

EAST BETHEL CITY COUNCIL MEETING

APRIL 1, 2015

The East Bethel City Council met on April 1, 2015, at 7:00 p.m. for the regular City Council meeting at City Hall.

MEMBERS PRESENT: Steve Voss Ron Koller Tim Harrington
Brian Mundle Tom Ronning

ALSO PRESENT: Jack Davis, City Administrator
Mark Vierling, City Attorney

1.0 The April 1, 2015, City Council meeting was called to order by Mayor Voss at 7:00 p.m.

Call to Order

2.0 The Pledge of Allegiance was recited.

Pledge of Allegiance

3.0 **Harrington stated I'll make a motion to adopt tonight's agenda. Koller stated I'll second with the addition of Item 4C, Viking Preserve Memorandum of Understanding.**

Adopt Agenda

Voss stated I'd also like to add an item to the Closed Session agenda regarding development or consideration of offers/counteroffers through a purchase of sale of real or personal property under Minnesota State Statutes 13.D05 subdivision C3. Is there a PID that's with that too? Vierling stated there is. It will be Property Identification Number 29-33-23-33-0002. **Voss asked with those additions are the motion makers okay with that? Harrington and Koller indicated their agreement.** Voss stated any other discussion? All in favor say aye?" **All in favor.** Voss stated opposed? Hearing none motion passes. **Motion passes unanimously.**

4.0 Davis presented the staff report indicating that at the March 4, 2015 City Council meeting, Council authorized Ehlers and Associates to solicit proposals for the sale of refunding bonds 2015A with a par amount of \$11,815,000. These bonds will be used to refund the 2010A GO Utility Bonds.

4.0A

2015A Bond Refinance

Resolution

2015-21

Awarding

Bond Sale

Ehlers, Inc. has compiled bid results for this bond issue and presented the tabulations for Council consideration. Ehlers will also provide information regarding the interest and debt service schedules as part of their presentation. Upon completion of the Ehlers presentation and pending an acceptable sales proposal, staff is requesting consideration of Council regarding adoption of Resolution 2015-21. At this time, I'll turn the meeting over to Stacie Kvilvang with Ehlers for the presentation.

Stacie Kvilvang, Ehlers & Associates, stated thank you Mayor and members of the Council. As Mr. Davis stated, before you is the sale of \$11,850,000 2015A General Obligation Bonds. Back about a week and a half ago, we did have a rating call with Standards and Poors, the rating agency. It was Mr. Jeziorski and Mr. Davis that participated in that. We're happy to say that they did affirm your AA status with a stable outlook.

4.0A

Kvilvang stated the sale happened this morning at 10 o'clock. We did receive three bids and that bid packet is in front of you. The lowest responsible bidder was Baird out of Milwaukee, Wisconsin. The true interest cost on those bonds is 3.42%, it's about 10 basis points lower than we had originally anticipated. As you go through, and we re-tabulated the

bonds, and based upon the interest rates that came in, your future value savings over the term is about \$1.2 million. That present value savings is around \$700,000 over the term of the remaining life of those bonds. So with that, I'd be happy to stand for any questions that you may have. The resolution would award the bond sale to Baird as the lowest responsible bidder.

Voss asked any questions from Council? Koller stated this looks very good. Ronning stated yes. Voss stated okay, hearing none. Ronning stated thanks for your hard work. Voss stated thanks Stacie.

Ronning stated move to adopt Resolution 2015-21 Authorizing Issuance, Awarding Sale, Prescribing the Form and Details and Providing for the Payment of \$11,815,000 General Obligation Refunding Bonds, Series 2015A. Harrington stated I'll second.

Voss stated the resolution, you'll fill in the blanks? Davis stated Stacie will take care of that. Then when will the closing be Stacie? Kvilvang answered Mayor, Members of the Council, the bond closing will be on April 23rd and so at that time, that's when you'll get the full resolution with everything filled in that you'll actually be signing off on.

Voss stated any discussion to the motion? Hearing none, all in favor say aye?" **All in favor.** Voss stated any opposed? That motion passes. **Motion passes unanimously.**

Davis presented the staff report indicating the 2014 Annual Financial Report (AFR) has been prepared, audited, and will be presented by our auditors, Abdo, Eick & Meyers for your review and approval.

Resolution 2015-22 formally accepts and adopts the 2014 Annual Financial Report and directs the submission of this Report to the State Auditor. Upon completion of the City Auditor's report, staff recommends adoption of Resolution 2015-22 for the City of East Bethel for the year 2014 and direction to submit the report to the State Auditor. At this point, we'll have a representative from our auditors, Abdo, Eick & Meyers, for the audit presentation.

Kevin Knopik stated good evening Mayor and Council. Like Jack said, I'm from Abdo, Eick & Meyers, LLP and my name is Kevin Knopik. I've worked on this audit for the past three years so I'm here to present to you the results of the audit. You should have two documents in front of you. One is labeled the Management Letter and one's labeled the Financial Statements. I'm going to be focusing in on the Management Letter as it gives a summary of the financial statements. Please feel free to stop me along the way if you have questions. I'd be happy to answer any questions at the end as well about information I went over or anything contained in the audit of the financial statements.

Knopik stated to begin with, we issued an unmodified opinion for the City. That's the same opinion you've gotten many years. It's a clean opinion. It's an opinion you're looking for as the City, meaning there's, we ran into no issues or come across any concerns where we couldn't issue an opinion that the financial statements are free from any material inconsistencies. What that means is that we're not coming in for an audit and looking at every single transaction. We're doing it on the risk-based approach.

Knopik stated as part of our audit, we also are required to look at internal controls. We

discussed with Mike and Jack how disbursements, how receipts are processed, how payroll is processed, and walk that process through for 1. To make sure it's operating how they say it's operating; and, 2. To make sure that there's proper segregation of duties with those areas. So, we found no issues in any regard to any internal control testing that we performed. As part of our audit, we're also required to look at compliance, OSA issues, seven main areas where we're required to test. During the course of our audit, we ran into no issues regarding any compliance issue, which has been the case for the past audits.

Knopik stated with that I'm going to jump to Page 4 of the Management Letter and start going over some of the results of the audit. This is summarizing your General Fund for the past five years. You can see in the far left column, it's the fund balance, that's what the ending fund balance was for the General Fund for the past five years. Then the column labeled General Fund Budget and then the far right column, when you compare where the next year's budget compared to the fund balance. You can see that fund balance is about 47% of the 2015 budget. The City has a policy in place that this is 40% of the next year's budget so you can see that the City is above that minimum fund balance. What that minimum fund balance really is, is a reserve for up until that first settlement comes in from the County in early July.

Knopik stated going to Page 5, this summarizes the General Fund, the final budget compared to the actual results. As you can see, revenues were, in the far right column, about \$144,000 over budget. This is mostly due to license and permit revenue, mostly due to more building, more development in the City than anticipated.

Knopik stated the Council can see that expenditures were under budget by about \$156,000. One thing to note here is that all departments, the General Fund, General Government, Expenditures, Public Safety, Public Works, Culture, Rec, all those categories came in under budget. The one significant variance, as you can see further down, the transfers out was a little bit over \$1 million what was budgeted. This was due to some approved transfers for debt service payments and also to close some funds of the City.

Knopik stated going to the next page, on Page 6, it summarizes the General Fund Revenues for the past three years shows kind of a trend of the revenues for that fund. You can see from the top line that property taxes make up about 81.5% of the total revenue in the General Fund. You can see in the far right column, what we do is a per capita and what that number is representing is, basically per person population of the City, about \$349 per taxes per person. You can see that all the other revenues have been consistent over the past three years. So nothing much more to point out there.

Knopik stated Page 7 summarizes the same thing, where expenditures have been in the past three years. Again, we do a per capita column, what you're spending per person on each program on the General Fund and then in the far right column we have a peer group. What this is, we request data from the OSA, compile some numbers of populations of say between 10,000 and 20,000 and it represents an average with cities of that population are spending, for example, on General Government. So, you can see that the City's per capita is about \$86 on General Government program expenditures. For peer groups, so cities with similar population, are spending more, about \$113. Just kind of a comparison to take a look at.

The one big one, as you can see, the EDA fund balance increased over \$76,000. This is due to a 2013, the EDA fund had some capital, had a transfer out for its share in come capital purchases. Without that expenditure, we saw that fund balance come back up this year.

Knopik stated the next section summarizes the Capital Project Funds of the City. Some funds were closed out during the year. The Park Trails and Lunde/Jewell Street Capital Project Funds were closed out. Some of the significant variances in the Funds are that the Municipal State Aid Improvement Fund had some MSA dollars come in for street improvements so, therefore, that Fund balance came up. The other funds that showed significant increases were due to budget transfers into those funds.

Knopik stated Page 9 summarizes the Debt Service Funds of the City. These are funds that are being used to pay off any debt the City has issued. On the bottom, we have a chart, just kind of summarizing where those debt service payments are coming due in the future years. This fund, look at the cash and total assets to make sure that there's sufficient funds in those funds to pay the next year's debt service requirements.

Knopik stated Page 10 we started looking at the Enterprise Funds of the City. The first page of Page 10 is the Water Fund. As you can see from the top chart, the blue bar has been higher than the gray bar. This is representing that operating receipts in that fund are being sufficient to cover the operating costs of that fund. That's a good sign to see with any enterprise fund. You can see that corresponding increase in cash on the chart below, that the cash has increased roughly \$30,000 since 2011. So, the fund's definitely going in the right direction to get that cash balance back in the black.

Knopik stated the next page, same charts, but for the Sewer Fund. You can see, again, the blue bar for operating receipts has been sufficient to cover operating costs with the exception of 2012. Again, you can see that the cash balance has increased almost \$30,000, again in the Sewer Fund from 2011.

Knopik stated last we have the Ice Arena. Nothing different here. The blue bar again is higher than the gray bar, meaning that the revenues coming in are sufficiently covering the cost to operate the Ice Arena. You can see that again with the chart below. The cash balance is almost double since 2011 to positive about \$134,000, which represents cash reserves for any capital future needs that the Ice Arena might need.

Knopik stated on Page 13 we do some ratio analysis, again we compile a peer group which is in the red, cities of similar population and so some analysis to compare where the City is at. The two I want to point out is the Debt per Capita, the second one down. You can see in 2014 that the debt per person is about \$1,800. But you can see that the peer group, the cities of similar population, have about \$2,600 of debt per capita. That shows that the City's debt per capita per person is below what other cities of similar population are. Just one thing to remember with that, it is for some analysis and each city has different needs and what not, so it's really important to make sure to look at that. Some cities operate differently, have their own different needs, when looking at these ratios.

Knopik stated the next one right below it, Taxes per Capita in 2014, was about \$457 per person compared to a peer group of \$485. Just one thing that I wanted to point out with the N/A's in 2014, we don't have the 2014 audits yet for other cities to compile that so it's always lagging a year when comparing the current year data.

Knopik stated the last thing I wanted to point out is on Page 14. We have some future accounting standards that are being required. They'll be required to be implemented with the audit. There might be some significant impact with the implementation of GASBY 68. We're not 100% sure on how much that's going to affect until we get some more information from the State but we're continually, as a firm, searching those standards so when they become due, we'll help the City implement those standards accordingly.

Knopik stated that summarizes what I wanted to go over. I'd be happy to answer any questions you have on what I went over or any questions you have specific about the audit and financial statements.

Voss asked any questions of Council? Ronning asked the peer group is what kind of, is that cities of similar size around the State? Knopik stated similar size in the State. So for East Bethel, it's classified as a third class city with a population of 10,000 to 20,000. That peer group includes every city in the State that has a population between 10,000 and 20,000. So when you look at those, East Bethel is on the lower range of that population. So, it does include cities upwards of almost 20,000 in population. It's just used as a tool to look at as a comparison to see where you might stand as a city.

Voss stated on Page 12, we talk about the Ice Arena cash flow. Just a couple questions there. In that analysis, what year did we stop including revenue off the cell tower? Davis stated this current year. This is the first year.

Voss stated so this analysis includes, these receipts include the tower revenue. Do we have an idea what this is going to look like when the tower revenue is gone? Davis stated it would be a deduction of approximately \$38,000-\$39,000. Voss stated so those two bars are going to be far closer. Davis stated yes.

Voss stated since 2011, we've been operating in the 'black' on the Arena. Davis stated 2013 was actually the first year that we were in the 'black.' Remember, this fund actually started, when I came here we were \$300,000-some in the 'red' so it's been making steady progress to get to this point. Voss stated right, am I comparing 'apples to oranges' here? When I look at the top chart, receipts versus disbursements. Knopik stated I think what Jack's saying is 2013 is the first year that the cash balance was in the 'black.' The fund has been making money as the cash balance has increased. Voss stated okay, it's been building up. Knopik stated it's been building up as Jack said so 2013 was the first year that cash balance got in the 'black.' Voss stated so it's been operating in the 'black' it's just the fund balance in the 'black.' Okay, I understand it now.

Voss asked any other questions? Great. So, there's a resolution with this too, correct? Ronning asked is this just for information? Davis stated there's a resolution attached to this, 2015-22, which formally accepts and adopts the report.

Koller stated I'll make a motion to approve adoption of Resolution 2015-22 Accepting the 2014 Annual Financial Report. Mundle stated I'll second. Voss stated is there any discussion? All in favor say aye?" **All in favor.** Voss stated any opposed? That motion passes. **Motion passes unanimously.**

Knopik stated thank you for your business. Jack stated thank you Kevin.

Understanding for the Viking Preserve Project for pond alterations and building pad preparation. This proposal is to consider approving an additional Memorandum of Understanding for the Viking Preserve Project to allow the filling of the pond in preparation of building pads. The previous Memorandum of Understanding that was approved for this project was the excavation of an off-site pond and the trucking of the excavating material to a stockpile site on the project property.

Davis stated we've discussed this matter with the City Attorney and if Mr. Shaw is acceptable to entering into a separate Memorandum of Understanding, and providing a letter of credit with the local bank of sound financial standing then the risk to the City would be minimal. An escrow of \$7,500 would also be required to draw against for engineer, legal, and other staff expense.

Davis stated due to the unique nature of this situation as it relates to our needs to jump start development in the Utilities District, staff is recommending the consideration of this request. This proposal will be limited to grading and filling work around the existing pond as shown on the attached map. Beyond this request, we are not in favor of further partial work increments to the project and would recommend that the Developers Agreement and Final Plat be approved prior to any work done for streets, utilities, final grading, landscaping, and/or other items required for project completion.

Davis stated again, we are not proposing Mr. Shaw be allowed to incrementally proceed with this plan and bypass the Developers Agreement. We've informed and had discussions with Mr. Shaw that, should Council grant approval to proceed with this phase of the grading work, further appeals may not be considered and future work will have to have a completed Developers Agreement and Final Plat.

Davis stated attached in your packet in the handout that was at your dais are the proposed Memorandum of Understanding, a map of the grading limits, and the City Engineer's estimate of costs for the letter of credit. Staff recommends Council consider approval of the attached Memorandum of Understanding subject to the conditions contained in the document and the letter of credit and escrow requirements as recommended.

Harrington stated I'll make a motion for approval of the attached Memorandum of Understanding subject to the conditions as contained in the document and a letter of credit and escrow requirements as recommended. Ronning stated second.

Voss stated discussion? Mundle asked Jack, how often in developing, or in the processing of developing a portion of property, how many Memorandums of Understanding are issued? Davis stated generally none but, again, this is kind of a unique situation both in terms of the development and our needs to facilitate and work with the developer on this project. One thing I think that's important to keep in mind is Mr. Shaw's original plans were somewhat modified by the Corp of Engineers' imposed standards at the '11th hour' on a permit that required him to revise not only his grading plans but also reduced the number of lots so they could get out of this. As a result, he's kind of been trying to do this incrementally up to a point so that's why we're looking at this in terms of at least working with Mr. Shaw to give him a Memorandum of Understanding to proceed partially with the initial phases of the project.

any future developments? Davis stated well I think anything you do, you always set a precedence but I think it has to be handled on a case-by-case situation and here again, it's up to the City Council decision as to whether or not to proceed. But, due to the fact that this is possibly going to be the first development within the Sewer District and it's, I think we all agree it's incumbent that we work with the developers to try to get something started there as long as we can protect the City's interest and this appears to be the best way to facilitate and expedite this project.

Voss stated it seems the discussion that staff has had with Mr. Shaw on this, we're expecting the next step to be a Developers Agreement and a final plat. Davis stated that's correct. Anything beyond this for work done, if there were a Memorandum of Understanding on street or utilities, and I'm not saying this would happen by any means, but if it were completed, it might place the City at more risk. But, this is one thing that if something happened, then we have little to no exposure. Mr. Shaw is willing to do the letter of credit and the escrow so we feel very comfortable with him in this phase. Voss stated okay.

Ronning stated Mr. Shaw has gone through 'hoops of fire' to get this far with the issues we have as far as depth of the water and sewer. This is a heck of a 'building block.' In my opinion, this is a cornerstone to try and work our way into some real development. Davis stated I agree, Tom, and it's like I say, it's something that we need to do to help 'jumpstart.' Sometimes, usually the first thing that happens, there's some momentum built up and maybe a 'domino' effect that happens. I think it's incumbent on us to work in any way we can to help make things happen and work with the developers wherever we can.

Voss asked any other discussion? A motion has been made and seconded. All in favor say aye?" **All in favor.** Voss stated opposed? That motion passes. **Motion passes unanimously.**

**5.0
Public
Forum**

Voss stated if anyone here tonight to address Council on matters not on the agenda, you're welcome to come forward.

No one wished to speak at the Public Forum.

**6.0
Consent
Agenda**

Item A Approve Bills

Item B March 18, 2015, City Council Minutes

Meeting minutes from the March 18, 2015, City Council Meeting are attached for your review.

Item C Approval of Assessor Contract 2016, 2017, and 2018

The City Assessors contract expires on January 2, 2016. In order to prepare the 2016 Budget, staff is in need of the cost of this service by no later than June 30, 2015. In 2012, the City advertised for Request for Proposals (RFP's) for this service but received only one proposal with that coming from our current Assessor, Ken Tolzmann. Mr. Tolzmann's proposal was approximately \$20,000 per year less than the cost of contracting with Anoka County for assessments for that period.

Mr. Tolzmann has indicated that he is interested in extending his contract with the City and would offer the same price per parcel for 2016-2018 as was provided in his 2013-2015 contract. Should the number of parcels remain unchanged, Mr. Tolzmann's proposal for

2016 would be roughly \$54,500. The County’s cost for providing this service for 2016 is estimated to be a minimum of \$68,000 with an additional one-time charge to review and establish a basis for the assessments. The updated contract is attached.

Item D Resolution 2015-23 Accepting Work

The contractor has completed all construction and punch list items for the Lift Station No. 1 Reconstruction Project and has submitted all the required documentation to consider this project for final payment. The total original contract amount for this project was \$370,578.15. The final contract amount is \$342,533.22. Staff recommends final payment of \$17,126.66. A copy of the final payment form and resolution accepting the work are attached.

Final Contract Amount	\$ 342,533.22
Less Previous Payments	\$ 325,406.56
Total Payment	\$ 17,126.66

Item E Resolution 2015-24 Declaring April 25, 2015, Arbor Day in East Bethel

In 2014, the City of East Bethel held its first Arbor Day at Booster Park where a tree was planted with help from local Cub Scouts to replace trees that have been lost to disease and wind within the park. The Arbor Day Celebration, along with other tree specific criteria the City performs, allowed the City to apply for and be awarded as a Tree City USA.

Staff and the Park Commission would like to see this as an annual event to promote the benefits of trees and a healthy urban forest. The Park Commission and staff have recommended holding an Arbor Day celebration in Booster Park on April 25, 2015, at 10:00 a.m., which is also the Spring Recycle Day. The local scout group that has adopted Booster Park would be invited to attend and help with a tree planting.

Staff and the Park Commission recommend adoption of Resolution 2015-24 Declaring April 25, 2015, Arbor Day in East Bethel.

Ronning stated move to approve the Consent Agenda as written. Koller stated I’ll second. Voss stated any discussion? All in favor say aye?” All in favor. Voss stated opposed? Hearing none motion passes. Motion passes unanimously.

7.0 Commission Association and Task Force Reports
New Business

7.0A Davis presented the staff report indicating the Beaverbrook Sportsmen’s Club, located at
Planning 20500 Palisade Street NE, PIN Nos. of the property: 16-33-23-43-0001 and Parcel 21-33-
Commission 23-11-0001 and Parcel 21-33-23-13-0001. The zoning of this area is Rural Residential.
7.0A.1 Council is requested to consider approving a Conditional Use Permit for the Beaverbrook
Beaverbrook Sportsmen’s Club to operate the Gun Club, make improvements to improve safety and
CUP mitigate noise.

The Beaverbrook Sportsmen’s Club is interested in improving the Gun Club by creating additional shooting ranges. These ranges will not only provide the Gun Club with some additional tournament opportunities, but will enhance the experience for the existing members while improving safety and mitigating noise.

7.0A.1 As part of their proposed project, a 700-foot by 160-foot berm with 7 shooting ranges for

pistol, muzzleloader, and shotgun are proposed. The main berm will be 20 feet in height and the sides will be 10 feet in height and 10 feet off the east property line. The property to the east is a heavily wooded area and there are no homes located in this area.

A wetland delineation was completed and the area where the shooting range will be located is outside of any wetland areas. It should be noted that there is a Significant Natural Environment Area located to the east of proposed shooting range and the Gun Club will be working with Anoka Conservation District to install signs relating to Blanding turtles habitat.

The Gun Club was established in 1968 through a Special Use Permit and received subsequent approval to construct a large shooting range and Variance for the clubhouse. In discussions with representatives from Beaverbrook, it was determined that a Conditional Use Permit would be needed to address the new shooting range.

At their regular meeting on March 24, 2015, the Planning Commission recommended approval of the Conditional Use Permit for Beaverbrook Sportsmen's Club to permit the addition of a shooting range and for future improvements that enhance the safety of the Gun Club, mitigate noise and improve the overall Gun Club operations subject to the following conditions:

1. All improvements are subject to wetland review and recommendations
2. All Significant Natural Environment Areas will be protected
3. Property owner and applicant shall meet City, State, and Federal regulations for the protection of air quality, erosion control, dust control, and noise
4. All building codes, and zoning regulations imposed by the City of East Bethel will be applicable for future development as required

Ronning stated I'll move to adopt Conditional Use Permit to the Beaverbrook Sportsmen's Club to operate Gun Club and make improvements to improve safety and mitigate noise. Mundle stated I'll second.

Voss stated discussion? Harrington asked have you had any noise complaints over there? Davis stated I've received no noise complaints. Harrington stated okay.

Ronning asked any negatives brought up outside the Planning and Zoning? Citizens? Koller responded no. Voss asked were there any comments at all at the public hearing? Koller stated there were comments, yes. Voss stated I see we don't have the minutes of the meeting. Harrington asked so they were for it? Or, anyone for it? Koller responded mostly.

Voss asked do you know why we don't have the minutes of the meeting before us? Davis responded we haven't received those yet. We have that big gap between the last Planning Commission meeting, which was last Tuesday and the way this one falls, this is the first of April and they have a week to get them in to us. Voss stated to me it's important to understand what happened at the public hearing. The only thing we have is the outcome of the Planning Commission's vote without the meeting minutes.

Ronning asked what kind of time constraints are related to this? What's the timing? Davis stated I think they're wanting to get started on the project as soon as possible. Is there someone here from Beaverbrook who can speak to that? Ronning stated sometimes 'as soon as possible' is yesterday. Davis agreed usually that's what it means. If one of you

gentlemen would come up and address the timeframe as to the start of the project.

Doug Welter stated I'm on the board at Beaverbrook. The question is how soon? Davis replied yes. Welter stated we wanted to get it functional by the May to June timeframe so we wanted to start the work as soon as possible. But, we don't have an exact date in mind yet.

Ronning asked would you be bringing fill in to make the berms? Welter replied no. We're using the dirt that's on the land right now. We're just rearranging it. Ronning asked so there's no road restrictions or anything to slow you down? Welter stated the only thing with road restrictions that I don't know the answer to that yet, is if we have to have equipment come in. Hauling it in might be a road restriction so I don't know about that for sure at the moment. We're still getting final bids from the contractors.

Ronning stated we could table it until the next meeting. Voss stated that's my preference. We don't have the complete picture of the discussion at Planning and Zoning. I think too, out of respect for those, the residents that spoke at the public hearing, it's important for us to understand what that discussion was.

Voss asked when are your bids due? Welter stated at the latest they have to be discussed the night of the next board meeting which would be the 15th, which is your next Council meeting date. Voss stated okay, so timing is not that far off then. Welter stated no, we just wanted to be able to give them the go ahead to be able to start as soon as we got the bids approved and voted on. The timing would actually be fine if we knew the answer on the 15th or 16th after your meeting. Because then we can just make a call or I can talk with Jack, or whatever, and we can go ahead and tell the contractor we're ready to go.

Ronning stated move to table until the next meeting. Voss asked to postpone it? Mundle asked do you have to withdraw your original motion. Voss stated no, it should be a motion to postpone. Mundle stated okay. Ronning asked do we need to postpone it or table until. Vierling advised postpone is fine. **Ronning stated postpone to the meeting of the 15th. Mundle stated I'll second that.** Voss stated any discussion? All in favor say aye?" **Koller, Mundle, Ronning, and Voss-Aye; Harrington-Nay motion passes.**

Voss stated we'll consider it again on the 15th. Welter stated okay, thank you. Voss stated thanks Doug.

7.0B
Economic
Development
Authority
7.0B.1
BR&E
Contract

Davis presented the staff report indicating Council is requested to approve participation in the University of Minnesota's Extension Service Business Retention Expansion (BR&E) Program. City staff and the East Bethel EDA have investigated and recommend entering into an agreement with the University of Minnesota's Extension Service to initiate a Business Retention and Expansion project for businesses in East Bethel. The program is designed to meet the following goals:

- Demonstrate to local businesses that the community appreciates their contribution to the economy
- Help existing businesses solve individual problems
- Assist businesses in using programs aimed at helping them become more competitive
- Develop strategic plans for long-range Business Retention Expansion activities
- Build community capacity to sustain growth and development

7.0B.1

This is a two-year program and requires an application that would be submitted to the

University of Minnesota. The total cost of the program is \$12,000. Connexus Energy has committed \$5,000 towards the program and the City would be required to appropriate \$7,000 to complete the funding. The \$12,000 covers the cost of extension staff, promotional materials, development and analysis of a survey, and expert guidance throughout the process. Funds for this program are available in the 2015 EDA Budget.

Should Council approve participation in the program, activities could commence upon approval of the City's application. This approval is anticipated within 30 days of the submission to the University's Extension Service.

The Business Retention Expansion has been endorsed by the East Bethel Chamber of Commerce and the Chamber has pledged to partner and assist the City in the implementation of the program. The EDA, at their March 16, 2015 meeting, also recommended that Council consider participation in the program.

The Economic Development Authority and Staff recommended that Council consider approving and funding participation in the Business Retention Expansion program in the amount of \$7,000 for 2015.

Mundle stated make a motion to approve participation in the University of Minnesota's Extension Service Business Retention Expansion Program. Koller stated I'll second. Voss stated discussion?

Voss stated I think it's key that we also recognize with this program that Connexus Energy's contributing \$5,000 towards the cost of this program, which is great to see a company in our area that participates. We're not the only city that they do this for. That really helps kick-start this for us, to get that going too.

Voss stated is there any other discussion? Hearing none, all in favor say aye?" **All in favor.** Voss stated opposed? That motion passes. **Motion passes unanimously.**

7.0C
Park
Commission
7.0C.1
East Bethel
Tree City
USA Award

Davis presented the staff report indicating the City of East Bethel has been awarded as a Tree City USA for 2014 by the Arbor Day Foundation. To qualify as a Tree City USA community, a town or city must meet four standards established by the Arbor Day Foundation and the National Association of State Foresters. These standards were established to ensure that every qualifying community would have a viable tree management plan and program.

The City of East Bethel met these requirements by having a Park Commission that discusses urban forestry and green space issues, a Tree Care Ordinance, an Arbor Day observance that was held on April 26, 2014, and an annual forestry budget that exceeded the \$2 per capita requirement. The forestry budget included any activities relating to trees that are already performed by the Public Works staff. The only additional funding required was the cost of a tree to plant for the Arbor Day observance.

Davis stated at this time, I'd like to present to the Mayor a plaque in recognition of Tree City USA for 2014. Voss accepted and displayed the plaque and stated that's great. He asked to be prominently displayed where? Davis stated in the case outside the receptionist area. I'll make sure that's displayed.

7.0C.1

Davis stated there's also two large identification signs that are 24 inches by 36 inches that

we can place at the north and south entrances of the City too. They are very attractive signs and they're highway signs. So, that will be something to give us further recognition. Voss stated make sure this plaque makes it to the Parks Commission too. Davis responded I certainly will.

Mundle asked was there another tree planting planned? Davis answered yes, that was approved in your Consent Agenda. Arbor Day will be recognized on April 25th. We'll do another tree planting in Booster East Park as part of that observance. Mundle asked is that 10 a.m.? Davis stated I'll have to double check and see what the time is. And, the Boy Scouts and Cub Scouts will be participating in that also. Mundle stated great. Voss stated and that's on the 25th. Davis stated that's correct, for April.

Informational; no action required.

Cedar Creek
MOU Update

Voss stated before we move on, just a quick question Jack. At least my packet is in conflict with the order we're going on this on the Cedar Creek MOU? Davis stated that should have been corrected. That was pulled from and will be on the next meeting. We had some stuff on there but there are some issues that we need to get some legal clarification on. Then we'll have that ready for the next meeting. I apologize for that. Voss stated okay, I just wanted to make sure we didn't skip something.

7.0D
Road
Commission

None.

8.0
Department
Reports

None.

8.0A
Community
Development

8.0B
Engineer

None.

8.0C
City Attorney

None.

8.0D
Finance

None.

8.0E
Public Works

None.

8.0F
Fire
Department

None.

8.0G
City
Administrator

Davis presented the staff report indicating the Council will be requested to approve of the Verizon Cell Tower Lease. Verizon is proposing to locate a cellular transmission tower at 2243 221st Avenue on a site just southwest of the City Public Works Building. The proposed lease site would be 100 feet by 55 feet and within this area would be a gravel access pad and a 190-foot monopole tower with an equipment shelter site enclosed by a 6-foot chain link fence. The location of the facility at this site would not interfere with any activities of the Public Works Department. An Interim Use Permit was granted to Verizon for this location on July 2, 2014, of which final approval was conditioned on the execution

8.0G.1
Verizon Cell
Tower

8.0G.1

of the Lease Agreement. After many months of negotiations, the City and Verizon have reached agreement on a Lease Contract.

Lease revenues from Verizon will be \$24,000 and additional revenue will be generated through future co-locators on the tower.

Staff is requesting City Council to consider approving the Lease Agreement as attached in your packet with Verizon.

Vierling stated the Council will note this matter was forwarded to Verizon on the 25th to be signed and returned with securities. I can tell you we haven't received that back at this point in time. Voss asked have or have not? Vierling stated have not. So, if the Council wishes to postpone this matter until the 15th, you certainly could. If Council desires to take action on it anyway, you have that opportunity as well. I don't think it makes any difference to staff.

Harrington stated I'll make a motion for approving the Lease Agreement as attached with Verizon. Ronning stated I'll second. Voss asked would you recommend to qualify the motion pending receipt of the documents? Or, is that just not necessary? Vierling stated I think that's implicit in the staff report and if you're following the staff report, certainly we're not going to, we won't have an approval until we have a fully signed set of documents back together with securities as required under this. If you wish to **clarify the motion to add the requirement that we receive the fully signed version back with securities and staff approves the final attachments**, those would be appropriate conditions. Ronning asked a friendly amendment to accommodate? **Harrington stated yeah, I'll accommodate Mark's amendment.** Voss stated this will allow us a side note then. Vierling stated we won't sign it, we'll approve it but we won't sign it until we get it back in full.

Ronning asked how does this compare with the original proposals we had? Vierling stated this is the December 29th version, which staff supported originally. You'll recall that Verizon proposed to make several adjustments to it and they were informed that would not be allowed and finally came back and agreed to approve and sign on their side the December 29th version. Voss asked any other discussion?

Mundle stated on Page 4, Item 3c, Compliance with IUP, it states that the conditions of the IUP as originally approved on July 2, 2015. I believe that should be 2014. Vierling stated 2014, yes. Mundle stated that's the only thing I'd attach to it. Then, curiosity, where does the revenue, the \$24,000 go towards the City? Davis explained it will be placed in the General Fund unless Council wants to earmark that for a specific use. Mundle stated nothing right now.

Voss stated the existing tower revenues are now directed to General Fund. Right? Davis stated that's correct. Voss stated any other discussion? Hearing none, all in favor to this motion say aye?" **All in favor.** Voss stated opposed? That motion passes. **Motion passes unanimously.**

The Upper Rum River WMO has expressed frustration with a State mandate over a requirement to perform a revised ten-year plan at cost that could be as high as \$35,000. Half of this amount is included in the proposed budget and the second half will be included in the proposed 2017 budget. The Upper Rum River WMO will do everything possible to try to reduce this cost so that the budget requests can be reduced and costs for this activity can be reduced for the members.

The City of Ham Lake has requested to be removed from the Upper Rum River WMO. At this time, no determination has been made by the Bureau of Water and Soil Resources (BWSR) as to whether Upper Rum River drainage area of their city will remain in the Upper Rum River WMO or if it will be absorbed by the Coon Creek Watershed. If Ham Lake were removed from the Upper Rum River WMO the portion of their contributions would have to be absorbed by remaining five member cities. Ham Lake's budget charge to the Upper Rum River WMO is projected to be \$1,014.12 for 2016.

I did forward everyone an e-mail this afternoon from Leon that said it does appear at this time that Ham Lake may be dropping their appeal and petition to be removed from the Upper Rum River WMO. So, if that's the case, then that'll save East Bethel about \$200 in the upcoming budget.

The draft budget is attached for your review and discussion purposes. Revisions are anticipated by the Upper Rum River WMO after comments from member cities are received. The final budget will be provided in early May for final consideration and approval.

The Upper Rum River WMO has stated reservations regarding an audit requirement by Bureau of Water and Soil Resources for 2014. This is now a State mandate and while there are no detailed punitive actions specified, non-compliance along with other non-performance issues could result in action by Bureau of Water and Soil Resources to abolish the local board. If this action were taken, the County would then assume the WMO's responsibilities. The County could, and in all probability, would either combine the Upper Rum River WMO with the Lower Rum River WMO or create a Water Management District with levy powers. Both of these options would be detrimental to the current member's constituents both in terms of representation, local control, and additional costs.

The Upper Rum River WMO completed fiscal year 2014 with a \$6,500 cash balance. These funds are more than sufficient to cover the cost of an audit for 2014.

Staff recommends that this issue be discussed and comments provided the 2016 Upper Rum River budget and the proposed 2014 Upper Rum River WMO audit.

Voss stated so Jack, the cost of that audit is not included within their budget they're presenting? Davis stated no, it is not. Only the revision for the ten-year management plan. Jamie Schurbon with ACD has indicated that he thinks that plan can be developed for less cost. One of the comments that I would like to be able to forward to the Upper Rum River WMO is that they continue to work closely with Jamie to incorporate his capabilities and expertise and doing as much as he can to help us with the plan to keep these costs as low as possible.

8.0G.2
2016
URRWMO
Budget

Koller stated the problem we have is the outside audit that BWSR wants done will run 25%

to 30% of our annual budget. That is a small watershed and that's a lot of money. Voss stated and that would have to be done within this budget year. Right? Koller replied yes. Davis stated it would have to be. The audit would be for fiscal year 2014 so it would have to be performed this year.

Voss stated so the question I have then is why isn't the cost for an audit in here. It would seem like, at least at this time, the WMO is refusing to do the audit. Davis stated that appears to be the situation and Mr. Dan Denno, the Chairman of the Upper Rum River WMO, has recently sent out a question to the mayors of the member cities, in essence asking them for direction on what they feel the needs of the audit are and how they wish to proceed on this.

Voss stated for Council's benefit, I received that e-mail and I watched the Work Meeting. I wasn't here last week. But, I conveyed back to him that the consensus of the Council was that the audit should be done. I didn't hear anything back from Dan. Davis stated I've talked with St. Francis. While they haven't taken an official position, I think they're leaning in the same direction. I'm not sure what position Oak Grove or Nowthen are going to take. They're the other two major players. The City of Bethel is also a member along with Ham Lake. East Bethel, St. Francis, Oak Grove, and Nowthen pay approximately 90%-95% of the budget. There's only a small portion of Ham Lake included and Bethel is only an acre in size.

Davis explained the formula for assigning the budget is based on population and number of acres in the watershed. I think that there's maybe more consideration now toward performing that audit in light of the consequence that could happen. Here again, they may not happen because these things aren't specified but they are things that could happen. Even though what Ron said is accurate, it's a huge percentage of the existing budget. Going forward though, the audit only has to be done once every five years. So, if you do the audit now and let's say it cost \$4,000 and another one cost \$4,000, somewhere between here and 2020, we've actually spent \$8,000 total over six years, which is about \$1,300 a year. Still a large percentage of the budget but, unfortunately, this is something we're having to deal with. It's another unfunded mandate.

Voss asked Ron, when is the WMO meeting again? Davis stated May 7th. Koller stated May 7th. Voss stated so every two months they meet. Koller stated yeah so whatever the Council wants to do, I can relate.

Ronning asked the numbers you just mentioned, is that our share? Or, is that the whole audit package? Davis answered the \$4,000 would be the whole cost. The WMO does have \$6,500 though with a cash carryover from the previous year's budget. So, they do have sufficient funds to cover that without coming back to the cities and requesting additional moneys to perform the audit.

Voss asked how much was the audit? Davis answered up to \$4,000. Voss stated okay, I thought I heard \$24,000 before. Okay.

8.0G.2
2016
URRWMO
Budget

Ronning stated it seems there was some conversation that our share is about \$600 or something. Is that the final number? Koller stated no, our share is about \$6,300 a year. Ronning asked per year? Koller stated yeah. Voss stated well, that's out of the whole budget. Koller stated yeah. Voss stated but you're just asking about the audit.

Ronning stated the audit, yeah, the cost change. Davis explained our total share of the audit would be \$600-\$700. Ronning stated let's put it in some kind of a perspective. That's \$2 a day to keep the Lower Rum out of our levy.

Voss stated well, you know, I'm as against unfunded mandates as anyone but refusing to do something, I don't know if that's the right channeling of that resistance. Koller stated well, we're talking \$3,000 to \$4,000 to do an audit and we take in six or seven checks a year and we write out about eight or nine checks a year. That's not a lot of auditing to do.

Voss stated then I would question the cost for the audit. Who does the audit? The State? Koller stated no, we have to have an independent. Davis stated the Upper Rum River would select their own CPA to perform the audit. Voss asked where do the estimates to perform the audit, I can't imagine the audit would cost that much. Davis responded we've talked with the auditors and all of them said they would need to go back two-three years just to make sure there were not irregularities and establish the basis for the 2014 audit.

Voss asked and how many checks a year? Koller stated we write out less than ten. Voss stated so it's 30 checks over three years, I still can't imagine how it would cost that much. Davis stated I thought the cost of the audit was exorbitant and we've checked with a couple and they've ranged from \$2,400 to \$4,000.

Voss asked where did the cost estimate for the audit come from? Do you know? Koller stated I'm not sure, was that Dan? Davis stated Dan provided some of those and we asked our auditors to take a look at it. They said the cost would probably be between \$3,000 and \$4,000. Voss asked total? Davis confirmed total. Not our share but total. Voss asked the total cost? Davis confirmed the total cost.

Voss asked and what's being presented to us in this argument for not doing it? Was it \$6,000? I'm getting my numbers all mixed up now. What is Upper Rum saying it is going to cost? Davis stated the Upper Rum is saying it will cost between \$2,000 and \$4,000 for the audit. Is that accurate Ron? Koller responded yeah and since our budget for the year is only \$13,000, that's huge. But, if we have to do it, we will do it.

Voss stated to me, I think we should include at least in our budget planning that it be done. We can approve the WMO's budget with, I think, some reservation. But, to me, I think Council should be giving direction directly to the WMO about this audit issue. Davis stated remember too that the Upper Rum River does have \$6,500 in available funds that they could apply to cover the cost of the audit. So, if they do the audit, they will not have to come back to each individual city and ask for \$600-\$800 dollars to cover that cost.

Voss asked do you agree with that too? Koller answered yes but, you know, for every check we've written out in the last three years, the audit's going to cost \$100 per check, basically. Write out a \$10 check and it costs \$100 to audit it. It just doesn't make sense to me. Davis stated no, I agree, the cost of the audit does seem exorbitant. But, here again, not doing the audit, some of the consequences could prove even more costly.

8.0G.2
2016
URRWMO
Budget

Voss stated my concern with this whole discussion is, Jack how you've characterized it in terms of talking with other cities, which I know the Council Members haven't seen this e-mail that Dan Denno sent out, but Dan 'painted' a far, far different picture than what Jack's presenting. So, I think there's perhaps fundamental differences on the WMO.

Davis stated my concern is the protection not only of East Bethel but the people that this WMO represents. In the worst-case scenario should the Watershed be combined with the Lower Rum River Watershed, then the majority of the population is to the south so our representation will be diluted. Voss agreed and stated very diluted.

Davis stated but more importantly we are then going to be part of a permitting process. The Lower Rum River requires permits for any grading or development activities. So then, anything that's done in East Bethel, Ham Lake, Oak Grove, St. Francis, now is going to have to go through that permitting process, which will probably be administered through somebody, their engineer in Coon Rapids, or Anoka, or wherever their headquarters are. Plus, there'll be a fee for it too and there'll be other requirements.

Ronning stated that's why this \$2 a day doesn't sound too bad then. Voss stated right, I can't understand why the others don't see that too. Davis stated here again, this doesn't mean that if they didn't do the audit, that this would happen but it is a potential consequence.

Davis stated even worse would be if the County decided, 'Well, since we're going to combine these, we'll just make it a Water Management District.' Then they wouldn't come and request budget funds from us. It would automatically be levied on our County taxes. Ronning asked would that be considered our fault by residents? Voss stated it's unfunded mandates.

Ronning asked is there any action or anything you're looking for? Or, for consensus? Davis stated we just want to review and they're asking for comments on their proposed budget, which is included in your packet. The basic change in the budget for the Upper Rum River WMO for 2016 as opposed to 2014 is that \$17,500 line item for the revision of that ten-year water plan. In my discussion with Jamie, if we can get him back on board, he seems to think that can be done for less. My recommendation to Council would be to provide the comment that we would like to see them work with Jamie as much as possible to keep that cost contained and hopefully achieve a less cost for that budgeted amount.

Voss stated Jamie and ACD have a great history of controlling costs on these projects. It's a small group and they can control it.

Ronning asked how much coordination should there be for everybody to be 'in the same pocket' instead of just three, four of us, Ham Lake, St. Francis and us? Davis stated the membership is defined by the watershed boundaries so it's limited to the six members. Ham Lake, Bethel, East Bethel, St. Francis, Oak Grove, and Nowthen. Just like the other Watershed Management Organization we belong to is the Sunrise, which comprises East Bethel, Linwood, Columbus, and Ham Lake.

Ronning asked if they don't get this audit done and for some reason gets assigned to the Lower Rum River or separate, brand new, we should have all six. Do we think that all six would go along with what we're talking about? \$2 a day? Davis stated from my discussions, St. Francis, I think, would be supportive of the same position that we are. Others discussions amongst some of the Oak Grove members that, I think, in the end they may come around to the same position. I haven't been able to contact anyone from Nowthen. Ham Lake, I think, would probably go along with this too. But again, Ham Lake's and Bethel's stake in this is almost insignificant and their costs are almost nothing.

Davis stated if you'll look at the draft budget information, down at the bottom, you'll see that the City of Bethel pays \$1,000 a year. Ham Lake pays \$1,000. So, the other four members actually pay about 93% of the budget for the Upper Rum River WMO.

Voss stated on that issue, why is this not administrative expense as opposed to an expense of implementation? The 'kicker' on that is that's an equal share to everyone. Wouldn't an audit be an administrative expense of the WMO? Davis stated an audit would be an administrative expense but it's not included in this budget.

Voss stated if it was, it wouldn't be by the percentages. Davis stated that's correct, it would be broken down and everyone would be responsible for one-sixth of it. Voss stated they'd all be paying an equal share of it. Davis explained that administrative expenses are broken down, prorated evenly. The other expenses are broken down by population and acreage.

Voss stated Bethel and Ham Lake have got an even bigger affect on this audit cost. But, to me, I think we send a message back that they need to include the cost for the audit within their budget. If we feel they should be doing the audit, why not just reply that way. Davis stated I agree and the other way to reply too, is that they can do a prorated share each year. If it's going to be every five years, and we estimate it's going to cost, let's say \$800 a year. Voss agreed sure, just for cash flow.

Koller stated if that's the consensus of the Council. Ronning stated it's almost like cheap insurance. It keeps somebody out of you 'back pocket.' Koller stated I wouldn't call it 'cheap.' Ronning stated \$2 a day is one cup of coffee.

Voss stated I think we're all in agreement but how do we get the WMO to not ignore the message. Koller stated yeah, I will do that. Ronning asked who is carrying the message? Are you part of that or is Ron? Koller responded I am. Ronning stated we're interested in continuing. Is that what we're interested in? Koller stated yup, seems what everybody wants. Voss stated to simplify it, the message is we understand all the issues. Mundle stated we may not like it but. Koller stated we don't like it at all. Voss stated yeah, but we agree that we shouldn't have to, but to be responsible from a fiduciary standpoint, they need to do it and we'll 'pony up' our share.

Ronning stated the overall cost could be a lot more. Voss stated I think cost and affect is part of it. The loss of control. Ronning stated yeah, the lost of control and participation, and even the permitting process.

Voss asked do you need a motion Jack? Davis stated we just need direction as to comments to send back to those. That should probably be in the form of a motion if we want to comment on the addition of funds to go forward with an audit for the proceeding years and to encourage the WMO to work closely with Jamie Schurbon to contain the cost of the ten-year water plan.

Ronning stated for clarification, this watershed and what you mentioned about a possible permitting process, that doesn't just mean people on the Rum River. That means the whole watershed. Davis stated that's correct. Ronning stated so that's everybody in the City almost could be subject to some kind of, you lose your representation and \$300-\$500 maybe for grading. Voss stated well every grading project goes in front of them. Davis stated 60% of East Bethel would be affected by that. Ronning stated right and if there was a separate

permitting process completely outside our parameters.

Voss stated another layer that we don't need. Koller stated the other problem there is if they'd take that watershed and combine it with another one, they can create a Watershed District, which has the power to levy for taxes and they can have full-time employees. So, the cost could go way up then. Harrington noted we wouldn't have any say in that.

Voss stated I know a lot of these people on the WMO and there's a lot of local control, right? And, for as many people that are in favor of local control, I can't believe they'd want to risk this. We'd be definitely losing local control on this. Davis stated I think everybody here sympathizes with the concept but if they want this changed, the place to do so is legislatively from the top down, not from the bottom up. Voss agreed and stated this is not a 'revolt-type' action.

Mundle stated I'll make a motion to go along with Jack's statement of working more closely with Jamie, that the audit should be done, we may not like it but it's the best alternative. Ronning asked does that get you where you want? Davis answered yes. **Harrington stated I'll second.** Voss stated any other discussion? All in favor say aye?" **All in favor.** Voss stated any opposed? That motion passes. **Motion passes unanimously.**

9.0 Other
9.0A
Staff Reports

April 15,
2015 Local
Board of
Appeals and
Equalization

Davis stated prior to our next Council meeting on April 15th, we have our Local Board of Appeals and Equalization meeting. Anyone that has any issues, questions, about their property taxes or assessment, this is the time that they can be appealed. Any time after this, they can't be appealed so please make note of that. If you wish to appeal anything, please come to this meeting at 6 p.m. on April 15th in regard to any assessment or tax issues that you may have.

Voss stated here in Council's Chambers in front of the Council. Davis stated yes, here in Council's Chambers. The County Assessor will be here and the City Assessor will be here and those issues can be addressed at that time only. If you wait until afterwards, then they can't be heard.

Voss stated all residents should have received their statements by now. If you haven't received your statements, contact the County. I know that happens once in a while.

April 25,
2015 Spring
Recycle Day

Davis stated also on April 25th is our Spring Recycle Day, which will be held at the Ice Arena. So, if you're doing your spring cleaning, we'll have a place for you to dispose of many objects that you may have.

221st Overlay
Project

Davis stated it's been commented on by Council Members prior to the meeting but if you notice, there's a lot of tree cutting on 221st Avenue from 65 east all the way down to County Road 74. This is part of an overlay project that Anoka County Highway Department is doing. They're doing the tree clearing now and as soon as weather permits, they will start the overlay and pavement. There will be no detours on this project. The road will be kept open either entirely or partially throughout the process. There may be some one-way traffic but there will be no detours associated with it. Voss stated I know the answer to this but unfortunately, we're not getting shoulders on this road. Davis stated unfortunately, we're not.

221st Overlay
Project

This is just an overlay and unfortunately not a reconstruction. We approached the County about doing this and they said it wasn't in their budget. We also did it when they did 213th, the connector street between East Bethel Boulevard and Durant Street two years ago. It will be a welcome improvement, we'll have a smooth surface to drive on. Voss

stated I don't think anyone's going to complain about that.

9.0B
Council
Report –
Member
Harrington

Harrington stated East Bethel Senior Garage Sale is April 11-12, Saturday the 11th from 8 a.m. to 5 p.m., Sunday from 8:30 a.m. to noon. It's here next door at the Senior Center.

Harrington stated the Senior Expo 2015 celebrating healthy living is on April 11th, Lord of Life Church in Ramsey, from 9 a.m. to noon.

Council
Member
Ronning

Ronning stated I don't have anything today.

Council
Member
Koller

Koller stated we went over the Watershed and Beaverbrook so I'm done.

Council
Member
Mundle

Mundle stated a couple Fridays ago, I went on a ride along with Deputy Nelson. I spent about six hours on a Friday night with him, until about 1:15 in the morning. It was absolutely a great experience to see what they did in that short time span that patrolled the City multiple times from north to south and east to west. Patrolled a lot of the businesses, a lot of them along 65, answered a couple calls that came up, traffic stops, and there's a couple other things thrown in the mix too. All of that was just six hours so they do a fantastic duty for our City. You don't see how much they do because they're usually never in one place at the same time unless they're watching traffic. So, I just want to thank Commander Orlando for setting that up and Deputy Nelson for putting up with me for six hours.

Mayor Voss

Voss stated I have nothing. Arbor day is on the 25th and we don't have a time yet, right? For that? Davis stated I think it is 10 a.m. but if you'll check the website, it will have that information. Voss stated we can announce that at the next Council meeting too.

9.0C
Other

None.

9.0D
Closed
Session

Vierling stated thank you Mr. Mayor. For the benefit of the record and for the public, we would note that at the present time, the Council's anticipating going into Closed Session to deal with issues of Code enforcement and pending and threatened litigation. All authorized under Minnesota Statute 13D. With regard to the Code enforcement or active matters, they'll be properties discussed at 24054 Johnson Street, 4855 Viking Boulevard, 4631 Viking Boulevard, and 553 Lakeshore Drive. We'll also be dealing with issues of threatened litigation from Greystone LLC and finally dealing with matters of acquisition and purchase also authorized under the Statute dealing with Property Identification No. 29-33-23-33-0002. As the Closed Session will be authorized under attorney-client privilege, these matters will not be tape recorded. It is not required by law. Council will return to Open Session following the Closed Session to announce any formal actions taken during the course of the Closed Meeting or take any further action so that the meeting presently will be recessed until they come back into Session. With that being said Mr. Mayor, I recommend that a motion be made to go into Closed Session for the purposes I've indicated.

Move to
Closed
Session

Ronning stated move to go into Closed Session at 8:16 p.m. Koller stated second. Voss stated any discussion? All in favor say aye?" All in favor. Voss stated opposed? Hearing none motion passes. Motion passes unanimously.

Reconvene
Open Session

Vierling stated thank you. For the members of the public and for the benefit of the record, we'd indicated that the Council is now back into Open Session after having concluded a Closed Session dealing with matters of pending or threatened litigation and Code compliance affecting several properties being 24054 Johnson Street, 4855 Viking Boulevard, 4631 Viking Boulevard, and 553 Lakeshore Drive. Council also reviewed matters of pending and threatened litigation with regard to Greystone LLC and reviewed issues of land acquisition as it affects Property Identification No. 29-33-23-33-0002.

Vierling stated no formal motions were made during the course of the Closed Session. Council reviewed issues as to each topic with the City staff and the City Attorney on matters of strategy and process and otherwise that concluded their Closed Session. That being said Mr. Mayor, the report required by Open Meeting Law has now been made into the record. Council can take any final action they wish to at this time.

Ronning stated move to adopt Option 3 discussed in Closed Session and whatever means are necessary to accomplish that. Voss asked with regard to which property? **Ronning stated 553 Lakeshore. Harrington stated I'll second.** Ronning asked is that enough? Vierling replied yes. Voss stated is there any discussion? Hearing none, all in favor say aye?" **All in favor.** Voss stated opposed? That motion passes. **Motion passes unanimously.**

10.0
Adjourn

Koller stated motion to adjourn. Harrington stated second. Voss stated any discussion? All in favor say aye?" **All in favor.** Voss stated any opposed? **Motion passes unanimously.**

Meeting adjourned at 9:37 p.m.

Submitted by:
Carla Wirth
TimeSaver Off Site Secretarial Inc.