

## EAST BETHEL CITY COUNCIL MEETING

January 22, 2014

The East Bethel City Council met on January 22, 2014 at 7:30 PM for their regular meeting at City Hall.

MEMBERS PRESENT:        Bob DeRoche                Ron Koller                Heidi Moegerle  
   Tom Ronning

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

Call to Order        **The January 22, 2014 City Council meeting was called to order by Mayor DeRoche at 7:30 PM.**

Adopt                **Moegerle made a motion to adopt the January 22, 2014 City Council agenda ending immediately after the Public Forum because this Council has been illegally reduced in number and any actions that we would take to pass any motions would be unlawful. Mayor DeRoche called for a seconded. There wasn't a second so the motion failed for a lack of a second.**

**Ronning made a motion to adopt the January 22, 2014 City Council agenda with an addition of 9.0 E Addressing comments that were made at the December 18, 2013 City Council meeting regarding staff's performance that were improper. Koller seconded. DeRoche, Koller and Ronning, aye; Moegerle, nay; motion carries.**

**DeRoche made a motion to amend the agenda to add the Supplemental Payment List for the insurance premiums as submitted by staff. Koller seconded. DeRoche, Koller and Ronning, aye; Moegerle, nay; motion carries.**

2010 B Bond        Davis explained that at the November 20, 2013 City Council Meeting, Council authorized Refinance        Ehlers and Associates to develop proposals for the sale of refunding bonds 2013A. These Proposal,        bonds will be used to refund the 2010B GO Utility Bonds. These proposals were scheduled Stacie                to be presented to City Council on December 18, 2013 but due to the bond market at that Kvivlang             time and the potential for a limited number of bidders for the refunding, the presentation was tabled and scheduled for January 18, 2014. If there is a successful refunding the 2010B Bonds would be designated as the 2014A Bonds

Council's goals for this refunding were as follows:

1. Refund the 2010B Build America Bonds (BAB's) and remove the City from uncertainties of the federal tax credits associated with these issues. The original federal tax credit the City received on the 2010B Bonds was 35% but this reduced to 32% in 2013 and could be subject to further reduction in the future.
2. Maximize the savings in the first 5 years of the refunding to address the Cities need for immediate relief in the early years of financing the bond payments for the Municipal Utilities Project and/or;
3. Maximize total savings over the term of the bond payments.

Three options will be presented for Council consideration. All three options meet the goal of separating ourselves from the BAB's and the federal tax credits. The difference in the options is in their savings structure with two options providing optimal savings in the first four to six years and the third option providing equal savings over the term of the refunding.

Mr. Todd Hagen from Ehlers, Inc. will present the proposals for this bond issue and provide the details on the three options included in the packet.

At the conclusion of the presentation by Mr. Hagen and pending an acceptable proposal, staff is requesting City Council approve the preferred savings option and direct Ehlers to proceed as to the bidding of the refunding of the 2014A Bonds.

Todd Hagen of Ehlers and Associates, "You have seen my before, Stacie and I are both financial advisors to the City. Stacie was called away to another meeting and I had some time to talk to you about this bond proposals. Jack did a great job of summarizing these documents and what is in the pre-sale report. And again, it is an updated pre-sale report from what you have seen in the past. He talked about the delay in sending this out to bid. Through December 18<sup>th</sup> until tonight. To reschedule this until the next possible sale date, which would be February 5<sup>th</sup>, that would be our target date. "

"In the pre-sale report we have the three options of restructuring the bond issue. It is not only a restricting, but an interest savings at the end of the day. The pre-sale report adds another statute to the authorizing issuance, Chapter 115 of Minnesota Statutes and that allows the City to establish a tax levy on prepayment of the bonds and net revenue second. This is a little bit different than a straight Chapter 444 bond that the bonds are paid off by sewer and water first. So, we have added that flexibility on the sewer side of the bond and hopefully that will help with the repayment of the bond issue. The City is applying about \$670,000 of unused bond funds towards the funds, to reduce this bond issue. That was approved by the Bond Attorneys, Dorsey and Whitney out of Minneapolis to be taken from Recovery Zone Bonds, which is another 2010 bond and applied to the direct pay of the Build America Bonds to help finance the bond that is under consideration tonight.

"Also tonight, we have three points, or questions that Council has brought forth that we would like to try to answer tonight." Moegerle, "I got your e-mail, when was the last time Stacie was out here. Because the last time Stacie was here, we got many more documents than we have tonight. And in those documents, it indicated that we owned a sewer and a water utility. We don't own a sewer utility. We have sewer pipes. I have read Stacie's responses, but, I think there is a bigger issue that is facing us tonight than those three issues. And, that is a letter that I received at 4:52 p.m. Has that been shared with you?" Mayor DeRoche, "Council Member Moegerle, you are not going to side-step this issue and the times of badmouthing contractor's is over." Moegerle, "I am not sidetracking it." Mayor DeRoche, "You are sidetracking it." Moegerle, "I want to make him aware that this says that this group may have illegally reduced its numbers and appointed a Mayor." Ronning, "Point of Order, Mr. Mayor." Moegerle, "So that anything they may do may be illegal and that may affect our bond rating." Ronning, "Point of Order, there is nothing concerning this within the agenda that I have seen. And if I am in error, please correct me, otherwise, let it stop." Moegerle, "They are important facts that need to be brought forward." Ronning, "It is not on the agenda. You will have to bring it up sometime when it is." Moegerle, "So it doesn't matter."

Mayor DeRoche, "Council Member Moegerle, these have been brought up more than one time and you have had more than ample time to discuss this. And, we are not going down that road this evening." Moegerle, "This is new fact as of 4:52 p.m." DeRoche, "No it is not, I have copies of your e-mails as a result of a Public Data Request and this is not a new issue. Every time you come up here and bad mouth a contractor or City staff you are putting us at risk. And, it looks bad and we are not going to do that anymore." Moegerle, "We have never done that, except at your end of the table. But this is something that may

put the City's bond at risk." Ronning, "You haven't explained anything about where this is on the agenda." Moegerle, "This is a new fact." Ronning, "You are talking about a seat, you are not about bonds. If this doesn't stop, I am going to move for censorship."

**Ronning made a motion to Censor Council Member Moegerle. DeRoche seconded.** Moegerle, "Here smack my hand." Mayor DeRoche, "Mr. Hagen, you may continue."

Hagen, "There were three questions submitted and I want to go through them real quick. Does the city own the utility system? It is our understanding they do. This is a refunding bond and the findings made from the original bond, the legal findings don't necessarily have to be for the refinancing of the bond issue. There is also a question of levying for 5% more than what is actually owed. That is a requirement of Minnesota Statute Chapter 475; school districts also fall under that category as well as municipalities. That is an extra 5% that doesn't necessarily have to be a levy, but it can be a combination of levy, system revenue, special assessments, and things like that. It is an annual test and it doesn't have to be accumulated, it can be carried over from year to year. The idea of that is most municipalities taxes are not 100% collected so it actually gives a little room in there for those non-collected taxes. Also, I think I answered the question at the beginning about the pre-sale about the actual levy of taxes to pay the bond issue. We added Chapter 115 to allow the levy of taxes first and net revenue second. So we think we answered the questions."

"Now we have the three options to look at. In the back of the presale report is Option 1, Option 2 and Option 3. Option 1 is the original structure we went out with. We want you to take another look at that. It is a structure that has a higher savings in the first six years. There is some negative savings in the future years. If on February 5th we take bids and if the rates are a little higher, that negative stream may be a little higher. So, we just want to make sure the Council understands that. If we get better bids that could possibly be neutral or a positive stream at the end of those higher first six years of savings. That particular structure the principal starts in 2021. So we have delayed the principal on that. The call date is in 2023. So we are not locking the prepayment date out, they will be prepayable in 2023. So, we can do this again."

"Option 2 had the principal starting in 2019 so it shortens the higher savings to the first four years of the bond. What this does in a positive sense is increases the cash flows below. What this does is it has a higher positive savings the first four years and no negative savings beyond the first four years. The call date is still 2023. So you would have an option to refinance at that point."

"Option 3 keeps the same principal structure as original 2010 bond. This is an interest cost savings. Somewhere between \$16,000 to \$60,000 savings. The call date again is 2023. Can see the future value savings at the bottom of each of the columns that is highlighted. Do sacrifice a little total savings for the options that have more savings upfront. So, Option 1 is a little over \$1,000,000 in savings, Option 2 is a little over \$1,200,000 and Option 3 is a little over \$1,500,000 over the term. It is up to Council, if the idea is to maximize your savings upfront in the four to six years. So, it is up to the Council to reacquaint yourselves with the idea of idea on here that we have been looking at."

Davis, "Can you go over how the net present value savings is calculated for the Council please?" Hagen, "The net present value savings is the time value of money. So, it is present value to the bond yield. We are estimating the bond yield at 3.665%. It is discounted over that number of years. If you are achieving some negative savings, your net

present savings will be lower. So you Option 1 is at \$940,000 and that has those higher savings in the first six years and then either negative or neutral savings after 2021 and thereafter. Option 2, the first four years of uniform savings and then at least \$30,000 positive savings thereafter. Uniform savings will give you the highest net yield. Your present value is a little higher at has a present value at \$991,000 and discounted at 3.585% bond yield. Option 3, the uniform savings will give you the highest net value of savings, because it is uniform the whole way down. It is 3.258% and it is a little over \$1,000,000 present value savings. The one that you see in the right column highlighted, that is future value, dollar for dollar. That has the time value for money discount in the savings, which is sometimes easier for me to understand.”

“I think at the end of the day you look at what you are trying to achieve as far as cash flow. Your opportunity if the revenues aren’t coming in the way you expect in four to six years, you don’t have to wait too long to refinance this again. It is kind of a workout plan at the moment. You really want to make sure that it is achieving your goals at this point.”

Ronning, “We are the only ones that can see the numbers and the coding is. At first glance \$1,000,000 is worth a lot more than \$900,000. However, to make the savings, you have to stay in the game 25 years. If you leave early, your savings are decreased, or am I mistaken?” Hagen, “You are exactly right.” Ronning, “And, with Option 2 we would have savings for four years and then it drops down to 10% for the rest of the savings. For Option 1 there are six years, which puts us at 2021, as far as being able to come up with a better deal? Is that correct?” Hagen, “Yes, that is correct. It might not be the overall savings; it is more of an annual cash flow savings. And, then you have to look at what is the opportunity after that. Do you have an opportunity to do something else.” Ronning, “Is it time adjusted savings? You have to stay the 25 years to make the biggest savings.” Hagen, “Yes, it is a fixed rate bond for the full term.”

DeRoche, “When the discussion first started on this we were looking for something to take the weight off the City for the first five or six years when hopefully development picks up. My personal thought when looking at all three of these options is I think we are better off starting with the highest savings in the first couple years, because if we wait and spread it out further, then the levies are going to increase even more. And with the savings in the first couple years, like Tom said, we as a City have to think in the now. We have to beware of what is down the road, but we can’t not commit.”

Moegerle, “If we take Option 1 or 2, and then we refinance again when we can, we are just going to continue to kick this down the road. We are going to lose savings every time we refinance because our financial consultants will want a fee and so will the people that sell the bonds.” Hagen, “And we don’t know what the interest rates will be at that time.” Moegerle, “One of the things I heard when the taxes were raised was, “Quit jerking my taxes around. You dropped them and now you are going to raise them.” My concern is if we don’t follow through on Option 3 we are going to refinance again and we are going to jerk the taxes around again and again. And that is just going to irritate the taxpayers. While I appreciate what this attempts to do, I think that what the solution is, we work harder, we are more friendly to our businesses, and we don’t make them cry when they come before us. And we have a steady predictable tax rate on these bond issues from the time that we refinance until 2040.”

DeRoche, “Even though it is nice to help the businesses, we also have residents that are living here and their pocketbooks are pretty well stretched. And, they are looking for any kind of relief that they can get. Again, we have to think in the now. I don’t have a crystal

ball. One question I would like to ask is, it is always brought up that the funds were co-mingled. Is there any basis for that?" Moegerle, "Andy Pratt said that and it was in the write-up for the special meeting." Hagen, "Are we talking bond proceeds? Or bond issue to bond issue? Coming from different bond sources to pay?" Moegerle, "It was the whole issue of how we separated the bonds. And the fact that we did and Andy Pratt was very matter of fact about it and so that is a minor issue, there were other issues that were brought up." Hagen, "Dorsey and Whitney, your bond counsel, (this is where the \$670,000 comes from) it is my understanding that as long as you could have issued the Recovery Zone Bonds could be moved over to this bond issue. It has to do with the project itself. Had the project been financed with the same type of bond issue, that's what the answer was." Moegerle, "Andy explained that the bond proceeds could be co-mingled for a total of three years, but then they had to be divided at the end. I think that was very clear in the write-up for the October 23<sup>rd</sup> meeting."

DeRoche, "I don't believe that was my question." Ronning, "Before this gets off, I believe this came up before and I believe Mr. Vierling contacted Mr. Pratt to verify." Vierling, "The implication was that the City had done something incorrect and that is simply not true. All your funds are co-mingled into a common account, that is a common practice. So the implication that the City had done something wrong is incorrect. I am sure that if Ehlers and Associates, or if Dorsey and Whitney had seen anything that was inappropriate, they would have called it out because it would have affected their going forward. Obviously that is not the case so those implications simply do not bear any water." Moegerle, "Well, and the documents say you shouldn't do it, but, the federal regulations allow it. So there is no harm no foul."

DeRoche, "The question came to me because again it has been taken out of an e-mail that has been put out to the people." Moegerle, "I don't think that is the case, but, whatever." Ronning, "You take these two pitchers of water and pour them into a glass and you are not going to be able to tell which water came out of which pitcher. If you put money into your pocket when it comes out it is all the same money." Hagen, "On a bond issue, they are bookkeeping accounts and they don't have to be deposited into separate checking accounts. They never do, so, typically the money gets put into a pot and the bookkeeping is the tracking of it. And to go one step further, as long as that project could have been financed by these bonds then that money could go from the Recovery Zone Bonds to the Build America bonds and help prepay these bonds. It is a sewer and water project and that has been approved by Dorsey and Whitney that it was fine to do. And, your City Attorney is correct, if there was any doubt in our minds we couldn't go forward. So we have done our homework on this." Moegerle, "Your right, the whole line of that was the shocking news that we only had to spend 85% of the bond funds on projects and we could have taken that 15% and defeased it. The documents say that and it was quite surprising that we could have sent back four times the \$600,000 and saved \$5,000,000." Ronning asked Hagen, "Are you familiar with what she is talking about?" Hagen, "Not really."

Ronning, "Pardon me for interrupting you, Bob." Mayor DeRoche, "I was just going to ask Mr. Vierling what he legal opinion was on what he has heard and his possible conversations with Mr. Pratt. It is kind of being brushed over, but the fact of the matter is, in another meeting I could pull all the minutes out as to what has been said and produce the e-mails of what has been said. And, I was going to approach you or Stacie and ask the same questions. "Do you see anything inappropriate that was done and do you think you have watched out for the City's best interest?" Hagen, "No and yes."

**DeRoche made a motion approve the preferred savings Option 2 and direct Ehlers to**

**proceed as to the bidding of the refunding of the 2014A Bonds. Koller seconded.**

Moegerle, "This body is not legally qualified to vote on any issues tonight." Vierling, "And your authority on that?" Moegerle, "The letter that we all got at 4:52 p.m." Vierling, "The letter that was sent out by your attorney and Mr. Lawrence's attorney? I appreciate that you don't much care for what has transpired on the Council. But, the fact of the matter is, until such time that you want to take a district court action to challenge this body's action at the last meeting, this body's action stands." Moegerle, "But the ordinance indicates that when the Mayor is not there, that the Acting Mayor." Vierling, "That is an emergency matter and you are citing that just like the rest of it is out of line. You already have a motion for censure pending, I don't think you want to obstruct the Council Meeting moving forward, because you might end up with a disorderly conduct charge."

Ronning, "So we all understand, what is the logic in Option 2?" DeRoche, "The higher savings in the first four years of the bond, which we were originally looking for. That is what we directed Stacie from Ehlers to do. If I recall the conversation, we were looking to try and get some savings up front and get development and get the ball rolling and alleviate some of this levy. That didn't happen, so here we are back in this boat and I just think it is the best option." Ronning, "I favor Option 1 myself because it buys more time. I agree that there is a greater savings quicker with Option 2." DeRoche, "The problem I have with Option 1 is the negative savings in the future years. And, depending on the rate of growth and development, that could turn around and really bite us." Ronning, "That is true." Koller, "I don't want to make the future Council's, put them in the negative right off the bat." **Moegerle, nay; DeRoche, Koller and Ronning, aye; motion carries.**

Vierling, "You have a motion of censure pending. Do you want to take care of that now, or would you like to table that until later in the meeting?" **DeRoche made a motion to table the censure of Council Member Moegerle until later in the meeting. Ronning seconded.** Ronning, "I don't want to cut anybody off. Everybody has something to add up here. We don't all get along and we are not supposed to all get along. But, the fact of the matter is we are supposed to have an orderly meeting and we can't have any one person try to control what is happening and I would rather not have any censorship. I would like to hear what Heidi has to say myself." Vierling, "There is a motion to table at the call of the chair and a second." **DeRoche, Koller and Ronning, aye; Moegerle, abstain, motion carries.**

Sheriff's  
Report &  
Introduction of  
the 2014  
Deputies

James Stuart, Anoka County Sheriff, "It is my privilege to by your sheriff. I wanted to come up here, it has been a while. I see our East Bethel Deputies are here and our partners in public safety, the fire service is also here tonight. It is always a privilege to be standing shoulder to shoulder with them. In the past three years I have been able to share the vision and talk about the attitudes we wanted to instill in community partners, as ambassadors, as an organization that wanted to have positive impacts in the community. I think we have had a lot of success in those arenas as a progressive law enforcement agency. Some current trends, things we are working on are getting our regional forensics lab internationally accredited, our DNA labs went live recently, we are currently working with ASLABS, the accrediting agency and they will be coming out in March. We are already performing to all of those standards, but, once we get accredited it will open up a lot of possibilities for us such as grants and things like that. We will be excited to announce when we get our international accreditation."

"Another thing we have been working on it the Human Trafficking Task Force. Unfortunately this is alive and well not only in Minnesota, but in Anoka County. We have had several cases we have investigated recently with successful outcomes. One case we had

with two traffickers that impacted the lives of approximately 40 young females. This case originated in Fridley and 10 months of two individuals working full-time on this case and over 4 GBs of data and both of the traffickers were federally indicted. There are 40 lives in the meantime that we are looking to get back on track. These are twisted individuals that are looking to profit off of modern day slavery. In short, knowing resources are very tight, contacted the municipalities and asked if we could provide some resources for them. We have trained all of our school resource officers in what to look for throughout the county and with our local police department, provided that training for their detectives. And, if anything new comes up, we call out this task force and they go out and chase down these bottom feeders and get them locked up.”

“We have also been working on our Prescription Drug Take Back program for a few years. We have boxes at the Anoka County Sheriff’s Office, the Blaine, Saint Francis, Fridley, Centennial Lakes and Columbia Heights Police Departments. We said as a sheriff’s office that, “We recognize that prescription drugs are consistently the gateway to Heroin and other opiate based drugs. We want to get the prescriptions out of the youth hands and off the streets. We have taken over 300 lbs off the streets. We have recently participated in some local community forums which is helpful to bring people up to speed on some of the challenges we are facing. Our job is to protect and serve but we will not be successful without the partnership of the community. Reason I am here tonight is to introduce your 2014 team, and first we will introduce your liaison. But, do you have any questions?”

DeRoche, “I have one. Did the group that had the display at the church, did they finally reach out to you and get you involved?” Sheriff Stuart, “Yes, they did. They had the ball rolling at the same time we did and they already had it locked down. So, we had representative there and presented as well. We also brought Minnesota Team Challenge to the table and we will also be bringing in some families that have been impacted and addicts. We are trying to make clear that the heroin we are seeing is some of the purest in the nation. We are seeing high school kids, college kids using this and it is a matter of them taking some bad advice or something that was given to them and it is the last mistake they are allowed to make. We are trying to be proactive.” Ronning, “I wanted to say thanks for your service and I think we take you for granted sometimes and don’t realize all that you do. So again, thank you for your service.” Sheriff Stuart, “Our mission statement is to protect and serve in a manner that preserves the public trust. We take that very seriously, we have vision talks and mission talks with all of our staff. They embrace the role to protect and serve, that is kind of a given. We also want to make sure they embrace the concept of maintaining the public trust. Without that we have no reason to exist.” DeRoche, “I get a lot of compliments on the East Bethel Deputies, people say they work with them.” Sheriff Stuart, “Thank you. I am very proud of our staff.”

Sheriff Stuart, “And now your liaison Commander Shelly Orlando. I know she has been with you for a couple years. She has been with our department for 19 years, this is her sixth year as the liaison for the City. She has seen changes as a resident and a liaison. Recently promoted to Commander in the justice services division she wears a lot of different hats. She not only over sees our support services, but also the bailiff unit, transport unit, warrants unit, civil unit, there is a lot of different specialty teams and units under this division. Prior to that she was a Lieutenant overseeing daily operation in our patrol division, prior to that a criminal investigations detective responsible for the significant crimes all over Anoka County, prior to that a Patrol Sergeant overseeing our Deputies and the daily functions they deal with and prior to that she was a Patrol Deputy Investigator and of course she started out as a Patrol Deputy 19 years ago. She has had a wide variety of roles, worn a lot of hats and had a lot of great experiences. I have no doubt she will continue to wear her best hat

whenever she needs to represent you and answer your questions. And she will introduce your team.”

Commander Orlando, “Start with Eric Danarsky, he works the day shift and is in his 9<sup>th</sup> year with us and his 5<sup>th</sup> year working the East Bethel contract, there must be something he likes in the City, because he keeps coming back. Next is Rollie Sorenson he is your other day shift deputy, he has been with our office for 11 years. He did have six years with law enforcement with another City. This is his 2<sup>nd</sup> year working the East Bethel contract, he had last worked in 2009 and so he is getting reacquainted with the hot spots. He is also a field training officer and an explorer advisor. So if you have any questions about our explorer program, give him a call and he will answer any questions you have. Next to him is Rhianna Nienow, she works the power shift and this is her 5<sup>th</sup> year with our office and her 2<sup>nd</sup> year working the East Bethel contract although she didn’t work last year. Rhianna is kind of an over achiever, she is a use of force instructor, Taser instructor and firearms instructor. She also is an explorer advisor and she is an honor guard member for our office. She is also a Major in the National Guard and she has been in the National Guard for 13+ years. Next is Travis Wold, he is in his 9<sup>th</sup> year with our office and his 6<sup>th</sup> year working the East Bethel contract. So he does really enjoy East Bethel, although he didn’t want me to say anything about him taking long walks in Booster Park. Then we have Deputy Peter Mueller and he works the night shift, this is his 2<sup>nd</sup> year with our office so he is relatively new, but seems to find himself in all kind of good situations and it is his 1<sup>st</sup> year working the East Bethel contract but he did fill in on relief shifts so he has been in the City before. And, then finally, we have Ryan Rockets, he is working the night shift and this is his 7<sup>th</sup> year in our office and 4<sup>th</sup> year working the East Bethel contract. I know that every once in a while Jack meets up with him early in the morning to discuss what is going on in the City and they keep it quiet at night. Those are your East Bethel Deputies for 2014.”

Commander Orlando for December 2013 the report is as follows:

**Thefts:** There were seven reported thefts in December. One involved a business reporting a battery charger was stolen from their property. There was a purse taken from a vehicle that was parked on the street. The owner thought she had locked the vehicle, however there were no signs of forced entry. There was an iPad and a wallet taken from a vehicle in a driveway. Credit cards that were in the wallet were used in Elk River. This case is under investigation. A taxi driver made a report of a patron who failed to pay his cab fare and had gone into a house, with no one answering the door. A deputy was able to follow up at the house and the fare was paid. There was a theft of an aluminum ramp from the lakeshore on Coon Lake. One male reported a Discover Card had been opened fraudulently using his name and social security number. The Discover Card listed to an address in Arizona.

**Burglaries:** There were two reports of burglary. Both reports involved estranged family members entering residences where they had no ownership and taking property. One case is under investigation.

**2<sup>nd</sup> Degree Assault / Terroristic Threats:** On December 15, 2013 deputies responded to a call of a male with a gun threatening to shoot people. Upon arriving, the male with the gun had left the residence. The homeowner and his grandson reported two males had come to the residence to fight the grandson about an alleged assault that had occurred. The grandfather told the males to leave the property and picked up a snow shovel. One of the males pulled out a gun and threatened to “end it all”. The other male got the male with the gun to get into the car and leave. Deputies located the vehicle with the two males, who were taken into custody.

**Arrest Breakdowns:****Felony: 5****2<sup>nd</sup> Degree Assault / Terroristic Threats – 4 (from same incident)****5<sup>th</sup> Degree Possession of Controlled Substance-1****Misdemeanors:****Small amount of marijuana in motor vehicle-1****Disorderly Conduct-1****Littering-1**

Fire Dept.  
Report &  
introduction of  
2014 Officers

Mayor DeRoche, “Fire Chief Mark DuCharme will introduce the East Bethel Fire Department Officers and present the Fire Department report for December 2013.”

Chief DuCharme, “Thank you for letting me be here and our fire officers. First one I will introduce is Ardie Anderson, Deputy Fire Chief, he is working his third decade and is a longtime resident. Definitely a great leader. Next is Todd Bennett, he is our District Chief out of Station 1 and is in charge of our personnel there and does a great job. He has been with us for 16/17 years. Then we have Dan Berry, District Chief out of Station 2 and he does a great job running the crew over there and he has been with us for 15 years. Rod Sanow, Caption out of Station 2, one of our finest line officers. Rod has been with the fire department for multiple decades. Mark Prachor isn’t here tonight, but he is the Captain out of Station 1. He is also one of our great people to go to when you want something done. Tammy Gimpl, is a Lieutenant out of Station 1, also she is the Director of our Explorer Post. Tammy is one of our top responders. She makes it to just about every call she can go to. Adam Arneson is also a Lieutenant out of Station 1, he also has been here about 10 years. Gary Shultz couldn’t be here tonight, but he is one of our Lieutenants out of Station 1. And we have Mark Duchene, our Fire Inspector, he goes to all of our commercial businesses. He is a great performer, makes sure our businesses are safe. These are our officers for 2014.”

“In 2013 we have responded to 233 calls. I have used a seven year comparison. It was dramatically higher than last year, but not quite as high as some other years. In 2007 we helped the police with a lot of meth labs and it was dry and we had a lot of grass fires. Also in 2010 that was a drier year, we had a lot of grass fires. Of those 533 calls, 325 of those calls were EMS related. The rest were call accidents, CO alarms and those types of calls. And you can compare how we fit in, we have been running about 55-60% are EMS where we go assist the public. Our calls are pretty evenly dispersed during the day. Busiest times are noon to 8:00 p.m. Although in March or April are our high months, all of our calls are pretty standard. We talked about this last year, we divide the City into grids. Within the grids makes each part of the City a little smaller and helps us identify where we are going on the calls a little faster. Within each grid number we put the number of calls here and it is not surprising the higher number of calls is where we have the higher population density. Next we have the average response by fire fighters per call. And, typically Station 2 at night we average 11 people, Station 1 at night we average 8, during the day, Monday through Friday we average 9. Then when we have an all call, like last night when we were out on a Mutual Aid Fire to a neighboring City we average about 16. This is our 2013 fire loss and it was up a bit, mostly because we had a couple major fires that happened early on. Our property loss was estimated at \$433,500. When you add in contents the total loss estimated loss that is being reported is \$680,500. It is a little higher than 2012. One of the bigger accomplishments in 2013 was the ISO Rating where we were able to reduce that from a 7 to a 6. And, that might make a difference for some peoples insurance.”

“The Fire Department Report for December of 2013, we had 42 calls and of those calls 31 were medical related. We saw a lot of flu calls in December and if you haven’t gotten your flu shot we are recommending that. Most of all the calls we go out on for medicals end up being transported by ambulance. There are a couple things as a group that we need to talk about. Believe it or not, storm season isn’t that far away. We need to finish up the work on the Emergency Operation Plan. I also know there will be a new Council person appointed in February and after that it will be a good time to do this. It might be wise to start thinking about March some time to do a work session to finish that up. The Emergency Management Plan hasn’t been adopted yet, so we need to finish that up.” Mayor DeRoche, “That was one of the questions I was going to ask you tonight.” Chief DuCharme, “I don’t know if Council is ready to set a date, or if you want to wait until February. But, we are probably going to need at least a couple hours to finish it up.”

Public Forum Mayor DeRoche, “Before we open the Public Forum I want to say a few things. We are going to limit it to about three minutes. I don’t want it to turn into a soap box. We are not going to redo the entire residency vacancy thing. I am more than happy to hear what you have to say.” The Public Forum was opened for any items that are not on the agenda.

Sharon Lawrence, 4126 Viking Boulevard NE, “I just wanted to come tonight to set a couple things straight from the last meeting. When Mr. Butler got up here and mentioned to Dick that he was deceitful and he implied that he was dishonest. I want to set the record straight that Dick is one of the most honest and honorable people I know. And, we didn’t just lose our house, we lost our home and the place where we had our business for 18 years. We finally moved out in October and found our new address at 4126 Viking. And, I talked to our landlady, Mrs. Nelson who is a really nice person. I don’t know which one of you had the sheriff’s department come and talked to her neighbors about her and us. She is such a nice lady, the sheriff could have just come and talked to her.”

Mrs. Lawrence, “I would like to thank the Council Members that I did get to talk to about the issue I want to talk about. I didn’t get to talk to you Mr. DeRoche, I did leave you a message but you didn’t return my call. The thing is, our final check Dick received only a parcel check for being Mayor in January. For three years we have been paid on the 15<sup>th</sup> for the whole month, he only got paid for eight days. I am asking the Council to review this, we paid a lame duck Council Member for a whole year and he only attended about three meetings. But, he got his full check and nobody questioned that he didn’t show up for the Council meetings. We found what we thought was acceptable living arrangements and I am just asking the Council to look at this issue and see if you can’t to decide to move to pay us the balance of the month.”

Richard Lawrence of 4126 Viking Boulevard NE, “Basically I have always pushed people on the Council to do better. And, to reach out and figure out things before they got out of hand. You gave me no time, zero, to find a place. And, on the same day you cancelled my term as Mayor, I think you could have done better. However, one of the big complaints I heard from residents was someone is complaining about paying taxes. I know Bob doesn’t pay any taxes.” Mayor DeRoche, “We are not going down that road again Richard.” Mr. Lawrence, “Yes we are Bob, we are because it is Public Forum.” Mayor DeRoche, “The Public Forum is for.” Mr. Lawrence, “I am going to tell you what the Public Forum is for. Anybody that wants to speak. Stop it.” Mayor DeRoche, “I am not going to stop it Richard. We are not going down that road and if it continues I am going to ask that you be removed.” Mr. Lawrence, “You want to boot me out, go ahead and boot me out, but I got something to say. And I think I deserve to say it because I am a resident of East Bethel. And just because

you weasel into the Mayor's slot, doesn't mean you get to say what you want to say." Mayor DeRoche, "I think we have heard enough of that." Mr. Lawrence, "No you haven't. I have one more thing to ask and I think I should be able to say it. The question is felony. If you are convicted of a felon, you are not allowed to serve." Mayor DeRoche, "I want to get a legal opinion on this." Mr. Lawrence, "No, this is my turn to talk and the City Attorney does not get to talk to me when it is my turn to talk to you." Mark Vierling, City Attorney, "If you are going to accuse somebody up here of something, you better have good facts behind it." Mr. Lawrence, "I have the right facts." Vierling, "Then you better lay them out." Mr. Lawrence, "It was told to me by the person that did it, how much more do you want? Can I finish or can't I?" Vierling, "You better come up with citation, chapter and verse sir." Mr. Lawrence, "Can I finish my comments?" Vierling, "At your risk." Mr. Lawrence, "At my risk, wow. First you attack Heidi. You personally attacked her." Vierling, "There was no attack, that was fact." Mr. Lawrence, "He attacked her." Mayor DeRoche, "Richard nobody is attacking anyone." Mr. Lawrence, "Everybody is attacking Heidi, I can see it going on, you would be blind not to see it. What the point is, is this. In the State of Minnesota if you are convicted of a felony you may not serve as any elected official. We know that Tom has been convicted of a felony and in order to be able to be eligible to run, he would have to have a paper saying it has been removed. I am asking for that paper." Mayor DeRoche, "I think you need to approach staff with that." Vierling, "It is not a staff issue. The gentleman either has his proof or he doesn't. At one time he wants to make an allegation, then he says he wants a document in order to prove it. I am sorry but you don't have any document." Mr. Lawrence, "You just twisted it around." Vierling, "No, that is the facts. I think this is done." Mr. Lawrence, "All I stated is if you are a convicted felon, which Tom has told me he was." Vierling, "If you have an action to challenge, you do so in the court which is where it is proper to do so. Your time is done." Mayor DeRoche, "Richard you are done." Ronning, "What are you trying to accomplish, what is your point?" Mr. Lawrence, "If you are a convicted felon and you have not cleared the felon you are illegally sitting in the seat." Ronning, "You should go back and read the statutes again." Mr. Lawrence, "I did, the State of Minnesota, Secretary of State, are they wrong? You will produce a paper saying it has been cleared. That you go one when they cleared it." Mayor DeRoche, "Richard you are done." Mr. Lawrence, "All I want is the facts." Mayor DeRoche, "Well this isn't the forum for that." Mr. Lawrence, "What do you mean, it is the Public Forum. It is the public's chance to come here and say what they want to say." Mayor DeRoche, "These meetings have gotten out of control for too long, this is not going to be a soapbox for you. If you want to contact Tom on the side and he wants to present something to you, fine. Otherwise, I am going to ask you to sit down or I am going to ask to have you escorted out." Mr. Lawrence, "Wow, you aren't packing a gun again, are you?" Mayor DeRoche, "That's none of your business." Ronning, "You have accomplished your mission. You have caused as much harm as you can." Mr. Lawrence, "Tom you are not even allowed to speak at this, so you are out of order." Mayor DeRoche, "Commander Orlando, can you deal with this?" Commander Orlando tried to get Mr. Lawrence to take a seat, he refused. She had to remove him from the chambers.

Patrick Swartzwald of 4516 Fawn Lake Drive NE, "I don't know if this is the place to do it, but I have a few questions to ask on my taxes. I have been to a few meetings. I was affected by the transmission change. My taxes have went up almost 20%. I know there is a bond sale, is that bond sale to pay for that water and sewer stuff?" DeRoche, "Yes." Swartzwald, "These other local levies, are these part to pay for my taxes?" DeRoche, "No, Jack aren't some of them paying for the fire sirens and the fire station?" Davis, "I would have to take a lot at that to see. Some of them could be school levies." Swartzwald, "There is the St. Francis voters approved levy. It was reduced from \$487.53 to \$329.58. Other local levies, which I am assuming is East Bethel went from \$327.13 in 2013 to \$423.76 in 2014.

My taxes alone increased from \$922.26 to \$1,111.40. Which is approximately 20%, my house didn't increase by 20% in value property. Why did it go up so much?"

"I have a few other questions. A while back in the downsizing or downslide of the work, your City inspectors you cut hours. Is that correct?" Davis, "That is correct." Swartzwald, "Have they been put back to full time?" Davis, "Yes they have." Swartzwald, "Have you added any other administration to your staff?" Davis, "No we haven't. And in fact we have added extra work with another position posted. You didn't hire someone else here full-time?" Davis, "We have a building official and a building inspector." Swartzwald, "Has there been an increase in the City on building permits being pulled, the reasoning on reinstating them full-time?" Davis, "There has been an increase in the workload, the number of building permits issued in the City increased from three in 2012 to 15 in 2013. Plus we do the work for Oak Grove of which there were approximately 50 permits pulled there. As far as generating income, we generated more in permit fees than what it costs to run the department." Swartzwald, "You subcontract for Oak Grove?" Davis, "Yes." Swartzwald, "Where does that money come from?" Davis, "Oak Grove pays us for that service."

Swartzwald, "I have talked to my neighbor this evening and it is my understanding that the people affected that are going to have to accept this City sewer and water are the people around Coon Lake. And once they sell, is that not correct?" DeRoche, "That is not correct. What it is going to affect is mile and ½ corridor of Highway 65 from 187<sup>th</sup> and 1 mile and ½ north, ¾ of a mile on the west side. It is not coming around Coon Lake. Probably not in my lifetime." Swartzwald, "What is Council's position in reducing taxes for residents, as far as seeing them increase year after year? Have you explored other options besides bond sales to reduce taxes?" DeRoche, "We had 19 budget meetings." Swartzwald, "I am new to this. I was a union official, dealing with HR, dealing with management and the state and I just came forward because of what I seen happen with that transmission line was unacceptable to me. I accept it, I am a resident, I pay taxes, and you voted on it, you approved it, I have to accept it. I lost a third of an acre to Great River Energy, they paid me a price, and money wasn't the issue. It was what I moved up here for, privacy. And then somehow it got twisted, you spent more money. I don't know what was involved in the cost, roads, legal fees, the cost of Great River Energy to spend more."

Davis, "To answer your question from the City side, the City general fund levy has been decreased in the last four years by over \$900,000. The increase in your City taxes is due to solely and exclusively to we need to make the bond payments for the sewer project of which no one on this Council was present when that project was approved." Swartzwald, "Can you please tell me what it cost in legal fees for the transmission line that Great River Energy is installing?" Davis, "I don't know that figure right off the top of my head." Swartzwald, "That did cost the taxpayer's money." DeRoche, "Most of that was paid by the League of Minnesota Cities. They were our representation in that." Swartzwald, "Where does that money come from?" Davis, "The LMC is our insurer. We have an insurance policy with them on legal representation and they pay a certain percentage of the cost." Swartzwald, "So, where does that money come from?" Davis, "We pay a premium per year." Swartzwald, "And that isn't very much." Davis, "I think it is about \$9,000." Swartzwald, "And where does that money come from?" Davis, "Everything here comes from the taxpayers. But, to answer your question, I would have to look it up how much has been spent. If you leave me a phone number and address, I would be glad to look it up." Ronning, "The tax rate that he is discussing, the final comes out in March. What he saw was a preliminary. We managed to reduce it about 2%." Davis, "The final will be in March and there will be a reduction. The rate will go down." DeRoche, "You should get a hold of Jack and he can help you look at all the different parts of it. The state, county, city, fiscal

disparities. Council Person Moegerle said a couple meetings ago that she opened hers and it was about 1.5% increase.” Moegerle, “No, it was 5.6% overall. I don’t recall for sure, I am sure it is in the minutes, but I think it was like 18% originally on East Bethel’s line alone. It is not something I have written down yet, but I am sure Bob has got it.”

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

Consent  
Agenda

**Ronning made a motion to approve the consent agenda including the following: 1) Approve Bills; 2) Meeting Minutes, January 8, 2014, Regular Meeting; 3) Meeting Minutes, September 25, 2013 Special Meeting; 4) Meeting Minutes, September 25, 2013, Work Meeting; 5) Meeting Minutes, November 21, 2013, Town Hall Meeting, 6) Res. 2014-02 Setting Local Board of Appeals and Equalization Meeting Date; 7) Set Dates for Recycling Day and Supplemental Bill List as submitted. DeRoche seconded. DeRoche, Koller and Ronning, aye; Moegerle, nay; motion carries.**

Revised  
Concept Plan  
Viking  
Preserve  
Planned Unit  
Development,  
Zoning R1,  
R2 and CC

Davis explained that the Preliminary Plat for Viking Preserve, a single family residential Planned Unit Development was approved by the City Council on December 4, 2013. As part of the review process several outside agencies submit their comments and the City works with the Developer to incorporate those changes into the Final Plat and as part of the Developers Agreement. Any permits that are required from outside agencies, such as stormwater permitting, access permits, etc. are the responsibility of the Developer. The City also holds a pre-application meeting with the Developer and City Staff to go through the Development process and make the Developer aware of all of the upcoming timelines and walk them through the process, including identifying what outside agencies would be involved. The pre-application meeting took place on October 8<sup>th</sup>.

In the case of Viking Preserve there were several identified wetlands on their project and so the City pulled together their Technical Evaluation Panel (TEP) that is responsible to review all wetland issues. This panel consists of representatives from the City (Becky Wozney, wetland specialist with Hakanson Anderson), Anoka County Soil and Water Conservation District, Board of Water and Soil Resources, and Army Corps of Engineers. Just as the City has a pre-application meeting with the Developer, the TEP also meets with the Developer to go through the process and identify what permits and requirements are needed from each agency. In the case of Viking Preserve the TEP met several times through the period of October and January. At the time the Army Corp of Engineers indicated that a General Permit is all that would be required for this project. On January 6, 2014 there was a letter from the Corps received by Developer, copy sent to city outlining process for standard permit review, this is not the same process that was indicated by the Corps earlier. City Staff discussed this project with the Corps on the phone and a conference call was set up between the Developer, Corps, and City representatives on January 9, 2014. Corps did not waiver from their stance that a standard permit was required and gave every indication that it would not be approved.

Based on the Army Corps of Engineers concerns, the Developer decided to substantially revise their project so that they minimized the Army Corps of Engineers involvement in the process. The new Concept Plan is included with this write up and basically the new layout changes from 60 lots to 49 single family lots. The Developer may submit both his revised preliminary and final plat at the same time. There will be a loss of 11 total SAC and WAC units that will reduce these fees from \$336,000 to \$274,400.

Staff is providing this as an update an informational item at this time. If you have any questions, either I or Colleen can elaborate on them further.

Koller, “This updated plan has been approved by everyone? The DNR, all of the entities that have to review it?” Winter, “Because they have revised this, they have to do the recalculations for the wetland impacts and they have to prepare a new report. It is our assumption that once they prepare that report they will be under that half acre impact and that the process we have to go through with the Corp is much simpler. They have until February 3<sup>rd</sup> to get that in to us.”

#### JPA Street Maintenance Projects

Davis explained that the Cities of Coon Rapids, Andover, Anoka, Brooklyn Center, Columbia Heights, Ham Lake, Mahtomedi, and Fridley entered into a Joint Powers Agreement (JPA) on February 1, 2005 for the purpose of collective bidding certain street maintenance services. The North Metro Street Maintenance Program JPA allows smaller cities to achieve more economies of scale in the bidding process and potentially achieve lower bids from contractors for crack sealing, seal coating, striping and other street maintenance services. The City East Bethel joined the group in February, 2008.

The City of Coon Rapids is the lead agency by agreement for this group. As the lead agency, they draft the specifications, solicit bids and provide the necessary documents for member cities to sign to participate in the program. The agreement is structured such that it permits each member city to accept or reject the bids for their portion of the proposed contract. Each city will pay the contractor directly for their share of the work and contracts will be awarded separately for the various items.

The City of East Bethel has realized savings of up to 20% over previous costs for these services through participation in the JPA Street Maintenance program.

The following projects are recommended to be bid as part of the 2014 JPA Street Maintenance program. These projects have been identified in the 2014-2018 Street Capital Improvement Plan (CIP) by the Roads Commission and approved by City Council on July 17, 2013.

1. Seal coat 65,000 sq yds of City streets including Washington and 7<sup>th</sup> St., Monroe St. and 238<sup>th</sup> Ln., 235<sup>th</sup> Ave., 231<sup>st</sup> Ln., Buchanan St., Taylor St., 229<sup>th</sup> Ln., Goodhue St., and Davenport St.
2. Crack-seal 100,000 LF as part of the annual street maintenance program. Crack sealing will be performed prior to any seal coating applications. Streets proposed for crack sealing are indicated on the attached map.
3. 150,000 LF of striping as indicated on the attached map.

The estimated budget for seal coating, crack sealing and striping the above listed streets is \$299,000. These projects will be funded from the Street Capital Fund as identified in the 2014-2018 Capital Improvement Plan and the 2014 Street Maintenance Budget.

Staff recommends consideration of the proposed City projects for bidding as part of 2014 North Metro Street Maintenance Program JPA. Bids for the work will be presented to City Council for final approval at the March 19, 2014 meeting.

**DeRoche made a motion to approve the 2014 North Metro Street Maintenance Program JPA. Koller seconded. DeRoche, Koller and Ronning, aye; Moegerle, nay; motion carries.**

Update on  
Johnson  
Street Service  
Road and  
Other City  
Projects

The City Engineer will provide an update on the Johnson Street Service Road Project, Whispering Aspen/Castle Towers Force Main and other City Projects.

Jochum, "Castle Towers Forcemain Project, the City's portion of this project has been suspended until spring. The only portion of this project left is the lift station pumps, generator, some pavement and site restoration and about 500 feet of forcemain east of the lift station. Of course to put this project into production, the Met Council has to finish their portion of the project. They are scheduled to be finished on June 25<sup>th</sup>. They are ahead of schedule, so early July is the earliest it will be put together."

"Next is the 221<sup>st</sup> Service road. As you are aware, this project was awarded a \$702,000 grant from MnDOT. We put together plans and specs and sent through the review process at the State office. Once all the plans were reviewed, the MnDOT State Office sent the plans to the MnDOT Central Office for signatures, which is fairly standard procedure. However, the MnDOT Central office does not agree with the grant amount of \$702,000. The MnDOT State Office and Central Office are currently working to resolve the dispute and a final decision is expected on the matter in 3 to 4 weeks. So, in short, the project is on hold until we actually know what the funding is."

"Whispering Aspen Street and Utility Repair, this project included replacement of some curb and gutter and sidewalks. Also, utility repair and overlaying of the streets in Whispering Aspen. There was also sewer and water extensions for the once the new plant is operational. All that work has been completed except the overlay which is anticipated to be completed this spring once road restrictions are off."

"Lincoln, Laurel and Longfellow. That project is moving to the final design phases. We expect to come to Council on February 5<sup>th</sup> with the appraisals. And we will be asking Council for permission to present those appraised values to the land owners."

Ronning, "Did you say appraisals were completed?" Jochum, "Correct." Ronning, "What kind of money do we have invested in surveying, easement cost, the 221<sup>st</sup> to 215<sup>th</sup> Service Road project?" Jochum, "Yes, there is money invested in that project." Ronning, "I would like us all to see what the increments and aggregate is." Jochum, "I don't have the exact number off hand, but I can get the number for you."

December 18,  
2013 CC  
Meeting  
Comments  
about Staff

Mayor DeRoche, "Council Member Ronning, I think you added something to the agenda." Ronning, "Are we there?" Mayor DeRoche, "Yes." Ronning, "I am hunting for it." Mayor DeRoche, "I know what it was, it was a comment about." Koller, "Staff performance?" Mayor DeRoche, "There you go, that were made at the last meeting or something?" Moegerle, "Actually he said December 18<sup>th</sup>." Mayor DeRoche, "So that would be two meetings ago." Moegerle, "Didn't you figure that out before you got here?" Mayor DeRoche, "Who? I think you are a little out of order there Heidi. I think we need to stop these accusations until there is proof." Moegerle, "I didn't accuse anybody of anything."

Ronning, "I can't find it in the minutes. But, in the December 18<sup>th</sup> meeting there were comments made about the Finance Directors performance. I believe they were erroneous and improper and I am not satisfied with leaving them sit. The reason I say that is we do not have the authority to make evaluations. We had a recommendation from staff to approve the conclusion of a probationary period. Which we did, four to one or three to one. And the comments that were made I think put us in jeopardy as far as someone coming back and saying, "You don't have the authority to do that, you have harmed my career. You

have caused me personal harm. It is my intention that whatever it takes that we make a public statement that we do not have an opinion about anyone's performance on staff or the administrator. We don't have the authority to do that, the comment that was made I am sure will not be retracted. But, as far as a Council action, I would like that repaired."

Ronning, "At the December 18<sup>th</sup> meeting we had an effort to postpone an employee's probation. Remarks were made that were improper, erroneous. We do not have the authority to evaluate the janitor. We make request of the administrator to do those things for us. For one of us to go on record criticizing someone, could be harmful to a person's career." **Ronning made a motion to go on record with whatever it takes to remove that. With some guidance, that this Council accepted the staff recommendation that the probation be concluded. Koller seconded for discussion.**

Moegerle, "When I brought this up, I said it in a calm way. I wasn't accusatory or anything. The first thing is my colleague says it was accusatory and it wasn't. The fact is that what Mr. Pratt said in the write-up for the co-mingling for funds was something that occurred. It was part of our financial history. While it was something our documents say we shouldn't do, but the federals allowed us. And that is okay, but I thought it should have been brought to our attention. I said, "He is a great guy". I like all of our staff. I really do, but what is the point of having the probation come before the Council if we are going to just rubber stamp every one. If that is the way it is going to be, when staff recommends the Council hires somebody (I have been told we are the employers here and we act upon the recommendation of the administrator), but there is no value to that. That is a losery. I wanted to bring up in a reasonable rationale tone concerns that I had. I think he is a great guy, and I think he will get where he needs to be with some guidance. That was my point. I did not say he was deficit in any way, I just said this was an employee like all employee's everywhere that requires some development. I am an employee and I require development. I don't know any employee anywhere that doesn't require direction and my view was and I still think it has merit, we have this major bond sale and that has been approved. And I think that additional time should be continued. And reasonable people can disagree. But, I am up here representing residents and we are up here to speak and what we think and to make the best decisions for the City. That was what I felt my duty was. If my duty is to say yes all the time, and this was not a real issue of whether he would pass his probation or not, why was it even on the agenda. There is a reason it is on the agenda, it is a point of discussion. I said I like him, he is a fine man, he needs some development."

DeRoche, "The way the City is set up is we direct Jack and Jack directs City staff. If there is a problem, we get a hold of Jack and say, these are my problems can you talk to this employee about it. It is not something that should have been done in open public, that is something that should have been brought to Jack. Then Jack could sit down with Mike and say, "You know Mike we have a concern from a Council Member." Ronning, "I am asking for guidance." Vierling, "I will come back with some guidance for you." DeRoche called the question. Ronning seconded.

**DeRoche, Koller and Ronning, aye; Moegerle, nay, motion carries.**

Commission/  
Committee  
Assignments  
for 2014

DeRoche, "We are looking at Commission appointments and with that being said, I am going to make the appointment for acting mayor and table the rest until we get another Council Member up here. I would like to give that person the opportunity to get on one of the Commissions, be a liaison, depending on what kind of experience they have.

**DeRoche made a motion to appoint Tom Ronning Acting Mayor. Koller seconded.**

**DeRoche, Koller and Ronning, aye; Moegerle, nay, motion carries.**

DeRoche made a motion to table the balance of the Commission appointments for 2014 until the City Council meeting on February 19th. Koller seconded. **DeRoche, Koller and Ronning, aye; Moegerle, nay, motion carries.**

Check  
Signatory

Davis explained that has presented Resolution 2014-03 which designated officials for City check signing purposes. Staff recommends approval as presented.

**DeRoche made a motion to approve Resolution 2014-03 Designating Check Signatories. Koller seconded. DeRoche, Koller and Ronning, aye; Moegerle, nay, motion carries.**

Staff Reports  
– Jack Davis,  
City  
Administrator

Davis, “I just want to remind everyone that there are a couple meetings coming up next week. The Local Government Officials meeting is on January 29<sup>th</sup> in Blaine. If you wish to attend that, please let me know and we will RSVP on your behalf and post notice that there will be more than two members in attendance. Also, the Metro North Chamber of Commerce is hosting a Legislative Session on January 28<sup>th</sup> from 4:30 to 6:00 p.m. at the Courtyards in Andover. If anyone wishes to attend that meeting, please let me know so we can RSVP your attendance for that meeting. Colleen is putting together a legislative forum with our two legislators, Michelle Benson and Tom Hackbarth and they will be present at our February 5<sup>th</sup> meeting, 6 to 6:30 p.m. it will have to be posted as a special meeting. To discuss what we would have to do to be considered on a future state bonding bill, MnDOT issues or any other issues.”

**DeRoche made a motion to have a special meeting on February 5<sup>th</sup> with our legislative leaders. Koller seconded. DeRoche, Koller and Ronning, aye; Moegerle, nay; motion carries.**

Council  
Reports -  
Moegerle

Moegerle, “Finally today I got my email open after about a month and a half. Responding to my e-mails again, thank you for your support, keep the cards and e-mails coming. On January 25<sup>th</sup> there is an ice fishing event on Coon Lake held by CLIA and then afterwards it is off to a raffle held at Smokey’s. It is always a good time had by all. I have already RSVP’d to the event being held by the Chamber in Anoka and I will also be attending the LGO meeting on Wednesday. In a week and a half is the League of Minnesota Cities training for Council Members. It is always a really good training, they train you in some really important facts, it is good to have that refresher because I think you come back with a better prospective on things. I wasn’t allowed to speak about e-mail we got earlier. Mr. Vierling made a statement that I am represented by this gentleman and I am not, I am a witness. However, in the past, and I realize this is no longer the past, but an important letter like this would have been put on the agenda to have been discussed and evaluated and that did not occur tonight.” Davis, “That letter was not received by any staff member.” Moegerle, “Oh, it doesn’t have a hyphen in it. I see that now. In any case, this letter has been received and it needs to be addressed, like we would have in the past addressed any other issues. And so, I think it makes for the smooth transition if there is, to get this resolved. It came up again in the public forum and I think it is in the best interest that this matter needs to be completely resolved and disposed of as promptly as possible with minimal expense to the City as well. And, based upon what I read in here, that is my reason for not voting on anything in tonight. Thank you for your patience.”

Council  
Member  
Report -  
Ronning  
Council  
Member  
Report -  
Koller  
Mayor's  
Report -  
DeRoche

Nothing tonight.

Koller, "I had a Sunrise River Watershed meeting they are working on getting projects ready for the spring. A carp trap for Coon Lake, which will be an expensive one."

DeRoche, "I have a couple announcements here. First, the Energy Assistance Program, help is available. Winter is here and so are the high heating bills. The Energy Assistance Program is designed to assist low-income households with energy costs during the winter months. Families, seniors, single people; homeowners and renters may apply. Anoka County residents may contact 763-783-4712 to request an application. Applications and information are also available on our website at [www.accap.org](http://www.accap.org)."

"And second, the City Council has declared a vacancy for a City Council seat for a term ending December 31, 2014. Applications for this position will be taken at City Hall until 12:00 Noon on Wednesday, February 12, 2014. For information on application requirements, please call City Hall at 763-367-7840 or e-mail your name, complete street address and phone number to [wendy.warren@ci.east-bethel.mn.us](mailto:wendy.warren@ci.east-bethel.mn.us)."

"On a personal note, Tuesday was my first meeting at Anoka County. On the 17<sup>th</sup> of December the Commissioners voted to put me on the Community Corrections Committee. It is made up of Judges, Lawyers, Residents, Human Services, Probation Officers, Corrections. They had a great lunch and it was a really interesting committee, a lot of good information comes out of that. Like Heidi said there is a fishing tournament on Coon Lake on January 25<sup>th</sup>. The Mayor's Ride is on February 1<sup>st</sup>. I am going to the Mayor's meeting down at the League of Minnesota Cities. I don't know if it is for a Council Person to go down there and bill the City again, it is the same information. I am going down there in light of the fact that Council person Moegerle suggested I should do so a few meeting ago." Moegerle, "When did I do that?" DeRoche, "It was a few meetings ago when you said, Bob is the new Mayor he should go to the Mayor's training at the LMC." I apologize to the residents, these meetings need to be about taking care of business. These personal attacks have to stop. I continue to be slandered out in the public and there is fact backing that up. I would hope the party that is doing that stops. Because it is not a good idea."

Attendance at  
LMC  
Conference

Davis, "Council Member Moegerle had requested to go to LMC meeting. And at our September 18<sup>th</sup> meeting we required pre-approval for conferences and so I am just asking for direction on how to handle that." Moegerle, "I apparently have a lot to learn. Good that we will both be going if you will allow me to go."

**Koller made a motion to allow Council Member Moegerle to attend the League of Minnesota Cities Conference for Elected Officials. Moegerle seconded. Koller, Moegerle and Ronning, aye; DeRoche, nay; motion carries.**

Adjourn

**DeRoche made a motion to adjourn at 9:32 PM. Koller seconded; all in favor; motion carries.**

Attest:

Wendy Warren  
Deputy City Clerk