road on this issue. Fundamentally, usually the statutory damage for not awarding to the low bidder is they get their bid costs. But the opportunity for people to try to make other type of claims in a litigation framework, it can hold up construction, force construction, we don't want to be in that position."

Moegerle, "On Alternate Bid Number 3 is it in and of itself sufficient that there would be someone that would bid on that portion alone?" Jochum, "Yes. We might get a different bidder pool. Some that might have not been able to bid on it before." DeRoche, "It could come back at even more." Jochum, "I think LaTour's bid was \$340,000 and the lowest was \$220,000. I apologize. I could have made the spec a little tighter, this has never happened to me. It just so happened that it was extremely close between the two low bidders. I will gladly pick up the advertising cost to re-advertise for Alternate Number 3."

Lawrence, "On the base bid, some of the questions that came out when we were pulling the bids out were that LaTour didn't bid on the whole project to make it look lower? I want to make sure we are getting a bid that is correct on the project, so we don't have to keep coming back here on this." Jochum, "The specifications were very clear that we had the right to pick the base bid and any alternate or combination. I evaluated them. I didn't specifically say that in the spec. It says you only get paid for the work you put in. That is where the spec is weak. That is what LaTour's is saying, you have to add them all up. If you pick 1, 2 & 3, who is low at the end? Even though at the end of the day when the project is done a different contractor might have been low because things come out of the base bid." DeRoche, "We have been down this road before."

Moegerle, "Has there been any correspondence with Minger on this? They were going to be awarded the contract until we got the letter from LaTour?" Vierling, "That was if the Council went with 1, 2 and 3 as part of the add-on to the base bid." Moegerle, "Can we anticipate a letter like this from Minger?" Vierling, "I don't know if you can or can't. But, I don't think it will make any difference because the way the contract is being awarded out, they wouldn't have a leg to stand on either way." Jochum, "That is part of the reason for kicking around all three. Because it is on the record that either method you use, LaTour is low." DeRoche, "My concern is getting in to that we will have Change Orders". Jochum, "The base bid includes detaching the old lift station and hooking it to the new system. So, as it stands it is a complete project." Ronning, "Is there any fudge room in these bids? Or do they come to us for the cushion?" Jochum, "Typically, in the mobilization costs, that is where they put their cushion."

DeRoche called the question. **All in favor, motion carries.**

Moegerle made a motion to approve Change Order No. 1 between the City of East Bethel and LaTour Construction for the Castle Towers/Whispering Aspen 2013 Forcemain Project for a net increase of \$ 234,088.50. Ronning seconded; all in favor, motion carries.

Consider
Approval to
Re-Bid for
Alternate 3
the Castle
Towers
Mobile Home
Park Lift
Station
Recon-
struction

Davis explained that the reconstruction of the Castle Towers Mobile Home Park Lift Station was bid as Alternate No. 3 for the Castle Towers/Whispering Aspen 2013 Forcemain Project. Since this alternate was not accepted staff is requesting approval to solicit bids. The bids received for this lift station reconstruction ranged from \$220,012.25 to \$628,696.61. Bids would be advertised on July 19, 2013 and tabulated and presented to the City Council at the August 21, 2013 meeting.

This project will be financed by the excess bond funds from the Phase 1, Project 1 Utility Project. These funds are available and appropriate for this project.

Staff requests approval to solicit bids for the reconstruction of the Castle Towers Mobile Home Park Lift Station. All these projects are being financed by the bond funds for the sewer project. These funds have to be spent on infrastructure. If we decide not to spend them, we cannot use them to pay the bonds down. So, this is something in our case that is truly in investment. Because we are going to get something back from this in the long run.

Moegerle, "What happens with those funds if we don't and can't spend them on anything else?" Davis, "The bond requirements are they have to be spent. There may be some penalties if you don't spend them. The only penalty that we are aware of now if you don't spend them by December 1st is we cannot use them to accumulate any interest. But, since our interest bearing accounts on these range from .012% to .032% that isn't much of an impact."

Moegerle made a motion to solicit re-bids for Alternate #3 on the reconstruction of the Castle Towers Mobile Home Park Lift Station. Lawrence seconded.

Lawrence, "This is a pretty old lift station; it looks like it is 41 years old." Davis, "It is very old. It has problems with infiltration. Excess ground water flows in. The pumps have to work harder. With new pumps it will make for a much more sufficient system and it will increase the life of the facility. At some point it is going to have to be done. It is an excellent

use for these bond funds, rather than using City general funds for this purpose.” Lawrence, “Where is this lifting the waste to? Davis, “This is lifting all the waste back to the new lift station we are installing.” Koller, “How many mobile homes can fit into Castle Towers?” Davis, “There is probably space for 150.” Koller, “And we have a high bid for \$600,000?” Davis, “Well, I think somebody didn’t want that bid very much. I don’t think that is indicative of what the price is going to be.” **All in favor, motion carries.**

Adjourn **DeRoche made a motion to adjourn at 5:53 PM. Lawrence seconded; all in favor, motion carries.**

Attest:

Wendy Warren
Deputy City Clerk

DRAFT

EAST BETHEL CITY COUNCIL WORK MEETING

July 17, 2013

The East Bethel City Council met on July 17, 2013 at 6:05 PM for a work meeting at City Hall.

MEMBERS PRESENT: Ron Koller Richard Lawrence Tom Ronning
 Bob DeRoche Heidi Moegerle

ALSO PRESENT: Jack Davis, City Administrator
 Mike Jeziorski, Finance Director

Call to Order **The July 17, 2013 City Council work meeting was called to order by Mayor Lawrence 6:05 PM.**

Adopt Agenda **Moegerle made a motion to adopt the June 10, 2013 City Council work meeting agenda. Koller seconded; all in favor, motion carries.**

2014 Budget Discussion Staff will present options for addressing the deficits that will occur in 2014 because of 2010 A, B and C Bonds. In this report various scenarios will depict and predict the impact of the use of the system and other city funds to reduce the amount of a levy increase. We also have Stacie Kvilvang from Ehlers here today. We had a meeting with Stacie today and Stacie as part of the options we have will present two different cases for potential for a refi. At this time Mike Jeziorski is going to make some lead in comments and give us an overview of where we are.

Jeziorski, "I wanted to touch on the levy and budget timeline. Where are we going to be at the end of 2013. Get into the 2014 levy and then talk about the debt funding scenarios. When we talk about the budget and levy, there is a specific timeline we follow. May and June our department heads submit increases to be put into the budget model. We have the proposed budget submitted to Council on July 3, 2013. The we have numerous budget work meetings. We had one last week, one today. Which all builds to September 4th when we set our preliminary levy. Important note, whatever is set here, that is the max it can be set, it cannot be increased on December 4th or whenever we set the final levy. That is important to note. When we set our preliminary levy, in late November the stakeholders receive a proposed property tax bill with what we approve in September. Then the culmination of all this is December 4th we have our final budget meeting and resolution. It used to be called the Truth in Taxation, now it is just a public meeting where the public can speak in regards to the budget."

"We are projecting to end 2013 with about a \$2.6 million fund balance at the end of the year. We have discussed fund balance policy 40-50% and at the end of the year we are projecting that to be about 53% of the 2014 year expenditures." Moegerle, "And that is to cover us through July 1st of 2014." Jeziorski, "Correct. You could say there is about a 3% excess which equates to about \$186,000. So that is where we would start 2014. From a high level department classification, the budget is projected to go down by 1% in 2014. Public Safety is projected to increase by 6%. Public Works is projected to increase by 3%. Civic Events is projected to remain at the same level and Capital Improvements is projected to decrease by 3%. With all expenditures taken into account, what does the general fund levy need to be set at in order to have a balanced budget? It is projected to increase based on those expenditures by 1%. Going from \$4,125,317 to \$4,165,343."

“That leads us into 2nd part of levy which is debt service. DeRoche, “What is encompassed if you go back a slide in the “Other?” Jeziorski, “That is all the transfers to the Capital Improvement fund, so the equipment replacement, streets.” Davis, “Parks and trails.” Jeziorski, “With that we can go into Stacie’s presentation on the possible refunding scenarios of the 2010 A and B Bonds.”

Stacie Kvilvang, Ehlers and Associates, “I believe you have a two sided handout before you. The market has settled a bit, but not to our exact liking. We re-ran options for the 2010 A and 2010 B. There are several scenarios and two are being presented to you tonight. One that hits a goal that Council Member Moegerle had and another that is realistic that we would recommend to you. Look at the top of the page that says the \$17,875,000 GO Refunding Bonds 2013A. That would be if we were to refinancing both the 2010 A and B Bonds. If you go to the far right column, you can see the savings. What gives us pause to concern you have a negative in 2020. It doesn’t make sense to do this necessarily, because you are going to have a huge cost in some of those years.”

“So if you to the next on that is titled \$6,230,000 GO Refunding 2010 B bonds. This would just be if we were to refinance the 2010B Bonds. Those have the 45% credit so there is a better ability to achieve savings. In the first five years you achieve savings, they increase in 2016 to 2018, then run into a negative of \$14,000 a year that you would end up paying. If one of the goals is to get out of federal program, so you don’t have to worry about the reductions they may have. Two to try to achieve savings in the first five years to the extent that you can, and then try to keep it as close to zero in the next years is what we have tried to do with the sizing of this bond. Really we would be recommending that you just move forward with the Build America Bonds at this time. What you can do is for the 2010A Bonds, is that is something you can look to do later this year.”

DeRoche, “What has to happen, five good years and then we go in the negative. Why is that happening.” Kvilvang, “Because what we have done is we have pushed the principal payments out as far as we can with regards to this bond issue.” DeRoche, “So it is banking on the theory that in five years we will be doing wonderful.” Kvilvang, “Yes, that in five years you will be doing a lot better than today.” Moegerle, “So we can do the B Bond because we are not doing as we initially tried?” Kvilvang, “Yes, that is correct. We are separating it out and it would be bank qualified. But, because the credit is a lot higher even with interest rates where they are, we are able to meet the parameters you were looking at.” Moegerle, “Back when you initially came, what was the proposed savings going to be on 2010 B.” Kvilvang, “I am not sure how it breaks out. \$3 million combined. I can look in my packet to see how it breaks out.”

Ronning, ‘What is one SAC charge value? Davis, “The total with the City and Met Council is 8,200. Met Council’s go up 5% every year and we haven’t set any increase and next year it will be \$8,330. Stacy, “About \$1.7 million or \$1.8 million was attributable to 2010 A bonds.” Moegerle, “So our savings here is \$270,000 compared to \$1.7 million before? There has been a change of 80% in interest rates.” Kvilvang, “The 2010 B that savings was \$1.3 million. But, yes, the biggest significant factor in that is interest rates.” Moegerle, “So in two months we are going to get 20% of what we were talking about. And what are the fees to get that savings?” Kvilvang, “Total cost of issuance is around \$90,000.”

Davis, “Again, there is another factor we need to consider on the refinancing. The savings is very, very important. The other is to get out of the burden, the threat of further reductions as

a result of the sequestration process that is going on in the federal budgets. I had a very brief conversation with Congresswoman Bachmann's office and Senator Klobuchar and Senator Franken office this afternoon. Trying to see if there was any direction on what they anticipated the length of this sequestration process would continue or is it a won and done deal. Or do we have to anticipate it in the future. Congresswoman's Bachmann's office said there was no way to speculate and it was too early for them to predict. From the senator's office there were no staffers there that I could speak to that could give me any information so I left a message and they said they would get back to us. Our federal tax credits were reduced by 8.7% this year on our second payment. Or \$21,000. At this point we are anticipating this reduction will stay in place for next year. And we will always be faced with not knowing if they will and how much they will be reduced."

DeRoche, "I understand that, but I also understand our backs are against the wall here and we can't make decisions out of desperation. And if we are going to roll the dice, it has to be for something that is going to make sense. And if we are going to just not going to gain a whole lot. Spending \$90,000 to save how much? And that is only for five years and then we are right back out. And even if a bunch of developers come in and say, "Yes we want to roll with it." They are not going to be up and running and have money flowing through here until at least 2016. We have been speculating and speculating and we are not in a position where we can just second guess things." Davis, "This is just an assessment of what we can expect with the federal tax savings. And we have to balance that out with what we can achieve with the savings of the bonds."

Moegerle, "I have been looking at this and I am not a fan of kicking things down the road. You don't do that with retirement, because you have to be saving. When I look at the savings here, it is basically, one dollar per resident. And when we are considering the cost, that is one dollar for everyone, we are saving them one dollar out of \$44. Is there a compromise position between what you first came to us with or this?"

Kvilvang, "I think these are your options. To combine them, it is pushing it to get that 1.5 savings but you have big negatives which we don't think is a good deal. But, if you just did the BAB's at this time, our hopes is to push it so you have no negatives in those future years. But, this is best guess estimate with where the market is at and with negotiating with the underwriter. We are going to provide them with something that looks a lot better than this and hope at a minimum to achieve this if not better."

Moegerle, "And if you get a better deal does our cost for those services go up?" Kvilvang, "The big unknown is the underwriter's services, so we put in 70 bases points for that and we are not sure where they will come in. But, your cost for issuance for everything else is pretty well known." Moegerle, "So how much longer do we have with regard to our bond ratings?" Kvilvang, "The rating is good for 90 days. So, September 18th because I believe it was on the 18th of June that was completed."

Ronning, "Realistically, considering risk, the best thing to do is get rid of this thing and go with something like this. Then you have options, you have some kind of savings, as far as the sequester goes that money is not going to go back in there. The only things that are getting refed are the things that get enough public attention and this won't be one of them. There is no guarantee to that, but it is the best guess right now." Moegerle, "I agree to that refunding this may be possible, I am not sure this is the time. So if we sent this out for bid, and we didn't like what we got and did it again in August are we going to get a bad reputation and nobody is going to bid." Kvilvang, "What we are recommending is not to put

this out to bid. We are recommending that you negotiate with the lowest responsible bidder to see if we can work on the parameters.” Moegerle, “And we can still walk away.” Kvilvang, “You can still walk away. We will show them something that is better than this and our goal is no negatives.”

Lawrence, “Traditionally it seems in the market that October seems to be where things drop the most. Does that hold true for interest rates and such?” Kvilvang, “No, then everyone would be selling then.” DeRoche, “For the A and B it seems for five years they are both good and then everything goes down.” Moegerle, “But that is the way you worked it. We could have a different paradigm.” Kvilvang, “Yes, we worked it that way. Pushing to get your savings in those first five years. Our hope is we would see that number reduced even further.” Moegerle, “Same token, you are talking about working on numbers, what do you plan on doing with the 2010 A.” Kvilvang, “That one is so much harder. Because of where the interest rates are at. We tried to massage it to get the best and we just can’t get that one to work.” Moegerle, “The savings is really high during the years 2031 to 2040. Why couldn’t the savings be averaged between 2020 and 2040 so that those numbers aren’t quite so severe?” Kvilvang, “It is the couponing. They looked at it and structured it the best that they could. If we just do a straight amortization, you have negative savings.”

Ronning, “In the first four years of savings goes a long way to getting you breathing room.” Moegerle, “We need to be investing in the City.” Mike, “If we go back to the 2010 B, it buys us some time, we get out from the federal governments sequestration and the reduction in our refund. So I think it meets the criteria. We are kind of at the bottom of interest rates as a whole and so any kind of refinancing in the future is going to be reconjuncture at this point. At this point I would be in favor of this refinance and keeping the 2010A in the back of our minds.” Ronning, “Considering what he just said, and that this gets us out for at least eight years.” Moegerle, “But only in regard to B. Because we still have to pay interest rates on the A. So, we may be saving \$35,000 but we have those others to consider.”

Davis, “The only problem with the A Bonds is the way they are structured. And with the reduced federal tax credit, it makes them hard to come up with anything. Especially with the way interest rates are now. I am not and I do not pretend to be an expert in the bond markets. But everything I have read says the bond market is volatile. And everything I have read says to consider diversifying their portfolio. It affects it on both side of the coin.”

Davis, “In all likelihood, tomorrow, something will change and prove me to be wrong.” Koller, “I see the B, the first five years we have a lot of savings. The other one, we have a little savings and then we are in the whole big time. The B looks pretty good.” Moegerle, “I am \$90,000 to get a \$270,000 savings.” Koller, “That is a good return on an investment.” Moegerle, “These bonds were bad in the beginning. If we can do better, we need to work on it. I would like to see a better return on it.”

Davis, “This isn’t something we need to make a decisions on tonight. We are recommending that we do revisit that bond parameters resolution that we talked about in June. So we can act on the negotiations that Stacie will conduct. We don’t want to be caught in the same situation that we were in on June. There has been a dramatic shift in the bond market. Will the storms blow over? I can’t tell you.” Kvilvang, “The big factor here is your rating. You can pay your \$15,000 fee and wait and see what happens in the market. Your risk is the market just gets worse. And, then you have lost all your savings. The flip side, the market can get better and your savings can increase. We tried to meet the criteria for your B’s.”

DeRoche, "In my case if we are going to do something, it has to be something that is going to make a difference. Otherwise I don't see it." Lawrence, "How long do we have to hold that before it can be looked at again?" Kvilvang, "An eight year call. We want to discuss that with the underwriter to a ten year." Ronning, "Starting tomorrow there is 63 days to accomplish it. Be careful what you bite off." Moegerle, "Part of it is B you are telling us these are worst case scenario." Kvilvang, "These are reasonable expectations." Moegerle, "I would like more options, more information." Stacy, "The structure here is the recommended structure. There are certain parameters we have to meet." Ronning, "If there was much better information available, she would have brought it." Davis, "There were two that were negative savings, so we didn't have her produce that." Moegerle, "More information is better, it would have been nice to have that information." Ronning, "One of the problems with more information, is it equals time. Part of our responsibility isn't to gamble with what we have at hand." "

DeRoche, "I disagree. Taking gambles whether we wanted to or not. If we are not going gain anything substantial. Hard to explain." Ronning, "If you didn't know anything about the \$3,000,000 how would this look? You are going to have handcuffs on if you leave this like it is."

Moegerle, "What can the city do to improve its bond rating?" Kvilvang, "You are not in a position to improve the bond rating. It is population, income, you would have been rated higher. Your other option is you don't refund it. From my perspective, you at least would be seeing some savings." Moegerle, "My view is go ahead and do what you can and get. I wish it was \$3 million." Lawrence, "I think this is not a bad deal. I hope we can get this wrapped up before it goes down."

Davis, "What is the timeline that we need to adopt the bond parameters resolution? Or what is the timeline that we need as a Council, we can call a special meeting in three days. Is that adequate to address a situation that comes up?" Kvilvang, "We cannot negotiate until you have the bond parameters resolution in place. Once given the authorization, we will move forward with negotiating." Koller, "I think this first one where were going to push out five years and then take those loses, we can't do. But 2010B looks pretty good."

Jeziorski, "We have three different scenarios on how the bond will takes into account that refinancing didn't occur. Scenario A, is a simple cash flow. Have negative balances. For 2013 have 54 SAC units. Hope to receive those funds. For 2014-2016 we are looking at zero connections. So, how much do we have to levy, for 2014 it would be \$490,000 for 2010A and \$300,000 for 2010B for a total of \$790,000. That is the same I used for 2015 and for 2016 I had to use a debt payment of \$1.5 million." Moegerle, "About 20% increase in tax."

"Scenario B - I put in 50 connections for 2014, 2015 and 2016 and spread the levy accordingly." Moegerle, "If we had an extra \$100,000 coming in each year, would that make a difference?" Jeziorski, "We did that on Scenario C. 240 connections for 2014, \$62,000 transferred from the general fund to these bonds and we would still need to levy \$440,000." Moegerle, "Divide that by 4,000 properties, so it would be about \$100 more or less." Jeziorski, "I did it in terms of value of their homes." DeRoche, "What kind of effect will this play since the 50 ERUs is not the commitment." Davis, "The 50 ERUs is the projection. But, beyond that it is a guess. We are just trying to be realistic in projections." DeRoche, "But our commitment is higher than that." Ronning, "The SAC and WAC

Charges, the SAC is income for us? Cash flow?" Davis, "There are two SAC charges. \$5,600 is the City charge and \$2600 to Met Council."

Ronning, "\$2,600 is that the commitment to Met Council if they don't make it we pay it?" Davis, "Not necessarily. That is a reserve loan program. Eventually you pay. There will be payment at some time. There is a clause in there that might be helpful to us." Moegerle, "They are provided for at the legislature and we need to make sure they are used reasonably." Davis, "We just have to have a basis for making the request." DeRoche, "It is not a question of if we are going to pay it, realistically at some point we are going to pay." Moegerle, "I understand it is a pay it forward system." Davis, "I would anticipate that we would have to show that there is an extraordinary circumstance. The City of Isanti was in the same situation when they did an extension to the east side of 65. Granted this was something they elected to do. Rather than something we had some opposition to. If we are going to do this we have to have a case for it." DeRoche, "In the reality, East Bethel is kind of high. Without tax increases or levies." Davis, "They aren't comparing apples to apples. They are not in the same situation and with the other cities there are only a couple percentage points that separate us." DeRoche, "The reality is, look we are a lot higher than the communities around us. It does matter, we are at 48%, but now we are looking at having to go higher because we have bonds to pay off. Because if we are going to have any chance of getting development." Ronning, "These charges, \$2,600 that is the minimum? That is \$16,000,900 on top of all of the bonds." Davis, "Here again, this is something that is not as critical in the whole outlook of things. There is a thing called the reserve loan program, but there is interest involved in this. No matter what we do, East Bethel is on the hook for a lot of money and a lot of interest. We need to try to attract a lot of development to mitigate it as much as possible."

Jeziorski, "Like to leave you with two things. Scenario A looking at about \$790,000 in additional debt service levy. More likely scenario, Scenario C, \$446,000 increase to the debt levy. And then any other scenarios you would like ran I can also do those, but there are arguments for both. If you set it at \$790,000, you could potentially lower it at that point if you do the refinance for the 2010B bond. Obviously though, it will be sticker shock for everyone that gets their proposed property tax statement and has for those that huge amount on there." DeRoche, "Shouldn't be that much of a shock. People have known this for a long time." Davis, "On a \$300,000 home the taxes will go up \$300." Ronning, "It was told if you don't hook up you don't pay. We are all paying. I mention that because I believe there are still people that they say, "They told me I wouldn't have to pay." There is no easy way out." DeRoche, "We have been saying that for three years."

Moegerle made a motion to adjourn at 7:25 PM. DeRoche seconded; all in favor, motion carries.

Attest:

Wendy Warren
Deputy City Clerk

EAST BETHEL CITY COUNCIL MEETING

July 17, 2013

The East Bethel City Council met on July 17, 2013 at 7:40 PM for their regular meeting at City Hall.

MEMBERS PRESENT: Bob DeRoche Ron Koller Heidi Moegerle
 Richard Lawrence Tom Ronning

ALSO PRESENT: Jack Davis, City Administrator
 Mark Vierling, City Attorney
 Craig Jochum, City Engineer

Call to Order **The July 17, 2013 City Council meeting was called to order by Mayor Lawrence at 7:30 PM.**

Adopt **Moegerle made a motion to adopt the July 17, 2013 City Council agenda adding Item**
Agenda **8.0 G.4 Bond Parameter Resolution and a Closed Session for Union Negotiations at the**
 end of the agenda. Ronning seconded; all in favor, motion carries.

East Bethel Troy Lachinski, President of the Relief Association, "The presentation I am going to be
Fire Fighters giving you is slightly updated from what you have in your packet. Every year we have to
Relief Assn. complete reports for the State Auditor and we are right in the middle of completing those
2014 Budget reports. Some of this data I wasn't able to receive until yesterday at 5:00 p.m."

"Overview of the Relief Association, what our goals are, what the reason to have an association is, our current status, City contributions for 2014 and beyond, relief benefit levels and our requests to the City Council. I thought this was going to be presented in work session, so this was more free form and looking for some feedback from you on what additional details you would like to see before I actually presented this to Council. So, I would still like to approach this that way. I will go through this and if there are items you want more details on or information, I am happy to provide those and work up another presentation before we make the actual request."

"The relief association is an organization separate from city and fire department and its sole purpose is to provide a pension to the members of the fire department. The pension is payable upon retirement when the member reaches 10 years of active service and the age of 50. It is managed by Hartman and Hartman, and overseen by the trustee board. We have nine trustees on the board. Provide the benefit to attract and maintain fire fighters. They do get paid, from \$8.15 to \$11.17 an hour. But, we cannot predict when a call is going to come in, so sometimes we have to leave during dinner, a child's birthday party, the middle of the night. Our goal is to maintain a fully funded pension plan. We want to provide retirees with accurate and timely payments. We monitor investment performance and we like to communicate effectively with members of the plan and the City Council so there are no surprises."

"We have some goals. Our short term goal is to maintain a funded ratio of at least a 110%. The reason we like to maintain it at 110% is you never know what is going to happen with the stock market. This year we are doing very well, in 2008 we didn't do very well. Our long term goal we would like to have a payout of \$100,000 over 20 years of service. This would be \$5,000 per year of service. Today we are at \$3,400 per year of service and our

account is growing. So, over time, we would like to take baby steps and continue and have a healthy portfolio and increase our benefits in a way that doesn't have any fiscal benefits on the city budget. "

"The main reason of for the Relief Association is for retention and currently we have 38 members on the department. And 12 members are already vested, which means they have served at least 10 years. 32% of our department is vested, of those 12 members that makes up 251 years of experience which is about 70% of the total department years of experience. This also includes key leadership positions, so of the 12 members that are vested that makes up 66% of our department officers. So, you can see that the people that are vested are very important to our City; they have lots of experience and are leaders in our department. We want to have a good benefit to keep people interested in staying on the department as long as possible. When we hire new recruits it takes three years to get fully trained and make a big impact on the department."

"Where the money comes from. We have a pension fund; it is like a lock box. It is a fund that is specifically for providing a pension for the fire fighters. Where does the money come from that goes into this fund? Roughly speaking, about 19% comes from state aid. When you pay your insurance premiums for homeowners insurance, some percentage goes to the state. They look at the population, density, fire department size and then they divvy that money back out to help the fire departments out to help fund the fire departments relief associations. Many of the cities in rural Minnesota are true volunteers so all they have are pensions, so we get about 19% from the state aid. City Contribution is 9%; other was 1% like the SAFER grant. The other 71% comes from our investment earnings. There are only two things we spend money on. Administration which is about \$5,000 per year and the other is pensions. And here is two graphs, one is from the State Auditor that shows other relief associations and where their money comes from and then ours and you can see we are right in line with the other relief associations in the state."

"History of state and city contributions. The only time a mandatory contribution has been required from the City is when fund is less than 95% funded. That has happened only twice in the history of our department, in the year 2000 when the stock market crashed our fund was sufficient to cover that. But in 2008 our account took about a 40% hit in one year and it required a mandatory contribution. The way that works is we were underfunded \$400,000 and it required the City to pay 10% per year on a 10 year plan. After the first year, we were out of the red and overfunded again, but the way that the plan worked, there was still a mandatory contribution that second year. Those are the only two years that there was a mandatory contribution in the history of this City to the relief association."

"In the past we had a smaller City contribution and there were years that there were no contributions. Which is fine. If there is a known contribution, it levels things out. 2012 and this year we requested \$17,500 which is based on \$500 per fire fighter. And, we are requesting the same contribution of \$17,500 for 2014 if Council so chooses to do that. So, request #1 is an ongoing contribution of \$17,500 to the relief association which is \$500 per fire fighter."

"The second request we have and I have been talking to the City Council members and I have been coming to see you every year for the last three years and talking about this is that we would like the Council to ratify our by-laws to allow us to give ourselves a raise with the funds we have. Our fund is very overfunded right now and it will allow us to do this with no fiscal impact to the City. The legislative session is over and we are ready to do this.

History of our results, the black line is our assets and the red line is our liabilities, what we would have to pay out if everyone retired today. We have had the same benefit level of \$3,400 since 2007. That was a \$200 increase from the year before. We are proposing a \$200 increase to \$3,600 which is 6% overall. Every year we have to do a worksheet for the auditor and it is a maximum benefit allowable and this year that is \$4,300. I don't think it would be prudent to jump to this level. We think it is prudent to take baby steps so we don't have to come to you and say there is a mandatory contribution. The SC Form shows that the State Fire Aid should be about \$40,000, if you choose to give us the contribution that would be \$17,500 and our Interest/Dividends is about \$34,000 and our Appreciation/Depreciation is about \$98,000 for a total of income of \$200,000. Surplus of \$322,000. Keeps us at 128% funded so we can afford this increase. So, if we went from \$3,400 to \$3,600 we would have \$289,000 as a surplus which keeps us at 122% funded which is much higher than the state recommends we be and there is still a 0% fiscal impact on the City."

"In summary, we surpassed our goal of 110% funding. We are asking for an ongoing annual City contribution of \$17,500. And for the Council to ratify our increase. We are looking for feedback. If you need more information, I am more than happy to prepare more things and come back at any time."

Lawrence, "On the on percentage of 110% would you be going higher than that with the pay increase?" Lachinski, "Even with the pay increase we would still be 122% funded." Lawrence, "From the City standpoint, even if the market fails, you get 71% of your money from the market so the City would be obligated to pay even more money." Lachinski, "Even if the market was flat, or down 1%, we would still be at 110%." Lawrence, "But allowing you to get a raise would mean we would have a bigger obligation if the market slides at some point." Lachinski, "Right." Lawrence, "I just want to make sure everyone understands. I don't think asking for this raise is out of line; I just want everyone to understand that there is a small amount of risk involved in this."

Moegerle, "We just got through budget meeting. We are going to be paying for a sewer and water system and it is not good. We are looking at \$100 to \$300 each property and we are looking at each department to give up something and so I am wondering if we awarded \$400 each fire fighter, not \$500 and let them have an increase, how will that affect the fire relief association?" Lachinski, "I can speak for all the members and that would be perfectly agreeable for all of us. We don't expect that and we are very happy to get it." DeRoche, "I guess you stole my thunder. But, in reality, we are looking at an increase of \$100 to \$300 a year in taxes, or it could even go up from there. And, so it is really tough to make everything come together. So that is cool."

Ronning, "If this \$500 is agreeable, resolve the number. What is the maximum number of fire fighters that are vested?" Lachinski, "It would affect our liability line, because it takes into consideration that those people would leave today and get paid. So we would still be funded. Where that hurts us is on our investments because 1% of a million dollars is different than 1% of \$100,000. But the pension is set up to pay them and we are happy to do so when they decide it is their time to retire." Lawrence, "Troy has to come back year after year." Lachinski, "I want to come back. I want you to remember us, not forget us. Number two, we do have to keep our fingers on the pulse of the market and make sure. Because it might not make sense in a year or two to increase this another \$200. I like to keep an eye on the market and every year make sure we are asking for prudent things." DeRoche, "We got a lesson on the market from our people. Are you ready for the dance?"

Lachinski, "I am going to go sell tickets right now. Someone has your territory. Should I come back?" Moegerle, "I think it needs to be on the main agenda."

Sheriff's
Report

Lt. Orlando gave the June 2013 report as follows:

DWI Arrests: There was one DWI arrest. The vehicle was stopped for driving conduct and the driver refused to submit to testing.

Thefts: There were 21 thefts reported in June. One involved a fraud situation where a victim answered an email advising that he would be paid to advertise "Red Bull" on his vehicle. The male received a check where he was to cash it and send \$500 to a person in South Carolina. The male followed the instructions only to learn that the check was fraudulent and he now is responsible for the money. One identity theft came to light when the victim's auto insurance rates went up. He contacted the company to find out that his credit score had changed and that was why his rate went up. He ran a credit report and found three accounts that were not his. It is a good idea to run a credit report on yourself at least once a year which you can do for free. Two Polaris ATV's were taken from where they were stored outside on a property. There were no suspects or witnesses. A vehicle parked at a boat landing had its catalytic converter taken. A key to a vehicle was taken out of the glove box, that vehicle is now being parked in the garage to prevent its theft. There were some miscellaneous items taken from vehicles including a camo colored toilet seat cover that was taken out of a pickup bed. A foreclosed house had copper taken from inside. A report came in of a flagpole that was stolen. The owner recovered it at another residence, leaning against a shed (most likely the work of juveniles). Two fishing poles were taken from a garage; a watchful neighbor saw a vehicle and gave information that led to the suspects being identified. The fishing poles were returned.

Burglaries: There were five burglaries reported. Three of them involved copper fittings stolen from a construction site, where three companies were the victims. Anoka County crime scene unit did come out and process the scene and the case is under investigation. One burglary involved a weed trimmer that was taken from a garage – no signs of forced entry. The final report involved a home under foreclosure that had the copper pipes taken out of it.

Damage to Property: There were 11 reports of damage to property. Two reports involved windows being broken on vehicles while parked in driveways. These occurred on the same night but are a few blocks apart. One was on the 3800 block of 191 Avenue NE and the other was in the 3500 block of Viking Boulevard. No items were taken from the vehicles. There were two reports of mailboxes being damaged. These both occurred in the 2800 block of 183rd Ave NE. There were three reports that involved damages to vehicles, all on different dates and different locations. One report involved a vehicle that had the tires slashed. There are no suspects or witnesses. One involved a vehicle that was spray painted. The paint was able to be removed with paint thinner. The last report involved a vehicle that was struck as it was parked on the street. The only information on the suspect vehicle is it had light colored paint.

Disorderly Conduct: There were four reports of disorderly conduct. One report involved a customer of a business who was angry with the way an employee was filling his propane tank and struck the employee on the hand, pushed him out of the way, and unhooked his tank. That male was issued a citation for disorderly conduct and admitted to being angry when he got to the business as the propane had run out in the middle of him cooking his

dinner.

DeRoche, "Didn't someone have a problem driving on Klondike on the 4th? Spinning out and getting stuck and having too much to drink?" Lt. Orlando, "I will let you know for sure next month. We have seen an upsweep in the past week because of the heat."

Public Forum The public forum was opened for any comments not listed on the agenda. Mayor Lawrence reminded the people that Public Forum is a time to come to City Hall and express their concerns to the City Council. And, if you wish to have an engagement than just a simple expression of what your thoughts are, it is advisable that you make a formal request to be put on the agenda so that you can be fully engaged with the Council. Otherwise, if you are just looking to get a response back to your comments, you can put your comments forward and we will respond back to you at a later date.

Nancy Krueger, "I live in Blaine, 515 98th Avenue. My address in East Bethel is 18467 Lakeview Point Drive NE. I don't reside there; it is a small camping lot. In 2003 I purchased 50 feet of lakeshore on Coon Lake. It had on a boat house and combination storage shed and outhouse. It was advertised in the Anoka Shopper as a camping lot. I have been there for 10 years. Put a camper on it. Put in a nice new dock. I bought a pontoon, I use it for my family, and my kids live in Ham Lake so they are close by. This spring there was some local people that started parking pontoons illegally and the sheriff came and made them take them out. The inspector came and made sure they took them out. In doing so, he had to pass by my property. This was Nick Schmitz and I got a letter from him that neither campers or outhouses were allowed in East Bethel and I had to move my property. It is not actually on a City street. I worked with Jack Davis and Nate Ashford to keep the road open. I went into the city ordinances and it seems to me that the intention if more for people not to come in and park a mobile home or camper on a lot and reside in it. Which I understand, you wouldn't; want your neighbors turning your neighborhood into a trailer park."

"But, my lot is not visible from the street. I only have one neighbor and there is a tree line between us and they have no objections to me being there. I read through the entire city code and ordinance and it doesn't reference outhouses, there legality or use. On the letter I got it doesn't reference any code. It just says I can't have an outhouse in East Bethel so I would like more clarification on that. Because it was on the property when I bought it, I didn't know there was an issue. I thought it was grandfathered in. I take good care of it, I have fixed it up a lot, and it was in disrepair. I try to be responsible with the use of the outhouse, I use organic to break down the waste and neutralize it before it goes in the ground. I am a chemist at Aveda so I kind of know about these things and I try to be a good citizen. Last fall my batteries and propane tanks got stolen off my camper so I got electric brought in this spring. For me to just have to move everything off, we don't sleep there. I live in Blaine and my kids live in Ham Lake. We come for the day and go out in the boat. We don't reside there. We don't have water there.

DeRoche, "Outhouses in East Bethel I know there were some in the Coon Lake Beach area and they were grandfathered in. I don't quite understand the problem here." Moegerle, "I am looking at the zoning ordinance; Shoreland Overlay District, #57 and #13 is water supply and sewage treatment. Subsection B, one of them says all private sewage systems must meet or exceed MPCA standards. Is that where this is coming from?" Davis, "Outhouses that were preexisting to any change in the zoning ordinance are still permitted. However, if there is an alteration or improvement to them they have to meet PCA regulations; they have to meet the DNR regulations, those type of activities. The issue

Nancy and I discussed is in our City Code 28.C, that says you can't have a camper on a lot that doesn't have a dwelling. And that dwelling has to be connected to water and sewer, whether it is your own water and sewer or means of disposal and private well, whatever. That is the issue here, that the camper is on a lot that does not have any water and sewer supply."

Lawrence, "How big is your lot?" Krueger, ".2 acres. 50 feet of lakeshore and it goes up the road about 100 feet. It is not a buildable lot. It was advertised as a camping lot. Moegerle, "Is a variance available?" Krueger, "That is what I am asking for, a variance to be able to keep my camper there." Davis, "She could definitely pursue that to the Planning Commission. Their next meeting is this coming Tuesday." DeRoche, "We have to look into this and I have seen people living in their campers, garages and it looks like trash. And here we have someone that is doing something good and so we need to do something." Davis, "In Nancy's case she does maintain the property very well. In other cases where there are others living in campers, we need to know those addresses so we can address those situations. This is one of those situations where it says this is not permissible, so you would want to present this to the Planning Commission to see if there is a possibility of getting a variance." DeRoche, "Maybe it is one of those ordinances, and I have talked to Nick about this in the past, maybe there is something we need to have done." Vierling, "You may have an issue with the variance. There are issues with variances with dimensional requirements. If your ordinances require setbacks for so many feet or something of that nature, that is understandable and permissible. There are attempted variances with regard to uses. If the ordinance says the use is not permissible, then you don't normally vary from that. Then you are basically looking at whether you want to change your ordinance. I think this is one of those circumstances where if the applicant wants to propose a text change to the ordinance that may be something she may want to do and the Council may want to address it." Moegerle, "What do we do when it is not a buildable lot? It is too small for a house." Vierling, "There is recreational use. But you have to separate the use from any incremental or recreational use and how far do you want to go with that."

DeRoche, "That is pretty much what she does. If the outhouse has been there." Krueger, "I don't know if the camper is a bigger issue or outhouse. I can happily let go of the outhouse. Today there is new technology, electric compost toilets completely self-contained, no waste generated, there are lots of options." Moegerle, "I am searching for recreation and it is not in there for residential." DeRoche, "At one point people came up to Coon Lake and camped on their property." Koller, "How big is this camper?" Krueger, "24 feet. I parked it there 10 years ago; I don't know how I would get it out." Moegerle, "Can we get this on the agenda for the next meeting if we don't get this taken care of?" Davis, "Yes we can." Koller, "I would think a recreational use permit would be in order."

Doug Tierney on 4610 Viking Boulevard NE, "I was here at the last Council meeting and Council Member Ronning got me riled up when he referred to Phosphorus as the Boogey Man. I handed out this paper. It is illegal to apply not to buy. I took pictures, Fleet Farm has it." Ronning, "The statute has one thing for lawns including golf courses." Tierney "It says to apply. You can apply with three exclusions. What I brought up is real, it is not the phosphorus. On First Street, they haven't cleaned it up. Nate come down and stood on one end, we have the East Front project where we spend \$4800 to filter the water. On the other end they have been dumping. I have been there three times and they just get mad at me. Since 2007 we have gone the wrong direction. And it has nothing to do with fertilizer. Council Member DeRoche did a great job on his shoreline. Everything he did is right. Doug is not wrong." Ronning, "If I said something to offend you, I apologize."

Tierney, "What you say is you put no thought in it. I would like document it. And I would like when Nate said the trees would have to be trimmed, in the power lines. Anoka Electric came in and trimmed the trees."

Davis, "I went down and looked at the situation on First Street. The city owned property is grown up in vegetation, two to three feet height, 40 foot by 20 foot strip. I did notice some compost on the upper end of it. What I saw there was an excellent filter strip." Tierney, "The boat lift has been over their several times. The filter strip is nice, but for years like Steve Voss mentioned the City raised the whole road up. When the new guy came in, he said, "This road is closed." He did a good job of closing it. That compost is not right at all. In Forest Lake they had groups that were adopting them out and still leaving a filter strip of weeds." Ronning, "Thanks for your concern."

Denise Lachinski, 22826 Vermillion Street, "The Schoolhouse is gone. I want to say something about that, because I was part of that project, after it got moved into the park. If you sat for three years on a cement slab, you wouldn't look the same as you did when you initially laid down on the slab. We can just let it go now, right?"

"I was recently reading through the verbatim notes about how a Council Member feels about commission members sitting on their hands and not doing anything. I have to say in the last three years I have probably done a few things. And I don't appreciate that kind of comment." Moegerle, "It was a relative statement. I was on the Planning Commission and before I was even sworn in, I was putting together ordinances and correcting things forward. So the point was, and I assume every one of you does equally that amount. But I was making the point that, what I do, and learn, and go to with regard to the Economic Development, I do many more times than I when I was actively involved in Planning." Lachinski, "So are you saying you do more than me and maybe some of the other commission members?" Moegerle, "I am saying that as the President of the Economic Development Authority, I do much more than a commission member does. An active commission member."

Lachinski, "So you are saying that you do more than say this weekend we have East Bethel Booster Days and I work on that all year." Moegerle, "But you are the President of a non-profit corporation." Lachinski, "I am not a president." Moegerle, "Well, okay I don't. You are in charge of that in the role of the Booster Day Committee which is a separate non-city function." Lachinski, "Alright, that being said, I would like to get some conformation on why that you would make decisions for the East Bethel Booster Day Committee with some of our event people. From what I understand, I have had some e-mails from Cedar Creek Ecosystem Nature Reserve where you had given some information to them that they did not need to participate this year." Moegerle, "Not at all, I have been urging them. In fact it was my hearing that they were not going to participate and I have it right here on my list to tout how excited I am that Cedar Creek is in fact participating. And, I had called Mary during the LMC Conference when I got this news to beg them to stay involved. And, I have called her and volunteered to help, I am at her call. She has both my numbers, at the city and my cell phone."

Lachinski, "We have two City liaisons to the Booster Day committee, so technically they should be the contact people. They people we have on our Booster Day committee should be the contact people for the Booster Day events." Moegerle, "I contact her in my role as Council person, I know her in regard to my role in the Sand Hill Crane group, I know here

in my capacity as a Minnesota Master Naturalist, I know her in a lot of different ways, so I do not feel that I overstepped my bounds as a Council person in any way.” Lachinski, “I am a little confused why we have two Council persons as liaisons and then a third Council person is contacting people as an East Bethel Booster Day contact.” Moegerle, “I did not do that in anyway. And, I refer them all to you because I know nothing about that except that they were experiencing some question about staffing and I wanted them to stay the course and if I could help them in any way, that is what I did because I am a citizen resident and I want the relationship with the city, Booster Day and Cedar Creek to be a wonderful one.” Lachinski, “I have e-mails that contradict what you are saying, so, I just want to verify that we are having Cedar Creek Ecosystem Science Reserve. I worked with them quite a bit to get this to happen. Ron Koller and Tom Ronning are our liaisons and Richard has been our liaison in the past. We have quite a bit planned and I got the weather to cooperate and it will be a great day. But, my problem with this whole statement being made is, it reflects on everybody that is on a commission that if you are current, past or future, why would I want to be on a commission in East Bethel is this is how a Council Member is depicting commission members.”

Moegerle, “Certainly when we are up here we are talking off the cuff. Was it as diplomatic as I can be or should be? No it wasn’t. And, at the end of the meeting in my Council Reports I did apologize. I said that wasn’t exactly how I meant it. What I was saying was what I do as the President of the EDA is and what I read and what I research and try to bring back to the EDA is in a capacity that is significantly more than what I did when I was a Planning commission member. I apologize that was not amended and added to that area.”

Lachinski, “I am hoping everyone can be there. Tickets are still being sold by the Fire Fighters for the dance until Friday. City Hall has tickets, E.J.’s has tickets, and I think Hidden Haven has tickets. If not, you can contact Troy Lachinski and get your tickets. We have turtle races and tomorrow I will be wrangling turtles for the Lions. We are doing catch and release. If you have questions everything is on the City website, you can still check our Facebook page, we have a free band over at Gazebo, and vendors at tractor pull area. The movie on Friday Night, Waterball, four teams of businesses from the City participating. And on the third Thursday we will have our wrap-up meeting here; our new year for planning will start in September. Anyone can come, Council Member or not.”

Moegerle, “Thank you for bringing that to my attention and allowing me to apologize.” Lachinski, “If you want volunteers, you have to be a little more polite about it.” Lawrence, “Thank you for your hard work, it takes a tremendous amount of work.” There were no comments so the Public Forum was closed.

Consent
Agenda

Moegerle would like to pull items B) July 3, 2013 City Council Regular Meeting Minutes; C) June 24, 2013 Special Meeting Minutes; D) Recording Secretary Agreement; G) Resignation Letter.

Moegerle made a motion to approve the Consent Agenda including A) Approve Bills; B) July 3, 2013 City Council Regular Meeting Minutes; C) June 24, 2013 Special Meeting Minutes; D) Recording Secretary Agreement; E) Municipal Builders Inc. – Final Payment Request – Water Treatment Plant; F) Res. 2013-40 Night to Unite; G) Resignation Letter. Lawrence seconded; all in favor, motion carries.

Moegerle, Item B, July 3, 2013 Meeting Minutes, I pulled these to make some corrections. Page 2 of 14, conscience. Next one Richard, under bold face, first word casting, thought

that was broad.” Lawrence, “That is what I meant. I believe that is what I said.” Moegerle, Page 8, second paragraph, assessed. Page 11, bold faced paragraph, (Met Council) and Page 12, DeRoche made a motion ample time.

Moegerle made a motion to approve the July 3, 2013 Meeting Minutes. DeRoche seconded; all in favor, motion carries.

Moegerle, Item C, June 24, Special Meeting Minutes, this is really easy but on second page, 2 of 5, date is January 6, 2013, continues through the entire document.

Moegerle made a motion to approve the June 24, 2013 Special Meeting Minutes. DeRoche seconded; all in favor, motion carries.

Moegerle, “Richard and I have been discussing verbatim minutes and there are some things we could improve on when we receive verbatim minutes. I would like to encourage that the minutes we receive are better prepared. When I correct the punctuation, capitalization and spelling, maybe those are fewer than we have. A specific example was the EDA minutes that were before us on Monday. They had quite a few more concerns and points than what we had here tonight and however we get that done, it would be appreciated.”

DeRoche, “It seems when we have the meetings, those minutes don’t get done for three weeks or more.” Davis, “That issue has been corrected.”

Moegerle made a motion to approve Item D) Recording Secretary Agreement. DeRoche seconded; all in favor, motion carries.

Moegerle, “Next is the resignation of Joan who has worked in the building department for I don’t know how many years. She holds a lot of institutional history and she has been very valuable to us and I want to express our appreciation on behalf of myself and the many residents she has helped.

Moegerle made a motion to reluctantly accept Joan Steffen-Baker’s resignation and proceed with permission to fill the position. DeRoche seconded; all in favor, motion carries.

IUP/Horses/
Bovines at
24315
University
Ave. NE for
Randolph
Anderson

Davis explained that the applicant, Mr. Randolph Anderson, is requesting an IUP for the keeping of up to four (4) horses and/or three (3) bovines at his residence, for a total of six (6) animals.

East Bethel City Code Section 10, Article V. Farm Animals, requires that no animals that are regulated by the code can be kept on a parcel of land located within a platted subdivision or on any parcel of land of less than three (3) acres (130,680 square feet). The two parcels (both owned by Mr. Anderson) total 16 acres and are not located within a platted subdivision.

City Code has a limit on the number of animals per parcel. Four horses require 4 acres of fenced pasture land. Pasture land is defined as land with vegetation coverage used for grazing livestock. Pasture growth can consist of grasses, shrubs, deciduous trees or a mixture, not including wetlands. The property owner has fenced pasture land for the horses and an existing shelter that is 15’ x 24’.

City Staff is recommending approval to the City Council of an IUP for the keeping of no more than four (4) horses and/or three (3) bovines for Randolph Anderson, located at 24315 University Ave. Ext. NE, East Bethel, PINs 30-34-23-22-0009 and 0010 with the following conditions:

1. An Interim Use Permit Agreement must be signed and executed by the property owner and the City.
2. Property owner shall provide shelter and have a minimum of 8.2 acres of pasture land for the animals.
3. Property owner must comply with City Code Section 10. Article V. Farm Animals.
4. Permit shall expire when:
 - a. The property is sold, or
 - b. Non-compliance of IUP conditions
5. Property owners shall have thirty (30) days to remove approved domestic farm animals upon expiration or termination of the IUP.
6. Property will be inspected and evaluated annually by city staff.
7. Conditions of the IUP must be met no later than August 1, 2013. IUP will not be issued until all conditions are met. Failure to meet conditions will result in the null and void of the IUP.

Ronning made a motion to approve the request of Randolph Anderson at 24315 University Avenue NE, East Bethel, MN (PIN 30 34 23 22 0009 & 0010) for an IUP for the keeping of no more than four (4) horses and/or three (3) bovines for with the following conditions: 1) An Interim Use Permit Agreement must be signed and executed by the property owner and the City; 2) Property owner shall provide shelter and have a minimum of 8.2 acres of pasture land for the animals; 3) Property owner must comply with City Code Section 10. Article V. Farm Animals; 4) Permit shall expire when: a. The property is sold, or b. Non-compliance of IUP conditions; 5) Property owners shall have thirty (30) days to remove approved domestic farm animals upon expiration or termination of the IUP; 6) Property will be inspected and evaluated annually by city staff; 7) Conditions of the IUP must be met no later than August 1, 2013. IUP will not be issued until all conditions are met. Failure to meet conditions will result in the null and void of the IUP. DeRoche seconded.

Lawrence, "How close are you to completing the conditions of the IUP?" Anderson, "Not as far along as I would like to be, but, I should be able to make the deadlines." Moegerle, "If there is any doubt in your mind that you are not going to make that, we can easily make that August 7th so you can appear before us and give you an extension of time." Anderson, "A lot of things get done with deadlines." **All in favor, motion carries.**

Park CIP Program

Davis explained that the City of East Bethel Parks Commission adopted a Parks and Trails Capital Improvements Plan for 2014-2018 at their April 10, 2013 meeting. This plan identified a number of capital projects that should be completed at numerous City parks. From this draft of projects, funding recommendations and revenue projections were developed to produce a prioritized schedule for improvements for the planning period.

The Parks and Trails Capital Improvement Plan have factored in the major downturn in the housing and credit markets that has occurred over the past 6 years. A significant portion of the funding required to complete a number of these projects are generated by the park and trail dedication fees charged as a part of the development process. Minimal funds from these fees are anticipated through the remainder of 2013 and into 2014.

Revenues

The following details the anticipated revenues that could become available in the Park Acquisition and Development Fund, Trails Fund and Park Capital Fund over the next 5 years. Projected revenues are based on the assumption that the City of East Bethel will provide a minimum of \$100,000 per year to the Parks Capital Fund and that the City will continue to collect at least \$2,500 in park dedication fees and \$500 for trail dedication fees for new home construction. Additional income for the Trails Fund assumes an appropriation of \$5,000 per year beginning in 2015 as a transfer from the General Fund to support the trail construction program. The number in parenthesis under Park Dedication Fees is the projected number of building permits used to derive the dedication fees.

	<u>General Fund</u>	<u>Park Dedication</u>	<u>Trail Dedication</u>	
<u>Year</u>	<u>Transfer</u>	<u>Fees</u>	<u>Fees</u>	<u>Total</u>
2014	\$100,000	\$ 0	\$ 0	\$ 100,000
2015	\$100,000	\$125,000 (50)	\$25,000 (50)	\$ 250,000
2016	\$100,000	\$125,000 (50)	\$25,000 (50)	\$ 250,000
Total	\$300,000	\$250,000 (100)	\$50,000 (100)	\$ 600,000

Parks

The following projects are not identified by specific funding source. They are simply identified by project year, project type and project location. These projects will be funded from the Park Acquisition and Development Fund and the Park Capital Fund.

Recommended 2014 Project Priorities and Anticipated Costs

a.) Convert Booster West Soccer Fields into Regulation Baseball Field	\$110,000
b.) Additional Skateboard Equipment for Booster West Park	\$ 15,000
Total	\$125,000

Recommended 2015 Project Priorities and Anticipated Costs

a.) Bonde Park, Irrigation and Soccer/Lacrosse fields	\$100,000
b.) Parking Lot and Entrance Road Bonde Park	\$ 35,000
c.) Playground Equipment Booster East	\$ 50,000
d.) Tree Planting Various Parks	\$ 10,000
Total	\$195,000

Recommended 2016 Project Priorities and Anticipated Costs

a.) Playground Equipment Anderson Lake Park	\$ 40,000
b.) Tree Planting in Various Parks	\$ 10,000
c.) Playground Equipment Rod and Norma Smith Park	\$ 40,000
d.) Install Baseball Fence at Anderson Lake Park	\$ 12,000
e.) Carlisle Park Improvements and Parking Lot	\$ 18,000
f.) Irrigation System and Field Improvements Anderson Lake Park	\$ 45,000
g.) Install Fence at Norseland Manor Park	\$ 15,000
Total	\$180,000

Trails

The trails section of the Parks CIP provides for trail development projects. The development and direction of a trail system will depend on direction from the City Council. Current funding levels reflect the downturn in residential and commercial development. A trail extension at John Anderson Park has been recommended that would allow access to this park from an adjoining neighborhood and further expand the area's connected bike trails and residential streets. The estimated cost of this project is \$40,000 and would be paid for from the existing balance in the Trail Capital Fund. Additional transfers from the General Fund and Trail Dedication fees are projected to reflect the rate of economic recovery and growth.

Summary and Recommendation

Commitment to this plan requires the dedication of resources only for 2014. Projects beyond 2014 are identified and prioritized by the Parks Commission to provide Council with recommendations for improvements in 2015 through 2018. Commitment to the 2014 projects is required as part of the 2014 budget process finalized in 2013. Projects beyond 2014 will be addressed in future budget years. This provides the necessary lead time to prepare final plans, specifications and presentations before Council for the following years improvements.

Adoption of this plan for improvements would result in expenditures estimated at \$125,000 for 2014. The cost of these improvements would be funded with the beginning Park Capital fund balance and the projected revenues from General Fund transfers, Park Dedication Fees and Trail Dedication Fees estimated at \$125,000.

Staff is recommending the approval of the 2014-2018 Parks and Trails CIP and the projects as listed for 2014 implementation.

Moegerle made a motion to approve the 2014 Parks and Trails CIP and projects as listed for 2014 implementation. Ronning seconded. DeRoche, "How much did we transfer last year?" Davis, "Last year we transferred \$75,000." DeRoche, "And why are we going \$110,000 this year?" Davis, "In the preliminary budget the transfer was suggested at \$100,000 again. However, that is subject to Council approval." Davis, "The parks have traditionally had the \$100,000 transfer and there are some parks that required the funding. If we want to go ahead with them we will need the \$100,000 transferred. It is a Council decision."

Moegerle, "One of the things on Parks has been how thrifty Nate has been in getting Public Works projects done and Parks projects done.. We generally come in under budget on a couple things recently. While I understand the anticipated projects are \$110,000, I think that he has historically gotten this in there to come in at \$100,000. Not that I am saying he has but the butchers thumb on, but I do think that we generally come in under budget. So when you look at that \$110,000 and what is requested to be appropriated, it makes sense."

DeRoche, "It used to be that Park Dedication that was mandatory with the housing districts. And now we have so many parks that aren't be used any more like Deer Park or Deer Haven. Do we want to keep putting park money into parks that aren't being used?" Davis, "We don't do that. These maintenance monies are only for parks that are being used. Deer Haven is a good example. This is one that we do minimal maintenance on and letting the majority of that park grow up to a natural area. There are three or four parks that the Parks Commission will do an analysis on

and see if this is a good idea to do this on them. There are 17 parks and some of them are pieces of geography instead of parks. A lot of this happened when the city accepted property in lieu of cash. Some of the geographic have changed and currently there is not the use for a park.”

DeRoche, “Is there any reason why the park land doesn’t maybe go back and get some houses developed on it? Then the City would get some tax money on it.”

Davis, “The City cannot sell the property, it has to go back to the donor or developer of the property.” DeRoche, “Right. But if it goes back to the developer, and they put some houses in, that will bring some tax money in.” Moegerle, “Giving it back to the developer, there are some people who use it and there are some people that have an emotional commitment to it.” Davis, “There is a precedence issue there. If we do this it might be used as a vacation for city streets. In the interim it would be the best case for us to keep it at this point and time.” DeRoche, “Maybe something Colleen can do is to talk to the developer and see if they had any interest. Some people just aren’t getting the picture that we have to tighten our belts everywhere we can. And if we are spending our money?” Davis, “If going to cut things, you have to do it on a priority basis. And there are certain essential services such as public safety, police and fire that you have to look at those very carefully. There are wants and needs, but in the terms of parks they are part of our economic development activities. My feeling is we need to concentrate our investments in those that are being used. And make those as best we can within our budget and our means. And those that aren’t being used, we need to look at what we are doing with them in terms of maintenance and look at what we are providing for facilities.”

Moegerle, “Don’t baseball fields generate some fees?” Davis, “They do, and one of the projects for this year is to take that soccer field at Booster West and turn it into a regulation baseball field. This will generate more use, there is demand for another baseball field over there. It also draws more people in. There is one tournament we have in June that draws 2500-3000 people, there is 54 teams in it. These are one of those things that will subsidize local businesses once we get them in. They will stop at the local businesses and restaurants. We have to do this wisely and frivolously.”

DeRoche, “I understand East/West, the bigger stuff, but economic development it is when you are bringing the bigger stuff into the mix. Not making the people that are already here more comfortable. You are bringing outside money in here and you are developing the economy. If there are parks, that may generate it. But if it is a park that we are not doing anything with, I don’t see the economic development factor in that.” Davis, “Any park that is not being used, we don’t plan on putting money into it. It is those that have the demand. And have the ability to offer services. Booster East and West parks are used very heavily. You can go over there in the summertime and there are always larger crowds that are using those facilities. And, we could probably get more use if we could expand those facilities.”

Moegerle, “The other thing is about good parks. Economic development and community development go hand and hand. So if you have a nice park nearby, it increases your home value. One of the big theories I read about when I read these is it is useful to keep and improve what you have. It is much cheaper to maintain a business. In many ways it applies to the parks, it is useful to improve what you have, than starting over with a new one. And so I think that maintaining and making these useful is very important.”

Ronning, "With regards to the parks this is improving. Is that strictly equipment, material and things? Or is this wages as well?" Davis, "This would be contracted out in all likelihood." Lawrence, "What are we getting for this to turn the soccer field into a baseball field?" Davis, "We are getting a baseball field that is up to regulations, sodded and ready to play. Completed at the end of 2014." DeRoche, "And other for the people at this end of the City?" Davis, "Booster Park is a regional park, it attracts everybody from the City to this park. There are local parks and those are the ones we have problems with as far as use goes. I can name you four or five that we have cut back on the maintenance and one we have cut back drastically on the maintenance. But, in my opinion Booster Park is the main park of the City, it is one that everybody identifies." DeRoche, "You have Maynard Peterson Park and there are quite a few kids in but that infield is all grass." Davis, "That is what we call nobody has used it." DeRoche, "Well Jack, I don't want to play baseball or softball on a field that is all grass. They put the irrigation in and that is on a swamp. We do keep it mowed and do the upkeep. A lot of the use over there was from the softball leagues, a lot was from out of the City of East Bethel." DeRoche, "They did have the traveling softball leagues over there."

Moegerle made a motion to have a work meeting to discuss the Parks CIP.

Motion Failed because of lack of a second.

Davis, "Approving this just approves the plan. It doesn't approve the funds that is part of the budget process." Lawrence, "Are these funds included in the budget as it stands? Davis, "Yes, these funds are included in the preliminary budget as it stands." Koller, "How many soccer fields are still in East Bethel?" Davis, "We have two areas that are called soccer fields. When the associations come to us, we tell them what we have and they tell us they can go somewhere else and get it for free." DeRoche "It wasn't that long ago that someone was talking about putting Lacrosse in Booster West. Now those plans have changed and it is baseball?" Davis, "If that was recommended, we would recommend that would be placed at Bonde Park." Lawrence, "It is here for Bonde Park for 2015, a proposal." Davis, "We did rent space in the Ice Arena for the Lacrosse at the Ice Arena for Lacrosse." DeRoche called the question. **All in favor, motion carries.**

Road CIP Program

Davis explained that the Streets Capital Improvement Plan was developed by the Roads Commission to prioritize street improvement projects over the next five years. The Commission has examined current economic conditions and factored this information into the projections of this report. The Roads Commission adopted the 2014-2018 Streets Capital Improvement Plan at their April 9, 2013 meeting. The plan is presented in the attachments to this report.

With changes in the construction market and the City's ability to obtain potentially lower project costs through the JPA Maintenance Agreement, staff is projecting that additional street projects can be completed in 2014 with only inflationary increases over the 2013 costs. The recommended street maintenance projects for 2014 are estimated to cost \$439,000 and include the chip seal of numerous city streets and the overlay of 7th St.

For 2014, no new MSA projects have been recommended. MSA projects can be "Advanced Funded" to meet project funding needs. The City is permitted to advance fund, essentially borrow from future allocations, up to four times the annual construction allotment or

\$3,000,000 whichever is less. For the 2015 budget year, two projects have been identified for possible advance funding of the City's MSA funds. Davenport St from 209th to 213th Ave will require a reconstruction with concrete curb and gutter and 181st from TH 65 to Jackson St will require a reconstruction and would be a joint project with the City of Ham Lake.

Commitment to this plan requires the dedication of resources for 2014. Projects beyond 2014 are identified and prioritized by the Roads Commission to provide Council with recommendations for improvements from 2015 through 2018. Commitment to projects beyond 2014 would be considered for approval as part of subsequent years budgets.

The estimated cost of the Street Capital Projects in 2014 is \$439,000. This amount is available from dedicated sources in the Street Capital Fund.

Staff recommends approval of the 2014-2018 Streets CIP.

Lawrence motion to approve the 2014-2018 Streets Capital Improvement Plan.

Ronning seconded. Moegerle, "How many years has it taken us to accumulate the amount that is in our streets capital improvement fund?" Davis, "The street capital improvement fund has probably been in place for 8 or 9 years. We do like to maintain a little balance in that and not spend it all down, in the event that there is maybe a project that requires matching grant funds or an emergency that comes up. That allows us a little flexibility and it feels like we are meeting our basic street needs as far as repair and reconstruction and come up to standards." Moegerle, "So it shows that we will not be evading our principal by only be spending \$13,000 for the expenses in 2013?" Davis, "\$439,000 for 2014." Moegerle, "I see what you are saying." Davis "There is still a carryover." DeRoche, "The MSA funds, we are borrowed out on that until 2018?" Jochum, "As of date, we haven't borrowed any money. But, for the current projects if they move ahead, we will have to borrow ahead about \$500,000 through 2014." DeRoche, "What are the numbers on the service road? Jochum, "We are still trying to work through one right of way issue, a probate issue." DeRoche, "Because initially it was at \$702,000 and then I heard \$840,000." Moegerle, "Have we opened the bidding on that? Or is it all speculative at this point?" Davis, "The project has been bid, but there has not been any change with the project allocation or cost share with the county on that." DeRoche, "Is that the \$700,000 or \$800,000 amount." Jochum, "I think it is closer to the \$800,000 amount." **All in favor, motion carries.**

Fire Dept.
Report

The Fire Department report is provided for your review. The Fire Chief is here to answer any questions you may have. Chief DuCharme, "We responded to 44 calls total in June." Lawrence, "When you have so many calls and then it shows that they are transported to the hospital, who does this?" Chief DuCharme, "Long and short of it is when we have 44 calls, about 60% is for medicals. And we have been trying to track those. The majority of our medicals, the patients are transported to a hospital. That is a little different than other cities where it is half and half. Allina has our public Service contract. That is regulated by the State of Minnesota. We also keep our inspections going along. The only businesses we don't hit are the home based ones because we don't have a good list of them."

DeRoche, "What did we have for house fires, structure fires?" Chief DuCharme, "Year-to-date? Two major ones. And then some minor ones. Most of our fires lately have been mutual aid." DeRoche, "Trucks in yet?" Chief DuCharme, "Will be here within 30 days." Ronning, "Emergency transports to the hospital? Have we lost anybody?" Chief

DuCharme, “We don’t transport, but occasionally that does happen. I know a month before we had three fatal calls and two of those passed in route.” Chief DuCharme, “Today we had a couple heat related cases.” Ronning, “On that heat stuff. I work with a church group and we had a guy fall down this morning. One of the things I say to the guys I work with is we need to keep an eye on each other..” Chief DuCharme, “When they are on a fire, we can’t pour enough water down them.” Lawrence, “Since we are on that question is there a liquid that is better for them? The reason I asked that question, when an older person gets dehydrated, a younger person gives them a sport drink. Water is probably great for them. And, the water around the neck was a good one.”

DeRoche, “It looks like good weather for Booster Days.” Chief DuCharme, “Looking forward to it. Fireworks at 10:00 p.m. Vendors will be selling food and Lions to sell beer at the dance.”

Website Policy

Davis explained that the existing City Website Policy was adopted in 2007 and needs to be updated to provide the guidance and direction that is required as a result of the changes and improvements on the new City Website which went on-line in February 2013. The proposed policy addresses the following items which are not included in the original policy:

- updates the provisions for external links
- provides for consistency of punctuation, capitalization, numbers, symbols and abbreviations
- Explain the criteria for promotions of community events, fundraisers and services
- display of news and announcements
- posting of archived information
- posting of current information, and
- removal of information.

The adoption of this policy will provide Staff with more consistent and detailed guidelines for inclusion of material to populate the website with convenient, consistent and accurate information about East Bethel’s departments, services, amenities, and general information.

Staff recommends adoption of the Website Policy as presented in the attachment

Moegerle made a motion to adopt the website policy. Lawrence seconded. DeRoche, “Who is making the determination of what is going to be on the website? Davis, “Staff at this point. And that is why we want the policy.” Moegerle, “I am on the website committee and this policy did not come before the committee. It went to directly to the Council.” Ronning, “These three or so pages, was this written by staff and then given to us?” Davis, “It was prepared by staff. We did some research on surrounding cities and found that this one particularly suited our needs at this point.”

DeRoche made a motion to table the Website Policy until the next Council meeting to give us time to read through it further. Ronning seconded. Moegerle, nay; DeRoche, Koller, Lawrence and Ronning, aye; motion carries.

Quit Claim Deed – Lura L. Leibel for Park at Lundahl’s

Davis explained that Mr. Randy Johnson, the Attorney representing the property owner (Lura L. Leibel) located at 18734 Breezy Point Dr., is requesting the execution of a Quit Claim Deed to clear up a park dedication made to the City of East Bethel that once included a part of this property. There was an apparent park dedication made in 1926 at the time Lundahl’s Point was platted. The designated “Park” shown on the plat is not dedicated in

the plat as park land. If the dedication was intended by the developer, it was never put to use by the public. Since that time all other property owners within this plat have acquired those portions that were designated as "Park" on the original plat.

While the county records show and owners have been paying taxes on the parcel in question, the County is requiring evidence of conveyance from the City of East Bethel to the adjoining landowner in order to validate their records. In the research of the matter, the minutes of the City Council meeting from May 7 1969 indicate that the determination was made by the City Attorney that there was no "reversionary clause" and the City had the authority to make the conveyance of the "Park" land to the landowners once a deed was presented for signature.

The current property owners at 18734 Breezy Point Drive never presented a deed for City signature so their issue with the conveyance was never addressed. Since that time, one of the property owners has died and Mr. Johnson is attempting to clear up title matters for Ms. Leibel. Mr. Johnson has presented a deed which was reviewed by our City Attorney. The City Attorney made appropriate changes to the draft proposal and these are included in the attachments. The City Attorney's opinion is that the Plat dedication does not affect the land in issue. To resolve the title issue on the affected lot, the City Attorney is recommending the City issue the Quit Claim Deed as is presented.

This is not a request for a vacation of City property. H. E. and L.L. Leibel are listed as owners on of the property in question. At some point, either the owners of record or previous owners did not execute a Quit Claim Deed for the reversion of the property or it was not or it was improperly recorded at the County.

There will be a charge for staff and attorney time on the matter as a precondition to deed release.

Staff recommends the execution of the Quit Claim Deed as presented in the attachment

DeRoche made a motion to issue the quit claim deed to Lura L. Leibel for 18734 Breezy Point Drive NE for conveyance of park land. Lawrence seconded. Vierling, "I have looked this over and as far as we have determined, the City has no interest in the property. It is a rather convoluted and lengthy history of the area down there. All of the adjacent owners back in early 1970 got their titles squared away with the City. For whatever reason, this lady and her husband that have owned and used it for years, stopped paying taxes on it when he got ill. They really need the City to issue this deed so they can go back and renegotiate with the County before it goes forfeit." **All in favor, motion carries.**

2014 Budget
Discussion

Davis explained that City Council has discussed the preliminary 2014 Budget at Work Meetings on July 10 and earlier this evening on July 17, 2013. This agenda item is left open if there is a need to continue the work meeting discussion as part of the regular City Council meeting.

Moegerle made a motion to schedule a work meeting on August 7th at 6:30 p.m. DeRoche "Is an hour enough?" Davis, "We will be going through the bond information." **Lawrence seconded; all in favor, motion carries.**

Davis, "Previously at the work meeting we had tonight, Stacie Kvilvang of Ehlers presented us with some options for refinancing the 2010B BAB Bonds. In order to authorize her to negotiate with the low bidder on this we need to pass a bond parameters resolution. This gives them the authority to negotiate and then it also provides for the City Administrator and the Mayor to approve a sales contract to recommend to the City Council. On the handout that I gave you, on the 3rd page is a sample resolution, which if you approve it will have to be formatted to our resolution type. That specifies the numbers and the parameters in there. At this point staff is recommending approval of the resolution so that Stacy can proceed with the negotiations on bidding for the refinancing for the 2010B BAB Bonds."

Ronning made a motion to adopt Resolution 2013-33 Authorizing Issuance and Sale of General Obligation Refunding Bonds, Series 2013A. DeRoche seconded.

Ronning, "This isn't just cart blanche for Jack and Richard, this is just to get the process moving. It still comes before the Council. And, as we discussed earlier, there is still 63 days in this window." Moegerle, "I want to correct you, the second sentence says, "The City Administrator and Mayor are hereby authorized to approve the sale of the bonds." Davis, "But, it goes on further to say, "Upon approval of the sale of the Bonds by the Mayor and the City Administrator, the City Council will take action at its next regularly scheduled meeting." So, even if it were approved, it has to be brought before the Council so you can say either yes or no." Ronning, "This is the fail safe."

DeRoche, "What numbers are being plugged into this? Because this was put together before we had the meeting and we hadn't really come up with any figures." Davis, "It is a bond sale not to exceed \$7,000,000. So this is for the 2010B Bonds. It is the ones that could produce a net savings of \$272,311.90. Ehlers will negotiate with the bidders to try to obtain something more favorable than that. And, if you want to reference that back to the sheet that Ehlers submitted."

Ronning, "This is better than what we have now. If we didn't have the rebates we would be at 7%. This is just my opinion, but this sequester business, it is very likely that this sequester will never be fully funded again. In my opinion." DeRoche, "This is kind of like the LGA funds, don't bank on it until you actually have them." Moegerle, "Here is my concern. I understand the Mayor and City Administrator can approve it. But, there is this sentence in there: Upon approval of the sale of the Bonds by the Mayor and the City Administrator, the City Council will take action at its next regularly scheduled meeting thereafter to adopt the necessary approving resolutions as prepared by the City's bond counsel. I read that as assuring whomever gets this, that I am going to vote for this. Or that there is going to be a vote of 3/5ths that is going to happen." Davis, "We can change that **adopt to consider.**" Moegerle, "The City Council will consider the action at its next regularly scheduled meeting." Davis, "Let me add something to that so we don't materially change the resolution. Upon approval of the sale of the Bonds by the Mayor and the City Administrator, the City Council will take action at its next regularly scheduled meeting thereafter to **consider** the necessary approving resolutions as prepared by the City's bond counsel."

Ronning amended his motion to amend Resolution 2013-13 changing Page 2, Section 2. Sale as follows: Upon approval of the sale of the Bonds by the Mayor and the City Administrator, the City Council will take action at its next regularly scheduled meeting thereafter to consider the necessary approving resolutions as prepared by the City's bond counsel. DeRoche seconded the amendment.

Lawrence, “The Mayor and City Administrator cannot spend any money without authorization from the full City Council.” Moegerle, “I don’t want to guarantee my vote.” Lawrence, “That has never happened.” Moegerle, “Why are we doing September 18, 2013? Isn’t the drop-dead date August 31st or before?” Davis, “No, that is the date the bond rating expires.” Moegerle, “So we could still do a sale after that based on the bond rating that is expired?” Davis, “We would have to get the bonds rated again for the \$15,000 fee. Or whatever the charge would be at the current time.” Moegerle, “So why even have a deadline?” Davis, “That just means this resolution expires at that time. It has a sunset clause.” Ronning asked the City Attorney, “Do you see any conflict with what we are discussing and proposing?” Vierling, “In terms of what Council is authorizing to continue negotiations, no, I do not.” Lawrence, “This resolution does not bind us to anything. All it does is just gives Ehlers authorization to negotiate with the lowest responsible bidder.”

All in favor, motion carries.

Staff Reports	None
Council Member Report – DeRoche	DeRoche, “I went to the ribbon cutting for Aggressive Hydraulics. Nice building, clean. Haven’t read any of the media reports. And, I want to remind everyone that Booster Day is this Saturday. Parade at 11:00 a.m., and there will be a Tractor Pull. And then the fire fighters dance on Saturday night.”
Council Member Report – Koller	Koller, “It has been quiet at the Fire department. Tom and I have been attending the Booster Day meetings. Denise has worked very hard on those. Luckily Denise failed to get a dunk tank for the Council Members.”
Council Member Report – Moegerle	<p>Moegerle, “Sadly I am in a position to look on websites, brainstorming with staff and staff of other governmental agencies and economic development agencies. Much more time than I would like, but I do that. There are millions, upon millions of websites for economic development and community development and city revolving loans and other economic development type of incentives. So, I spend a lot of time doing that because I am really gravely concerned about our financial condition with regard to the sewer and water infrastructure. So, I spend almost every waking moment that isn’t otherwise occupied working on this. Other things, I noticed in friending the Booster Day Organization and doing my annual Facebook update, that there is a City of East Bethel Information page. 6,000 people say they live there and about 9,000 say they have been here. I think this is something that may be significant enough that the City should consider having a Facebook page.”</p> <p>“I am excited about Booster Day; the Mayor cannot attend, so I will be attending in his place as Acting Mayor. The most important thing is this really brings the City together. We got a lot of great things going on. Cedar Creek is going to be there for the first time giving tours. It is a great place, you will learn a lot. Do come out and be prepared for the weather, sunscreen, water, and those kinds of things.”</p> <p>“I wanted to follow up on status of clear cutting? Do you know when we will get an update of the clear cutting of the Sand Hill Crane area?” Davis, “I spoke with Senator Benson at Ribbon cutting ceremony. She is spearheading these efforts with the DNR. She told me she let them know that we needed at least six weeks’ notice so that Anoka County would have time to make alternate plans for compensation.” Moegerle, “I am also interested in</p>

reconvening the website committee. After Melissa has completed her thing, so we can see if there is any tweaks to complete the functionality. The ribbon cutting was great; we had a lot of representation there. State Rep. Tom Hackbarth, Senator Michelle Benson, and a lot of County Commissioners were there as well. In the past when I have attended an LMC Conference, I have prepared a statement of what I have learned and what is coming up. So I am hoping on the next agenda we can share that.”

Council
Member
Report -
Ronning

Ronning, “What is Barb’s last name?” Davis, “Kunshier.” Ronning, “Barb headed that up for a long time and she retired from the position. And, as happens with every group, the cookbook goes with you. Barb did an excellent job for many years and Denise walked into an open book, where do we go from here. So Denise walked into a blank cookbook. I was looking back through the meeting packets. They are missing past October 2012. Can we take a quick look at this?”

Council
Member
Report -
Lawrence

Lawrence, “We had the ribbon cutting and all the Council Members were there. We have Booster Day coming up and I will not be able to make the AM presentations but I might be able to make the PM, we will see what happens. A little conflict on my schedule I was hoping to avoid. We are moving in a good direction. We were discussing the bond and getting a refi, getting some relief for the citizens.”

Closed
Session –
Union
Negotiations

Vierling, “For the benefit of the public pursuant to Minnesota Statute 13.D the City Council is going into a closed session at the recommendation of the city attorney and staff to discuss union negotiations regarding Minnesota Public Employees, bargaining unit.. The meeting will be tape recorded and preserved as required by the statute. We will come back into open session to review any action taken in closed session.”

DeRoche made a motion to adjourn to closed session to discuss union negotiations. Lawrence seconded; all in favor, motion carries.

Vierling, “For the benefit of the public and for the record, the Council concluded the closed session at 10:25 PM. Attending the closed session were Council Members DeRoche, Koller, Moegerle, Ronning, Mayor Lawrence, City Administrator Jack Davis and myself. Council reviewed with the city staff issues regarding the bargaining unit Minnesota Public Employees. The City Administrator reviewed the issues and the Council received his recommendations and gave instructions to parameters. No particular actions or motions were issued by the Council at this time.”

Adjourn

DeRoche made a motion to adjourn at 10:27 p.m. Koller seconded; all in favor, motion carries.

Attest:

Wendy Warren
Deputy City Clerk

**CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA**

RESOLUTION NO. 2013-41

**RESOLUTION PROCLAIMING
SEPTEMBER 17 – 23, 2013 AS CONSTITUTION WEEK**

WHEREAS, September 17, 2013 marks the two hundred and twenty-sixth anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention; and,

WHEREAS, it is fitting and proper to officially recognize this magnificent document and the anniversary of its creation; and

WHEREAS, it is fitting and proper to officially recognize the patriotic celebrations which will commemorate the occasion; and

WHEREAS, public law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17 through 23 as constitution week;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF EAST BETHEL, MINNESOTA THAT: the week of September 17 - 23, 2013 be proclaimed Constitution Week.

Adopted this 7th day of August, 2013 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

Richard Lawrence, Mayor

ATTEST:

Jack Davis, City Administrator

**CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA**

RESOLUTION NO. 2013-42

**RESOLUTION PROCLAIMING OCTOBER 2013 AS DOMESTIC VIOLENCE
AWARENESS MONTH**

WHEREAS, the community problem of domestic violence has become a critical public health and welfare concern in Anoka County and the City of East Bethel; and

WHEREAS, domestic violence is a crime, the commission of which will not be tolerated in Anoka County and the City of East Bethel, and perpetrators of said crime are subject to prosecution and conviction in accordance with the law; and

WHEREAS, over thousands of women and children have and will continue to access assistance from Alexandra House, Inc., a domestic violence service provider; and

WHEREAS, domestic violence will be eliminated through community partnerships of concerned individuals and organizations working together to prevent abuse while at the same time effecting social and legal change; and

WHEREAS, October is National Domestic Violence Awareness Month; and

WHEREAS, during National Domestic Violence Awareness Month, Anoka County and the City of East Bethel organizations will inform area residents about domestic violence, its prevalence, consequences and what we, as a concerned community can do to eliminate its existence.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAST BETHEL, MINNESOTA THAT: October 2013 is proclaimed Domestic Violence Awareness Month.

Adopted this 8th day of August, 2013 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

Richard Lawrence, Mayor

ATTEST:

Jack Davis, City Administrator

CONTRACTOR'S PAY REQUEST

East Bethel Gravity Interceptor & Discharge & Utility Infrastructure Project
 CITY OF EAST BETHEL, MN
 PROJECT NO. C12.100028
 Pay Estimate No. 24

DISTRIBUTION:

CONTRACTOR (1)
 OWNER (1)
 ENGINEER (1)
 BONDING CO. (1)

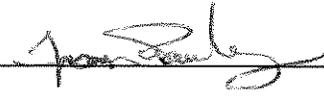
TOTAL AMOUNT BID	\$11,686,468.20
CHANGE ORDER NO. 1 (REVISED)	\$324,949.43
CHANGE ORDER NO. 2	\$43,536.10
CHANGE ORDER NO. 3	-\$9,078.08
CHANGE ORDER NO. 4	\$18,823.65
CHANGE ORDER NO. 5	\$0.00
CHANGE ORDER NO. 6	-\$137,342.33
CHANGE ORDER NO. 7	\$2,414,658.18
CHANGE ORDER NO. 8	\$54,245.25
CHANGE ORDER NO. 9	\$193,092.02
CHANGE ORDER NO. 10	-\$43,419.21
EXTRA WORK	\$29,505.05
TOTAL AMOUNT BID PLUS APPROVED CHANGE ORDERS	\$14,575,438.26
MCES STORED MATERIALS TO DATE	\$1,294,983.05
EAST BETHEL STORED MATERIALS TO DATE	\$948,118.25
TOTAL, STORED MATERIALS TO DATE	\$2,243,101.30
DEDUCTION FOR MCES STORED MATERIALS USED IN WORK COMPLETED	\$1,294,983.05
DEDUCTION FOR EAST BETHEL STORED MATERIALS USED IN WORK COMPLETED	\$948,118.25
TOTAL DEDUCTION FOR STORED MATERIALS USED IN WORK COMPLETED	\$2,243,101.30
TOTAL DUE MCES STORED MATERIALS TO DATE	\$0.00
TOTAL DUE EAST BETHEL STORED MATERIALS TO DATE	\$0.00
TOTAL DUE, STORED MATERIALS TO DATE	\$0.00
TOTAL, MCES COMPLETED WORK TO DATE	\$7,292,801.08
TOTAL, EAST BETHEL COMPLETED WORK TO DATE	\$4,438,112.15
TOTAL, COUNTY COMPLETED WORK TO DATE	\$1,990,683.82
TOTAL, COMPLETED WORK TO DATE	\$13,721,597.04
TOTAL, COMPLETED MCES WORK & STORED MATERIALS	\$7,292,801.08
TOTAL, COMPLETED EAST BETHEL WORK & STORED MATERIALS	\$4,438,112.15
TOTAL, COUNTY COMPLETED WORK TO DATE	\$1,990,683.82
TOTAL, COMPLETED WORK & STORED MATERIALS	\$13,721,597.04
MCES RETAINED PERCENTAGE (2.5%)	\$182,320.03
EAST BETHEL RETAINED PERCENTAGE (2.5%)	\$110,952.80
COUNTY RETAINED PERCENTAGE (2.5%)	\$49,767.10
TOTAL RETAINED PERCENTAGE (2.5%)	\$343,039.93

TOTAL EARNED LESS RETAINAGE MCES TO DATE	\$7,110,481.05
TOTAL EARNED LESS RETAINAGE EAST BETHEL TO DATE	\$4,327,159.35
TOTAL EARNED LESS RETAINAGE COUNTY TO DATE	\$1,940,916.72
TOTAL EARNED LESS RETAINAGE TO DATE	\$13,378,557.12
TOTAL, MCES AMOUNT PAID ON PREVIOUS ESTIMATES	\$6,901,005.80
TOTAL EAST BETHEL AMOUNT PAID ON PREVIOUS ESTIMATES	\$4,211,159.28
TOTAL COUNTY AMOUNT PAID ON PREVIOUS ESTIMATES	\$1,891,149.63
TOTAL AMOUNT PAID ON PREVIOUS ESTIMATES	\$13,003,314.71
MCES THIS ESTIMATE	\$209,475.25
EAST BETHEL THIS ESTIMATE	\$116,000.06
COUNTY THIS ESTIMATE	\$49,767.10
PAY CONTRACTOR AS ESTIMATE NO. 24	\$375,242.41

Certificate for Partial Payment

I hereby certify that, to the best of my knowledge and belief, all items quantities and prices of work and material shown on this Estimate are correct and that all work has been performed in full accordance with the terms and conditions of the Contract for this project between the Owner and the undersigned Contractor, and as amended by any authorized changes, and that the foregoing is a true and correct statement of the contract amount for the period covered by this Estimate.

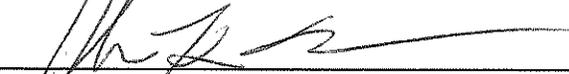
Contractor: S.R. Weidema, Inc.
17600 113th Avenue North
Maple Grove, MN 55369

By  Name PM Title

Date 8/6/13

CHECKED AND APPROVED AS TO QUANTITIES AND AMOUNT:

ENGINEER: BOLTON & MENK, INC., 2638 SHADOW LANE SUITE 200 CHASKA, MN 55318

By , PROJECT ENGINEER

Date 8/2/13

APPROVED FOR PAYMENT:

OWNER:

By _____, _____, _____
Name Title Date

And _____, _____, _____
Name Title Date

Partial Pay Estimate No. 24

San Ramon County, Irrigation & Drainage & Utility Infrastructure Project
CITY OF EAST BAYVIEW, CA
PROJECT NO. C13 100006
METROPOLITAN COUNCIL ENVIRONMENTAL SERVICES PROJECT NO. 610100

Table with columns: ITEM NO., ITEM, UNIT, ESTIMATED QUANTITY, ESTIMATED AMOUNT, PREVIOUS ESTIMATE QUANTITY, PREVIOUS ESTIMATE AMOUNT, CURRENT ESTIMATE QUANTITY, CURRENT ESTIMATE AMOUNT. Rows include items like 11-0000, 11-0001, 11-0002, etc., detailing various construction and utility work items.

STORED MATERIALS

East Bethel Gravity Interceptor & Discharge & Utility Infrastructure Project
 CITY OF EAST BETHEL, MN
 PROJECT NO. C12-100028

PAY ESTIMATE NO. 24

SUMMARY OF STORED MATERIALS: PAYMENT FOR APPROVED MATERIALS STORED ON SITE:	Invoice Unit Price	MCEs		CITY		MCEs		CITY		MCEs		CITY		MCEs		CITY	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
8" PVC SEWER PIPE SDR 35	\$ 2.84			1232 LF	\$ 3,498.88					1232 LF	\$ 3,498.88						
8" PVC SEWER PIPE SDR 26	\$ 3.79			2940 LF	\$ 11,142.60					2940 LF	\$ 11,142.60						
12" PVC SEWER PIPE SDR 26	\$ 8.74			672 LF	\$ 5,873.28					672 LF	\$ 5,873.28						
15" PVC SEWER PIPE SDR 26	\$ 12.92			168 LF	\$ 2,170.56					168 LF	\$ 2,170.56						
15" PVC SEWER PIPE SDR 35	\$ 9.53			1428 LF	\$ 13,608.84					1428 LF	\$ 13,608.84						
24" PVC SEWER PIPE SDR 26	\$ 34.77			3500 LF	\$ 121,695.00					3500 LF	\$ 121,695.00						
24" PVC SEWER PIPE PS46	\$ 25.22			560 LF	\$ 14,123.20					560 LF	\$ 14,123.20						
8" PVC SEWER PIPE SDR 26	\$ 2.42			654 LF	\$ 2,066.68					654 LF	\$ 2,066.68						
60" SN72/PN25 GRAVITY SEWER PIPE WFWC	\$ 255.00			1187.65 LF	\$ 302,850.75					1187.65 LF	\$ 302,850.75						
24" PVC C905 DR 21 WM	\$ 49.02			1780 LF	\$ 87,255.60					1780 LF	\$ 87,255.60						
12" PVC C900 DR 18 WM	\$ 13.17			820 LF	\$ 10,799.40					820 LF	\$ 10,799.40						
8" PVC C900 DR 25 WM	\$ 4.45			2400 LF	\$ 10,680.00					2400 LF	\$ 10,680.00						
16" PVG C903 PIPE DR 21 WM	\$ 19.61			4220 LF	\$ 82,754.20					4220 LF	\$ 82,754.20						
4" GATE VALVE	\$ 411.05			17 EA	\$ 6,987.85					17 EA	\$ 6,987.85						
8" GATE VALVE	\$ 524.86			23 EA	\$ 12,072.24					23 EA	\$ 12,072.24						
8" GATE VALVE	\$ 835.46			10 EA	\$ 8,354.60					10 EA	\$ 8,354.60						
HYDRANT	\$ 2,544.46			23 EA	\$ 58,522.58					23 EA	\$ 58,522.58						
16" PVC C905 DR 14 DISCHARGE PIPING	\$ 44.46			4060 LF	\$ 180,507.60					4060 LF	\$ 180,507.60						
42" / 72 SN 25 PN GRAVITY SEWER PIPE WFWC	\$ 113.00			2123.2 LF	\$ 239,921.60					2123.2 LF	\$ 239,921.60						
48" / 72 SN 25 PN GRAVITY SEWER PIPE WFWC	\$ 136.00			20.15 LF	\$ 2,740.40					20.15 LF	\$ 2,740.40						
42" / 100 SN 25 PN GRAVITY SEWER PIPE WFWC	\$ 125.00			481.8 LF	\$ 60,225.00					481.8 LF	\$ 60,225.00						
42" / 46 SN 25 PN GRAVITY SEWER PIPE WFWC	\$ 100.00			882.7 LF	\$ 88,270.00					882.7 LF	\$ 88,270.00						
36" / 72 SN 25 PN GRAVITY SEWER PIPE WFWC	\$ 96.00			400.5 LF	\$ 38,448.00					400.5 LF	\$ 38,448.00						
21.6" OD HDPE DR 7 DIPS DISCHARGE PIPING	\$ 84.97			3350 LF	\$ 284,649.50					3350 LF	\$ 284,649.50						
19.5" OD HDPE DR 11 DIPS WATERMAIN	\$ 46.75			1350 LF	\$ 63,112.50					1350 LF	\$ 63,112.50						
32" OD HDPE DR 11 DIPS WATERMAIN	\$ 128.29			4050 LF	\$ 519,574.50					4050 LF	\$ 519,574.50						
TOTAL:					\$ 1,294,993.05						\$ 1,294,993.05						
					\$ 948,118.25						\$ 948,118.25						
					\$ 2,243,101.30						\$ 2,243,101.30						

CITY BOND SPLIT CALCULATIONS

SECTION	SUBTOTALS	SEWER	WATER	DESCRIPTION	CHECK TOTALS
MOBILIZATION	\$257,895.57	\$116,121.72	\$141,773.85	Apportioned	
REMOVALS	\$84,886.61	\$38,221.59	\$46,665.02	Apportioned	
DISCHARGE PIPING	\$0.00	\$0.00	\$0.00	Apportioned	
STREET & STORM SEWER	\$349,541.20	\$157,386.68	\$192,154.52	Apportioned	
EROSION CONTROL & RESTORATION	\$70,999.14	\$31,968.53	\$39,030.61	Apportioned	
OPTION 1 PILING	\$0.00	\$0.00	\$0.00	Apportioned	
OPTION 2 PILING	\$0.00	\$0.00	\$0.00	Apportioned	
CHANGE ORDERS	\$407,681.56	\$203,840.78	\$203,840.78	50%	
STORED MATERIALS	\$ -	\$ -	\$ -	By Type	
SANITARY SEWER	\$1,471,069.16	\$1,471,069.16			\$0.00
WATERMAIN	\$1,796,038.90		\$1,796,038.90		\$4,438,112.15
TOTALS		\$2,018,608.47	\$2,419,503.68		\$4,327,159.35
Total - Retainage		\$1,968,143.26	\$2,359,016.09		\$120,468.53
PREVIOUS ESTIMATE 1		\$69,994.94	\$50,473.59		\$563,425.20
PREVIOUS ESTIMATE 2		\$286,687.28	\$276,737.92		\$128,790.40
PREVIOUS ESTIMATE 3		\$44,077.24	\$84,713.16		\$426,324.20
PREVIOUS ESTIMATE 4		\$191,282.62	\$235,041.58		\$462,485.49
PREVIOUS ESTIMATE 5		\$313,878.85	\$148,606.65		\$284,434.70
PREVIOUS ESTIMATE 6		\$181,701.39	\$102,733.31		\$116,796.99
PREVIOUS ESTIMATE 7		\$66,939.64	\$49,857.34		\$305,900.74
PREVIOUS ESTIMATE 8		\$305,900.74	\$0.00		\$11,427.50
PREVIOUS ESTIMATE 9		\$1,385.27	\$10,042.23		\$189,130.91
PREVIOUS ESTIMATE 10		\$52,826.63	\$136,304.28		\$740,132.90
PREVIOUS ESTIMATE 11		\$68,744.47	\$671,388.44		\$380,692.02
PREVIOUS ESTIMATE 12		\$210,686.86	\$170,005.16		\$100,429.38
PREVIOUS ESTIMATE 13		\$1,113.60	\$99,315.77		\$76,820.64
PREVIOUS ESTIMATE 14		\$21,933.72	\$54,886.92		\$109,081.49
PREVIOUS ESTIMATE 15		\$49,773.93	\$59,307.56		\$1,285.18
PREVIOUS ESTIMATE 16		\$630.94	\$654.24		\$0.00
PREVIOUS ESTIMATE 17		\$0.00	\$0.00		\$10,271.30
PREVIOUS ESTIMATE 18		\$5,042.56	\$5,228.74		\$369.31
PREVIOUS ESTIMATE 19		\$181.31	\$188.00		\$144,379.01
PREVIOUS ESTIMATE 20		\$11,839.89	\$132,539.13		\$11,468.51
PREVIOUS ESTIMATE 21		\$4,578.28	\$6,890.23		\$25,262.98
PREVIOUS ESTIMATE 22		\$11,356.57	\$13,906.41		\$1,781.90
PREVIOUS ESTIMATE 23		\$801.02	\$980.87		
THIS ESTIMATE		\$66,785.52	\$49,214.55		\$116,000.06
		Sewer Total	Water Total		Check Total

**CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA**

RESOLUTION NO. 2013-43

**RESOLUTION APPROVING PLANS AND SPECIFICATIONS FOR THE
WHISPERING ASPEN STREET SURFACE IMPROVEMENT PROJECT
AND DIRECTION TO SOLICIT BIDS**

WHEREAS, the City Engineer has prepared plans and specifications for the Whispering Aspen Street Surface Improvement Project;

WHEREAS, the City Engineer has presented such plans and specifications to the Council for review, comment and approval; and

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF EAST BETHEL MINNESOTA THAT: The plans and specifications for the Whispering Aspen Street Surface Improvement Project are hereby approved.

BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF EAST BETHEL MINNESOTA THAT: The City Clerk is hereby authorized and directed to prepare and publish in the City's official paper an advertisement for bids for the aforementioned improvements based on the approved plans and specifications. The advertisement shall specify the work to be done, shall state that the bids will be opened at 11:00 a.m. on Wednesday, August 28, 2013 in the City Council Chambers at City Hall, 2241 221st Avenue, East Bethel. No bids will be considered unless sealed and filed with the City Administrator and be accompanied by a cash deposit, cashier's check, bid bond or certified check payable to the City of East Bethel in the amount of five percent of any such bid in response to the advertisement.

Adopted this 7th day of August, 2013 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

Richard Lawrence, Mayor

ATTEST:

Jack Davis, City Administrator

PAY ESTIMATE #5
CITY OF EAST BETHEL
Jackson Street Reconstruction Project

July 30, 2013

Honorable Mayor & City Council
City of East Bethel
2241 - 221st Avenue N.E.
East Bethel, MN 55011-9631

RE: Jackson Street Reconstruction Project
Contractor: Rum River Contracting Co.
Award Date: August 15, 2012

Dear Honorable Mayor and Council Members:

The following work has been completed on the above-referenced project by Rum River Contracting Co.

ITEM NO.	ITEM DESCRIPTION	UNIT	CONTRACT UNIT PRICE	CONTRACT AMOUNT	USED TO DATE	EXTENSION
1	MOBILIZATION	LUMP SUM	\$50,000.00	\$ 50,000.00	1	\$ 50,000.00
2	CLEARING	ACRE	\$3,900.00	\$ 4,485.00	2.80	\$ 10,920.00
3	GRUBBING	ACRE	\$1,000.00	\$ 1,150.00	2.80	\$ 2,800.00
4	REMOVE CURB AND GUTTER	LIN FT	\$4.00	\$ 592.00	313	\$ 1,252.00
5	REMOVE PIPE CULVERTS	LIN FT	\$5.00	\$ 2,635.00	467	\$ 2,335.00
6	REMOVE CONCRETE GUTTER	LIN FT	\$4.00	\$ 288.00	72	\$ 288.00
7	REMOVE BITUMINOUS PAVEMENT	SQ YD	\$2.50	\$ 2,992.50	1,581	\$ 3,952.50
8	REMOVE CONCRETE DRIVEWAY PAVEMENT	SQ YD	\$4.00	\$ 188.00	50	\$ 200.00
9	REMOVE CATCH BASIN	EACH	\$237.50	\$ 475.00	2	\$ 475.00
10	REMOVE SIGN	EACH	\$25.00	\$ 600.00	24	\$ 600.00
11	SAWING CONCRETE PAVEMENT (FULL DEPTH)	LIN FT	\$4.00	\$ 220.00	55	\$ 220.00
12	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)	LIN FT	\$3.00	\$ 1,575.00	826	\$ 2,478.00
13	SALVAGE FENCE	LIN FT	\$2.00	\$ 2,640.00		\$ -
14	REMOVE MISCELLANEOUS STRUCTURES	LUMP SUM	\$500.00	\$ 500.00	1	\$ 500.00
15	COMMON EXCAVATION, EV	CU YD	\$4.95	\$ 41,386.95	8,361	\$ 41,386.95
16	MUCK EXCAVATION, EV	CU YD	\$6.90	\$ 24,909.00	4,060	\$ 28,014.00
17	GRANULAR BORROW, LV	CU YD	\$9.10	\$ 114,350.60	12,589	\$ 114,559.90
18	TOPSOIL BORROW, LV	CU YD	\$0.01	\$ 5.00		\$ -
19	SALVAGED TOPSOIL FROM STOCKPILE, CV	CU YD	\$4.30	\$ 12,749.50	2,954	\$ 12,702.20
20	GEOTEXTILE FABRIC TYPE IV	SQ YD	\$2.00	\$ 290.00	80	\$ 160.00
21	GEOTEXTILE FABRIC TYPE VI	SQ YD	\$3.60	\$ 8,460.00		\$ -
22	HAUL AND STOCKPILE EXCESS MATERIAL, LV	CU YD	\$7.00	\$ 14,000.00	670	\$ 4,690.00
23	AGGREGATE BASE CLASS 5	TON	\$15.35	\$ 22,487.75	2,328	\$ 35,734.80
24	MILL BITUMINOUS SURFACE (2")	SQ YD	\$10.00	\$ 530.00	62	\$ 620.00
25	BITUMINOUS PAVEMENT RECLAMATION	SQ YD	\$1.05	\$ 25,830.00	24,600	\$ 25,830.00
26	HAUL BITUMINOUS PAVEMENT RECLAMATION, CV	CU YD	\$6.20	\$ 20,894.00	4,888	\$ 30,305.60
27	TYPE MV 3 WEARING COURSE MIXTURE (B)	TON	\$64.00	\$ 252,992.00	4,127	\$ 264,128.00
28	TYPE MV 3 NON WEARING COURSE MIXTURE (B)	TON	\$60.00	\$ 235,200.00	3,832	\$ 229,920.00
29	BITUMINOUS MATERIAL FOR TACK COAT	GAL	\$2.00	\$ 3,240.00	1,750	\$ 3,500.00
30	MODULAR BLOCK RETAINING WALL	SQ YD	\$169.00	\$ 8,450.00	120	\$ 20,280.00
31	15" CS PIPE CULVERT	LIN FT	\$32.25	\$ 2,322.00	192	\$ 6,192.00
32	15" RC PIPE APRON	EACH	\$467.30	\$ 3,738.40	8	\$ 3,738.40
33	18" RC PIPE APRON	EACH	\$492.00	\$ 984.00	2	\$ 984.00
34	24" RC PIPE APRON	EACH	\$539.30	\$ 539.30	2	\$ 1,078.60
35	15" CS SAFETY APRON	EACH	\$327.00	\$ 1,308.00	10	\$ 3,270.00
36	INSTALL CULVERT MARKER	EACH	\$50.00	\$ 550.00	11	\$ 550.00
37	TRASH GUARD FOR 15" PIPE APRON	EACH	\$311.00	\$ 2,488.00	8	\$ 2,488.00
38	TRASH GUARD FOR 18" PIPE APRON	EACH	\$333.00	\$ 666.00	2	\$ 666.00

PAY ESTIMATE #5
CITY OF EAST BETHEL
Jackson Street Reconstruction Project

ITEM NO.	ITEM DESCRIPTION	UNIT	CONTRACT UNIT PRICE	CONTRACT AMOUNT	USED TO DATE	EXTENSION
39	TRASH GUARD FOR 24" PIPE APRON	EACH	\$633.00	\$ 633.00	2	\$ 1,266.00
40	15" RC PIPE SEWER DESIGN 3006, CL V	LIN FT	\$28.50	\$ 57,114.00	2,053	\$ 58,510.50
41	18" RC PIPE SEWER DESIGN 3006, CL V	LIN FT	\$30.50	\$ 2,562.00	86	\$ 2,623.00
42	24" RC PIPE SEWER DESIGN 3006, CL III	LIN FT	\$34.50	\$ 3,933.00	103	\$ 3,553.50
43	CONSTRUCT DRAINAGE STRUCTURE DESIGN 48 - 4020	LIN FT	\$200.05	\$ 39,589.90	158.7	\$ 31,747.94
44	CONSTRUCT DRAINAGE STRUCTURE DESIGN 54 - 4020	LIN FT	\$280.00	\$ 2,072.00		\$ -
45	CONSTRUCT DRAINAGE STRUCTURE DESIGN H	LIN FT	\$279.00	\$ 781.20	2.5	\$ 697.50
46	CASTING ASSEMBLIES TYPE 1	EACH	\$627.05	\$ 16,303.30	22	\$ 13,795.10
47	CASTING ASSEMBLIES TYPE 2	EACH	\$669.00	\$ 669.00	1	\$ 669.00
48	CASTING ASSEMBLIES TYPE 3	EACH	\$728.00	\$ 1,456.00		\$ -
49	RANDOM RIPRAP CLASS II	CU YD	\$105.00	\$ 1,785.00	31	\$ 3,255.00
50	RANDOM RIPRAP CLASS III	CU YD	\$105.00	\$ 4,725.00	32	\$ 3,360.00
51	CONCRETE CURB & GUTTER DESIGN B618	LIN FT	\$8.50	\$ 102,000.00	11,898	\$ 101,133.00
52	6" CONCRETE DRIVEWAY PAVEMENT	SQ YD	\$40.00	\$ 12,000.00	382	\$ 15,280.00
53	BITUMINOUS CURB	LIN FT	\$5.00	\$ 500.00	21	\$ 105.00
54	MAIL BOX SUPPORT	EACH	\$125.00	\$ 4,000.00	35	\$ 4,375.00
55	TRAFFIC CONTROL	LUMP SUM	\$15,000.00	\$ 15,000.00	1.00	\$ 15,000.00
56	SIGN PANELS TYPE C	SQ FT	\$31.00	\$ 11,005.00	355.0	\$ 11,005.00
57	CONIFEROUS TREE 6' HT B&B	TREE	\$225.00	\$ 1,800.00	12	\$ 2,700.00
58	PERENNIAL PLUGS	PLANT	\$8.50	\$ 7,990.00	687	\$ 5,839.50
59	TREE PRUNING	HOURL	\$150.00	\$ 3,000.00		\$ -
60	BALE BARRIER	LIN FT	\$5.00	\$ 300.00	30	\$ 150.00
61	SILT FENCE, TYPE MACHINE SLICED	LIN FT	\$1.10	\$ 13,277.00	11,333	\$ 12,466.30
62	STORM DRAIN INLET PROTECTION	EACH	\$90.00	\$ 2,880.00	29	\$ 2,610.00
63	TEMPORARY ROCK CONSTRUCTION ENTRANCE	EACH	\$500.00	\$ 1,000.00	2	\$ 1,000.00
64	EROSION CONTROL BLANKETS CATEGORY 2	SQ YD	\$3.00	\$ 210.00	1,043	\$ 3,129.00
65	EROSION CONTROL BLANKETS CATEGORY 5	SQ YD	\$3.00	\$ 840.00	350	\$ 1,050.00
66	TURF ESTABLISHMENT	ACRE	\$1,000.00	\$ 7,300.00	9.9	\$ 9,900.00
67	4" SOLID LINE WHITE - EPOXY	LIN FT	\$0.20	\$ 3,144.00	16,040	\$ 3,208.00
68	4" BROKEN LINE YELLOW - EPOXY	LIN FT	\$0.20	\$ 106.00	920	\$ 184.00
69	4" DOUBLE SOLID LINE YELLOW - EPOXY	LIN FT	\$0.40	\$ 2,112.00	5,137	\$ 2,054.80
70	4" SOLID LINE YELLOW - EPOXY	LIN FT	\$0.20	\$ 528.00	2,711	\$ 542.20
71	24" STOP LINE WHITE - EPOXY	LIN FT	\$6.00	\$ 912.00	121	\$ 726.00

TOTAL WORK COMPLETED TO DATE	\$ 1,218,754.29
LESS 3% RETAINAGE:	\$ 36,562.63
LESS PAY ESTIMATE #1:	\$ 335,926.97
LESS PAY ESTIMATE #2:	\$ 470,850.97
LESS PAY ESTIMATE #3:	\$ 63,109.61
LESS PAY ESTIMATE #4:	\$ 255,011.06
WE RECOMMEND PAYMENT OF:	\$ 57,293.05

**PAY ESTIMATE #5
CITY OF EAST BETHEL
Jackson Street Reconstruction Project**

APPROVALS:

CONTRACTOR: RUM RIVER CONTRACTING CO.

Certification by Contractor: I certify that all items and amounts are correct for the work completed to date.

Signed: _____

Title: _____ Date _____

ENGINEER: HAKANSON ANDERSON

Certification by Engineer: We recommend payment for work and quantities as shown.

Signed: _____

Title: _____ Date _____

OWNER: CITY OF EAST BETHEL

Signed: _____

Title: _____ Date _____

**CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA**

RESOLUTION NO. 2013-44

**RESOLUTION ACKNOWLEDGING THE DONATION FROM
CHOPS, INC.**

WHEREAS, the City of East Bethel has received a donation in the amount of \$1,006.00 from CHOPS, Inc. that was used towards the Family Fun Night that was held Friday, July 19, 2013.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF EAST BETHEL, MINNESOTA THAT: the City Council of the City of East Bethel acknowledges and accepts the \$1,006.00 donation from CHOPS, Inc.

BE IT FURTHER RESOLVED THAT: the City Council of the City of East Bethel expresses its thanks and appreciation to CHOPS, Inc. for their donation of \$1,006 towards Family Fun Night.

Adopted this 7th day of August, 2013 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

Richard Lawrence, Mayor

ATTEST:

Jack Davis, City Administrator



City of East Bethel City Council Agenda Information

Date:

August 7, 2013

Agenda Item Number:

Item 7.0 B.1

Agenda Item:

Conditional Use Permit request for TinMan Fabrication to operate in the B-2 – Central Business District

Requested Action:

Consider Granting a Conditional Use Permit (CUP) for James Crews, TinMan Fabrication (a custom fabrication and machine shop that specializes in customizing vehicles), in the B-2 – Central Business District.

Background Information:

Property Owner/Applicant:

James Crews
19470 Nightingale St. NW
Cedar, MN 55011

Property Location:

21461 Aberdeen St. NE
East Bethel, MN 55011
08-33-23-43-0009
LOT 2 BLK 2 LINGES EAST BETHEL
CENTER SUBJ TO EASE OF REC

The applicant, James Crews, is requesting a CUP to operate a fabrication and machine shop at the above address. Attached to this request is a brochure that describes the nature of this business. Staff has been to Mr. Crews’ shop in Oak Grove. Mr. Crews has outgrown that facility and wants to be in an area that was located close to Highway 65. It is his intent to utilize his existing facility for storage and overflow parts. He has stressed that there will not be any outside storage of parts or vehicles at the proposed location in East Bethel and all storage will be inside the building. The following issues were addressed at the July 23, 2013 Planning Commission Meeting:

Noise – Noise levels when doors are closed and machines are operating create minimal impact. Mr. Crews currently has neighbors next door to his business and they do not have any issues with noise. His neighbor at his current address has stated that it is not obvious that Mr. Crews is running a business at the Oak Grove location. The Planning Commission discussed the noise level when the doors are open and concluded that it would be similar to the noise emitted from trucks driving on Hwy. 65.

Permitting for waste – The current septic system is compliant and TinMan does not do any painting, oil changes, engine repair or any activity that generates hazardous waste. They fabricate, customize parts and recycle as much as possible and little or no waste is generated.

The proposed location is an existing building in the B-2 (Central Business District). The building has been previously used as a veterinarian clinic and a heating/AC business. Mr. Crews has indicated that he and his employees will utilize the back parking lot. The business generates only a small amount of walk-in traffic and at this time as he does not sell retail parts. He has an office and does internet sales along with sales generated by advertising and word of mouth. His clients range from individuals to other shops. He also makes parts that are marketed by distributors.

Attachments:

- 1. Location Map
- 2. Application
- 3. Site Plan
- 4. Central Business (B-2) District Zoning Information

Fiscal Impact:

Recommendation(s):

The Planning Commission approved and requests City Council to consider approving a Conditional Use Permit to James Crews of TinMan Fabrication, Inc. to operate as a builder/fabrication shop for rods, custom and classic automobiles at:

21461 Aberdeen St. NE
East Bethel, MN 55011
08-33-23-43-0009
LOT 2 BLK 2 LINGES EAST BETHEL CENTER SUBJ TO EASE OF RECORD

Subject to the following conditions:

- 1. No outside storage of vehicles or other parts.
- 2. Signage to comply with all applicable codes and regulations of the City of East Bethel.
- 3. Building to be issued a Certificate of Occupancy for the proposed use once all applicable State and fire building code requirements have been met.
- 4. Comply with City of East Bethel Code of Ordinances – Zoning, Appendix A, Section 27 Landscaping Requirements.
- 5. Comply with City of East Bethel Code of Ordinances – Zoning, Appendix A, Section 22, Off Street Parking and Loading Requirements.

Failure to comply with the above stated conditions will result in the revocation of the Conditional Use permit.

City Council Action

Motion by: _____

Second by: _____

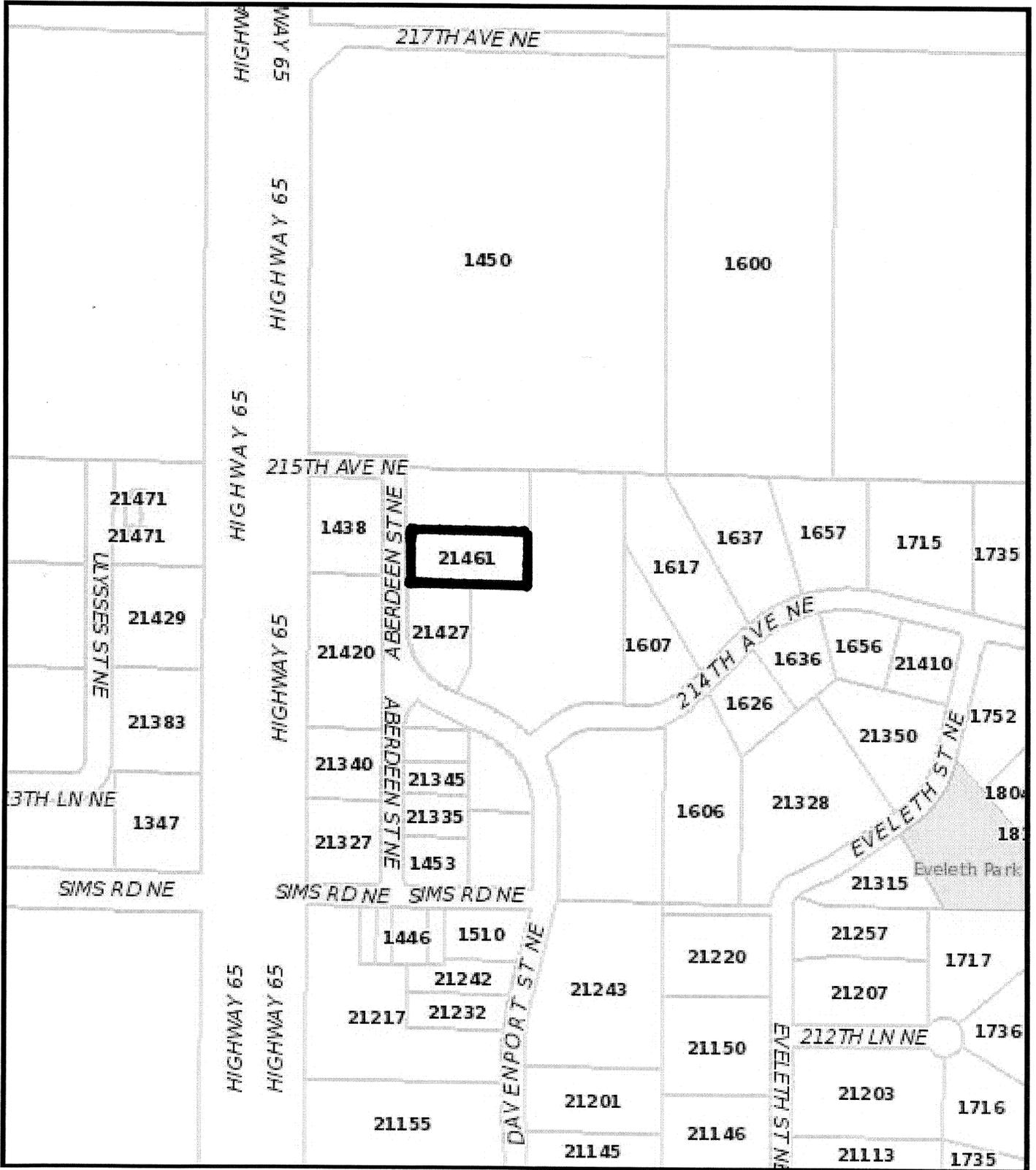
Vote Yes: _____

Vote No: _____

No Action Required: _____

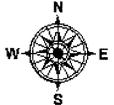


Map



Attachment #1

Disclaimer: Maps and documents made available to the public by the City of East Bethel are not legally recorded maps or surveys and are not intended to be used as such. The maps and documents are created as part of the Geographic Information System (GIS) that compiles records, information, and data from various city, county, state and federal resources.
 Copyright © 2013 City of East Bethel, All Rights Reserved





LAND USE APPLICATION

OFFICE USE ONLY	
Date Rec'd	4/12/13
By	JSB
Fee \$	500 app fee 1000 review 55 filing fee

Check appropriate box: VARIANCE CUP IUP FINAL PLAT

BUSINESS CONCEPT PLAN PRELIMINARY PLAN SITE PLAN REVIEW OTHER _____

Application shall include the following items and be submitted thirty (30) days prior to scheduled meeting date.

Application is hereby made for Tin Man Fabrication Inc (provide narrative below describing proposed use).

Restoration + Customization of specialty vehicles. Also light manufacturing of products for specialty vehicles.

LOCATION: PID 08-33-23-43-0009 Legal: Lot 2 Block 2 Subdivision _____

PROPERTY ADDRESS: 21461 Aberdeen St NE PRESENT ZONING: _____

PROPERTY OWNER

CONTACT NAME James Crews PHONE 763-753-4265

ADDRESS 19470 Nightingale St NW FAX 866-377-3992

CITY/STATE/ZIP Cedar MN 55011 E-MAIL jim.crews@tinmanfabrication.com

APPLICANT

CONTACT NAME SAME PHONE _____

ADDRESS _____ FAX _____

CITY/STATE/ZIP _____ E-MAIL _____

I fully understand that I must meet with City Staff to review all submission requirements and conditions prior to official submission, and that all of the required information must be submitted at least thirty (30) days prior to the Planning/Zoning Commission and City Council scheduled meeting dates to ensure review by City Staff.

James R Crews
Property Owner's Signature

James R Crews
Printed Name

Date

OFFICE USE ONLY - DO NOT COMPLETE

	Received	Approved/Denied	Notes
Community Dvlp.	_____	_____	
Planning Commission	_____	_____	
City Council	_____	_____	
<input type="checkbox"/> 60 Day <input type="checkbox"/> 120 Day			

Attachment #2

Jim Crews founded Tin Man Fabrication, Inc. in August of 2000. Tin Man mainly worked on automotive sheet metal and chassis fabrication, and over the years, has grown to build turnkey cars, specialized suspension work, as well as our own line of Tin Man Products. Jims 35 years of welding and manufacturing experience has allowed Tin Man to broaden its scope to include Muscle Cars and many other specialty vehicles, not just Street Rods and Customs. TMF's vision is to focus on manufacturing a high quality line of products for the specialty vehicle market and continue building unique vehicles for our customers.

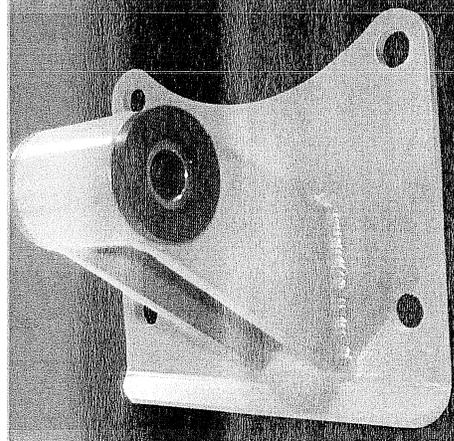
Description of business

Tin Man Fabrication, Inc. is a street rod, muscle car and specialty vehicle shop. Whether the customer wants to have their vehicle restored to its original state or radically modified, we are able to complete the project with quality workmanship. Services offered are: chassis and suspension rebuilding modifying and fabrication, engine and driveline set up and installation, brake and fuel system upgrades and installation, body metal repair and custom sheet metal fabrication, final assembly and wiring. Although we do not do finish body filling and paint or upholstery, we do work with several body and upholstery shops to complete the project.

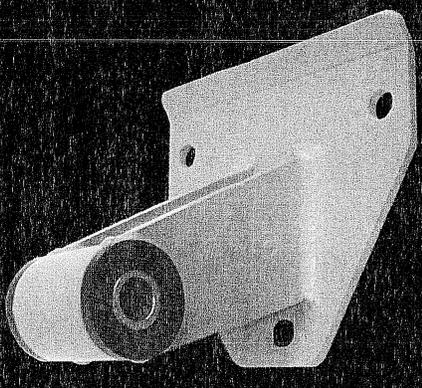
Tin Man Fabrication also manufactures over 25 different products such as Motor Mounts, Subframe Connectors and Hood Hinges for multiple applications. Many of these products were created due to a need on our in house projects and not available on the market.

Summary

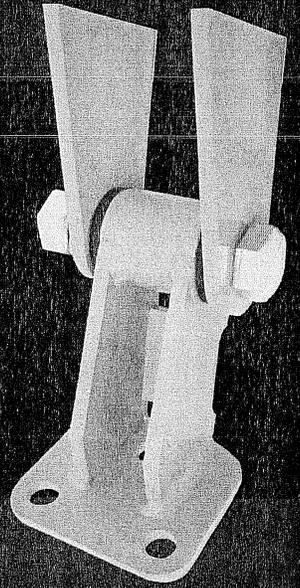
Tin Man Fabrication plans to increase employee base from 2 currently to 5 in the next year. We will continue building cars while expanding the manufacturing of Tin Man Products. This includes light manufacturing, cutting, forming machining and assembly.



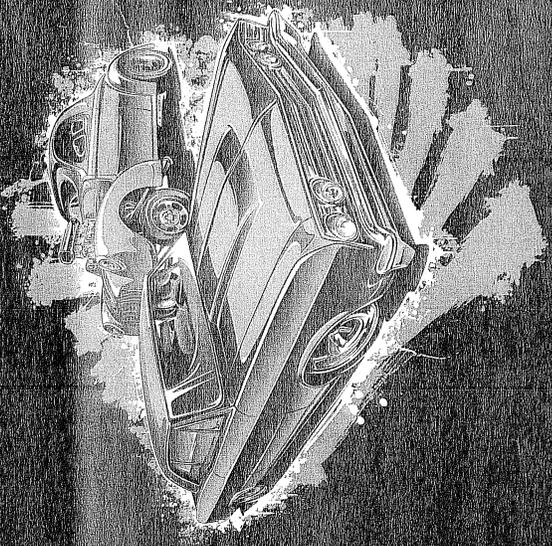
Mopar Hemi 5.7 Liter & 6.1 Liter



Mopar Magnum 5.2 Liter, 5.9 Liter



426 Hemi



763.753.4265

Dealer Inquiries Welcome

19470 Nightingale St. NW
Oak Grove, MN 55011



BUILDER & FABRICATOR

OF

QUALITY

RODS, CUSTOMS & CLASSICS

WWW.TINMANFABRICATION.COM

TIN MAN PRODUCTS

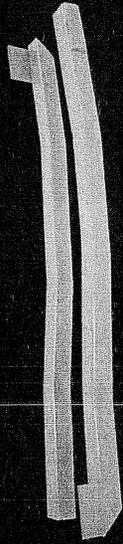
Motor Mounts

- 426 Hemi & 426 Based Crate Engines
- 50's Desoto Hemi 276, 291, 330, 341, 345
- 50's Chrysler Hemi 331, 354, 392
- 50's & 60's Chrysler Poly 277, 301, 303, 313, 326, 318
- 5.7 Liter & 6.1 Liter Hemi
- Big Block Mopar B-RB, Wedge 361, 383, 400, 413, 440
- Small Block Mopar LA Series 273, 318, 340, 360, 3.9 Liter, 5.2 Liter, 5.9 Liter
- Viper & Truck V10, SRT10 8.3 Liter, 8.4 Liter
- Mopar Magnum 5.2 Liter, 5.9 Liter
- Ford Windsor 221, 260, 289, 302, 351, 5.0 Liter, 5.8 Liter
- Ford Big Block 385 Series 429, 460
- Ford Modular 4.6 Liter, 5.4 Liter (Triton, Intech)
- Chevy Small Block 262, 265, 283, 302, 305, 307, 327, 350, 400, 5.0 Liter, 5.7 Liter
- Chevy Big Block 396, 402, 427, 454, 7.4 Liter
- GM LS Series: Generation III LS1, LS6, Generation IV L76, L92, LS2, LS3, LS4, LS7, LS9, LSX, LSA
- Big Block Cadillac 368, 425, 472, 500

100% American Made Products

Visit our website to see our growing line of specialty products!
WWW.TINMANFABRICATION.COM

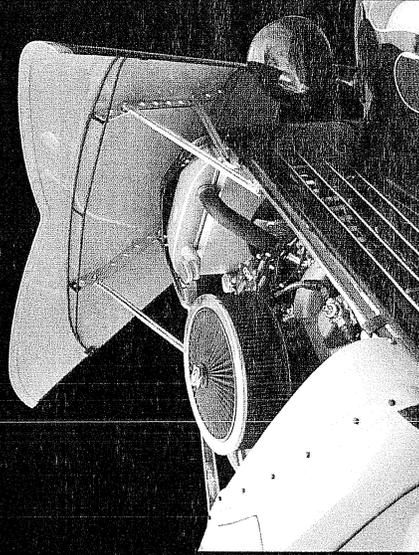
Subframe Connectors



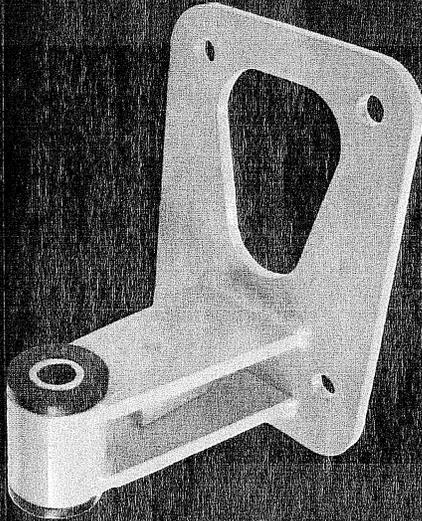
Mustang Subframe connectors are a weld-on design that are bent to follow the contours of the floor. They require no cutting of the floor pans while maintaining good ground clearance for those low cars. Our connectors are built of 2" x 2" x 11 gauge steel to drastically stiffen the structure of your car. These are a must when installing that bigger horse power engine and are a great addition to your convertible Mustang as well!

** Some additional cutting and welding required.*

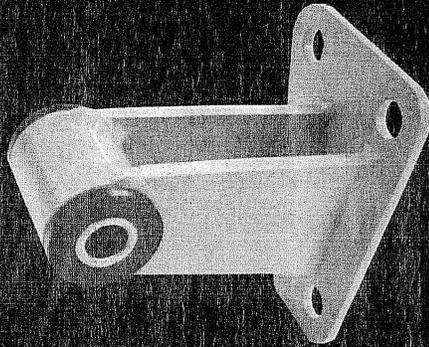
Fast Forward Hood Hinge System



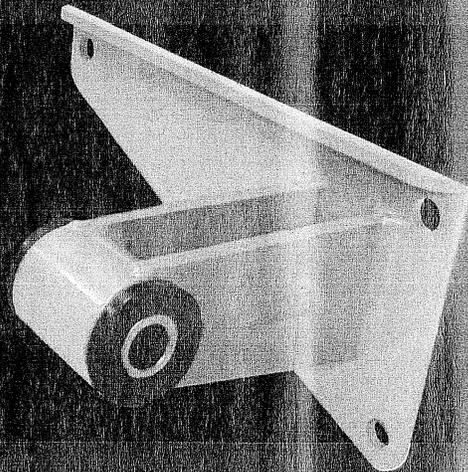
These high-tech hinges are designed for 20's, 30's and some 40's vintage vehicles. This is a tilt forward system intended to give access to the engine compartment while having a clean and stylish appearance. Built from 6061 T6 aluminum and come standard in a brushed finish and can be painted or polished to a mirror finish. All Stainless Steel hardware is included. Call for info for your specific application.



GM LS Series

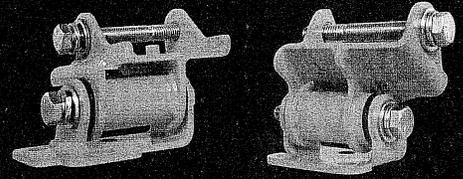


Ford Big Block 385 Series



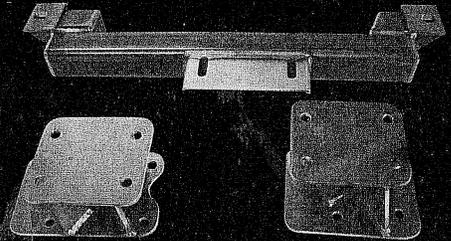
Ford Modular 4.6 Liter & 5.4 Liter

NEW PRODUCTS

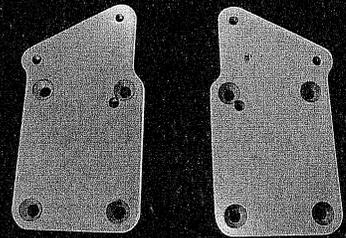


Hemi Conversion Kit

Applications: V8 to Hemi for 66-72 B Body,
70-74 E Body, 66-73 C Body Motor Mounts.



Duramax/Allison into H1 Hummer Conversion Kit



LS Adapter Plate

Applications: Installs GM LS Engines in to Any Car
Previously Equipped with a Small or Big Block Chevy.

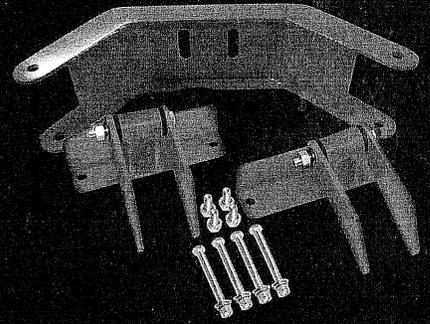


CALL TOLL FREE OR ORDER ONLINE

877.866.2338

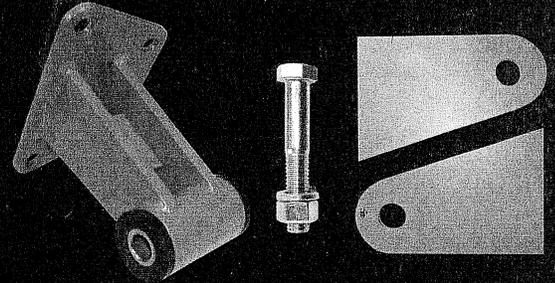
WWW.TINMANFABRICATION.COM

NEW PRODUCTS



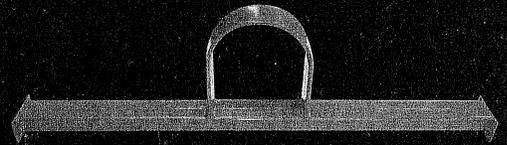
Windsor Engine Mount & T5 Transmission Crossmember Kit

Applications: 67-70 Mustang, 60-65 Falcon & Comet. Installs Ford T5 transmission behind a 5.0, 5.8, 289, 302 or 351 Windsor or a 6-8 Cylinder Falcon or Comet. Available individually or in a kit.



Ford FE

Application: Installation of Ford FE in Street Rod and Custom Applications
332, 352, 360, 361, 390, 406, 427, 428



Mustang Drive Shaft Loop

Application: 65-73 Mustang with Tin Man Subframe Connectors Installed



Attachment #3

East Bethel, Minnesota, Code of Ordinances >> - CODE OF ORDINANCES >> APPENDIX A - ZONING >> SECTION 46. - CENTRAL BUSINESS (B-2) DISTRICT >>

SECTION 46. - CENTRAL BUSINESS (B-2) DISTRICT

1. - Purpose.

The central business (B-2) district is intended to provide for the general retail shopping of persons living in East Bethel and surrounding trade area. The applicable development regulations within the B-2 district encourage high density commercial development with or without drive-thru services.

2. - Permitted uses.

- A. Club or lodge.
- B. Florist, commercial.
- C. Health/recreation facility.
- D. Dwelling, condominium, when located above the street level floor.
- E. Medical uses—Except for hospitals, long-term inpatient care centers, mobile or transitory medical facilities and laboratories.
- F. Office.
- G. Recreation—Public.
- H. Restaurant—Fast food and full service.
- I. Retail/office/multi-tenant structure.
- J. Retail sales and services conducted completely within the structures.
- K. Financial services.
- L. Tavern or bar.
- M. Motor vehicle service station (with no minor or major repair facilities).
- N. Essential services, government.

3. - Accessory uses.

- A. Outdoor sidewalk cafe.
- B. Trash enclosure service structure.
- C. Other uses customarily associated with but subordinate to a permitted use as determined by the city.
- D. Radio and television receiving antennas including single satellite dish TVROs, short-wave radio dispatching antennas, or those necessary for the operation of household electronic equipment including radio receivers, federal licensed amateur radio stations and television receivers, as regulated by Section 17 [16]. Telecommunication[s] Facilities.

4. - Conditional uses.

- A. Essential services—Utility substation.
- B. Place of worship.
- C. Schools.
- D. Drive-thru services.
- E. Licensed residential facility—Serving seven or more persons.
- F. Daycare facility—Licensed.
- G. Exterior storage associated with retail sales and services.
- H. Hotel/motel.
- I. Funeral home.
- J. Crematorium.
- K. Veterinary services.
- L. Bed and breakfast inn.
- M. Nursing home.
- N. Recreation, commercial.
- O. Other uses similar to those permitted in this section as determined by the city council.

5. - Interim uses.

- A. Grading activities that move more than 1,000 cubic yards of material per acre.
- B. Communication tower.
- C. Other uses similar to those permitted in this section as determined by the city council.

6. - Certificate of compliance.

Temporary/seasonal sales as permitted in Section 10. General Development Regulations.

7. - Development regulations.

Attachment #4

A. Minimum lot requirements.

1)	Lot area	
a)	Without sewer and water	10 acres
b)	With sewer and water	No minimum
2)	Lot width	
a)	Without sewer and water	300 feet at the public right-of-way
b)	With sewer and water	No minimum

B. Setbacks. No setbacks are required unless adjacent to a residential district; a setback of 60 feet shall be required.

C. Maximum building height: Measured to the eave, maximum height of three stories or 30 feet, whichever is less.

D. Maximum lot coverage: 80 percent.

(Ord. No. 19, Second Series, 5-5-2010; Ord. No. 28, Second Series, 12-1-2010)



City of East Bethel City Council Agenda Information

Date:

August 7, 2013

Agenda Item Number:

Item 8.0 B.1

Agenda Item:

Improvement Projects Update

Requested Action:

For Information Purposes Only

Background Information:

Phase 1 Project 1 Utilities:

This project is substantially complete. All project components have been tested and are operational. The contractor continues to work on punchlist items. Final Payment for this project is expected to be presented to council on September 4.

Trunk Highway 65 Service Road

The service road on the westside of Trunk Highway 65 from 215th Avenue to 221st Avenue is ready for advertisement except for two right of way closings. There was an issue with one of the right of way documents due to a probate issue. This item has been resolved by the City Attorney. It is anticipated that all right of way documents will be signed in the next two weeks. The project will then be advertised to solicit bids. Bids for this project will be presented to the Council at the September 18, 2013 Council meeting.

Castle Towers/Whispering Aspen Forcemain Project

As you are aware this project was awarded to LaTour Construction. Contracts have been prepared and signed by the Contractor. Staff is currently waiting for the Certificate of Insurance from LaTour Construction. Upon receipt of the Certificate the contracts will signed by the City. Construction on this project is anticipated to start in mid August.

Lincoln Drive, Laurel Road and Longfellow Drive

The preliminary design for this project has been completed. A total of 8 properties have been identified for right of way acquisition. Property appraisals are currently being performed. Upon receipt of the appraisals recommendations for right of way acquisition will be presented to the Council. It is anticipated that this project will be ready for bid late this fall. Preliminary work such as utility relocation and clearing and grubbing could be completed this year. The majority of the construction would be completed in the spring of 2014.

Fiscal Impact:

For Information Purposes Only.

Recommendation(s):

For Information Purposes Only.

City Council Action

Motion by: _____

Second by: _____

Vote Yes: _____

Vote No: _____

No Action Required: _____



City of East Bethel City Council Agenda Information

Date:

August 7, 2013

Agenda Item Number:

Item 8.0 G.1

Agenda Item:

City Website Policy

Requested Action:

Consider Approving a City Website Policy

Background Information:

The existing City Website Policy was adopted in 2007 and needs to be updated to provide the guidance and direction that is required as a result of the changes and improvements on the new City Website which went on-line in February 2013. The proposed policy addresses the following items which are not included in the original policy:

- updates the provisions for external links
- provides for consistency of punctuation, capitalization, numbers, symbols and abbreviations
- Explain the criteria for promotions of community events, fundraisers and services
- display of news and announcements
- posting of archived information
- posting of current information, and
- removal of information.

The adoption of this policy will provide Staff with more consistent and detailed guidelines for inclusion of material to populate the website with convenient, consistent and accurate information about East Bethel’s departments, services, amenities, and general information.

Attachments:

1. Existing Website Policy
2. Proposed Website Policy

Fiscal Impact:

None at this time

Recommendation(s):

Staff recommends adoption of the Website Policy as presented in the Attachment

City Council Action

Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required:_____

CITY OF EAST BETHEL WEBSITE LINK POLICY

Section I. Purpose

The purpose of the City's Website is to provide information about the City's government, services, and attractions. The City's Website may provide links to websites outside the City's Website that also serve this purpose. The City is not responsible for and does not endorse the information on any linked website unless the City's Website states otherwise.

The following criteria will be used to decide whether to grant requests for City Website links.

If a particular request does not fit any of the following criteria, the City Administrator will determine whether the request should be approved.

Section II. Criteria for Links

1. Governmental and educational institutions
2. Organizations with some relationship to the City (including but not limited to: organizations sponsoring City activities or programs such as the Soderville Athletic Association, St. Francis Athletic Association, etc., and organizations participating in City activities or programs such as the East Bethel Seniors.)
3. Generally recognized community organizations.
4. Organizations providing information about art, cultural, and sporting activities in the City's area.

Section III. Prohibited Links

1. Candidates for local, state, or federal offices.
2. Political organizations or other organizations advocating a position on a local, state, or federal issue.
3. Corporate or other for-profit organizations unless they fit any of the criteria stated above.
4. Individual or personal home pages.

Section IV. Effective Date

This policy becomes effective upon adoption by the City Council.

Date Adopted: March 21, 2007

Attest:

Douglas Sell, City Administrator

City of East Bethel Website Policy

The purpose of the City of East Bethel's website is to provide the public with convenient, efficient access to current, accurate information about East Bethel's departments, services, amenities, and general information. News and information that is consistent with the above-stated purpose and with this policy will be posted on the website. The City Administrator, or his or her designee, shall oversee all aspects of the City website.

External Links

The City's website may provide links to external organizations that meet the criteria identified in this website policy. The City is not responsible for and does not endorse the information on any linked website unless the City's website explicitly states otherwise.

The City may allow links to the following organizations and entities:

- Governmental and quasi-governmental entities;
- Entities with which the City has an existing formal, contractual relationship;
- Entities which provide quasi-public services or utilities to City residents and businesses;
- Non-profits providing services to City residents or businesses; and
- Educational institutions or school districts located within the City of East Bethel.
- Entities that market commercial and industrial property within the City.

The City will not allow links to websites of the following organizations or entities:

- Campaigns for candidates for local, state, or federal offices;
- Political organizations or other organizations advocating a position on a local, state, or federal issue;
- For-profit organizations other than as allowed above; and
- Individual or personal websites.

Promotion of Community Events, Services, & Fundraisers

The City may allow promotional announcements of events officially sponsored by the City of East Bethel. Services to East Bethel residents and/or businesses provided by non-profits or charitable entities may be promoted on the website provided that any associated fees are directly related to the service provided. The City will not post information related to fundraisers.

News and Announcements

News and announcements displayed on the City's home page should:

- Be of an urgent or emergency nature; or
- Be applicable to a majority of residents and/or businesses; and
- Be posted for no more than 30 consecutive days.

Other news and announcements may be posted on department, division, and other pages internal to the website.

It is preferable that documents and information generated by other entities should be provided through a link to the appropriate entity's website, unless the document is part of an application that is submitted to the City for official review.

Website Accuracy and Relevancy

The purpose of the City of East Bethel website is to provide current, timely, accurate information to residents and businesses. The website is not designed to be used as a document repository or historical archive. The website will primarily focus on providing current information in order to:

- Increase the likelihood that information is accurate;
- Provide the information that is most likely to be of current interest to users; and
- Maximize the ease of finding information.

Posting of Current Information

The following are examples of information that will be posted as soon as is practical:

- City Council, Authorities, Boards and Commissions agendas and minutes
- City Council, Authorities, Boards and Commissions Agenda Packets
- Newsletters
- Financial and Budget Reports
- Community Development Applications
- Road Construction Information
- City Fee Schedule

Posting of Archived Information

The following are examples of information that will be posted on the City's electronic data archive and eventually on Laserfiche, the City's proposed electronic data archive, and be made available to users through a portal on the City's website. Archived information will be available as specified in the City's data retention policy.

- City Council, Authorities, Boards and Commissions agendas and minutes

- City Council Authorities, Boards and Commissions Agenda Packets
- Newsletters

Removal of Information

- Departments shall review their website information on a monthly basis. Outdated and inaccurate information will be edited or removed.
- Except for archived information as described above, documents and information older than one year will be removed from the website unless they are directly related and relevant to an on-going project.
- Outdated documents removed from the website will be saved in City electronic archives and be made available upon request and in accordance with the City's data privacy and data retention policies.

Site Standards

Punctuation & Capitalization

- Underlining should be used only for hyperlinks.
- ALL CAPS should be avoided except in acronyms.
- Use commas at the end of a series, for example, "trees, shrubs, and annual plantings."
- Capitalize city, state, and county when referring to a specific entity. Use lower case when not. Example: The City is considering an emerald ash borer policy. Many cities across the metro area are drafting similar policies.

Numbers & Symbols

- In text, numbers one through ten should be spelled out. All numbers used in combination with a symbol should be expressed numerically. Example: \$1, 1%, 1.5, 1Yz.
- Use the "%" symbol instead of writing out "percent".
- Use the "&" sign instead of the word "and" in headings and subheadings.

Abbreviations

- Names of months and days of the week should not be abbreviated in text.
- Street names should be abbreviated unless used in a paragraph. Example: Viking Blvd.

Documents, Photos, Graphics, & Links

- Documents posted on the website must be in a .pdf or .tif format.
- Photos and graphics must be in .jpg or .gif format. The resolution on all graphics

should be 72 dpi or web-quality.

- No addresses should be visible in photos unless the address is City-owned property, for example City Hall or a City park.

- Photo release forms will be obtained for all recognizable photos of people. The department submitting a photo is responsible for verifying that a photo release form is available.
- Clipart is not allowed unless approved by the website administrator.
- Animated text or graphics are not allowed.
- Hyperlinks and documents must be set to open in a new window unless the hyperlink is to another page on the City website.
- Phrases "click here", "coming soon", or "under construction" should not be used.



City of East Bethel City Council Agenda Information

Date:

August 7, 2013

Agenda Item Number:

Item 8.0 G.2

Agenda Item:

2014 Budget Discussion

Requested Action

Consider Continuing the Work Meeting Budget Discussion as part of the August 7, 2014 Council Agenda

Background Information:

City Council has discussed the preliminary 2014 Budget at Work Meetings on July 10 and 17, 2013 and on August 7, 2013. This Agenda Item is left open if there is a need to continue the work meeting discussion as part of the regular City Council meeting.

Fiscal Impact:

To be determined

Recommendation(s):

None at this time

City Council Action

Motion by: _____

Second by: _____

Vote Yes: _____

Vote No: _____

No Action Required: _____



City of East Bethel City Council Agenda Information

Date:

August 7, 2013

Agenda Item Number:

Item 9.0 C.1

Agenda Item:

Closed Session, Union Negotiations, Minn. Stat. § 13D.03, subd. 1 (b).

Requested Action:

Staff requests Council hold a Closed Session per Minn. Stat. § 13D.03, subd. 1 (b) ,Union 2014-2016 Contract Negotiations

Background Information:

Fiscal Impact:

Recommendation(s):

Staff requests Council hold a Closed Session per Minn. Stat. § 13D.03, subd. 1 (b) Review Union 2014-2016 Contract Negotiations.

City Council Action

Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required:_____



City of East Bethel City Council Agenda Information

Date:

August 7, 2013

Agenda Item Number:

Item 9.0 C.2

Agenda Item:

Closed Session – Active Litigation - Minn. Stat. § 13D.05, subds. 3 (b)

Requested Action:

Staff requests Council hold a Closed Session per Minn Stat. § 13D.05, subds. 3 (b)

Background Information:

Fiscal Impact:

Recommendation(s):

Staff requests Council hold a Closed Session per Minn Stat. § 13D.05, subds. 3 (b)

City Council Action

Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required:_____