

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 Agenda **Moegerle made a motion to adopt the July 17, 2013 City Council agenda adding Item 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 giving
Fire Fighters you is slightly updated from what you have in your packet. Every year we have to complete
Relief Assn. reports for the State Auditor and we are right in the middle of completing those reports. Some of
2014 Budget 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 a 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 the 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. Thirty-two percent 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 them 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 are 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 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. 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 nor 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 Ayshford to keep the road open. I went into the City Ordinances and it seems to me that the intention is 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, their 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, as 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 types 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, "Point two acres. Fifty 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, “Twenty-four 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 or 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 Boogeyman.’ 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 to document it. And I would like to say 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; a 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 there 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 confirmation 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. The 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 her 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 any way. 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 the tractor pull area. The movie on Friday night, and 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.

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, ‘ample’ time, not ‘amble’.

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 put 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 are 54 teams in it. These are some 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, not 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 because 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 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 motioned 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 invading our principal by only 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 this 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 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
Point

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.**

Bond
Parameter
Resolution

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 carte 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 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."

"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."

"I wanted to follow up on the status of the 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 the 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 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