

EAST BETHEL TOWN HALL MEETING

November 21, 2013

The East Bethel City Council met on November 21, 2013 for the Town Hall meeting at City Hall.

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

ALSO PRESENT: Jack Davis, City Administrator
 Nate Ayshford, Public Works Manager
 Mike Jeriorski, Finance Director
 Craig Jochum, City Engineer
 Colleen Winter, Community Development Director
 Nick Schmitz, Building Official/Code Enforcement Officer
 Mark DuCharme, Fire Chief/Emergency Management Director
 Commander Shelly Orlando, Anoka County Sheriff's Office

Call to Order **The November 21, 2013 Town Hall meeting was called to order by Mayor Lawrence at 7:02 PM.**

Davis "At this time anyone can come forward and address the Council with any item they would like to speak about or any questions they have of the Council or staff."

Robert Nye of 20305 Jewell Street NE, "I came here because I am on a limited income. I am retired and I am only going to get a 1.5% pay increase next year. And, I get my tax statement and the City of East Bethel went up 17.5% in one year. And from what I understand when I talked to the guy at City Hall he said this is going to be going off in the year 2040. I will be dead when that comes off. I always assumed that when City sewer and water came in, the people that got the service paid for it. When I built my house in Blaine that was part of the cost. When you built that on Highway 65, maybe in 2010 I should have paid more attention to it. Now you are putting it on the people because you are not meeting the expected revenue to pay for it? So now we have to pay for something that as far as I am concerned is no use to me? I understand that supposedly businesses will come in and that will lower my property taxes. For the last five years my house has gone down in the value, and my taxes have gone up. They have never gone down. I have to live within my means; I wish the government could do that too."

Lawrence, "I can address that. Basically, the bonds that were purchased for the water and sewer project were bonds that were designed to be paid by the City. Not by the users of the system. Had they bought utility bonds, then it would be forced to be paid by the people that are using the system. The bonds they purchased were bonds that were backed by the residents of the City. Unfortunately, we have not been able to bring in the businesses as they thought we would do. I think the original bonding cost was close to \$18,000,000. And I think they had 15 or 20 users." Moegerle, "Originally, they said no existing businesses were going to hook-up. In 2010 they said, "If you do not hook-up you do not pay." The three of us that were running for election said that is not possible and that your forecast doesn't work. They told all of us that the bonds they were going to purchase were revenue bonds. Revenue bonds are ones that are paid for, in this case, by the utility. Well, with sewer and water, there is no revenue. And, the bonds they purchased are utility bonds sort of in name only. The first monies that pay down that debt are utility, and that is a really limited amount. So the balance is secured by the full faith and credit of the taxpayers of East Bethel. That is what they did on December 15, 2010. The five of us have been working on this; we have opposed this as long as we could. We were dealt a stack of cards, they weren't of

our choosing and it is a real tough road to hoe.”

Lawrence, “And the one thing to remember is the City taxes themselves, we have cut the budget every year. It was over \$5,200,000 and we have cut it down to \$4,200,000. We have cut over a million dollars out of our budget trying to live within our means and make a difference for the citizens of East Bethel. But, now we have the bonding issue with the City water and sewer that has come up.”

DeRoche, “How many people here were at the meetings where it was discussed and I know for a fact I said, “These are General Obligation bonds.” And, I asked people, do you understand what General Obligation means? It means if the City doesn’t have it, or the businesses aren’t here, then the people are going to have to pay for it. That is why I got involved in this stuff. Because I couldn’t see how it was going to work. But it happened, and I think some people got a little complacent for a couple of years. We came in and nothing happened for a couple years and people started to think, “Well gee-whiz you people were saying the sky was falling and we are going to get stuck with all this money and nothing is happening.” Well, now we are at a point and time where it is happening and if you look at your taxes for the last three years, they have gone down. Unfortunately, this project is worth about \$52,000,000 is what this project is worth. Ronning, “Unfortunately, these bonds are supposed to come with a rebate from the government, The BAB and RZED bonds were supposed to come with up to a 45% refund. And, based on that they were thinking the interest rate would be quite good. The fact of the matter is, you can’t count on something like that for 30-40 years. And as it turns out the sequestration cut back on the refunds, just this past fall, right Jack? We are kind of talking history, I started grumbling about this in 2006 and made an awful lot of noise from then on. I share your concerns; I am on a fixed income myself. History won’t do us a whole lot of good, but we are trying to come up with some resolution that will save us some money. If there is any other way to raise money. If we are able to do what we can to lower this, what will happen with the tax statement? Do we get a new one?” Davis, “You will get a revised one in March.” Ronning, “Okay the real one will come in March.”

DeRoche, “By state law, the City has to come out with a proposed levy by September 15th. Right after we proposed this levy, a gal called me from the Minneapolis Star Tribune and said, “Oh, so you are proposing a 17.5% tax increase?” I said, that is not carved in stone. But the fact of the matter is, we have this bill and we can’t run away from it. We didn’t ask for it, but it is here. And between September and December, there are a few things we have in the works. But we are going to bank the worst. We have made some decisions lately, where it can go down. The problem is if you go into September and say 14% and then in December we see that we need 17% we can’t do that. You can’t legally come back and get that money back. We were handed this in a lame duck session and there was nothing we could do about it and anyone else that would be sitting up here would have had the same choices. I don’t think anyone up here said, “Let’s go after their money.”

Moegerle, “As a practical matter, everyone should be applying for the property tax refund. Particularly people on fixed incomes. You can get some of that money back. I do think that it is the goal of this Council to reduce the total levy when it becomes final. We are finding money and trying to reduce the bonds. Hindsight is 20/20. I am very unhappy with the 17.5% and I didn’t vote for it. I know our staff and this Council is working to reduce it.”

Greg Bayard of 23001 Highway 65 NE, “I think I have called a couple people here and I want to apologize if I have chewed their ear off. Is there someone here from the Met Council? I would like you to take a seat up there if you could, because I believe I lot of questions are going to be towards the Met Council. (Council invited Edward Reynoso, Met Council representative up to the dais). Bayard, “I understand from a couple meetings that I have gone to, that this is like a project for the Met Council. A learning project for the Met Council to involve them in this sewage project, so things can change for you. How much money you are going to put back into that

system that has been set up that is failing. This is ridiculous; I can't afford these higher property taxes. I already have a realtor looking at my property to move out of East Bethel because of this. I am a government worker; I got 9 cents per hour for the last three years for an increase. My deductible for my insurance has been doubled; my wife and I cannot afford this. And you guys got us into this and I would like you guys to bail us out of this. There is no way we are going to get 10 big box stores, eight shopping malls, a housing complex of 500 houses, it ain't going to happen. You need to bail us out of this. I tried to get Mark Dayton here for government aid to bail us out of this mess. I live off of 229th, we weren't supposed to be in this until the third phase, and I was lied to by the Council Members. Nobody wanted it in the audience. There were some older people in Coon Lake that wanted it because it would boost their property values. But, nobody wanted it. The one company that did want it was the East Bethel Theatre because they were paying such high pumping costs. But then, I don't know what kind of deals they made, but I heard they took out two rows of seats and they have alternated statistics so they paid less. Well, they should be made to put those two rows of seats back in and pay their costs. And, then I heard you used old statistics. We just got out of the bad housing crunch where all the bad loans were wrote and the economy crappy and then you put us into this mess. You guys are responsible for this. Where is the planning, you don't do something like this and then put it on the property owner. Then you are paying big dividends to business owners and property owners where this piping is being ran. A \$100,000 for two acres of land because they are a business. So these businesses on the west side are getting big checks and they are a profitable business that is taking in money, and I am right across the street from that and I am a homeowner that can't hook-up to it and I have no profit. This is very unfair. Government bailout, where you step up to the plate and pay for this experimental project that you brought upon us. There is no other alternative for it. I can't afford it and each year this is going to go up on my property tax. You are going to devastate East Bethel. Soderquist Market just closed down. Strip Market in Isanti that is empty. There is 50% of East Bethel that is wetland; you aren't going to get any businesses to move in here. Wal-Mart chooses Andover to go up."

Edward Reynoso, Met Council Member for District 9 which impasses the vast majority of Anoka County with the exception of Blaine and Lino Lakes, "The easiest thing to do is come up here and point fingers, but, I don't think anyone wants to hear that. I can tell you this wasn't our original project. We were the ones that were approached to be partners in this project. In 2004, the prior Council to me was developing the regional development framework. The Water Resources Development Management Plan included rural growth. In 2006 East Bethel requested designation as a Rural Growth Center. Which in turn, approached us in wanting to put this project together. We have committed a big chunk of money towards this project. We have fulfilled our commitment of what our portion was going to be. When it comes to your taxes right now, that is not our decision right now. Your 17% that is going up, that is not something that we are imposing on this City. That is something that the Mayor explained earlier, it is to fulfill the bonds that the City committed. We fulfilled our responsibilities. So when it comes to what your property taxes are going up, that is not our responsibility. That 17%, that is not our discussion and that is not mandated by the Metropolitan Council. I would venture to say that this Council would agree to that. When I hear people say that it is the Met Council's fault that we went forward with this, we were a partner and we fulfilled our responsibility in this. Nobody would know and certainly even the experts didn't even know the economy was going to tank. Was there was an expectation that, heck no. But, the reality is we can't move backwards. The reality is your prior City Council committed. We have put forward and worked with the City on resolving issues. We are open to any ideas we can assist with. But we are limited to what we can do. We have fulfilled our commitment. This was not our project, not our demand that it get done, the reality is this became a political football in the last election. There were discussions of the City pulling out and we didn't demand that the City didn't pullout. I think the City and the City Council realized there was a liability involved. We as an organization had already invested \$3,000,000 into this program. And, there were countless construction companies that had made a

commitment. And, those were signed commitments. So, the liability that the City would have faced then, there would have been liability in pulling out. But, again, this was the City's project that we assisted and helped with. And we have fulfilled our commitment. Does that answer your question?"

Bayard, "Yes, but is it like a young kid with a cash card here you go? Don't you have a financial responsibility when you come into a City? Isn't someone managing that money? Don't you have balance sheets that this is going to be paid for or is the money thrown out in the wind and hoping you are going to get people to hook-up to it? It is not happening that way, where is the responsibility and balance sheet? I have to balance my checkbook every day to the penny; don't you do that before you get involved?"

Reynoso, "Absolutely." Bayard, "The statistics should have shown this wasn't going to work." Reynoso, "All the numbers we were shown (again I am speaking as far as my prior Council) but everything we were shown as far as the numbers and growth everything panned out. I wasn't there, but, I am not trying to push this on someone else. But, the reality is this project came forward, and we partnered with this City and Council and we fulfilled our responsibility. When it comes to the budget and our commitment, we balanced our books to make sure we are making a good investment. At the time, it seemed like a great investment. Unfortunately, it didn't pan out and it didn't turn out to be a good investment. And, if we decided to do this now, I would think we would all be crazy. But, we can't go backwards."

Bayard, "Well, my mortgage company is Chase and you have seen the numbers they have to get back to their clients, and so they didn't balance their books. They wrote out all those bad loans and now they have to give it back. I am not pointing fingers, and I am not going to blame these guys (City Council). Nobody wanted it back at that Council meeting four years ago and it seems that you through your money at it actually knowing that you don't put something together actually knowing that the numbers are for sure. Was it big guessing game back then? I don't see too many alternatives for this? The homeowners need a big government bail out to help us."

Lawrence, "The one thing we can say is as this thing developed into a plan, the City devised a plan years ago and they said this was going to work and then they contacted the Met Council to join them in the project. That is how the system works. The Met Council doesn't go to the City; the City goes to the Met Council for assistance." Bayard, "It seems like pretty easy money was handed out and no one was managing it besides the four older Council Members." Lawrence, "When they decided to do the City part, they sold the bonds and that is the part we are paying for." Reynoso, "The reality is, hindsight is 20/20. And, if we were to think to do it now, we wouldn't do it. There are people that are a lot smarter than me and make a lot more money than I do that predicted this would be great. There were forecasters that believed it would be a great opportunity for the City, this region. And the decision makers at the time also believed that it was a great opportunity for this region and the City."

"Bayard, "So are you made up of a Council like this?" Reynoso, "Yes, we are, there are 17 of us." Bayard, "What is the rest of your Council saying about East Bethel that we are in this predicament. Has there been any talk about East Bethel and our predicament because of our tax increase? Are there any meetings being held to discuss East Bethel's predicament?" Reynoso, "We have had several conversations with this Council and staff to try to come up with ways that we can assist in whether it be the overhead of building this project, we have attempted. But we are also limited in what we can spend money on and how much our commitment can be. We have had joint situations where we were going to dig up a pipe and instead of splitting the cost we paid for it ourselves because we were already digging it up. We are limited in what we can do because we are the Met Council. Our commitment has been fulfilled. But, we are willing to work with this Council. A 17% tax increase is tough, taxes are tough, and that is a lot of money." Bayard, "And we are not including other taxes, like the school taxes." Reynoso, "The bottom

line is our predecessors and this Council's predecessors made a decision that turned out to not be a good decision. That ultimately, this City and its residents are going to have to pay for. I wish there was something else I could give you, I wish I had \$20,000,000 to give you, but I don't." Bayard, "I think we need to invite Governor Dayton here to help us. There is land that we need to sell, I have a little parcel I am going to try to sell. My other concern as a hunter is the 30 cattail ponds that along Highway 65 that they have smashed and drained, by putting down this plastic netting. Is the construction company going to put those ponds back to how they were?" Jochum, "Yes, those were all permitted through the DNR and the wetland conservation act is required. All those areas will be restored. All temporary impacts. The ground water will come back, but, it won't be pumped back in."

Ronning, "I would like to make a statement. We are all in this thing together. We all inherited this mess. If this was business, it may be called ill-conceived and ill-timed. That it was a poor idea that should have never been done. There are some things that are meritorious. I have heard (so it is hearsay) that there was more than one attempt to get the Met Council involved with this and that they were turned down at least once. And then with no physical change anyone has seen, they decided to go with it. So, in my mind there is a shared responsibility. I am not going to go into, I don't expect some car dealer to sell me a Ferrari when I can't afford a Volkswagen. Because then they are responsible. Look at these mortgage companies that sell people \$300,000 that make minimum wage. I am saying that is what happened, but I do believe there is some shared responsibility. I didn't know there had been several meetings with the Council, I would like to know more about that. I kind of look at this as an opportunity to open some conversations and recognize that there is shared responsibility there and that we are going to have to work together to get out of this mess."

Reynoso, "Council Member and residents, we are open to ideas and finding results for this. But, we are also limited to what we can do statutorily." Ronning, "There was one thing I grumbled about a number of times and there were an aggregate number of ERUs that were assigned. And, one business eliminated 11 ERUs, or maybe more. They eliminated so many seats in the theatre and the Met Council recalculated the obligation. In my mind, if someone else forgave the obligation, I don't know why we would be stuck with it? These things that change are just being put on the tail end and I have a problem with that. We have no input, no say, and no nothing. If someone else changes the rules, we live with it. But, I do think that this is an opportunity to get together and talk about these things. There won't be a winner as far as I am concerned. We all have to work together." Reynoso, "In regards to the East Bethel Theatre situation, I have no knowledge of that situation. Our staff should be able to answer that question."

DeRoche, "If it happened with them, can it happen with other businesses? This whole thing was based on a feasibility study done by Maxfield, which was done in 2006. When we took office we were given all the matrixes and the number of ERUs and all this other stuff that this project was based on. And, if the Met Council continues to lower the ERUs, to me it is them that are changing the numbers and saying, "Well East Bethel you figure it out." It is not going to work."

Kyle Workholden, Asst. Manager in Engineering Department of the Met Council, "I believe what you are referring to here is the SAC, that is the payment that the building owner makes when they connect to the Regional Wastewater Collection System. And, it doesn't really matter where the connection is, in Coon Rapids, Anoka, or East Bethel, there is a unit charge that gets assigned for that connection. Each residential connection of a single family home is equivalent to one SAC unit. That is kind of the base SAC unit. Commercial buildings can have multiple SAC units. For a theatre that SAC assignment is based on the number of seats. And the process in which that assignment is made is based on information in which we obtain from either the community or a contractor that has been awarded a project to do a remodeling or construction or sometimes from the building owner if and if that's the case, the information is always verified by the building official for the community. Any proposed use, has the ability to reduce the footprint so they can

reduce the number. But, if the seats are put back in place then the business owner has to pay the SAC units to the Met Council that was reduced.” Moegerle, “Is there a penalty for doing that if it is done in the dark of night?” Workholden, “There can be. Typically SAC rates increase over time. So, if the SAC rates currently are \$2,500 and four years later it has been raised to \$2,700. They have to pay the difference, it would be based on the new rate. So, there is a penalty based on the inflation rate increase.”

Moegerle, “In the Maxfield Research that said there was demand on this. All of the figures on the estimates were put together by an engineer. I spoke with a demographer who said there wasn’t a need for this. I spoke with your predecessor, Natalie Steffen who was threatening at the 2010 Town Hall Meeting and said that if we were going to be sued for millions of dollars. But, my concerns are that somewhere within Metropolitan Council a similar package is being put together by a contractor who knows nothing about a demographics and economy. I am worried that salesmanship will put another community in the same place as East Bethel. I think that us up here and the people out there that complained about this back in 2010 and 2009 and before were saying, “Look at this with objective eyes with intellectual integrity.” And, there was a meeting in I think 2010 where Mr. Pickart came and I think it was Jack and I and he told us how the population growth was debated back and forth between the then City Administrator to come up with how this was going to work. And, I think I have a real problem that the state demographer wasn’t saying, “This is what your growth is.” Instead interested parties were debating this sort of things. It is my hope that the technique used for these kinds of things by the Met Council is changed because I think a great disservice was done to this community inadvertently. And I think that kind of launches off your point of Maxfield.”

DeRoche, “Again, when this project was being put together, it is my understanding there were a couple different Comprehensive Plans before it was accepted. In my mind that should have been a red flag to the Met Council, you have come to us with these numbers and now you are coming with other numbers. This isn’t it and this isn’t it and all of a sudden these numbers make sense. What do you have to back it up. It has been such a time lapse of when the report was done and then the theatre comes and says we will pull some seats out. If all these numbers would have been changed or talked about then, maybe the project wouldn’t have been. East Bethel did approach Met Council. At what point does East Bethel get to say, you can’t keep changing these ERUs. We have to pay interest on the money if we don’t get the ERUs. It has to be figured out, it won’t be good for either of us.”

Diane Jacobson of 20628 East Bethel Boulevard NE, “A little history on Met Council. When I was on Council, they told us we could only build one on 40 acres. We told them you know what. And we built 16 on 40 acres. Anyway they were very insistent. When you say we are not paying for this over again, Met Council charges us on our taxes. We had them at our Council meeting because we couldn’t get a bus out here. Finally got them to admit that we were paying for that bus going downtown. I understand we are going to be getting some good news regarding bussing. They are all appointed, the Met Council representatives. The Met Council is rebuilding downtown Minneapolis, enough about them. I am not a fan of them, but I hope this doesn’t interfere with anything we need to do with them in the future.”

Jacobson, “Sewer projects, we have all this black fencing/paper, who will remove that when the project is done?” Jochum, “The contractor will.” Jacobson, “The grant that Coon Lake is applying for? Why isn’t the City applying for it, for the sewer?” Davis, “What grant is that?” DeRoche, “CDBG.” Davis, “We will be discussing on November 25th to see if there is enough interest for the grant.” Jacobson, “The interest is over here so we can help pay for the sewer system.” Davis, “It won’t pay for the sewer system. This has to do with septic repair. And it has nothing to do with any type of infrastructure.” Jacobson, “Eventually EPA is going to come along and say, “Everyone along that whole Coon Lake is going to have to have a new sewer system. And they are going to have to hook-up.” DeRoche, “Diane, I don’t believe the CDBG

grant will work. This project is almost complete.” Jacobson, “I believe that there are grants out there and I am sure if you talk nice to our legislative people, they might be able to help us.”

Jacobson, “Also, I have another problem. Why are we only paying interest on these bonds? Why are we not paying against the principle? When you pay down the principle, you pay down the interest. If I have to have 17% in taxes, I want my principal going down too. Because when I take out a car loan, I don’t tell them, “Hey, I am only going to pay the interest.” Moegerle, “My understanding is that is the way it is set up and we currently don’t have the funds to do that. I absolutely agree. I think that when we refinance these bonds, we should be paying principal and interest. Of course, we do have the right to defease and advance sometimes. That is something our finance director can discuss with you.” Jacobson, “Another thing about this sewer system is you call it a forced system and say only businesses can handle it? Are they flushing the toilet 24 hours a day? Why are the homes not being hooked up to it?” DeRoche, “Probably a \$1,000,000 to lateral off of the system. That is one reason. Most parts of the project were cancelled because this is going to have to be developer driven if it is going to expand.” Davis, “There are no residential homes in the area served by the existing sewer system. And to make the existing sewer system economically feasible to serve residents, you need a density of about three units per acre. We could extend sewer into residential areas, but, with the densities it is not feasible to support it.” DeRoche, “The money wasn’t there, put aside, it was we may get \$2,000,000 in rebates. There wasn’t enough to make payments.” Jacobson, “Principal?” DeRoche, “It wasn’t set up that way.” Ronning, “We can show you the original amortization schedule.” Jacobson, “You can re-amortize.” Davis, “It was set up that way so the City would not have to pay \$1,300,000 a year instead of \$800,000 a year. So development would theoretically catch-up.”

Jacobson, “How concerned is Anoka County with a group called Sovereign Citizens?” Commander Orlando, “We are very concerned about this group.” Jacobson, “So what steps is Anoka County taking? They want a republic government, not a democracy.” Ronning, “They typically think they are their own government, they do not fall under the rules and laws. We are a republic governed by a democracy.” Jacobson, “And that is why they are out there, because they don’t like how this government is operating. So, what is the sheriff’s office doing about this.” Commander Orlando, “Unless we have an incident with them in particular, there is not a lot we can do. At the same time, if they are doing things that are illegal, then obviously we can do something there.” Jacobson, “Whenever there is an announcement on TV or whatever we always see Somner up there. How come we don’t see Stuart up there? You can talk to the Sheriff about this. After all, we elected him sheriff for our county, we elected him spokesman for our county and I would like to know why he is not out there.” Commander Orlando, “Somner is our PR Officer, his direct role is to be our face for the media. I will let Sheriff Stuart know that you would like to see his face on the news more.” Jacobson, “Yes, because you see other county sheriff’s out there and we never see Stuart. And yet, we elect him because we think he is doing a good job. But, he never makes announcements.”

Ed Reynoso, “I appreciate your comments, Diane. I would have not taken this position, if I didn’t have thick skin. I do love to do everything I can during my tenure to have a better area to live in. I am part of this community to, I live in Ham Lake. I am concerned about this region, I want to make sure it is plentiful, not only for my kids, but also for my grandkids. So, I am invested. Yes, we are appointed to our positions, the process has been around since 1967 when the Metropolitan Council was invented. That is the process that selected me and I feel I am qualified. I will do everything I can to make it a better place to live. As far as bussing, we need riders in order to have busses. Just because a bus doesn’t run up here, doesn’t mean you don’t have transit services. We have Metro Mobility Services and we have Dial-A-Ride. It’s not perfect. Throughout my tenure, I have had one e-mail from East Bethel. I want to know your concerns and how I can help. There are some other bus services coming forward. Next fall Route 865 leaving the East Bethel Theatre and will be shuttling to downtown. And there is one we currently have in Blaine. We need ridership, there has to be some density.” Davis, “In the fall of 2014

there will be bus service to downtown Minneapolis, three trips in the morning and three trips in the evening.” Reynoso, “This is something I really believe in, and I pushed hard for the Northstar to have internet services. The commitment is there by the Metropolitan Council.”

Jacobson, “Heidi, I have a bone to pick with you. I was very irate, upset to the point of almost going to your house when you announced at a Council meeting that you had looked up Bob DeRoche’s property taxes and gave them to a gentleman.” Moegerle, “I did not announce that.” Jacobson, “Yes you did, because my husband Bob saw it on TV. You had no business giving that information out. Yes, it is public information. But, you had no business, what else have you given out about us people out here?” Moegerle, “I was asked by residents, “Do you pay taxes? How much do you pay in property taxes?” Jacobson, “So give out yours.” Moegerle, “It is public information and it was asked about the Council.” Jacobson, “So you had no business giving out the rest of the Council’s taxes, if they wanted to, they could have gone to each individual person. You had no business doing it that. There is no explanation for it. None.” Moegerle, “I disagree. But, I apologize that upset you.” Jacobson, “Oh yeah, very much so. Because then I start to think, what else has she told people. What has she told other cities? What has she told the county? What has she told Met Council? Because these all come, it is just a through process.” Moegerle, “It is factual, and it was documented, and it was objective with no comment.”

Jacobson, “Okay, next is what have we done with all the paperwork that was generated by Jerry Randall? Davis, “It is sitting at their offices. And we will be picking it up sometime next week.” Jacobson, “I ran into Mr. Goodrich after Jerry Randall passed and I happened to mention Jerry Randall and he said that he had all of our paperwork and was going to send it through the shredder. He said that he contacted the City and they said they he should go through it and figure out what was important and send it over. Well that is not their job. So, he was going to send it all through the shredder. Why didn’t we requisition it and go get it all?” DeRoche, “It is my understanding that Mark Vierling did requisition it. We were going through quite a few lawsuits and I believe they met.” Moegerle, “In Indiana, attorney tend to maintain the clients files for quite a while. That concerns me since we only discontinued the relationship three years ago.” Jacobson, “But he is dead.”

Jacobson, “Have you ever considered starting the Council meeting before 7:30 p.m., like 7:00 p.m. or 6:30 p.m.?” Moegerle, “We do that for work and special meetings.” Jacobson, “Why not do that for Council meetings too?” Moegerle, “Because we have work and special meetings before the Council meetings.” Ronning, “Is anyone aware of anything besides that is the only way it has always been done?” Jacobson, “It has always been done that way, and you can make a change.” Ronning, “Doesn’t make it right, doesn’t make it wrong.” Jacobson, “Change it.” Moegerle, “What about people that work for a living and getting here?” Jacobson, “And that is why City Hall should be open until 6:00 p.m. so people can get here. And why are we paying for people to eat their lunch? When I worked I didn’t get paid to eat my lunch.”

DeRoche, “Everyone wants to cut this and that. But, let’s give you an example. We cut the public works overtime. Okay, so they work until 3:00 p.m. and it snows at 5:00 p.m. They are not going to come in until the next morning to plow because you but you want to cut their overtime. For everything you want to cut there will be repercussions. I won’t gut the city. We are down three people from when we took over. There are people doing cross jobs. And now, you are talking about staying open until 6:00 p.m. What about the contractor that gets up at 5:00 a.m., starts work at 6:00 a.m., gets here at 8:00 a.m. and wants to have all his paperwork done. You can’t have it both ways.”

Jacobson, “When I worked at the bank, I had to have it open at 7:00 a.m. and stay open to 7:00 p.m. I stretched my workers. Everyone didn’t come in at the same time, you can do the same thing.” Ronning, “That is fine, but, every place is different. They have different circumstances and are run differently.” Davis, “Diane, we did stay open to a later hour on an experimental basis

for six months. We had almost no one come in at the later hours. The contractors want to come in at earlier hours. We have someone here almost every day from 5:00 a.m. to 6:00 p.m. We will meet on an individual basis anyone that cannot get here at 4:00 p.m. there will be a staff person that will meet with you at pretty much any time, any day. Ronning, "Every different place has different conditions." DeRoche, "We have an administrator that is here at 5:00 a.m. and sometimes until 10:00 p.m. at night, and on the weekends." Jacobson, "I don't see him here when I drive by that early." DeRoche, "He is here, and sometimes even earlier."

Bill Ablor of 168 Bryant Lane, "We have talked about what the previous Council had done. We have a gentleman here that was on the previous Council, Richard Lawrence, maybe he can tell us about that. I don't even know how you voted on that. Maybe you could share that with us and share what those others thought at the time, what was going through their minds." DeRoche, "He wasn't on the previous Council. He came in with Heidi and I." Lawrence, "There is not one Council person here that voted for the sewer."

Resident, "You were talking about creative ways to make East Bethel grow. And you were talking about bus services from the theatre, which would be great, because I actually make a commute to cities, which gets to be a long drive. My question to you is when someone builds such as the theatre and you base x amount of units and determine a SAC charge, Met Council collects their portion and City collects a SAC and WAC fee. Is there an opportunity for the Met Council to waive their fee for a period of years to encourage businesses to move in and to not have that huge overhead cost?" Reynoso, "We charge a different fee. Maybe Kyle can explain that." Workholden, "The East Bethel SAC charge is \$2,600, when we were in the process of building the infrastructure, we calculated what the rate would need to be. We have reduced what we needed it to be, it is a slight reduction." Moegerle, "But it does increase at 3% a year."

Koller, "In 2010 Bolton and Menk presented a feasibility study to the City. If you go on their website it is still there and it showed this would pay for itself quite easily. Until you read the feasibility study and the City would have to triple in size in 10 to 15 years and we would have businesses all the way up and down Highway 65. It was so unrealistic, it should never have been accepted. I blame it part on them for giving us bogus numbers. Anybody that reads through that realizes it would never happen. Before I was on Council I was up at that podium fighting against the sewer and water many times. I hate to say it, but, a couple members pretty much thought I was funny because it was going to go through no matter what. I have not seen those members at a meeting since then. They know what they did and I don't know what we can do other than raise taxes. The entire City is stuck with it." Lawrence, "One thing we did is we started an Economic Development Authority and we hired a Community Development Director who is doing a lot of legwork to bring the businesses in. We get reports on businesses looking for existing buildings unfortunately we don't have much of that to come to East Bethel. So, we are not just waiting, we are looking for people to come to East Bethel."

Moegerle, "Also on your taxes is a levy for the Economic Development Authority (EDA). That is to help us move forward with advertising and promote East Bethel the City in a positive way. That levy is very important because it is an investment in our future. It is separate from the operating levy because the EDA is an investment in the future, the operating levy is to pay the bills, get public works done, and pay the salaries, those kinds of things. Yes, it is another line item, but an important one, looking to invest in a successful one. I think all five of us struggle with how to make this a success. Please use our website to complain about potholes, complaint about neighbors. Also, we are looking for new photos. Our new reader board is also a way to communicate with you."

Reynoso, "My goal here today was to clarify some comments. By all means if you have questions or comments, please contact me." Ronning, "There was a question about the ERU cost, this year it is \$2,600 and in 2030 it raises to \$6,040. By this table there are 5,554 ERUs obligated

to the City. I have also heard the number 6,500. The total cost of the SAC unit charge as forecast is \$27,247,550 obligation to Met Council. I hope that makes everyone's day. There is sarcasm in there, but in all reality we are all in this together. That is the only way we are going to figure a way out of it." Moegerle, "Something else about Met Council, one of the questions I sent to Ed Reynoso was how much do we pay in taxes as a City to Met Council and what do we get for that. And the answer was \$96,600 and we get a Comp Plan review and access to amenities in the other cities. And that is fact, so you think we are paying for this. We also get transportation. We have some work to do."

Adjourn

DeRoche made a motion to adjourn at 8:30 PM. Koller seconded; all in favor, motion carries.

Attest:

Wendy Warren
Deputy City Clerk