

City of East Bethel

City Council Agenda

Regular Council Meeting – 7:30 p.m.

Date: October 16, 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 Reports/Presentations**
- Page 3 A. Kermit Kirkevold for Service on Park Commission
 - Page 4-29 B. Refinancing 2005A Public Safety Bonds
 - Page 30 C. Sheriff's Report
 - Page 31-62 D. Public Hearing for Proposed Assessment for the Municipal Utility Project

- 9:03 PM **5.0 Public Forum**

- 9:15 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 65-69 A. Approve Bills
 - Page 70-89 B. September 4, 2013, City Council Meeting Minutes
 - Page 90-105 C. October 2, 2013 City Council Meeting Minutes

New Business

- 7.0 Commission, Association and Task Force Reports**
- A. EDA Commission
 - B. Planning Commission
 - C. Park Commission
 - D. Road Commission

8.0 Department Reports

- A. Community Development
- B. Engineer
- C. Attorney
- D. Finance
- E. Public Works
- 9:20 PM F. Fire Department
- Page 106-109 1. Fire Department Report
- 9:25 PM G. City Administrator
- Page 110-111 1. Oak Grove Building Inspection Services Contract
- Page 112-115 2. Local Government Officials Meeting
- Page 116-127 3. 2014 Budget Discussion

9.0 Other

9:45 PM	A.	Staff Reports
9:50 PM	B.	Council Reports
9:55 PM	C.	Other
10:00 PM	10.0	Adjourn



City of East Bethel City Council Agenda Information

Date:

October 16, 2013

Agenda Item Number:

Item 4.0 A

Agenda Item:

Kermit Kirkevold - Recognition of Service on Park Commission

Requested Action:

Recognize Kermit Kirkevold for his Service to the City of East Bethel on the Park Commission.

Background Information:

Mr. Kermit Kirkevold served the City of East Bethel as a Park Commission member from February 2013 to September 2013. He resigned because he is no longer a resident. We have invited Mr. Kirkevold to attend the meeting and will be presenting him with a plaque in honor of his service to the City.

Fiscal Impact:

None at this time.

Recommendation(s):

City staff recommends City Council recognize Mr. Kirkevold's service to the City of East Bethel as a Park Commission Member.

City Council Action

Motion by: _____

Second by: _____

Vote Yes: _____

Vote No: _____

No Action Required: _____



City of East Bethel City Council Agenda Information

Date:

October 16th, 2013

Agenda Item Number:

Item 4.0 B

Agenda Item:

Resolution 2013-61 2013 G.O. Refunding Bonds Series A

Requested Action:

Consider adopting Resolution 2013-61 Authorizing and Directing the Sale of 2013, Series A, G.O. Refunding Bonds

Background Information:

At the September 18th, 2013 City Council meeting, Council authorized Ehlers and Associates to solicit proposals for the sale of refunding bonds 2013A with a par amount of \$1,305,000. These bonds will be used to refund the 2005A GO Public Safety Bonds.

Ms. Stacie Kvilvang from Ehlers, Inc. will compile the bid results for this bond issue and provide the tabulations on the evening of October 16th, 2013.

We have provided the Resolution, less the award information, for your review

Attachment(s):

1. Resolution 2013-61 Authorizing and Directing the Sale of G.O. Refunding Bonds, 2013, Series A

Fiscal Impact:

Ms. Kvilvang will provide additional information regarding the interest and debt service schedules on October 16th, 2013.

Recommendation(s):

Pending an acceptable sales proposal, staff is seeking direction from City Council regarding adoption of Resolution 2013-61, A Resolution Authorizing and Directing the Sale and Issuance of G.O. Refunding Bonds 2013, Series A.

City Council Action

Motion by:_____

Second by:_____

Vote Yes: _____

Vote No: _____

No Action Required: _____

CERTIFICATION OF MINUTES RELATING TO
GENERAL OBLIGATION PUBLIC SAFETY REFUNDING BONDS, SERIES 2013A

Issuer: City of East Bethel, Minnesota

Governing Body: City Council

Kind, date, time and place of meeting: A regular meeting held October 16, 2013, at 7:30 p.m.,
at the City offices in East Bethel, Minnesota.

Members present:

Members absent:

Documents Attached:

Minutes of said meeting (including):

RESOLUTION NO. 2013-61

RESOLUTION AUTHORIZING ISSUANCE, AWARDED THE SALE,
PRESCRIBING THE FORM AND DETAILS AND PROVIDING FOR THE
PAYMENT OF GENERAL OBLIGATION PUBLIC SAFETY REFUNDING
BONDS, SERIES 2013A

I, the undersigned, being the duly qualified and acting recording officer of the public corporation issuing the bonds referred to in the title of this certificate, certify that the documents attached hereto, as described above, have been carefully compared with the original records of said corporation in my legal custody, from which they have been transcribed; that said documents are a correct and complete transcript of the minutes of a meeting of the governing body of said corporation, and correct and complete copies of all resolutions and other actions taken and of all documents approved by the governing body at said meeting, so far as they relate to said bonds; and that said meeting was duly held by the governing body at the time and place and was attended throughout by the members indicated above, pursuant to call and notice of such meeting given as required by law.

WITNESS my hand officially as such recording officer this ____ day of October, 2013.

City Administrator

It was reported that _____ () proposals for the purchase of \$1,305,000 General Obligation Public Safety Refunding Bonds, Series 2013A were received prior to 11:00 a.m., Central Time, pursuant to the Official Statement distributed to potential purchasers of the Bonds by Ehlers & Associates, Inc., financial consultants to the City. The proposals have been publicly opened, read and tabulated and were found to be as follows:

(See Attached)

Councilmember _____ introduced the following resolution and moved its adoption, which motion was seconded by Councilmember _____:

RESOLUTION NO. 2013-61

RESOLUTION AUTHORIZING ISSUANCE, AWARDING THE SALE, PRESCRIBING THE FORM AND DETAILS AND PROVIDING FOR THE PAYMENT OF GENERAL OBLIGATION PUBLIC SAFETY REFUNDING BONDS, SERIES 2013A

BE IT RESOLVED by the City Council (the "Council") of the City of East Bethel, Minnesota (the "City"), as follows:

SECTION 1. AUTHORIZATION AND SALE.

1.01. Authorization. The City has determined it to be in its best interests to issue its General Obligation Public Safety Refunding Bonds, Series 2013A, in the principal amount of \$1,305,000 (the "Bonds"), pursuant to Minnesota Statutes, Chapter 475, to provide funds to be used, along with an equity contribution of the City, to currently refund on February 1, 2014 (the "Redemption Date"), the 2015 through 2026 maturities of the City's General Obligation Public Safety Bonds, Series 2005A, dated, as originally issued, as of September 15, 2005 (the "Series 2005A Bonds"), which maturities are presently outstanding in the principal amount of \$1,345,000 (the "Refunded Bonds"). The refunding of the Refunded Bonds is being carried out for the purpose described in Minnesota Statutes, Section 475.67, subdivision 3, section (b)(2)(i) and in compliance with Minnesota Statutes, Chapter 475.

1.02. Sale. Pursuant to the Terms of Proposal and the Official Statement prepared on behalf of the City by Ehlers & Associates, Inc., sealed proposals for the purchase of the Bonds were received at or before the time specified for receipt of proposals. The proposals have been opened, publicly read and considered and the purchase price, interest rates and net interest cost under the terms of each proposal have been determined. The most favorable proposal received is that of _____, in _____, _____, (the "Purchaser"), to purchase the Bonds at a price of \$_____ plus accrued interest on all Bonds to the day of issuance and delivery, on the further terms and conditions hereinafter set forth.

1.03. Award. The sale of the Bonds is hereby awarded to the Purchaser, and the Mayor and City Administrator are hereby authorized and directed to execute a contract on behalf of the City for the sale of the Bonds. The good faith deposit of the Purchaser shall be retained by the City until the Bonds have been delivered and shall be deducted from the purchase price paid at settlement.

SECTION 2. BOND TERMS; REGISTRATION; EXECUTION AND DELIVERY.

2.01. Issuance of Bonds. All acts, conditions and things which are required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed precedent to and in the valid issuance of the Bonds having been done, now existing,

having happened and having been performed, it is now necessary for the City Council to establish the form and terms of the Bonds, to provide security therefor and to issue the Bonds forthwith.

2.02. Maturities; Interest Rates; Denominations and Payment. The Bonds shall be originally dated as of November 13, 2013, shall be in the denomination of \$5,000 each, or any integral multiple thereof, of single maturities, shall mature on February 1 in the years and amounts stated below, and shall bear interest from date of issue until paid or duly called for redemption at the annual rates set forth opposite such years and amounts, as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2015	\$ 90,000		2021	\$110,000	
2016	95,000		2022	115,000	
2017	100,000		2023	115,000	
2018	100,000		2024	120,000	
2019	105,000		2025	125,000	
2020	105,000		2026	125,000	

[REVISE MATURITY SCHEDULE FOR ANY TERM BONDS]

The Bonds shall be issuable only in fully registered form. Interest shall be computed on the basis of a 360-day year composed of twelve 30-day months. The interest on and, upon surrender of each Bond, the principal amount thereof, shall be payable by check or draft issued by the Registrar described herein, provided that, so long as the Bonds are registered in the name of a securities depository, or a nominee thereof, in accordance with Section 2.08 hereof, principal and interest shall be payable in accordance with the operational arrangements of the securities depository.

2.03. Dates and Interest Payment Dates. Upon initial delivery of the Bonds pursuant to Section 2.07 and upon any subsequent transfer or exchange pursuant to Section 2.06, the date of authentication shall be noted on each Bond so delivered, exchanged or transferred. Interest on the Bonds shall be payable on February 1 and August 1 in each year, commencing August 1, 2014, each such date being referred to herein as an Interest Payment Date, to the persons in whose names the Bonds are registered on the Bond Register, as hereinafter defined, at the Registrar's close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date, whether or not such day is a business day.

2.04. Redemption. Bonds maturing in 2022 and later years shall be subject to redemption and prepayment at the option of the City, in whole or in part, in such order of maturity dates as the City may select and, within a maturity, by lot as selected by the Registrar (or, if applicable, by the bond depository in accordance with its customary procedures) in multiples of \$5,000, on February 1, 2021, and on any date thereafter, at a price equal to the principal amount thereof and accrued interest to the date of redemption. The City Administrator shall cause notice of the call for redemption thereof to be published as required by law, and at

least thirty days prior to the designated redemption date, shall cause notice of call for redemption to be mailed, by first class mail, to the registered holders of any Bonds to be redeemed at their addresses as they appear on the bond register described in Section 2.06 hereof, but no defect in or failure to give such mailed notice of redemption shall affect the validity of proceedings for the redemption of any Bond not affected by such defect or failure. Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon partial redemption of any Bond, a new Bond or Bonds will be delivered to the owner without charge, representing the remaining principal amount outstanding.

[COMPLETE THE FOLLOWING PROVISIONS IF THERE ARE TERM BONDS-
ADD ADDITIONAL PROVISIONS IF THERE ARE MORE THAN TWO TERM BONDS]

[Bonds maturing on February 1, 20____ and 20____ (the "Term Bonds") shall be subject to mandatory redemption prior to maturity pursuant to the sinking fund requirements of this Section 2.04 at a redemption price equal to the stated principal amount thereof plus interest accrued thereon to the redemption date, without premium. The Registrar shall select for redemption, by lot or other manner deemed fair, on February 1 in each of the following years the following stated principal amounts of such Bonds:

<u>Term Bonds Maturing February 1, 20____</u>	
<u>Year</u>	<u>Principal Amount</u>

The remaining \$_____ stated principal amount of such Bonds shall be paid at maturity on February 1, 20____.

<u>Term Bonds Maturing February 1, 20____</u>	
<u>Year</u>	<u>Principal Amount</u>

The remaining \$_____ stated principal amount of such Bonds shall be paid at maturity on February 1, 20____.

Notice of redemption shall be given as provided in the preceding paragraph.]

2.05. Appointment of Initial Registrar. The City hereby appoints Bond Trust Services, Roseville, Minnesota, as the initial bond registrar, transfer agent and paying agent (the "Registrar"). The Mayor and City Administrator are authorized to execute and deliver, on behalf of the City, a contract with the Registrar. Upon merger or consolidation of the Registrar with

another corporation, if the resulting corporation is a bank or trust company organized under the laws of the United States or one of the states of the United States and authorized by law to conduct such business, such corporation shall be authorized to act as successor Registrar. The City agrees to pay the reasonable and customary charges of the Registrar for the services performed. The City reserves the right to remove the Registrar, effective upon not less than thirty days' written notice and upon the appointment and acceptance of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Bonds in its possession to the successor Registrar and shall deliver the Bond Register to the successor Registrar.

2.06. Registration. The effect of registration and the rights and duties of the City and the Registrar with respect thereto shall be as follows:

(a) Register. The Registrar shall keep at its principal corporate trust office a register (the "Bond Register") in which the Registrar shall provide for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged. The term Holder or Bondholder as used herein shall mean the person (whether a natural person, corporation, association, partnership, trust, governmental unit, or other legal entity) in whose name a Bond is registered in the Bond Register.

(b) Transfer of Bonds. Upon surrender for transfer of any Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until such interest payment date.

(c) Exchange of Bonds. Whenever any Bonds are surrendered by the registered owner for exchange the Registrar shall authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity, as requested by the registered owner or the owner's attorney in writing.

(d) Cancellation. All Bonds surrendered for payment, transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of. The Registrar shall furnish the City at least once each year a certificate setting forth the principal amounts and numbers of Bonds canceled and destroyed.

(e) Improper or Unauthorized Transfer. When any Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The City and the Registrar may treat the person in whose name any Bond is at any time registered in the bond register as the absolute owner of the Bond, whether the Bond shall be overdue or not, for the purpose of receiving payment of or on account of, the principal of and interest on the Bond and for all other purposes; and all payments made to any registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability upon Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. For every transfer or exchange of Bonds (except for an exchange upon a partial redemption of a Bond), the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Registrar shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that the Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the City and the Registrar shall be named as obligees. All Bonds so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall be given to the City. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it shall not be necessary to issue a new Bond prior to payment.

(i) Authenticating Agent. The Registrar is hereby designated authenticating agent for the Bonds, within the meaning of Minnesota Statutes, Section 475.55, Subdivision 1, as amended.

(j) Valid Obligations. All Bonds issued upon any transfer or exchange of Bonds shall be the valid obligations of the City, evidencing the same debt, and entitled to the same benefits under this Resolution as the Bonds surrendered upon such transfer or exchange.

2.07. Execution, Authentication and Delivery. The Bonds shall be prepared under the direction of the City Administrator and shall be executed on behalf of the City by the signatures of the Mayor and the City Administrator, provided that the signatures may be printed, engraved or lithographed facsimiles of the originals. In case any officer whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of any Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery. Notwithstanding such execution, no Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this resolution unless and until a certificate of authentication on the Bond has been duly executed by

the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution. When the Bonds have been prepared, executed and authenticated, the City Administrator shall deliver them to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore executed, and the Purchaser shall not be obligated to see to the application of the purchase price.

2.08. Securities Depository. (a) For purposes of this section the following terms shall have the following meanings:

“Beneficial Owner” shall mean, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant, or such person’s subrogee.

“Cede & Co.” shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

“DTC” shall mean The Depository Trust Company of New York, New York.

“Participant” shall mean any broker-dealer, bank or other financial institution for which DTC holds Bonds as securities depository.

“Representation Letter” shall mean the Representation Letter pursuant to which the City agrees to comply with DTC’s Operational Arrangements.

(b) The Bonds shall be initially issued as separately authenticated fully registered bonds, and one Bond shall be issued in the principal amount of each stated maturity of the Bonds. Upon initial issuance, the ownership of such Bonds shall be registered in the bond register in the name of Cede & Co., as nominee of DTC. The Registrar and the City may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to registered owners of Bonds under this resolution, registering the transfer of Bonds, and for all other purposes whatsoever; and neither the Registrar nor the City shall be affected by any notice to the contrary. Neither the Registrar nor the City shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the bond register as being a registered owner of any Bonds, with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of or interest on the Bonds, with respect to any notice which is permitted or required to be given to owners of Bonds under this resolution, with respect to the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Bonds, or with respect to any consent given or other action taken by DTC as registered owner of the Bonds. So long as any Bond is registered in the name of Cede & Co., as nominee of DTC, the Registrar shall pay all principal of and interest on such Bond, and shall give all notices with

respect to such Bond, only to Cede & Co. in accordance with DTC's Operational Arrangements, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated Bond for each separate stated maturity evidencing the obligation of the City to make payments of principal and interest. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Bonds will be transferable to such new nominee in accordance with paragraph (e) hereof.

(c) In the event the City determines that it is in the best interest of the Beneficial Owners that they be able to obtain Bonds in the form of bond certificates, the City may notify DTC and the Registrar, whereupon DTC shall notify the Participants of the availability through DTC of Bonds in the form of certificates. In such event, the Bonds will be transferable in accordance with paragraph (e) hereof. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and the Registrar and discharging its responsibilities with respect thereto under applicable law. In such event the Bonds will be transferable in accordance with paragraph (e) hereof.

(d) The execution and delivery of the Representation Letter to DTC by the Mayor or City Administrator is hereby authorized and directed.

(e) In the event that any transfer or exchange of Bonds is permitted under paragraph (b) or (c) hereof, such transfer or exchange shall be accomplished upon receipt by the Registrar of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of this resolution. In the event Bonds in the form of certificates are issued to owners other than Cede & Co., its successor as nominee for DTC as owner of all the Bonds, or another securities depository as owner of all the Bonds, the provisions of this resolution shall also apply to all matters relating thereto, including, without limitation, the printing of such Bonds in the form of bond certificates and the method of payment of principal of and interest on such Bonds in the form of bond certificates.

2.09. Form of Bonds. The Bonds shall be prepared in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF ANOKA

CITY OF EAST BETHEL

GENERAL OBLIGATION PUBLIC SAFETY REFUNDING BOND
SERIES 2013A

No. R-__ \$_____

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP No.</u>
%	February 1, 20__	November 13, 2013	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: THOUSAND DOLLARS

THE CITY OF EAST BETHEL, STATE OF MINNESOTA (the “City”), acknowledges itself to be indebted and hereby promises to pay to the registered owner named above, or registered assigns, the principal amount specified above on the maturity date specified above, with interest thereon from the date hereof at the annual rate specified above, payable on February 1 and August 1 in each year, commencing August 1, 2014, to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month, all subject to the provisions referred to herein with respect to the redemption of the principal of this Bond before maturity. Interest hereon shall be computed on the basis of a 360-day year composed of twelve 30-day months. The interest hereon and, upon presentation and surrender hereof at the principal office of the agent of the Registrar described below, the principal hereof are payable in lawful money of the United States of America by check or draft drawn on Bond Trust Services, Roseville, Minnesota, as bond registrar, transfer agent and paying agent, or its successor designated under the Resolution described herein (the “Registrar”), or its designated successor under the Resolution described herein. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the City have been and are hereby irrevocably pledged.

This Bond is one of an issue (the “Bonds”) in the aggregate principal amount of \$1,305,000, issued pursuant to a resolution adopted by the City Council on October 16, 2013 (the “Resolution”) to refinance certain outstanding obligations of the City, and is issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota thereunto enabling, including Minnesota Statutes, Chapter 475. The Bonds are issuable only in fully registered form, in denominations of \$5,000 or any integral multiple thereof, of single maturities.

Bonds maturing in 2022 and later years are each subject to redemption and prepayment at the option of the City, in whole or in part, in such order of maturity dates as the City may select

and, within a maturity, by lot as selected by the Registrar (or, if applicable, by the bond depository in accordance with its customary procedures) in multiples of \$5,000 on February 1, 2021, and on any date thereafter, at a price equal to the principal amount thereof plus interest accrued to the date of redemption. The City will cause notice of the call for redemption to be published as required by law and, at least thirty days prior to the designated redemption date, will cause notice of the call thereof to be mailed by first class mail to the registered owner of any Bond to be redeemed at the owner's address as it appears on the bond register maintained by the Registrar, but no defect in or failure to give such mailed notice of redemption shall affect the validity of proceedings for the redemption of any Bond not affected by such defect or failure. Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon partial redemption of any Bond, a new Bond or Bonds will be delivered to the registered owner without charge, representing the remaining principal amount outstanding.

[Bonds maturing on February 1, 20____ and 20____ (the "Term Bonds") shall be subject to mandatory redemption prior to maturity at a redemption price equal to the stated principal amount thereof plus interest accrued thereon to the redemption date, without premium. The Registrar shall select for redemption, by lot or other manner deemed fair, on February 1 in each of the following years the following stated principal amounts of such Bonds:

<u>Term Bonds Maturing February 1, 20____</u>	
<u>Year</u>	<u>Principal Amount</u>

The remaining \$_____ stated principal amount of such Bonds shall be paid at maturity on February 1, 20____.

<u>Term Bonds Maturing February 1, 20____</u>	
<u>Year</u>	<u>Principal Amount</u>

The remaining \$_____ stated principal amount of such Bonds shall be paid at maturity on February 1, 20____.

Notice of redemption shall be given as provided in the preceding paragraph.]

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the City at the principal office of the Registrar, by the registered owner hereof in person or by the owner's attorney duly authorized in writing upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or the owner's attorney, and may also be surrendered in

exchange for Bonds of other authorized denominations. Upon such transfer or exchange the City will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The Bonds have been designated by the City as “qualified tax-exempt obligations” pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986.

The City and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Registrar shall be affected by any notice to the contrary.

Notwithstanding any other provisions of this Bond, so long as this Bond is registered in the name of Cede & Co., as nominee of The Depository Trust Company, or in the name of any other nominee of The Depository Trust Company or other securities depository, the Registrar shall pay all principal of and interest on this Bond, and shall give all notices with respect to this Bond, only to Cede & Co. or other nominee in accordance with the operational arrangements of The Depository Trust Company or other securities depository as agreed to by the City.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the City in accordance with its terms, have been done, do exist, have happened and have been performed as so required; that, prior to the issuance hereof, a direct, annual, ad valorem tax has been duly levied upon all taxable property in the City for the years and in amounts not less than five percent in excess of sums sufficient to pay the interest hereon and the principal hereof as the same respectively become due; that additional taxes, if needed to meet the principal and interest requirements of the Bonds, shall be levied upon all such property without limitation as to rate or amount; and that the issuance of this Bond, together with all other indebtedness of the City outstanding on the date hereof and on the date of its actual issuance and delivery, does not cause the indebtedness of the City to exceed any constitutional or statutory limitation of indebtedness.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon shall have been executed by the Registrar by manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, the City of East Bethel, State of Minnesota, by its City Council, has caused this Bond to be executed on its behalf by the facsimile signatures of the Mayor and City Administrator.

Signature Guaranteed:

Signature(s) must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in STAMP or such other "signature guaranty program" as may be determined by the Registrar in addition to or in substitution for STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE:

[end of bond form]

SECTION 3. USE OF PROCEEDS. Upon payment for the Bonds by the Purchaser, the City Administrator shall deposit and apply proceeds of the Bonds in the amount of \$_____ to the sinking fund established for the Refunded Bonds to be applied to their redemption and prepayment on the Redemption Date in accordance with the provisions of the resolution authorizing their issuance and \$_____ to the Bond Fund described in Section 4 hereof.

SECTION 4. GENERAL OBLIGATION PUBLIC SAFETY REFUNDING BONDS, SERIES 2013A BOND FUND. So long as any of the Bonds are outstanding and any principal of or interest thereon unpaid, the City Administrator shall maintain a separate debt service fund on the official books and records of the City to be known as the General Obligation Public Safety Refunding Bonds, Series 2013A Bond Fund (the "Bond Fund"), and the principal of and interest on the Bonds shall be payable from the Bond Fund. The City irrevocably appropriates to the Bond Fund (a) ad valorem taxes levied and collected in accordance with the provisions of Section 5 hereof; and (b) all other moneys as shall be appropriated by the City Council to the Bond Fund from time to time.

There are hereby established two accounts in the Bond Fund, designated as the "Debt Service Account" and the "Surplus Account." There shall initially be deposited into the Debt Service Account upon the issuance of the Bonds the amount set forth in (a) above. Thereafter, during each Bond Year (i.e., each twelve month period commencing on February 2 and ending on the following February 1), as monies are received into the Bond Fund, the City Administrator shall first deposit such monies into the Debt Service Account until an amount has been appropriated thereto sufficient to pay all principal and interest due on the Bonds through the end of the Bond Year. All subsequent monies received in the Bond Fund during the Bond Year shall be appropriated to the Surplus Account. If at any time the amount on hand in the Debt Service Account is insufficient for the payment of principal and interest then due, the City Administrator shall transfer to the Debt Service Account amounts on hand in the Surplus Account to the extent necessary to cure such deficiency. Investment earnings (and losses) on amounts from time to

time held in the Debt Service Account and Surplus Account shall be credited or charged to said accounts.

If the aggregate balance in the Bond Fund is at any time insufficient to pay all interest and principal then due on all Bonds payable therefrom, the payment shall be made from any fund of the City which is available for that purpose, subject to reimbursement from the Surplus Account in the Bond Fund when the balance therein is sufficient, and the City Council covenants and agrees that it will each year levy a sufficient amount of ad valorem taxes to take care of any accumulated or anticipated deficiency, which levy is not subject to any constitutional or statutory limitation.

SECTION 5. PLEDGE OF TAXING POWERS. For the prompt and full payment of the principal of and interest on the Bonds as such payments respectively become due, the full faith, credit and unlimited taxing powers of the City shall be and are hereby irrevocably pledged. In order to produce aggregate amounts which, together with the collection of special assessments, will produce amounts not less than 5% in excess of the amounts needed to meet when due the principal and interest payments on the Refunding Bonds, ad valorem taxes are hereby levied on all taxable property in the City. The taxes will be levied and collected in the following years and amounts:

<u>Levy Years</u>	<u>Collection Years</u>	<u>Amount</u>
-------------------	-------------------------	---------------

See attached Levy Computation

SECTION 6. DEFEASANCE. When all of the Bonds have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the registered owners of the Bonds shall cease. The City may discharge its obligations with respect to any Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full; or, if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued from the due date to the date of such deposit. The City may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Registrar on or before that date an amount equal to the principal, interest and redemption premium, if any, which are then due, provided that notice of such redemption has been duly given as provided herein. The City may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank or trust company qualified by law as an escrow agent for this purpose, cash or securities which are authorized by law to be so deposited, bearing interest payable at such time and at such rates and maturing or callable at the holder's option on such dates as shall be required to pay all principal and interest to become due thereon to maturity or earlier designated redemption date, provided, however, that if such deposit is made more than ninety days before the maturity date or specified redemption date of the Bonds to be discharged, the City shall have received a written opinion of Bond Counsel to the effect that such deposit does not adversely affect the exemption of interest on any Bonds from federal income taxation and a written report of an accountant or investment banking firm verifying that the deposit is

sufficient to pay when due all of the principal and interest on the Bonds to be discharged on and before their maturity dates or earlier designated redemption date.

SECTION 7. CERTIFICATION OF PROCEEDINGS.

7.01. Registration of Bonds. The City Administrator is hereby authorized and directed to file a certified copy of this resolution with the County Auditor of Anoka County and obtain a certificate that the Bonds have been duly entered upon the Auditor's bond register.

7.02. Authentication of Transcript. The officers of the City and the County Auditor are hereby authorized and directed to prepare and furnish to the Purchaser and to Dorsey & Whitney LLP, Bond Counsel, certified copies of all proceedings and records relating to the Bonds and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of the Bonds, as the same appear from the books and records in their custody and control or as otherwise known to them, and all such certified copies, affidavits and certificates, including any heretofore furnished, shall be deemed representations of the City as to the correctness of all statements contained therein.

7.03. Official Statement. The Preliminary Official Statement relating to the Bonds prepared and distributed by Ehlers & Associates, Inc., the financial consultant for the City, is hereby approved. Ehlers & Associates, Inc. is hereby authorized on behalf of the City to prepare and distribute to the Purchaser within seven business days from the date hereof a final Official Statement listing the offering price, the interest rates, selling compensation, delivery date, the underwriters and such other information relating to the Bonds as is required to be included in the Official Statement by Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934. The officers of the City are hereby authorized and directed to execute such certificates as may be appropriate concerning the accuracy, completeness and sufficiency of the Official Statement.

SECTION 8. TAX COVENANTS; ARBITRAGE MATTERS AND CONTINUING DISCLOSURE.

8.01. General Tax Covenant. The City covenants and agrees with the registered owners of the Bonds that it will not take, or permit to be taken by any of its officers, employees or agents, any actions that would cause interest on the Bonds to become includable in gross income of the recipient under the Code and applicable Treasury Regulations (the "Regulations"), and covenants to take any and all actions within its powers to ensure that the interest on the Bonds will not become includable in gross income of the recipient under the Code and the Regulations. It is hereby certified that the proceeds of the Refunded Bonds were used to finance or refinance improvements to municipal facilities owned and operated by the City and the City covenants and agrees that, so long as the Bonds are outstanding, the City shall not enter into any lease, management agreement, use agreement or other contract with any nongovernmental entity relating to the school facilities so financed which would cause the Bonds to be considered "private activity bonds" or "private loan bonds" pursuant to Section 141 of the Code.

8.02. Arbitrage Certification. The Mayor and City Administrator being the officers of the City charged with the responsibility for issuing the Bonds pursuant to this resolution, are authorized and directed to execute and deliver to the Purchaser a certificate in accordance with Section 148 of the Code, and applicable Regulations, stating the facts, estimates and circumstances in existence on the date of issue and delivery of the Bonds which make it reasonable to expect that the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be “arbitrage bonds” within the meaning of the Code and Regulations.

8.03. Arbitrage Rebate. (a) It is hereby found that:

- (i) the aggregate face amount of the Bonds issued does not exceed \$5,000,000;
- (ii) the Refunded Bonds were issued as an issue which was treated as meeting the requirements of paragraph (2) and (3) of Code Section 148(f) by reason of Code Section 148(f)(4)(D);
- (iii) the average maturity date of the Bonds is not later than the average maturity date of the bonds to be refunded thereby;
- (iv) no Bond has a maturity date which is later than the date which is 30 years after the date the original bond refunded by such Bond was issued.

Therefore, pursuant to Section 148(f)(4)(D)(v) of the Code, the City shall not be required to comply with the arbitrage rebate requirements of paragraphs (2) and (3) of Section 148(f) of the Code.

(b) Notwithstanding the provisions of paragraph (a) of this Section 8.03, if the arbitrage rebate provisions of Section 148(f) of the Code apply to the Bonds, the City hereby covenants and agrees to make the determinations, retain records and rebate to the United States the amounts at the times and in the manner required by said Section 148(f) and applicable Regulations.

8.04. Qualified Tax-Exempt Obligations. The Council hereby designates the Bonds as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code relating to the disallowance of interest expense for financial institutions, and hereby finds that the reasonably anticipated amount of tax-exempt obligations which will be issued by the City and all subordinate entities during calendar year 2013 does not exceed \$10,000,000.

8.05. Continuing Disclosure. (a) Purpose and Beneficiaries. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit the Purchaser and other participating underwriters in the primary offering of the Bonds to comply with amendments to Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12), relating to continuing disclosure (as in effect and interpreted from time to time, the “Rule”), which will enhance the marketability of the Bonds, the City hereby makes the following covenants and agreements for the benefit of the Owners (as hereinafter defined) from time to time of the Outstanding Bonds. The City is the only obligated person in respect of the Bonds within the meaning of the Rule for purposes of

identifying the entities in respect of which continuing disclosure must be made. If the City fails to comply with any provisions of this section, any person aggrieved thereby, including the Owners of any Outstanding Bonds, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of any agreement or covenant contained in this section, including an action for a writ of mandamus or specific performance. Direct, indirect, consequential and punitive damages shall not be recoverable for any default hereunder to the extent permitted by law. Notwithstanding anything to the contrary contained herein, in no event shall a default under this section constitute a default under the Bonds or under any other provision of this resolution. As used in this section, Owner or Bondowner means, in respect of a Bond, the registered owner or owners thereof appearing in the bond register maintained by the Registrar or any Beneficial Owner (as hereinafter defined) thereof, if such Beneficial Owner provides to the Registrar evidence of such beneficial ownership in form and substance reasonably satisfactory to the Registrar. As used herein, Beneficial Owner means, in respect of a Bond, any person or entity which (i) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Bond (including persons or entities holding Bonds through nominees, depositories or other intermediaries), or (ii) is treated as the owner of the Bond for federal income tax purposes.

(b) Information To Be Disclosed. The City will provide, in the manner set forth in subsection (c) hereof, either directly or indirectly through an agent designated by the City, the following information at the following times:

- (1) on or before twelve (12) months after the end of each fiscal year of the City, commencing with the fiscal year ending December 31, 2013, the following financial information and operating data in respect of the City (the “Disclosure Information”):
 - (A) the audited financial statements of the City for such fiscal year, prepared in accordance with generally accepted accounting principles in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under Minnesota law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the City, noting the discrepancies therefrom and the effect thereof, and certified as to accuracy and completeness in all material respects by the fiscal officer of the City; and
 - (B) to the extent not included in the financial statements referred to in paragraph (A) hereof, the information for such fiscal year or for the period most recently available of the type contained in the Official Statement under headings: Current Property Valuations, Direct Debt, Tax Levies and Collections, Population Trend and Employment/Unemployment.

Notwithstanding the foregoing paragraph, if the audited financial statements are not available by the date specified, the City shall provide on or before such date unaudited financial statements in the format required for the audited financial statements as part of the Disclosure Information and, within 10 days after the receipt thereof, the City shall provide the audited financial statements. Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, which have been filed with the SEC or have been made available to the public on the Internet Web site of the Municipal Securities Rulemaking Board (“MSRB”). The City shall clearly identify in the Disclosure Information each document so incorporated by reference. If any part of the Disclosure Information can no longer be generated because the operations of the City have materially changed or been discontinued, such Disclosure Information need no longer be provided if the City includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other City operations in respect of which data is not included in the Disclosure Information and the City determines that certain specified data regarding such replacement operations would be a Material Fact (as defined in paragraph (2) hereof), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations. If the Disclosure Information is changed or this section is amended as permitted by this paragraph (b)(1) or subsection (d), then the City shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

- (2) In a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of any of the following events (each a “Material Fact”):
 - (A) Principal and interest payment delinquencies;
 - (B) Non-payment related defaults, if material;
 - (C) Unscheduled draws on debt service reserves reflecting financial difficulties;
 - (D) Unscheduled draws on credit enhancements reflecting financial difficulties;
 - (E) Substitution of credit or liquidity providers, or their failure to perform;
 - (F) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
 - (G) Modifications to rights of security holders, if material;
 - (H) Bond calls (other than scheduled mandatory redemptions), if material, and tender offers;
 - (I) Defeasances;
 - (J) Release, substitution, or sale of property securing repayment of the securities, if material;
 - (K) Rating changes;

- (L) Bankruptcy, insolvency, receivership or similar event of the obligated person;
- (M) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (N) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

As used herein, for those events that must be reported if material, an event is “material” if it is an event as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed hereunder or information generally available to the public. Notwithstanding the foregoing sentence, an event is also “material” if it is an event that would be deemed material for purposes of the purchase, holding or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

For the purposes of the event identified in (L) hereinabove, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

- (3) In a timely manner, notice of the occurrence of any of the following events or conditions:
 - (A) the failure of the City to provide the Disclosure Information required under paragraph (b)(1) at the time specified thereunder;
 - (B) the amendment or supplementing of this section pursuant to subsection (d), together with a copy of such amendment or supplement and any explanation provided by the City under subsection (d)(2);
 - (C) the termination of the obligations of the City under this section pursuant to subsection (d);
 - (D) any change in the accounting principles pursuant to which the financial statements constituting a portion of the Disclosure Information are prepared; and

(E) any change in the fiscal year of the City.

(c) Manner of Disclosure.

- (1) The City agrees to make available to the MSRB, in an electronic format as prescribed by the MSRB from time to time, the information described in subsection (b).
- (2) All documents provided to the MSRB pursuant to this subsection (c) shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(d) Term; Amendments; Interpretation.

- (1) The covenants of the City in this section shall remain in effect so long as any Bonds are Outstanding. Notwithstanding the preceding sentence, however, the obligations of the City under this section shall terminate and be without further effect as of any date on which the City delivers to the Registrar an opinion of Bond Counsel to the effect that, because of legislative action or final judicial or administrative actions or proceedings, the failure of the City to comply with the requirements of this section will not cause participating underwriters in the primary offering of the Bonds to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any statutes or laws successory thereto or amendatory thereof.
- (2) This section (and the form and requirements of the Disclosure Information) may be amended or supplemented by the City from time to time, without notice to (except as provided in paragraph (c)(3) hereof) or the consent of the Owners of any Bonds, by a resolution of this Council filed in the office of the recording officer of the City accompanied by an opinion of Bond Counsel, who may rely on certificates of the City and others and the opinion may be subject to customary qualifications, to the effect that: (i) such amendment or supplement (a) is made in connection with a change in circumstances that arises from a change in law or regulation or a change in the identity, nature or status of the City or the type of operations conducted by the City, or (b) is required by, or better complies with, the provisions of paragraph (b)(5) of the Rule; (ii) this section as so amended or supplemented would have complied with the requirements of paragraph (b)(5) of the Rule at the time of the primary offering of the Bonds, giving effect to any change in circumstances applicable under clause (i)(a) and assuming that the Rule as in effect and interpreted at the time of the amendment or supplement was in effect at the time of the primary offering; and (iii) such amendment or supplement does not materially impair the interests of the Bondowners under the Rule.

If the Disclosure Information is so amended, the City agrees to provide, contemporaneously with the effectiveness of such amendment, an explanation of the reasons for the amendment and the effect, if any, of the change in the type of financial information or operating data being provided hereunder.

(3) This section is entered into to comply with the continuing disclosure provisions of the Rule and should be construed so as to satisfy the requirements of paragraph (b)(5) of the Rule.

8.07. Effective Date. This resolution shall be in full force and effect from and after its passage.

SECTION 9. REFUNDED BONDS CALL. The City Administrator is hereby directed to advise U.S. Bank National Association, in St. Paul, Minnesota, as paying agent for the Refunded Bonds, to call the Refunded Bonds for redemption and prepayment on the Redemption Date using the form attached hereto, in accordance with the provisions of the respective resolutions authorizing issuance of the Refunded Bonds.

Upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon the resolution was declared duly passed and adopted.

COUNTY AUDITOR'S CERTIFICATE AS TO REGISTRATION AND TAX LEVY

The undersigned, being the duly qualified and acting County Auditor of Anoka County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on October 16, 2013, by the City Council of the City of East Bethel, Minnesota, setting forth the form and details of an issue of \$1,305,000 General Obligation Public Safety Refunding Bonds, Series 2013A, dated as of November 12, 2013, and levying taxes for the payment of the Bonds.

I further certify that the issue has been entered on my bond register and the tax levy has been filed as required by Minnesota Statutes, Sections 475.61 through 475.63.

WITNESS my hand officially this _____ day of _____, 2013.

Anoka County Auditor

(SEAL)

NOTICE OF REDEMPTION

\$1,900,000 General Obligation Public Safety Bonds, Series 2005A
Dated as of September 15, 2005
City of East Bethel, Minnesota

NOTICE IS HEREBY GIVEN THAT there have been called for redemption and prepayment on February 1, 2014, all outstanding Bonds of the above-referenced issue, dated, as originally issued, as of September 15, 2005, maturing February 1 in the following years and having the interest rates listed below:

<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>	<u>CUSIP No.</u>	<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>	<u>CUSIP No.</u>
2015*	\$ 85,000	3.70%	271074 DZ 6	2021*	\$115,000	4.05%	271074 EF 9
2016*	90,000	3.80	271074 EA 0	2022*	120,000	4.10	271074 EG 7
2017*	95,000	3.85	271074 EB 8	2023*	125,000	4.15	271074 EH 5
2018*	100,000	3.90	271074 EC 6	2024*	130,000	4.20	271074 EJ 1
2019*	105,000	3.95	271074 ED 4	2025*	135,000	4.25	271074 EK 8
2020*	105,000	4.00	271074 EE 2	2026*	140,000	4.30	271074 EL 6

*Indicates full call.

The Bonds will be redeemed at a price of 100% of their principal amount plus accrued interest to the date of redemption. Holders of the Bonds should present them for payment to U.S. Bank National Association, St. Paul, Minnesota, on or before said date, when they will cease to bear interest, in the following manner:

If by Mail:

U.S. Bank National Association
Corporate Trust Operations, 3rd Floor
P.O. Box 64111
St. Paul, MN 55164-0111

If by Hand or Overnight Mail:

U.S. Bank National Association
60 Livingston Avenue
EP-MN-WS3C
Bond Drop Window, 1st Floor
St. Paul, MN 55107

In compliance with the Interest and Dividend Compliance Act of 1983 and Broker Reporting Requirements, the redeeming institutions are required to withhold 31% of the principal amount of your holdings redeemed unless they are provided with your social security number or federal employer identification number, properly certified. This requirement is fulfilled by submitting a W-9 Form, which may be obtained at a bank or other financial institution.

Additional information may be obtained from the undersigned.

Dated: _____, 2013.

U.S. BANK NATIONAL ASSOCIATION



City of East Bethel City Council Agenda Information

Date:

October 16, 2013

Agenda Item Number:

Item 4.0 C

Agenda Item:

Monthly Sheriff's Report

Requested Action:

Information Only

Background Information:

Sgt John Pliz will review the monthly statistics and report on activities for the month of September, 2013.

Fiscal Impact:

None

Recommendation(s):

Information Only

City Council Action

Motion by: _____

Second by: _____

Vote Yes: _____

Vote No: _____

No Action Required: X



City of East Bethel City Council Agenda Information

Date:

October 16, 2013

Agenda Item Number:

Item 4.0 D

Agenda Item:

Public Hearing for the Proposed Assessment for the Municipal Utilities Project

Requested Action:

Conduct the Public Hearing for the Proposed Assessment Roll for the Municipal Utilities Project

Background Information:

On September 20, 2010 property owners within the area served by the Municipal Utilities Project (MUP) were notified as part of the 429 Assessment Process of a Public Hearing regarding the improvements to be provided as part of this project. This Public Hearing for a proposed assessment and costs for the project was held on October 6, 2010. At that Public Hearing, a \$8,000 per ERU assessment was presented. The final assessment per ERU is \$7,704.

On September 26, 2013 a Notice of Hearing on the Proposed Assessment was mailed to each property owner. A copy of the notices is attached for your reference as Attachment 2. The assessment roll for the completed project was prepared based on the project cost of \$1,104,030.83 for those properties served on Buchanan and Ulysses Street. Two parcels on the roll, the City Water Treatment Plant and the MCES Wastewater Reclamation Plant receive no lateral benefits and their assessments are essentially non-recoverable. They are listed on the roll to maintain consistency with the properties that were identified in the BMI Feasibility Report. The City property was subject to a one unit SAC charge from the MCES.

In the notification letters that were sent to the property owners last month for this Public Hearing, the maximum assessment was provided and it was noted that these costs could be subject to modification. The assessment values are based on ERU's and one ERU is equal to \$7,704 in assessment costs. ERU's in this instance have nothing to do with SAC or WAC fees. They are simply a value to determine assessment costs. This value basis has been the one recommended in the BMI Feasibility Study and referenced in all our calculations of costs for the discussion of this project. The City Attorney has verified that this is an acceptable means of assessing costs.

As part of the preparation of the assessment roll, equal values were assigned to all vacant commercial properties. The value used for the assessment for vacant properties was 3 ERU's per acre for all vacant commercial property. This assignment could be reduced to 1 ERU per acre as the valuation basis for the assessment should Council desire. The assessments as indicated in the notification letters were for a term of 20 years at a 5.5% interest rate.

The final assignment of costs, terms and interest can be reduced to whatever Council deems appropriate. We will be sending several different options to you should you consider modification to the maximum assessment. The key question in this process is how much is Council seeking in terms of assessments to apply to the project costs and what impact will the assessments have on the existing businesses and the marketability of the undeveloped property in this area.

These assessments need to be approved and submitted to Anoka County by November 15, 2013 to be included on the pay 2014 tax statements.

Attachments

- Attachment 1- Sample Assessment Letter
- Attachment 2-Sample Public Hearing Notification Letter
- Attachment 3- Assessment Roll

Fiscal Impact:

The maximum assessable amount for the 24 individual parcels in this area is \$1,104,030. The assessments range from \$7,704 to \$207,555 under the maximum assessable scenario. If the maximum assessment were adopted, approximately \$90,000 would be available annually over the next 20 years for application to the 2010 A & B Bond payments.

Recommendation(s):

Staff recommends that Council approve and adopt an assessment roll appropriate to balance the City/property owners interests.

City Council Action

Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required:_____

Sample Assessment Letter

September 20, 2010

██████████
██████████
██████████
East Bethel, MN 55011

Property PID# ██████████ Property Address: ██████████

NOTICE OF PUBLIC HEARING

Notice is hereby given that the City Council of the City of East Bethel (the "City") will hold a public hearing on Wednesday, October 6, 2010, at or after 7:30 p.m., at City Hall, 2241 221st Avenue NE in the City, regarding the City's Phase I Project 1 Utility Infrastructure Improvements which consists of the following improvements (collectively referred to as the "Improvements"):

1. Municipal sanitary sewer and water system improvements for the Phase I Project 1 Utility Infrastructure project.

The project area is located along the west side of TH 65 from approximately 185th Avenue to Viking Boulevard, and along Viking Boulevard from TH 65 west approximately ½ mile.

The estimated cost of the Improvements is \$16,298,722. The estimated amount of the project costs to be assessed is \$1,184,000. The estimated total assessment proposed to be levied on the parcel identified above is \$32,000. The estimated annual installment of principal and interest to pay the assessment is \$2,678 per year for a twenty (20) year period.

Such persons as desire to be heard with reference to the Improvements will be heard at this public hearing.

BY ORDER OF THE CITY COUNCIL OF THE
CITY OF EAST BETHEL

Wendy Warren
Deputy City Clerk

STATE OF MINNESOTA)
) ss.
COUNTY OF ANOKA)

**AFFIDAVIT OF SERVICE
BY MAIL**

Wendy Warren, being first duly sworn upon oath, deposes and says: that at the City of East Bethel, County and State aforementioned, on the 26th day of September, 2013, at Anoka, Minnesota, she served the attached **Notice of Public Hearing** by depositing the same in the United States Mail, at said City, true and correct copies thereof, properly enveloped, with first class postage prepaid and addressed to the following person:

See attached.



Wendy Warren

Subscribed and sworn to before me
this 1st day of October, ~~2010~~
2013



Notary Public



Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

Heartland Land Developers, LLC:

Property PID# 323323230010 Property Address: 18530 BUCHANAN ST. NE

Notice is hereby given that the East Bethel City Council will meet at **7:30 p.m.** on **October 16, 2013** at **East Bethel City Hall in Council Chambers** to consider, and possibly adopt, the proposed assessment for the Municipal Utility Project. The area to be served by these public improvements is bounded on the south by 181st Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. Adoption by the Council of the proposed assessment may occur at the hearing.

The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$23,113.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the County Auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of East Bethel. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of East Bethel the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 5.5 percent per year.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed assessment is up to \$1,104,030. Written or oral objections will be considered at the meeting. No appeal to District Court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the City Clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

An owner may appeal an assessment to District Court pursuant to Minn. Stat. § 429.081 by serving notice of the appeal upon the Mayor or Clerk of the city within 30 days after the adoption of the assessment and filing such notice with the District Court within ten days after service upon the Mayor or Clerk.



City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

Metropolitan Council:

Property PID# 323323320003 Property Address: Not Available

Notice is hereby given that the East Bethel City Council will meet at **7:30 p.m.** on **October 16, 2013** at **East Bethel City Hall in Council Chambers** to consider, and possibly adopt, the proposed assessment for the Municipal Utility Project. The area to be served by these public improvements is bounded on the south by 181st Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. Adoption by the Council of the proposed assessment may occur at the hearing.

The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$15,409.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the County Auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of East Bethel. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of East Bethel the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 5.5 percent per year.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed assessment is up to \$1,104,030. Written or oral objections will be considered at the meeting. No appeal to District Court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the City Clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

An owner may appeal an assessment to District Court pursuant to Minn. Stat. § 429.081 by serving notice of the appeal upon the Mayor or Clerk of the city within 30 days after the adoption of the assessment and filing such notice with the District Court within ten days after service upon the Mayor or Clerk.



City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

JP Investments, LLC:

Property PID# 323323240006 **Property Address:** 18533 BUCHANAN ST. NE

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The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$15,409.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the County Auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of East Bethel. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of East Bethel the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 5.5 percent per year.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed assessment is up to \$1,104,030. Written or oral objections will be considered at the meeting. No appeal to District Court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the City Clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

An owner may appeal an assessment to District Court pursuant to Minn. Stat. § 429.081 by serving notice of the appeal upon the Mayor or Clerk of the city within 30 days after the adoption of the assessment and filing such notice with the District Court within ten days after service upon the Mayor or Clerk.



City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

Truck Body Specialists, LLC:

Property PID# 323323240005 Property Address: 18581 BUCHANAN ST. NE

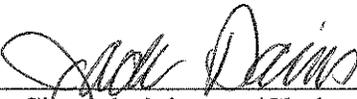
Notice is hereby given that the East Bethel City Council will meet at **7:30 p.m.** on **October 16, 2013** at **East Bethel City Hall in Council Chambers** to consider, and possibly adopt, the proposed assessment for the Municipal Utility Project. The area to be served by these public improvements is bounded on the south by 181st Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. Adoption by the Council of the proposed assessment may occur at the hearing.

The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$15,409.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the County Auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of East Bethel. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of East Bethel the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 5.5 percent per year.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed assessment is up to \$1,104,030. Written or oral objections will be considered at the meeting. No appeal to District Court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the City Clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

An owner may appeal an assessment to District Court pursuant to Minn. Stat. § 429.081 by serving notice of the appeal upon the Mayor or Clerk of the city within 30 days after the adoption of the assessment and filing such notice with the District Court within ten days after service upon the Mayor or Clerk.



City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

Northbound Woodworks, LLC:

Property PID# 323323240004 Property Address: 18627 BUCHANAN ST. NE

Notice is hereby given that the East Bethel City Council will meet at **7:30 p.m.** on **October 16, 2013** at **East Bethel City Hall in Council Chambers** to consider, and possibly adopt, the proposed assessment for the Municipal Utility Project. The area to be served by these public improvements is bounded on the south by 181st Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. Adoption by the Council of the proposed assessment may occur at the hearing.

The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$30,817.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the County Auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of East Bethel. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of East Bethel the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 5.5 percent per year.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed assessment is up to \$1,104,030. Written or oral objections will be considered at the meeting. No appeal to District Court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the City Clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

An owner may appeal an assessment to District Court pursuant to Minn. Stat. § 429.081 by serving notice of the appeal upon the Mayor or Clerk of the city within 30 days after the adoption of the assessment and filing such notice with the District Court within ten days after service upon the Mayor or Clerk.



City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

JSN Properties LLC:

Property PID# 323323240003 Property Address: 18651 BUCHANAN ST. NE

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The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$15,409.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the County Auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of East Bethel. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of East Bethel the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 5.5 percent per year.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed assessment is up to \$1,104,030. Written or oral objections will be considered at the meeting. No appeal to District Court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the City Clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

An owner may appeal an assessment to District Court pursuant to Minn. Stat. § 429.081 by serving notice of the appeal upon the Mayor or Clerk of the city within 30 days after the adoption of the assessment and filing such notice with the District Court within ten days after service upon the Mayor or Clerk.



City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

AHI Investments, LLC:

Property PID# 323323210013 **Property Address:** 18800 ULYSSES ST. NE

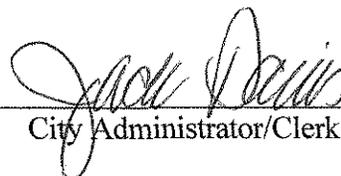
Notice is hereby given that the East Bethel City Council will meet at **7:30 p.m. on October 16, 2013 at East Bethel City Hall in Council Chambers** to consider, and possibly adopt, the proposed assessment for the Municipal Utility Project. The area to be served by these public improvements is bounded on the south by 181st Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. Adoption by the Council of the proposed assessment may occur at the hearing.

The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$123,269.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the County Auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of East Bethel. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of East Bethel the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 5.5 percent per year.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed assessment is up to \$1,104,030. Written or oral objections will be considered at the meeting. No appeal to District Court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the City Clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

An owner may appeal an assessment to District Court pursuant to Minn. Stat. § 429.081 by serving notice of the appeal upon the Mayor or Clerk of the city within 30 days after the adoption of the assessment and filing such notice with the District Court within ten days after service upon the Mayor or Clerk.



City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

Rickey Properties LLC:

Property PID# 323323210003 Property Address: 18689 BUCHANAN ST. NE

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The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$15,409.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the County Auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of East Bethel. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of East Bethel the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 5.5 percent per year.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed assessment is up to \$1,104,030. Written or oral objections will be considered at the meeting. No appeal to District Court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the City Clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

An owner may appeal an assessment to District Court pursuant to Minn. Stat. § 429.081 by serving notice of the appeal upon the Mayor or Clerk of the city within 30 days after the adoption of the assessment and filing such notice with the District Court within ten days after service upon the Mayor or Clerk.



City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

Debbie Landwehr:

Property PID# 323323210004 **Property Address:** Not Available

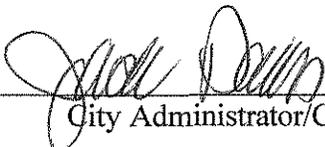
Notice is hereby given that the East Bethel City Council will meet at **7:30 p.m.** on **October 16, 2013** at **East Bethel City Hall in Council Chambers** to consider, and possibly adopt, the proposed assessment for the Municipal Utility Project. The area to be served by these public improvements is bounded on the south by 181st Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. Adoption by the Council of the proposed assessment may occur at the hearing.

The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$49,000.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the County Auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of East Bethel. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of East Bethel the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 5.5 percent per year.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed assessment is up to \$1,104,030. Written or oral objections will be considered at the meeting. No appeal to District Court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the City Clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

An owner may appeal an assessment to District Court pursuant to Minn. Stat. § 429.081 by serving notice of the appeal upon the Mayor or Clerk of the city within 30 days after the adoption of the assessment and filing such notice with the District Court within ten days after service upon the Mayor or Clerk.



City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

Mueller Property of East Bethel, LLC:

Property PID# 323323240011 **Property Address:** Not Available

Notice is hereby given that the East Bethel City Council will meet at **7:30 p.m.** on **October 16, 2013** at **East Bethel City Hall in Council Chambers** to consider, and possibly adopt, the proposed assessment for the Municipal Utility Project. The area to be served by these public improvements is bounded on the south by 181st Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. Adoption by the Council of the proposed assessment may occur at the hearing.

The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$46,688.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the County Auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of East Bethel. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of East Bethel the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 5.5 percent per year.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed assessment is up to \$1,104,030. Written or oral objections will be considered at the meeting. No appeal to District Court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the City Clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

An owner may appeal an assessment to District Court pursuant to Minn. Stat. § 429.081 by serving notice of the appeal upon the Mayor or Clerk of the city within 30 days after the adoption of the assessment and filing such notice with the District Court within ten days after service upon the Mayor or Clerk.



City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

Mueller Property of East Bethel, LLC:

Property PID# 323323240010 Property Address: Not Available

Notice is hereby given that the East Bethel City Council will meet at **7:30 p.m.** on **October 16, 2013** at **East Bethel City Hall in Council Chambers** to consider, and possibly adopt, the proposed assessment for the Municipal Utility Project. The area to be served by these public improvements is bounded on the south by 181st Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. Adoption by the Council of the proposed assessment may occur at the hearing.

The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$46,919.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the County Auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of East Bethel. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of East Bethel the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 5.5 percent per year.

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City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

Mark & Debbie Landwehr:

Property PID# 323323240009 **Property Address:** 18600 ULYSSES ST. NE

Notice is hereby given that the East Bethel City Council will meet at **7:30 p.m.** on **October 16, 2013** at **East Bethel City Hall in Council Chambers** to consider, and possibly adopt, the proposed assessment for the Municipal Utility Project. The area to be served by these public improvements is bounded on the south by 181st Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. Adoption by the Council of the proposed assessment may occur at the hearing.

The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$7,704.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the County Auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of East Bethel. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of East Bethel the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 5.5 percent per year.

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City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

Classic Holdings LLC:

Property PID# 323323240008 **Property Address:** 18542 ULYSSES ST. NE

Notice is hereby given that the East Bethel City Council will meet at **7:30 p.m.** on **October 16, 2013** at **East Bethel City Hall in Council Chambers** to consider, and possibly adopt, the proposed assessment for the Municipal Utility Project. The area to be served by these public improvements is bounded on the south by 181st Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. Adoption by the Council of the proposed assessment may occur at the hearing.

The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$15,409.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the County Auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of East Bethel. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of East Bethel the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 5.5 percent per year.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed assessment is up to \$1,104,030. Written or oral objections will be considered at the meeting. No appeal to District Court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the City Clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

An owner may appeal an assessment to District Court pursuant to Minn. Stat. § 429.081 by serving notice of the appeal upon the Mayor or Clerk of the city within 30 days after the adoption of the assessment and filing such notice with the District Court within ten days after service upon the Mayor or Clerk.



City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

David Ebertowski:

Property PID# 323323240007 Property Address: 18530 ULYSSES ST. NE

Notice is hereby given that the East Bethel City Council will meet at **7:30 p.m.** on **October 16, 2013** at **East Bethel City Hall in Council Chambers** to consider, and possibly adopt, the proposed assessment for the Municipal Utility Project. The area to be served by these public improvements is bounded on the south by 181st Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. Adoption by the Council of the proposed assessment may occur at the hearing.

The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$38,522.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the County Auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of East Bethel. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of East Bethel the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 5.5 percent per year.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed assessment is up to \$1,104,030. Written or oral objections will be considered at the meeting. No appeal to District Court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the City Clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

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City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

Muller Property of East Bethel, LLC:

Property PID# 323323240016 **Property Address:** Not Available

Notice is hereby given that the East Bethel City Council will meet at **7:30 p.m.** on **October 16, 2013** at **East Bethel City Hall in Council Chambers** to consider, and possibly adopt, the proposed assessment for the Municipal Utility Project. The area to be served by these public improvements is bounded on the south by 181st Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. Adoption by the Council of the proposed assessment may occur at the hearing.

The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$50,617.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the County Auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of East Bethel. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of East Bethel the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 5.5 percent per year.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed assessment is up to \$1,104,030. Written or oral objections will be considered at the meeting. No appeal to District Court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the City Clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

An owner may appeal an assessment to District Court pursuant to Minn. Stat. § 429.081 by serving notice of the appeal upon the Mayor or Clerk of the city within 30 days after the adoption of the assessment and filing such notice with the District Court within ten days after service upon the Mayor or Clerk.



City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

Muller Property of East Bethel, LLC:

Property PID# 323323240015 **Property Address:** Not Available

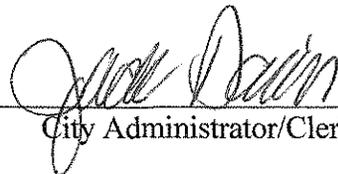
Notice is hereby given that the East Bethel City Council will meet at **7:30 p.m.** on **October 16, 2013** at **East Bethel City Hall in Council Chambers** to consider, and possibly adopt, the proposed assessment for the Municipal Utility Project. The area to be served by these public improvements is bounded on the south by 181st Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. Adoption by the Council of the proposed assessment may occur at the hearing.

The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$50,155.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the County Auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of East Bethel. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of East Bethel the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 5.5 percent per year.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed assessment is up to \$1,104,030. Written or oral objections will be considered at the meeting. No appeal to District Court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the City Clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

An owner may appeal an assessment to District Court pursuant to Minn. Stat. § 429.081 by serving notice of the appeal upon the Mayor or Clerk of the city within 30 days after the adoption of the assessment and filing such notice with the District Court within ten days after service upon the Mayor or Clerk.



City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

Muller Property of East Bethel, LLC:

Property PID# 323323240014 **Property Address:** Not Available

Notice is hereby given that the East Bethel City Council will meet at **7:30 p.m.** on **October 16, 2013** at **East Bethel City Hall in Council Chambers** to consider, and possibly adopt, the proposed assessment for the Municipal Utility Project. The area to be served by these public improvements is bounded on the south by 181st Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. Adoption by the Council of the proposed assessment may occur at the hearing.

The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$50,155.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the County Auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of East Bethel. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of East Bethel the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 5.5 percent per year.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed assessment is up to \$1,104,030. Written or oral objections will be considered at the meeting. No appeal to District Court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the City Clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

An owner may appeal an assessment to District Court pursuant to Minn. Stat. § 429.081 by serving notice of the appeal upon the Mayor or Clerk of the city within 30 days after the adoption of the assessment and filing such notice with the District Court within ten days after service upon the Mayor or Clerk.



City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

Muller Property of East Bethel, LLC:

Property PID# 323323240017 Property Address: 18635 ULYSSES ST. NE

Notice is hereby given that the East Bethel City Council will meet at **7:30 p.m.** on **October 16, 2013** at **East Bethel City Hall in Council Chambers** to consider, and possibly adopt, the proposed assessment for the Municipal Utility Project. The area to be served by these public improvements is bounded on the south by 181st Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. Adoption by the Council of the proposed assessment may occur at the hearing.

The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$130,974.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the County Auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of East Bethel. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of East Bethel the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 5.5 percent per year.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed assessment is up to \$1,104,030. Written or oral objections will be considered at the meeting. No appeal to District Court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the City Clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

An owner may appeal an assessment to District Court pursuant to Minn. Stat. § 429.081 by serving notice of the appeal upon the Mayor or Clerk of the city within 30 days after the adoption of the assessment and filing such notice with the District Court within ten days after service upon the Mayor or Clerk.



City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

Muller Property of East Bethel, LLC:

Property PID# 323323210005 **Property Address:** Not Available

Notice is hereby given that the East Bethel City Council will meet at **7:30 p.m.** on **October 16, 2013** at **East Bethel City Hall in Council Chambers** to consider, and possibly adopt, the proposed assessment for the Municipal Utility Project. The area to be served by these public improvements is bounded on the south by 181st Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. Adoption by the Council of the proposed assessment may occur at the hearing.

The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$0.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the County Auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of East Bethel. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of East Bethel the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 5.5 percent per year.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed assessment is up to \$1,104,030. Written or oral objections will be considered at the meeting. No appeal to District Court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the City Clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

An owner may appeal an assessment to District Court pursuant to Minn. Stat. § 429.081 by serving notice of the appeal upon the Mayor or Clerk of the city within 30 days after the adoption of the assessment and filing such notice with the District Court within ten days after service upon the Mayor or Clerk.



City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

River Country Cooperative:

Property PID# 323323210006 Property Address: 1341 187TH LANE NE

Notice is hereby given that the East Bethel City Council will meet at **7:30 p.m.** on **October 16, 2013** at **East Bethel City Hall in Council Chambers** to consider, and possibly adopt, the proposed assessment for the Municipal Utility Project. The area to be served by these public improvements is bounded on the south by 181st Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. Adoption by the Council of the proposed assessment may occur at the hearing.

The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$15,409.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the County Auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of East Bethel. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of East Bethel the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 5.5 percent per year.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed assessment is up to \$1,104,030. Written or oral objections will be considered at the meeting. No appeal to District Court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the City Clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

An owner may appeal an assessment to District Court pursuant to Minn. Stat. § 429.081 by serving notice of the appeal upon the Mayor or Clerk of the city within 30 days after the adoption of the assessment and filing such notice with the District Court within ten days after service upon the Mayor or Clerk.



City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

Village Bank:

Property PID# 323323210011 Property Address: 18765 ULYSSES ST. NE

Notice is hereby given that the East Bethel City Council will meet at **7:30 p.m.** on **October 16, 2013** at **East Bethel City Hall in Council Chambers** to consider, and possibly adopt, the proposed assessment for the Municipal Utility Project. The area to be served by these public improvements is bounded on the south by 181st Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. Adoption by the Council of the proposed assessment may occur at the hearing.

The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$30,817.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

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The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed assessment is up to \$1,104,030. Written or oral objections will be considered at the meeting. No appeal to District Court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the City Clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

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City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

CD Properties North, LLC:

Property PID# 323323210012 Property Address: Not Assigned

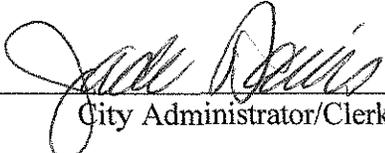
Notice is hereby given that the East Bethel City Council will meet at **7:30 p.m.** on **October 16, 2013** at **East Bethel City Hall in Council Chambers** to consider, and possibly adopt, the proposed assessment for the Municipal Utility Project. The area to be served by these public improvements is bounded on the south by 181st Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. Adoption by the Council of the proposed assessment may occur at the hearing.

The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$102,159.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

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The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed assessment is up to \$1,104,030. Written or oral objections will be considered at the meeting. No appeal to District Court may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the City Clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

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City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

City of East Bethel:

Property PID# 293323230005 **Property Address:** 19458 TAYLOR ST. NE

Notice is hereby given that the East Bethel City Council will meet at **7:30 p.m.** on **October 16, 2013** at **East Bethel City Hall in Council Chambers** to consider, and possibly adopt, the proposed assessment for the Municipal Utility Project. The area to be served by these public improvements is bounded on the south by 181st Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. Adoption by the Council of the proposed assessment may occur at the hearing.

The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$7,704.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

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City Administrator/Clerk

Notice of Hearing on Proposed Assessment

East Bethel, Minnesota, September 26, 2013

CD Properties North, LLC:

Property PID# 323323210014 **Property Address:** Not Available

Notice is hereby given that the East Bethel City Council will meet at **7:30 p.m.** on **October 16, 2013** at **East Bethel City Hall in Council Chambers** to consider, and possibly adopt, the proposed assessment for the Municipal Utility Project. The area to be served by these public improvements is bounded on the south by 181st Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. Adoption by the Council of the proposed assessment may occur at the hearing.

The amount to be specially assessed against your particular lot, piece, or parcel of land is up to \$207,555.00. Such assessment is proposed to be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2014, and will bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

You may at any time prior to certification of the assessment to the County Auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of East Bethel. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City of East Bethel the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 5.5 percent per year.

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City Administrator/Clerk

CD Properties North LLC
18542 Ulysses St. NE
East Bethel, MN 55011

Village Bank
9298 Central Avenue NE
Blaine, MN 55434

River Country Cooperative
425 Clinton Avenue South
Saint Paul, MN 55075

Muller Property of East Bethel, LLC
4940 54th St. NW
Maple Lake, MN 55358

David Ebertowski
18530 Ulysses St. NE
East Bethel, MN 55011

Classic Holdings, LLC
2221 Fawn Lake Drive NE
Bethel, MN 55005

Mark & Debbie Landwehr
72 170th Ave. NW
Andover, MN 55304

Debbie Landwehr
72 170th Ave. NW
Andover, MN 55304

AHI Investments, Inc.
PO Box 187
Cedar, MN 55011

CD Properties North LLC
18542 Ulysses St. NE
East Bethel, MN 55011

Rickey Properties LLC
18689 Buchanan St. NE
East Bethel, MN 55011

JSN Properties, LLC
18651 Buchanan Street NE
East Bethel, MN 55011

Northbound Woodworks, LLC
22491 Linnet St. NW
Bethel, MN 55005

Truck Body Specialists, LLC
18581 Buchanan St. NE
East Bethel, MN 55011

JP Investments, LLC
18533 Buchanan St. NE
East Bethel, MN 55011

Metropolitan Council
390 Robert Street North
St. Paul, MN 55101

Heartland Land Developers, LLC
3844 149th Avenue NE
Ham Lake, MN 55304

**City of East Bethel
Proposed Assessment Roll
Municipal Utility Project**

Proposed Maximum Assessment Roll
City of East Bethel, Proposed Maximum Assessment Roll-Municipal Utilities Project

OWNER	OWNER ADDRESS	PROPERTY ADDRESS	PROPERTY DESCRIPTION	ERU	TOTAL LATERAL BENEFIT ASSESSMENT
CITY OF EAST BETHEL	2241 221ST AVE NE EAST BETHEL, MN 55011	19458 Taylor St NE	WTF Site	1	\$7,704
CD PROPERTIES NORTH LLC	18542 ULYSSES ST NE EAST BETHEL MN 55011		Vacant Commercial	13	\$102,159
VILLAGE BANK	9298 CENTRAL AVE NE BLAINE, MN 55434	18765 NE ULYSSES ST	Bank	4	\$30,817
RIVER COUNTRY COOPERATIVE	425 CLINTON AVE SOUTH SAINT PAUL, MN 55075	1341 187TH LN NE	Gas Station/Car Wash	2	\$15,409
MULLER PROP OF E BETHEL LLC	4940 54TH ST NW MAPLE LAKE, MN 55358		Parking Lot	0	\$0
MULLER PROP OF E BETHEL LLC	4940 54TH ST NW MAPLE LAKE, MN 55358	18635 ULYSSES ST NE	Theater	17	\$130,974
MULLER PROP OF E BETHEL LLC	4940 54TH ST NW MAPLE LAKE, MN 55358		Vacant Commercial	7	\$50,155
MULLER PROP OF E BETHEL LLC	4940 54TH ST NW MAPLE LAKE, MN 55358		Vacant Commercial	7	\$50,155
MULLER PROP OF E BETHEL LLC	4940 54TH ST NW MAPLE LAKE, MN 55358		Vacant Commercial	7	\$50,617
EBERTOWSKI DAVID	18530 ULYSSES ST NE EAST BETHEL, MN 55011	18530 ULYSSES ST NE	Tour Bus Commercial	5	\$38,522
CLASSIC HOLDINGS LLC	2221 FAWN LAKE DR NE BETHEL, MN 55005	18542 ULYSSES ST NE	Contractor Shop	2	\$15,409
LANDWEHR MARK & DEBBIE	72 170TH AVE NW ANDOVER, MN 55304	18600 ULYSSES ST NE	Office/Warehouse	1	\$7,704
MULLER PROP OF E BETHEL LLC	4940 54TH ST NW MAPLE LAKE, MN 55358		Vacant Commercial	6	\$46,919
MULLER PROP OF E BETHEL LLC	4940 54TH ST NW MAPLE LAKE, MN 55358		Vacant Commercial	6	\$46,688
LANDWEHR DEBBIE	72 170TH AVE NW ANDOVER, MN 55304		Vacant Commercial	6	\$49,000
AHI Investments LLC	PO Box 187 Cedar, MN 55011	18800 Ulyssess ST NE	Manufacturing	16	\$123,269
CD PROPERTIES NORTH LLC	18542 ULYSSES ST NE EAST BETHEL MN 55011		Vacant Commercial	27	\$207,555
RICKEY PROPERTIES LLC	18689 NE BUCHANAN STREET EAST BETHEL, MN 55011	18689 BUCHANAN ST NE	Vehicle Body/Service	2	\$15,409
JSN Properties, LLC	18651 BUCHANAN ST NE EAST BETHEL, MN 55011	18651 BUCHANAN ST NE	Contractor Shop	2	\$15,409
NORTH BOUND WOODWORKS LLC	22491 LINNET ST NW BETHEL, MN 55005	18627 BUCHANAN ST NE	Wood Working Shop	4	\$30,817
TRUCK BODY SPECIALISTS LLC	18581 BUCHANAN ST EAST BETHEL, MN 55011	18581 BUCHANAN ST NE	Vehicle Body/Service	2	\$15,409
JP INVESTMENTS LLC	18533 BUCHANAN ST NE EAST BETHEL, MN 55011	18533 BUCHANAN ST NE	Contractor Shop	2	\$15,409
METROPOLITAN COUNCIL	390 N ROBERT ST ST PAUL, MN 55101	PENDING	WWRF Site	2	\$15,409
HEARTLAND LAND DEVELOPERS, LLC	3844 149TH AVENUE NE HAM LAKE MN 55304	18530 BUCHANAN ST NE	Truck Shop	3	\$23,113

\$1,104,030.49

	Water Assessment	Sewer Assessment
Assessment	\$1,527 / ERU	\$6,178 / ERU

Total Projected Sewer Lateral Project Cost	\$908,116.07
Total Sewer Lateral ERU	143
Projected Lateral Sewer Assessment / ERU	\$6,177.66
Total Projected Sewer Lateral Benefit Assessment	\$885,258.68
Total Projected Water Lateral Project Cost	\$227,474.54
Total Water Lateral ERU	143
Projected Lateral Sewer Assessment / ERU	\$1,526.67
Total Projected Water Lateral Benefit Assessment	\$218,771.81
Scenario 1: 3 ERUs / Acre on Vacant Lots	3

Scenario 2

LATERAL BENEFIT ASSESSMENT

(A/P)20YR: 0.083679

OWNER	OWNER ADDRESS	PROPERTY ADDRESS	PROPERTY DESCRIPTION	ERU	TOTAL LATERAL BENEFIT ASSESSMENT
CITY OF EAST BETHEL	2241 221ST AVE NE EAST BETHEL, MN 55011	19458 Taylor St NE	WTF Site	1	\$7,704
CD PROPERTIES NORTH LLC	18542 Ulysses St Ne		Vacant Commercial	4	\$34,053
VILLAGE BANK	9298 CENTRAL AVE NE BLAINE, MN 55434	18765 NE ULYSSES ST	Bank	4	\$30,817
RIVER COUNTRY COOPERATIVE	425 CLINTON AVE SOUTH SAINT PAUL, MN 55075	1341 187TH LN NE	Gas Station/Car Wash	2	\$15,409
MULLER PROP OF E BETHEL LLC	4940 54TH ST NW MAPLE LAKE, MN 55358		Parking Lot	0	\$0
MULLER PROP OF E BETHEL LLC	4940 54TH ST NW MAPLE LAKE, MN 55358	18635 ULYSSES ST NE	Theater	17	\$130,974
MULLER PROP OF E BETHEL LLC	4940 54TH ST NW MAPLE LAKE, MN 55358		Vacant Commercial	2	\$16,718
MULLER PROP OF E BETHEL LLC	4940 54TH ST NW MAPLE LAKE, MN 55358		Vacant Commercial	2	\$16,718
MULLER PROP OF E BETHEL LLC	4940 54TH ST NW MAPLE LAKE, MN 55358		Vacant Commercial	2	\$16,872
EBERTOWSKI DAVID	18530 ULYSSES ST NE EAST BETHEL, MN 55011	18530 ULYSSES ST NE	Tour Bus Commercial	5	\$38,522
CLASSIC HOLDINGS LLC	2221 FAWN LAKE DR NE BETHEL, MN 55005	18542 ULYSSES ST NE	Contractor Shop	2	\$15,409
LANDWEHR MARK & DEBBIE	72 170TH AVE NW ANDOVER, MN 55304	18600 ULYSSES ST NE	Office/Warehouse	1	\$7,704
MULLER PROP OF E BETHEL LLC	4940 54TH ST NW MAPLE LAKE, MN 55358		Vacant Commercial	2	\$15,640
MULLER PROP OF E BETHEL LLC	4940 54TH ST NW MAPLE LAKE, MN 55358		Vacant Commercial	2	\$15,563
LANDWEHR DEBBIE	72 170TH AVE NW ANDOVER, MN 55304		Vacant Commercial	2	\$16,333
AHI Investments LLC	PO Box 187 Cedar, MN 55011	18800 Ulyssess ST NE	Manufacturing	16	\$123,269
CD PROPERTIES NORTH LLC	18542 Ulyssess St NE		Vacant Commercial	9	\$69,185
RICKEY PROPERTIES LLC	18689 NE BUCHANAN STREET EAST BETHEL, MN 55011	18689 BUCHANAN ST NE	Vehicle Body/Service	2	\$15,409
JSN Properties, LLC	18651 BUCHANAN ST NE EAST BETHEL, MN 55011	18651 BUCHANAN ST NE	Contractor Shop	2	\$15,409
NORTH BOUND WOODWORKS LLC	22491 LINNET ST NW BETHEL, MN 55005	18627 BUCHANAN ST NE	Wood Working Shop	4	\$30,817
TRUCK BODY SPECIALISTS LLC	18581 BUCHANAN ST EAST BETHEL, MN 55011	18581 BUCHANAN ST NE	Vehicle Body/Service	2	\$15,409
JP INVESTMENTS LLC	18533 BUCHANAN ST NE EAST BETHEL, MN 55011	18533 BUCHANAN ST NE	Contractor Shop	2	\$15,409
METROPOLITAN COUNCIL	390 N ROBERT ST ST PAUL, MN 55101	PENDING	WWRF Site	2	\$15,409
Shaw Trucking	604 189TH AVE NE EAST BETHEL, MN 55011	18530 BUCHANAN ST NE	Truck Shop	3	\$23,113
					\$701,864.46

	Water Assessment	Sewer Assessment
Assessment	\$1,527 / ERU	\$6,178 / ERU

Total Projected Sewer Lateral Project Cost	\$908,116.07
Total Sewer Lateral ERU	91
Projected Lateral Sewer Assessment / ERU	\$6,177.66
Total Projected Sewer Lateral Benefit Assessment	\$562,784.83
Total Projected Water Lateral Project Cost	\$227,474.54
Total Water Lateral ERU	91
Projected Lateral Sewer Assessment / ERU	\$1,526.67
Total Projected Water Lateral Benefit Assessment	\$139,079.64
Scenario 2: 1 ERU / Acre on Vacant Lots	1

Owner	Owner Address	Property Address	Scenario 1	Front Footage Assessment S1	Scenario 2	Front Footage Assessment S2
CITY OF EAST BETHEL	2241 221ST AVE NE EAST BETHEL, MN 55011	19458 Taylor St NE	7,704	-	7,704	-
CD PROPERTIES NORTH LLC	18542 Ulysses St Ne		102,159	41,963	34,053	26,677
VILLAGE BANK	9298 CENTRAL AVE NE BLAINE, MN 55434	18765 NE ULYSSES ST	30,817	51,385	30,817	32,667
RIVER COUNTRY COOPERATIVE	425 CLINTON AVE SOUTH SAINT PAUL, MN 55075	1341 187TH LN NE	15,409	80,985	15,409	51,485
MULLER PROP OF E BETHEL LLC	4940 54TH ST NW MAPLE LAKE, MN 55358		-	86,059	-	54,710
MULLER PROP OF E BETHEL LLC	4940 54TH ST NW MAPLE LAKE, MN 55358	18635 ULYSSES ST NE	130,974	52,268	130,974	33,228
MULLER PROP OF E BETHEL LLC	4940 54TH ST NW MAPLE LAKE, MN 55358		50,155	26,134	16,718	16,614
MULLER PROP OF E BETHEL LLC	4940 54TH ST NW MAPLE LAKE, MN 55358		50,155	26,134	16,718	16,614
MULLER PROP OF E BETHEL LLC	4940 54TH ST NW MAPLE LAKE, MN 55358		50,617	26,134	16,872	16,614
EBERTOWSKI DAVID	18530 ULYSSES ST NE EAST BETHEL, MN 55011	18530 ULYSSES ST NE	38,522	70,568	38,522	44,862
CLASSIC HOLDINGS LLC	2221 FAWN LAKE DR NE BETHEL, MN 55005	18542 ULYSSES ST NE	15,409	26,702	15,409	16,975
LANDWEHR MARK & DEBBIE	72 170TH AVE NW ANDOVER, MN 55304	18600 ULYSSES ST NE	7,704	26,702	7,704	16,975
MULLER PROP OF E BETHEL LLC	4940 54TH ST NW MAPLE LAKE, MN 55358		46,919	26,702	15,640	16,975
MULLER PROP OF E BETHEL LLC	4940 54TH ST NW MAPLE LAKE, MN 55358		46,688	26,702	15,563	16,975
LANDWEHR DEBBIE	72 170TH AVE NW ANDOVER, MN 55304		49,000	67,718	16,333	43,051
AHI Investments LLC	PO Box 187 Cedar, MN 55011	18800 Ulyssess ST NE	123,269	42,770	123,269	27,190
CD PROPERTIES NORTH LLC	18542 Ulyssess St NE		207,555	155,324	69,185	98,744
RICKEY PROPERTIES LLC	18689 NE BUCHANAN STREET EAST BETHEL, MN 55011	18689 BUCHANAN ST NE	15,409	73,150	15,409	46,503
JSN Properties, LLC	18651 BUCHANAN ST NE EAST BETHEL, MN 55011	18651 BUCHANAN ST NE	15,409	31,815	15,409	20,226
NORTH BOUND WOODWORKS LLC	22491 LINNET ST NW BETHEL, MN 55005	18627 BUCHANAN ST NE	30,817	31,815	30,817	20,226
TRUCK BODY SPECIALISTS LLC	18581 BUCHANAN ST EAST BETHEL, MN 55011	18581 BUCHANAN ST NE	15,409	31,815	15,409	20,226
JP INVESTMENTS LLC	18533 BUCHANAN ST NE EAST BETHEL, MN 55011	18533 BUCHANAN ST NE	15,409	62,657	15,409	39,833
METROPOLITAN COUNCIL	390 N ROBERT ST ST PAUL, MN 55101	PENDING	15,409	-	15,409	-
Shaw Trucking	604 189TH AVE NE EAST BETHEL, MN 55011	18530 BUCHANAN ST NE	23,113	38,530	23,113	24,495
			1,104,030	1,104,030	701,864	701,864

	Water Assessment	Sewer Assessment
Assessment	\$1,527 / ERU	\$6,178 / ERU

Total Projected Sewer Lateral Project Cost	\$908,116.07
Total Sewer Lateral ERU	91
Projected Lateral Sewer Assessment / ERU	\$6,177.66
Total Projected Sewer Lateral Benefit Assessment	\$562,784.83
Total Projected Water Lateral Project Cost	\$227,474.54
Total Water Lateral ERU	91
Projected Lateral Sewer Assessment / ERU	\$1,526.67
Total Projected Water Lateral Benefit Assessment	\$139,079.64
Scenario 2: 1 ERU / Acre on Vacant Lots	1



City of East Bethel City Council Agenda Information

Date:

October 16, 2013

Agenda Item Number:

Item 6.0 A-C

Agenda Item:

Consent Agenda

Requested Action:

Consider approving Consent Agenda as presented

Background Information:

Item A

Approve Bills

Item B

September 4, 2013 City Council Meeting Minutes

Meeting minutes from the September 4, 2013 City Council Meeting are attached for your review and approval.

Item C

October 2, 2013 City Council Meeting Minutes

Meeting minutes from the October 2, 2013 City Council Meeting are attached for your review and approval.

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 October 16, 2013

Bills to be Approved for Payment	\$165,870.21
Electronic Payments	\$24,154.18
Payroll City Staff - October 10, 2013	\$32,938.03
Total to be Approved for Payment	\$222,962.42

City of East Bethel

October 16, 2013

Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
	Sales and Use Tax Remittance	3rd Qtr 13	Minnesota Revenue	101		\$471.00
	SAC Charge Remittance	3rd Qtr 13	Metropolitan Council	101		\$5,148.00
215-221st 65 Service Rd	Architect/Engineering Fees	32116	Hakanson Anderson Assoc. Inc.	402	43125	\$2,101.42
Arena Operations	Bldg/Facility Repair Supplies	9256150484	Grainger	615	49851	\$77.47
Arena Operations	Bldg/Facility Repair Supplies	9256246258	Grainger	615	49851	\$164.51
Arena Operations	Bldgs/Facilities Repair/Maint	32604989	Trane U.S. Inc.	615	49851	\$974.84
Arena Operations	Bldgs/Facilities Repair/Maint	092613	Wright-Hennepin Coop Electric	615	49851	\$21.32
Arena Operations	Electric Utilities	092013	Connexus Energy	615	49851	\$583.39
Arena Operations	Motor Fuels	1077995289	Ferrellgas	615	49851	\$355.22
Arena Operations	Professional Services Fees	62	Gibson's Management Company	615	49851	\$8,396.97
Arena Operations	Small Tools and Minor Equip	334605	Viking Industrial Center	615	49851	\$105.81
Arena Operations	Telephone	092813	CenturyLink	615	49851	\$118.09
Building Inspection	Motor Fuels	2268726	Lubricant Technologies, Inc.	101	42410	\$355.30
Building Inspection	Motor Vehicles Parts	1539-244726	O'Reilly Auto Stores Inc.	101	42410	\$39.59
Building Inspection	Professional Services Fees	100213	Carrie Frost	101	42410	\$20.00
Central Services/Supplies	Cleaning Supplies	674323509001	Office Depot	101	48150	\$104.55
Central Services/Supplies	Information Systems	231261	Anoka County Treasury Dept	101	48150	\$225.00
Central Services/Supplies	Information Systems	217852	City of Roseville	101	48150	\$2,392.33
Central Services/Supplies	Information Systems	10 2013	Midcontinent Communications	101	48150	\$1,278.00
Central Services/Supplies	Office Equipment Rental	237788393	Loffler Companies, Inc.	101	48150	\$351.68
Central Services/Supplies	Office Supplies	674323509001	Office Depot	101	48150	\$47.40
Central Services/Supplies	Office Supplies	674323571001	Office Depot	101	48150	\$10.67
Central Services/Supplies	Office Supplies	677041316001	Office Depot	101	48150	\$54.57
Central Services/Supplies	Office Supplies	678217303001	Office Depot	101	48150	\$70.36
Central Services/Supplies	Telephone	092813	CenturyLink	101	48150	\$243.46
City Clerk	Dues and Subscriptions	091913	IIMC	101	41430	\$145.00
Elections	Repairs/Maint Machinery/Equip	2013-10	Anoka County Elections	101	41410	\$1,687.26
Engineering	Architect/Engineering Fees	32124	Hakanson Anderson Assoc. Inc.	101	43110	\$63.08
Engineering	Architect/Engineering Fees	32124	Hakanson Anderson Assoc. Inc.	101	43110	\$115.43
Engineering	Architect/Engineering Fees	32124	Hakanson Anderson Assoc. Inc.	101	43110	\$481.29
Fire Department	Bldgs/Facilities Repair/Maint	092613	Wright-Hennepin Coop Electric	101	42210	\$5.32
Fire Department	Electric Utilities	092013	Connexus Energy	101	42210	\$931.52
Fire Department	Fire Pension Contrib.-State	100213	East Bethel Fire Relief	101	42210	\$56,223.10
Fire Department	Fire Pension Contribution-City	100213	East Bethel Fire Relief	101	42210	\$17,500.00
Fire Department	Motor Fuels	2268718	Lubricant Technologies, Inc.	101	42210	\$498.76
Fire Department	Motor Fuels	2268726	Lubricant Technologies, Inc.	101	42210	\$565.22
Fire Department	Printing and Duplicating	53019	The Courier	101	42210	\$138.00
Fire Department	Repairs/Maint Machinery/Equip	40594	Ancom Communications	101	42210	\$138.63
Fire Department	Repairs/Maint Machinery/Equip	35305	Menards Cambridge	101	42210	\$381.18
Fire Department	Safety Supplies	229787	Foremost Promotions	101	42210	\$572.00
Fire Department	Small Tools and Minor Equip	4043023800	BlueTarp Financial, Inc.	101	42210	\$642.74
Fire Department	Telephone	092813	CenturyLink	101	42210	\$420.07
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	14980	GHP Enterprises, Inc.	101	41940	\$368.72
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	455408-09-13	Premium Waters, Inc.	101	41940	\$31.14
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	122831	Robert B. Hill Company	101	41940	\$19.24

City of East Bethel

October 16, 2013

Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
General Govt Buildings/Plant	Electric Utilities	092013	Connexus Energy	101	41940	\$1,535.91
Jackson MSA Street Project	Architect/Engineering Fees	32131	Hakanson Anderson Assoc. Inc.	402	40326	\$774.56
Legal	Legal Fees	09 2013	Eckberg, Lammers, Briggs,	101	41610	\$7,770.07
Legal	Legal Fees	130718	Eckberg, Lammers, Briggs,	101	41610	\$1,872.00
MSA Street Construction	Architect/Engineering Fees	32117	Hakanson Anderson Assoc. Inc.	402	40200	\$2,402.55
MSA Street Construction	Architect/Engineering Fees	32119	Hakanson Anderson Assoc. Inc.	402	40200	\$4,790.27
Park Maintenance	Clothing & Personal Equipment	1182674139	G&K Services - St. Paul	101	43201	\$19.46
Park Maintenance	Clothing & Personal Equipment	1182730382	G&K Services - St. Paul	101	43201	\$19.46
Park Maintenance	Clothing & Personal Equipment	1182741606	G&K Services - St. Paul	101	43201	\$19.46
Park Maintenance	Electric Utilities	092013	Connexus Energy	101	43201	\$710.15
Park Maintenance	Equipment Parts	436377	Ham Lake Hardware	101	43201	\$47.64
Park Maintenance	Equipment Parts	P16375	MN Equipment Solutions	101	43201	\$149.25
Park Maintenance	Equipment Parts	P16480	MN Equipment Solutions	101	43201	\$20.45
Park Maintenance	Equipment Parts	P16795	MN Equipment Solutions	101	43201	\$45.62
Park Maintenance	Equipment Parts	6231	Plow World, Inc.	101	43201	\$60.38
Park Maintenance	General Operating Supplies	259838	S & S Industrial Supply	101	43201	\$10.45
Park Maintenance	Motor Fuels	2268718	Lubricant Technologies, Inc.	101	43201	\$959.17
Park Maintenance	Motor Fuels	2268726	Lubricant Technologies, Inc.	101	43201	\$484.47
Park Maintenance	Other Equipment Rentals	69482	Jimmy's Johnnys, Inc.	101	43201	\$815.27
Park Maintenance	Safety Supplies	P11862	MN Equipment Solutions	101	43201	\$188.01
Payroll	Garnishment Remittance	568237	Gurstel Chargo PA	101		\$1,012.73
Payroll	Insurance Premiums	10 2013	Dearborn National Life Ins Co.	101		\$1,150.05
Planning and Zoning	Office Supplies	677041316001	Office Depot	101	41910	\$51.43
Police	Professional Services Fees	75339	Gopher State One-Call	101	42110	\$7.25
Police	Professional Services Fees	79751	Gopher State One-Call	101	42110	\$20.30
Police	Professional Services Fees	09 2013	Gratitude Farms	101	42110	\$714.06
Recycling Operations	Bldg/Facility Repair Supplies	35134	Menards Cambridge	226	43235	\$10.12
Recycling Operations	Electric Utilities	092013	Connexus Energy	226	43235	\$135.74
Recycling Operations	Other Equipment Rentals	69482	Jimmy's Johnnys, Inc.	226	43235	\$52.87
Sewer Operations	Bldgs/Facilities Repair/Maint	3933	North Star Pump Service	602	49451	\$635.00
Sewer Operations	Bldgs/Facilities Repair/Maint	092613	Wright-Hennepin Coop Electric	602	49451	\$24.53
Sewer Operations	Chemicals and Chem Products	3519340 RI	Hawkins, Inc	602	49451	\$55.00
Sewer Operations	Electric Utilities	092013	Connexus Energy	602	49451	\$1,040.69
Sewer Operations	Electric Utilities	092013	Connexus Energy	602	49451	\$101.10
Sewer Operations	Professional Services Fees	84470	Utility Consultants, Inc.	602	49451	\$985.00
Sewer Utility Capital Projects	Architect/Engineering Fees	159702	Bolton & Menk, Inc.	434		\$4,801.00
Sewer Utility Capital Projects	Architect/Engineering Fees	159702	Bolton & Menk, Inc.	434	49455	\$5,891.00
Sewer Utility Capital Projects	Architect/Engineering Fees	32121	Hakanson Anderson Assoc. Inc.	434	49455	\$732.46
Sewer Utility Capital Projects	Architect/Engineering Fees	32122	Hakanson Anderson Assoc. Inc.	434	49455	\$5,983.23
Street Capital Projects	Architect/Engineering Fees	32118	Hakanson Anderson Assoc. Inc.	406	40600	\$521.25
Street Capital Projects	Architect/Engineering Fees	32120	Hakanson Anderson Assoc. Inc.	406	40600	\$2,847.50
Street Maintenance	Bldgs/Facilities Repair/Maint	1182674139	G&K Services - St. Paul	101	43220	\$5.70
Street Maintenance	Bldgs/Facilities Repair/Maint	1182730382	G&K Services - St. Paul	101	43220	\$5.70
Street Maintenance	Bldgs/Facilities Repair/Maint	1182741606	G&K Services - St. Paul	101	43220	\$5.70
Street Maintenance	Bldgs/Facilities Repair/Maint	455408-09-13	Premium Waters, Inc.	101	43220	\$31.14

City of East Bethel

October 16, 2013

Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
Street Maintenance	Bldgs/Facilities Repair/Maint	092613	Wright-Hennepin Coop Electric	101	43220	\$21.29
Street Maintenance	Clothing & Personal Equipment	1182674139	G&K Services - St. Paul	101	43220	\$18.57
Street Maintenance	Clothing & Personal Equipment	1182730382	G&K Services - St. Paul	101	43220	\$18.92
Street Maintenance	Clothing & Personal Equipment	1182741606	G&K Services - St. Paul	101	43220	\$18.92
Street Maintenance	Electric Utilities	092013	Connexus Energy	101	43220	\$1,759.00
Street Maintenance	Equipment Parts	6112	Plow World, Inc.	101	43220	\$21.79
Street Maintenance	General Operating Supplies	259757	S & S Industrial Supply	101	43220	\$6.50
Street Maintenance	Motor Fuels	2268718	Lubricant Technologies, Inc.	101	43220	\$2,378.75
Street Maintenance	Motor Fuels	2268726	Lubricant Technologies, Inc.	101	43220	\$209.94
Street Maintenance	Motor Vehicles Parts	F-232620002	Allstate Peterbilt North	101	43220	\$102.38
Street Maintenance	Motor Vehicles Parts	F-232620066	Allstate Peterbilt North	101	43220	\$40.86
Street Maintenance	Motor Vehicles Parts	1539-243670	O'Reilly Auto Stores Inc.	101	43220	\$21.13
Street Maintenance	Motor Vehicles Parts	1539-244539	O'Reilly Auto Stores Inc.	101	43220	(\$14.42)
Street Maintenance	Motor Vehicles Parts	1539-244963	O'Reilly Auto Stores Inc.	101	43220	\$253.85
Street Maintenance	Motor Vehicles Parts	1539-244964	O'Reilly Auto Stores Inc.	101	43220	(\$126.92)
Street Maintenance	Motor Vehicles Parts	1539-244980	O'Reilly Auto Stores Inc.	101	43220	(\$16.03)
Street Maintenance	Motor Vehicles Parts	1539-245046	O'Reilly Auto Stores Inc.	101	43220	\$26.70
Street Maintenance	Telephone	092813	CenturyLink	101	43220	\$70.49
Street Maintenance	Tires	150023768	Pomp's Tire Service, Inc.	101	43220	\$2,137.50
Street Maintenance	Welding Supplies	94625	Metro Products, Inc.	101	43220	\$106.81
Water Utility Capital Projects	Architect/Engineering Fees	32121	Hakanson Anderson Assoc. Inc.	433	49405	\$732.47
Water Utility Operations	Bldgs/Facilities Repair/Maint	092613	Wright-Hennepin Coop Electric	601	49401	\$26.67
Water Utility Operations	Chemicals and Chem Products	3518367 RI	Hawkins, Inc	651	49401	\$845.00
Water Utility Operations	Chemicals and Chem Products	3518368 RI	Hawkins, Inc	601	49401	\$787.50
Water Utility Operations	Electric Utilities	092013	Connexus Energy	651	49401	\$1,146.67
Water Utility Operations	Professional Services Fees	22273	Protection Systems, Inc.	651	49401	\$641.25
Water Utility Operations	Small Tools and Minor Equip	34905	Menards Cambridge	601	49401	\$174.31
Water Utility Operations	Telephone	092813	CenturyLink	601	49401	\$306.51
						\$165,870.21

City of East Bethel
October 16, 2013
Electronic Payment Summary

Payroll	PERA	\$5,866.05
Payroll	Federal Withholding	\$5,707.26
Payroll	Medicare Withholding	\$1,461.12
Payroll	FICA Tax Withholding	\$6,247.52
Payroll	State Withholding	\$2,256.49
Payroll	MSRS/HCSP	\$2,615.74
		\$24,154.18

EAST BETHEL CITY COUNCIL MEETING

September 4, 2013

The East Bethel City Council met on September 4, 2013 at 7:30 PM for their regular meeting at City Hall.

MEMBERS PRESENT: Bob DeRoche Ron Koller Heidi Moegerle
 Tom Ronning

MEMBERS EXCUSED: Richard Lawrence

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

Call to Order **The September 4, 2013 City Council meeting was called to order by Acting Mayor Moegerle at 7:30 PM.**

Adopt Agenda **Moegerle made a motion to adopt the September 4, 2013 City Council agenda with the addition of 9.0 C per Minnesota Statute 13D.05 subd. 3.c to consider the offer for the purchase of real property. Koller seconded; all in favor, motion carries.**

Resolutions
Recognizing
2013-2014
East Bethel
Royalty Moegerle, "Richard could not be with us tonight. He is having heart surgery at 5:00 a.m. in the morning. With his guidance, he asked me to take over. He did ask that everyone give me a little bit of slack because this is one of the few times I have been Acting Mayor. In addition, he hopes to return in two weeks, but it may be up to 12 weeks. And, he has given me a serious charge. He has asked me to make sure that order and respect are the hallmarks of this City Council during his absence and beyond. And if we can move forward, one of the things we will be doing is we will be dealing with issues on a rotating basis. Each Council person will have an opportunity to speak and we will just go round robin. So, let's proceed with the meeting."

Davis explained that the East Bethel Scholarship Pageant organizes and sponsors the annual Scholarship Pageant where individuals compete to represent the City of East Bethel as an Ambassador for a twelve month period. At this time we would like to recognize those four people who are in the audience.

Moegerle, "We have Resolution 2013-46 Recognizing the 2013-2014 East Bethel Royalty. Which states: Whereas, the East Bethel Scholarship Pageant organizes and sponsors the annual Scholarship Pageant; and Whereas, the individuals recognized through this competition represent the City of East Bethel as an Ambassador for a twelve month period by appearing at numerous City festivals and celebrations and other official functions; and Whereas, the City of East Bethel is appreciative of the time and effort these pageant winners devote to representing the City. Now therefore, be it resolved by the City Council of East Bethel, Minnesota that: Ms. Heidi Holthus is hereby recognized as Miss East Bethel and an Ambassador for the City for the next year. Be it further resolved by the City Council of the City of East Bethel that: the City Council hereby expresses its thanks and appreciation for the time and effort Ms. Heidi Holthus will devote to representing the City for the next twelve months. Adopted this day by the City Council of the City of East Bethel.

Moegerle, "We also would like to proceed with Resolution 2013-47 A Resolution Recognizing East Bethel Royalty for 2013-2014. Now therefore, be it resolved by the City Council of East Bethel, Minnesota that: Ms. Erika McDonough is hereby recognized as Princess and an Ambassador for the City for the next year. Be it further resolved by the City Council of the City of East Bethel that: the City Council hereby expresses its thanks and appreciation for the time and effort Ms. Erika McDonough will devote to representing the City for the next twelve months."

Moegerle, "Resolution 2013-48 is a Resolution Recognizing Junior Princess Rachel Wiederhold is hereby recognized as Junior Princess and an Ambassador for the City for the next year. Be it further resolved by the City Council of the City of East Bethel that: the City Council hereby expresses its thanks and appreciation for the time and effort Ms. Rachel Wiederhold will devote to representing the City for the next twelve months."

Moegerle, "Resolution 2013-49 A Resolution Recognizing Ms. Krisdi Knutson as Little Miss and an Ambassador for the City for the next year. Be it further resolved by the City Council of the City of East Bethel that: the City Council hereby expresses its thanks and appreciation for the time and effort Ms. Krisdi Knutson will devote to representing the City for the next twelve months."

Koller made a motion to adopt Resolution 2013-46 A Resolution Recognizing East Bethel Royalty for 2013-2014 Miss East Bethel Heidi Holthus, Resolution 2013-47 A Resolution Recognizing East Bethel Royalty for 2013-2014 Princess Erika McDonough, Resolution 2013-48 A Resolution Recognizing East Bethel Royalty for 2013-2014 Junior Princess Rachel Wiederhold and Resolution 2013-49 A Resolution Recognizing East Bethel Royalty for 2013-2014 Little Miss Krisdi Knutson. DeRoche seconded; all in favor, motion carries.

Preliminary
Levy and
Budget

Davis explained that as a result of budget discussions conducted at Council work sessions in July and August, City Council has agreed in principle that the preliminary property tax levy for 2014 be set such that funds are available to accomplish the goals and objectives they have identified.

The proposed 2014 General Fund budget is \$77,502 more than the 2013 budget or an increase of 1.6% which is matched by a projected increase in revenues for the General Fund for 2014 in the same amount.

A General Fund levy of \$4,114,317 is necessary for 2014, which is a \$9,000 less than the 2013 General Fund Levy or a 0.2% decrease from 2013 to 2014.

To service existing debt, a market based debt levy of \$146,425 is required to meet the debt service requirements for the 2005A Public Safety Bonds issued for the fire station and the weather warning sirens and a tax capacity based debt levy of \$180,000 is required to meet the debt service requirements for the 2008A Sewer Revenue Bonds.

Due to the debt service requirements for the 2010A and 2010B bonds for the Municipal Utilities Project, debt service levies of \$490,000 and \$300,000 have been incorporated for 2014 for repayment of interest on these bonds. Without this obligation, the total levy for the City would have been \$4,440,742 or a 0.3% decrease.

However, due to the 2010 A & B bond payments due in 2014, the total property tax levy

amount proposed becomes \$5,230,742 or an increase of 17.5% over last year's levy.

There are still opportunities to reduce the impact of the bond deficit for 2014 and these include but are not limited to the following:

- 1.) The potential to refinance the 2010 A & B Bond issuances;
- 2.) Confirmation of connections to the system for 2014;
- 3.) Transfer of General Fund balances at an amount to be determined to subsidize the deficit;
- 4.) Additional reductions to the City Budget;
- 5.) Assignment of special assessments for properties in the sewer to the debt service; and/or
- 6.) Assignment of other rents and royalties to the debt service.

Staff and Council will be considering all of the above alternatives prior to the adoption of the final budget in December 2014. These alternatives have not been finalized at this time due to negotiations with vendors and developers, completion of hearings and/or final analysis of contractual and fiscal impacts on the General Fund.

For purposes of setting the preliminary budget, staff recommends that Council consider the worst case option for the 2010 A & B Bond deficit with that being the assumption that there will be no connections to the system in 2014, there will be no bond refinancing and that there will be no transfer of General Funds to decrease the levy.

The preliminary budget, that must be submitted to Anoka County by September 15, 2013, can be reduced but not increased prior to the adoption of the final budget in December of 2013. Even though the preliminary tax statements that will be issued to City residents in November will indicate the maximum tax increase proposed, Staff and Council will have additional time to examine alternatives to minimize this increase and impact of rates created by the bond deficits for the Municipal Utilities Project.

A special meeting on October 10, 2013 and the Town Hall Meeting on November 21, 2013 will be dedicated to explaining and discussing the final budget.

Staff recommends adoption of the preliminary levy and budget and submission as such to the County by Resolution on or before September 15, 2013 and approval of the following resolutions: Resolution 2013-50 Set Final Levy & Budget Date, Resolution 2013-51 Set the Preliminary Levy & Budget 2014, Resolution 2013-52 Set the Preliminary EDA Levy & Budget 2014 and Resolution 2013-53 Consenting to the HRA No Tax Levy for 2014.

Moegerle made a motion to adopt Resolution 2013-50 Setting the Final Levy & Budget Date for December 4, 2013 at 7:30 p.m. Ronning seconded. DeRoche, "This is not for the EDA Levy, correct?" Davis, "That is correct, that will be a separate resolution." DeRoche, "For the sake of this one, the sewer and water project went forward." Moegerle, "We are setting a date." DeRoche, "I have the floor, I am allowed to discuss, correct?" Moegerle, "We are talking about a date, not the history." DeRoche, "We are talking about setting a date for the budget. And whatever history is behind that, I think needs to be on the record." Moegerle, "There is plenty on the record. In fact, staff has been directed and will be preparing a one page history of this. It will also be on the city's website. Again, we are here to do the city's business which is to set a date."

DeRoche, "Exactly, and I am going to make the residents aware of how many meetings

have gone on and have much opportunity there is for the public to be involved in the budget discussions. And, it is not my intention, even after tonight to gut the city just to make these payments. Just because certain people passed the sewer and water project, in 2010 and also in February of 2011 is when it was actually put back on the record. A lot of people on staff have gone through and tried to figure out how these payments are going to be made and how we can cut more. And, I think residents need to be made aware that if we start cutting any more, the services are going to go down and people are going to suffer. The general levy itself did go down. It is the sewer and water bonds that are making this tax increase. And I invite anyone to show up at the September meeting and the October 10th meeting at 6:30 p.m. where there will be a little bit more in depth report on this. I think this budget is very important. A lot has gone into it. I have been at every budget meeting and I think we are at a point now where the City is going to just have to face the music. It was the decisions made in 2010 and reaffirmed in 2011 that put us in this spot.”

Moegerle, “Ron, what comments do you have. The issue is about setting the date for the levies.” Ronning, “I am addressing these as individual. Are you saying they are not individual and lumping them all into one?” Moegerle, “No.” Ronning, “Then why are you limiting discussion?” Moegerle, “I am limiting discussion to 2013-50. Setting the Final Levy and Budget Date. On page 18.” Ronning, “This is probably one of the worst things you have to face when you do this kind of job.” **All in favor, motion carries.**

Moegerle made a motion to adopt Resolution 2013-51 Set the Preliminary Levy & Budget 2014. DeRoche seconded. Koller, “We have been discussing this for months. I think we are stuck on this point. It is on this paper in white. It is on the website. We are going to have to raise taxes. We just don’t have a choice. The water and sewer project which happened before any of us were in here, should never have been done.”

Moegerle, “While I think this has been a herculean task by staff, I think more could be done. Undoubtedly the taxes are going to have to go up. I don’t think it has to be 16.5%. But, I do realize it will be in double digits. Yes, this is something we all wanted to avoid. I think all five of us are committed to making it as minimally onerous as possible. We don’t want to gut the budget, but we are going to have to make some tough decisions. One of my biggest concerns is that there is a 2% across the board raise. And I don’t think we, as a City, we can afford a 2% across the board raise.”

Ronning, “As mentioned this is a very difficult thing to work with. We have gone through the budget and three scenarios of it and as far as I am aware if we cut anymore, we will lose services. If that means plowing snow, those are the types of things we may end up losing. As far as the 2%, we have to cut this between 18 and 20% before we get anywhere, and it is just not possible.” DeRoche, “If I am not mistaken, the 2% was for the public works employees and office staff. And they haven’t gotten a raise for how long Jack?” Moegerle, “They got 1.5% last year didn’t they?” Davis, “They got 1.5%, 0%, 1.5% and 0% the last four years.” DeRoche, “Most of our guys have been here quite a while and we all know what it would take to or cost to replace someone. We are kind of at a bare minimum. I think our guys do a good job. And, if you look at it, 2% is not even a cup of coffee. We can’t cut out the people that have been here a long time, they know the City, and we can’t cut out what we have to have to do the work. And, if it means that we cut the overtime for public works, what happens if at 3:00 p.m. it snows? What if we have all these potholes in the roads and we quit taking care of the parks. Another consideration was dipping into the capital funds for parks and roads. So, then we can pay the levy with these funds. But, then

the next year, we can't by law raise the levy enough to recoup that money."

"So now we not only have a problem with coming up with the money for those payments, we also have parks that turn to crap, our roads go down the hill, our buildings fall apart, we don't have staff and I am not willing to sit up here and let this City go down the tubes. Because this sewer project came through, and, for the record, there are two people on the current Council that voted the sewer and water back in. And, at the time I caught flack. And it is not up to staff to cut the budget. That is the City Council's job. Staff can bring us what they think it will take to run their departments. Now we are operating with three less people than when the three of us came on board. How many people do you want me to cut out of it? And, I ask people to come to the meetings and I ask them what do you want me to cut, the building inspection, roads, fire department, the police, what do you want me to cut. Because at some point something is going to suffer. And, when you come in to do something at the City and there is no one to do it, then what happens? I am the last person to ever want to raise taxes, but we have no choice. I have been to every single budget meeting, I am on the Finance Committee, and we have gone over and over and over. I see you laughing Heidi, but this is real serious business here. Anybody that has come on board lately, came into a situation that they are still trying to figure out. For two years we haven't raised taxes and I think people became complacent and thought the sewer and water project wasn't going to make that much of a difference. But, now the payments are coming due and we have to do something. And, I can't see gutting the City to do that. It has taken too much to build it up."

Koller, "Bob pretty much said it all. We are stuck with the sewer and water project. Going over these budgets we have been working on stopping these park expansions. But we can't stop the maintenance. Snowplowing is expensive, but I like to get out of the driveway in the morning. And, I am sure everyone else does too. East Bethel runs on a pretty tight budget so there is not really much we can cut. So basically, we have to raise taxes."

Moegerle, "I intended to be brief, however, there are certain things that need to be responded to. Bob, Richard and I were elected in November of 2010. Each of us were vehemently opposed to this project. We sent a message to the Council and said, "We were elected on the strength of the opposition to your plan to start this infrastructure. Please hold in abeyance until we get in there and take a look at it and we will give it a new look." The information on the feasibility studies they had given to us were done by an engineer instead of an economist. It was very clear that you could make the numbers work if you wanted to and they were motivated to do so. The whole scenario changed on December 15, 2010. When we took office the first week in January we put a halt to this so we could evaluate this and we took that step and we took it responsibly. We then had an independent person come in and evaluate this, what was the cost of this and most importantly what was the cost of stopping this all together."

"On February 19, 2011, this room was packed, that hallway was packed, and every one wanted to know what was going to happen. At the same time the Council was being told, "The clock is ticking, all of these people are going to charge you money because you stopped this project from going forward." In reevaluating this, we found we could save \$4.4 million on downsizing the water treatment plant. We saved that to good effect, because now we can put that money towards extending this up to Whispering Aspen/Castle Towers where that plant which would have needed millions of dollars of upgrades over the next 10-20 years. So, that money was put to good use."

“But, on February 19th, the issues provided to the five of us Councilmen were this: If you stop this it is going to cost between \$5 and \$9 million. And, in order to cancel this, we had to buy back those bonds. And those bond holders were not going to be real happy about that. And, the question was, were they going to get the benefit of the bargain and the interest of those bond rates? So, the number was \$5 million to \$9 million and I heard \$9 million more than \$5 million and that money would be due instantly from every single taxpayer in the City. And, for that, we would get out of this contract, but have zero benefit. I calculate with a round number of 4,000 households and for every taxpayer property, the cost would have been \$1,250. For nothing. That is the decision we had to make and for almost twice that if the numbers came back at \$9 million. We had to make a decision. Did we want to take that risk knowing that many of our residents couldn’t afford \$300 or \$400, much less three or four times that. So, that was the decision. Four out of the five of us said, “We cannot do that to our taxpayers. We are going to try to go forward with this in a measured approach, in a way that we can hopefully fill this area with businesses and it will not damage our residents to the tune of \$1,200 to \$2,500.” And, that is what we decided to do, four to five votes. There are certain people, Bob just mentioned he voted against it. That is true, on February 19th he voted against going forward with this and that was his way of keeping a promise he feels he made to stop this. But, the fact of it is, all five of us, in that Council and this Council, have ratified payments to the businesses that were putting in that sewer and water project. So, whether your vote was for it or not on February 19th, to some extent each and every one of us is responsible for this, because we made sure Weidema got paid and all the other contractors. So, keep that in mind when you look at this.”

“There are several dates that are important to you, October 6, 2010 is one. It is my understanding we anticipate an additional \$50,000 in contract from Oak Grove. My concern is that across the board 2% raise versus 1.5%. We wouldn’t lose all our employees, yes, they would tighten their belts just like all our residents are. I still think 1.5% for employees would have been doable. I think every dollar counts and not every Council Member believes that. I think in broad numbers, \$100,000 does count, and I think we should move forward with a preliminary levy that is not at this rate.”

Ronning, “I was at that meeting in February, Ron Braastad and I were sitting side by side out in the hallway by the billboard.. No matter how you slice it, the conditions haven’t changed anyway since October or December 2010, except that it advanced. And the fact is that there was a vote taken to un-suspend it and move forward and that is part of why we are here. It was “advertised or sold” as an \$18.8 million bond issue and no one would have to hook-up or pay. At one of the meetings I asked, “What is the most we will have to pay if we don’t hook-up?” The answer was, “I don’t understand the question.” So I asked, “What is the most we can pay?” If it was \$5 million, or \$9 million or even \$18 million it would have been worth it. Because this \$18 million after the rebates is closer to \$52 million. And, if the rebates get harmed, or damaged or shot, it is going to go sky high. I hope I didn’t ruin everybody’s day. I can’t say I apologize, I have been asking that some of this information be shared since day one. Actually, I was voted down on that and people have a right to know. Part of getting through it is for people to be aware. World War II came around everyone knew and they all pitched in and helped. We will do the best we can to cut where we can, save where we can. Thank you.”

DeRoche, “Points of clarification. I have no regrets of voting against the sewer and water project. In my mind and my way of doing math, there is no way of paying for this thing. If development comes in, it sure will help. Heidi said, “He did that, he is out to hurt the

residents.” When I told the residents I was going to vote against the sewer and water project it was not a political decision, because I am not real political as you may know if you watch these meetings . In my mind, I could not see, if you don’t hook-up you won’t pay. And, we are going to bring all these new businesses in and they are going to pay for it. In my world, that was not a reality. And, it still isn’t a reality. Once it was passed you have to pay, the bills. I have never seen the actual number, but I would rather commit the City to \$5 million than to \$52 million. Maybe I am wrong. If someone can come up to me and show me, I would be more than happy to invite any past Council Member to show up at the meeting in October to explain to everybody, how they planned on paying for this thing. There must have been a reason that they passed it. And if there is, or if anyone on any commission has any ideas how they think it can be fixed, don’t wait until elections Com up now and explain. I have no regrets.”

Koller “Anyone can go on Bolton and Menk’s website and look at the feasibility study. It was obvious that there was no way that it was never going to work, but they pushed it through anyways. So, all we have to do is pay for it.” Moegerle, “This is not easy for anyone. There are different ways of looking at it and no way around it. The residents of East Bethel were going to pay and they were the ones that weren’t hooked up. However, that does not mean that you cannot take a positive approach to this, to have the City be as attractive as possible, to work towards bringing businesses in to our community and welcoming them, because we really need them. And, as much smack as we can talk about the 2010 Council (And boy, can I talk smack), that doesn’t do us any good. We need to look forward with our heads held forward and we are going to get through this. It will be tough this year. We owe \$700,000 this year. And, guess what, we will have another payment like this coming up in a few years. But we are going to manage that too. What we are going to do, is we are going to all work together. If you have a lead or an idea where we might get businesses to hook-up, I know five people that will welcome that. And, staff will be ecstatic. We want to work with everyone, we have a great staff here and we are all tightening our belts and going forward. Yes, it is tough, we will survive and do well.”
Moegerle, nay; DeRoche, Koller, Ronning, aye; motion carries.

For the purposes of beginning the discussion Moegerle made a motion to adopt Resolution 2013-52 Set the Preliminary EDA Levy & Budget for 2014. Ronning, “When you say for the purposes of discussion, does that mean there is no action? Just discussion?” Moegerle, “We have to make the motion don’t we?” Vierling, “The motion has to be made so there can be discussion.” Ronning, “And if you qualify it for discussion purposes only, can that be done?” Moegerle, “I withdraw my “for discussion purposes only.” There was no second so the motion fails.

DeRoche, “When do we have to have this?” Davis, “September 15, 2013.” Moegerle, “The economic development money goes towards getting new economic development in the City. And that what we need to attract businesses to the corridor. It pays for Colleen’s budget, site plans.” DeRoche, “How much of Colleen’s salary comes out of the City budget versus the EDA budget?” Davis, “In the EDA Budget there is \$56,000 that is transferred out to cover salaries. This covers my work, Colleen’s work, Mike’s work, Wendy’s work and administrative assistance.” Ronning, “When we looked at cutting, this is \$133,000, how hard did we look at this?” Davis, “It is listed as a proposed \$10,000 reduction in the budget.”

DeRoche for the sake of discussion, I will make a motion to adopt Resolution 2013-52 Set the Preliminary EDA Levy & Budget for 2014. We don’t have to vote it in, but if we

are going to discuss it, we should have a motion. **Ronning, seconded.** Ronning, "We talk about saving money. Talk about cutting ½% off of someone's paycheck. I don't mind paying for what I get as long as I get what I am paying for." Davis, "If you don't approve this tonight, we are going to have to go back and make reductions on different departments budgets. If you approve it, we can go back and make reductions where you want them and it will gibe with the other budgets."

Moegerle, "At the last meeting I discussed cutting 3% off across the board. Do I think 3% can be taken from this. Absolutely. What is the purpose of EDA? To bring businesses into the City. The EDA can do all the work in the world. But if the Council says, "No way", then it doesn't mean the EDA hasn't done any work, it means the Council needs to give the EDA more direction. We have a meeting scheduled for September 23rd with the EDA and Planning and Council has been invited. I think there needs to be economic development activities. Do I think we can cut a little there? Absolutely, because we are asking everyone to cut elsewhere."

DeRoche, "As long as you brought up the 3% to 5%, Jack can you explain to everyone out there why some departments we just can't cut because of contractual obligations?" Davis, "There are some areas you can't cut anymore because of contractual obligations. Or, because there just isn't anything left to cut, you would have to eliminate them, like the building department. You have to have a building official. We did a line item examination instead of an across the board proposed cut and we can discuss that later on tonight. This is on the agenda." DeRoche, "Wasn't there a suggestion into cutting the police coverage?" Moegerle, "Not my idea. Do you want to proceed with that?" DeRoche, "I don't want to cut fire, police or public works. If we don't have those we are in trouble. I read an article in the paper where that was suggested."

Koller, "Police, Fire, city staff, I won't vote for cutting any of that. But, there is \$133,000 and \$58,000 goes for salaries. I would like to know what the rest of the money is used for in detail. Not a general slush fund." Davis, "Part of this money is set in reserve to react to an economic development item that might come up. One example is this week there was someone that sent on inquiry on Greater MSP out for a 50,000 square foot building or a building site to employ up to 200 people. We feel that we qualify for this. For submission of this, we might have to spend a little money. That is what some of this money that is budgeted is for. But, anything is open for cuts. If it is not used or spent, it can roll over into the next year. There is a contingency in here that is \$27,000." Moegerle, "If we have to do incentives or legal fees, that is where those fees come from." Ronning, "This was moved for discussion purposes by Bob, I seconded, **so I call the question.**" Moegerle, "My understanding is you have for a vote on calling the question?" Vierling, "The City adopted Roberts Rules of Order for 2007. Thanks for your e-mail this afternoon Heidi. I tried to locate the 2007 version on the web and it is not available. I am assuming from the one that I looked at, that it does require a second and a vote on that. The question is still up to the Council what rules you are going to abide by." Moegerle, "The one in the ordinance says Roberts Rules newly revised." Vierling, "They all say "newly revised". **Moegerle seconded.** Davis, "One thing I want to point out that Mike brought to my attention. If you don't approve this budget, it will revert back to last year's budget which was \$11,000 higher than this year's budget. This is something we might want to approve and then work on. All this is doing is setting the preliminary levy. **On Calling the Question: All in favor, motion carries.**

The vote on the Motion: Moegerle, aye, DeRoche, nay; Koller, nay, Ronning, nay;

motion fails.

DeRoche made a motion to adopt Resolution 2013-52 Set the Preliminary EDA Levy & Budget for 2014 with the commitment that we will seriously look at reducing this budget. Moegerle seconded; all in favor, motion carries.

DeRoche, "We really need to make an effort to reduce this budget. Will it require a separate meeting to get everyone together? Or do we send you our suggestions? Can we get a detail breakdown on the budget items? I think the problem is that we don't get an EDA report." Davis, "You were given one in July and you will get another one in your next update. You will get these every two months. If you want a breakdown of the projects and professional fees, we will provide what we think these will be used for. Just as we were discussing these other cuts, we take these seriously. We would love to have your suggestions, but just as the other one we will be setting a special meeting to discuss these potential reductions." DeRoche, "I was going to bring this up later, but there is no money budgeted for HRA, but that's fine."

Moegerle made a motion to adopt Resolution 2013-53 Consenting to the HRA No Tax Levy for 2014. Koller seconded. DeRoche, "The money that we have is still short of what we transferred to the EDA, right?" Davis, "There are funds of \$798,000 in the HRA. But, there was a transfer approved up to \$281,000 to the EDA if needed for the purpose of loans for SAC and WAC fees. To date, no one has applied for that money. It has a sunset clause on it, December 31, 2013. We do anticipate that some may apply for it. Again, that money will have to be paid back within a five year period." DeRoche, "Again, there are some things in the process for the HRA, but with the money that is in there, even with the loan out, we should be able to go forward with some projects." Davis, "Even with that approved transfer to the EDA if all of it was utilized, there will still be \$500,000 left in that account. We have an HRA meeting coming up on October 2nd and we will have a plan laid out for you for some projects for those funds." Koller, "I am fine with this. Zero is good." Moegerle, "The EDA will be paying back what is borrowed at one time or another according to the plan." Ronning, "I recall the meeting that the transfer was approved. But, I thought I did it as an amendment that every transfer would be approved by the Council and I guess that is reiterated again for more than just me." Roll call vote taken. **Ronning, aye; DeRoche, aye; Koller, aye and Moegerle, aye; motion carries.**

Public Forum Moegerle opened the Public Forum for any comments or concerns that were not listed on the agenda.

Cheryl Helstrom of 2459 224th Avenue NE, "We have been residents since 1973. We are currently constructing an unattached garaged of 30 x 32. It has a second floor which is 19 x 30. It will consist of my husband's woodworking and storage. When we applied for a permit, we were told it would be no problem and when it was time for outside footings inspection for stairs to the second floor by the Building Official just give him a call or come to City Hall and it would be no problem. My husband called a little over a week ago and the Building Official flatly refused. He said, "It is not allowed. You can't have a door on the outside second floor and you can't have a stairway." My husband has large woodworking equipment, it is very heavy. We need access in and access out if there should be a fire. Now the Building Official tells us there is an ordinance against second floor entrances. When we discussed it with him, and I was present, inside our building, he said, "You can have an inside stair". We told him we have Bobcats, a collector car, the big truck, we have a lot of equipment we need on the bottom floor of that garage. That is why it is

designed the way it is, why we spent the money and now we are told we don't can't have a door or a stairway to the second floor. We would like the Council to look at this, because we feel it is unreasonable. There are structures in our neighborhood. We have talked to Bob, Ron and Tom and Ron and Tom have both been over to see the structure. We need to resolve this, the weather is going to get away from us. If the Building Official would have looked on his final inspection, the windows and the door was framed in the second story, but he didn't climb up there and look. When my husband asked him if he was going to go up the ladder the rest of the way he said, "I can see what I need to see from here." Well he would have seen the rest of the door framed and at that point and time wouldn't have said we couldn't have an outside exit?"

Ronning, "You made the comment that the Building Official made one statement, were you both present when he made that?" Helstrom, "Yes, we were." Moegerle, "The ordinance is pretty clear that there are not outdoor stairways or doors. You are not disputing that, correct? You compliant is that you didn't get the information until after you had taken some steps, right?" Helstrom, "That is one complaint. The other is why are there other structures right in our own neighborhood that have an outside entrance and stairs to the second floor?" Moegerle, "Are they recent buildings?" Helstrom, "Yes, within five years. One is right on Palisade." Moegerle, "This is the time during the meeting where you give us your information. I don't know what the solution is, but, I definitely will work on this. And, I will be here tomorrow morning to see what we can work out. I haven't visited your site, but I just went online to check and see if I could get an aerial. It is a concern and we will have to think creatively to take care of this. When would you be available at the property?" Helstrom, "We live there. And, we are both retired."

Ronning, "Jack and I looked at this yesterday, and we looked at the history of the ordinance and it was in place what year?" Davis, "In 2008 or 2009 the newly revised zoning code was adopted. If this was in the previous code or it if was added, I don't know, I don't have access to the previous code. We do have a section in the code that says all doors in garages should be at ground level and stairs should be in the interior. Whether this is something that is needed or not, that is what the question is." Moegerle, "Could you enclose the exterior stairs and does that solve the issue here?" Davis, "You could. But, I don't know if this will cause an issue for them." Helstrom, "Yes it does. How do I get my equipment up there?" Koller, "I have been to the property and looked at the garage and it is very well built. I have talked to people and I haven't found one reason why you can't put an outside stairway to the garage." Davis, "If I could speculate, it might have been that if this was permitted then it would allow people to rent out the upstairs portion of their garage." Koller, "I believe the Council has the authority to change the codes." Davis, "With this one, since it is a land use in the zoning code, it would first have to the Planning Commission and then to the Council." Moegerle, "And the next Planning Commission is two or three weeks. Let's make the direction to staff to see what we can work out. Obviously we have to obey our ordinances. But, definitely we are going to work with you. That is no promise, but we will aim at that goal."

Koller, "Why does this have to go before the Planning Commission?" Vierling, "Statutorily land use issues have to go to Planning Council for a public hearing process." Helstrom, "We have spoke with Eldon Holmes on the Planning Commission and he knows the structure." DeRoche, "Is there any way they can do something in the interim?" Davis, "It would probably be at their own risk and I will let Counsel speak to that." Moegerle, "I do think we should act with all speed." Davis, "We have to have the public hearing." Ronning, "Clarification, what does the Planning Commission do with it and what is their

final authority.” Vierling, “I presume the action that might be looked at is a text amendment to the code. If that is the action that is taken, they would hold the public hearing, they would review that and make a recommendation to the City Council. The Council has the final authority on whether it would be adopted.” Ronning, “Do they have the authority to stop it?” Vierling, “No.”

Davis, “To streamline this, you need to give us direction to proceed. To call a Special Planning Meeting. Then in order to expedite it we would probably have to have a Special City Council meeting.” Ronning, “In concern, I suspect there are others that have an issue with this. But, I don’t want to give the appearance that “They have an issue with this so they will roll over and do this.” But, I can know one of my neighbors had an issue out there. There are more than one out there. It is not a unique issue.” Davis, “I agree with you, this is not just a reaction to this issue.” Moegerle, “At this point I am going to ask that we give direction to Jack to proceed with this, a hearing date and then the special Council Meeting.” Winter, “The soonest this could be done is September 23rd with publication.” Direction was to move forward on September 23.

Dan Kuehn of 2323 225th Ave. NE, “Our problem started, we moved in December of 1999. Our septic was inspected. We got a letter July of 2011 saying the septic had failed. The report was stamped 2011 and at that time Manny was the inspector and he said they didn’t have stamps in 1999. It said I had 10 months to get the septic fixed. If they would have sent me a letter 10 months after it failed, I could have gone after the previous homeowner. I talked to Minnesota Pollution Control and he told me that the report was null and void because it doesn’t tell me how many inches of good soil I do have. Larry told me no problem, don’t worry about it.”

“I wanted to put an addition on my kitchen. When I talked to your current Building Official and told him what Minnesota Pollution Control said, he told me that he wasn’t going to have someone in St. Paul that sits behind a desk tell him what to do in his City.” Moegerle, “Do you have a document from the PCA on what you are saying?” Kuehn, “They just talked to me over the phone. But, then I talked to Jack and he told me if I have a soil specialist come out and inspect it, and it passes it is no skin off their nose. Or that is what Nick said. Nick called and gave me one guys name, but then he said he couldn’t do that because it was showing preference. So we got a list from the University, licensed soil scientist. I called another name on the list, he is a soil scientist, septic designer and the we had him come out and the letter I got from him said there was no problem, everything passed just fine. He e-mailed the report to Nick and I contacted Nick and he said, “I am checking into his credentials, I don’t like his credentials. You have to have someone else come out and inspect it, an inspector. I said, so I paid \$483 to this guy and now I have to pay again? And Nick said, “Who said you have to pay for it. Well if I don’t who does? So, the soil scientist and designer that came out gave me a name of someone that was also an inspector and he couldn’t check the same spot. So, he checked four feet away and quite a few spots and now I only have 42” instead of 48”. You can have ten guys check it and have ten different results. I have my plans in for the septic and it is going to be another week. What I am wondering why the letter I got said designer or inspector. I got a designer and Nick wanted an inspector. I paid the first guy and it is not an imminent health danger.” Moegerle, “If the septic is functional, do you require the change in your septic when you add onto your house?” Kuehn, “No, all I am doing is adding five feet onto my kitchen. But, because of that report in says I don’t have two feet in mottled soil. I have talked to Ham Lake, Athens Township and they both said as long as there is not threat of imminent danger, you should be able to get a building permit. Jack is going to look at that report tomorrow

that says a designer or inspector. I started doing this in May and it is frustrating and Nick keeps kind of running me around. He said we can sue you to make you put a septic in. And, I said I can sue the City for not sending me the first report in time.” Moegerle, “I would follow the PCA route a little more, because that makes it moot. Try to get that documentation, that might help.” Moegerle, “We will direct staff to work with you and keep us advised.”

DeRoche, “Do you know anything about this Colleen?” Winter, “It was a two foot mottled soil and the regulations changed.” DeRoche, “Isn’t it usually if you are adding a bedroom?” Davis, “Anytime you are doing an alteration in plumbing, your septic has to be up to code.” Koller, “I think the report from 1999 should be thrown away.”

There were no comments so the Public Forum was closed.

Consent
Agenda

Moegerle made a motion to approve A) Approve Bills; B) Consider Resolution 2013-54 Accepting Bid for the Whispering Aspen Street Surface Improvement Project; C) Resolution 2013-55 Directing the Preparation of the Proposed Assessment Costs for the project. Koller pulled C and Ronning pulled B. **Koller seconded; all in favor, motion carries.**

Item B)
Consider
Resolution
2013-54

B) Consider Resolution 2013-54 Accepting Bid for the Whispering Aspen Street Surface Improvement Project - Ronning, “When did this start?” Jochum, “I believe it was put in the Capital Improvement Projects last year. Is that correct Jack?” Davis, “Yes.”

Moegerle made a motion to adopt Item C) Resolution 2013-54 Accepting Bid for the Whispering Aspen Street Surface Improvement Project. Koller seconded; all in favor, motion carries.

Item C)
Consider
Resolution
2013-55

C) Resolution 2013-55 Directing the Preparation of the Proposed Assessment Costs for the project. - Koller, “I would like some clarification on this. According to the resolution, they will be assessing $\frac{3}{4}$ of a mile on either side of Highway 65.” Davis, “That is in the sewer district.” Koller, “It doesn’t say that. There are a lot of residential houses on each side.” Davis, “This is only for the sewer district.”

Koller made a motion to adopt Item C) Resolution 2013-55 Directing the Preparation of the Proposed Assessment Costs for the project. Moegerle seconded; all in favor, motion carries.

IUP/Home
Occupation
for Stacie
Arneson at
929-197th
Ave. NE

Davis explained that the applicant, Stacie Arneson, is requesting an IUP to operate a home-based hair salon business. Stacie Arneson is a licensed cosmetologist and would be working by appointment only.

Business is conducted by appointment only so parking needs generated from the home occupation are small and shall be provided on-site, in the designated driveway.

Planning Commission recommend approval to City Council for an IUP for a home occupation for a hair salon, located at 929 197th Avenue NE, Kable Country Estates, Lot 13 Blk 1, PIN 19-33-23-44-0017, with the following conditions:

1. Home Occupation shall meet the specific home occupation standards set forth in the City Code Appendix A Section 10-18:

- a. No more than three (3) persons, at least one (1) of whom shall reside within the principal dwelling, shall be employed by the Home Occupation.
 - b. No traffic shall be generated by any home occupation in a significantly greater volume than would normally be expected from a single-family residence.
 - c. Any sign associated with the home occupation shall be in compliance with the East Bethel City Code, Chapter 54. Signs. Home occupation signage must be no larger than two (2) square feet (City Code Chapter 54-4.3).
 - d. The home occupation shall not generate hazardous waste unless a plan for off-site disposal of the waste is approved.
 - e. A home occupation at a dwelling with an on-site sewage treatment system shall only generate normal domestic household waste unless a plan for off-site disposal of the waste is approved.
 - f. The home occupation shall not constitute, create, or increase a nuisance to the criteria and standards established in this ordinance.
 - g. There shall be no outdoor display or storage of goods, equipment, or materials for the home occupation.
 - h. Parking needs generated by the home occupation shall be provided on-site.
 - i. The area set aside for the home occupation in the principal structure shall not exceed 50 percent of the gross living area of the principal structure and the area set aside for the home occupation in the attached or detached accessory structures or garages shall not exceed total accessory structure space.
 - j. No structural alterations or enlargements shall be made for the sole purpose of conducting the home occupation.
 - k. There shall be no detriments to the residential character of the neighborhood due to the emission of noise, odor, smoke, dust, gas, heat, glare, vibration, electrical interference, traffic congestion, or any other nuisance resulting from the home occupation.
2. Violation of conditions and City Codes shall result in the revocation of the IUP.
 3. All conditions must be met no later than September 30, 2013. An IUP Agreement shall be signed and executed no later than September 30, 2013. Failure to execute the IUP Agreement will result in the null and void of the IUP.

DeRoche made a motion to approve the request of Stacie Arneson for an Interim Use Permit for a home occupation for a hair salon, located at 929 197th Avenue NE, Kable Country Estates, Lot 13 Blk 1, (PIN 19-33-23-44-0017), with the following conditions:

- 1) Home Occupation shall meet the specific home occupation standards set forth in the City Code Appendix A Section 10-18; a) No more than three (3) persons, at least one (1) of whom shall reside within the principal dwelling, shall be employed by the Home Occupation; b) No traffic shall be generated by any home occupation in a significantly greater volume than would normally be expected from a single-family residence; c) Any sign associated with the home occupation shall be in compliance with the East Bethel City Code, Chapter 54. Signs. Home occupation signage must be no larger than two (2) square feet (City Code Chapter 54-4.3); d) The home occupation shall not generate hazardous waste unless a plan for off-site disposal of the waste is approved; e) A home occupation at a dwelling with an on-site sewage treatment system shall only generate normal domestic household waste unless a plan for off-site disposal of the waste is approved; f) The home occupation shall not constitute, create, or increase a nuisance to the criteria and standards established in this ordinance; g) There shall be no outdoor display or storage of goods, equipment, or materials for the home occupation; h) Parking needs generated by the home occupation shall be provided on-site; i) The area set aside for the home occupation in the principal structure shall not**

exceed 50 percent of the gross living area of the principal structure and the area set aside for the home occupation in the attached or detached accessory structures or garages shall not exceed total accessory structure space; j) No structural alterations or enlargements shall be made for the sole purpose of conducting the home occupation; k) There shall be no detriments to the residential character of the neighborhood due to the emission of noise, odor, smoke, dust, gas, heat, glare, vibration, electrical interference, traffic congestion, or any other nuisance resulting from the home occupation; 2) Violation of conditions and City Codes shall result in the revocation of the IUP; 3) All conditions must be met no later than September 30, 2013. An IUP Agreement shall be signed and executed no later than September 30, 2013. Failure to execute the IUP Agreement will result in the null and void of the IUP. Ronning seconded; all in favor, motion carries.

Cell Tower
Land Lease

Davis explained that the City of East Bethel entered into a contract with Nextel Corporation on November 24, 1998 for a lease of approximately 0.11 acres at the rear of the East Bethel Ice Arena which allowed the construction and use of a communications tower on the premises. The original agreement was for the lessee to pay the City \$1,000 per month subject to the greater of a 3% or the CPI increase annually. The current lease expires December 31st, 2018 and is currently held by American Tower. The 2013 monthly income is \$2,771.89 lease and \$400 for carrier rent or \$38,062.68 for the current year. American Tower proposes to extend the lease in ten- five year increments with American Tower having the option of cancelling the lease at the end of any of the installment periods. Under this agreement, total rent from 2013 to 2068 would be 5.1 million dollars.

The term of the lease and the City's rights of cancellation are issues we need to discuss regarding this proposal.

As an incentive to renew the lease at this earlier date, American Tower has offered the City a one-time renewal bonus of \$50,000 in addition to the current rental agreement fee. Fees collected from this lease have been utilized to reduce the operational debt of the Ice Arena and by the end of 2014 the operational deficit of this enterprise fund is projected to be positive.

Staff has discussed proposals with two additional solicitors for the lease renewal, Tri-Star and Unison. The proposals are summarized as follows:

Option 1: Renew with American Tower

Onetime payment: \$50,000

Monthly Lease Revenue: \$2,771.89 with an annual increase of 3% or the CPI, whichever is greater

Monthly Carrier Revenue: \$400.00

Option 2: Unison

Onetime payment: \$450,000

Monthly Lease Revenue: \$0

Monthly Carrier Revenue: \$0

Option 3: Tri-Star

2014-2018

Onetime payment: \$0

Monthly Lease Revenue: \$2,000 (from Tri-Star)

Monthly Lease Revenue: \$2,771.89 subject to the greater of an annual 3% or CPI increase (from American Tower)

Monthly Carrier Revenue: \$400

From 2019-2023

Onetime payment: \$0

Monthly Lease Revenue: \$3,333

Option 4: Do not renew the current lease at this time and wait until 2017 to evaluate the market for renewal opportunities. We would still continue to receive our monthly rental fee from American Tower through 2017 (\$163,000) if this option is exercised.

Projected Total Revenues 2014-2023 for Communications Tower Land Lease Proposal

American Tower \$541,602.26

Tri Star \$525,893.97

Unison \$450,000.00

Staff is seeking direction from Council regarding these options.

Moegerle, "Suppose we take Option 4, what does that do for cell phone coverage in East Bethel? Because I know out at the beach cell phone coverage is spotty at the best." Davis, "This has nothing to do with cell phone coverage on anything outside the 65 corridor."

DeRoche, "Can we get a legal opinion?" Vierling, "Well basically it is a series of 10 year options at five years a piece. So theoretically you are binding the City for 50 years. That is usually not what you see. Usually what you see is five options at five, so 25 years. The second thing that caught my attention is they are basically modifying the lease to take away any landlord opportunity to declare default except for nonpayment. So, if under your existing lease you have any conditions for the tenant that were imposed and you could amend them as adopted, you are basically amending your prime lease so that the only condition that you can declare them for default is for non-payment. Not for any other issues." Moegerle, "What other issues should we be thinking of?" Vierling, "That is where we had to go back and take a look at the other lease." Ronning, "Could that be equipment modification? Or is that their equipment?" Vierling, "Compliance with your local ordinance. Compliance with security issues & homeland security issues. The other thing is you have to be comfortable with the term because you are talking about tying the property up for 50 years." Davis, "We did talk to them about the cancellation terms and they said that was a non-starter for them." Moegerle, "Do they have rights for cancellation that we don't have in this current contract so they could say after 10 years, "Oh we are done?" Vierling, "They could certainly choose not to renew. The option is purely on their side of the fence. We have no opportunity to force them to renew after five years."

DeRoche made a motion to table the Cell Tower Lease. Ronning seconded. DeRoche, Koller and Ronning, aye; Moegerle, nay; motion carries. Davis, "We are doing quite well with what we are getting for our lease site." DeRoche, "I don't want to tie it up for 50 years. And the default thing concerns me also." Davis, "That is why we have the fourth option. They are all pushing to get something done. You have all these cell phone re-lease companies and they try to buy these up and resell them. We can ask the City Attorney to come up with his major concerns and we will bring those to these people." Moegerle, "And when will you have this back to us?" Davis, "We will try to get it back to you by the next meeting." DeRoche, "I would like Mark to take a look at it."

Davis explained that we can start discussing tonight, or we can set another meeting. I put this in here to see what your pleasure was and what level of detail you wanted to get into. The cuts that we put in here are the ones that we had before you for consideration.

DeRoche, "I read through it and I am holding my ground here. The ramification of some of these cuts." Davis, "Some of these cuts as far as transferring some of the general fund surplus, knowing what funds we may have for connections, the refinancing options, other incomes from other leases and royalties, these are things that are a work in progress and we may not know a final number until November. We have approved the preliminary budget and there is no huge rush on this. But if anyone has any suggestions we would love to hear them. What we are working on is getting these final numbers together so that before we set the final levy we will have accurate numbers that you can use for reductions if you so decide to do so." DeRoche, "The only numbers that I see that are going to make any difference are the capital funds. And, I think that is dangerous territory." Davis, "You are correct. Anything we do will have certain ramifications and we need to consider those carefully, so we don't create another problem while we are solving one." Ronning, "With all these conversations we have had on this, people need to know that most of these funds are once and then they are done, correct?" Davis, "Yes, once and done and they we are back to the same situation next year." Ronning, "Only you are short what you had last year. Damned if you do and damned if you don't. I still say, prepare for the worst and hope for better."

Moegerle made a motion to table the 2014 Budget Discussion to the next City Council meeting. Moegerle, "We already had a lot of discussion on this previously tonight and so maybe we should discuss it at our next meeting." Davis, "I do have one question. Do you want to discuss this at your next meeting or do you want to have a work meeting to discuss the 2014 budget?" DeRoche, "A work meeting is fine if all the members show up." Davis, "That is why I proposed September 25th, we may very well have all the Council Members present by that time." Moegerle, "Absolutely. It is very important to have all the Council Members here." DeRoche, "That is not a good date." Moegerle, "We could do it before the October 2nd meeting." Davis, "I would like to do it at least before the October 10th meeting." DeRoche, "This has to be a meeting with only this on the agenda." Koller, "I agree." Ronning, "So do I." Moegerle, "So when are you available?" DeRoche, "Can we all just e-mail Jack our dates?" Davis, "That will work, and we can have two members call the meeting." **Koller seconded; all in favor, motion carries.**

Staff Update

Davis, "There will be a meeting tomorrow with Staff, Anoka County Park Staff, hopefully Anoka County Commissioner Julie Braastad, Representative Hackbarth, Senator Bensen and representatives from the DNR to continue discussions to find a resolution on the issue of the Sand Hill Crane clear cutting issues. It is at 1:00 p.m. at Bunker Hills Park." DeRoche, "Can we just come?" Davis, "Yes, but if more than two Council Members are going to attend, we should have it posted." DeRoche, "I will plan on attending." Ronning, "I might also attend." Moegerle, "Will you be offering transportation?" Davis, "Yes. Also, the East Bethel Theatre has applied to Met Council for a reduction in their ERU assignment. As a basis for obtaining that reduction they are proposing to eliminate 700 seats. Met Council reviewed that application and they reduced their ERUs from 28 to 17. That reduction resulted in a \$61,500 loss to the City in revenue on SAC and WAC fees. We have approximately \$200,000 surplus in the general fund, and that will need to come out of there. We have made up three of those ERUs with new construction in Whispering Aspen, but that is a significant impact to our budget."

DeRoche, "Mr. Vierling, Met Council and Bolton Mink set up a matrix this is the ERUs for the project. How are we ever going to catch up when Met Council keeps reducing things? This is all based on their SAC Book, which the feasibility study was based on, and the problem is we are watching them dwindle away. Where do we stand? Granted they are projections. Projections make me laugh, because I could project a lot of things. What is their basis for this? On October 6th, when the gentleman from the theatre stood up and said they didn't have a problem with 39 ERUs at the time because it was counting the theater and the other property and now they come back get it lowered. How on earth are we ever going to make that up? They could continue doing this and we could continue losing more ERUs." Vierling, "I think it is a meritorious question. There is no question that the actions taken by them has impaired the city's ability to gather revenue in which the obligation to them can be paid. We have a contract with them, which raises a topic that should be a discussion between the City and Met Council."

Moegerle, "Based on getting this information, I had asked that Jack provide an update to the administrator, Pat Born at the Met Council, Edward Reynoso, as well as to Metro Cities. Yes it is a difficult situation, but to get into a self-fulfilling prophecy and that we are never going to fill it, I don't that is the right approach, negativity does not breed success. While it is unfortunate, I do think there is room for negotiation. We are paying \$96,600 a year to Met Council and what are we getting. There is a point to begin negotiation. And, the conversations that Jack and I have had with Mr. Born and he is appreciative of the dilemma. I would ask that you pursue that issue, and the possibility of what we can work out on this." Ronning, "Is the agreement silent on Met Council made the projections, they made the arrangements, the negotiations, and the whole deal based on projections. If they forgive units, is there a way to approach it that you gave it up, that is yours." Vierling, "It is a discussion that needs to be held. From a process standpoint, I think the city has every right to be offended. When the City wasn't fully engaged with the property owner for reductions." Moegerle, "Just a point of information, the date that Bob is referring to is Oct. 6, 2010. Watch that DVD or read the minutes for more information."

Davis, "One other point of information, the City was engaged in this to some extent. It was mentioned to Mr. Dale Heider at an EDA meeting when we were looking at ways to reduce the impact to the project and still maintain the financial integrity of the City. In conclusion we came up with there was no way that the City could reduce any ERUs. At that time Mr. Haider said his only option would be to remove seats because ERUs were based in the Met Council SAC manual on the number of seats. In order to expedite the hook-up and clear-up the easement matter, he petitioned the Met Council on the reduction in seats. Met Council wanted some assurance that we would monitor the situation. What we did is we said he would have to get a permit to un-install seats. And we would stop by periodically to make sure he did not re-install seats. If he re-install the seats, then his ERUs will increase."

DeRoche, "He approached us in 2011 asking us to drop it down to 12 or 13 because of an e-mail he had. It is not negativity Heidi, it is realism. Nobody has given up. The grandstanding doesn't help." Moegerle, "I didn't say anyone was. And, I am not grandstanding. I am concerned about this too. I am not being a Pollyanna about it. It is what it is and we have to work that much harder. Eventually we will burn out, staff and Council. We have a possibility speaking with Metro Cities and Met Council." Davis, "Mr. Reynoso was invited to the meeting tonight. The invitation did not go out until yesterday and I don't know what his schedule was."

Member
Report –
DeRoche

being negative. I think taxes didn't go up, people were forgetting this project was in place and taxes were going to go up. I think being very open with people and letting them know is more important than looking at life through rose colored glasses. Because the rose colored glasses are broken. If someone is to watch the Council meetings, there are more digs than anything else going on. It is almost as if there is campaigning going on and I don't think this is the place for it. I think it is inappropriate. The thing with the ERUs, unfortunate. I had a nice talk with Stacie from the HRA. Federal program, the County is the possessor of the money. It is to help people that are financially strapped with their septic systems. It sounds like a good program. I would like to see the appliance place close their gate during the daytime. When it is closed you don't see much, but when it is open it looks like a junk yard. Is there a burning ban yet?" Koller, "Not yet?" DeRoche, "Are recreational fires ever banned?" Koller, "Only in extreme draught conditions." Davis, "Yes, generally like Ron said, it would have to be extreme draught conditions." DeRoche, "I have had a lot of people compliment the sign. Maybe change the colors more frequently. But, it is a learning curve."

Council
Member
Report –
Koller

Koller, "I didn't have any watershed meetings this month. The fire department by 40 on medical calls over last year. The two new fire trucks are in and this Saturday in the morning they are going to start fitting them. That means they will be taking all the old equipment off the old trucks and putting it on the new trucks. And, they will be in service next week."

Council
Member
Report –
Ronning

Ronning, "The Planning Commission met and discussed the IUP from tonight. They looked like they are very well prepared. We spent a lot of time on verbatim minutes again at the Planning Commission meeting. Once the Council takes a vote, why does it come up in a commission? This is a rhetorical question. It is not going to change. I always thought once it is done, it is done. This MIDS, EDA, Planning Commission and Council, I was surprised to see that on the agenda? Did we refer it to anyone? I was surprised to see it as a point of discussion." Davis, "The EDA and Planning would like to have a joint meeting on September 23rd with Council to discuss the MIDS issue." Winter, "Just as a point of issue, MIDS or no MIDS there are a couple things that have happened at the state level that will impact us. We are an MS4 community so there are storm sewer requirements that we have. Those have changed this year for the state. And the other thing that has changed is what they are calling Atlas 14 which is really the floodplain regulations. So with those two things combined, they are similar to the Minimum Impact Design Standards. It is not going away. Regarding the meeting, if you want to talk about MIDS, great, if not fine. But we wanted to get the three commissions together to talk about the corridor."

Moegerle, "Isn't there also issues about zoning as well?" Winter, "I don't know if that was something we were going to discuss at this meeting, but if you want to, we can." Moegerle, "There are issues with the zoning on County Road 22 (Viking Boulevard) but we also wanted to talk about the Comprehensive Plan." Winter, "With the Comprehensive Plan, we would need to get all three entities together. One of the issues is where the landfill property is, we have been requested we have to rezone that. And there are a couple other areas that it makes sense to rezone. So for me the important part of the meeting wasn't MIDS, it was the rezoning and Comprehensive Plan." DeRoche, "I have a question on Planning, that Eldon brought up about mandatory home inspections, Truth-in-Housing. I personally would not like to see us get into this. If you have to pay someone to inspect it first, that should be an owner's choice." Winter, "That was something that Eldon brought up. There was no consensus on the Planning Commission on that. That is the point why we want to get together, whether MIDS is here, or what they want to call it. I think that is the critical piece

of why we want to get together as a group, is look at comp plan. Other jurisdictions have a time period that they can comment on it.” DeRoche, “Who brought up the landfill rezoning?” Davis, “The PCA came to us and asked us to rezone the property. At the time we told them we were going through some comp plan reviews and we would include the landfill when that happens.” DeRoche, “What are they looking to get it zoned?” Davis, “I think something that will give them some protection on that property.” Ronning, “What does it do to the rest of the world? If they are protected? There is give or take.” Davis, “It is a change from the current to protected area. They own the facility and operate it. The zone would prevent anyone from operating on it. They are entirely liable for it.”

Council
Member
Report –
Moegerle

Moegerle, “I had a conversation today with a representative from the Department of Minnesota Revenue in regard to property tax refunds and rebates availability to ask if he had any statistical information about how East Bethel is in complying in filling those documents out. And, whether we would need to encourage residents to do that. He had no statistics on that. He is going to do a little more digging on it and I am expecting an e-mail from him. I also spoke with Commissioner Julie Braastad with regard to the anticipation to the county tax levy and she said they are looking at a decrease. I was unable to attend the LMC Policy meeting. I did attend the Website meeting and that was very successful. I spent a lot of time speaking with Richard and he empowered me to say we need to look at leadership, we need to be proactive. I dug out my folder on the newly elected leader’s packet and it talks about leadership. And I think it is important to remember we have other issues that we need to be engaged in and we all need to be working on a common goal of getting the corridor filled with businesses. And finally, Richard wanted me to remind everyone that on January 9th this year, it was agreed that we would be going to a paperless packet. We each got an \$800 stipend to get paperless and that is what we need to do. It is a savings of time and money for staff and that is what the money was for.”

Closed
Meeting –
Village Green
Treatment
Plant

Vierling “For the members of the public and the record, Council is about to go into a closed session to discuss the offers or purchase of real or personal property per MN Statute 13D.05, subd. 3. We need to identify the property which is the Village Green Treatment Plant and some of its components. The meeting will be tape recorded and the tape will be preserved for eight years and will be made available to the public after all real or personal property discussed at the meeting has been purchased or sold or the governing body has abandoned the purchase or sale. Any purchase or sale price is public data.”

DeRoche made a motion to close the meeting to discuss the offers or purchase of real or personal property per MN Statute 13D.05 subd. 3c to discuss the Village Green Treatment Plant and some of its components. Moegerle seconded; all in favor, motion carries.

Vierling, “The City Council met in closed session to discuss consideration of a purchase of real or personal property, Village Green Treatment Plant and some of its components. Attending were all four City Council Members. Also attending were Craig Jochum, city engineer, Jack Davis, city administrator, and myself. Council reviewed an offer that had been conveyed to the City and with regard to their sewage treatment plant and although the Council took no motion, they did as a matter of consensus direct that the City has no interest in accepting that offer or in moving forward with it.”

Adjourn

Moegerle made a motion to adjourn at 10:10 PM. DeRoche seconded; all in favor, motion carries.

September 4, 2013
Attest:

East Bethel City Council Meeting

Page 20 of 20

Wendy Warren
Deputy City Clerk

DRAFT

EAST BETHEL CITY COUNCIL MEETING

October 2, 2013

The East Bethel City Council met on October 2, 2013 at 7:30 PM for their regular meeting at City Hall.

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

MEMBERS EXCUSED: Richard Lawrence

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

Call to Order **The October 2, 2013 City Council meeting was called to order by Mayor Lawrence at 7:30 PM.**

Adopt **DeRoche made a motion to adopt the October 2, 2013 City Council agenda. Lawrence**
Agenda **seconded; all in favor, motion carries.**

Public Forum Lawrence opened the Public Forum for any comments or concerns that were not listed on the agenda.

Becky Knisley, of 23250 Sunset Road, "I am here because we have a concern regarding our new neighbors at 23204 Sunset Road. We have been working with Jack and Colleen regarding this issue for some time now and they recommended we come to the City Council to see if we can come to some resolution regarding this situation. Earlier this year we got new neighbors and they were riding dirt bikes, the loud ones. Let me rephrase, they weren't just riding, they were racing. And they created a racetrack in their yard. There were numerous bikes riding in their yard. It was so loud we couldn't even sit out on our deck and have a conversation with anyone right across the table. This went on for hours on end and days on end. In one week alone it was four days out of the week including the entire weekend."

"On Monday, we complained to the City and they sent out a letter, the sheriff's office had gotten involved, and lately they haven't been racing the louder bikes. But now it is a quieter one or ones, and that is a step in the right direction. But really recently they got a machine out there and they have actually excavated. And, they have built a racetrack in their backyard which adjoins our backyard. That track is about 20 feet from our lot line and I am concerned about what is going to be happening there in the future. We are looking for clarification and possibly changes to our ordinances if we don't have adequate ones to govern a racetrack in a residential area."

"I have done a little research and I know we have an ordinance regarding ATVs and Off-road Motorcycles, limiting the hours of operation and duration. We have also adopted Article III and Chapter 26 of the Minnesota Statutes regarding noise. But, the procedure to monitor noise seems to be a little lengthy, cost prohibitive and confusing to say the least. I am not sure what set of rules we go by? The noise pollution rules or the motor vehicle level noise rules which talks about the center lane distance from the traffic? And, that doesn't seem to make sense, being that it is not on a street. How do you measure from the center

lane of the traffic? So, then I would think it would go by the noise, but I am not an attorney, so I don't know how to interpret these. Anyway, the decibel level is probably going to be greater than is allowable for the State of Minnesota which is what the City of East Bethel has adopted. The noise decibel level should be 60-65 decibels and vehicle should be 67 decibels at 300 feet away. Which is about how far away we are, unless we are in our very backyard, then we adjoin him."

"I understand that everyone should have the right to use and enjoy their property. But, it is not leisurely riding. This is not someone riding around on their ATV or snowmobile for a short time. We have neighbors that do that and that is not a problem. But, this is loud dirt bikes going for hours on end. And, I am pretty sure that no one on the sitting on the City Council or anyone watching this would like to have a neighbor that built a racetrack in their backyard and be subjected to this level of noise. Not to mention the dust it has kicked up this past summer since it has been really dry. I didn't have time to draft a petition like Colleen and Jack had asked us to do and get all my other neighbors to sign. But if that is what I need to do, I will get that done. I did talk to my neighbor that is south of the subject property this afternoon. She is an elderly lady; she does not want to come to City Council. She is very irritated, and will sign a petition, but she is afraid what the kids will do if she comes forward and complains. She did say she has called the sheriff and complained because they have had bonfires that are larger than six feet. I don't know what the rules are on bonfires, because we rarely have them, but I thought we could check into what that rule is."

"In addition, when Jack, Colleen and I walked the property, our neighbor has been shooting clay pigeons, which is not a problem but they have been landing in our yard. Not in their yard. I don't know what the rules are on that either, because I am not a hunter. But, I am a little concerned because now they are setting up stands and blinds up there as well. And, they shouldn't be discharging that close to our home. I also heard from a neighbor two doors down that they have a problem with the noise; I just haven't gotten a petition together. So, I am looking for some input from you as City Council on what we can and can't do. And, what is allowable and non-allowable. And, where do we go from here?" (Ms. Knisley showed the Council a map of where both properties are in relation to each other)

Moegerle, "How much soil was moved for this racetrack to be put in? Would that trigger anything?" Davis, "It would, but it was less than a 1/10 of an acre. If it was more than an acre it would trigger some activities from the erosion sediment control ordinance."

Moegerle, "Would littering cover the issue of the clay pigeons? I am finding some ordinances on that. Knisley, "To me that is the least of my worries. But, to me, I figured as long as I was here, I would put it all out there and what do we do about it."

Lawrence, "Jack, don't we have an ordinance on racetracks in East Bethel?" Davis, "We do, but the problem with that ordinance and few other ordinances like it is they are based on the noise level which is really not enforceable. This is a MPCA standard. And, to validate this, you have to take decibel level every 10 seconds for an hour. And, then there is a formula to get the mean, it is very difficult to do (I cannot explain it). The City does not have a decibel meter, and in order to have one, it has to be one that can be accepted in court, a rather sophisticated one. It has to be continually calibrated. The county has one and they have said that they are not going to send an officer out for an hour standing there taking readings. **And, if anyone is knowledgeable to what is going on, after 359 readings, they are going to cease their activities. And, then perhaps technically, you would have to start again. I don't know the legal components of that.** To make a long story short, enforcing noise violations is very difficult and problematic the way we have it set up. I went

back and checked seven or eight other cities and they all have adopted the same standards, with the exception of one. And, this one has no standards; they just issue citations and hope they aren't challenged. If this is to be addressed, it has to be by finding some enforceable noise definition. We have run into this on other occasions too. It doesn't only pertain to the situation that Becky is describing, but, it also has been applicable in other occasions where we haven't been able to do anything because of measuring what the decibel level is to enforce it."

Moegerle, "I am looking at the Minnesota Statutes and we have adopted 609.68. It says, "Whoever unlawfully deposits garbage, rubbish, debris from fireworks, offal, or other litter in or upon any public highway, public waters or the ice thereon, shoreland areas adjacent to rivers or streams as defined by section 103F.205, public lands, or, without the consent of the owner, private lands or water or ice thereon, is guilty of a petty misdemeanor." So, that might be helpful on a small part." Knisley, "That is a small part." DeRoche, "State law also says you cannot discharge a firearm within 500 feet of a structure that is not on your own property."

Lawrence, "Maybe we need to look at adopt something that says you cannot race these four-wheelers. No one wants racing. Maybe we need to have guidelines of how close they can be to the property lines." Davis, "There are some guidelines in the existing ordinance. I think it reads you cannot be any closer than 50 feet to the property line and you have to be at least 100 feet away from a dwelling. Which is pretty close. This could be looked at redefining racing and/or use. I would like to explore this on the noise level because we are going to have other issues that are based on noise complaints. And, until we have an effective means of defining what that is, than any noise complaints we are helpless to do anything."

DeRoche, "Well racing was part of the reason the ATV Ordinance was put in. They were outlawed to begin with because someone had a piece of property and they had a track and they were racing around. The neighbors got tired of it and they didn't want to give it up. So, the neighbors brought it to the City Council and the City Council said, "Hey, no more. But the noise ordinance, Tom you have tried to address that."

Ronning, "Yes, I have. And, to some degree it is objective and to some degree it is subjective when you get into the decibels. Mark, I can't help but wonder if this would be your background or not, but, if you are operating a vehicle within a community and it is California Air Research Compliant (CARV), what is your objections to challenge that existence?" Vierling, "Under existing MPCA guidelines? Probably very little. Noise is always very difficult for all communities if you adopt the MPCA standard. No one has the personnel to do it and it is very difficult. I think what communities have done is go after the issue from a number of other perspectives. Certainly there has been a challenge of the activity itself, regardless of how you categorize it as being a nuisance. And, issuing tags or citations as a nuisance. Other communities have simply prohibited the exhaust from internal combustion engines for of period of time more than 1 ½ hours in 24 hours on a property. I would be happy to sit down with staff and see what we can do. From our prospective, we want something that is enforceable. We don't want to spend your money and our time up at Anoka County frivolously. I can certainly take a look at this. Because I think you are going to have to come at it from some other direction than noise."

Ronning, "I would tend to agree with that. Why I mentioned the CARV is that it is factory equipment, and it is compliant with all the requirements. I don't know what your obligations

or limitations are.” Vierling, “That is part of the attack that many communities have come into because the ability to define a community standard as far as what constitutes a nuisance, doesn’t have to parallel or tie into what is otherwise regulated or permitted on a federal or state standard. So, there are some opportunities we have to redefine what a nuisance is and pursue it along those lines.”

Lawrence, “So I think with that information from our Attorney, we should have staff and our Attorney get together and see if they can draft something that is workable for everyone. Because you complain about the noise and that is a legitimate complaint. And, I remember when I first moved to the City and we would reject any home that had junk cars next to us, because we didn’t want the junky attitude. So, when we made the purchase and moved in, there were the junk cars. I couldn’t believe my eyes.” Knisley, “Yes, noise to me is something that is controllable. I didn’t move next to the racetrack. I didn’t go to the Motorcross on my weekend off.” If I did, I would choose to do that. I didn’t chose, it is there. They are riding and that one weekend they didn’t stop.”

Moegerle, “Ms. Knisley what is your relationship with your neighbors? Would a referral to the Mediation Services at Anoka County be helpful? Or is this an all out war with no communication between?” Knisley, “I am going to say, I haven’t had any communication with them, my husband has. He communicated with them and nothing happened. And, we ended up calling the sheriff and filing a complaint. And, immediately after the sheriff left, they were quite upset. And they got right on their bikes and it was even louder than before, and revving.” Moegerle, “What age are they?” Knisley, “Adults.” Moegerle, “This seems to me that the mediation service might help. Would you be amenable to that? It is at a no cost through Anoka County. And that way are wouldn’t be at war with your neighbor. There would be no police involved.” Knisley, “I didn’t want to file any more complaints that is why I am here. That is one of my questions to Council Member DeRoche, did you say there is an ATV racing ban?” DeRoche, “I thought there was, but I am not finding anything on it.” Knisley, “That is our issue, we can’t find anything in the ordinances that related to racing.” Davis, “Our ordinance doesn’t say anything about racing, it does restrict the hours. The hours are: Monday through Fridays, 9:00 a.m. though 8:00 p.m., and Saturdays and Sundays, 10:00 a.m. through 5:00 p.m. You can’t operate continuously for two hours without taking a one hour break. It is fairly open and liberal so you can operate these off-road vehicles for quite a while. If you have an eleven hour window on the weekdays you can probably operate them for 6 hours a day. On weekends, 4 to 6 hours for them.”

Moegerle, “I am looking at 70.86 our ordinance on this? I am not seeing a time limit.” Knisley, “It is under 70.111. It is number 4 under there.” Moegerle, “And that is not happening?” Knisley, “It wasn’t. But, now they got a letter and they are not riding past the allowable times. But, before they got the letter and before we complained it was continuous non-stop until dark, Friday night, Saturday night, and Sunday night. We have voice recordings sitting on our cell phones that I sent Colleen. And, I have a sound meter that I downloaded on my smartphone. And, even the quite bike hit 79 decibels. The loud bikes were on 70-80 just sitting on our deck. We own a real estate company and it is on the L shape of our property and you couldn’t be in there and talk on the phone when they were riding their dirt bikes.” Moegerle, “Doesn’t give the professional ambience that you want.”

Moegerle, “Can we send a referral to mediation? With winter coming on you can maybe resolve it during the winter while they aren’t riding their bikes and it will maybe make spring a little better?” Knisley, “I don’t know that we need to talk to them. I am looking for the City to come to some type of resolution. Either noise wise or racetrack wise and get it

enforced, that is what I want to see.” Lawrence, “I think that is what I have asked Jack and the City Attorney to do. To get together and get something that works for everybody.” Ronning, “With mediation being considered, I don’t know the answer. But, it would seem that you have to have two parties to accept participation, and to accept the outcome. You can’t have mediation of just one person.” Vierling, “This is more like arbitration.” Lawrence, “I am not real excited about that, and I don’t think Becky is either.” Knisley, “If we can come to resolution between us and the neighbors that is wonderful. But, you are right, this isn’t the only time in the City’s history that this is going to come up. So, I am thinking it just needs to be addressed.”

Ronning, “On the mediation/arbitration, the mediation that was suggested at no cost. Are there limitations? If so, what might they be? I don’t want someone going away thinking that this may take care of it if it doesn’t.” Vierling, “Mediation is an opportunity for the neighbors if they wish to engage it. But, you have to have willing parties and parties that are interested in sitting down and resolving their issue.” Koller, “I looked online and found a few cities that had the same issue. And it all came down to drafting an ordinance. And it is because they don’t have any rules.” Lawrence, “That is our direction I think we need to take care of to make sure this goes away.” Moegerle, “And, then when we draft the rule, we send a copy to both parties of what the new rule is.”

Ronning, “One thing about something like noise, and I mentioned it is typically subjective. To one person a baby crying is noise, so you have to throw the baby away or stuff it quiet or something. To others, train tracks going through town, that is noise. You have a highway going up and down the road, that is noise. It bothers some people and it doesn’t bother others. We have a train that goes by or there is a business that does, I think sandblasting and you can hear them a mile away, are you going to close them down?” Lawrence, “I think here we are discussing not businesses, but, residences.” DeRoche, “When you are drafting something like that you have to be careful. Because the last time like this, ATVs were banned from the City driving anywhere, because a couple people being basically meatheads. There are a lot of things you can do. But, to just say we are going to ban it, I think that is a dangerous road to go down. Because next, someone else is going to come in and say, “Well they are making this kind of noise, so we want that banned. And, where does it stop?” I think there needs to be a compromise somewhere. If I were you would I complain? Yes, absolutely. But, you have to be careful, because some cities have said, “We don’t want any noise.” So now when you tree falls down your chain saw makes too much noise. Your garden tractor makes too much noise. Your bike is too loud. Something has to be crafted, but done in a way so it is not burning someone in the process.” Ronning, “You have a legitimate complaint, but it is a huge subject.”

Knisley, “I understand that. I read the statutes, but there are different decibel levels and having a baby cry, that is the worst thing. I understand that. To me it is the level, if I can’t sit on my deck and have a conversation, that decibel level is too high in a residential area.” Ronning, “You have a reasonable complaint, but it is a tough thing.” Lawrence, “Tom, we have covered the conversation quite clearly. We have given direction to staff and I want them to continue in that direction. And, move on in the conversation and move to the Consent Agenda.” Moegerle, “I have a quick question about Home Occupations?” Ronning, “No we are done.” Lawrence, “What is that?” Moegerle, “The question is, could the Home Occupation law be used at all?” Lawrence, “I think we will put that with the ordinance, we are done with this.” Ronning, “If we are done, we are done for everybody.” Lawrence, “We are done for everybody.” Ronning, “Thank you.”

There were no more comments so the Public Forum was closed.

- Consent Agenda Moegerle, "I would like to pull items A) Approve Bills, B) September 4, 2013 City Council Regular Meeting Minutes and D) Payment for MCES Construction Project City Portion of Forcemain." **Moegerle made a motion to approve the Consent Agenda including: A) Approve Bill; B) September 4, 2013 City Council Regular Meeting Minutes; C) September 18, 2013 City Council Regular Meeting Minutes; D) Payment of MCES Construction Project City Portion of Forcemain; E) Payment for Fence at Water Treatment Plant; F) Resolution 2013-60 Setting Public Hearing Date – Delinquent Accounts; G) Pay Estimate #1 for Castle Towers/Whispering Aspen 2013 Forcemain Project. Lawrence seconded; all in favor, motion carries.**
- Item A) Approve Bills Moegerle, "I pulled Item A) Approve Bills because what did we purchase for \$69,000 to John Deere?" Davis, "That was a tractor which was in the Capital Improvement Replacement Plan and was approved by City Council this year." Moegerle, "And the Diamond Mowers was an attachment for that?" Davis, "Yes, that is correct."
- Moegerle made a motion to approve Item A) Approve Bills. Lawrence seconded; all in favor, motion carries.**
- Item B) September 4, 2013 Minutes Moegerle, "I pulled Item B) September 4, 2013 meeting minutes. On Page 8 the vote is backwards. It is not correct. There are some other things. I would like staff to check the meeting tape."
- Moegerle made a motion to table Item B) September 4, 2013 Meeting Minutes. Lawrence seconded; all in favor, motion carries.**
- Item D) Payment for MCES Construction Project City Portion of Forcemain Moegerle, "I pulled Item D) Payment for MCES Construction Project City Portion of Forcemain. The idea was we would wait to pay the money until after we got MCES's payment and then we would pay back for the forcemain. Why don't we go ahead and pay this out of the bond funds and then we can say, "See, the bond funds paid it." And, then when we get the money from MCES this is not bond money any more, and we can use it for other purposes. Not necessarily sewer and bond." Davis, "We are supposed to receive that check from MCES tomorrow." Moegerle, "But why doesn't that method of paying from MCES versus paying from the bond funds now. Can't we pay it now?" Davis, "We can but we don't have any sources to pay it from." Moegerle, "That is the question, because that was not made clear."
- Moegerle made a motion to approve Item D) Payment for MCES Construction Project City Portion of Forcemain. Lawrence seconded; all in favor, motion carries.**
- Lift Station #1 Report Jochum, "We did meet with the contractor last week to discuss some possible cost savings. One of the major savings is possibly reusing some of the existing wet well. We redrafted the plans a bit and sent those over to the contractor and he is supposed to get us a revised cost if there is one by early next week. So, hopefully then it can be presented at the next Council meeting." Lawrence, "Are you thinking these materials will be suitable for reuse." Jochum, "It would be basically saving the bottom portion and taking off the top portion. Instead of a completely new wet well." Ronning, "Is lift station #1 at Klondike?" Jochum, "That would be the old one that is servicing the park, Castle Towers." Ronning, "There is a new one they just dug." Jochum, "There will be a new one on 241st and Johnson. That one hasn't started yet. Those are just maintenance manholes."

Coon Lake
Storm Water
Retrofit Grant
Letter of
Support

Davis explained that this project proposes to install new storm water treatment practices in neighborhoods directly draining to Coon Lake, the largest lake in Anoka County. The objective is to remove phosphorus, which fuels algae growth, before storm water is discharged into the lake. 17 potential project sites have been identified and ranked by the amount of phosphorus they will capture per dollar spent. Five to seven of these projects will be chosen based on maximizing pollutant reduction with dollars available. The project types include residential curb-cut rain gardens (11 candidate sites), swales (4 sites), basin outlet modification (1 site) and stabilizing a storm water discharge point (1 site). The candidate areas have little or no storm water treatment today and sites are strategically located to treat the maximum sub drainage areas.

Projects will be installed with the consent of private landowners or in public areas. In the case of private land installations, the owner will be expected to perform maintenance. A signed, notarized maintenance agreement is required. This approach has proven successful in 28 residential rain gardens previously installed by the Anoka Conservation District in the last three years. The maintenance burden is lessened by installation of pre-treatment sediment boxes at each site. City staff will be requested to advise on this project and have attended past meetings involved in the planning of this project.

The Anoka Conservation District is applying for a State Clean Water Fund grant to fund this project. This grant requires a minimum 25% local match. Match and support is provided by the Coon Lake Improvement District (\$2,000), Coon Lake Improvement Association (\$2,500), Coon Lake Beach Community Center (\$500), and the Sunrise River WMO (\$25,000).

Improving Coon Lake water quality is a priority because it is approaching the state water quality standard of 40 ug/L of phosphorus (summertime average). Over the last 10 years it has exceeded that standard in one year and averaged 34 ug/L during this period. Coon Lake is also the site of the Coon Lake County Park and two DNR boat landings and residential areas in East Bethel, Ham Lake and Columbus.

Consider approval of the submission of a letter of support for the Coon Lake Storm Water Retrofit Grant.

Ronning made a motion to table the Letter of Support for the Coon Lake Storm Water Retrofit Grant. DeRoche seconded. Moegerle, “It is my understanding that the deadline for receiving those letters has expired and it was due by Monday. Is that correct?” Davis, “This one is due by October 4th.” **DeRoche, Koller, Ronning, aye; Lawrence and Moegerle, nay; motion carries.**

Lawrence, “How long are we tabling this for.” Davis, “If the Council table’s this, there will be no reason to bring it back up because the letter is due by October 4th.” DeRoche, “Just as a point of information. The source of this came from?” Davis, “Anoka County Conservation District, from Jamie Schurbon.” Ronning, “That was following a solicitation, wasn’t it?” Moegerle, “No. Jamie was out at Coon Lake working on this and I asked him if it would be helpful to Anoka County to get this grant if the City Council backed it with all of these other entities. He said it was a good idea. So, that was my conversation with Jamie. I mentioned it to him and it was completely in his control whether to do that or not.”

Lawrence, "So, we have killed this idea of whether to do this or not." Davis, "In terms of the letter of support from the City, that would be correct." Lawrence, "You are all aware of that, right?" DeRoche, "Yes, I am. I didn't see any data backing up the ramifications of these ponds and gardens are. What I can tell you is I go down to the lake now and I have about 32 feet of dock that is dry dock because of evaporation and heat. We don't have water running in. Part of this is taking the water that runs down off the hills, on Forest and Grove and stopping it and putting it in the holding pond. And I haven't seen any data saying we are going to curtail the use of fertilizer. And, I have been here long enough to see the lake go down to where I had 200 feet out that was dry. So my concerns are the water levels." Moegerle, "The purpose of rain gardens is to filter the run off."

Cell Tower
Land Lease

Davis explained this issue was presented to the Council at the previous meeting. It was reviewed by the City Attorney and there is an attachment with the City Attorney's comments. These were sent to American Tower for incorporation in the agreement before we would consider this. We last submitted this on Friday morning, September 27th and we have heard nothing back from American Tower. So, at this point, I would recommend that we table this until we get some response from them.

Moegerle made a motion to table the Cell Tower Land Lease with American Tower until we get a response from them on incorporating the comments sent to them on Friday, September 27, 2013. DeRoche seconded. DeRoche, "Now one of the concerns I had is this: Landlord/Lessor termination rights are hereby deleted and no longer in effect. What exactly does that mean? That we can no longer terminate during the course of it?" Vierling, "That is a good question. That is part of the reason we asked that language be deleted. First of all, it doesn't make a lot of sense to us. But, that language and several other provisions we suggested be deleted out. One of the comments we sent back. That is probably why we haven't heard back." **All in favor, motion carries.**

2014-2016
MNPEA
Union
Contract

Davis explained as per Council direction, we have negotiated and offered a three year contract to the Minnesota Public Employees Association (MNPEA). MNPEA has accepted our offer of the labor agreement for the term beginning January 1, 2014 through December 31, 2016. The final document is attached for your review.

The two important features of the agreement are the provision of a 2% wage increase for each year of the contract and a medical re-opener clause in effect to negotiate this benefit for 2015 and 2016. The other language changes are provided in Attachment #1.

The City Attorney has reviewed the contract and incorporated changes which are presented in Attachment #2. MNPEA has agreed to these changes.

Previous increases for Union and non-Union employees have been 3% over the last 4 years or an average of ¾% per year. The proposed agreement is consistent with wage increases of surrounding Cities and will add approximately \$30,000 annually in wage and benefit costs over the next three years.

Staff is recommending the approval of the Labor Agreement between the City of East Bethel and MNPEA as presented in the attached document.

DeRoche made a motion to approve the 2014-2016 Minnesota Public Employees Association Union Contract. Koller seconded. DeRoche, "I think this is long overdue. Looking back on the history, City employees have been pretty much held next to nothing."

Koller, "I find this to be fine." Ronning, "It looks good to me. I went through it." Moegerle, "We are in a financial bind. We paid 1 ½% last year and I think that additional ½% is going over and above what we need. We certainly could always reopen this if we wanted to add in ½% if our financial basis was sound. There is a concern about wages. We got 107 applications for receptionist position and I think 2% is too much given all the considerations."

DeRoche, "Go back in history and look and I know what was interpreted by Anoka Union and what was said. Do I think all the employees would quit, no. But, a lot of employees have been here for quite a while and 2% raise was almost a slap in the face. And, they have been pretty patient, to go from ¾% to 0% to ¾% to 1.5%. To retrain some of the employees we have is going to cost a heck of a lot more than that. We can't blame them for the sewer and water project. And that is what is coming down to. We knew it was coming and so let's just start cutting everybody's wages. I just don't think that is the thing to do, I really don't."

Ronning, "And, further, as the document says, they have had 3% total over the last four years or an average of ¾% per year. And, on a daily average, you can't go out and buy a cup of coffee or a soda at Maxx's. This isn't a killer." Moegerle, "My point is it adds \$30,000 to our budget and we are watching dollars and dimes carefully. We are saying if we save \$143,00 that means nothing? Well it does mean something and this year in particular we need to be extra careful. We can always go back and give more. It is not an issue of cutting wages, an issue of carefully budgeting and marshalling dollars. I think every dollar that we let slip by, that adds up to real money. I think each one of us has a different point of when it adds up to real money, but I think across the board with regard to this budget there are areas where thousands of dollars could be saved to real money. My thought is, 2% for the next three years across the board is not something we should be going forward with. I think it should be limited to 1.5% and we do this in a measured way." Lawrence, "I think Heidi has a very good point and I also think DeRoche has a very good point with what he is saying." Lawrence called the question. DeRoche, aye, Koller, aye.

Ronning made a motion to continue the debate. DeRoche seconded. DeRoche, Koller, and Ronning, aye; Lawrence and Moegerle, nay; motion carries.

Ronning, "(To Moegerle) I don't know what your experience is with collective bargaining and negotiating union contracts. Jack, you were involved with this?" Davis, "That is correct." Ronning, "Do you have a reopener clause for wages?" Davis, "We do not." Ronning, "If you decide you are going to reopen wages or change them, we are going to be stuck with an unfair labor practice complaint. That is a fact." Moegerle, "If we give them an increase? We want to reopen to give you a 1/2% increase?" Ronning, "You can't say when you feel like it you are going to reopen the wages, without a reopener. Am I right or wrong?" Vierling, "You can't reopen unless you have reserved the opportunity in the contract." Ronning, "It can't be done. It doesn't say it, it isn't there." Moegerle, "I appreciate that. So, we should go back and have it in the contract. In any case, it is what it is. I disagree, no big deal." Koller, "I think 2% is quite fair. And, being the only one on the City Council who still works for a living." Lawrence, "Wait a minute." Koller, "You are the Mayor, I am talking the other Council Members are all retired and I think 2% is fair. And, I would not go down to 1 ½%."

DeRoche called the question. Ronning seconded; all in favor, motion carries.

Vote on the motion to approve the contract: DeRoche, Koller, Lawrence and Ronning,

aye; Moegerle, nay; motion carries.

2014 Budget
Discussion

Davis explained that the City of East Bethel integrates the annual budgeting process with a modified strategic planning process. The City currently includes public projects, utilities, roads, parks and equipment and building replacement needs as part of the budget process to identify those activities that address our five year goals for these purposes.

As we move forward and confront our financial challenges, we will need to factor in other considerations as we prepare future budgets. The most critical item is the development of a strategy and a consensus or policy as to the management of future debt due to our obligations for the repayment of the bonds for the water and sewer system. The development of a plan to address this matter will enable Council and Staff to consistently plan for and provide future resources to be identified and ultimately allocated to deal with this problem.

Staff requests that Council consider the line items as listed in the attachment as candidates for additional reduction and continue the discussion as to the fund balances as noted in the attachments and their application for further budget reductions in either 2014 or subsequent years.

At our last work meeting, we discussed reviewing the line item budgets and coming up with some recommendations for any amendments to those. So, at this time if you have any of those, I would like to see what your wish is and how you would like to proceed with those.

DeRoche, "I have one question, what are the Fire Outreach programs that are slated to be up for cut?" Davis, "Those are programs where they go into the schools and do some outreach with the school children." DeRoche, "I can't do that." Moegerle, "The equipment replacement, \$800 is that a laptop computer?" Davis, "That is correct." Moegerle, "I have turned in my laptop computer so that takes care of that \$800." Davis, "That computer was put in there in case we had to purchase another one. I think the way the ordinance reads, that computer is the property of the council person." Moegerle, "I have donated it back." Davis, "We can do that. It will have to be by resolution."

Moegerle, "We have the \$11,666 in there for Seasonal Employees Parks and Roads twice." DeRoche, "Wasn't that modified?" Davis, "Yes, I sent out a correction to that. I apologize for that." Moegerle, "I wondered if there was something that should have been put there that wasn't. Professional fees planning, is that for the corridor?" Davis, "That was for the corridor. That is the maximum that could be cut out of there. And, that would just be a start for the corridor."

DeRoche, "The seasonal employees for Parks and Roads, if that is cut, what is the ramifications of that?" Davis, "That is for two positions. It is kind of like the CSO, where we get the best bang for our dollar. We are hiring seasonal, part-time. They are paid no benefits, they get no holidays, and their salaries are either \$10 or \$11 per hour. As far as the value received for what we pay, it is extremely high. They are extremely useful for the summer time when we have our busiest workloads. It enables us to accommodate vacation schedules that are requested by the employees." Lawrence, "Don't they relieve our employees from doing some of their work so they can get more work done?" Davis, "We get good value for what we pay them for." DeRoche, "So in other words, instead of sending a full-time guy out, we can send out a seasonal guy out and do the same job. It just wouldn't cost as much." Davis, "It depends on what it is. Essentially what they are doing is mowing and more menial types of activities. Generally, they are assigned to a full-time employee."

But, if they weren't assigned it would take two full-time employees to do that. They are very beneficial. I would recommend if it was cut, don't reduce to less than one."

DeRoche, "It is not like we have them so the other guys can sit on their duff." Davis, "The reason we have them is it is our busiest time them. We mow about 300 acres a week during May to August. It is our busiest period. It takes extra labor to do that. That is when we do our road projects and they help out in all those extra areas." DeRoche, "Well and the discussion has come up here several times about Community Development and Economic Development and how the parks have to look good and everything has to keep up to snuff. So, why would you want to take away from maintenance?"

Moegerle, "When Troy Lachinski was here he said he would gladly reduce the Voluntary Fire Pension Donation by \$100 per person if we agreed to go forward with the increase in benefit pay. And that is not listed here. The original amount is \$17,500 so we can save \$3,500 there. And, I am in favor of removing Booster Day fireworks, subsidizing the fireworks. It benefits a limited number of people, the money is literally up in smoke. If we want to keep that \$2,500 in the budget, I would suggest we get picnic tables or park benches where parents can sit and watch their kids year round. And finally, I think it is very likely that the Chamber will step in if the City bows out of it. Again, the history is someone over promised and under delivered. And, push came to shove and the City stepped in and paid for this. So, I am looking at \$2,500, who does it benefit, it is literally money up in smoke. If we want to keep that in, park benches. At the Parks meeting people were saying, you are putting in all this park equipment but we don't have anywhere to sit. We can't have lunch with our kids."

DeRoche, "I am a little confused. Because it is always about economic development. We need to bring people in. If I am not mistaken, Booster Days brings in an awful lot of people. And not just East Bethel people, I talked to people from Inver Grove Heights, from South St. Paul, from Maplewood, from Minneapolis. That is bringing people up here. Now, are you trying to bring them up here and let them see what we have? We need to get them up here and see how good East Bethel is. We need community development. And, now it is the only thing that really brings them up here, (we don't have a Turnip Days, or a Potato Days), we have Booster Days and I think it is a good thing. The firefighters have a dance, it helps bring them some money. We have a parade, it is a good community involvement thing, and we have fireworks. Ham Lake had donated some money to help out. I don't want to be a killjoy, but I don't think that is something you have to take away."

Moegerle, "Booster Day fireworks is a misnomer. This is the Relief Association Dance Fireworks. I support Booster Day. The majority of the people come for the parade, field day, the tractor pull and all those kinds of things. I respect that and I honor that. And, the fireworks is again something for the Relief Association. It is literally money up in smoke. If we could have park benches, if we could have picnic tables the same amount of money could be spent and we could have five of those, that would last year round. We have a Chamber of Commerce and as our commercial area develops, those will be fireworks sponsored by either the Chamber or a business and that is the natural Segway for those kinds of things. I don't think this is a good use of dollars at a time when we are looking closely at our budget. The history of it was not that we always did it. It does not detract from Booster Day. It is simply an issue of the Relief Association Dance and that is a different animal than Booster Day."

Ronning, "This is not a conclusion of these talks, this is just an increment, correct?" Davis,

“That is correct. This is just a discussion to start finalizing this. We don’t have to have this to the county until I think December the 28th. I think our second meeting in December is the 19th. These are just ongoing discussions on what we are going to do with the budget and also to try to get some kind of consensus as a Council as to how we are going to present this on the October 10th meeting. Hopefully, we are going to speak as a unified voice on what we are going to do.”

DeRoche, “You are pretty quiet Ron, what is your take on this?” Koller, “I would like to know about the parks capital transfer? We discussed that at one time.” Davis, “East year the Council has transferred \$100,000 to the Parks Capital Fund for parks improvement projects. We have proposed in the preliminary budget to reduce that to \$75,000 and this would just be another decrease to that. Reduce it from \$100,000 to \$50,000 this year.” Koller, “And then the \$10,000 in the EDA?” Davis, “That was recommended. In the EDA we have some unobligated funds. Those are essentially for reserves to hopefully accommodate some expenses we have in economic development activities. However, there is approximately \$55,000 in these funds. There is \$27,000 listed as a contingency and \$30,000 unobligated listed as professional services fees.”

DeRoche, “Isn’t there another \$133,000 to be transferred to the EDA?” Davis, “That is the EDA budget. And, of that budget, approximately \$55,000 is unobligated.” DeRoche, “At the last meeting it was brought up that the HRA has \$800,000 and if we are not going to spend it let’s just give it back to the residents. A little clarification on that, \$281,000 of that is earmarked for the EDA if businesses in the sewer and water district chose to do a loan program. And, any other HRA monies, cannot be used by giving it back to the residents.” Vierling, “We would have to check with the auditor. But, the HRA funds that are there certainly went through a process to get there and you have to go through a process to move them elsewhere.” DeRoche, “But as far as their use goes, we could use them for a blighted area?” Vierling, “Yes, sure you could use them for a blighted area for low to moderate income.”

Moegerle, “The comment was, to clarify, that \$800,000 that is \$200 for each tax paying household, in East Bethel. For me, that money should be going to work. Giving it to the people or offsetting the increase, obviously there is issues with that. But, for that money to be sitting there and not be using it is not a good use of those tax dollars. Those people gave up \$200 that they could be using for other things and we are just sitting here and hoarding it. There are cases where you want to accumulate money, but this isn’t it. It isn’t going to go to pay down the debt. Remember, \$600,000 of this was levied in a wink and nod so the foundation of infrastructure could be financed. We just had an HRA meeting and we are looking at using those funds. But, my point was we should be looking at using those funds to the benefit of the residents and not just sitting in an account.”

DeRoche, “Jack, that money was actually tied up when we came into office. And there was a lawsuit with Anoka County regarding that money at time?” Davis, “Yes, it is my understanding that during the period of litigation, those funds were unavailable for any type of use.” DeRoche, “Even now there isn’t \$800,000 sitting in the fund. Because \$281,000 is earmarked for transfer to the EDA for use by the businesses down there.” Moegerle, “And, at this point, no one has applied for use of those funds. And, while we are cautiously optimistic, the reality is they probably aren’t going to be tapped.” Lawrence, “The EDA is the authority that is working to bring businesses in to East Bethel. And, the EDA is kind of waiting for direction from the Council on what you are looking for. And, so far we have not gotten anything on what we should be digging up. If we mention anything from the EDA it

gets shut down. If we are serious about fixing some of our problems with our financial deficits, then we need the EDA to really enact itself and be seriously looked at as a tool that is going to help us out of this financial disparity. So, from there, I need information from Bob, Ron and Tom, what you would like to see us do on the EDA? I am on the EDA?"

DeRoche, "I understand that. But, the question was posed to Heidi last time and she deferred it to Jack. But in the last three years and the money that has been put in the EDA, what have they got accomplished? And Heidi deferred it to Jack, but being the President, she should be able to answer that question." Lawrence, "But that doesn't answer my question. My question is what do you want the EDA to be doing?" DeRoche, "Stirring up some economic development. And if you are referring to a waterpark. For something that was going to cost a postage stamp, we ended up having over 32 hours of staff time in it. And, when it came to time we found it would cost between \$18,000 and \$25,000 to do a feasibility study on something if it was developer driven, it still was going to cost us money. And the way it went down, it just got beat to death." Lawrence, "It is always going to cost money to research developers and development." DeRoche, "And where are we going to pull that money from?" Lawrence, "If you do not plan for this, you are going nowhere and you are saying, when they come they come. And that doesn't work for me."

DeRoche, "And, I understand that, because I have been preaching that we need to develop in the sewer and water district. And it is oh no, we need to develop farther up the road. No, we have a ¼ by ¾ of a mile of a sewer district, that we need to get development into. Unless we get someone big enough to tap into the forcemain, and it is going to have to be someone big enough to do that and get some connections to feed it." Lawrence, "I don't think the thought of developing our current sewer district has gone away. We need to work to bring that development in. However, bringing the forcemain in allows businesses to anywhere along 65 to develop." DeRoche, "I understand that, I was one of the big proponents to get it up there."

Ronning, "Maybe I was asleep that day, but I don't remember the EDA ever coming to Council and asking for any specifics or particulars about direction." Lawrence, "I am asking now." Ronning, "Well your question was regarding the past. I understand you are asking right now. But, don't make it sound like we wouldn't do anything when your question is now." Lawrence, "You have been asked in the past." Ronning, "I would have to see when." Lawrence, "I forget when, the question is now." Ronning, "That is convenient." Lawrence, "You want to spend how many dollars looking for something?" Ronning, "I want to spend what?" Lawrence, "Well you were making light that this had been asked before, and it has been asked before."

Moegerle, "I want to clarify, the question was, can you list all the things the EDA has done in the last three years. I listed some and I asked Jack to get in on it. Part of it is it is not limited to the website and the leader board. Part of it is it is team building, and team building is not going to happen here, it is too late for that. We have that and working together. But, the EDA is not going to want to continue to come up with ideas that get no further than the EDA. They want to work with something people agree on. This is not the meeting particularly, but, talk to us. Because Bob has stated that a convenience store is not enough. We have East Bethel Properties, we have Tim Chies, and we have a whole list of people. But, if we don't get direction, then when we come up with things, then it gets smashed down. So, let's all work together in the same direction." DeRoche, "When has the EDA ever been smashed down." Moegerle, "The waterpark was a big one. And there are a couple others. But, let's talk about something else." DeRoche, "I understand you don't

want to discuss it Heidi. But, the fact of the matter is, these ideas haven't all come up. It would be like the Planning Commission coming up and saying, "If you guys don't agree with us all the time we are going to just quit doing the Planning Commission." It is not the Council's job every time a commission comes up with something to say that is wonderful and we are going to pass it. It is our job, the five of us up here to look at it, scrutinize and it decide, okay can we afford to do it and where is it going to get us?" Moegerle, "And nobody is saying that wouldn't happen. But, can we get direction? Should we focus on getting a medical building here and a pharmacy? Can you be that specific? Those kind of things, that would be great to hear. Anyway, back to the budget."

Moegerle, "On the newsletters the question is to reduce it to two times a year. For transparency and notifying people it is an important tool. The question is, is it used or read? Can we reduce the number of pages?" DeRoche, "What all is in the newsletter?" Davis, "Department Head report, notice of any events, I have a report and it is used extensively to promote the recycling days in the spring and the fall. We talk about communication with our residents. We have limited capabilities here. Only 20-25% have cable service, there is a lot of speculation on internet service. The newsletter touches every resident's hands. Whether it is read or not, I don't know. I do know that a lot of people comment on the newsletter. Does it have value to send out quarterly or can it be done twice a year?" Lawrence, "I prefer quarterly. I think it is a valuable thing." Ronning, "Pennies make dollars. We are looking for some low lying fruit, rather than a few sheets of paper. I am going through the budget page by page. And, I am not done."

Moegerle, "I have a question in regard to other important considerations. We know that we are raising taxes for 2014, very likely again in 2016 and 2018. Presuming if we got development, so it would pay the increase, we wouldn't raise taxes, but we wouldn't decrease taxes. So, to put it back, is it going to be a tax increase perception wise, or once we get development, will it be we didn't decrease the taxes again because we stated what we were cutting now. So, say we cut 10% more out of parks and then in 2016 all of our monies are paid by development and a little more and we can put that 10% back. Is it perceived as a tax increase, or as we are just reinstating? And part of it is that we as five people say we are just cutting this and then once we get better we will reinstate this and that is a commitment."

Ronning, "We portray it as doom and gloom. But there has been some contacts made." Davis, "And those development connections for next year are not included in this preliminary levy. And keep in mind that they probably won't pay their fees until 2014, so it will have a great impact on the 2015 budget. We have got two things that we are highly encouraged on one and optimistic on the other. Those will not have an impact on this year's budget, but will have an impact on the 2014 budget. Even to the tune of being able to satisfy what the bond deficit is. Again, those are still in the discussion and negotiation stages and they could come through in their entirety or in zero. But we are encouraged at the progress that is being made."

Moegerle, "The other things that isn't cuts, but is budgets, is our relationship through the building division with Oak Grove. We have that contract and based on the history there is an extra \$50,000 of revenue that is not in here." Davis, "We put \$100,000 in revenue in here." Moegerle, "Can we put that in here? Or is staff not comfortable with it?" Davis, "If Council is comfortable with it. I just want to make sure our projections for revenue are as accurate as possible and any downfall in the economy is reflected. The \$100,000 is extremely conservative." DeRoche, "If nothing else I have learned, you can project a lot of things that just don't materialize. But, rather than be doom and gloom, let's plan on maybe

getting a tax increase. But, maybe between now and December we can lower this. But, to sit and wish that something is going to happen, I guess I have learned that is not a good way to function right now. Especially with someone else's money." Davis, "I agree and that is why we are conservative with our revenue projections. This is one that could be backed up a little more though, even though it has only been one year. Granted it is not in the budget, it could be applied to future debt reduction which I would like to touch on before we conclude this line item discussion." DeRoche, "We have a couple more months before December to see if they projections start going the way we hope they are going to go the way we want them to go. But, I am still hung up on that "Build it and they will come" mentality and that doesn't work. We need to deal with real numbers. Projections are great, but nobody knows."

Moegerle, "We had another meeting with the Anoka County Sheriff regarding the ticket program, and there may be a way that we can get a \$100 a ticket. It is a real interesting idea. These are the kinds of things that are out there." Ronning, "I don't recall if it is a Joint Powers Agreement, but, the reciprocity between different cities? We share a Building Inspector with Oak Grove, we share purchasing with Coon Rapids?" Davis, "It is a Joint Purchasing Agreement for Street Maintenance Services. We estimate we save about 20% by participating in that. We purchase our crack sealing, sealcoating and road striping activities. That is bid as a twelve city unit which gives us more volume and therefore, better prices." Ronning, "Do you know if there is more opportunity out there?" Davis, "We looked at a consortium for a Tri-city Law Enforcement Contract."

Lawrence, "Do you have some closing comments on the budget?" Davis, "We have two issues. The have a projected preliminary levy increase of 17.5% that we need to continue working on to see if we can reduce the impact of that. And we need to remember also, that most of the solutions to that, are a one and done thing and then they will not be available to do again next year. So, we can make effect for this year, but then they will not be available again next year. So we will be in the same boat again next year. As important, as we go down the road, 2016/2017 is the next target date we have to look at, because we have another bond coming due to the tune of \$1.3 million dollars. I would like to see us using some of the surplus in our funds, like the trails capital fund, so that even if we have to jump up this year, to manage the debt so we don't have to jump it up in 2016."

Council
Member
Report –
DeRoche

Nothing

Council
Member
Report –
Koller

Koller, "The fire department has an Open House on October 12th at Fire Station #1 on Viking. A lot of fire trucks will be there. There is a Chili Cook-off and see what it is like to be a firefighter."

Council
Member
Report –
Ronning

Ronning, "Nothing now, but I reserve my right for later."

Council
Member
Report –
Moegerle

Moegerle, “Yesterday was ticket education program meeting. Anoka County was particularly interested in it as they have a Towards Zero Death Grant and by going through an education program that would meet that goal. Plus, the insurance agencies like it because the more education drivers get the better. As of yesterday, the city has met 60% of recycling goal. The recycling receipts are not yet in for all of August and September, so we may be on track to meet that goal and get that money from the county. At suggestion of Anoka County’s legislation person, she suggested that I attend the meeting regarding the Geological Atlas Summary. This comes out of my interest that Minneapolis is looking at tapping our aquifer. And that theoretically, our aquifer could drop by 30 to 40 inches. That was a very informative meeting. Nate was there; ask him for all the information. Went to Improving Services Meeting at the League, look for operating a Golf Cart under the influence to now be a crime. October 5th the City as well as the Council is invited to the Open House at Coon Lake Beach Community Center. I don’t know if it is the onset of the change of the leaves, but it seems that there is a lot of litter in the roads. It would be nice if we could pay attention to that, because it does diminish the beautifulness of our City.”

Ronning, “You mentioned Minneapolis aquifer tap. Do they have timing or is it some years in the future?” Moegerle, “They have already passed this. It is a funding issue. It is all going to be discussed in greater detail at the LGO meeting which East Bethel is a host of on October 30th. Contact Kathy Tingelstad, she knows the ins and outs of it. It is a real threat.” Ronning, “Who is excluded and who is included?” Moegerle, “It is the aquifer; it is under all of us.” Ronning, “Right, but as far as attending the meeting.” Moegerle, “That meeting is open to everyone as far as I know.” Davis, “We will have information on the next agenda, for what we want to present, if anything as far as the agenda for that meeting.”

Adjourn

DeRoche made a motion to adjourn at 9:12 PM. Koller seconded; all in favor, motion carries.

Attest:

Wendy Warren
Deputy City Clerk



City of East Bethel City Council Agenda Information

Date:

October 16, 2013

Agenda Item Number:

Item 8.0 F.1

Agenda Item:

Fire Department Report

Requested Action:

Informational only

Background Information:

The Fire Chief has provided reports of Fire Department emergency calls, fire inspections, and emergency medical calls from the previous month.

Fiscal Impact:

None

Recommendation(s):

Informational only.

City Council Action

Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required:_____

**East Bethel Fire Department
August 2013 Response Calls**

Incident Number	Incident Date	Alarm Time	Location	Incident Type
404	09/28/2013	20:35	1046 181st LN NE	EMS call
403	09/28/2013	14:38	23112 Ambassador BLVD NW	Dispatched and cancelled en route
402	09/28/2013	09:15	2751 Viking BLVD NE	EMS call
401	09/27/2013	22:41	18360 Leyte ST NE	EMS call
400	09/27/2013	18:43	18136 Jenkins ST NE	EMS call
399	09/26/2013	19:40	23515 Ulysses STS NE	Unauthorized burning
398	09/26/2013	11:16	23705 Highway 65 NE	EMS call
397	09/24/2013	11:50	19455 Highway 65 NE	Smoke detector activation
396	09/24/2013	07:37	24120 Pierce ST NE	EMS call
395	09/23/2013	15:31	19931 Rendova ST NE	EMS call
394	09/23/2013	08:52	4910 S Tri Oak CIR NE	EMS call
393	09/22/2013	22:33	23019 HWY 65	Dispatched and cancelled en route
392	09/22/2013	13:23	NE Palisade ST NE	Power line down
391	09/22/2013	12:08	20418 Highway 65 NE	Passenger vehicle fire
390	09/22/2013	04:02	2420 216th AVE NE	Dispatched and cancelled en route
389	09/21/2013	06:09	405 Dahlia DRS	EMS call
388	09/19/2013	10:54	24014 Fillmore ST NE	Power line down
387	09/19/2013	10:53	23310 Monroe ST	Power line down
386	09/19/2013	10:48	18531 Everglade DR	Power line down
385	09/18/2013	16:59	4991 201 AVE NE	EMS call
384	09/16/2013	18:34	21265 Pierce ST	EMS call
383	09/15/2013	20:04	208 229th AVE NE	EMS call
382	09/15/2013	19:59	2736 Klondike DR NE	EMS call
381	09/14/2013	12:30	1743 201st AVE	Dispatched and cancelled en route
380	09/13/2013	15:42	19242 Jackson ST NE	EMS call
379	09/13/2013	14:55	1046 181ST LN NE	Dispatched and cancelled en route
378	09/13/2013	13:44	19779 5th ST NE	CO detector activation
377	09/12/2013	09:42	4515 224th AVE	Unauthorized burning
376	09/11/2013	18:48	658 207th LN	EMS call
375	09/09/2013	17:48	24425 Durant ST	EMS call
374	09/07/2013	21:37	223 Hawthorn RD NE	Dispatched and cancelled en route
373	09/06/2013	21:15	552 Lincoln DR NE	Arcing, shorted electrical equipment
372	09/05/2013	15:43	681 229th LN NE	EMS call
371	09/05/2013	09:52	23176 Gladiola ST NW	Building fire; Mutual Aid
370	09/05/2013	05:58	975 189th AVE NE	Dispatched and cancelled en route
369	09/03/2013	14:39	312 LAUREL RD NE	EMS call
368	09/03/2013	14:11	23117 Durant ST NE	EMS call
367	09/03/2013	11:13	18243 Fillmore ST NE	EMS call
366	09/03/2013	06:41	19023 Channel LN	Gas leak
365	09/02/2013	10:08	1015 189th AVE NE	Dispatched and cancelled en route
364	09/01/2013	17:59	520 218th AVE	EMS call
363	09/01/2013	13:00	2736 Klondike DR NE	EMS call
362	09/01/2013	10:14	21972 NE Van Buren ST NE	EMS call
361	09/01/2013	09:51	18409 Lakeview Point DR NE	EMS call
360	09/01/2013	09:35	19001 Jackson ST NE	EMS call
359	09/01/2013	05:06	20772 Okinawa ST NE	EMS call
Total				46

City of East Bethel

Subject: Fire Inspector Report

September 1 – 30, 2013

City of East Bethel Fire Inspection List		
Name	Address	Comments
Economy Canvas	40 Viking Blvd	No Violations
Our Saviors Church	19001 Jackson St.	No Violations
River City Co op	1341 187 Lane	No Violations
Rodger's Rod & Custom	18689 Buchanan St	No Violations
North Bound Woodworking	18627 Buchanan St.	No Violations
Central Trailer	18861 Hwy 65	No Violations
Freimuth Ent.	18641 Hwy 65	Fire extinguishers.
Crashed Toys	21155 Hwy 65	No Violations
Oakridge Auto Body	23428 Hwy 65	No Violations
Steve's Heating & Service	21345 Aberdeen St	No Violations
Old Our Saviors Building	Viking Blvd	Fire Alarms: Placement and system overlook
NOTE: First Inspections Unless Noted		

11 Businesses Inspected

Reported by Mark Duchene
Fire Inspectors

**East Bethel Fire Department
Type of Medical Calls**

September, 2013

Number of Medical Calls 32

Type	Number	Transport by Ambulance
Medical Complications	7	7
Short of Breath	1	1
Cardiac	6	6
Bleeding	0	0
Illness	1	1
Trauma	3	3
Assist	1	1
Other	9	9
Cancelled Medical Call	4	0
Totals	32	28

Notes:

Flu Season is beginning



City of East Bethel City Council Agenda Information

Date:

October 16, 2013

Agenda Item Number:

Item 8.0 G.1

Agenda Item:

Oak Grove Building Official and Inspections Services Contract

Requested Action:

Consider the Oak Grove Building Official and Inspections Services Contract

Background Information:

On November 21, 2012 the East Bethel City Council approved a contract to provide Building Official and Inspection Services to the City of Oak Grove. The contract fee schedule was structured so that Oak Grove would be charged 95% of their building inspections fees and 100% of the plan review fees for our services. Their previous contractor, Inspectron, Inc. billed for 65% of their fees for inspections and 100% of fees for plan reviews.

When we negotiated the contract with Oak Grove we told them we were not comfortable with the 65% charge for inspections and needed 95% of this fee until we confirmed that our revenue projections were accurate. Our cost for providing these services to Oak Grove through August 2013 has been \$34,111. Thirty per cent (30%) of our total time By Building Department employees has been spent on Oak Grove Building Official and Inspection Services to date in 2013. Based on our expenses through August, our costs for providing this service for the year of 2013 are projected to be \$51,141.

Total amounts billed for the Oak Grove Building Official and Inspections Services through the end of August have been \$135,633. Total fees for this service for 2013 from Oak Grove were projected to be \$60,000. The fees we charge Oak Grove are based on a percentage of inspection and plan review fees that are conducted.

The percentage charged for the inspection fee was adjusted to 85% effective June 30, 2013 and as part of the original negotiations on the contract, the fee charged for inspections was negotiable based upon our cost/revenue experience. Even though we want to maximize our potential for revenue from the provision of this service, we don't want the City of East Bethel to be perceived as exhibiting an unreasonable position in terms of fairness and equity in the contract. Although Oak Grove currently prefers to contract with the City of East Bethel for this service, we must maintain the value on our part as to the charges for fees should we wish to maintain Oak Grove's interest in the continuation of the contract.

We have seen that our current billing arrangement more than covers our expenses and generates additional revenues for the General Fund. It has been requested by Oak Grove, and I would feel

confident in recommending ,lowering our percentage of the inspection fees to 80%. A reduction in our fee would accomplish the following:

- Serve as a good faith act on our part to insure equal values in the contract:
- Provide the revenues necessary to cover our costs and generate additional income needed to fund our Building Department from fees as opposed to levied General Funds; and,
- Serve to strengthen our relationship with Oak Grove as we move forward with joint ventures in the future.

Fiscal Impact:

As part of the understanding between the City of East Bethel and the City of Oak Grove, the contract for services is open for recommendations for amendment. The intent of the consideration of the fee adjustment is to achieve the balance that insures that both Cities find it in their interests to continue the agreement.

We estimate that an 80% percent charge for inspection fees and the 100% charge for plan reviews will produce approximately \$175,000 in total billings based on the volume of permits issued in 2013, or a total reduction of 5.9% of the inspection fee. Even with this proposed fee reduction, there should still be a net positive cash flow in excess of \$100,000. We project our costs to be approximately \$52,000 for 2014 for these services. As previously stated, 30% of our time in the Building Department is required to administer this service and it does not interfere with any services to East Bethel residents.

Recommendation(s):

Staff recommends that the fee billed to the City of Oak Grove for Building Official and Inspections Services be reduced from 85% of their inspection fees to 80% effective January 1, 2014 and the contract for this service be approved for 2014.

City Council Action

Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required:_____



City of East Bethel City Council Agenda Information

Date:

October 16, 2013

Agenda Item Number:

Item 8.0 G.2

Agenda Item:

Local Government Officials (LGO) Meeting

Requested Action:

Consider additions to the LGO Agenda

Background Information:

The Anoka County Local Government Officials (LGO) meeting is scheduled for October 30, 2013 at the Cedar Creek Ecosystem and Scientific Area office at 2660 Fawn Lake Dr. NE in East Bethel. Attached is the agenda for the meeting.

Should Council wish to add an item to the proposed agenda, this request needs to be submitted by October 18, 2013.

Fiscal Impact:

None at this time

Recommendation(s):

Staff is seeking direction as to any additions that Council may request for inclusion for the October 30, 2013 LGO Agenda.

City Council Action

Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required:_____

LOCAL GOVERNMENT OFFICIALS

Wednesday, October 30, 2013

**Cedar Creek Natural History Area
2660 Fawn Lake Drive NE
East Bethel, MN**

Agenda

6:00 p.m. Box Dinner

6:15 p.m. Meeting

Hosted by: Mayor Mike Gamache, City of Andover

- 1. Welcome/Introductions** – Mayor Mike Gamache
- 2. Overview of Cedar Creek Natural History Area** – Mary Spivey, Educational Outreach Coordinator
- 3. Aquifers in Anoka County** – Spencer Pierce & Bart Biernat, Anoka County Environmental Services
- 4. Ground Water Management** – Paul Putzier, Department of Natural Resources
- 5. Economic Development Site Selectors** – Karen Skepper, Director of Community and Government Relations
- 6. New Meeting Dates for 2014**
- 7. Other??**
- 8. Announcements, etc.**

RSVP needed October 23, 2013

Barb McKusick, at 763-323-5722 or
barb.mckusick@co.anoka.mn.us

Columbus • Coon Rapids • East Bethel • Fridley • Ham Lake • Hilltop

**Local Officials Meeting
Cedar Creek**

*** * * Menu * * ***

2 pc Chicken Dinner

Mashed Potatoes & Gravy

Coleslaw

Roll & Butter

Cookies

(Canned Soda & Bottled Water included)

\$10.00 per person

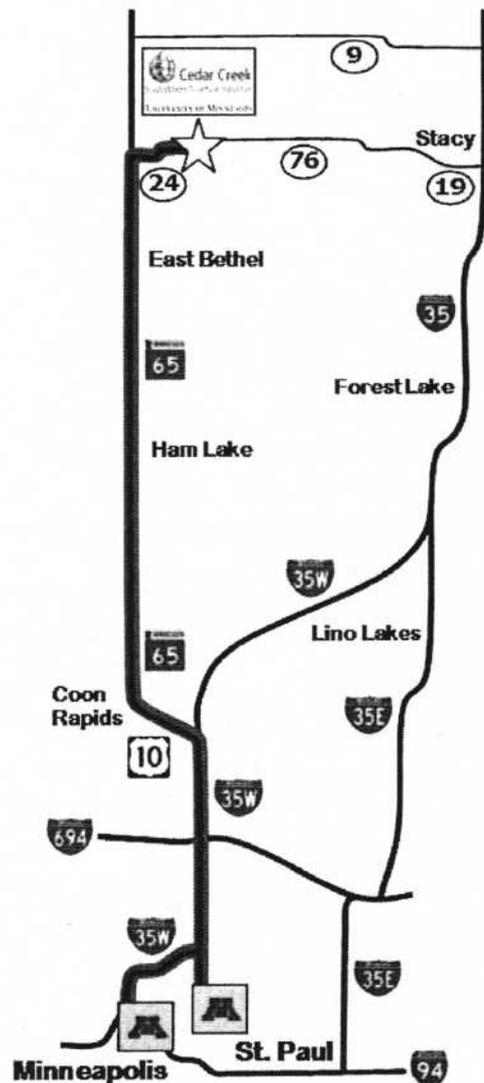
See you there!

RSVP needed October 23, 2013
Barb McKusick, at 763-323-5722 or
barb.mckusick@co.anoka.mn.us

Please make checks payable to Anoka County.

What is Cedar Creek?

The University of Minnesota's Cedar Creek Ecosystem Science Reserve is an internationally renowned ecological research and education facility, featuring 5,400 acres of land that encompasses a diverse mosaic of prairie, savanna, wetlands, open water, and forests. Just 35 miles north of the Twin Cities, there is no place of comparable beauty and biological diversity so close to the metropolitan area.



Contact Cedar Creek at:

2660 Fawn Lake Dr. NE

East Bethel, MN 55005

763-434-5131

www.cedarcreek.umn.edu



City of East Bethel City Council Agenda Information

Date:

October 16, 2013

Agenda Item Number:

Item 8.0 G.3

Agenda Item:

2014 Budget Discussion

Requested Action:

Continue 2014 Budget Discussions

Background Information:

In addition to attempting to mitigate the impact of the proposed 17.5% preliminary tax levy increase, of equal or more importance is the development of a policy as to the management of future debt due to our obligations for the repayment of the bonds for the water and sewer system. The development of a plan to address this matter will enable Council and Staff to manage the severity and impact of future tax increases that will be an issue in 2016, 2017 and 2018 due to 2010 C Bond payment and the commencement of principal payments on the 2010 A and B Bonds in 2018.

Attachments:

2014 Line Item Budget Recommendations

2014 Preliminary Budget Attachments 1 & 2

Fiscal Impact:

As noted in the attachments

Recommendation(s):

Staff requests that Council consider the line items as listed in the attachment as candidates for additional reduction for the 2014 Budget and continue the discussion as to the fund balances as noted in the attachments and their application for further budget reductions in either 2014 or subsequent years.

City Council Action

Motion by: _____

Second by: _____

Vote Yes: _____

Vote No: _____

No Action Required: _____

Budget Categories for Reduction Consideration

There are still opportunities to reduce the impact of the bond deficit for the 2014 levy and these include but are not limited to the following:

- 1.) The potential to refinance the 2010 A & B Bond and other bond issuances;
- 2.) Confirmation of connections to the system for 2014;
- 3.) Transfer of General Fund balances at an amount to be determined to subsidize the deficit;
- 4.) Assignment of special assessments for properties in the sewer to the debt service;
- 5.) Assignment of other rents and royalties to the debt service;
- 6.) Potential defeasance of the 2010 A & B Bond Fund balance; and/or
- 7.) Additional reductions to the City Budget which could include the following:

Level 1 Budget Reductions for Consideration

Conferences - Mayor and Council	\$ 2,000
Equipment Replacement- Mayor & Council	\$ 800
Conferences-City Administrator	\$ 500
Equipment Replacement-Planning	\$ 500
Fire Department Outreach Programs	\$ 1,500
Portable Toilets for Parks	<u>\$ 2,000</u>
	\$7,300

Level 2 Budget Reductions

City Administrator- Travel	\$ 600
Seasonal Employees for Parks and Roads	\$11,766
Professional Service Fees-Planning	<u>\$ 3,000</u>
	\$15,366

Level 3 Budget Reductions

Relief Association Pension Contribution	\$17,500
CSO position for Sheriff's Contract	\$44,579
Public Works Overtime	\$ 6,000
Booster Day Fireworks	\$ 2,500
Parks Capital Transfer	\$25,000
City newsletter reduction to 2x per year	<u>\$ 4,500</u>
EDA	<u>\$10,000</u>
	\$65,550

Total Level 1, 2 and 3 Budget Reductions \$88,168

Other One-Time Reductions

2005B Bond Fund Balance	\$120,000*
General Fund Transfer (excess over 50% balance)	\$200,000
Trail Capital Fund	<u>\$144,000</u>
	\$552,166

Note: the above funds could be applied on the 2014 debt, over a period of years or reserved to address the additional increase that will occur in 2016 due to the 2010 C Bond

*Lower limit of the fund balance

Total potential budget cuts = \$0 to \$552,334.

Proposed Levy increase with a \$ 88,168 reduction would be 15.5% over the 2013 Levy
 Proposed Levy increase with a \$163,900 reduction would be 13.8% over the 2013 Levy

Proposed Levy increase with a \$309,666 reduction would be 10.5% over the 2013 Levy
Proposed Levy increase with a \$459,245 reduction would be 7.2% over the 2013 Levy
Proposed Levy Increase with a \$552,166 reduction would be 5.1% over the 2013 Levy

Other Funds for potential transfers and their respective cash balances at 8/25/13 (These funds are not recommended for consideration of application to the bond debt at this time)

Street Capital Fund	\$ 886,417
Equipment Replacement Fund	\$1,398,583
Parks Capital Fund	\$ 111,940
Parks Acquisition and Development Fund	\$ 26,057
Building Capital Fund	\$ 132,096

The following Departments were evaluated but could not be recommended for reductions due to contractual agreements or other factors that would not affect the budget.

Elections
City Clerk
Finance
Assessing
Legal
Human Resources
General Government Buildings
Building Inspection
Engineering
Risk Management
HRA

The extent of potential savings, additional sources of revenue, special assessments and impacts of further budget reductions have not been established at this time due to ongoing negotiations, finalization of hearing requirements and assessment of consequences. The final affect for these potential budget reductions will not be known until November 20, 2013.

Other Important Considerations

Keep in mind that once a reduction is made it is difficult to restore both from a perception and a fiscal perspective. If the reduction, in fact, needs to be reinstated, it then becomes another tax increase. Another important consideration concerning further budget reductions are the levy limits imposed upon the City by the State Legislature. Any budget cuts that may need to be restored, may not be able to be returned to their original amount due to the restrictions on the amounts budgets can be increased as a result of the levy limits. Drastic budget reductions can lead to additional problems and unintended consequences of these actions.

We also have to weigh the expectations from our residents regarding the value they receive for their taxes. Finding the balance point between further budget cuts, that may have wide range impacts on services, and the lowest levy possible, is the challenge that has no precise formula for determination. We can make certain assumptions but may not recognize the total effect of the impact until these decisions are actually implemented. There is a minimum cost to running the City and meeting the basic requirements that property owners expect for their taxes.

There is also the impact that drastic budget reductions may have on the City's economic development efforts. There is a certain amount of activity that must be sustained to provide a minimum level of stimulus and investment in the future of the City if we are to address our financial challenges. Reverting to a budgetary survival mode could possibly be detrimental to all the efforts to proactively engage our problem with the water and sewer debt.

The preliminary budget, that must be submitted to Anoka County by September 15, 2013, can be reduced but not increased prior to the adoption of the final budget in December of 2013. Even though the preliminary tax statements that will be issued to City residents in November will indicate the maximum tax increase proposed, Staff and Council will have additional time to seek alternatives to minimize this increase and impact of rates created by the bond deficits for Municipal Utilities Project.

A Special Meeting on October 10, 2013 and the Town Hall Meeting on November 21, 2013 will be dedicated to explaining and discussing the 2014 budget and levy.

Overall Levy to balance 2014 Budget

	2013	2014	% Change
<i>General Levy</i>	<i>\$4,123,317</i>	<i>\$4,114,317</i>	<i>-.2%</i>
<i>Debt Service Levy</i>	<i>\$329,638</i>	<i>\$1,116,425</i>	<i>238.7%</i>
<i>Total Levy</i>	<i>\$4,452,955</i>	<i>\$5,230,742</i>	<i>17.5%</i>

City of East Bethel
2014 Preliminary General Fund Budget (Summary)

back	Account Description	2011 Actual	2012 Actual	Actual - 7/31/13	FY 2013 Budget	FY 2014 Budget	% Change
General Fund							
Revenues							
	Property Tax	4,428,762.00	4,225,662.00	2,158,497.40	4,123,317.00	4,114,317.00	0%
	Franchise Taxes	37,875.00	40,227.00	22,809.29	37,000.00	41,000.00	11%
	Licenses and Fees	39,103.00	38,325.00	28,960.00	37,250.00	35,900.00	-4%
	Building Inspection Permits	107,181.00	152,980.00	149,643.48	155,700.00	216,000.00	39%
	State Aid	223,929.00	222,965.00	186,825.50	216,506.00	250,488.00	16%
	Fines and Forfeits	49,292.00	52,470.00	31,230.48	50,000.00	55,000.00	10%
	Intergovernmental Charges	37,548.00	97,809.00	81,664.54	93,000.00	73,000.00	-22%
	Other Fees	7,529.00	11,419.00	2,264.48	6,360.00	6,430.00	1%
	Cemetery Revenue	8,775.00	6,200.00	4,750.00	5,000.00	6,000.00	20%
	Other / Gambling Proceeds	40,707.00	49,384.00	22,851.72	38,000.00	41,500.00	9%
	Interest Earnings	1,715.00	2,100.00	3,922.41	2,000.00	2,000.00	0%
Total Revenues - General Fund		4,982,416.00	4,899,541.00	2,693,419.30	4,764,133.00	4,841,635.00	1.6%
Expenditures							
General Government							
	Council	76,911.00	76,008.00	45,395.02	87,059.00	84,517.00	-3%
	City Administration	242,927.00	206,887.00	111,493.85	210,061.00	218,701.00	4%
	Elections	-	8,709.00	-	2,170.00	13,355.00	515%
	City Clerk	102,205.00	102,918.00	53,659.06	103,331.00	102,182.00	-1%
	Finance	224,841.00	225,500.00	152,647.60	226,086.00	228,213.00	1%
	Assessing	45,456.00	45,804.00	25,640.76	51,700.00	51,700.00	0%
	Legal	154,469.00	157,727.00	81,080.37	150,500.00	150,500.00	0%
	Human Resources	26,166.00	-	3,164.00	2,975.00	3,250.00	9%
	Government Buildings	34,063.00	47,106.00	17,815.36	44,750.00	43,750.00	-2%
	Risk Management	97,629.00	96,210.00	103,123.00	99,800.00	105,150.00	5%
	Central Services	79,330.00	77,758.00	44,931.48	99,405.00	97,864.00	-2%
Total General Government		1,083,997.00	1,044,627.00	638,950.50	1,077,837.00	1,099,182.00	2%
Community Development							
	Planning and Zoning	201,518.00	169,260.00	101,219.94	208,391.00	176,771.00	-15%
	Building Inspection	232,508.00	139,412.00	84,404.37	186,940.00	238,685.00	28%
Total Community Development		434,026.00	308,672.00	185,624.31	395,331.00	415,456.00	13%
Public Safety							
	Police Protection	1,036,087.00	959,924.00	502,798.15	961,144.00	989,512.00	3%
	Fire Protection	513,332.00	511,145.00	309,983.54	537,783.00	555,101.00	3%
Total Public Safety		1,549,419.00	1,471,069.00	812,781.69	1,498,927.00	1,544,613.00	3%
Engineering							
	Engineering	35,406.00	29,196.00	7,952.66	46,000.00	40,000.00	-13%
Total Engineering		35,406.00	29,196.00	7,952.66	46,000.00	40,000.00	-13%
Public Works							
	Public Works - Parks Maintenance	372,692.00	376,067.00	198,129.66	397,567.00	398,079.00	0%
	Public Works - Streets	679,882.00	719,920.00	449,806.29	755,971.00	791,805.00	5%
Total Public Works		1,052,574.00	1,095,987.00	647,935.95	1,153,538.00	1,189,884.00	3%
Civic Events							
	Civic Events	4,737.00	2,501.00	2,500.00	2,500.00	2,500.00	0%
Total Culture and Recreation		4,737.00	2,501.00	2,500.00	2,500.00	2,500.00	0%
Other							
	Transfer to Building Capital	-	50,000.00	50,000.00	50,000.00	50,000.00	0%
	Transfer to Street Capital	400,000.00	425,000.00	425,000.00	425,000.00	425,000.00	0%
	Transfer to Parks Capital	94,120.00	100,000.00	75,000.00	75,000.00	75,000.00	0%
	Transfer to Trail Capital	58,484.00	5,000.00	-	-	-	N/A
	Contingency	-	-	-	40,000.00	-	-100%
Total Other		552,604.00	580,000.00	550,000.00	590,000.00	550,000.00	-7%
Total Expenditures - General Fund		4,712,763.00	4,532,052.00	2,845,745.11	4,764,133.00	4,841,635.00	1.6%
Excess of Revenues over Expenditures - General Fund		269,653.00	367,489.00	(152,325.81)	-	-	
Tax Levies - City							
	General Fund Tax Levy	4,681,345.00	4,191,470.00	-	4,123,317.00	4,114,317.00	0%
	2005 A	144,756.00	147,328.00	-	149,638.00	146,425.00	-2%
	2008 A	109,500.00	158,000.00	-	180,000.00	180,000.00	0%
	2010 A	-	-	-	-	490,000.00	N/A
	2010 B	-	-	-	-	300,000.00	N/A
	2010 C	-	-	-	-	-	N/A
Total Levy - City		4,935,601.00	4,496,798.00	-	4,452,955.00	5,230,742.00	17.5%
Tax Levies - Special Levies							
	City HRA	126,058.00	-	-	-	-	
	County HRA	187,920.00	-	-	-	-	
	City EDA	-	163,428.00	-	144,670.00	133,022.00	
Total Levy - Special		313,978.00	163,428.00	-	144,670.00	133,022.00	-8.1%

City of East Bethel
Preliminary 2014 Debt Service Budget (Summary)

Debt Service

Fund Description Fund Number	2005 A 301	2005 B 303	2008 A 308	2010 309	2010A 310	2010B 311	2010 C 312	Total
Revenue								
Levy	146,425		180,000		490,000	300,000	-	1,116,425
Special Assessments		28,125	17,500					45,625
Hook Up Fees								-
Reimbursement from Federal Government					315,152	120,312		435,463
Transfer from General				5,000				5,000
Total Revenue	146,425	28,125	197,500	5,000	805,152	420,312	-	1,602,513
Expenditures								
Debt Service - Principal	85,000	55,000	150,000	3,000				293,000
Interest	55,983	5,305	46,560	596	767,073	376,563	41,733	1,293,812
Fiscal Agent Fees	500	500	500		500	500	500	3,000
Total Expenditures	141,483	60,805	197,060	3,596	767,573	377,063	42,233	1,589,812
Revenue over Expenditures	4,942	(32,680)	440	1,404	37,579	43,249	(42,233)	12,702

City of East Bethel
Preliminary 2014 Special Revenue Fund Budget (Summary)

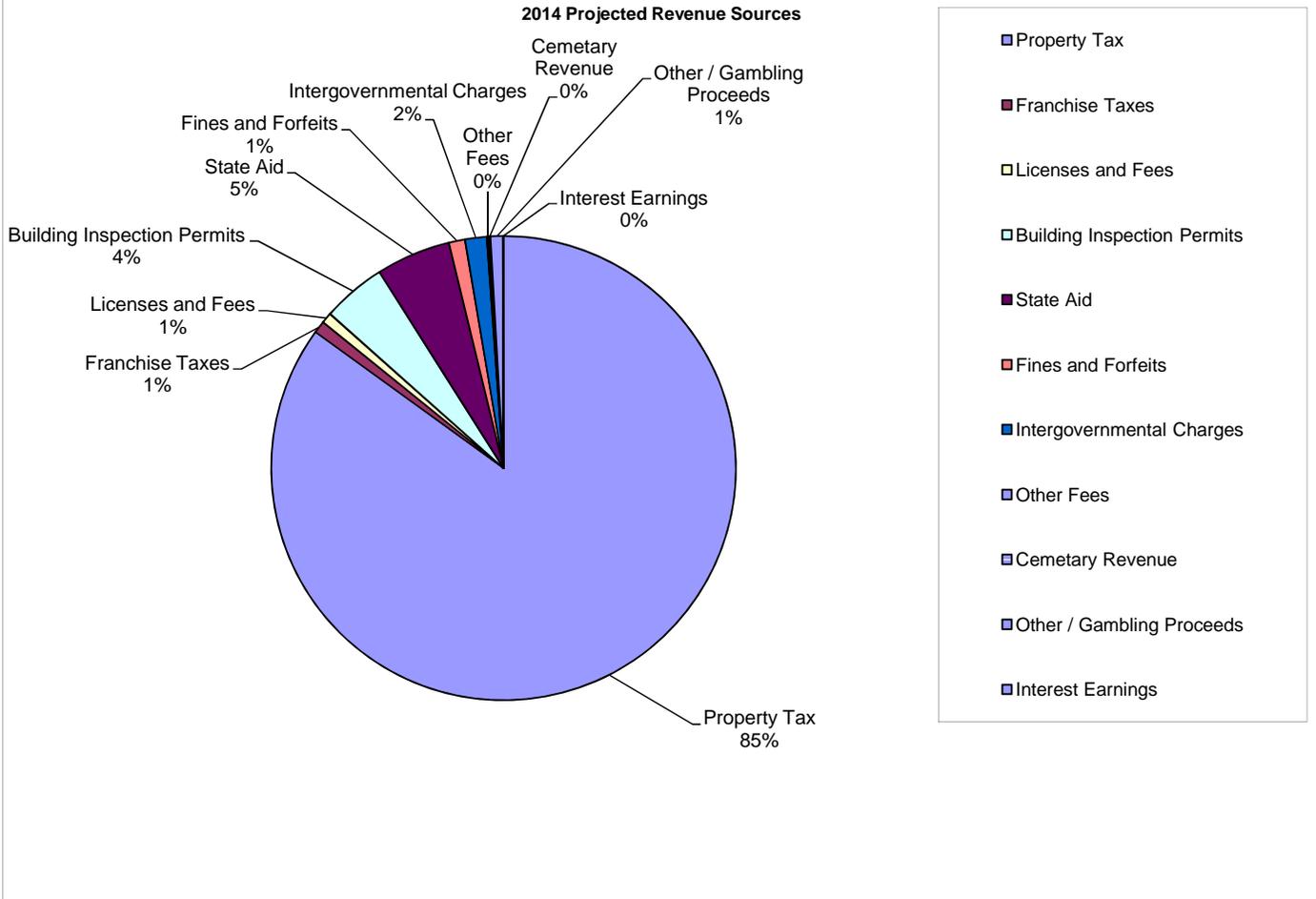
Special Revenue Funds

Fund Description Fund Number	EDA	HRA	Recycling	Total
Revenue				
Levy	133,022			133,022
County Grants			30,660	30,660
Fees			2,500	2,500
Total Revenue	133,022	-	33,160	166,182
Expenditures				
Salaries and Wages		-	510	510
Supplies	200	100	550	850
Fees for Service	48,914	7,800	32,100	88,814
Contingency	27,908			27,908
Transfer to General	56,000	15,000		71,000
Total Expenditures	133,022	22,900	33,160	189,082
Revenue over Expenditures	-	(22,900)	-	(22,900)

2014 General Fund Revenue Sources

Property Tax	4,114,317
Franchise Taxes	41,000
Licenses and Fees	35,900
Building Inspection Permits	216,000
State Aid	250,488
Fines and Forfeits	55,000
Intergovernmental Charges	73,000
Other Fees	6,430
Cemetary Revenue	6,000
Other / Gambling Proceeds	41,500
Interest Earnings	2,000

Total Revenue 4,841,635

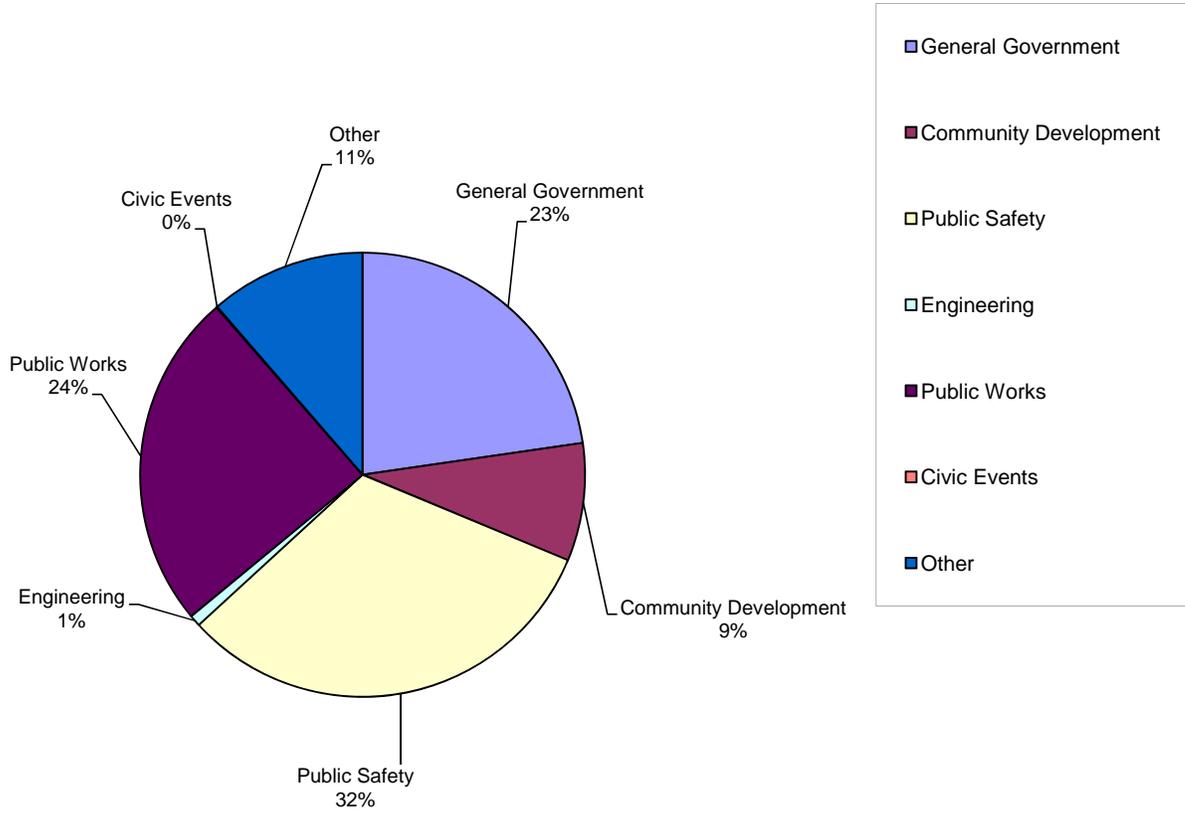


2014 General Fund Expenditures

General Government	1,099,182
Community Development	415,456
Public Safety	1,544,613
Engineering	40,000
Public Works	1,189,884
Civic Events	2,500
Other	550,000

Total Expenditures	4,841,635.00
---------------------------	---------------------

2014 Projected Expenditures



Tax Capacity

	Payable 2011	Payable 2012	Payable 2013	*Payable 2014
Tax Capacity	9,486,806	8,433,841	7,725,613	7,531,689
TIF Captured Value		-11.1%	-8.4%	-2.5%
AW Contribution	(459,634)	(402,060)	(395,562)	(356,230)
Net Tax Capacity	9,027,172	8,031,781	7,330,051	7,175,459

Levies

Certified General Levy	4,681,345	4,191,470	4,123,317	4,114,317
Certified Bond Levy	109,500	158,000	180,000	970,000
Area-Wide Contribution	(827,280)	(831,039)	(768,555)	(768,555)
Local Levy	3,963,565	3,518,431	3,534,762	4,315,762

2005A Referendum Levy	144,756	147,328	149,638	146,425
Total Referendum Levy	144,756	147,328	149,638	146,425
Taxable Market Value	873,234,900	839,805,900	780,015,900	714,502,336

Tax Rates

City Tax Rate	43.91%	43.81%	48.22%	60.15%
2005 A Referendum Rate	0.01658%	0.01754%	0.01918%	0.02049%

Total Tax Rate

	43.92%	43.82%	48.24%	60.17%
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Sample Taxes

300,000 Home	1,317.71	1,314.72	1,447.26	1,805.00
200,000 Home	878.47	876.48	964.84	1,203.33
150,000 Home	658.85	657.36	723.63	902.50
100,000 Home	439.24	438.24	482.42	601.67

* Tax Capacity is calculated by multiplying market values by each classifications class rate

*Tax Capacity and Fiscal Disparity calculations are preliminary at this stage

*AW Contribution is fiscal disparities related as a certain percentage of commercial properties valued are shared within the metro area