

EAST BETHEL CITY COUNCIL MEETING

October 17, 2012

The East Bethel City Council met on October 17, 2012 at 7:30 PM for their regular meeting at City Hall.

MEMBERS PRESENT: Bob DeRoche Richard Lawrence Heidi Moegerle (arrived 7:56 p.m.)
 Bill Boyer

MEMBERS EXCUSED: Steve Voss

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

Call to Order **The October 17, 2012 City Council meeting was called to order by Mayor Lawrence at 7:30 PM.**

Adopt Agenda **Boyer made a motion to adopt the October 17, 2012 City Council agenda. DeRoche requested the addition of a closed session after Council Reports for current or pending litigation under Minnesota State Statute 13D.05 subdivision 3b. Boyer accepted the amendment. DeRoche seconded; all in favor, motion carries.**

Joe Pelawa – Mr. Joe Pelawa served the City of East Bethel as a Planning Commission member from Service on 2011-2012. We will be presenting him with a plaque in honor of his service to the City. Planning

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

Joe Pelawa was not at the meeting to accept the recognition.

Jarod Trost – Mr. Jared Trost served the City of East Bethel as an Upper Rum River Watershed Service on Management Organization resident member from 2008-2012. We will be presenting him URRWMO with a plaque in honor of his service to the City.

City staff recommends City Council recognize Mr. Trost's service to the City of East Bethel as an Upper Rum River Watershed Management Organization Resident Member.

He has moved out of town and can no longer represent the City.

Sheriff's Lieutenant Orlando gave the September 2012 report as follows:
Report

DWI Arrests: There were 2 DWI arrests for the month of September. One arrest involved a driver who was passed out behind the wheel at a stoplight on Hwy 65. The second arrest involved a property damage accident, where one driver who was intoxicated, failed to stop for a stop sign and struck a passing vehicle. The driver tested at a .20 bac. Luckily there were no injuries, only damage to the vehicles.

Burglaries: There were three burglaries reported. One involved a set of Cleveland golf clubs being taken from a garage after breaking into the garage service door. Cleveland is a very unique golf club. The second burglary involved an unoccupied home where entry was made and tools were taken. The third burglary involved a dirt bike being stolen from a

garage. The dirt bike was recovered by a state patrol when an arrest was made on the male suspect driving it.

Property Damage: There was one report of damage to property involving a window being broken on a vehicle. The owner did not believe that anything was taken.

Thefts: There were 17 theft reports. One involved an intoxicated, disorderly male who was refusing to pay his bar tab at a local establishment. Upon deputies' arrival, the male continued to be belligerent and was subsequently arrested for disorderly conduct and theft as he continued to refuse to pay his bar tab. The following day the male contacted deputies to let them know he was going to go back and pay his bill so he wanted the theft charge dismissed. The deputy advised that would be up to the City Attorney. There were 2 adult males who were arrested attempting to steal parts in the early morning hours from an auto parts business locked fenced in yard. The one male said he was "loosening the parts" so when he came back in the day time he wouldn't have to spend so long in the yard – it is creative but he still was arrested. There were two reported vehicle thefts – one with the key left in the ignition. That is not a good place to keep your key. Now that political signs are out in yards we have had a series of thefts involving them. In East Bethel we only had one reported sign theft but have had many throughout the contract areas. There were two reports of packages that had been taken after being delivered to houses. There was also a reported theft of a signed Percy Harvin photograph from a local business the photograph was returned the next day.

There has been a rash of fraudulent cases involving people selling items. The victim posts an ad for an item they are selling. The suspect contacts them, usually via email and tells them they are going to send a check for more than the asking price, requesting the seller to cash the check, keep the \$ amount for the item then forward the rest to another person, usually in another state (sometimes in another country). Unfortunately many times the victims believe this is legitimate and when they take the check to their bank, if the victim does not have money in their account to cover the check, they can receive the cash that day, leading the victim to believe the check is good. When the check comes back as forged or counterfeit in the next few days, the victim is now on the hook for that dollar amount. Do NOT forward money onto people – if you get a request to do that, realize that it is a scam and you will be the one who is out the money in the end. Law enforcement probably will not be able to catch the other person.

Lawrence, "When you talk about that scam, he had the same thing happen when he was selling things on Craigslist. He took the check to his bank, and the check was from a legitimate account. They did a little more checking and found out check was fraudulent. They were trying to scam money. He then called him up and he tried to cash the check but it didn't go through."

Orlando, "With the printing from a PC you can issue a check from a computer that looks valid."

DeRoche, "Do you know the status for the Level 3 sex offender." Orlando, "I have not heard anything further on him. If he goes somewhere else, they would only be notified if he was going to live in East Bethel."

DeRoche, "I've been approached that there are parties cruising the shoreline with bright lights. By the time someone got there they are gone. A pontoon that goes by and it seems

they are looking for something to steal.” Orlando, “We can check into it and see what they can do.” DeRoche, “When I call in and I ask for the East Bethel deputy.”

Boyer referenced the statistics, “The incident reports are up by over 25%. Is there a reason for that? I am looking at the year to date.” Orlando, “I believe incident reports being up is related to the radio calls being up also. The deputies are to do an incident report for every radio call they get.” DeRoche, “Does this include dog reports?” Orlando, “Yes, it does.” Boyer, “We cut police services by 10%, vehicle lockouts have dropped, extra patrols have dropped, business checks have dropped, agency aids have dropped and aids to the public have dropped.” Orlando, “The community service officer numbers are taken off the CSO logs. I will look into it and talk to the CSOs and see if they are not documenting them.” Boyer, “It strikes me like we are paying a lot for this reduction in service.”

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

Gordy Hoppe – 604 189th Ave NE. He sold the dirt to the contractor for the Jackson Street. He now wants to remove 1000 yards to level out his yard. He is going to remove it without a mining permit, since a permit is not needed. He was just advising the City in case residents called.

John Buzick – 661 207th Ave NE. He talked to Planning Commission members. He is somewhat interested in purchasing the Sylvester Site. He said he doesn’t want to have to buy it if he has to buy another 13 acres. His business is renting out site to small auto dealers. Each dealer would have five or ten stalls. He explained rarely do the cars really show up at the site. He will be present at the next Planning Commission meeting.

Davis, “It will be presented at the October 22 Planning Commission meeting. The zoning at 221st at Hwy 65 will be discussed. The area is an overlay district and the zoning here requires a minimum of 20 acres to submit a plan.”

Buzick, “If I am going to start the process, if it is a worthwhile endeavor.” Lawrence, “What is your timeline.” Buzick, “It could be a year down the line and I would like to know if I could conduct this sort of business at that site. If I am able to, I would make a deposit on the property.” DeRoche, “We can’t discuss much without the Planning Commission looking at it.” Buzick, “I will attend the Planning Commission meeting.” DeRoche, “If you are going to go to that meeting and make a presentation you probably want to have as much information as you can.” Buzick, “If 20 acres is required, then deal might not work.” Boyer, “With the access at 221st and where would the new access for this area be in relation to Sandy Drive.” Davis, “Any access to that property would require approval from the County. The County might want the property owner to have a different access point as there now is a median near the access now.”

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

**Consent
Agenda**

It was questioned if the Fire Department shared services grant is a bill for us. Davis, “There is no obligation from the City to provide any funds and it is not a matching grant. The City would not have implemented the share services recommendation.” DeRoche, “Wasn’t there just a study done.” Davis, “Yes, but it appears that won’t be moving forward.” DeRoche, “Can we get what issues they bumped up against.” Davis, “The issues were who is going to control what. That was the major thing that they were talking about. Some participants

weren't in favor of the proposal."

Boyer motioned to approve the Consent Agenda as follows: A. Approve Bills; B. Meeting Minutes, October 3, 2012, Regular Meeting; C. Fire Department Shared Services Study Grant; D. Fire Department Community Resilience Innovation Challenge Grant; E. Approve Jackson Street Materials Testing Contract; F. Pay Estimate #2 to North Valley for the Coon Lake Beach and Miscellaneous Overlay Projects. DeRoche seconded; all in favor, motion carries.

2013 Budget Discussion

Davis explained that Council approved a preliminary budget and levy on September 5, 2012 and submitted this to the Anoka County Auditor. The preliminary levy will be used to provide property taxpayers with parcel specific notices in November for pay 2013 taxes. The final 2013 Budget and levy will then adopted by City Council in December. The final levy adopted in December 2012 cannot be increased from the preliminary levy, but can be reduced.

At the September 19, 2012 City Council meeting, staff was directed to include the 2013 Budget as a discussion item on the agenda for the remaining council meetings of the year. Attachment #1 lists additional proposed 2013 budget reductions that were reviewed at the October 3, 2012 City Council meeting.

In addition to these reductions, provision of services for other municipalities could produce other potential sources of non-tax revenues. This item will be discussed as part of agenda item-Building Inspection Services for Oak Grove.

The proposed reductions listed in the attachment do not address the projected \$91,000 bond payment deficit for 2013. The following are the more common means by which this item or other MCES obligations could be considered:

- 1.) Utilize the projected 2012 budget savings (amount staff projects the budget will be under the approved 2012 budget) of approximately \$125,000 to cover this cost;
- 2.) Use of 2011 Sheriff's Department escrow, 2013 budget contingencies and any necessary amounts from the 2012 budget savings to pay for the deficit;
- 3.) Utilize the potential revenue of approximately \$60,000 that could be derived from contractual services with other units of government and a combination of general fund monies, escrow carry-overs, 2013 budget contingencies or further reductions in 2013 budget to accommodate the balance; and/or
- 4.) Divert the required amount of funds from the City's transfer payments, either total or partial, from the Streets, Parks and/or Trails Capital fund or the City's HRA monies for this expense.

Unless otherwise directed, this debt is proposed be paid from the General Fund which has an adequate reserve to pay the projected \$91,000 deficit (\$91,000 is the difference between the 2012 project cash balance carry-over of \$241,812 and the projected 2013 SAC, WAC and assessment fees of \$375,200 that will be collected from the Municipal Utilities Project subtracted from the bond payments for 2013 of \$708,388).

The Fund Balance information for the General Fund is as follows:

December 31, 2011 Fund Balance	\$2,254,404
Estimated 2012 Revenues over Budget:	\$15,000
Estimated 2012 Expenditures under Budget:	<u>\$125,000</u>

Projected December 31, 2012 fund balance of \$2,394,404 is 49.8% of the preliminary 2013 General Fund Expenditures of \$4,811,223. If this projected fund balance is reduced by \$91,000 for bond payments, the projected December 31, 2012 fund balance of \$2,303,404 is 47.9% of proposed 2013 General Fund expenditures. The State Auditor recommends a fund balance between 35-50% of the following years' budgeted expenditures.

Staff is requesting Council direction for any or other proposed 2013 Budget adjustments.

DeRoche, "Welcome to the meeting Heidi."

Moegerle, "With regard to the \$109,000 that is also owed to Met Council. Is it accounted for in this number?" Davis, "No, it is not. It has to be paid sometime. If we plan on reducing our units in 2013, the acceleration of the SAC unit goals is accelerated." Moegerle, "We haven't calculated what that cost is. Is there an interest rate?" Davis, "It is more complex than just an interest rate." DeRoche, "It is pay now or pay more later." Davis, "It is to give us more flexibility now and give breathing room, and back load."

Moegerle, "Is there a time frame on when we have to make the decision? Our growth has gone down in the past few years and with this we are back loading the whole situation." Davis, "Assuming the projections for 2013 are correct, the \$91,000 is a hard cost. The SAC figure is a floating figure. It might not be due and payable this year, but it will be at some time."

DeRoche, "We would have to make people pay a large fee at some point." Moegerle, "Historical performance doesn't predict future events. We need to be cautious." Boyer, "I analyze housing market trends and would take some issues with DeRoche's statements. Real Estate Owned Transactions are reducing. Housing prices are increasing and foreclosures are decreasing. The general consensus from what I read is the housing market is stabilizing. That is specifically looking at the MSA." Moegerle, "We had three housing permits this year. We need to jump start it a little bit." Lawrence, "How many permits Ham Lake had this past year?" Davis, "They had 15 and Oak Grove had 15 permits." Moegerle, "Which is more like us?" Davis, "You can't compare either one of them."

DeRoche, "We need to be cautious." Lawrence, "We are already one of the highest tax rates in the area. We need to keep that in check." DeRoche, "I asked people at the last Business Owners Meeting at Route 65 if people had looked at their taxes. If the businesses don't pay it, then the residents will pay it." Moegerle, "We were voted in by residents not businesses. We have to be extremely sensitive to our taxpayers. There is \$1.2 million due in 2016 and 2017. It kicks in and we have to levy for it in 2015. That is equal to 1/3 of our budget. If we kick things down the road it will be make it more difficult to make." DeRoche, "I don't want to increase taxes. At the 'Meet the Candidate' forum, no one said they wouldn't, but do they want to? No. We have these bills coming up, and somehow they have to be balanced out. To put it all on the residences is not fair."

Moegerle, "Boyer how it was going to be paid for?" Boyer, "When you came in you kicked the can down an entire year." Lawrence, "No, they needed a year for the weather." Moegerle, "What the plan was and how they were going to get the businesses to come here. Is there something that we didn't do? How was this planned to be paid for? Were there discussions?" Boyer, "You were at the meetings." Moegerle, "Were they going to come

without incentives?” Boyer, “Incentives are a ridiculous waste of money. Are we really going to have a discussion on economic development?” Moegerle, “A statement would suffice.” Boyer, “If one would take a different strategy versus giving people money to relocate here. Hiring a professional economic development person was Council’s direction.” Moegerle, “I agree with that.”

Lawrence, “This is going nowhere.” Boyer, “You hired someone to look at the numbers and they said it was a doable project. It is also conservative.” Moegerle, “How are we going to get the businesses here?” Boyer, “You sell things people. It is government. It is skilled workers. They make decisions on relocating based on market base and projections. You are selling community amenities.” Moegerle, “It sells itself. But we still need an economic development person to help sell it.” Lawrence, “We have been working on that process. The first thing that people ask is how much the land is and how much the taxes are.” DeRoche, “When do we get to the point where we say ‘We can’t cut anymore’? People are paying a certain amount of taxes for a certain amount of services.”

Lawrence, “On page 36 – let’s look at the list. Like the Laserfiche (would be \$1,200) is a savings. Moegerle, “We have parks that are underutilized. Don’t parks get a park dedication fee? Couldn’t we get that fund replenished with new business?” Davis, “The park acquisition and development fund is from development fees. The transfer is for maintenance.”

Davis, “There are consequences to cuts. We will postpone the hiring of a vacancy in the public works department. There would be some alternate plans. I could also do some work in Public Works. These are the things we could reduce with less pain, than some of the others.”

DeRoche, “Where would we stop?” Moegerle, “These would be the last cut and the first restored. They would be provisional/temporary cuts added back in March/April when fees were received.” DeRoche, “Jack, you are willing to accept anything and put in more hours. How many hours do you have to come in, because it is cut, cut, cut.” Davis, “I appreciate that recognition, but sometimes you have to do things. Staff has assumed more responsibilities with a good morale, but there is a point where you can’t do more with less.”

Moegerle said the budget has a 1.5% increase for employees. If we stepped that and did part of an increase in January and some in July. Davis said a percent increase represents about \$15,000. It isn’t much. In the scheme of things, it wouldn’t help us achieve a lot of our goals. DeRoche said the raise is good for morale. Moegerle said you need to know where the pushback is on these things. Boyer said he thinks he agrees with DeRoche. This is not the Federal Government. We don’t have billion dollar programs. If you cut the budget you are cutting services.

Boyer said if we don’t have the maintenance person through the winter plowing seasons that means that everyone’s roads will not be plowed. Davis said that position could possibly be vacant. Boyer said he is being cautious. Lawrence said we have trimmed the budget back.

Moegerle, “One of my concerns are if we cut into our rainy day fund, we should find a way where we don’t cut into revenues and don’t cut into our savings. If we contract with the City of Oak Grove, that projected \$60,000 would get us close to what we need to do. It would get us closer to the payments we need to make in 2015. Compromises are best when we make everyone unhappy.”

Lawrence, “We should move off the budget item and move on to the next item. We are not done working on this.” DeRoche, “This was a proposed budget and proposed levy.”

Moegerle motioned to adopt the proposed the budget reductions on page 36. Vierling, “You can’t make that motion since it failed at the last meeting on a 2-2 vote. That could be reconsidered by Boyer or DeRoche. You will be coming for final review in December.”

Moegerle, “DeRoche, what you think of those reductions on page 36?” DeRoche, “I don’t like the public works reduction and we don’t want to cut the employee raise. What alternatives can we direct Davis to find? With the economy and everything else going up and with less than 1% increase in the budget that isn’t much. The cost to the residents is like \$5.00.” Moegerle, “Well, it is like \$15.00.” DeRoche, “If it is going to amount to \$15.00 per household, that isn’t bad. Are we going to cut that \$15.00 or we are going to cut services? That is one dollar a month.” Lawrence, “It is always ok to raise taxes as long as it isn’t very much. I don’t like that theory. Raising the taxes when we have to is legitimate. But are we nit picking it all out now.” Moegerle, “We can always put it back if we have a better year than we expect.” Boyer, “We can always carry the surplus over.” DeRoche, “Part time employees we are cutting and we will have to make up for that.” Davis, “There would be adjustments in schedule. Even with these reductions there will be a change in services.” DeRoche, “We apparently saw a need for this person, but now we don’t.” Moegerle, “We were going to let the parks go natural. We need to get a recommendation before council.”

Moegerle, “If we took out \$21,000, it would be a \$2.00 increase per household.” DeRoche, “I don’t want to raise taxes.” Moegerle, “I think you are making an argument that Davis is not making.” Davis, “It will not be a huge impact.” DeRoche, “Do you think he would tell us?” Moegerle, “Yes, he would.” DeRoche, “No, he wouldn’t; he keeps taking on more and more.” Davis, “Would those consequences be major, no. But if they continue, it would be major with more reductions in services.” DeRoche, “If you start cutting things now, it is a lot easier to cut things more next time.” Davis, “That \$21,000 for 2013, if 2014 comes around that goes back up \$21,000. That is a short time solution.” Boyer, “We are four weeks from snow.” DeRoche, “The street maintenance thing is important.”

DeRoche made a motion to accept the proposed reductions for the 2013 Budget on page 36 except for the Street Maintenance. Moegerle seconded. Boyer, nay; DeRoche, Lawrence and Moegerle, aye; motion carries.

Cemetery Regulations

Davis explained that the City of East Bethel currently owns, operates, and maintains three cemeteries within the city limits. Oak Leaf Cemetery, Old Bethel Cemetery, and East Bethel Cemeteries are all active cemeteries that require regular maintenance, grave opening and closing services during all seasons, and annual tree trimming and leaf collection. Staff would like to formalize a uniform set of regulations guiding the use and maintenance of these public properties.

Currently city staff is responsible for receiving and processing requests for purchasing cemetery plots, processing and planning grave openings, digging the burial or cremation plot, closing the plots after the burial ceremony, and maintaining the grounds of the cemetery. Opening and closing of the burial plots can occur during any season and on any day of the week. During winter months, the ground must be thawed by propane heater before the digging can take place. Weekends, evenings, and holiday burials require a staff

person to work overtime for the closing of the grave.

The use of decorations and plantings around the plots is a concern that requires a definitive set of guidelines as to permissible uses. Monument repair and responsibility is another issue that needs to be addressed to clearly define the expectations of the City. Having a uniform set of cemetery regulations will also help with the processing and planning of the burial locations as well.

Attached is a proposed set of cemetery regulations that has been prepared to address the concerns that staff constantly deals with in maintenance of these properties.

The Park Commission has reviewed the proposed cemetery regulations and recommended adding the section on monuments for future, unsold plots. Their recommendation is to only allow monuments/markers that are at or below ground level so that maintenance activities can be performed with fewer obstructions. Existing plots and plots that have been sold but have not been used yet would still be permitted to place monuments/markers that are above ground level.

The Park Commission has reviewed the proposed cemetery regulations and has unanimously recommended adopting the regulations. Staff is requesting Council approval of the Cemetery Regulation Policy or further direction on this matter.

Boyer made a motion to adopt the Cemetery Regulation Policy. Lawrence seconded.

DeRoche, "Under the monuments section, number 2, I would like to strike out the first part of that. I would like to encourage the public works persons to be more careful where markers are mowed over. I think that graveyards are a sacred place and people need to take care and have more respect. It is up to the people to take care of them. If the ground isn't right and you chip the monument, what do you do?"

Vierling, "You are balancing a number of issues, such as cost." Lawrence, "About markers, the problem you have is they don't always stay where you put them. They raise and lower, and sometimes tip and come up. This is telling the owners, they need to readdress them if they are askew." DeRoche, "If the markers shift, what the City does, if you ruin a stone. This policy tells the maintenance staff they have to be careful." Moegerle, "Do we have a habit of ruining stones?" Davis, "They do shift and move and get damaged, but sometimes the grass is up and it camouflages the monument. If the City causes damage to the marker through our own negligence, then we should fix it." Lawrence, "Some cemeteries have a staff that reviews the monuments." Davis, "Yes, they do, but we don't have that." Moegerle, "I know there are experts that repair monuments and understand we aren't responsible, when you read this. I like the fact that our City is responsible and we have responsible employees. If there was something done by negligence of the City employees, we would fix it." Lawrence, "If someone walks up, and says their stone was damaged, then we need to buy a new stone." DeRoche, "If it is maintenance that does damage, we should fix it."

Ken Langmade, resident, "My wife's folks are buried over here by City Hall. Someone mowing over there hit the tombstone and turned it sideways. It would have been hard for us to get it straightened out. The City fixed the problem."

Moegerle, "I understand that."

Boyer amended his motion to strike Monuments (Plots sold after October 3, 2012)

- 2) ~~While reasonable care will be taken to protect markers, the City of East Bethel is not responsible for the damage done to markers or property.~~ Stone markers are considered private property of the relatives of the deceased and they are therefore responsible for their care.

Lawrence seconded the amendment. All in favor, motion carries.

Moegerle, "What happens if we disturb the location?" Davis, "The monument companies always ask for a location of the stone, which the City stakes out." Moegerle, "Number 3 is for vandalism?" Davis, "Yes and also prohibits people from digging their own plot." Moegerle, "Are they handicap accessible." Davis, "Yes, the one by the Public Works building. There are internal roads in some of them, not all paved." Moegerle, "Are there any cemetery regulations if someone has violated the visitor rules. Is this provided for in our ordinances? What will the sheriff do? Or is this a 'nice' policy." Vierling, "If they are adopted under the ordinance then they would be ordinance violations. It is still City property." Moegerle, "I wondered if it is trespassing." Vierling, "It could be."

Moegerle, "On number 3, on grave decorations, I could see Veteran's Day, Valentine's Day, and every major holiday, there could be issues with flowers. Is that the best discussion on how we want to do this?" Davis, "This is a tradition-based policy. This has always been the policy that is the most visited day. I don't see any issues or conflicts with this at this time. It permits more, with fewer restrictions. If we open the door up, we will have more maintenance issues. This is just laying flowers on the ground, not in a stand." Moegerle, "Do the monuments have built in holders?" Lawrence, "A lot of them are designed with them and are ground level."

Lighting
Options for
City Hall

Davis explained that staff has met with representatives from Connexus Energy and local electricians to research possible options for providing power to the East Bethel City Hall Sign located adjacent to the parking lot entrance along 221st Ave. Currently the City Hall Sign location is isolated from any electric service. The following options are available as a power source:

- 1.) The first option would involve bringing power from the supply box along the north side of City Hall and trenching a line around the building to the driveway where the line would be horizontal bored and extended to the sign location. Because of the length of this route and amount of trenching required in the area where most of the utilities for City Hall are located, this would be the most expensive option and would provide limited alternatives for future needs.
- 2.) The second option would involve using one of transformers on existing poles located south of the driveway entrance on 221st Avenue and installing a new service pedestal dedicated to powering the City Hall sign lights and possible future needs. Future needs would require additional boring beneath the driveway. Cost estimates for this option are approximately \$3,387.00 plus the cost of the lights.
- 3.) The third option would be installing a new pole along the existing overhead service halfway between Palisade St and the 221st Ave entrance to City Hall. A new pole would be needed to support a transformer and would eliminate the need to horizontal bore beneath the driveway. A new service pedestal dedicated for powering the sign

lights and possible future needs would be placed near the sign. Future electrical needs would not require any additional boring in that area. Cost estimates for this option are approximately \$3,447.00 plus the cost of the lights.

Staff would recommend option #3 at this time and is seeking direction from Council as to procedure on this matter.

Boyer, "Would the lights be timed?" Davis, "Yes, they could be." Boyer, "It doesn't make sense to light this area after 11 p.m. at night." Davis, "I agree." Boyer, "Have we looked at solar." Davis, "Yes, we do have solar lights out there now." Boyer, "Will it be a more robust system than what is out there now?" Davis, "Yes, these lights would draw more power. We didn't investigate them due to the price increase and also not enough power." DeRoche, "I was wondering if there are pictures of what these lights look like." Davis, "No, they would be ground pad lights." Boyer, "Can you use directional lighting off the poles?" Davis, "No, you wouldn't be able to based on location. The one pole is over 150 feet away."

Moegerle made a motion to approve Lighting Option #3 for City Hall. DeRoche seconded; all in favor, motion carries.

Fire Dept.
Report

Davis explained that the Fire Department report is for your information and review. If you have any questions, I would be happy to try to answer them.

Moegerle, "The Fire Department has come up a number of times in the budgeting process. What would be valuable to me would be an additional column saying if the people were transported or if they were handled at the location. I think our Fire Department is primarily an EMS department. It is great we have so many certified paramedics." DeRoche, "What is a good intent call?" Davis, "It is when someone isn't really needed in the end, when they thought they were needed."

Boyer, "Historically your EMS calls will out-number the fire calls." Moegerle, "How do we know what the severity is?" Boyer, "We do have the ability to talk to people if they are abusing the service." Moegerle, "Those situations do occur. Maybe we should get a year-end tally of what happens at addresses." Boyer, "Some fire alarm systems go off in thunderstorms. Rather than putting in more sophisticated systems, they let the City subsidize them." DeRoche, "Don't some cities charge for them?" Orlando, "Yes they do." Boyer, "A few years ago there were a number calls to one house for an alarm system, and that is what prompted action."

Electronic
Reader Board
Bids

Davis explained that at the September 19, 2012 City Council meeting, direction was given to staff to solicit bids for replacing the storm damaged City Billboard located at the intersection of Viking Boulevard and Hwy. 65. The bid was advertised in the Anoka-Union and on the LMC website. The following bid requirements were provided as a format for base bids and alternate upgrades:

- 1) The Contractor is responsible for the dismantling and proper disposal of the existing sign as well as all site clean-up. The existing footings, support poles and electric service will remain and be used for the new structure.
- 2) The sign will be a double faced aluminum cabinet finished with a heavy textured finish in tan (or other color as selected) with the final outside dimension of 16' W x 10' H. Each side of the sign panel will have individual translucent green acrylic

plastic letters with white trim cap reading "City of East Bethel" and will be internally illuminated with white LED lighting. Final design to be approved by the City.

- 3) Poles to be covered with .080" aluminum covers finished in the same heavy textured tan finish utilized on the upper cabinet.
- 4) Message center to be Daktronic AF 3500 Series Monochromatic 46mm, 32 x 96 matrix or approved equal. LED color to be amber.
- 5) The sign must utilize programming software compatible with Microsoft products.
- 6) The bid will include all electrical connections.
- 7) The sign must be able to be remotely programmed from East Bethel City Hall using radio equipment or cellular transmission.
- 8) An architectural rendering of the completed sign must be furnished as part of the bid. At a minimum the rendering must address exterior finishes of the support posts, decorative framing details of the main sign board or other finish details.
- 9) Other than the City name or logo, there is to be no other permanent signage on the board.

The overall sign dimensions are to be 10'H by 16'W and placed on the existing poles and footings on site of the existing sign. The lower portion of the sign would contain the 5'6"H by 15'W electronic reader board and the upper portion would be reserved for the "City of East Bethel" nameplate. The base bid includes individual LED backlit green letters. The reader board will have the ability to display numerous types of fonts, letter sizes, and animations. The minimum legible letter size the sign has the ability to display would be four lines (16-19 letters per line) of 12" letters. The sign can display images, animations, and text in many different shades of amber. At a minimum the support poles will be wrapped in aluminum to match the upper portion of the sign and the existing footings and electrical service would remain. Staff will be able to program the sign either cellular or by radio transmission and would have the ability to provide updates in real time.

Alternate bid items include:

- 1) A full-color electronic reader board with the ability to display full color images, animations, and text.
- 2) Stone veneer columns or other accepted finishes in lieu of aluminum for support pole wrapping and aesthetic frame details for the sign board.
- 3) An upgraded city nameplate, logo, or other design as approved by the City.
- 4) An electronic reader board with a higher pixel count with the ability to display legible 9" letters on 5 lines (25 characters per line).

The previous billboard was able to display four lines of 9" letters with 18 letters on each line.

Bids for the project will be opened on Tuesday, October 16, 2012 at 10 AM at City Hall. Staff will e-mail the tabulations, renderings and recommendations for your review by no later than 4:00 PM of the same day.

Staff will provide a recommendation to Council with the submission of the bid tabulations.

The two bidders need to respond to the information requirements so they can be further be evaluated. Until we can supply everyone the information we need to table this item. There was some confusion as to what materials were quoted. DeRoche was wondering if we will have it for the next meeting. Davis said yes.

Boyer made a motion to table the Electronic Reader Board bids until the next City Council meeting. DeRoche seconded; all in favor, motion carries.

Building
Inspections
Services
Contract

The City of Oak Grove has indicated an interest in contracting Building Official and Inspection services from the City of East Bethel. Exploration of the potential of contracting building inspection services has been endorsed by the Oak Grove City Council and they are waiting on a proposal from the City of East Bethel to consider their decision to move forward on this matter. Oak Grove currently contracts this service with Inspectron, Inc. Oak Grove has expressed an interest to contract this service with East Bethel due to the excellent working relationship between our Cities, our common geography and an expectation of better services on their behalf. This service is anticipated to commence in January 2013, pending approval of both parties.

Attached is the proposed contract between Oak Grove and East Bethel. When reviewing the hourly charges stated in the attached contract, our cost for wages and benefits for our Building Official are \$48.20/hr. and our proposed costs for a Building Inspector will be \$35.60/hr. As part of our proposal and at Oak Grove’s request, we would provide office hours at the Oak Grove City Hall from 8:30 to noon, one day per week or provide the same number of hours at another time that is mutually agreeable to both parties.

In order to provide this service to Oak Grove, the City would have to continue our current Building Inspectors position. Funding for this position is provided in the preliminary 2013 Budget. In the event that an agreement for services is not executed with Oak Grove, the City of East Bethel would need, at a minimum, a portion of this position to address the work load within our own Building Department. Entering into this agreement with Oak Grove would assure funds to cover this as a full time position. \$74,000 for wages and benefits has been budgeted for this position for 2013.

Nick Schmitz, the City Building Official, has been involved with the meetings and discussions of this proposal with Oak Grove. Mr. Schmitz sees no issues or reductions in services to East Bethel residents with this agreement provided we continue the position of City Building Inspector.

The City of Oak Grove has paid Inspectron, Inc. \$47,000 for services through September 2012. This would project out to approximately \$60,000 as Oak Grove’s payments for this service for 2012.

It is anticipated that based on the fee schedule in the sample contract that this service agreement with Oak Grove has the potential to generate approximately \$60,000 in additional revenue for the City of East Bethel in 2013 and cover our costs associated with this service.

The proposal for this service would request 95% of the permit fees to cover our costs as Oak Grove does not currently charge plan review fees for decks and accessory structures. As an option, Oak Grove could add plan review fees (of which we would retain the full amount) for these items and we could reduce the percentage of the permit fee charge to 80%.

Staff is requesting authorization to submit the proposal for Building Official and Inspection Services to the City of Oak Grove. This proposal would be subject to any revisions and final approvals by both the City of Oak Grove and East Bethel.

Exhibit A – Page 66 in proposal. The fourth paragraph, fourth line, field inspected by Inspectron, Inspectron has nothing to do with this.

Exhibit B – Page 68 in proposal. Inspectron needs to be removed.
- Next line, add Bethel.

Boyer, “Are there liabilities issues?” Vierling, “Yes, but if you notify the League of the services then the City should be covered.” Davis, “We have checked with the League on this. The contract would be a 30 day cancellation notification on either side.”

Lawrence made a motion to authorize staff to submit the proposal for Building Official and Inspection Services to the City of Oak Grove. DeRoche seconded; all in favor, motion carries.

Liquor
License
Refund

Troy Parker paid his City Liquor License fee on July 9, 2012. On or about August 19, 2012 Mr. Parker closed Fatboy’s and is requesting a pro-rated refund of this City Liquor License fee of \$3,700 due to his claim of a “recent illness and hospitalization”.

City ordinance, Alcoholic Beverages, Section 6-54 reads:

No part of the fee paid for any license issued under this article shall be refunded except in the following instances upon application to the city council within 30 days from the happening of the event. There shall be refunded a pro rata portion of the fee for the unexpired period of the license, computed on a monthly basis when operation of the licensed business ceases not less than one month before expiration of the license because of:

- (1)Destruction or damage of the licensed premises by fire or other catastrophe that the licensee shall cease to carry on the licensed business;
- (2) The licensee's illness which can reasonably be expected to prohibit him from being actively engaged in the licensed business for the remainder of the period of the license;
- (3) The licensee's death;
- (4) A change in the legal status of the city, or some other event making it unlawful for the licensee to carry on the licensed business under his license, except when such license is revoked.

Even though there is a condition in the City Ordinance that addresses license refunds for medical reasons, there is no description or provision as to how this claim for illness is to be substantiated. Staff is of the opinion that additional documentation be required to supplement the single source medical diagnosis supplied by the applicant for the refund in order to determine the reasonableness of the request.

The City has never refunded a liquor license fee.

Approval of this request would entitle Mr. Parker to a refund of \$3,083.33. Should a refund be approved, staff recommends that the refund be reduced in an amount equal to the time over and above the ordinary effort that was required in the issuance of Mr. Parker’s 2012-

2013 City Liquor License. This cost for the additional time for the City Administrator and City Clerk to accommodate Mr. Parker that was spent on this application is estimated to be \$556.50. He would also be required to relinquish his license to the City.

The City Attorney has indicated (see attached correspondence) that we have no way to verify the claimed medical condition and if that condition had any impact on the operation of the business. Staff is seeking direction from Council on this individual matter and recommends amending the ordinance to clarify the conditions and requirements for refunds of liquor licenses.

DeRoche, "Could I get a quick history on this and the synopsis?" Davis, "The liquor licenses run from July to June the following year. There are seven on sale licenses in the City. Mr. Parker submitted a check just prior to June 30 and it was returned due to NSF funds. He had some issues with the MN Department of Revenue and the City offered to meet with him on a weekend to get a check. The City met with him at his place of business to get the check. City staff has put in a lot of extra hours on this license; more than what is normal and reasonable." Moegerle, "Was there an instance where someone was disabled and that is how this why this was added to the ordinance?" Boyer, "The Council added the change to cover for persons who had, through no fault of their own, gotten ill. It isn't meant for the flu." Moegerle, "My concern is when this was discussed at the April 28, 2012 Board of Review. He had told the Board that he made a business decision last month that the property was sold for \$700,000. His decision at that point was to sell the business back. He didn't say why he was selling it. So, it just smacks as self-serving at this point."

Moegerle made a motion to the Liquor License Refund for Troy Parker. Direction is given to the City Administrator to ask Mr. Parker for more documentation on a serious illness than what has been provided at this point. The documentation needs to be provided within 30 days. DeRoche seconded. Boyer said the \$556 is not exactly fair from City perspective. Something closer to 50% would be more reasonable. All in favor; motion carries.

Council Member Report – DeRoche
Council Member Report – Boyer
Council Member Report – Moegerle

Winter is coming and the muskrats are destroying boats. He had the opportunity to go to a meet the candidate night. He would encourage the people in TV land to study the candidates, the issues and be on top of what is going on. There are a few more meet the candidate nights.

Keep an eye on your neighbors and make sure they are all right.

She attended the website meeting. They picked pictures for the website. The website will go live on February 14, but they need spring pictures.

She has also been contacted by residents saying, 'We need to get more business.' As the president of the EDA, now that we have identified the problem, what is the solution? It is a real difficult problem. How do we go out and contact them? We are in the process of doing just that, but there are contractors that could do that for us. Do we add this to Jack's responsibilities? If we are going to get a contractor, that impacts the budget. What kind of businesses do we want in our City? Manufacturing would give a lot of ERUs. A lot of people are following the issue. She said another resident told her that if the EDA doesn't get enough businesses in, they are responsible for the budget issue. The EDA cannot be charged with being responsible for the budget.

With regards to the City of East Bethel sign on the south end of the City, the landscaping there is woeful; especially since one tree is dead where the City sign is. Could Parks look at a way to beautify that? Davis said we could look at that.

Mayor Report - Lawrence We had a good chat with Anoka County to help East Bethel attract businesses. We have been doing the campaigning thing. There are lots of candidates in the audience and there are two more forums.

Closed Session **DeRoche made a motion to adjourn to closed session to discuss current litigation. Lawrence seconded, all in favor, motion carries.**

Vierling, "For the benefit of the public, we would note that the Council is going into closed session to discuss matters of pending or threatening litigation per MN Statute 13.D subd. 3b. Following the closed session the Council will return to announce any action taken during that time.

Vierling, "All Council Members were in attendance during the closed session with the exception of Council Member Voss. Also in attendance were the City Administrator and myself. The Council reviewed matters of pending or threatened litigation. They discussed process and will review this at the next meeting."

Adjourn **DeRoche made a motion to adjourn at 10:00 PM. Boyer seconded; all in favor, motion carries.**

Submitted by:

Jill Anderson
Secretary

Attest:

Wendy Warren
Deputy City Clerk