

City of East Bethel

City Council Agenda

Regular Council Meeting – 7:00 p.m.

Date: May 6, 2015



	<u>Item</u>	
7:00 PM	1.0	Call to Order
7:01 PM	2.0	Pledge of Allegiance
7:02 PM	3.0	Adopt Agenda
7:03 PM	4.0	Public Forum
7:10 PM	5.0	Consent Agenda

Any item on the consent agenda may be removed for consideration by request of any one Council Member and put on the regular agenda for discussion and consideration

Page 6-11	A.	Approve Bills
Page 12-48	B.	Work Meeting Minutes – April 22, 2015 City Council
Page 49-76	C.	Meeting Minutes – April 15, 2015 City Council
Page 77-89	D.	Board of Appeals and Equalization Meeting Minutes – April 15, 2015
Page 90-105	E.	Town Hall Meeting Minutes – April 23, 2015
Page 106	F.	Resolution 2015-26, Accepting Donation from Coon Lake Community Center
Page 107	G.	Resolution 2015-27, Declaring the 2004 F-550 Surplus Property
Page 108	H.	Resolution 2015-28, Declaring the 2003 F-150 Surplus Property
Page 109	I.	Approve Purchase of Light Duty Truck with Dump Box and Snowplow
Page 110	J.	Approve Purchase of Light Duty Pickup Truck with Snowplow

New Business

7:15 PM	6.0	Commission, Association and Task Force Reports
	A.	Planning Commission
Page 111-113	1.	April Planning Commission Report
	B.	Economic Development Authority
Page 114-115	1.	BR & E Task Force Appointment
	C.	Parks Commission
	D.	Road Commission
Page 116-121	1.	Street Capital CIP 2016-2020
Page 122-127	2.	April 14, 2015 Roads Commission Minutes
7:30 PM	7.0	Department Reports
	A.	Community Development
	B.	Engineer
	C.	City Attorney
	D.	Finance
	E.	Public Works
Page 128-131	1.	Amendment to Cemetery Policy
Page 132-135	2.	Coon Lake Invasive Species Treatment
	F.	Fire Department
	G.	City Administrator
Page 136-168	1.	Ice Arena Management Services Contract
Page 169-214	2.	Insurance Agent of Record

7:45 PM

8.0

Other

- A. Staff Report
- B. Council Reports
- C. Other

8:00 PM

9.0

Adjourn



City of East Bethel City Council Agenda Information

Date:

May 6, 2015

Agenda Item Number:

Item 5.0 A-J

Agenda Item:

Consent Agenda

Requested Action:

Consider approval of the Consent Agenda

Background Information:

Item A

Approve Bills

Item B

April 22, 2015 City Council Work Meeting Minutes

Meeting minutes from the April 22, 2015 City Council Work Meeting are attached for your review.

Item C

April 15, 2015 City Council Meeting Minutes

Meeting minutes from the April 15, 2015 City Council Meeting are attached for your review.

Item D

April 15, 2015 Board of Appeals and Equalization Meeting Minutes

Meeting minutes from the April 15, 2015 Board of Appeals and Equalization Meeting are attached for your review.

Item E

April 23, 2015 Town Hall Meeting Minutes

Meeting minutes from the April 23, 2015 Town Hall Meeting are attached for your review.

Item F

Res. 2015-26 Accepting Donation from the Coon Lake Beach Community Center

The City of East Bethel has received a donation of \$ 2,000.00 from The Coon Lake Community Center for the East Bethel Fire Department Heart Safe Program.

Item G

Res. 2015-27 Declaring the 2004 F-550 Surplus Property

The 2004 Ford F-550 light duty truck has outlived its useful life as a dependable vehicle for the City's maintenance needs. With increases in repairs, the cost to maintain the vehicle has

exceeded its value. After 11 years of snow plowing parking lots and cul-de-sacs, pulling trailers, hauling material it has reached the end of its useful service life. This is a scheduled replacement and budgeted for in the Equipment Replacement Fund.

Staff recommends adoption of Resolution 2015-27, Declaring the 2004 Ford F-550 Surplus Property and directing the vehicle be traded in on a replacement vehicle or sold at auction.

Item H

Res. 2015-28 Declaring the 2003 F-150 Surplus Property

The 2003 Ford F-150 light duty pickup truck has outlived its useful life as a dependable vehicle for the City's maintenance needs. With increases in repairs, the cost to maintain the vehicle has exceeded its value. After 12 years of service, including use as a building inspection vehicle and a public works utility truck, it has reached the end of its useful service life. This is a scheduled replacement and budgeted for in the Equipment Replacement Fund and was originally planned for replacement in 2014 but has been pushed back to extend the service life.

Staff recommends adoption of Resolution 2015-28, Declaring the 2003 Ford F-150 Surplus Property and directing the vehicle be traded in on a replacement vehicle or sold at auction.

Item I

Approve Purchase of Light Duty Truck with Dump Box and Snowplow

As part of the City's Equipment Replacement Program, the 2004 Ford F-550 light duty truck is scheduled for replacement in 2015. This is a regular replacement for this item. This piece of equipment has reached the stage in its service life where the maintenance costs are becoming excessive and are approaching the value of the truck. Due to higher maintenance costs, increased down time and lower productivity of this vehicle, City staff recommends that we replace the 2004 Ford F-550 light duty truck.

Staff has checked state contracts for light duty trucks with minimum specifications of a one ton frame, diesel engine, dual rear wheels and the ability to have a dump box and hoist mounted. This is consistent with the vehicle that will be replaced. Staff has reviewed the three options for the cab and chassis on state contract from the three major truck manufactures and has determined that the Ford F-450 provides the best value and the lowest cost. The following information provides pricing data for the cab and chassis portion of the replacement program.

1.5 ton Light Duty Trucks – Cab and Chassis

Model	Dealer	Cost
2016 Ford F-450	Midway Ford	\$41,055

Staff researched truck components on the state contract that included a 9' dump body with hoist and front snow plow. From a review of many different manufacturers, the quote provided by Aspen Equipment best fit the city's needs at the lowest price. The quote includes a 9 foot Henderson box with fold down sides, corrosion resistant bed material, strobe lights, and a Western snowplow.

Dump Body and Plow

Model	Dealer	Cost
Henderson and Western	Aspen Equipment	\$21,203

Funds for this acquisition are provided for in the Equipment Replacement Fund. Funding was budgeted at \$55,000 for replacement of the Ford F-550. The trade-in value of the 2004 Ford F-

550 has been quoted at only \$3,500 so staff will offer the truck up for auction on MnBID. The total purchase price of the completed truck after the trade-in would be \$62,258. All prices are directly from the State Contract for 2015-2016.

Staff recommends the purchase of the Ford F-450 from Midway Ford with box and plow equipment from Aspen Equipment for a total cost of \$62,258. This equipment will meet our current needs and provide a reliable snow plow and light duty truck with a projected service life of 12 years.

Item J

Approve Purchase of Light Duty Pickup Truck with Snowplow

As part of the City’s Equipment Replacement Program, the 2003 Ford F-150 light duty pickup truck is scheduled for replacement in 2015 after originally scheduled for replacement in 2014. This is a regular replacement for this item. This piece of equipment has reached the stage in its service life where the maintenance costs are becoming excessive and are approaching the value of the truck. Due to higher maintenance costs, increased down time and lower productivity of this vehicle, City staff recommends that we replace the 2003 Ford F-150 light duty pickup truck.

Staff has checked state contracts for light duty pickup trucks and reviewed the options from the three major truck manufacturers and has determined that the Ford F-350 provides the best value and the lowest cost. The larger suspension, engine and towing capacity of the F-350 model makes the vehicle a much more useful piece of equipment for the Public Works Department with the ability to pull a heavy trailer and plow snow at an increased cost of only \$2,700 over the F-150 option. Staff is also recommending the addition of a Western snowplow to help increase snowplow response times.

Model	Dealer	Cost
2016 F-350 Pickup Truck	Midway Ford	\$28,801
Western Snowplow	Aspen Equipment	<u>\$ 5,947</u>
Total Cost		\$34,748

Funds for this acquisition are provided for in the Equipment Replacement Fund. Funding was budgeted at \$30,000 for replacement of the Ford F-150. The trade-in value of the 2003 Ford F-150 has been quoted at only \$500 so staff will offer the truck for auction on MnBID. All prices are directly from the State Contract for 2015-2016.

Staff recommends the purchase of the Ford F-150 from Midway Ford with the snowplow from Aspen Equipment for a total cost of \$34,748. This equipment will improve our current snowplowing service and provide a reliable light duty pickup truck with a projected service life of 12 years.

Fiscal Impact:

As noted above.

Recommendation(s):

Staff recommends approval of the Consent Agenda as presented.



Payments for Council Approval May 6, 2015

Bills to be approved for payment	\$347,875.58
Electronic Bond Payments	\$11,669,552.66
Electronic Payroll Payments	\$27,971.21
Payroll - City Council - April 15, 2015	\$1,775.99
Payroll - Fire Department - April 15, 2015	\$7,559.60
Payroll - City Staff - April 23, 2015	\$32,297.85
Total to be Approved for Payment	\$12,087,032.89

City of East Bethel

May 6, 2015

Payment Summary

Dept Descr	Object Descr	Invoice	Check Name	Fund	Dept	Amount
Arena Operations	Electric Utilities	042115	Connexus Energy	615	49851	\$1,000.78
Arena Operations	Event Refund	042815	Jennifer Bragg	615		\$300.00
Arena Operations	Gas Utilities	453576219	Xcel Energy	615	49851	\$1,948.30
Arena Operations	Improvements Other Than Bldgs	042115	Arena Warehouse	615	49851	\$27,375.00
Arena Operations	Professional Services Fees	10009	Gibson's Management Company	615	49851	\$1,750.00
Arena Operations	Telephone	332373310-161	Sprint Nextel Communications	615	49851	\$24.07
Building Inspection	Telephone	332373310-161	Sprint Nextel Communications	101	42410	\$3.14
Central Services/Supplies	Filing Fees	2100080.001	Anoka County	101	48150	\$36.00
Central Services/Supplies	Information Systems	04 2015	Midcontinent Communications	101	48150	\$1,278.00
Central Services/Supplies	Legal Notices	206210	ECM Publishers, Inc.	101	48150	\$886.88
Central Services/Supplies	Legal Notices	206211	ECM Publishers, Inc.	101	48150	\$37.63
Central Services/Supplies	Office Equipment Rental	275982999	US Bank Equipment Finance	101	48150	\$269.50
Central Services/Supplies	Office Supplies	55711097	Hewlett-Packard Company	101	48150	\$662.00
Central Services/Supplies	Office Supplies	IN0768104	Innovative Office Solutions	101	48150	\$59.18
Central Services/Supplies	Office Supplies	IN0768105	Innovative Office Solutions	101	48150	\$14.59
Central Services/Supplies	Office Supplies	IN0770115	Innovative Office Solutions	101	48150	\$31.72
Central Services/Supplies	Office Supplies	IN0776072	Innovative Office Solutions	101	48150	\$40.32
Central Services/Supplies	Office Supplies	INV231773	Metro Sales Inc.	101	48150	\$60.50
Central Services/Supplies	Office Supplies	B03268566	SHI	101	48150	\$243.00
Central Services/Supplies	Telephone	040115	CenturyLink	101	48150	\$93.19
Central Services/Supplies	Telephone	12910415	Integra Telecom	101	48150	\$214.49
City Administration	Professional Services Fees	M21246	TimeSaver Off Site Secretarial	101	41320	\$389.00
City Administration	Telephone	332373310-161	Sprint Nextel Communications	101	41320	\$82.85
City Administration	Travel Expenses	042815	Jack Davis	101	41320	\$181.13
Elections	Repairs/Maint Machinery/Equip	2015-10	Anoka County Treasury Dept	101	41410	\$2,560.42
Fire Department	Bldgs/Facilities Repair/Maint	12911	Sowada and Barna	101	42210	\$182.00
Fire Department	Conferences/Meetings	578125	Century College	101	42210	\$1,388.00
Fire Department	Conferences/Meetings	578135	Century College	101	42210	\$375.00
Fire Department	Dues and Subscriptions	2015 Region 7	MN State Fire Dept Assn	101	42210	\$200.00
Fire Department	Electric Utilities	042115	Connexus Energy	101	42210	\$9.81
Fire Department	Electric Utilities	042115	Connexus Energy	101	42210	\$112.94
Fire Department	Electric Utilities	042115	Connexus Energy	101	42210	\$147.46
Fire Department	Electric Utilities	042115	Connexus Energy	101	42210	\$453.62
Fire Department	Gas Utilities	453576219	Xcel Energy	101	42210	\$1,135.00
Fire Department	General Operating Supplies	81640	Menards Cambridge	101	42210	\$257.18
Fire Department	General Operating Supplies	81827	Menards Cambridge	101	42210	\$215.09
Fire Department	General Operating Supplies	15-0413-A	Premier Specialties	101	42210	\$252.00
Fire Department	Office Supplies	IN0778523	Innovative Office Solutions	101	42210	\$193.75
Fire Department	Repairs/Maint Machinery/Equip	99131	Ready Watt Electric	101	42210	\$4,905.82
Fire Department	Small Tools and Minor Equip	4622	Kirvida Fire, Inc.	101	42210	\$865.37
Fire Department	Small Tools and Minor Equip	1539-359993	O'Reilly Auto Stores Inc.	101	42210	\$29.07
Fire Department	Software Licensing	4133	Active911 Inc.	101	42210	\$189.98
Fire Department	Telephone	040115	CenturyLink	101	42210	\$58.97
Fire Department	Telephone	040115	CenturyLink	101	42210	\$169.86
Fire Department	Telephone	040115	CenturyLink	101	42210	\$114.47
Fire Department	Telephone	040115	CenturyLink	101	42210	\$56.13
Fire Department	Telephone	12910415	Integra Telecom	101	42210	\$134.08

City of East Bethel

May 6, 2015

Payment Summary

Dept Descr	Object Descr	Invoice	Check Name	Fund	Dept	Amount
Fire Department	Telephone	332373310-161	Sprint Nextel Communications	101	42210	\$6.28
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	041615	East Bethel Senior Center	101	41940	\$593.56
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	455408-03-15	Premium Waters, Inc.	101	41940	\$32.45
General Govt Buildings/Plant	Electric Utilities	042115	Connexus Energy	101	41940	\$799.73
General Govt Buildings/Plant	Electric Utilities	042115	Connexus Energy	101	41940	\$146.59
General Govt Buildings/Plant	Electric Utilities	042115	Connexus Energy	101	41940	\$14.32
General Govt Buildings/Plant	Gas Utilities	453576219	Xcel Energy	101	41940	\$544.91
Mayor/City Council	Conferences/Meetings	042315	Carrie Frost	101	41110	\$24.62
Mayor/City Council	Office Supplies	042915	Tim Harrington	101	41110	\$28.92
Park Maintenance	Bldg/Facility Repair Supplies	514383	Ham Lake Hardware	101	43201	\$17.79
Park Maintenance	Bldg/Facility Repair Supplies	81923	Menards Cambridge	101	43201	\$12.48
Park Maintenance	Bldg/Facility Repair Supplies	82359	Menards Cambridge	101	43201	\$25.81
Park Maintenance	Chemicals and Chem Products	71409859	John Deere Landscapes	101	43201	\$23.54
Park Maintenance	Chemicals and Chem Products	7146140	John Deere Landscapes	101	43201	\$822.00
Park Maintenance	Clothing & Personal Equipment	1182838486	G&K Services - St. Paul	101	43201	\$19.00
Park Maintenance	Clothing & Personal Equipment	1182861244	G&K Services - St. Paul	101	43201	\$19.00
Park Maintenance	Electric Utilities	042115	Connexus Energy	101	43201	\$33.04
Park Maintenance	Electric Utilities	042115	Connexus Energy	101	43201	\$37.28
Park Maintenance	Electric Utilities	042115	Connexus Energy	101	43201	\$12.50
Park Maintenance	Electric Utilities	042115	Connexus Energy	101	43201	\$50.49
Park Maintenance	Electric Utilities	042115	Connexus Energy	101	43201	\$15.67
Park Maintenance	Electric Utilities	042115	Connexus Energy	101	43201	\$12.50
Park Maintenance	Electric Utilities	042115	Connexus Energy	101	43201	\$12.50
Park Maintenance	Equipment Parts	1012	Central Trailer Sales, Inc.	101	43201	\$27.98
Park Maintenance	Equipment Parts	516618	Ham Lake Hardware	101	43201	\$5.48
Park Maintenance	Equipment Parts	02-269375	Lano Equipment, Inc.	101	43201	\$56.37
Park Maintenance	Motor Vehicles Parts	1539-364865	O'Reilly Auto Stores Inc.	101	43201	\$9.48
Park Maintenance	Other Equipment Rentals	87161	Jimmy's Johnnys, Inc.	101	43201	\$70.00
Park Maintenance	Park/Landscaping Materials	19999	Bjorklund Companies, LLC	101	43201	\$1,482.40
Park Maintenance	Park/Landscaping Materials	15-0136	Rum River Tree Farm & Nursery	101	43201	\$240.95
Park Maintenance	Personnel Advertising	210515	ECM Publishers, Inc.	101	43201	\$144.00
Park Maintenance	Telephone	12910415	Integra Telecom	101	43201	\$49.15
Payroll	Insurance Premium	05 2015	Dearborn National Life Ins Co.	101		\$1,257.30
Payroll	Insurance Premium	5968252	Delta Dental	101		\$805.75
Payroll	Insurance Premium	05 2015	NCPERS Minnesota	101		\$144.00
Payroll	Insurance Premium	151070001987	PreferredOne	101		\$7,636.93
Payroll	Union Dues	04 2015	MN Public Employees Assn	101		\$429.00
Planning and Zoning	Filing Fees	2100598.003	Anoka County	101	41910	\$56.00
Planning and Zoning	Legal Notices	209793	ECM Publishers, Inc.	101	41910	\$53.75
Police	Professional Services Fees	S150407D	Anoka County Treasury Dept	101	42110	\$265,227.75
Recycling Operations	Electric Utilities	042115	Connexus Energy	226	43235	\$127.11
Recycling Operations	Gas Utilities	453576219	Xcel Energy	226	43235	\$139.92
Recycling Operations	Other Equipment Rentals	87161	Jimmy's Johnnys, Inc.	226	43235	\$70.00
Recycling Operations	Professional Services Fees	05 2015	Cedar East Bethel Lions	226	43235	\$1,200.00
Recycling Operations	Small Tools and Minor Equip	1539-364579	O'Reilly Auto Stores Inc.	226	43235	\$47.91
Sewer Operations	Electric Utilities	042115	Connexus Energy	602	49451	\$150.36
Sewer Operations	Electric Utilities	042115	Connexus Energy	602	49451	\$227.06

City of East Bethel

May 6, 2015

Payment Summary

Dept Descr	Object Descr	Invoice	Check Name	Fund	Dept	Amount
Sewer Operations	Electric Utilities	042115	Connexus Energy	602	49451	\$50.54
Street Maintenance	Bldg/Facility Repair Supplies	54562	Aker Doors, Inc.	101	43220	\$72.62
Street Maintenance	Bldgs/Facilities Repair/Maint	1182838486	G&K Services - St. Paul	101	43220	\$5.33
Street Maintenance	Bldgs/Facilities Repair/Maint	1182861244	G&K Services - St. Paul	101	43220	\$5.33
Street Maintenance	Bldgs/Facilities Repair/Maint	455408-03-15	Premium Waters, Inc.	101	43220	\$32.45
Street Maintenance	Clothing & Personal Equipment	1182838486	G&K Services - St. Paul	101	43220	\$17.96
Street Maintenance	Clothing & Personal Equipment	1182861244	G&K Services - St. Paul	101	43220	\$17.96
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$5.00
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$16.25
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$121.79
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$180.19
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$451.77
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$123.90
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$5.00
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$5.00
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$287.38
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$5.00
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$166.23
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$5.00
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$5.00
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$5.00
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$5.00
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$5.00
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$5.00
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$5.00
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$5.00
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$5.00
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$5.00
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$5.00
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$5.00
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$79.79
Street Maintenance	Electric Utilities	042115	Connexus Energy	101	43220	\$5.00
Street Maintenance	Equipment Parts	F-251190068	Allstate Peterbilt North	101	43220	\$144.69
Street Maintenance	Equipment Parts	AW042315-1	Emergency Automotive	101	43220	\$226.11
Street Maintenance	Equipment Parts	516349	Ham Lake Hardware	101	43220	\$27.76
Street Maintenance	Equipment Parts	5933	Hydraulics Plus & Consulting	101	43220	\$108.10
Street Maintenance	Equipment Parts	2152624	MacQueen Equipment, Inc.	101	43220	\$91.54
Street Maintenance	Equipment Parts	1539-364852	O'Reilly Auto Stores Inc.	101	43220	\$175.30
Street Maintenance	Equipment Parts	1539-364868	O'Reilly Auto Stores Inc.	101	43220	(\$18.00)
Street Maintenance	Equipment Parts	1539-365318	O'Reilly Auto Stores Inc.	101	43220	\$21.38
Street Maintenance	Equipment Parts	1-284901	Pioneer Rim & Wheel Co	101	43220	\$277.35
Street Maintenance	Equipment Parts	1-285589	Pioneer Rim & Wheel Co	101	43220	\$230.98
Street Maintenance	Equipment Parts	154564-IN	Zarnoth Brush Works, Inc.	101	43220	\$357.00
Street Maintenance	Equipment Parts	154566-IN	Zarnoth Brush Works, Inc.	101	43220	\$448.00
Street Maintenance	Gas Utilities	453576219	Xcel Energy	101	43220	\$541.19
Street Maintenance	Motor Vehicle Services (Lic d)	86859	Hayford Ford	101	43220	\$1,015.55
Street Maintenance	Motor Vehicles Parts	1539-363804	O'Reilly Auto Stores Inc.	101	43220	\$77.66
Street Maintenance	Office Supplies	IN0776072	Innovative Office Solutions	101	43220	\$23.64
Street Maintenance	Personnel Advertising	203751	ECM Publishers, Inc.	101	43220	\$64.50
Street Maintenance	Repairs/Maint Machinery/Equip	02-269282	Lano Equipment, Inc.	101	43220	\$990.92

City of East Bethel

May 6, 2015

Payment Summary

Dept Descr	Object Descr	Invoice	Check Name	Fund	Dept	Amount
Street Maintenance	Safety Supplies	9719989262	Grainger	101	43220	\$175.44
Street Maintenance	Shop Supplies	4144205	Kimball Midwest	101	43220	\$644.38
Street Maintenance	Shop Supplies	81350	Menards Cambridge	101	43220	\$15.96
Street Maintenance	Shop Supplies	81927	Menards Cambridge	101	43220	(\$15.96)
Street Maintenance	Shop Supplies	275191	S & S Industrial Supply	101	43220	\$13.21
Street Maintenance	Small Tools and Minor Equip	107339	Metro Products, Inc.	101	43220	\$71.33
Street Maintenance	Street Maint Materials	IN00008327	City of St. Paul	101	43220	\$297.52
Street Maintenance	Telephone	040115	CenturyLink	101	43220	\$69.40
Street Maintenance	Telephone	12910415	Integra Telecom	101	43220	\$49.15
Street Maintenance	Telephone	332373310-161	Sprint Nextel Communications	101	43220	\$69.71
Street Maintenance	Tires	150047684	Pomp's Tire Service, Inc.	101	43220	\$3,629.00
Water Utility Operations	Bldg/Facility Repair Supplies	3362	Larsco, Inc.	601	49401	\$252.00
Water Utility Operations	Bldgs/Facilities Repair/Maint	3356	Larsco, Inc.	601	49401	\$425.00
Water Utility Operations	Electric Utilities	042115	Connexus Energy	601	49401	\$847.64
Water Utility Operations	Electric Utilities	042115	Connexus Energy	601	49401	\$114.64
Water Utility Operations	Electric Utilities	042115	Connexus Energy	601	49401	\$178.22
Water Utility Operations	Gas Utilities	041615	CenterPoint Energy	601	49401	\$118.81
Water Utility Operations	Gas Utilities	041615	CenterPoint Energy	601	49401	\$95.57
Water Utility Operations	Telephone	040115	CenturyLink	601	49401	\$176.93
Water Utility Operations	Telephone	040115	CenturyLink	601	49401	\$71.94
Water Utility Operations	Telephone	040115	CenturyLink	601	49401	\$121.61
						\$347,875.58

City of East Bethel

May 6, 2015

Payment Summary

Dept Descr	Object Descr	Invoice	Check Name	Fund	Dept	Amount
Electronic Bond Payments						
US Bank	General Obligation Water Utility Revenue Bond Series 2010A (Recovery Zone Economic Development)					\$11,669,552.66
						\$11,669,552.66
Electronic Payroll Payments						
Payroll	PERA					\$5,948.32
Payroll	Federal Withholding					\$5,390.37
Payroll	Medicare Withholding					\$1,813.12
Payroll	FICA Tax Withholding					\$7,752.22
Payroll	State Withholding					\$2,195.72
Payroll	MSRS/HCSP					\$4,871.46
						\$27,971.21

EAST BETHEL CITY COUNCIL MEETING

APRIL 22, 2015

The East Bethel City Council met on April 22, 2015, at 6:00 p.m. for the City Council Work Meeting at City Hall.

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

ALSO PRESENT: Jack Davis, City Administrator

1.0 The April 22, 2015, City Council Work Meeting was called to order by Mayor Voss at 6:00
Call to Order p.m.

Voss stated we do have a time constraint tonight. Jack wants to get out by 8. Davis stated I've got that taken care of. Voss stated well, we're still going to get done by 8. Davis stated good. Koller stated that sounds good. Voss stated I've made plans. Ronning stated you're a good excuse. Davis responded thank you. Voss stated years ago, we always used to try to limit the Work Meetings to two hours.

2.0 **Harrington stated I'll make a motion to adopt the agenda. Koller stated I'll second.**
Adopt Voss stated any discussion? All in favor say aye?" **All in favor. Motion passes**
Agenda **unanimously.**

3.0 Davis presented the staff report, indicating at the last meeting, we presented the write-up
Ice Arena that you have. There were some questions, I think, that some people wanted to further
Management explore so that's what we're here tonight for this agenda item.

Services Voss stated we'll open the discussion. Koller stated I will be stepping outside for a minute,
Proposal until you're done with the item. Voss stated okay, we'll let you know when we're done.
Presentation

(At this point, Koller left the Council Chambers.)

Voss stated so Tom, you wanted to table this to a Work Meeting so I'll let you start the discussion.

Ronning stated during that first interview, I don't know if you had a chance to review any of it. Voss responded I watched it, yeah. Ronning stated okay. The girl, it was something to do with \$4,000 cost of the website. Harrington stated \$6,500. Ronning asked how much? Harrington repeated \$6,500 I think it was. She wanted a new website for \$6,500. Ronning stated and where that was allocated, if that's part of the managing cost, that puts it right in the ballpark, or very close. Mundle stated that was put into her marketing cost.

Harrington asked we've already got a website, right? For the Ice Arena? The City does? Davis stated no, the City does not. Gibson has one that they maintain. Of course, we have the City website too. That's one of the things. If we do that, I don't think we need another website. The City has one, you know. Gibson maintains theirs as part of their contract. To have another website devoted exclusive to the Ice Arena, I think, is a little bit of duplicity.

Mundle asked what would happen if Gibson was no longer the manager? Would that website stay with them? Or, revert back to East Bethel? Davis responded no, it's theirs. It is not the property of the City. Mundle stated okay.

Ronning stated my whole purpose and intent is so we know what we're, we know the details of what we're trying to accept or decline. Last year when we were going through this, there was an issue with Gibson. We didn't want him period and we cut the agreement from three years down to one year to give him a last chance. Am I mis-stating anything? Davis stated we didn't want to commit beyond one year so we could see what was in the market for this year. I won't go so far as to say we didn't want him but we still wanted to keep our options open in case there were other opportunities available.

Ronning stated there were 'no open arms' that's for sure. And, my recollection is we didn't want to commit longer than one year. They were all, the interested parties were asking for two-three years and Gibson acquiesced to one. The other one, that one from Texas or someplace? Davis stated they're actually based in Richmond, Virginia. That's their headquarters. Ronning stated Virginia, they said they couldn't do it but then after they lost they had said, 'Well, we can do that.'

Davis stated correct me if I'm wrong Tom, but I think one of the reasons was that we went with a one-year contract, is that the Youth Hockey Association had expressed some interest in putting together a management proposal. At the last minute, they had to withdraw themselves from consideration and we thought at that time that they may be able to resurrect their management structure and come back with another proposal. Also, too, was to give Gibson the opportunity to show if they'd made any improvements in a couple areas that we thought were critical.

Voss stated on the subject of comparison of the concerns that Council had a year ago over Gibson's services to now, and I don't know what those concerns were from last time, has there been improvement or not improvement. What were the, were there specific concerns? Davis stated the specific concerns were basically communication and website updates. Ronning stated answering telephones. Ron, for one must have called them on a regular basis. Most of the time, it seems, they wouldn't return a call. Just for general question. I don't want to put 'words in his mouth' but that's my recollection of what he said. They couldn't get through to them.

Harrington stated yeah, and then their website too wasn't working. Davis stated they were a little tardy in some of their updates and stuff. I've got their contract pulled up here. It's also in your packet. We've went over this today, again, to do a little bit of an evaluation and it's like a lot of other things. I think they have performed satisfactorily. There are areas that still need improvement but essentially, with all the bullet points they were required to meet contractually, they have met those. Could they improve their performance? They could. But as far as the contract goes, they have fulfilled the terms of their contract.

Voss stated but to the Council's concerns last year, has there been improvement on those items? Davis stated there have been. There's been a definite improvement in the performance of returning calls, receiving calls, and contacting people. Their website performance has improved. There were a few times this year where it wasn't updated, at least on a daily basis there was some lag times maybe in some of the information that they put out. But overall, their performance has improved this year from last year.

3.0
Ice Arena
Management
Services
Proposal
Presentation

Ronning asked is that saying much? Davis stated again, they met their contractual terms and I'll just leave it at that.

Voss stated I just want to get a measure of if that was sort of a mandate from Council last time. If they improved on the concerns that Council had. If that was reason to just keep it the one-year rather than three years. Davis stated that was part of it. The one-year thing was for two purposes: 1. To see what our options were in a year; and, 2. Also to give Gibson a chance that they had or could improve their performance.

Voss asked so there were multiple bidders last time? Ronning replied three. One pulled out and when it went to a one-year agreement/contract, the other one said they couldn't do it. But then they eventually said they would.

Ronning asked what's your recollection of the one-year contract? You were here with that Tim. Harrington stated I don't know, I just wasn't happy with the advertising. They never advertised anything. A couple times, I had to come here and ask Jack to call him and advertise certain things so people could see it on 65. Voss asked on the board? Harrington stated yeah, the board.

Davis stated again, on the board there are issues with the sign. Number one is we opted not to have the electrical problem repaired because it's going to cost about \$3,000. The reasons we did that is because you cannot read the sign from the road, only from the parking lot. The other issue with that sign is safety issues, getting up there you have to have ladders to get up there. One of the things that we need to look at moving forward is a better way to advertise events. You and I have talked. My recommendation would be to actually remove that existing sign that's there.

Voss asked how much did that reader board sign cost? Davis stated the reader sign we have at 22 and 65 was \$78,000 but, a lot of that involved the stonework. Voss stated it's not just the sign. Davis responded that's correct. And also, too, we went with the higher quality graphics on that board, which you wouldn't have to have just for displaying basic information.

Harrington stated yeah, because you were talking about something portable were somebody could pull in when you're done? Davis stated even at a minimum I'd look at getting just a little nice trailer sign where you could pull in and pull out if you wanted to, to advertise certain events. What we come up finally for signage is something we need to look at. The large display sign that we have there is just not functional. It was relocated when that service road was built and it was just set too far back from the road. There's issues too, there's also trying to change that sign. Most of the events are in the winter time and when you get up on that catwalk and it's slick, and you've got to get ladders up there. It's a safety issue. Again, there's electrical problems with that one. I don't know if you recall the old sign that we had at 22 and 65, we spent probably about \$12,000 to \$14,000 keeping that thing repaired over about a four-year period. Fortunately, the insurance covered most of it but they were all due to storm damage. So we had some storm damage on this other one and just elected to let it go for the time being since it wasn't a critical sign.

Ronning stated another comment on this one year, and this is my recollection so if anybody can comment to it, we didn't want to lock ourselves in to longer than one year. That's where I get the impression that we're giving them a last chance. Or, that's a lot of it.

3.0
Ice Arena
Management
Services
Proposal
Presentation

Voss asked you didn't want to lock in a one year with them? Or just one year in general? Ronning stated we asked him to go for a one-year agreement so we wouldn't be committed to a longer timeframe. My recollection of them, I'd have to go back to the minutes, is that we weren't happy with what he was doing.

Ronning noted in his self-assigned objectives for this past year, increase ice sales by minimum of 3% per year. Did we increase anything or hold our own? Davis stated ice sales probably, maybe, went down a couple thousand dollars. Ronning stated having an accessible staff with a clearly indicated manager onsite for both common days and major events. Did they manage that? Davis responded they did.

Ronning stated increase of advertising sales of more than 5% by year three. So, that's an unknown but was there any? Davis responded they worked out an agreement with St. Francis Youth Hockey Association for the ads and they were extremely disappointed in their performance too. We sold \$2,500 worth of ads.

Ronning asked who was disappointed with whose performance? Davis responded with the Youth Hockey Association's performance. One of the things we attempted to do is improve the communications between the management group and the users. So in order to, hopefully, benefit the Youth Hockey Association, we worked out an agreement with them where they would sell the ads. Once they reached \$2,000, which is the minimum stipulation in the contract, then the City would split the cost between the Youth Hockey Association and the City. So, we were told they had the potential to sell at least \$15,000 worth of ads but only sold \$2,500 worth.

Voss stated on that subject, because I've been involved in youth associations for 15 years, it's always, the various associations I've been in, that's always something we want to do and we've tried using one person to be a seller. We've tried all the board members to be sellers, and it is a difficult thing to do because it's very time intensive. And, the best way we found in Forest Lake was people have connections with people, is the way. They've got to know somebody to sell it. It's hard to go, it's like cold calling anything else. I'm not defending the Association, I'm just saying it is a difficult thing. The only one I've ever seen be very successful is Coon Rapids. All their little league fields are just plastered with ads and they get \$500 a sign a year. It's just crazy how they do it.

Davis stated again, I'm not being critical of the Youth Hockey Association because I know volunteer associations do have difficulties in getting things done. Sometimes they depend on certain people for schedules. Maybe these people have things come up in their lives that they can't do their commitments. But the potential is there and in order to have a successful ad campaign, you have to have people with contacts. Those people have to be local people. Hopefully, at some point in the next couple of years, we'd like to continue to have the Youth Hockey Association sell the ads. Gibson would be responsible, or whomever the manager would be, for the first \$2,000 regardless of their performance. But at some point, I think that we'll see better progress made along those lines. But this year, maybe it's the first year there wasn't a lot of success. Again, that wasn't Gibson's area of responsibility.

Voss stated with Forest Lake, they pretty much split 50/50 with the revenue. The City gets half and the association gets the other half. But, I won't get too much off subject.

Harrington asked do you know if they've got a lot of dry floor events in Forest Lake? Voss

stated they keep ice on, I think they only take ice off for a couple months in the summer. Because they have summer programs too. They have two sheets though. Their second sheet's under one of those tarp things. That's only seasonal. Then they have dry floor, which is mostly like in the spring, the lacrosse and baseball rents it out. This year, we didn't have to. The past two years we rented it out until May. But, they have shows in there too. Forest Lake is a little bit different because it's more of a city. They have a home show, a women's show, and stuff like that. But, it's not like convention center stuff. It's only a few times a year. It's tough to sell and they have the artificial grass they pull up and it's just a concrete floor. I don't think they take the boards out, which is limiting for dry floor if you don't take the boards out. But, their regular ice arena, I think it's almost year round. It might be year round.

Harrington stated I guess that's where, I don't know if I'd call it a problem, but I'd like. Voss stated but that's an insulated, heated place. That's a \$7 million building. Harrington stated I know the ice itself is our big money maker but a lot of the Ice Arena sits empty for what, four-five months over here? Mr. Gibson isn't really enthusiastic about doing dry floor. I know they're not going to make a lot of money but it would still be nice to see something coming in there.

Ronning asked did you have them, there was something about a gun show that was coming up. Harrington stated he usually puts it up like three days in advance and I came to Jack and said, 'Can you have them put it up?' He put it up two weeks early and there were guys there that said, 'I'm glad it came two weeks because if it had been three days they would have never come.' And, the place was full.

Davis stated some times with the gun show and other users, we have problems with them signing their contracts and we will not put an advertisement up until the contract is signed. In past years, it's sometimes been the day before, before they'd even do that and get their money in. Ronning stated there's not much you can do then. Davis agreed, stating no.

Voss stated the gun show and the other dry floor I used to remember all the time was the circus. That used to draw pretty good. Davis stated there hasn't been a circus here since I've been here. Voss stated it's probably been ten years. Davis agreed it's been a while. Again, the problem with dry floor events, is our location. We're just a little bit too far north to attract the big crowds. We're competing with Blaine. We've actually got a craft show that's going to be here the first weekend in May, which is the first time we've had one of those in a while. Is it by their ability to promote and sell this? Or, is it by accident? I don't know but we've had more dry floor events scheduled this year than we have probably in the last four or five years. Sometimes those things run in cycles but in order to have dry floor events, you have to have somebody that's going to promote it.

Davis stated keep in mind, too, our biggest obstacles for dry floor events, number one is location, number two is that building has essentially no heat or no air conditioning in the main portion of it. Also, it's a hockey arena so for things that need to have a certain décor, it may not be attractive for those purposes. But, really, you have May, June, July, and August that could be used for dry floor events. Currently we have a gun show that's booked, a craft show, we have a Lions garage sale booked, we have the East Bethel Beauty Pageant that's booked. Now the East Bethel Beauty Pageant likes to set up a couple weeks beforehand so they'll have a place to practice and stage. If we booked it out every weekend, that's something we'd have to try to accommodate. But, there's only about 10-12 weeks that you can really book for weekends. If you booked it for every weekend and

charged the rate that we do, which is \$600 a day, it would be \$14,000. To keep it busy during the week and be able to pay the insurance costs, we'd just about have to give the time away because most weekday users are going to be, I think, it was mentioned something like yogi classes or exercises classes, or certain camps. Those type users are not going to be able to pay what our general rates are. The question, I guess then is, is it more important to maximize the facility and have something going on there and break even or maybe not make anything? Or, is it more important to make some money off of it?

Davis stated, that building is an Ice Arena and that's what pays the bills. Dry floor events can help subsidize some of the rents we've received but I think the ice rentals are going to be 80%-90% of our revenues going into the future.

Voss stated I think it's like what you just said. The way I kind of look at it, just because all those constraints, reasons, I think the best we can look at that operation is, it's a hockey arena and anything else we do, dry floor, is a bonus. Ronning and Harrington both indicated agreement. Voss stated you can't count on it and just, I mean you put it in perspective in terms of what potential revenue we would have. You're not going to get anything during the week there. It's going to be a weekend thing. \$14,000 in the scheme of things, compared to the revenue in hockey, is not very big.

Ronning stated there are some things that seem like it would be relatively easy and promotable anyhow. Flea market, those things are packed everywhere. A farmer's market. Just simple things if you can start them. Davis stated we have done some investigations on farmer's markets. Most of them, though, want to be outside. One of the things that we've found out with farmer's markets is there's a lot of competition around. In order to get people that show up consistently, you have to have a good location for them and there are other places that are much more accessible and have other things around that draw more people. Not to say that it can't be done. I don't want to sound negative or pessimistic but there are things that can be done. I think as far as income goes, it's going to be marginal compared to what we derive from ice rentals.

Ronning stated when it comes to income, we don't discourage it. We go after every nickel we can get, pretty much, in the different areas. I agree, well almost agree, that the revenue comes from ice. Anything other than that is a bonus. There's another thing that comes to mind. Mike something-or-other, that guy with the goatee, gray hair, he's a snowmobile, antique snowmobiles. That's quite a group into that. That's a possible, maybe. And, we aren't the ones marketing the thing. Davis stated we've looked at that and, you know, people have expressed interest in it but they say, again our location discourages attracting a lot of people up here for those kinds of events. We've even checked with some of these adult hockey leagues and things like that, with the National Sport Center, about bringing some of that and everybody says it's too far to drive, nobody's going to come up here. Now, is that something you just accept and go with? Maybe not. Maybe it just takes somebody to push it a little bit more. But, it is a challenge to do anything there other than the ice rentals.

Ronning stated mine and everybody has an opinion. We're going to try to appeal to the local people. If you get somebody driving by, that's a plus. Maybe somebody from Isanti comes down here. But, yeah, I don't see people coming here for any particular thing if it isn't ice.

Mundle stated there was a Rave one year. Ronning stated pardon me? Mundle repeated

3.0
Ice Arena
Management
Services
Proposal
Presentation

there was a rave one year. That place was packed. Voss agreed that place was packed. Mundle stated they were parking in the ditches off 65. Ronning asked what do you call it? Mundle stated rave, a big dance party. Voss stated an all-night dance party. That thing was loud. I think we shook all the rust off that building. I don't know, who sponsored that? I can't remember who sponsored it. Mundle stated I don't know. Voss stated it wasn't that long ago. Mundle stated I want to say, 2001, 2002. Voss stated Fatboys was open when they did that. I remember that. And, you could hear that thing for miles. There were people over on Durant, because of the base, that said they could hear it.

Harrington stated whoever gets this contract, is there an out clause for us? Like 10 days or 30 days if something doesn't work out? Davis replied there's an out clause if they don't meet their performance standards as set forth in the contract and it can be voided.

Harrington asked after 10 days? Davis stated if you'll look in your attachments, it says *Default: The occurrence of any of the following will constitute default by the Contractor and, if not corrected within ten days after the City provides the Contractor notices of the default, will allow the City to terminate the Agreement: (1) failure to adequately perform or deliver required services; (2) failure to follow the specifications or standards established by the Agreement; (3) failure to perform or complete the services in a timely fashion as established by the City; (4) bankruptcy; (5) making a material misrepresentation; (6) persistently disregarding laws, ordinances, rules, regulations, or orders of any public authority having jurisdiction; (7) failure to satisfactorily perform this Agreement; or, (8) failure to perform any other material provision of this Agreement. The City may lawfully terminate the Agreement if, after providing the Contractor ten-days notice of the default, the Contractor does not correct the situation.*

Davis stated just like any other contract, you can terminate it for reasons of default. Voss stated I'd agree you'd have to be pretty hard pressed to cancel a contract like that in the middle. Because, the City's going to have to operate it then. There's no way we're going to be able to hire somebody right away. Ronning stated that and much of it's subjective rather than objective.

Voss stated well, it is but any party has the ability to cancel a contract. Davis stated it would have to be some rather egregious actions in order for us to be able to enforce it. Voss stated and then for us to consciously decide to cancel a contract because we'd, like I said, the City would have to operate it after that. There's no way we could bring someone in just like that. Certainly not in the middle of an ice season.

Ronning asked who puts the ice in, in September? Davis responded the management contractor. Gibson puts the ice in. Harrington asked and he takes it out in the fall too? Davis indicated in the affirmative. Harrington stated or in the spring, I should say, not the fall. He takes it out in the spring. Davis stated the end of February.

Davis stated I think the last thing that we want to do is run that facility again ourselves as a City. Voss stated I was here when we did that and it was challenging. Ronning stated that's an understatement, sounds like. Voss stated yeah, I think Terry Allen did most of it. Davis stated this is one of those activities that's better to outsource. Ronning agreed stating yeah.

Voss stated we're not voting on anything tonight but my view and my concern is, you know, we've got two parties that are interested in the contract. One we know and have

worked with for a few years and we've had issues and it sounds like every time we raise issues, there's at least marginal improvement on it. And so then is it worth switching? Changing 'horses' for a company that we don't have a track record with? That's not reason not to make a change but it seems to me that they don't have a lot of track record either on the operation of ice arenas.

Harrington stated I know but I like her enthusiasm. She's got a lot of enthusiasm. Voss stated and there's a lot to say for that, there's no doubt. Harrington agreed stating yeah.

Voss stated but I was telling Jack a story that, you know, when I was president of Soderville Baseball, we were having problems with the photographers, which is a big deal for a thousand kids that get their pictures every year. And, there was a photographer, kind of the same kind of thing, he hasn't done big associations before and he gave us a good deal and was very enthusiastic about it when we made that change. And, it wasn't too long after we got going that we realized that he was 'in over his head.' And, we had all kinds of issues and ended up going back. Now, we ended up getting a better product from the old vendor again, but it was a rough year. I took a lot of those 'shots' for kids not getting their photos taken and parents going, 'Oh, I've got a gap in my year of photos.' So, my point is there's risk in making that change and is this worth the risk?

Davis stated one other thing I'd like to point out, and of course, it's not locked in stone, but in their preliminary budget, we allocated \$79,000 for the management contract, which is what it is for the previous year. I think it would be extremely important that whomever we select be open to negotiating the contract and the price of their services.

Voss asked what are the two prices they propose right now? Davis answered Gibson's at \$83,000 and Victory is at \$94,000. But Victory's includes, I think, \$6,000 for a website. Voss stated Gibson's already providing a website. Harrington asked Gibson's at \$83,000? Davis responded yes.

Voss asked so it's basically apples-to-apples then in that respect, isn't it? Because, we'd want a website. Davis stated \$88,000 to \$83,000 is what it is. Voss asked if Victory didn't have a website? Davis replied correct. Voss asked but don't we want a website? Davis stated I feel we can negotiate Gibson's proposal down to a lower price because he had some money in there too for doing some improvements to the facility, which I don't want the management company doing improvements.

Voss stated on the subject of the website, that was the crux that they need a website for the Ice Arena, right? Ronning stated they should have. Davis stated I think, and this is something we'll have to determine, that this was a very, very high tech website. I mean \$6,000 for a website's quite expensive.

Ronning stated the comments she made was that the advantage there is that you'd own it. The City would own it, the website. Voss asked oh, they'd just set it up. Ronning replied yeah, pretty much. Essentially, they'd develop a website for us. Voss asked would Victory operate it for us? Davis answered yes. They would maintain it and update it. It would technically be the City's website. Voss stated oh, basically this \$6,000 is to establish the website. Davis stated that's correct.

Voss stated I just have this, and that's why I was asking what the concerns were last year, is for a few thousand dollars, actually, they're a few thousand dollars more, but trying to

consider how realistic it is to get more dry floor events. I know they're promising a lot more and they've got some good ideas. But, is that worth the investment, or the risk, of potentially getting more dry floors weighed against the fact that they haven't, correct me if I'm wrong, but they haven't operated any ice arenas before. Ronning stated I think that's correct. Mundle stated yeah.

Voss stated I didn't look all into her background but if they don't operate ice arenas, what do they normally do? Mundle stated I think they are just a consultant, management consultant. Ronning agreed that's quite a bit of it and I don't know the extent. Gibson hires somebody to manage it. Voss stated I understand but he does have experience. Ronning stated yes.

Mundle stated the way I see it is you have one company that manages ice but is not a promoter and the other company is a promoter but they have no experience managing ice. Ronning agreed that's pretty much it in a 'nutshell.'

Mundle stated yeah and Jack, did Gibson reach out and express possible interest in a partnership? Doing some sort of partnership with Victory? Davis stated he did. He called me and said they would be willing to partner up with them to work with them to do dry floor promotion.

Voss asked would Gibson work with Victory? Davis stated Gibson work with Victory and have them be able to do the dry floor promotion business on a commission basis. They would still prepare the building, clean everything, and do the set up like they're required to now. I said, 'Well, what about if they book it for every week in the summer.' And, he said, 'We'd still be there to do our responsibility because that's part of our contract.' So, that's something they would not be adverse to doing that if that was acceptable to both parties.

Voss stated we'd probably need to be careful about discussing something like that though. Davis stated yeah. Ronning asked did he offer that? Or, is that done some other way? Davis stated no he did but, again, that's something that I think should be a decision that he makes on how he chooses to do that. Voss stated we shouldn't let that sway our decision.

Harrington asked how does the St. Francis Youth Hockey, what do they have to say about Gibson? I mean I got that letter last week from the president and they sounded highly on Gibson, I don't know if you've heard anything negative from them? Davis stated they've had complaints and concerns about certain areas of operation just in the Arena. I'm not sure how many of them are based, you know we've encouraged them if there are any problems, sometimes I think there were issues that don't ever get reported to anyone except to us after the fact. I do know that the communications between the City and Gibson and the major users have been greatly improved.

Davis stated we rarely have any complaints from the High School group. Most of the complaints that we've gotten have been from the Youth Hockey Association. Granted there are going to be situations that arise that there's probably going to be issues but hopefully those can be reported and addressed immediately. You know, there were complaints about something about there wasn't any toilet paper in the restrooms for three or four days. Voss stated I heard that. Davis stated I do know that they inspect those restrooms daily and they clean them daily and if they do run out of toilet paper, then they need to report it to somebody because we don't have attendants that can be in the restrooms at all times. Are there issues? Yes, I'm sure there's certain issues but there's people on staff that they could

report that to them, they will take care of it. And, if they don't, then we'll handle it internally to make sure that they do.

Ronning stated I'm not finding the one thing I'm looking for. This Page 4 of hers and they've been out generating floor sales and have had interest from particular parties for a number of. Like you say, you've got to go out and chase that stuff and it's not something most of us want to do. She has something in there someplace that she has like ten signed letters of intent.

Voss asked did she provide those? Ronning stated who knows. Mundle stated I believe when she was interviewed, she stated 20 to 25 letters of intent and they were not provided to Council as far as I know. Jack, have you seen any? Davis responded no, no letters. Mundle stated I don't know if it was said in here that she had signed letters of intent, but I know it was said.

Ronning stated it boils down to we know what kind of performance one has and that's experience. We know what we think about them for the most part versus potential. Voss asked what happens if, say we go with Victory and say it doesn't work out? I think we've got history of having a hard time to find somebody to do it. And then, would Gibson be around? Or interested again after we don't renew his contract. You know.

Ronning stated at that meeting, among the questions I asked was, what if so and so came down with something, was unavailable, what would you do? 'We'd go hire somebody else.' Voss asked you mean Gibson if some of his folks? Ronning stated yeah, if it was a Zamboni driver or the guy he hires to manage. Gibson's going to count the money, that's pretty much what he's saying in his. He'll be the treasurer and he'll pay the other guys what he decides to pay them. But he said if they're not available, 'I'll go get someone else.'

Voss stated but I'm thinking about Gibson himself. Ronning stated he's not saying he's going to do it. He's saying he'll have someone else do it. Voss stated no, my point is if a year from now, for whatever reason, we want to switch again, are we even going to have the option to go back to Gibson? Is he going to stay in the same line of work? This is the only Arena he does, right? Davis stated correct.

Voss asked what did he do before? Was he at the sheets in Blaine? Davis stated he was at the Super Rink and that's show he got connected here. When the Super Rink decided not to exercise their contract, then he formed this company when the City went out and solicited proposals for rink management.

Davis stated in answer to your question Tom, Todd actually does come down here every year to supervise the installation of the ice. I think probably what he's talking about, if one of his regular employees leaves for whatever reason, they'll make sure they're replaced. He does come here annually to supervise the installation of the ice going in. His participation after that is more or less just a manager to take care of issues off site. When he comes up here we meet with him, generally, about once every four to six weeks during the season to go over any issues, problems, or things we need to discuss.

Voss asked is there any reason to have someone like him to actually be at the arena? Davis responded no as long as he has somebody responsible and the last two people he's had have been pretty good. The Youth Hockey Association's been very pleased with the last two managers, Derik Orman and Jon Barry. They've both worked well with the public so there

3.0

haven't been any issues over those people.

Ice Arena

Management

Services

Proposal

Presentation

Ronning stated the point of asking the question about if they were unavailable is, 'Well, we'll just get someone else.' It's not like you'd be without the ability to run an Ice Arena if all they have to do is get someone else. Voss stated no but Gibson's the business, basically. He's the owner of the business and if we were to get someone else, then it's almost back to us operating it again whether we hire someone to do the ice, somebody in the City is going to have to manage it. Is that what you're saying? Maybe I'm misunderstanding you.

Davis stated I think that would probably be true for whomever is running it, is if their Zamboni operator or even their daily manager left, what would you do? You'd replace them. Ronning stated but part of the questioning, he wouldn't have any trouble replacing. Voss stated Gibson wouldn't have any trouble. I'm worried about Gibson not being around. Harrington stated it isn't going to happen with Victory. Voss stated yeah, I mean he may go get a different job or something different right? And, he's not going to do this again. Harrington stated yeah.

Ronning stated it's too bad Ron can't comment more. He's the one that really got upset with, well I probably have to say with (*inaudible*) too. Voss stated when I was on Council before, we had discussions about Gibson and the issues. I was having hockey parents calling me about the heat, about the bathroom issues, about the cleanliness. I didn't hear any, nothing like that this season at least.

Davis stated let me just say something about the cleanliness. That's always going to be a complaint because the facility is cleaned every day before it opens but then when you have two or three games and three or four hours worth of practices, they don't go in there and clean up every hour. They wait until the end of the day to clean up. So, if there's issues with the restroom being dirty. If it can be reported, they'll supposedly take care of it. If there's stuff in the bleachers that need to be taken care of, if it's reported supposedly they'll take care of it. You know, with small staff it's always going to be a complaint with some people. Again, we're not operating with, this isn't the Excel Center. This is the East Bethel Ice Arena.

Voss stated we've been discussing for 45 minutes. We should get to the other items. Is there anything else you want to discuss or debate on this agenda item? This will be on the next Council agenda then. Davis stated if that's the direction. Voss asked do we all agree to have it on Council agenda? The Councilmembers indicated in the affirmative. Ronning stated we didn't 'beat it to death' but it's not far from it. Voss stated I think it's something we'll always have to debate.

(At this point, Koller returned to the Council dais.)

4.0

Rental**Ordinance**

Davis stated at the last Council meeting, this was presented. There were some questions regarding the draft rental ordinance that was presented for your consideration. Hopefully those issues have been addressed with the submittal that's in your packet. The major changes or additions were a little more specific in regard to standards of inspection, a few changes in definition, and some reduction in the conduct section of this ordinance. The changes you have, if you'll look on your laptops or I-pads, are in red as far as the additions and changes.

4.0

Davis stated we did define 'dwelling unit' a little more specifically. We eliminated the

contract for deed section that you requested. We also referenced the standards upon which inspections would be made and we included kind of a sample inspection form that would be used for those facilities that fall under this ordinance. Also, just for your information, included an article of the *Isanti News* that Cambridge is on the verge of passing a rental ordinance after having failed to pass one on about three different occasions. A big push for them, though, was the result of the fire that they had here about a month or so ago that involved some vacated rental units. So, they are getting ready to adopt one. I just thought it was kind of interesting.

Voss asked why don't we break this discussion into two pieces because there's kind of two pieces, the ordinance, and the inspection form. I've got more concerns on the inspection form. In terms of the ordinance language that staff has proposed, any questions or concerns?

Ronning asked what was that again? Voss stated the ordinance portion. Ronning asked what pattern is this from? Davis stated this was something that we tried to make as simple as possible and yet address our basic concerns. A good starting point, you know, we looked at several back last summer. We looked at an ordinance from Isanti, from St. Francis, and from Blaine. All those were fairly detailed. We looked at one from Cambridge that was relatively simple. In fact, I think it was about a page and a half. And, we tried to combine all those and yet keep it specific to us so we'd have some way of requiring renters to obtain a license and have an inspection of their rental property before it was rented out. Voss stated landlords get a license. Davis stated correct. Voss stated you said renters.

Ronning stated this article was really helpful in the number of, this fire marshal kind of puts it in real simple terms, *'When I discussed this rental ordinance, I always say they don't have to live in the Taj Mahal but they have to live in a safe place. I've visited some places I wouldn't want to live in but they are safe. Our goal is to make sure they are living in a safe place.'* There's some things, there are laws, there's the County agency to take care of conduct, disorderly conduct and things and safety things as well. The thing that I'm looking for out of this is that people have a safe place to live in. If you make it too much, I wonder if we'll get, what kind of participation we'll get.

Voss stated that's why I wanted to talk about the inspection list. Ronning stated and the penalties, no license shall be issued or renewed for a non-resident owner...blah, blah, blah...who's, something to do with. Oh, I'm on the wrong page. Section 11 on Page 3. The suspension and then they can't get back in for a year or something. It should be tied to fixing things.

Voss stated you can't suspend because you're shutting down a business. Ronning agreed. Voss stated I think this probably would open us up to lawsuits. Ronning stated that whole Section 10. Voss stated and it's not going to help anything because then the landowner's got no revenue to make improvements.

Voss asked what's the purpose of the non-resident owner. No license shall be issued for non-resident unless they have...basically somebody in, well it doesn't even say it's in the City. If they live in Ham Lake? Davis stated a lot these ordinances address that to discourage absentee landlords. Voss stated I understand. Davis explained what this says if you have a management representative, you could still go ahead and get a license.

and denial, there probably should be something prefacing that. That is the last step. The first step is like you said, it's to work with people to get them to fix things and to get them to repair things and have them come into compliance.

Ronning stated to me it should be tied to the Building Code violations and instead of penalizing somebody for a year or something, until the noted Building Code violations have been corrected and inspected. But to, somebody's conduct, that's awful subjective.

Voss stated I wonder if you can really even prevent or not issue a license. Because I'm in the subject matter, I just kind of read the stories about the City of Minneapolis and some of the, I mean they've got landlords that own hundreds and hundreds of houses and stuff, which they have huge problems with. But, they haven't been able to stop the landlords. If the City of Minneapolis with legal staff of 50 can't stop one person from being a landlord, how are we going to do it? But if it's a deterrent thing, then.

Ronning stated we're encouraging business from the outside, or wherever. You've got to hire a middleman to put the name on the paper. Voss stated that's my point. I own two rentals and if I lived one mile farther south, I'd be in Ham Lake or Columbus. Does that make me any less of a landlord just because I'm another mile farther away? I can understand if someone's in Texas or some other State.

Davis asked does it not say in here, I think it generally lists that if you live in adjacent counties, like in the Metro? Originally, it stated if you lived in the City or in one of the adjacent metro counties. Voss stated okay, I misunderstood. I thought it said the City. Davis stated it may have originally, it did reference and it did define a geographical area.

Voss read from Page 2, *'No license shall be issued for a non-resident owner unless they have an agent.'* It doesn't define non-resident so I'm assuming when it say non-resident. At the end it says, *'City Inspector requirement may be waived if not living in the counties.'* But, it doesn't say the counties. So, it may be waived. It's a subjective action by the City to waive it.

Koller stated again, what do they mean by 'non-resident?' Voss stated that's what I mean. I assume that meant East Bethel. Koller stated it could mean Minnesota resident. Voss stated we need to specify that. Koller stated it could mean County resident, State resident. Voss stated I bet half of our rentals are owned by people who don't live in the City of East Bethel. Koller agreed and stated I imagine so.

Voss stated with the bank ones, they hire companies to manage it. Think about all the ones that's advertising all the time. Mundle asked Renter's Warehouse? Voss stated yes, Renter's Warehouse. I know they do a lot of business. Now you can call that a management company, I guess.

Koller stated I know my brother has rental houses in Woodbury and he lives up in Alexandria but his son lives right in Woodbury so any problems, his son will take over. But according to this, that's not allowed. Voss stated I live 1,000 feet and across the street from my other one and I might as well be living 100 miles away because I don't have that many issues with them. If there's an issue, I'm there right away.

levels or something. Bare electrical, we want a safe place.

Davis stated I think what we're trying to accomplish is what you read from what that Fire Marshal stated. I think this problem's been exacerbated in the last five or six years. I think prior to that you didn't have nearly this many issues. I've seen instances on three different occasions over the last year of properties that were extremely substandard. They were not safe. They were unhealthy. They had issues ranging from mold on the walls that the owners had covered up with paint to drainage issues to electrical issues to no handrails. And, these were three different owners. I think what you're trying to do is make sure that whoever rents a property, at least is a safe place that meets minimum standards as far as smoke detectors, egress windows, so if there's a fire you can get out. Just the basic protections that you'd normally assume would be in any house for safety. It's not like you say to make it a Taj Mahal but to make it a safe place to live.

Voss stated that's the one comment I have on the ordinance, on the regular part of it, the intent to expound on that a little better. Maybe less technical by saying that our objective is to help our residents be provided with a safe place to live. Ronning stated structurally sound place to rent. Voss stated and say it that way rather than saying how we're going to inspect things and all that kind of stuff. Our intent is for these residents to have a safe place to live. So, I would just expand that a little bit more. In the intent right away in the last sentence: *'Septic tanks must be pumped every three years.'* That doesn't do anything for safety of the house unless it fails. So, it's getting too technical in here at the same time about why is there a discussion of septic system in the intent. It almost should be like a mission statement. If someone asked here why are we doing this, we're not going to say because it has a septic system and we're going to make sure it gets pumped. That's not really what we're doing here.

Koller stated basically you want the house to meet all the Building Codes and Safety Codes. Ronning stated yeah. Voss stated yeah but it is the safety, the basic safety stuff. That would be my suggestion just to kind of build on that a little bit. And, I don't have verbiage for you.

Ronning asked where does it say the thing about the person doesn't want to sign the complaint and other things nothing gets done? Harrington stated Page 4, No Retaliation. Voss stated so the No Retaliation part?

Harrington stated I've got a question for my own curiosity. Our Building Inspector will do the inspections. I see Cambridge has their Fire Marshal. Is there a reason why? Or, don't they have a Building Inspector in Cambridge? Davis stated they have a Building Inspector. I'm not sure you could designate either one. I think you'd probably want the Building Official to do the inspections here. The Fire Marshal or the Fire Chief might be involved; however, our Building Official and Fire Chief work hand-in-hand on a lot of inspections. Especially those things that relate to fire. There's some difference between the Building Codes and the Fire Codes. Some cases where you have that situation then you'd want both of them.

Voss stated not to belittle the Fire Marshal, what they do, but I think the Building Inspector would probably cover the basis fire issues. Harrington stated smoke detectors, CO monitors, egress windows, stuff like that. Davis stated those things are covered in Code. Generally, the Fire Chief is going to be more involved with things that are on the commercial scale. But Mark does assist us in a lot of these other projects too. He lends his

expertise when we ask him to.

Ronning stated the buy in, the Cambridge article came from Pine City. Harrington stated yeah, the Fire Marshal. That's why I asked why their Fire Marshal's doing the inspections. Ronning stated if fire was involved in this thing, maybe that's, who knows. Davis stated he was involved in the Pine City ordinance. There was a death up there as a result of somebody that died in a fire where they didn't have proper smoke alarms and things of that nature. I think that's why he's mentioned in that article.

Voss asked can we talk about the inspection list? We do inspections now for home sales. Correct? When there is a home sale the City's got to inspect the house? Davis answered no. Voss stated I thought we had that, made that change. Davis replied no. Ronning stated that's the buyer's responsibility. Voss stated some cities have a requirement that the city inspector has to inspect the house on all sales.

Voss stated this is an extensive list. Davis stated it really is and this is just put in there as an example and I told them that it has to be cut down. Voss asked like ceiling height? What are we ever going to do about ceiling height? Davis stated you're not, that's a structural issue and it's going to remain.

Voss stated right when you build something you worry about ceiling height or size of windows. I understand the egress part of it, which can be bedrooms and which can't be bedrooms. But ceiling height? When I saw that, it's like, wow.

Koller stated that's getting a little. Voss stated yeah. And water flow, the size of your pipes. What are you ever going to do about it? I've got one-quarter inch pipe in my house. What am I ever going to do? I'm not going to re-pipe the house.

Mundle stated one place that the ceiling height, you still couldn't do anything about it, is it could be applicable at finishing off old basements where they didn't have a full basement. They used to have like a 12 course and they did a 10 course so when you go to finish it off, you can't hide anything in the floor trusses. Voss stated right but that's a building thing, whether someone can rent it or not.

Mundle stated if that room qualifies as a bedroom. See, you have to have ceiling height. Voss stated I can see that and I can see the egress windows. Yeah. Ronning stated that's the main item. Voss stated for a bedroom and what should be a laundry room kind of thing.

Mundle stated still there's not a whole lot the Building Inspector could do at the point when he inspects it, but it could make notes. Voss stated it's almost like, you know, my one house I technically advertise it as a 5-bedroom house, I could. They all have egress windows but if somebody didn't have the egress windows and advertised for five and we did this and the Inspector goes in and says you can't have five bedrooms in this house. This room cannot be used as a bedroom. So, you can't advertise it as that. I can see trying to control that. Now, it comes down to it, you know and you're not going to control your renters either. If they want to bring in people that want to live there.

Koller stated an egress window you can put in a house but if the ceiling isn't high enough. Voss stated right, what are you going to do? But, if they want to use it as a bedroom, as long as they don't advertise it as two bedrooms down here. But if it doesn't meet Code, I can't advertise it as two bedrooms. Mundle agreed you're not supposed to.

Ronning stated my experience, if you have a house that's during or before the late 70s to the mid-80s, they'll all have 10 course ceilings, pretty much. Now you have 15-16 steps on the regular tall ceilings. But, that's with trusses instead of joists too.

Voss stated I'd rather start this, in the terms of this list at least, start out a little bit smaller and then find out what things we want to add later on. Mundle suggested just cover the basic issues. Voss stated yeah, it's safety things. Plumbing fixtures isn't a safety thing.

Koller stated it's handrails, smoke detectors, fire extinguishers, egress windows. Voss added locks on doors, windows that open. Decks are huge, that's one thing that's always neglected. Decks on rental houses. Are they safe. The COs and the fire monitors and fireplaces.

Ronning asked evidence of dampness? Voss stated that's what leads to mold. Mundle stated if it's constant. Voss stated if there's bathrooms that aren't vented, it should be vented. That's something the landlord could fix. Ronning stated that's a Code issue. Voss stated only when you go to build or remodel. It's not Code if it's an existing house. That's kind of my point, existing versus new. This is kind of crossing the line.

Ronning stated if you remodel or something, you have to have a window, an outside window or a fan. Voss stated if you remodel, yeah. Ronning stated yeah, if you change it or build it. Voss stated but if it's something that's already existing that you want to rent, you shouldn't be forced to. Now, bathroom vent, to me, makes sense. Ronning stated that goes back to the Code. They should be Building Code driven. Voss stated you can't go into an existing house and say you don't have this, you have to do it. Ronning agreed.

Voss stated if you're going to do remodeling and they go through their, like when I remodeled the one place, I had to put in a wired-in smoke detector. It's by Code now. But only because I'm remodeling. My other house didn't need it because I wasn't remodeling. Ronning stated that's because it was Code.

Voss stated to me, safety's one thing and another big advantage of this is it gets our Building Inspectors into these houses that they're trying to use as rentals because just to see what these landlords do illegally in terms of interior remodeling. When I remodeled the one I did, I had Nick out there a few times to make sure I did everything right. I could see, well we know of one, right? That's done it and now we'll be dealing with that one for a while. That's all right. I don't want to dominate the discussion just because I have two rental properties.

Davis stated from what I see, why don't we schedule this for our next Work Meeting and we'll revamp this with these considerations in mind and bring it back then for discussion and proceed from that point.

Voss asked do we need another Work Meeting? I think it's ready to go to Council, just with some changes. Koller stated at the Council meeting we could probably, if we find anything, we could just correct it then. Voss stated I think it's good to have discussion at Council too because it will be on the agenda and there might be others in the public that will be interested in it. I don't think we need to have a real long discussion at Council on it. And, if we don't pass it, we don't pass it.

Ronning stated in my opinion, consensus or no, it should be safety driven not conduct and things like that. Safety driven place to live and the enforcement rules are the Building Code. Koller indicated his agreement.

Voss stated I think I agree with that but you're not suggesting that they go and make the building compliant with the current Building Code. You're saying whatever we want changed has to be within the Code.

Voss stated I'll say the landlord, one who really tries to do everything right, I'd like to have other landlords come up close to a standard. Because some of this stuff we see just gives us a bad name.

Ronning asked what's the one on Viking? Had exposed electrical wires and things? Voss stated yeah, that's one we're still dealing with. Davis stated that's one of them and there were a couple other properties. One down at Coon Lake that had some real, real issues as far as mold issues. Two of those down there that was a huge problem with two of those rental properties.

Voss stated one of my neighbors on East Front, his next-door house has been a rental property for as long as I've lived there. For 20 years and you wouldn't tell. Man, that house looks so nice. I keep my properties up too but I know we're not the norm.

Ronning asked so what's your impression of what should come back? Davis stated well I think you've enumerated and hit on the key points. It should be safety driven. There's a few more things that we can be a little more specific to. The inspection checklist is just a draft. It's more like a menu of what do we want on there and what do we not want on there. We'll whittle that down to addressing safety issues only. The things you pointed out like the ceiling heights or the size of certain water lines, things that are in there that are not detrimental to life and safety of our residents will be eliminate. I agree with everything that's said here that those are the key things. We don't want to make this overly complicated nor do we want to make it overly punitive either. I want to do something too with that section that said about revocation of license and things like that. Our first goal is to work with people to get things corrected. If those things can't be done then there's a final solution that can be simplified also.

Ronning stated with Section 10, it would be interesting to hear what anyone else thinks. Conduct on Licensed Premises. To one person that means your dog pissed on my yard for the last damn time. I'm going to do a compliant. Now I don't know if the complaint has to come from the renter, it should. But, conduct is too subjective and there's the Sheriff's Department to enforce conduct. We aren't 'conduct cops.' Like you say, that suspension/revocation is penalty driven.

Voss stated I know we've had these issues in the past. Part of it is there's certain things landlords can do and certain things that relates to the renter. I know I have in my leases, I have it they can't have any guns, they can't do anything illegal, they can't have drugs, all that stuff. It's all grounds for kicking them out. I don't know if the City wants to get into that. Ronning stated that's part of the conduct stuff. It should be. Voss stated I can't stop them from having parties or being loud. I can't do that. I don't have to renew their lease if it's become a problem.

stated pardon? Mundle stated as far as definitions of 'conduct,' what is conduct. In the last sentence, it says, '*as regulated under Minnesota Statutes.*' So, isn't there a definition of essentially what's allowed and what's not?

Ronning stated to me this is an enforcement thing. Voss stated it shouldn't be different for a renter to homeowner then. Ronning stated yeah. Voss stated it shouldn't be any different. Davis stated I agree it should be up to the renter to determine what they permit within their dwellings and then if that's exceeded, then it's the jurisdiction or responsibility of our local law enforcement officials if they're creating additional problems to deal with that. Conduct is not something that probably should be exclusively, or extensively dealt with in this ordinance.

Voss stated I'll tell you one of the hardest things, luckily 'knock on wood' I haven't had that problem yet, but the hardest thing to do is to evict tenants. It's the hardest thing in the world. Ronning stated that's what I thought. Voss stated and it's expensive. I try to do a good job to make sure I get the right people to start with. But, that doesn't always happen.

Ronning stated when you have conduct issues, that's again a subjective thing. The Sheriff knows what's reasonable conduct and what isn't. Voss stated if they get cited, if there's a history of arrests on a property. Ronning stated this being what it is, it doesn't have to get anywhere near that far. If somebody's barking dog or, it's too subjective.

Voss stated I guess my suggestion is just to have staff bring it to Council rather than a Work Meeting. Koller stated that would be okay. Voss stated so it will be Jack's challenge to get it right. Ronning stated then too, that suspension/revocation that should be to repair things and not to take somebody out of business. Voss stated they're going to try to work on that.

Koller stated as long as they're fixing what's wrong, we don't really need to punish them. Voss stated I think like Jack said, at that point we probably already had discussions with them a few times to correct things.

Ronning stated and you want to make this something that, like yourself as an owner or somebody else as an owner, can sign up too as well. Voss stated let me put it this way. I'm a landlord and I want this thing. Ronning stated well, you've taken care of it really well. That's a lot of forward thinking. Voss stated I just want to see people in other places they have, I don't want people living in those conditions.

Ronning stated the thing with guns and drugs and that sort of thing. Voss stated I won't let people smoke in my houses. All right, we done with this?

5.0
MCES
Wastewater
Service Agr.
5.0
MCES
Wastewater
Service Agr.

Davis presented the staff report, indicating the City of East Bethel entered into a Wastewater Service Agreement with Met Council on November 3, 2010. The terms of the Agreement specify the means that Met Council will recover their costs and interest for the project infrastructure for the East Bethel Municipal Utilities Project. The process for repayment involves three components:

1. MET Council SAC payments;
2. Reserve Capacity Loan Program; and,
3. 100% of Flow Charges.

Theoretically, new growth and the SAC charges would pay all the costs due Met Council. However, the 2009-2010 recession and the land use capacity of developable land within the

Highway 65 Corridor render the SAC goals required to generate the revenues unrealistic and unachievable at this point.

Due to these factors and the need to have a reasonable Agreement for the City's debt obligation, Staff requested that the Wastewater Services Agreement be amended to reflect the current conditions that affect our ability to produce the revenues required for the project amortization. There were two meetings with Pat Born, the Met Council Regional Administrator, in January and in July 2014 that formed the framework for direction of these discussions.

As a result of these meetings, Jason Willet, the MCES Finance Director, and a committee of Metro Cities members were assigned to meet with City staff to attempt to reach a new Waste Water Services Agreement agreement.

City staff met with the Jason Willet, Dan Schueller and Bryce Pickart with Met Council and a committee from Metro Cities, comprised of Executive Director Patty Nauman, Dan Roe (Mayor City of Roseville), Jim Dickenson (Andover City Administrator), Bruce Beese (City of St. Paul Public Works Director), Ron Hedberg (Apple Valley Finance Director), Jason Zeimer (North St. Paul City Administrator), and Sue Viernig (Golden Valley Finance Director). Meetings were held in November and December of 2014 and in January, February, and March of 2015. There was general consensus that the agreement in place was not workable nor had the potential to achieve the growth goals required to amortize the City's debt to Met Council.

While both the MCES and Metro Cities acknowledged the problem and were sympathetic with our issues, they were reluctant recommending any modifications that may set a precedence and/or increase the rates of the other 107 sewer users within the Met Council service area.

The City's position during these discussions was as follows:

- Modify or amend the terms of the Reserve Capacity Loan Program to eliminate the interest charges. The City acknowledges responsibilities to pay SAC charges due Met Council for new connections but requests that Met Council accept payment as these connection are received and eliminate the schedule that establishes annual goals and accumulated interest whenever these goals are not met.
- That our SAC goals be restructured to a more realistic number
 - Reduce our SAC rates to equal those of other Metro Cities and keep the increase in SAC rates comparable to the urban rate.
 - Eliminate our flow surcharges.
- Remove the demonstration costs of the project from East Bethel's obligations
- Exclude further plant expansion costs from any calculations relating to the Reserve Capacity Loan.

5.0
MCES
Wastewater
Service Agr.

All of our concerns received consideration and were seriously considered and thoroughly examined. To a person on the work group, there was no opposition to our request for modification of the Agreement. The group's dilemma was how to propose changes in the Agreement that wouldn't affect their rates or require changes outside their SAC and flow charges that may have other impacts on their cities.

At this point the discussions has produced the following:

- The group agrees that the project's demonstration cost of approximately \$8.5 million should be removed from East Bethel's portion of the debt obligation;
- With the removal of the demonstration costs, our remaining debt would be reduced from \$23.9 million to \$15.4 million;
- The SAC rate would increase \$100 per year over the current charge of \$2,850;
- The Reserve Capacity Loan would remain in place except that it would be capped at \$2 million at which point a re-negotiation would occur; and,
- Expansion costs of the sewer plant from the Reserve Capacity Loan would not be factored in and would be addressed as a separate issue if and when the need for expansion occurs.

While this proposal is better than our current Agreement, it is a retreat from previous discussion points, which expressed an interest in eliminating the Reserve Capacity Loan and reducing the SAC goals from 5,500 to 2,280. Our concern with the Met Council for modification is that it only postpones the issue of addressing the Reserve Capacity Loan. We would prefer to solve the matter at this point and not have to invest additional time to resolve this problem in the next five to seven years. However, this is more than likely our best offer at this time as further concessions by the Met Council would require amendments to their Regional Water Resources Plan and changes to existing Agreements that are in place with Elko-New Market.

Davis stated currently, I have up on the screen a summary of the basic proposals that were discussed and where we are with this. Voss stated the one box is basically empty. The first one, Reserve Capacity Loan for Existing. What's that number? Davis explained it's as attached. It should be Attachment 3. Voss stated it's not attached with the attachment. Voss asked of the packet? Davis stated yeah. Voss stated okay, that's the problem, I'm looking in the wrong spot. Davis stated it should be this one right here.

Ronning asked whose proposal is that also? Davis asked which proposal? Ronning stated this one. Davis stated the first column is our existing Agreement. I left a handout on your desk with a correction on it. The existing Agreement has the Reserve Capacity Loan Program, which is this sheet in your packet, which says each year we have to meet certain SAC goals and if we don't meet those SAC goals, then the cost of those SAC units is added into a loan and it's carried over year to year. Interest is paid on that loan.

Davis explained in the best case scenario, we'd meet our SAC goals and not owe Met Council anything. In the worst case scenario, if there were no connections, which we understand and realize that there will be connections, we would owe Met Council approximately \$40 million at the end of 2040. What our contention is, is that we acknowledge that we owe Met Council the money but we object to having to pay interest on this. So, what we have proposed in the center of our discussions all along was to eliminate the Reserve Capacity Loan Program.

5.0
MCES
Wastewater
Service Agr.

Davis stated the current SAC goals under this Program in order to meet our obligations would be 5,500. The current SAC rate under this existing Agreement, in 2015 we're paying \$2,850 to Met Council for each connection. This increases annually at 4.9% and at the end of 2032, this rate would be \$6,330. The demonstration costs factored into this are \$8.5 million. The cost for expansion, should expansion need to occur, are \$14 million. According to the current agreement, whatever flows are, we pay the urban rate but we also pay that in addition as a means to amortize our debt. So whatever our flows are, we

actually pay double the charge.

Davis stated the current investment that Met Council has in facilities here is \$30 million. Going into this, our proposal was to eliminate the Reserve Capacity Loan Program and just pay SAC rates as we receive the connection fees; to eliminate the SAC goals; to keep our SAC rates consistent with the urban rates; to keep our SAC increases consistent with the urban rates; to exclude the demonstration costs and the plan expansion costs; and, to eliminate the surcharge of our flow requirements. After many rounds of discussion, the Metro Cities group, which is the group that essentially advises Met Council as to policy and is composed of other cities, as I said were sympathetic to our issue but anything that we did to achieve all of these goals, would cause their SAC rates to go up. While, again, they were sympathetic and listened to us and we had good discussions, they were not in the mood to increase their costs to serve us.

Davis stated we came up with a modified proposal, and this isn't the only modification we did. There was probably about 20 different proposals that were considered and discussed. But, this was the one that we felt would have been an adequate compromise. We'd still eliminate the Reserve Capacity Loan Program; the SAC goals would be set at 2,280 and the reason for this number, that's the number that kicks in when plant expansion is going to be required. When we have those units, we will have met our existing capacity of the existing treatment plant and expansion will be necessary. From our standpoint, if that happened next year it would be the greatest thing in the world. But, this is why we selected the 2,280 number. What we proposed on this is we would pay a differential on the urban rate of \$850 but it would be consistent. At this point we would be paying a little higher rates the first four or five years but the last ten years we would be paying less than what we're paying now. There would be no further increases in that. Any increases would be matched by the urban rate increases across the board. Also, the demonstration costs would be excluded and any calculations for plant expansion costs would be included from the Reserve Capacity Loan calculations. Also, we requested in this proposal that 50% extra of our flow charges would go toward project amortization.

Davis stated what they finally came up with and gave us as a proposed offer, is we would keep the Reserve Capacity Loan but it would be capped at \$2 million so once we hit a debt to them where we owe them \$2 million then our renegotiation would take place. At their current projections based on their Thrive Program, this would happen in 2023 but it could happen sooner than that, maybe as early as 2021 just depending on what our growth is.

Davis stated I also sent you an e-mail earlier that said if we renegotiate, where are we going to start. You know, the big thing about renegotiation is the uncertainty of it. In 2023, who we will be dealing with and what will their outlook be on that. The response that we got back that we should be in a good position when it comes to renegotiation. That probably, what would be requested, is we pay the loan off and then our SAC rate would be frozen until we matched the urban rate. One thing to consider if this should happen, and that would be the terms of renegotiation. In 2022, our 2008 bond is going to be satisfied. That's the Castle Towers bond that we're currently paying about \$180,000 a year. That could easily be converted to pay this loan off.

5.0
MCES
Wastewater
Service Agr.

Davis stated but again, \$2 million, if that's all we're going to owe them, it's a whole lot better than what we are facing now. Because we could be facing having a substantial obligation to them at the end of the term of this loan, which according to our current contracts, it will be renegotiated if it imposes an obligation on the City. Again, we don't

know what that means. We assume that it's probably just going to be extended.

Davis stated under this latest proposal that they made, the SAC goals would be kept at \$5,500 but the reason they're doing that is because they don't want to amend any of their existing plans. If the loan's renegotiated, then this would more than likely 'go out the window.' As far as our SAC costs go, they would only increase \$100 a year. Currently, if you look on the handout that says Rural Growth Center, this Reserve Capacity Loan Program, it shows you what the SAC rates are as they progress to the year 2032. They are currently increasing approximately 4.9% per year. So, in 2018, at \$100 a year, that's when we'd equal that and then we'd be paying less than we currently have in our current Agreement.

Voss asked so under our current proposal, it's a flat \$100 a year? Davis explained it goes up \$100 a year instead of the 4.9%, which is much to our benefit. Also, they acknowledge that the demonstration cost of this project have region-wide significance and do not specifically benefit East Bethel so they've lowered what their expectations are for their cost to recover. They also said they would exclude the plan expansion costs and that would be addressed as a separate issue if and when that arises.

Davis stated so, currently, what they're offering us now is to keep the Reserve Capacity Loan Program that we have in place but when the debt hits \$2 million it would trigger a renegotiation. And, our SAC costs only go up \$100 a year. This is probably the best offer that we're going to get from them at this time. From our standpoint, I would recommend that we seriously consider this.

Voss stated Jack, you mentioned that Metro Cities did not want to approve anything that would affect their SAC rates. So with this April proposal for MCES, I'm assuming it doesn't affect their SAC rates. Davis stated no, this doesn't.

Voss asked so what was Metro Cities, all they're doing is protecting their interests in this whole thing? They didn't do anything to help us. MCES did. Davis stated that's correct. Metro Cities did, again, they were sympathetic and they understood our problem but they weren't going to do anything to increase their cost to help us. Voss stated sympathy and a dime will get you a dime. Davis stated that's correct.

Davis stated I will say too that Jason Willet with the Met Council Environmental Services was a very strong advocate for amending and looking at modifying this Agreement. They recognize that under the current conditions, that this is probably not going to work. And, in an e-mail that I sent you too, they make the statement that says that in all probability, they won't recover all their costs. Especially if this \$2 million debt thing kicks in and they renegotiate.

Voss stated just so we understand too, Metro Cities' authority in this whole thing? Davis explained Metro Cities is not an authority but they do advise Met Council on policy procedures. Voss stated so it's still Met Council's decision. Davis concurred it's still Met Council's decision but they do follow Metro Cities' advice and their recommendation.

5.0
MCES
Wastewater
Service Agr.

Voss asked so it's not Metro Cities' 'weak back' it's MCES 'weak back.' Davis responded correct. And the thing on this, there's 108 cities within the Met Council Sewer Program and there's 107 that say yeah we recognize you got a problem but we're not going to increase our costs to help you.

Voss stated my issue with this whole thing, they recognize, I mean they're taking the plant expansion costs out of this. But yet they're not changing the SAC goals. To me that doesn't, maybe I'm missing something here, but that 2,280, that's the point where they need to expand so why shouldn't our SAC goals be that number? Davis stated because we won't reach anywhere near those SAC goals before that \$2 million debt capacity kicks in. And if we do, we're going to be ahead of the game. The reason they don't want to change that is they said they're going to have to go back and amend their Water Resources Plan if they change those SAC goals and growth projections. That's one thing they'd like to avoid.

Voss asked what is the net effect of us on those two numbers on the SAC goals? Davis asked as far as cost goes? Voss stated costs, yeah. Davis stated well if you just use an average of \$3,000 per connection for Met Council's share and multiply that by the numbers, you're looking at what, \$15 million as opposed to \$6.6 million.

Ronning stated \$19,314,100 compared to \$5,460,350. If I may comment on, you can't drop this thing. You can't even imply accepting. The only way we can finish this is if the mood is there now, it's going to be gone tomorrow. That's the way negotiations go, 'Well, you had your chance.' Davis stated yup.

Ronning stated, 'We wanted to work with you but you didn't come up with any more stuff.' That's just the way things go like that. So what do you do then? Well, let's keep the Agreement we have and then when we fail, you fail. And, make sure that everybody knows about it. That's what they're trying to avoid. Voss stated I think if history shows that Met Council's not a whole lot, they don't show a lot of concern on what people feel but Met Council. How they're formed, elected or not elected.

Ronning asked do they have five counties? Davis answered seven. Ronning asked seven met with them that one time? Voss stated it might be more eventually, in a year or two. Ronning stated they've had a lot of bad press. Davis stated that's the thing about it. Bad press to them is the norm. The thing about bad press is bad press, unless it's an on-going issue that affects a lot of people, it's only an instantaneous thing and it's forgotten about in 30 days.

Ronning stated sure. The other thing to think about is that for all we know, you know that we know that we agree we got a mess here. If we can't come to something, we won't have any choice other than to write the Governor and say we can't work with them on these grounds. That's the biggest threat they'll ever have. And you can't make just open threats, you got to be ready to do it, 'pull the trigger.'

Davis stated one interesting thing, and I didn't know this going in because part of my feelings were, you know, we'll try to work something out but if we can't then we'll keep the current Agreement and at the end if we can't renegotiate, then so be it. But, Met Council has the power where they can come in and they can assist any debt backed to property taxes. They said they've only done that one time. It's something they prefer not to do but they do have that option. If we wound up owing them a lot of money, theoretically, they can come back in and say, 'Okay, here's how we're going to recover it.' Is that an option? I don't know if it is or not. But it is an authority that they have.

5.0
MCES
Wastewater
Service Agr.

Voss stated to me, I'll try to simplify it. To me, I look at it and there's two concerns. One is the overall debt and then the second is the SAC rate, which we are already concerned that

it's higher and noncompetitive with other communities. It's only going to get more disproportionately higher at the rate it is right now. So the fact that we can get a flat rate increase that will eventually match urban rates so it makes us competitive in that nature of trying to bring in business. I mean, that's the good part of this. The not so good, to me, is that SAC goal, which is the overall debt.

Harrington stated there isn't enough room up there for 5,500. You can't get that many. There's not enough room. Davis stated the thing about the 5,500 is the reason it's kept in here under this latest proposal is not because they want us to meet that. It's because it's going to cause them more problems to try to change it and there's further ramifications in their other plans that they say would cause them a great deal of difficulty to amend. But, the way it's explained to me, if you'll go to the last attachment, it says East Bethel Proposal. It kind of summarizes, in their words, what both positions are. They do go down and say what East Bethel's reaction is. The City has expressed it does not like continuation of the Reserve Capacity Loan mechanism or continued to target 5,500 SAC units. Although having a trigger when the loan balance hits \$2 million helps.

Davis stated what I would propose, if this is something that we want to consider, that we actually spell out if the loan balance hits \$2 million, this is what we expect to negotiate. Voss stated yeah, don't wait until then to say, 'Here's what we're going to negotiate.' I mean, set the metrics now or what things we want changed.

Davis stated I think from our standpoint, there has to be some understanding of what we're looking for in terms of renegotiation. It can't be left open ended because of the uncertainty of the matter.

Voss stated I've got a question and it's a little 'off base' but I think it fits in this. These are East Bethel's numbers. These are East Bethel's goals. The 5,500 SAC units is the goals for the City of East Bethel. Met Council's got the vision of expanding the system regionally into Oak Grove and Ham Lake if Ham Lake ever gets their politics straightened out kind of thing. So if that ever happens, that doesn't count against our, we don't get credit for those SACs? Or we do? Davis stated we would get credit.

Voss asked if Ham Lake all of a sudden provided 1,000 SACs does that count against our 5,500? Davis answered if we extend the system into Ham Lake, let's say we extend the system to serve the area north of Crosstown, between Crosstown and East Bethel. We would get those SAC units. Voss asked that's for sure? Davis responded that's correct.

Voss stated so the way we're looking at it right now, we think it's unrealistic or maybe impossible to get 5,500 within the City of East Bethel. Davis answered yes, that's correct. Voss stated but if it was expanded to Oak Grove, like they've talked about, or Ham Lake. Davis stated yes and I think we all recognize that expansion into Oak Grove is probably going to be very questionable because they're not looking at trying to achieve urban growth rates. There is one area that's designated for municipal utility services but to extend that over there, I don't think the SAC rates would even pay for the extension costs. Our hope of extending this system really relies going south into Ham Lake to viably extend it.

5.0
MCES
Wastewater
Service Agr.

Voss stated I'm not saying I want to do that, we need to build our own business first. Davis stated yeah, and that creates another set of problems too from an operational standpoint. If we extend it into Ham Lake, who owns the lines? Who maintains them? Voss stated I just want to make sure if that ever happens, that we get the SACs. Davis stated yes, we get the

SACs.

Ronning asked where would the cost that gets to Oak Grove go? As it is now, it would have to be something down Viking. Voss stated I don't think that's ever going to happen. Davis stated no, I don't think. Ronning stated it's ten miles just to get there. Voss stated it's not that far. Koller stated it's only a few miles. Voss stated they don't even want it.

Ronning asked but what's there? What is there to hook up to? Voss stated their plan was basically 400 acres of high density. Ronning asked if we went towards Oak Grove, what would the cost for the return be? Davis stated you couldn't financially justify it because the cost of extending the service would not equal what we'd gain back in terms of revenue.

Voss stated it's the same problem we'd have with trying to get to Coon Lake Beach. It's going cost too much to get there. Davis stated yeah. Koller stated they could really use it there but it just can't be done.

Voss stated Ham Lake, there's how many acres in that right south (*inaudible*)? Davis stated there's 400 acres and probably, maybe 250 of it's developable, so it's a prime piece of property that will be probably be needing services at some point.

Davis stated but getting back to this last attachment, East Bethel Proposal. On the last page there's two charts. The chart on the right shows SAC units, which is under the current contract. The last column says 'Thrive 2040' and that's the forecast that Met Council has for growth. So based on that forecast, we will have achieved like 150-190-230, 300 or 400 SAC units by 2023 and that's when that renegotiation would kick in and trigger. The other column is the current contract, what we're expected to meet annually in terms of those goals. By Met Council's offer on this, and some of the information they provided, they are acknowledging that the financial architecture of this project is not going to work.

Voss asked Jack, are these accumulative? Davis stated no, no, they're annual. The accumulative total's down at the bottom. You have both columns, that's where you get the 5,500 and the 2,120 according to that.

Davis stated so to me, if we can establish some kind of reasonable expectations as what would happen with renegotiations along with the flat increase in the SAC rate, this is a whole lot better deal than what we currently have and it's probably the best offer that can be made on the table in relation to the fact that we're having to deal with 107 other cities in their input to Met Council on how they want them to react to this request.

Voss stated let me get this straight, our current contract based on Met Council projections from ten years ago, or whatever it was, and now their current projections are half that. Davis stated actually, our current contract, the 5,500 is probably reverse engineering. It's based on what they had to do to recover their costs. That was not based on any real projections as far as population goes.

5.0
MCES
Wastewater
Service Agr.

Voss asked where did the number come from? Davis stated 5,500, that's what it takes. That's what the Met Council calculated with the SAC charges. We talked to several people there. They were given some conditions, develop a situation in which we can come up with a way to show that this can be paid off.

Voss stated so if I understand this right, now they're saying realistically, could I use that

term, that the SACs are going to be half of that but yet they're not willing to negotiate over the SAC goals. Is that fair? Davis stated yeah, they say they won't reduce it. The 2,280 SAC goal is the reason that number was picked. That's the point where plant expansion is going to be required. So, the 'magic' number in the 5,500 is that's the number it takes based on the average cost of those SAC units over the period of years to recover their net present value of their investment.

Davis explained it's not based on population projections or growth projections. It's just a schedule that was set up to amortize the project. They say, and again we requested, you know even with this last project, can you take those SAC goals down to the 2,280? It just makes sense. And they said no because if we do that it requires a revision to their Water Resources Plan. To do that, if they revise it, they have to go through all the machinations of public hearings.

Voss asked anything below the 5,500 they'll have to do that? Davis stated yeah. If they do anything to adjust those goals, that's what they told me. And, they say what's going to be our protection and that is the cap on the Reserve Capacity Loan. If we have 5,500 SAC goals, that's part of the Reserve Capacity Loan Program. But if the Reserve Capacity Loan is capped at \$2 million, then at that point that's when the renegotiations start. From what we've been told, the way that would probably work, and I say 'probably' because there's still some uncertainty there because nobody knows who is going to be there, who we're going to be dealing with, is they would probably say, 'Okay, you pay off the loan at whatever interest rate, they said a low interest rate, and then we'll look at freezing your SAC rates until the urban rate catches up with what you're paying now.'

Davis stated to me, if we can come out of this and only owe \$2 million, we can find a way to amortize that. Then we go back to the urban rates and eliminate the flow charges. But, we're going to be under this kind of 'cloud' of uncertainty though for five or six, seven years. The flip side of it is that we're going to be under a worse 'cloud' if we don't do this because then we're going to be increasing our SAC rates at 4.9% per year, which in several years places a real uncompetitive advantage. We're probably going to have to look at subsidizing SAC rates to get businesses to come in here.

Voss stated as much as I appreciate that and as much as I appreciate the fact that we've reduced the over all potential exposure in cost, the thing about this whole assessment that bugs me is they agree to take away the \$8.5 million on demonstration costs. There's no reason why we should ever have had that. Davis agreed stating no, that should never have been in the Agreement.

Voss stated but I want to go a little further on that. To them, this project, I'll say it's more of an experiment, it's a demonstration project for them to show that they can do this. Technically, that has a broader impact on the regional water system. So I look at that as we may not pay for it, they didn't pay for it, so they're getting all that benefit. The region is getting that benefit including all these metro cities that say they don't want to invest in this thing. So, we're taking all the risk on it and they're not taking any risk and they get the benefit of showing this works. And, had it not been for this City doing this, they never would have done this. So, why aren't they budging? Why aren't they considering that in this whole scheme of things. That's worth millions of dollars.

5.0
MCES
Wastewater
Service Agr.

Davis stated they said their calculations of the demonstration costs value, the project is \$8.5 million, which is included in our current Agreement with them in that Reserve Capacity

Loan Program. Voss asked that's the value of the demonstration costs? Davis answered that's what they say it is, the value of the demonstration cost. That's of region-wide significance so they say they will exclude that. That's agreeable across the board, even to the Metro Cities group.

Voss stated but we were going to pay the \$8.5 million. It's in the Agreement, right? Davis stated that's correct. Yeah, that's what they had us set up in the existing Reserve Capacity Loan Program to pay that cost. It was our contention that we shouldn't have to pay it because it basically had no benefit to us. The benefit was region wide so they've agreed to exclude that cost. What's currently in this Reserve Capacity Loan cost is \$23.7 million. You take that out and it becomes \$15.4 million. What they claim they need to recover to make them whole was \$7.7 million. The difference between the \$7.7 million and \$15.4 million are reserve capacity costs.

Davis stated they have agreed to exclude the demonstration costs from how they're calculating our costs for the Reserve Capacity Loan Plan. Voss stated I'm just not following this because they're calling it 'cost' but to me it's a value. Davis stated it is a value. As part of the cost for the whole project, they've assigned a value to it. So, what they're looking to recover in this Reserve Capacity Loan Program that they have, is \$23 million to \$24 million.

Davis explained now they are saying, and they agree, that East Bethel should not have to pay the value or that demonstration cost portion of it, which they value and calculate at \$8.5 million.

Voss asked how did they come up with that? Davis explained they didn't go through all their determinations on how they calculated that. Ronning asked how they calculated what? Davis responded the demonstration costs. Voss stated which is the value. It's really not a cost. Davis stated no, but they built that into this because this is one way, I think, they use to justify the project. When they're selling it to their people, 'Okay, it's going to benefit East Bethel but also it's going to have this demonstration value that we can claim.'

Voss stated it's not benefiting East Bethel, it's benefiting the region. It could have gone to surface discharge. That wouldn't have been hard to do. Davis agreed and stated it doesn't benefit East Bethel. I don't know if we could or not because we'd have to probably go to the Rum and even gotten a permit to discharge to the Rum. We're six miles from the Rum. Voss stated it was Met Council's idea to come up with the infiltration stuff. We could have gone to the Rum with it. It would have taken a while but we could have done surface discharge. We've got tributaries right there, it goes right by the plant.

Davis stated the only thing about discharging to Crooked Brook is the degree of treatment that would be required to discharge in the stream that has that slow flow volume. Voss stated yeah, we'd have to have tertiary treatment.

5.0
MCES
Wastewater
Service Agr.

Ronning stated here's what we're dealing with, if I may. This is $\frac{3}{4}$ mile by $\frac{3}{4}$ mile, $1\frac{1}{2}$ miles long, so it's $1\frac{1}{2}$ times $1\frac{1}{2}$. That's 2.25 square miles, 1,448 acres. Let's say this is North Dakota, you've got complete virgin ground. All good, all buildable. 5,500 SACs into 1440 gives you 3.819444 per acre or 11,404.8 square feet which is 106 by 106 with no roads, no parking lots, no anything, just square lots.

Voss asked what are the numbers? It's 12 square miles. Ronning stated no this is $2\frac{1}{4}$.

Voss stated no, it's 12 square miles a quarter. Ronning stated we're not there. We're in Phase 1. Voss stated these goals are for the entire project. Ronning stated I don't think they are. Are they? Davis answered those goals are for what it takes to amortize the debt that we owe Met Council currently. Now if we expand outside of the current service area, we can definitely do that to do it. But, then our costs are going to go up too. But that doesn't have anything to do with Met Council's costs. That would have to do with our bonding cost.

Ronning stated but the facts are we're still dealing with 2¼ square miles. Voss asked and they give 5,500 SAC units? Ronning answered yeah. The total was 19,000 for the 12 square miles for the population of 56,000 some odd people. So you get 106 by 106 and then come back to reality, it is all built. It's developed, it's built not as much as you can but quite a bit and what isn't built is mostly wetland. So, they're trying to get off cheap and they would be getting off cheap. Postpone it for ten years or something, any leverage you had is already baked into the mess.

Davis stated again, as I stated, they acknowledge the fact too that this doesn't satisfy what we proposed. I outlined what our proposals were to eliminate the Reserve Capacity Loan, to treat us like everybody else in the system. We pay the urban rates. We pay the same flow charges. We don't have any SAC goals to meet. This is the offer that they've come up with after six months of discussion and many, many different considerations. There's limits that they can do. We don't have to accept this. It's, again, a much better offer, a much better situation than we currently have. We can always come back to them and say, 'No, this is not acceptable. Here's what we've got to have.' I don't think we're going to go much further with them on anything so this is what we're discussing tonight and trying to get direction on.

Voss stated just say for a moment that we agree and accept their proposal. There's nothing to stop us two years from now going back to try to renegotiate this again, is there? Davis stated I would think if we did that, they'd be highly reluctant to reopen negotiations. Voss asked we're the ones that started this, right? Davis stated yes, that's correct.

Ronning stated and their proposal, the last paragraph or two, is kind of like what OGC at Ford calls a 'zipper clause.' Once it's zipped, it stays. It doesn't open again. Voss stated any contract's that way. I mean, there's nothing that says you can't renegotiate any contract. As long as both parties are agreeing to renegotiate. Who has the leverage to do it, you know?

Voss stated to me, part of the reason why they're willing to do this is they see the potential, particularly in that plant. I remember when we did that tour with them, Bill talked about the fact this is a great demonstration project to show we're addressing the region's water resources by doing this recharge. Well if this thing fails, they have nothing to demonstrate. Now they fail. That's why I'm a little perturbed about what they're assigning as a value for a demonstration. \$8 million is nothing to the Met Council.

5.0
MCES
Wastewater
Service Agr.

Ronning stated if you drop the SAC to 2,120, it goes down to 172 feet by 172 feet of perfect virgin land. Davis stated the only way to make this work within the current service area is to extend it into Ham Lake and achieve those numbers. Even with the 2,000 units.

Voss stated I thought we just said if we're expanding the service area. Davis stated but if we expand it into Ham Lake, that's based on the assumption they will pay the expansion

cost. The problem that we have, let's say we had a development at Sims and 65. We do have the capacity to connect them to sewer now. But just to develop the water, if we had to develop a water system there and a small gravity sewer system, the water tank we currently have at \$1.4 million, the treatment plant was about \$2 million. Voss stated that's because we have plans for a tower right by the landfill. Davis stated if we did a couple wells, we'd be looking at \$5 million or \$6 million just in water service for that area. The problem is with our current City SAC and WAC structure, we're charging \$5,600 per unit. We'd have to have 1,000 units just to generate even close to what it would cost to pay for the water system.

Voss asked so you're saying, Jack, with this proposal with the way we're going, we're going to have to get into Ham Lake? Ronning stated somebody's going to 'squeal' one way or the other and that won't fix it. That would help but that won't fix things. The other thing, I was in one meeting January 18th or something last year and tried to get them to understand you forgave what, about 17 or something ERUs? They had like 27 and went down to what, 13 or something?

Davis stated they didn't actually forgive them. The theater reduced their seats. Ronning asked by how many? How many ERUs? Davis answered 600 seats. Ronning asked how many ERUs. Davis answered 6. It went down from 17 to 11. Ronning stated I thought it started higher than that but say there's 6. They won't call it forgiven. Davis stated I'm sorry, it went down from 23 to 17. Ronning stated okay 6.

Ronning stated they won't accept that they forgave it but they told them, 'You don't have to do it.' To me, that's forgiveness. They did something to make it happen that way but they didn't say, 'Well, that's the plans based on what we have for numbers here.' We have no input if they adjust something, else again. We have no input. We have no vote. We have no voice. This is a rigged deal so bad. They can change the target just by moving something from one place and say, 'Well, you got it on the back end now.'

Voss stated I think we should patent the whole system so no one in the whole region can have a system like this. Then we get revenue off selling the patent. That's what's happening. You know 10, 20 years from now, this is what Met Council's going to be doing as the Twin Cities expands. They're not going to expand the pipe. They're going to do this because there's such a concern on ground water use, especially when you get out because the Mississippi is too far away to draw from that they're going to go to stuff like this. It's that \$8.5 million number I have is they're putting a value on the demonstration that I have an issue with.

Ronning stated Blaine still has growth capacity for roughly 20,000 people and the way it is right now, according to Dave, he's the superintendent at New Brighton, one of the reasons they can't hook people like us up is because Pigs Eye is at capacity. They don't have room to expand their existing system. Voss stated that's why we're having regional systems. Why they're letting Blaine do it, I don't know. Ronning stated that's a tough thing.

5.0
MCES
Wastewater
Service Agr.

Davis stated here's another consideration that we didn't really discuss with them and I want to make sure we vetted it, is we asked Met Council, 'How much do we owe you?' And, they say, 'Why don't we say we'll just pay you off?' And, how would we pay them off? Of course, we'd have to levy for it. But that may be cheaper than some of these other alternatives too.

Koller stated it would be nice to just. Voss asked can we bond for that much? Davis stated we looked at if we paid \$7.7 million off, we would have to increase our levy by \$400,000 some a year for the next 20 years. But we could start, actually, lower and then ratchet the payments up as we go along. There's a lot of different ways to do that. That's something we'd have to run through all the numbers to see but that may be something we want to discuss.

Voss stated it's going to take a lot of stumbling to do something like that though. You could threaten them for that because then they lose out on a lot of stuff if we try to finance this.

Ronning stated one of the points I said is we have shared responsibility here and they accepted that at the time. If they do now or not, I don't know. But you're not sharing your 'pieces of pie.' Voss stated that's my point. The demonstration costs and the expansion costs. It's easy to see, it's a no brainer. They agreed with it first time we made a proposal. Right? That they eliminate the expansion and demonstration costs? Davis stated no, no. Our current Agreement includes, we're paying that. Voss stated not, but the first time you met with them to renegotiate? Davis stated yeah, that was pretty well agreed upon at the very first part of the meeting.

Voss stated in my experience, if they agree upon it that quickly, that's the no brainer stuff. I just wonder what would happen if we said at the beginning, 'Well, we're saying this should be excluded but we can only agree with the value you're putting on that demonstration costs.' Davis stated well, and we went back to them again and asked them to say, 'Okay, one of the things that we did is we extended the City forcemain to Whispering Aspens to decommission an old plant. And by doing so, we gave you the flow that you could operate your plant.' Had we not done that, they would have had to try to find a way to hook up Village Green because they didn't have enough flow to operate the plant. They currently are operating at very low flow conditions now. They had to actually go and modify the plant to even make it work. But we said since we extended this forcemain, this has regional significance too because you can connect the City of Bethel to it at some point. So they looked at that and said, 'You know, maybe but we can't include that as far as any reductions for your costs.' So, we've tried to work with them to increase the value of those demo costs so we can cut the other down but this is the final figure that they've come up with on that.

Ronning stated they'd agree these minutes are the extent they are, who was in the meetings and where are the minutes or notes from the meetings? Davis stated I can forward all those to you. Ronning asked do you have the minutes? Davis responded yes we do. Ronning stated that gives you some idea what the posturing is anyhow.

Voss stated these are, the meetings with MCES? Or, the meetings with Metro Cities? Davis stated we met with them concurrently. The MCES and Metro Cities were met with concurrently and they're not verbatim minutes, they're just kind of a summary of what was discussed. Ronning stated if that's what you got, that's what you got.

5.0
MCES
Wastewater
Service Agr.

Voss stated if I recall, Jack, in the discussions we had a few months ago, the Council staff was willing to go further than what Metro Cities would recommend. How far up staff level was that opinion? Was it just Jason? Davis stated the only person above Jason and Bryce is Lisa Thompson. She's the Division Manager. Voss asked did she give any indication? Davis stated Lisa was behind the scenes so Jason and Bryce reported to her and I'm sure she had input but we had no discussions with Lisa. Voss stated that's the politics that are

driving it. Davis stated correct.

Ronning stated one of the reasons they do that is because the 'bigger guy' can come in and be the hero to make some settlement. If we really get down to it, I'll have to come in and do a little bit better deal. Voss stated it just comes down to they didn't give up anything. They gave the obvious. The art of negotiation is allowing you to agree with how I feel. Davis stated and we felt all along that they were trying to shape this outcome from the beginning. Even though at one point, back in January, they came up and said, 'Why don't we do away with the Reserve Capacity Loan?' And, we said, 'Exactly, that's what we've been trying to get across to you all along and reduce these SAC goals down to this.' Because we came up with three or four different things. If you'll look on, it won't be on your attachments but it will be in your agenda stuff, on the Reserve Capacity Loan, on the bottom there's several different tabs about different loan proposals.

Davis stated we showed how they could recover their \$7.7 million by going with the 2,280 SAC units and with that one \$850 difference between the urban SAC rate and what ours would be. The only difference was they would have to discount or lower their discount rate for what they were charging for their money. Then the final proposal we came up with showed that they would recover \$5.9 million. Again though, they further acknowledged after that, that they may not be able to recover all their \$7.7 million by capping the loan at \$2 million. And if anybody's confused, don't feel bad because this whole thing is so convoluted the way they constructed it. I think it was designed to be confusing, to be difficult to solve a problem.

Voss asked Jack, did, anywhere along these lines as far as we know, and I can appreciate Metro Cities not wanting them to be affected cost-wise because we'd be the same way. But if Met Council was to agree at the 2,280, what is the real effect on all these communities? Now you're talking about an area of what, four million people that are part of the metro waste system? Davis replied they said it would affect the urban rate by about \$30 a year. Voss repeated \$30 a year. Davis stated per unit. Voss stated and going back to the whole fact that this system is going to be, it's going to be how treatments will be done in the future, and this was done to hopefully show that it can be done, and that's not worth \$30 to every SAC unit around the cities? To show that hey, we're going to be able to sustain ourselves?

Ronning stated if there's 107, or 108? Davis responded 108 counting us. Ronning stated if there's 108 and we're one of the 108, we're the 'sacrificial lamb' to the 107. Voss stated yeah, we're doing this for the betterment of the Twin Cities. Ronning stated if it cost 50 cents and it got out that the entire community has to support us, they'll all drop their membership as fast as the phone rings.

Davis stated if you'll go back to this last attachment, the one that says East Bethel Proposal, and you'll go to the second page of it, it says MCES Reaction. It goes into the statement about the elimination of the \$8.5 million from the East Bethel cost pool for the demonstration cost. But, you go into the cons, it says MCES will probably not recover the Reserve Capacity portion of East Bethel's civic capital costs. Using this forecast, they'll have \$1.3 million of the \$7.7 million is recovered by 2023. That's not what I'm looking for though. They do acknowledge in this that as part of this proposal, and I think their term there may be some 'animosity' from the City of East Bethel, which we have expressed to them time and again that we need to make this equitable and we need to address these conditions that we outlined from the beginning.

5.0
MCES
Wastewater
Service Agr.

Davis stated one of the questions that came from the Metro Cities group to Met Council was, 'What will you do to make sure that this type of situation doesn't happen in the future?' So, they said, you know, they were going to require some more stringent standards for a project of demonstration. That was their response to that. On the cons, in the middle bullet point, it says, *'With the 2030 plan still used, the growth needed to avoid the loan seems unrealistic so the Reserve Capacity Loan will build quickly and the City will have to use other funding sources to make payments on it so some animosity with East Bethel might remain.'*

Davis stated we've said all along, you know, that there's a lot of points here that we need to get by before we can actually get approval or a buy-in from anything from our City Council. And, I expressed grave concerns to Mr. Willet when they came up with this latest proposal because it was kind of a retreat from some of our previous discussions that this would be something that would probably be hard to sell to our Council. His comment was, 'Well, it will also be a hard to sell to mine.'

Ronning stated they're sitting in a much worse position than we are. We've got all the debt but we're the one that can take their 'castle' down. Davis stated I really don't think we could. I think if we wanted to make a big 'stink' about this it might get some press but I think in 30 days it would be a forgotten issue.

Voss stated look how long they've been criticized for not being an elected body and still nothing ever changes. Koller agreed. Voss stated they don't care.

Davis stated if we were Minneapolis or St. Paul, yeah, then we would be a much bigger (*inaudible*). Voss stated there's power there, that's why. Davis stated yeah, and we're East Bethel, we're 11,000 people on the 'edge of the frontier' and we have almost no leverage here.

Ronning stated what this has to turn into is a personal interest story. That's what keeps them alive because there's a cause. Koller stated they don't care. Ronning stated the population, 'Well, boy, they're getting screwed.' Voss stated I don't think it's going to. Davis stated the thing about personal interest stories is they have a shelf life. Ronning stated yes. Davis stated after people read them one time, then the personal interest goes away. Now, if this were a light rail situation and it's involving cities that are 150,000 people in St. Paul, Minneapolis, yeah, it keeps going, it's got 'legs.' But, with us, we can make a big 'stink' and it may get a little attention but after a while, it's going to be forgotten. It's going to be yesterday's news.

Koller stated look at what a mess the light rail is. It's losing \$2 million a month. Voss asked and what's Met Council doing? Building more. Koller agreed and stated adding more, they don't care. Ronning stated make it up in volume. Voss stated I think the only way we're going to get by this, further than this, is getting the powers that be at Met Council that listen to their staff and have some 'backbone' against their member communities. They've got to convince their member communities that this technology, this system, is a good thing for the region. That ain't going to happen.

5.0
MCES
Wastewater
Service Agr.

Davis stated let me ask this. If they would come back and say, 'Okay, we will revise those SAC goals.' Is the cap on that Reserve Capacity Loan at \$2 million, is that something that we could live with?

Voss stated right now it's a cap to open up negotiations. Davis agreed. Voss stated if they say they don't want to negotiate, so cap the \$2 million? Davis stated that's what I asked. If you saw that e-mail, I said what does that mean. Voss stated that means we'll 'open our ear' and listen to you is what I hear. Ronning stated we'll sit in the same room if you're nice.

Davis asked when we hit the \$2 million cap on the Reserve Capacity Loan, what will that look at in terms of renegotiation? Will the loan continue with no interest until further SAC amortize the amount? Would the loan come due? Would the loan be extended with interest? What other considerations to you see we'd be responsible for in terms of satisfying the loan amount. Well, the answer we got back was uncertainty. So, when I say can we live with the \$2 million cap, the \$2 million cap that would trigger negotiations would have to be specific in terms of what we're going to talk about. To me, if we reach that point and that's an indication to them that this thing is not going to succeed financially under the terms that they have arranged, then here's where the renegotiations would be. We either pay the loan off or the loan continues with no interest and we pay it off as we get SAC connections. I think we have to set those terms.

Ronning stated yeah, we have to have our target. As far as sharing the cost, their Wastewater Service Agreement between East Bethel and Met Council recitals paragraph 1, four or five words before that, *'The Council shall allocate current costs of operation, maintenance, and debt service (current costs) among and paid by all local government units which discharge wastewater directly or indirectly into the metropolitan disposal system.'* So, they already have agreement that they're going to spread the costs. But, there's another little catch in here that if somebody doesn't like it, we don't have to.

Voss stated you look at the comparison, forget about the demo costs or about the expansion costs because they knew that was wrong to start with. So, the only thing they've done is change the SAC increase mechanism from a percentage to a flat rate. In terms of Reserve Capacity Loan, the way it is stated right now is, 'We'll sit down and talk.' Because there's nothing agreed to. So, I just don't see they really, truly, gave up a whole lot. Because, their reasoning with the flat rate is they recognize we're going to be uncompetitive, which is going to hurt them. But, they don't care about us. It's going to hurt them. So that's the only reason they went to deal with the flat rate.

Ronning stated in this Agreement, paragraph 3, Pursuant to Minnesota Statutes 473.517(6), *'The Council may provide for the deferment of payment of all or part of the allocated costs pursuant to Minnesota Statutes 473.517(3), repayable with interest at the Council's average rate of borrowing.'* So, the language is in there to fight with, to argue. Davis stated that's what that Reserve Capacity Loan is. We're deferring our cost obligations to them. But, there, as the last sentence says, it's repayable with interest.

5.0
MCES
Wastewater
Service Agr.

Ronning stated I understand that. The allocated costs is everything they're putting on us. It isn't just the SAC stuff, it's everything. The cost of the plant. So, there's 'wiggle room' in here but then it comes down, where does it say.

Davis stated one of the things that was a problem with them is they have a similar agreement with Elko/New Market. But, what we expressed to them is Elko/New Market and East Bethel's situation are as different as day and night. You can't compare the two

situations. Elko/New Market had an existing treatment system. What they did, they were discharging into, I forget what. Voss stated Vermillion, wasn't it. Davis agreed Vermillion, it was a trout stream so what they did, they built a discharge line of about 5 or 6 miles. But Elko/New Market had 700 or 800 customers already served by their system. So, Elko/New Market has 800 customers. We have 12. There's no comparison between the two issues.

Ronning stated I still say they twist the rules. If they forgave that obligation to that block of dedicated ERUs. They went down to what's the trailer park on 181st? Koller answered Village Green. Ronning stated they want to go in there and we don't get credit for anything. And there's a reason for it but you could have some sharing or something.

Voss stated you guys are kind of quiet. Ronning stated shock. What's the answer Brian? Mundle stated just kind of taking all this in. Davis stated this is a lot to digest and you know, this whole thing is complicated.

Voss stated we're not in a rush. We want to get this done but there's no timeframe on it? Davis stated there's really no timeframe on it. We can go back and say, 'Look, the City Council had this discussion. Here are areas where we have severe concerns.' And, see what we can do to address those.

Voss stated I was just going to suggest that let's put this off and have this discussion again next month. In the meantime, staff meet with them again and just, get down to these couple things. Koller stated feel them out. Voss stated to me it's the SAC goals and that reserve capacity. How it's dealt with.

Ronning stated from my experience, there comes a time when you have to meet with the decision maker instead of the 'baggage carriers.' And, the decision maker has to know and understand what kind of a mess this is and what the potential. Voss stated we've met with Lisa Williams before, it sounds so familiar. She's been there for a while, right? Davis stated yeah, she's been there for quite a while. Bill Moore was the previous head of that. She's probably been there for three or four years. Voss asked was she always with Met Council? Davis answered I think so. Voss stated I swear I've met her before. Davis stated she was at the Sewer Plant when we had the tour. Voss stated okay. Davis stated that was Lisa Thompson. Voss stated I thought it was Williams. Davis stated Thompson. Voss stated okay, I'm thinking of someone else. That was her? We had her in a room and could have 'pounded' her on this and I didn't know about it? Right in front of the Chair of the Met Council? Ronning stated she might have let you 'pound' her, but not on this.

Voss stated well, I did make a point that we needed to do something about it. I agree Tom, that it's not going to make any sense to meet with them if those decision makers aren't there. Ronning replied yup. Voss stated may be the chair should sit in on that too. Davis stated here's what this will eventually lead to. Once, if we can come up with something, then they've said that we would go to their Met Council Environmental Service Committee meeting and present this to their Council. So, those are the real decision makers.

5.0
MCES
Wastewater
Service Agr.

Voss stated I think there's two sets. One is to express straight on to Lisa Thompson and, like I said, even get Chair Duininck there too and say, 'Here's where our real concerns are. We're willing to go in front of the Environmental Committee but just so you hear it straight up.' The Committee's not going to do anything adverse to what the staff is going to really recommend. It's going to take a lot to do that.

Ronning stated ask them what's the schedule and how do we get on it. Davis stated all we've got to do is say we want to. That's not a problem. Voss stated my point is if we don't have the support of their staff, you're not going to get anywhere. It's similar to us. If City staff is adamantly opposed to something, we're going to be hard pressed to push to get it done too. With any political body. So, you've got to convince staff. That's how we got this far was with the technical staff. The next step up is where we didn't make.

Davis stated and the purpose of this discussion is really to brief everyone as to what's transpired and where we are to date. This doesn't mean this is the end of it. I just wanted to have this meeting so we could lay all of the discussions out and show you what's been discussed and proposed and where Met Council is at this point.

Voss stated well, we should probably end this discussion now. It's getting later than we wanted. Honestly, the five of us, between Tom and I, we've dominated it. Is this, the three of you, is this something that you think we should accept and just move on? Should we keep working on it?

Harrington stated we should keep working on it. I just want to see the City get a fair proposal, something fair. It seems like the Met Council's got everything in their favor. Koller stated I'd agree with that. Harrington stated if it will happen I don't know. Koller stated read the papers, dealing with the Met Council. Voss stated that's the hard part of doing what we do. There's the emotion part of it and the reality part of it, what you can get done. Me personally, I don't think this is reality. I think they can still go further, find a way.

Ronning asked what else have they proposed? This is the first one? Davis stated no, we've gone through several and the basic things that we discussed, again as I said, we started out saying this Reserve Capacity Loan Program is not going to work for us. We can't pay these interest charges because we cannot meet these goals that you set. So, we acknowledge we need to pay you the SAC connections as we receive them to pay you back for your investment. But, it may take twice as long. So, you need to be cognizant of that fact and accept that because that's the situation that we're dealing with. And, also too, is that we feel that we need to be treated the same as the rest of your rate payers. We need to have the same SAC rates. We need to have the same flow charges. So that's what we went in and have held that from the initial discussions. However, we did say that it may be a consideration that if we alter the SAC goals to a more reasonable limit, and keep the SAC rates the same, and show you how you can recover your cost, that may be something we can consider. But then when we did that, then they said, 'No, we can't do that because you can't repay all that. We'd have to have a SAC rate that had a \$1,700 difference.' And, I said, 'No, that's not acceptable.' I said in all likelihood, even if we keep the other increment, the City would probably have to subsidize those rates to be competitive anyway. Anything above that would place us in a position where we just couldn't handle it. Voss stated that's something we could deal with as a City to off-set SAC rates to a certain extent.

5.0
MCES
Wastewater
Service Agr.

Ronning asked how many proposals have they discussed or presented? Voss stated we presented them right? They didn't present any? Davis stated well, we talked about, if you'll look at that one attachment that's got the Reserve Capacity Loan on it, at the bottom of the tab, you'll see Proposal 1, 2, 3, 4, 5, 6. It will be in your electronic packet. It's not in there. But those just show several of the things that we've discussed and several of the discussion items that have been up for debate among us and them. We haven't exhausted it. The permutations are infinite that you could go through on this. All we want to do is try to

'nail' some things down that we can hone in on and try to resolve.

Ronning stated we're going to have to come up with some kind of picture that we can live with. Add 5% or something and let them talk us down. Otherwise, you gotta do what you gotta do.

Davis stated one thing, and another reason I wanted to have this meeting too, is so we could kind of take not necessarily an official position but say, 'I've discussed this with our City Council and this latest proposal that you've advanced is really not favorable to us. We feel like we need to look at continuing these discussions because I don't think it will sell.'

Voss stated I don't know if I'd characterize it as being 'not favorable' to us because there's certainly a benefit to us. But, it's not a shared, we don't feel it's shared, you're not sharing the 'pain' on it. I'm still focused on the fact that they don't recognize the demonstration costs. Davis stated that's the other thing that we emphasized from the beginning too. Is that we're both 'tied to the hip' with this. If we succeed you succeed. If we don't succeed, you fail also. They're at least cognizant or recognize that fact in terms of a response whether it shows in this, it's not evident.

Ronning stated what we're asking for is 'peanuts' compared to \$1 million something a month for how many years on that rail. Voss stated I go back to the number you said, \$30, that's like, are you kidding me? I'm not saying go out, you know, we can meet half way. That's \$15. No one's going to make business decisions based on \$15 a SAC unit. Davis stated that's why we came up with kind of a compromise proposal here. Okay, we'll pay a little bit more on the SAC rate. This is something we can talk about but this Reserve Capacity Loan's got to go away, we've got to adjust these SAC goals down. When we do away with the Reserve Capacity Loan, the interest rate goes away. So, the SAC goals, once we meet this, we've satisfied our obligations. You collect these as we get them. Also, to exclude the cut-down on our flow charge. I understand they are going to get a certain part of their money back and we'll try to work with them to be fair, but that's why we came up with these alternate proposals and the last proposal is theirs. It's not ours.

Ronning asked the last proposal is what? Davis replied it's theirs. There are four columns. There's MCES proposal April 2015, which we just got here about a week ago. The middle two are the things where we, kind of in a range, where we discussed what our needs were and tried to address those.

Voss stated well, okay, well they threw this out. With the proposal on the SAC increase is \$100 per year. What happens if we increase that to \$300 per year? \$400 per year with the thought that as a City, if we need to, to spark economic development, we'll offset that. Either way, Met Council still gets that. Davis stated and that's why we talked about the other one. Because, what we could do to off set it. We could even, we've got \$5,600 that's a City SAC and WAC fee. We can lower that to off set whatever their increases are. Voss stated yeah, we've got tools to deal with that and who knows, the economic climate may change and we may not need to do that. So that's something that we can work with. But, we've got to get those SAC goals lowered.

5.0
MCES
Wastewater
Service Agr.

Ronning stated for informational only, not argumentative, the area we're dealing with is 2¼ square miles and the amount of pipe in the ground covers, possibly, 25% of what ground there is. I don't think it covers that much. But, that's the 'cards' we're playing with. So what they almost need to understand is, we've discussed what the costs are down to how

much a square foot and it's impossible. It's just not possible and they're going to have to realize it's not possible. Voss stated I think they recognize that. They say it's unreasonable, it's their goal, yet they're sticking by their number.

Davis stated they have made that admission. They have said the goals were unrealistic. Voss stated you can go to Lisa and say, 'You're okay with setting unrealistic goals in our City.' Put it in paper it's unrealistic goals. That's the Met Council's position? I think that's the point of attack. The point of attack is not the Environmental Committee. It's going to be the upper management. You've got to find a way to change their, and we've got to look like we're flexible too. That's why I'm suggesting maybe don't, I mean the SAC rate is something that I think we can work with. Ronning stated that's one of our rules in UAW, always be firm but flexible.

Voss stated so let's see if we can end this discussion. Are we in agreement to have staff go back, meet with Met Council again and try to work something out, and then circle back at the next Work Meeting? Koller stated I'll agree with that. Mundle and Harrington stated yeah. Ronning stated yeah, some, that has to happen.

Voss stated let me ask this, and I suggested it to Jack before, is Council adverse if I join Jack in some of those discussions? Ronning stated I was just going to ask if the Finance Committee goes, even if there's a 'muzzle.' But if it's you, that's *(recording ends here)*

6.0

Booster Day

Council discussed various ways City Councilperson could participate in Booster Day Activities.

7.0

Adjourn

Harrington stated I'll make a motion to adjourn. 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.

Meeting adjourned at 8:55_ p.m.

Submitted by:

Carla Wirth

TimeSaver Off Site Secretarial, Inc.

EAST BETHEL CITY COUNCIL MEETING

APRIL 15, 2015

The East Bethel City Council met on April 15, 2015, at 7:08 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
Craig Jochum, City Engineer
Mark DuCharme, Fire Chief

- 1.0 Call to Order** The April 15, 2015, City Council meeting was called to order by Mayor Voss at 7:00 p.m.
- 2.0 Pledge of Allegiance** The Pledge of Allegiance was recited.
- 3.0 Adopt Agenda** **Harrington stated I'll make a motion to approve the agenda. Koller stated I will second the motion but I will have to abstain from items 8A1 and 9G1. Voss stated it doesn't change the agenda, but okay. Any discussion? All in favor say aye?" All in favor. Voss stated opposed? Motion passes. Motion passes unanimously.**
- 4.0 Presentation** Commander Shelly Orlando presented the March 2015 Sheriff's Report of custodial arrests and significant events.
- 4.0A Sheriff's Report** **DWI's:** There were three arrests for DWI. One was the result of a property damage crash where the intoxicated driver rear-ended a vehicle stopped for a red light. The suspect tested at a .23 blood alcohol content. The other two arrests were the result of driving conduct. One of the arrests was a felony level DWI, due to prior DWI arrests. The suspect refused to test.
- 2nd Degree Assault:** On March 6th deputies responded to a call of two males who had sustained stab wounds as a result of an assault. Deputies met with two males who had cuts to their hands. They advised they had gone to a nearby residence to hang out and party, when a male there began an argument with them. A physical confrontation began and the male then pulled out a knife. Both males sustained minor cuts to their hands while trying to take the knife away. The male ended up leaving the area on foot but was located at a nearby residence. A detective from CID came to the scene and interviewed all parties. The case was referred to the County Attorney's Office for possible charges.
- 5th Degree Controlled Substance:** On March 21st, Deputy Nolan stopped a vehicle for expired registration. Upon stopping the vehicle, the deputy found that the driver had a license status of suspended. The deputy ID'd the two male passengers as well. A second deputy arrived and was speaking with a back seat passenger. The deputy reported he could smell marijuana. Deputy Nolan asked the passenger to step out and asked about the marijuana smell. The male admitted that he had a "dug out" (which is the container that holds marijuana if you're not familiar) that had marijuana in it. Deputy Nolan began to search the male and located a pack of cigarettes on him. Deputy Nolan inquired if there was anything else in the pack and the male advised he had some methamphetamine in it.

The female driver was in possession of prescription medication that she did not have a prescription for. Both the male and female were arrested and transported to jail.

Shoplifting: On March 27th, deputies were called to a local business regarding a customer who had taken two bottles of alcohol, put them down his pants, and left the business. The employees stated that the male was in the business earlier in the day and when he left, he "clinked." They were unsure what he had taken, but believed it had been a bottle of Jagermeister. The male returned a second time and took two additional bottles that they were able to identify as Fireball and Aftershock. They had just restocked the shelves so they were easily able to identify what was missing. The employees advised they knew the male as he was a regular customer. They advised that when he was leaving, "he was clinking." They yelled at him to stop but he left. They told him they were going to call the Sheriff's Office. Deputies went to the suspect's residence and found him outside on his deck. The male fled into his house, upon seeing the deputies. They were able to get him to open the door and talk with them. The male denied any knowledge of what they were talking about originally but after being told that the employees knew who he was, he admitted to "doing something stupid." The deputy did observe an unopened bottle of Aftershock on the kitchen counter along with an opened bottle of Jagermeister. The male was issued a citation for theft and trespassed from the store.

5th Degree Assault: On March 28th, deputies were called to a local bar regarding a fight going on in the parking lot. Upon arrival, deputies met with a female who was complaining about her jaw being broken due to being punched by another female. The suspect had fled prior to deputies' arrival. Witnesses confirmed that the females were at the bar, with a group of people. The females went outside to smoke and that is when one of the females punched the other in the face. The victim was transported to the hospital for treatment. It was determined that she did not have any broken bones. The suspect was located a short time later when she went to a nearby residence requesting to use the phone. The female was charged with 5th degree assault.

Arrest Breakdown: We had two felony arrests for Possession of Controlled Substance 5th Degree; 7 Misdemeanors - 2 for 5th Degree Assault; 2 for Disturbing the Peace; 1 for Damage to Property; and, 1 for Burning Illegal Materials.

Orlando stated just to make everyone aware, there are a few scams going on right now. One of them is where you're getting a call from the IRS who tells you that you owe money and you need to immediately give them payment. Do not give them payment. The IRS will never call you requesting any kind of funds over the phone from you. So, do not fall for that.

Orlando stated another thing that we have, government agencies, like the Sheriff's Office, we do not solicit funds over the phone. So if you get a call from somebody saying they're a law enforcement agency and they're trying to raise funds for something, do not give anyone any money. Do not give them your credit card number. Do not make any type of a donation and call your local Sheriff's Department or Police Department to check and see what's going on and let them know about it.

Voss asked any questions from Council? Any questions from anyone in the audience for our Sheriff's Department? Thanks Shelly, have a good night.

Informational; no action required.

5.0
Public
Hearing
 5.0A
 On-Sale
 Liquor
 License for
 Blue Ribbon
 Pines, LLC

Davis presented the staff report, indicating the Council is being asked to conduct a Public Hearing to take comments from the public regarding an On Sale Liquor License for Blue Ribbon Pines, LLC, located at 1901 Klondike Drive NE, East Bethel, Minnesota, as required by East Bethel City Code, Article III, Intoxicating Liquors, Section 6-55. This notice was published in the *Anoka County Union Herald*.

The Mayor will open the Public Hearing and provide an opportunity for public comments regarding this matter. When the comment period is completed, a motion to close the hearing should be offered followed by a second and a vote on the motion.

Once the hearing is closed, staff is recommending Council consider approval of an On Sale Liquor License for Blue Ribbon Pines, LLC, located at 1901 Klondike Drive NE, East Bethel, Minnesota, provided no reasons for denial come forth at the public hearing. All application materials and fees have been submitted for the On Sale Liquor License. All employees of Blue Ribbon Pines have completed their responsible alcohol sales training.

Staff recommends conducting the public hearing at this time.

Mayor Voss opened the public hearing at 7:16 p.m. and stated if anyone is interested in this topic and wants to speak before Council, please come forward and state your name and address. There being no public input, Voss stated do we have a motion to close the public hearing. **Koller stated I'll make a motion. Mundle stated I'll second.** Voss stated any discussion? All in favor say aye?" **All in favor.** Voss stated opposed? Hearing closed. **Motion passes unanimously.**

The public hearing was closed at 7:17 p.m.

Davis stated at the conclusion of the public hearing, staff recommends approval of the license contingent upon the following: Approval of the State Commissioner of Public Safety; Approval and submission of all open City building permits; and, Approval of Certificate of Liquor Liability Insurance provided prior to the issuance of the On-Sale Liquor License.

Mundle stated I'll make a motion to approve On Sale Liquor License for Blue Ribbon Pines, LLC, located at 1901 Klondike Drive NE, East Bethel, Minnesota, subject to approval of the State Commissioner of Public Safety, submission of a Certificate of Liquor Liability Insurance, and completion of all Open City Building Permits. Koller stated I will second.

Voss stated any discussion? Do you not have a liquor license or had one in the past Ray? Ray Jordan stated it's just been 3.2 up to now. Voss stated okay, that's what I was thinking.

Harrington asked and they've never had any complaints or problems with that? Voss stated there was an issue. Ray, do you want to come forward and explain it? Jordan stated I could but. Voss stated then I'll explain it. There was a compliance check violation four years ago, three, four years ago. Davis stated that's the only issue we've had. There have never been any complaints since that time that we've received at City Hall.

Voss stated I will say, because I was at this table too, a couple people very contrite about the whole thing. Okay, any other discussion? If not, all in favor say aye?" **All in favor.** Voss stated opposed? Motion passes. **Motion passes unanimously.**

**6.0
Public
Forum**

Voss stated this is the part of the meeting where we allow residents to come forward and speak to Council. There is one person that has signed in, Joe Vogl. Would you like to come forward? And state your name and address for the record please.

Joe Vogl, 23818 Monroe Street NE, stated good evening everyone. I'm here because of City Ordinance 10-151 for farm animals, looking to raise ducks or chickens on my land. The current ordinance is you have to have over three acres to have any type of farm animal, which would include any type of fowl. I'm looking to have the land lowered to at least an acre. I currently own a little over two acres. Looking through the ordinances, there's already stuff in place for the type of shelters they need, cleanliness, inspections, everything else is in place. It's the land requirement.

Voss asked just the lot size. Vogl stated yeah, the lot size. Voss stated that's the problem or conflict that you have with your property? Vogl indicated in the affirmative.

Ronning asked how many are you looking to have? Vogl stated anywhere from four to six. Any less than that and the fowl can have separation issues and they can get sick just from being alone. That would be the minimum amount.

Voss asked Jack, what does the ordinance state right now? Davis answered you have to have more than three acres before you can keep any type of livestock. Voss asked any type of livestock? Davis repeated any type of livestock. And, it relates if you live in a platted subdivision, even if you have more than three acres, then you have to get consent from any adjacent property owners.

Voss stated that's the case here. You're a platted sub-development. Davis stated Monroe may be a metes and bounds, I'm not sure if it's platted or not. I'd have to check and see. Voss stated just looking at it, I think it is. Three acres is the minimum.

Koller stated I believe I read you need three acres of property and one acre of grazing land to have a chicken. Vogl stated it's quite a bit.

Voss stated Tom talked about this last year, right? Ronning stated yeah. Davis stated the Council discussed this in August of 2014, about changing the acreage requirements. At that time, the motion was tabled and there was no action taken. Just to give you an example, I looked up some standards that our surrounding neighboring cities have. For example, the City of Ham Lake excludes any type of livestock, poultry, or other animals on anything less than five acres. Then it has to be zoned Rural Residential. Oak Grove does not have any acreage specifications. They just have regulations for the keeping of the animals. St. Francis does not permit these on less than five acres. North Branch permits animals on acreages of one acre or larger and then they have numbers that correspond to different acreage requirements. Forest Lake recently enacted an ordinance in which chickens can be kept on less than five acres. In the City of Wyoming, you can do it on less than two acres with a maximum limit of four. So different cities have different views on this and there is really no consistency within those. It just depends on what the feelings of City Council are.

Voss stated so what happened last summer? It was discussed and it didn't get anywhere. Koller stated I believe one of the discussions last summer involved a quarter acre lot. Voss asked so were you looking at, like we are tonight with Mr. Vogl, was it in response to some particular person with a quarter acre lot? Koller stated yes. Voss stated it wasn't a review

of an entire, in terms of acreage? Koller stated no and I will say if you drive around the City, there's a lot of people with small lots that have chickens and ducks. Voss stated yup. Koller stated officially, rabbits would fall under that too.

Harrington asked has the Planning Commission had any say or is this something he could go before the Planning Commission? Davis stated this is something the Planning Commission would have to make a recommendation to City Council on since this is a change in zoning regulations.

Ronning stated if this request was granted, it would accommodate him but it would make an awful lot more people legal. Voss stated not that they are necessarily worried about it. Koller stated it's one of those things that's kind of been over looked.

Ronning stated we should appreciate your coming forward and saying something. Not very many would. Vogl stated I want to point out, though, that St. Paul and Minneapolis both allow, with strict rules, but they do allow fowl on their very small lots downtown.

Voss stated my thought is you obviously had a discussion on it last year. Somebody had an interest last year. We all know there's a lot of these properties in the City. I guess I would suggest we move it on to Planning & Zoning so they can have a discussion on it. That's my view on it. I don't know about anyone else.

Ronning asked what's your acreage, two? Vogl stated I'd say 2.05, so just over two. Ronning stated two plus. Voss stated that's a bigger lot. So, Jack, in terms of staff, are you going to present something? Davis stated we can add this to the Planning Commission agenda for, hopefully, at their next meeting.

Voss stated my suggestion is not to open up the whole Animal Ordinance, but to look at this fowl aspect of it in terms of acreage.

Koller stated it's kind of a generic rule right now where it falls for chickens up to horses and cows, have the same rule. Voss asked is it 100 chickens is equal to 1 horse? Davis stated as far as units per grazeable acre, I think a chicken is like 100ths of an acre. So, technically, if you met the acreage requirement, you could probably have 100 chickens and it would be the equivalent of what one horse or one cow was.

Voss stated okay so staff will bring it to Planning & Zoning. I'd suggest you be at that meeting too. It would be worthwhile for Planning & Zoning and you can be in contact with Jack to find a little bit about the details.

Davis stated we'll notify you when that is, it's the fourth Tuesday of the month. Vogl stated okay. Davis stated they can open this up for discussion and you can come there and present your request. Vogl stated perfect, thank you very much.

No one else wished to speak at the Public Forum.

**7.0
Consent
Agenda**

Item A Approve Bills

Item B March 25, 2015 City Council Work Meeting Minutes

Meeting minutes from the March 25, 2015 City Council Work Meeting are attached for your review.

7.0
Consent
Agenda

Item C April 1, 2015 City Council Meeting Minutes

Meeting minutes from the April 1, 2015 City Council Meeting are attached for your review.

Item D Letter of Agreement for HSIP Lighting Project

The Anoka County Highway Department has been awarded a federal grant for safety upgrades to be used on rural County roads. The funding will be used to upgrade the centerline striping with a more reflective material along Viking Boulevard from TH65 to the eastern border of Anoka County and to install street lighting at intersections along the same stretch of road.

There are seven street light locations planned for East Bethel that include Rochester Street, Vickers Street, Breezy Point Drive, Thielen Boulevard, Sportsmen Road, 195th Avenue, and Tri Oak Circle. The grant would cover 90% of the construction and installation costs with Anoka County picking up the remaining 10%. East Bethel would be required to handle the operational and maintenance costs. With an LED style light, the monthly cost could be approximately \$6.76 per light or a total yearly cost for the 7 proposed lights of \$567. The costs include electricity charges and cover all maintenance needs for 25 years. The proposed construction schedule would have the lights installed by mid-summer, 2015.

Attached is a Letter of Agreement from the City of East Bethel that needs submittal and approval to indicate our participation in the project.

Item E Revised Wireless Communication Policy

Public Works staff has been utilizing cell phones distributed by and under the City plan, which means they carry two phones, one personal and one work. In an effort to reduce this redundancy and inconvenience, we are proposing that the cellular plans for the Public Works employees be terminated and replaced by a \$20 monthly stipend. Under the City plan, the monthly cost is approximately \$20.00 so this is a budget neutral change. The attached revised Wireless Communication Policy changes the monthly dollar stipend from \$30.00 to \$20.00 and also mandates that each Public Works employee set up their City issued email addresses on their phones. This change will affect six Public Work employees and will not increase any costs in the City Budget.

Item F Approve Hire of Seasonal Maintenance Employees

The City Council has approved the hiring of two seasonal maintenance employees at the February 18, 2015 meeting. Under the supervision and direction of the Public Works Manager, employees in these positions will perform various types of manual labor in the general maintenance of the Parks and Streets Department for a period of up to 63 working days.

City staff has interviewed candidates and recommends the hiring of Mitch Renstrom and Troy Sylvester for the summer seasonal positions. Both candidates will be starting as a new employees with a pay rate of \$10.00 an hour with no benefits. Funding for these positions is provided for in the General Fund Budget for 2015 under the Parks Department and Streets Department Budgets.

Item G Award of Class 5 Contract

The City of East Bethel currently has nearly 16 miles of gravel road that require periodic resurfacing with new Class V to maintain the surface conditions of these streets. The City generally conducts this maintenance by the application of Class V material and bids this purchase annually.

7.0
Consent
Agenda

The bid opening for the 2015 Class V material contract was opened on April 9, 2015. Plaisted Companies was the low bidder with a unit price of \$10.70 per ton. This is a \$.30 savings over the previous years per ton cost. The 2015 project will be the resurfacing of Klondike Drive. The total contract price will not exceed the approved contract total of \$35,000 that has been budgeted for in the Street Maintenance Fund and approved in the 2015 Budget.

Staff recommends acceptance of the low bid from Plaisted Companies for the 2015 Class V resurfacing of Klondike Drive.

Item H Approve Optional 2AM Liquor License Renewal for Route 65 Pub & Grub
Slaw Industries, Inc., dba Route 65 Pub & Grub, at 18407 Highway 65 NE, East Bethel, Minnesota 55011 has submitted their renewal form for an Optional 2 a.m. Liquor License. This license needs City approval before being submitted to the Alcohol and Gambling Enforcement. Staff has not received any complaints regarding Route 65 Pub & Grubs 2 a.m. license and recommends that Council approve the renewal.

Item I Consider Resolution 2015-25 Accepting Bid for the Nordin Estates Drainage Improvement Project

As requested staff has received and opened bids for the Nordin Estates Drainage Improvement Project. The project consists of constructing a storm sewer outlet for Block 4 of Nordin Estates.

A detailed summary of the bids for all the contractors is included on the attached resolution. Dryden Excavating, Inc. was the low bidder at \$52,697.50. The Engineer’s estimate for the project was \$56,000 to \$66,000 depending on the options selected.

Staff recommends approval of Resolution 2015-25 Accepting Bid for the Nordin Estates Drainage Improvement Project. Staff also recommends awarding the contract for the proposed Nordin Estates Drainage Improvement Project to Dryden Excavating, Inc. in the amount of \$52,697.50.

Ronning stated move to approve tonight’s Consent Agenda as written. Mundle stated I’ll second. Voss stated any discussion? All in favor say aye?” **All in favor.** Voss stated opposed? Motion passes. **Motion passes unanimously.**

**8.0
New Business**

Commission Association and Task Force Reports

8.0A
Planning
Commission

It was noted that Koller had indicated, upon agenda adoption, that he would abstain from consideration of this item.

8.0A.1
Beaverbrook
CUP

Davis presented the staff report indicating the Council is being asked to consider approving Conditional Use Permit (CUP) to the Beaverbrook Sportsmen’s Club to operate a gun club, and make improvements to improve safety and 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.

8.0A.1
Beaverbrook
CUP

As part of their proposed project, a 700-foot by 160-foot berm with 7 shooting ranges for pistol, muzzleloader and shotguns are proposed. The north berm on the property 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 the area.

A wetland delineation was completed and the area where the shooting range will be located is outside of any of these areas. 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 in this area.

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 a clubhouse

At their regular meeting on March 24, 2015, the Planning Commission recommended approval of the Conditional Use Permit (CUP) to 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.

Davis stated this issue was also brought before City Council at the last meeting. Council requested comments from the Planning Commission. The draft minutes of that are included in your packet.

Voss stated so this matter was postponed from the last meeting. We had a motion to approve and second, correct? Vierling stated correct. Voss stated so we'll continue this discussion then. The issue was the information, the minutes from the meeting. Is there any further discussion on the CUP application?

Mundle stated there's some discussion on the Klondike? On if there's going to be more traffic? Just a question of, I know we're going to be spraying that. Will that keep the dust down even with more traffic and keep it in better condition? Davis responded the chloride application will control the dust situation as we discussed previously in 2012 when the concrete overlay was done on Viking Boulevard and Klondike was used as an unofficial bypass route. The chloride was placed on the road at that time. The traffic count on that road went up from 300 to 1,500 vehicles a day with little issue of dust and the road surface condition improved immensely. Mundle stated pretty much no matter what your 'book throws at it,' it's going to be just fine. Davis replied that's correct and their traffic is going to be intermittent and not continuous as was the bypass route.

Voss asked any other discussion? **On the motion to approve**, all in favor say aye. **Harrington, Mundle Ronning and Voss-Aye; Koller-Abstain motion passes.** Voss stated opposed? That motion passes. **Motion passes.**

8.0B

None.

Economic
Development
Authority

8.0C

Park

Commission

8.0C.1

CCECSR MOU

Davis stated the Council is being asked to Consider approving the revised Memorandum of Understanding (MOU) between the City of East Bethel and the Cedar Creek Ecosystem and Scientific Reserve (CCECSR)

In March of 2004, the City of East Bethel and Cedar Creek Ecosystem and Scientific Reserve entered into a Memorandum of Understanding that established the Cedar Creek Park, which is the City portion, the use of the trail system around Fish Lake, and the vacation of the East Bethel Blvd easement within the Cedar Creek Ecosystem and Scientific Reserve. Portions of this Memorandum of Understanding expired in 2014 and staff from the University of Minnesota and the City of East Bethel along with the East Bethel Park Commission have been in discussion and drafted the attached Memorandum of Understanding for consideration by the City Council and the Regents of the University of Minnesota.

The proposed changes address:

1. Horseback riding within the University property;
2. Deletion of work items that have been completed;
3. Elimination of the construction of a parking area on Cedar Creek in Athens Township; and,
4. The composition of Cedar Creek Advisory Committee.

Attachment 1 in your packet, the Memorandum of Understanding of Roads and Parks, remains unchanged. This Memorandum of Understanding deals with the deeding of properties between the City and the University of Minnesota. There is one provision that relates to horseback riding but it only addresses a ten-year agreement to permit horseback riding on the old East Bethel Boulevard right-of-way. The term of this agreement has expired for horseback riding in this area. This Memorandum of Understanding is not the subject of any proposed revisions but is included for your information as background.

Attachment 2, the Memorandum of Understanding for Recreational Trails, is the document that is proposed for revision. A redline and clean copy are included for your review.

The East Bethel Park Commission unanimously approved the revised Memorandum of Understanding at their March 11, 2015, meeting and recommends Council consideration for approval of the revision.

Harrington stated I'll make a motion for approving the revised Memorandum of Understanding between the City of East Bethel and the Cedar Creek Ecosystem and Scientific Reserve. Mundle stated I'll second.

Voss stated discussion? Ronning asked is there a cost with this? Davis responded no. A couple things of note that were in the Memorandum that we want to address, there was a provision that Cedar Creek install a fire protection well at the City Park. Well, that fire protection well has been now installed at their main office off Fawn Lake Drive, which the Fire Chief said is more than adequate to serve the needs of the northern area. We also have access to that well, we have an agreement for their use. Another issue that we had was the horseback riding. The University is adamant that they will not permit horseback riding on

8.0C.1
CCESR MOU

East Bethel Boulevard unless it is done by permit and the City agrees to actually come back and clean up any messes. There is one easement and right-of-way along the very northeastern part of their property that connects 235th Avenue with Hupp Street that is open for horseback riding. However, this property is very wet and it's probably inaccessible. So, the University, from their position, isn't going to permit horseback riding within that facility. Those are the two main things. The other one was, in that agreement the City of East Bethel had agreed to construct a parking lot on Cedar Creek for a boat launch in Athens Township. There's never been any real interest in that so we want to eliminate that from the MOU also.

Voss stated it seems like, other than the horseback riding, everything else is kind of cleaning up the existing. Davis agreed it is housekeeping issues, correct. Voss stated in terms of horseback riding, do we know how much use that got? Davis stated as far as any official and permitted use, zero. As far as people who do sneak in there occasionally and ride their horses, that happens. But no one has ever called here and asked for a permit to ride horses on East Bethel Boulevard.

Voss stated so currently we require a permit for them to ride horses. Davis explained that's the way the MOU reads. As part of that, it has to be permitted, it has to be a guided tour, and then the City is responsible for cleaning up any horse mess that is left. So, we would be obligated to come and pick up.

Voss stated it seems to me there must have been use if the University is adamant about it. Davis stated the uses that people sneak in there and ride their horses, people sneak in there with their ATVs. Voss stated well this agreement's not going to change that. Davis stated no, that's already expired. It was just a ten-year agreement to permit the horseback riding anyway. That's expired and they don't want to renew that, but to do it by permit. The City does not want to do it by permit either because we don't have the staff to follow around and clean up horse droppings. Voss stated I'd agree with that part, definitely.

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

8.0C.2
April Report
& Request for
Dasher
Boards
Funding at the
City Ice
Arena

Davis presented the staff report indicating at the April 8, 2015, Parks Commission Meeting, the Parks Commission discussed the 2016 Capital Improvement Plan. This Plan outlines and recommends projects, evaluates priorities and establishes funding for proposed works for the coming year and for each of the subsequent years for a five-year period. This Plan will be presented to City Council for their approval and use for preparing the coming year's budget. The Parks Capital Improvement Plan will be finalized at the May 15, 2015, Park Commission Meeting and presented to City Council at their May 20, 2015 Meeting for final approval.

The second item on the Park Commission's meeting for April 8, 2015, Mr. Brad Kaehler with the St. Francis High School Hockey Booster Club presented a proposal to replace the dasher boards at the East Bethel Ice Arena. The dasher boards were purchased used and installed in the Arena in 1997.

Mr. Kaehler has located a set of 2009 dasher boards that would fit our rink footprint. The price for these boards is \$54,000 and the estimated cost of new boards and glass would be in excess of \$100,000.

Mr. Kaehler is proposing that City purchase the boards and has indicated that the St. Francis Boys and Girls Booster Clubs and the Youth Hockey Association would conduct a fundraiser to reimburse or assist in reimbursing the City for this cost. Mr. Kaehler has also indicated that the hockey groups would provide labor to assist in the removal of the existing boards and the installation of the purchased boards. Mr. Kaehler informed the Parks Commission that the seller was requiring notification of a decision on this matter by the end of April.

City staff inspected the boards at the Arena on April 9, 2015, and determined that while the boards still seem to be functional they will eventually require replacement and could use cosmetic improvements. At a minimum, if the boards weren't replaced, it would be thoroughly inspected prior to the 2015-16 season and any repairs or adjustment to ensure their safety would be performed.

City staff supports the efforts of the Booster Clubs and St. Francis Youth Hockey Association to identify improvements for the Arena and offer proposals to fund these activities. Both of these groups have been encouraged to seek outside funding sources for facility upgrades and have been given immediate access to staff to discuss Arena related issues.

In this matter, staff would be more comfortable supporting a proposal that was based on the completion of a fundraiser that identified the amount of Club funds raised and then a request for a City contribution to this project.

Should Council desire to consider this request but require more time for evaluation, this item could be scheduled as a Special Meeting prior to our Work Meeting for April 22, 2015.

The cost for this proposal is \$54,000. Funds would have to be allocated from the Arena Fund to pay for this improvement. This fund had a cash balance of \$134,254 at end of 2014.

Staff is seeking direction from City Council on this request.

Voss stated discussion? Harrington stated I'd just like to add something on that \$54,000 when Brad had his presentation to the Park Commission. The old boards get anywhere from \$8,000 to \$10,000 so it's going to bring that price down to \$42,000-\$44,000. So, it won't be that complete \$54,000. It will be down \$8,000 to \$10,000.

Ronning stated if we did move forward on this, the suggestion about being more comfortable supporting a proposal that was based on the completion of a fundraiser that identified the amount of Club funds raised and then a request, it would be easier to consider something like that if there were some things in place that this is scheduled for such and such time, they have a bid, estimate, or something to buy the existing boards, so you'd have some more numbers to consider.

Voss stated I don't think we can sell the boards until we get it replaced, though. Davis stated the problem with this request is Mr. Kaehler has located this product but the seller needs to know if they're going to purchase it or not. So, they're 'under the gun' to tell them, 'Yes, they're going to buy them.' Or, 'No, they're not.' If they do, they don't have the funds at this time so that's why they presented the request to the Parks Commission to see if there's interest on the City's behalf to upfront the cost and then let them attempt to raise whatever funds they can to assist in reimbursing the City. Again, I think from our

standpoint, it would be easier to make the decision if we knew exactly what they had and what we were expected to contribute.

Voss stated I was just going to ask, their proposal provides skilled labor to install it. Is that correct? Davis stated as part of the proposal and the sale, the seller would provide a supervisor to come down here and supervise the installation. Mr. Kaehler and the Youth Hockey Association have said that they have skilled people that could perform as volunteers to help remove the old boards and install the new ones under the direction of the supervisor.

Koller asked has the Arena management been informed of this? Davis stated no we haven't discussed that with them because at this time we're not sure who's the Arena management. Koller stated we should almost table it for now.

Voss stated I hear Jack saying that because of the timing, then we'd have to meet next week to decide. I'm not saying we shouldn't.

Ronning asked do we have some kind of reliable assessment of the condition now? Davis stated we looked at them. I'm no expert and don't pretend to be. We did take one of our previous Arena personnel down there, Mr. Jay Hehir, who has considerable hockey experience, knows a little bit about facilities, knows a lot about that facility, and attempted to evaluate the condition of the boards. There was really no consensus. They're made of a hard composite plastic. They're not going to deteriorate. I think maybe more the issue is maybe with the glass and frames that are on top of them. That's why I say we would do a thorough inspection and make any adjustments to those if they're going to be used again. They may last one year, they could last another ten years. We did purchase them in 1997 and they were used when we purchased them so eventually they will have to be replaced but is it this year or in five years or ten years. I can't give you a satisfactory answer.

Rundle asked was there a life span for the current boards when you bought them? Davis responded I don't know because I think they were bought from White Bear Lake. Voss stated we've almost had them 20 years and they were used when we put them in. Right?

Davis stated Mr. Kaehler is in the audience tonight if anyone has any questions of him. Harrington stated Brad, that was the boards and the glass, correct.

Brad Kaehler, 21445 Old Lake George Boulevard, Oak Grove, stated that's correct. The one point I wanted to make also here is the East Bethel Ice Arena is unique. Most ice arenas have a 24- or a 28-foot radius in the corners. East Bethel is 20 and they're hard to come by, these 20-foot radius dasher boards. I originally thought these were coming from California. They're coming from Toronto. They're still installed in an ice arena right now because the Jr. team is still in the playoffs. So, we are probably catching a break here.

Kaehler stated I do have some ideas for you guys to run by you. I've talked with my constituents over here about cost and stuff. I know you guys are concerned about our fundraisers and stuff. We've got monies in reserve. It's just if we put monies forward towards dasher board purchase right now, we're going to have to do more fund raisers just to get our reserves back up. So, we're willing to help out but I guess it would be nice if we could come to a common ground. Does the City have some monies to put in? If they do, great. What do you have and whatever you don't have we're going to try to make up the difference. I'm pretty confident we can get something done in talking with the Parks Board last week.

8.0C.2
April Report
& Request for
Dasher
Boards
Funding at the
City Ice
Arena

Voss stated one of the questions I have that affects costs. The proposal was to provide volunteer labor that is supervised by these folks. Mark, can you comment on that in terms of, I mean this is a facility of ours. Are there any issues, not so much in accidental things, just if it's installed wrong kind of thing. Vierling stated certainly I assume the supervisor would be there to assure that the installation was correct. But, technically, the cities can use volunteer labor for purposes of installations and park maintenance and things of that nature. That's not an issue. But, if there is an incorrect installation or a defect in the installation that causes an injury, technically yes, you have some degree of exposure. You do have insurance coverage for it but yes, you do have exposure.

Koller asked does the cost include shipping. Mr. Kaehler answered yes, it does.

Voss stated so Jack, in terms of our potential funding sources, where do we sit on the Arena funds? Davis stated we currently have a little over \$134,000 in the Arena Fund at this time. Voss stated we just had discussion not too long ago, the fact that's not enough if we have any major issues with the Zamboni or cooling system. Davis stated yeah, and what our goal is, that's a partial fund for depreciation. We have been operating in the black on that fund now for two years and the real reason we operate in the black is because since the cell tower was installed on that property, all the revenue from that was assigned to the Arena account. That's probably accounted for, I'm going to estimate somewhere in the neighborhood of \$300,000 over the length of time that tower has been up, the revenue that's been provided the Arena. Last year and this year, we met our operating cost but we didn't meet our depreciation cost. We probably met about a third of that. While the performance of the Arena is definitely improved, it's difficult to meet all the operating costs and depreciation costs with the depreciation schedule that we currently have. Of course, the depreciation schedule can be varied but we think the one we have now is fairly conservative. While this, is this a depreciable item, probably is, but we were hoping these funds would be available for, hopefully, bigger ticket items like replacement of the Zamboni sometime down the road or if there's major costs for the chiller equipment, things that would be big ticket items that we have to expend money on.

Ronning stated I wonder if this might be a Work Meeting item to get into some of this. Voss stated I think it comes back to the timing of the potential supply. They want an answer within the next week. Correct? Kaehler responded yeah, definitely. Voss stated I don't think we have that luxury.

Davis asked what is your absolute drop-dead day that you have to inform the seller of your decision? Kaehler stated I told them of our discussions we had last week from the Parks & Rec and I told them that basically, if you gave us until April 30th, we'd have a decision one way or the other. Go, no go. I went on and checked your agenda out earlier today. If we want to get a committee together here and have a working session, hammer out something that makes sense, would it be possible to actually come to some kind of decision within a week? Do things work that fast?

Voss stated it doesn't seem like we're arguing too much about the actual replacement of it. It's the financials on it. Koller agreed, the cost. Voss stated and then justifying replacing something that is still useable. You know, considering your account about the radius, I can appreciate that too. Kaehler stated yeah, that's the key right there. I was told that in 2001, they quit mass producing the 20-foot radiuses so these ones were made special for this Toronto rink and now that they're tearing them out, they're redoing the whole rink and

8.0C.2

April Report
& Request for
Dasher
Boards
Funding at the
City Ice
Arena

going to 28-foot radiuses.

Voss stated just curious, how did you find out about them? Kaehler asked about the radius part? Voss stated no, about even finding these boards. Kaehler stated I've been looking. We had a game this winter and there was a body check into the boards, the board went out and it almost hit my son, a spectator not on the ice playing. I said at that point in time, 'We need to do something. This is dangerous.' So, there's a place called Becker, they're world renowned for getting used dasher boards, Zambonis, etc. They were not able to locate any so I made some more calls to some more arena managers that I know. They put me in touch with an individual up in Alexandria and I didn't think we'd find these boards for a couple three months, maybe a year. Low and behold, he found these in a week. He just got lucky. So that's what the whole proposal was here. I really think it's a 'diamond in the rough' here, us finding them. In my opinion, these look like they're in such nice shape, I think he put these in there and you've got the ice rink for another 20 years before you have to worry about dasher board again. It's a nice luxury to have.

Voss asked staff have any recommendation? Davis stated again our concern is the funding sources. Again, we'd feel more comfortable if they were more clearly defined. As I stated previously, we know these board are going to have to be replaced eventually. I can't, with any certainty, say they need to be replaced this year, next year, or five years. We do know that we've had them for 18 years and we bought them used. So, I'm sure that whoever had them didn't have them for a year or two. They are getting some age on them, they're plastic composite, they don't show too many signs of deterioration. When you say the board came out, was that because of the bracing behind the boards that hold them together? Or, was it a board that broke? Kaehler stated no, a board didn't break. Basically it separated from the bracing that holds it in place. I think over the years with the Zamboni running into it and pushing it enough, and it's just in one corner that's so bad it's not repairable in my opinion.

Ronning asked are you aware of any additional boards that are questionable? Kaehler stated the one side is really bad as you walk into the rink. They tilt out like this (*used an arm gesture to show how much the boards slant outward.*) They tilt out right now and the ice isn't in. Once the ice is put in, they tilt out even more. That's where we had the problem with the body check. It needs to be replaced. I think we can figure something out here to get it done.

Voss stated you said you've had discussions with the Association on potential funding. Can you share some 'ballpark' numbers? Kaehler stated well, let's just say for instance we sell these boards. He's got a sale already for these, your current dash boards in there. He's got someone who will buy them from me right now so let's just say you get \$10,000 for that. We're looking at \$44,000 at that point in time. I'm relatively confident with my constituents back here from what we've discussed, we can come forward with \$22,000, which would leave the City 'on the hook' to be a 50/50 partner. And, believe me, we're extremely pleased to have a roof over our head to play hockey in this community. We're grateful. Voss stated I appreciate the efforts. You know, you don't always see this from associations so I appreciate it and the Council appreciates it.

Voss asked so what's our pleasure? How do you want to proceed? Mundle asked do we want a special meeting to 'hammer' something out? Voss stated we're coming back to cost and that's a nice proposal, by the way, so it didn't go unnoticed. Kaehler stated thank you. Voss stated you've got the challenge of everyone behind you, make them happy too. To me, that's what we've got to work out. I don't know if you can expect, I mean we're going

to have to finance it, basically, if it's a \$55,000 up front to get it here. Then we work on selling the boards to defer or reimburse the Arena Fund. Then with donations from the Association to help defer that.

Voss stated I don't know what kind of framework, Jack, you're thinking on. Davis stated as far as the funds go, we have those funds on hand. Especially if we're talking now about reducing the cost by \$10,000 with the sale of the existing boards and they're agreeing to split 50, we'd have to up-front \$44,000 but we have \$44,000 that could be available. Again, we would like to try to retain as much of those funds for larger ticket depreciation items and make that grow. I think the issues here, the only concern I have is, and part of that is the fact that a decision has to be made to accept the sale or this guy's going to sell them to somebody else. They are unique and Brad did describe the tighter corner radiuses in the rink. I think part of that was due to when the floor had to be replaced. What they did is actually kind of shrunk the footprint of the rink a little bit. If you go in the rink, you can actually see where the old dasher board line was, which is set back about four feet from where the existing line was. You can see the old bolt holes in the floor. My only concern, and I hope we would definitely work with the Booster Clubs and the Youth Hockey Association, as I think we've done over the past two years, we've tried to establish that relationship. I think we've come a long way and we certainly want to continue that and improve upon it. If we can have some assurances that they can come up with their share, then it's just a matter of time before we're going to have to replace those again. Again, I can't tell you when it is because we don't have any experts but it is an item that will have to be replaced eventually.

Voss asked Brad have you had the discussion at the Board level in terms of helping off set the cost? Kaehler stated we have 100% buy in of our Board and they are in attendance. Voss stated well that's good. Kaehler stated my 'other court.'

Voss stated so the supplier is just looking for a commitment? Or, are they looking for a contract? Kaehler stated I told them I would let them know how tonight went, tomorrow. If it was a 'go' or a 'no go.' As far as contracts and stuff, I think Jack, you're going to have to get involved with that probably. Voss stated that will have to come back to Council, right? Davis stated if you gave approval to proceed tonight, then we could go ahead and at least issue a purchase order to secure the purchase of the dasher boards.

Voss stated I think also to Ron's comment, we haven't had the discussion yet with the Arena management. Right? Davis answered no we have not. Voss stated I don't know what changes that could affect either.

Voss stated my view is, again, it's refreshing to see the community coming to the City with issues like that and then really refreshing when you drop potential donations to help offset those costs. I mean, you've got buy in. You're 'in the game' so I think that's good. I can't see a whole lot of reason for not proceeding with this.

Harrington agreed stating no, I think the Ice Arena is going to be here for a long time. I think \$22,000 or whatever, that's a good price. Voss stated yeah, that's a good deal and if it improves our facility, it's a good investment.

Ronning stated we're saying \$22,000 but it takes more than that to get everything here. To 'play the game' it costs more than \$22,000 apiece. Voss stated if I have the math right, it's \$54,000 to purchase and get it here and that includes the supervisor. Kaehler stated that's

April 15, 2015
8.0C.2
April Report
& Request for
Dasher
Boards
Funding at the
City Ice
Arena

right. Voss stated and then there's volunteer labor to install it. Kaehler that's right, we need to supply the volunteer labor. Voss stated then when the old boards come out, we'll be able to sell those for whatever amount we get so that will offset that cost. The revenue from the sale goes back into the Arena Fund? Davis stated correct. Voss stated whatever donations that the Association can make and I assume that can go right into the Arena Fund too.

Ronning stated that doesn't seem like a 'craigslist' item. How would you sell something like that? Kaehler stated you have to go through a broker, basically, which is what this guy is. You have a select market looking for dasher boards. These dasher boards that you've got in there now will never go in an indoor rink again. They're strictly for outdoor at this point in time.

Voss asked is there consideration for a motion to proceed? **Voss stated I'll move we proceed to work with the Hockey Association and to acquire these boards with the understanding that we'll have resale to offset and the financial commitments that the Hockey Association has presented tonight. Ronning stated I'll second.** Voss stated any discussion? Apprehensive? Koller stated a little apprehensive. Voss stated a little bit, you know. Koller stated didn't have much time to research this but if it requires a deadline. Voss stated I think if any fatal flaw comes up in the next week, we'll know about it from staff.

Davis stated again, my apprehension, and it's not really apprehension, it's just a concern, is not with the boards themselves because if you look, the replacement cost to buy these new is in excess of \$100,000. It's an expense that we're eventually going to have to incur. So, if we get these now, this is a pretty 'sweet deal.' We were just hoping that the arrangements for the fundraiser could have been reversed but in this situation where a decision has to be made within a short timeframe, then this is the best that we can work out. So again, I want to commend the Booster Clubs and Hockey Associations. They have worked very closely with the City and they're looking to make improvements and this is an indication of their 'walking the walk.' Thank you very much.

Voss stated any other discussion? To the motion all in favor say aye?" **All in favor.** Voss stated opposed? That motion passes. **Motion passes unanimously.** Voss stated you'll be talking to Jack quite a bit over the next week, I imagine. Kaehler stated thank you and we'll get to know each other a lot better. Thank you all.

8.0D
Road
Commission

None.

**9.0
Department
Reports**

None.

9.0A
Community
Development

9.0B Engineer
9.0A.1
Engineer's
Report

Davis stated the City Engineer will provide a report that addresses groundwater issues within the City and this is in response to a public comment we had at a meeting in February relating to issues at White Bear Lake. The City Engineer will also provide updates for current and proposed projects.

9.0A.1
Engineer's
Report

Jochum stated we do have some extra handouts if anybody in the audience. So, as Jack said, I'm going to provide some background about the current status of groundwater in Minnesota. Fairly short presentation and then I'll open it up for questions.

Jochum stated I'm going to start with the White Bear Lake situation that was brought up several months ago at Council. It kind of does tie back into East Bethel, maybe not directly, but indirectly and how groundwater issues have evolved over time with this topic. Basically, as you know, White Bear Lake is at its historic lows, which prompted a study to be done by the Geological Survey in 2011. Basically, the study contributed three main factors to the lake levels: precipitation; watershed area; and, groundwater withdrawal. The first larger factor, precipitation, historically as of late that has been down. That also kind of relates to the watershed area. It's a small watershed area compared to the lake size so, of course, the less precipitation, it's just intuitive the less runoff into the lake, which has a great effect on the lake. The second big factor is the groundwater withdrawal from the Prairie du Chien. That's the factor that most of the Lake Association is blaming for the cause of the lake. The withdrawal from the aquifers has doubled in the last 30 years due to development. Basically the study, which one of these controls, in my opinion it's a factor all three of them but from the study, the Geological Survey did think that the groundwater withdrawal might have a factor in why the lake is going down. The DNR's more on the other side where their blaming precipitation or climate change because I guess they have a little bit more of a stake since they permit these groundwater wells. Again, it depends which agency you're with or what 'side of the fence' you're on. I guess it's a really complicated issue, hydrogeology and geology, in general. There's really no clear cut answer.

Jochum displayed a colored slide and stated this is a pretty simplistic exhibit of a slice of the ground underneath White Bear Lake but it might give you somewhat of a general idea of how it will relate on the next slide to East Bethel. So basically, you have White Bear Lake up here and then you have the glacial till, we call it, in the light green. Basically, that's your sand, gravels, clays, and silts. It's a lot more complicated than that shows it, but in different stages, you'll have those types of materials, all materials you've probably seen if you dug a hole for a basement. You've seen clay layers, you've seen gravel layers, so pretty common materials. That's the layer that would be in East Bethel also. It's much thicker but that's probably where 90% of the wells in East Bethel are drilled, in the glacial till.

Jochum stated these three aquifers are really the main municipal aquifers that are affecting White Bear Lake, the Prairie du Chien/Jordan is the main one and that's where most of the municipal wells are drawing from. I put these formations below that just to kind of show you on the next slide, starting from the Jordan down you'll see those formations in East Bethel. The Jordan/Prairie du Chien up, go away as you head east and get to East Bethel so we don't see these formations for the most part in East Bethel. We see the glacial till and then the St. Lawrence down.

Jochum stated just to note, that hatching area, they're really not a water bearing soils. They're more shales and dolostone or barrier layers. So, basically, if you have a thick layer of this it would likely not influence drawing water from down here. So some of the suggestions have been that in this area, they will go to the Wanawake, maybe, for water in the future but the downside of that is you get less water out of them, basically.

Jochum stated this slide is kind of a slice of what we found in East Bethel for Wells #3 and #4. On the left side is a casing slide starting at the surface. How the pulmonary design for those wells was made, was we assumed we'd go through some glacial till, hit the St. Lawrence, hit the Tunnel City, and then we'd put our casing down and seal these layers and we'd actually draw our water from the Wanawake. What we actually found was these two layers, for the most part, were not there. It was all glacial till for the most part and a very thick layer, more like 300 feet versus what you see in the last slide. They probably have 100 feet of glacial till before they get to their good water bearing aquifers. That can be a good thing for East Bethel. Again, it's thick. It's a complicated layer just like they all are but you don't know exactly what's in there.

Jochum stated basically Well #3, what happened on that well, was we drilled into the Wanawake, found that it was very thin, very low capacity, so we sealed that up and found a really nice high capacity gravel layer there. So, we actually screen this well. That's about a 50-foot screen and that actually is more of a gravel-type well. It actually produces quite a bit of water, probably like 1,000 gpm. Both of these, we're shooting for about a 500 gpm well. The plant is 1,000 gpm. So, that well is different than preliminarily designed.

Jochum stated then we got to Well #4. We did put that in the Wanawake. We sealed the casing on top of that and then that was a traditional municipal well where you blow a hole in the bottom and bale sandstone until you get a big enough reservoir. That helps the capacity of the well. That well ended up being about a 600 gpm well and this one was about 1,000. Even just, so you can see, these two wells are only about 800 feet apart. You can see the variation in the Wanawake. Again, these geological formations can be very complex. You don't exactly know what you're going to get until you start drilling.

Jochum stated an item of note, we did hit the Eau Claire, which is a shale layer that separates the Wanawake from the Mt. Simon. Mt. Simon actually is forbidden to go into in the metro area right now. It's kind of a reserve watershed. Our aquifer for the future.

Jochum stated that brings us full circle, to where East Bethel is today. It is related to White Bear Lake and some of the things the DNR's doing to try to head off issues with future well and pumping. One thing East Bethel had to do after the two wells were in, we had to do a seven-day pump test and we had to monitor 13 wells up to a half-mile away from those wells. In that seven days, we pumped 6.5 million gallons and then measured the draw down in those 13 wells. This will give the DNR and the City a baseline of where the groundwater was when the wells were put in. That was the main reason for doing the seven-day pump test.

Jochum stated just to give you an idea of how much 6.5 million gallons is, last year you guys used 8.3 million gallons for domestic use on those two wells. So, it was almost a year's use. Of course, you don't have all that many people hooked up yet.

Jochum stated to put that into a little bit of perspective, I did some quick calculations. The annual rainfall over the City of East Bethel, if you were able to retain that 100%, which you don't, would be 30 billion gallons a year. So, pretty small numbers when you are talking about water withdrawal here. You're actually permitted to withdraw 54 million gallons a year as of right now.

Jochum stated the next step to this water monitoring that the DNR is making the City of East Bethel do is you monitor five wells. They basically are measured every hour so we'll

have measurements every hour on the water levels of these five wells. I would assume for the duration of the system design. Basically there's transducers in the wells that automatically measure this stuff.

Jochum stated another thing for East Bethel is traditionally waste water has been discharged to rivers, surface waters. Then it's just gone. As you know, the new plant is discharging to subsurface to the two rapid infiltration basins. So basically, the water that is being used, put back into the ground, and not as traditionally as is discharge to the river.

Jochum stated from this, I think, you're going to see more. You've already seen articles on it. I'm sure that cities that can take water from the Mississippi, let's say, are going to be made to that. You're probably going to see a lot more of this subsurface discharge for sewer. I think East Bethel is quite 'ahead of the curve' on the groundwater conservation and protection. That's all I have for my presentation.

Ronning asked do you know if those are stationary aquifers? Or, are they flowages? Jochum asked what do you mean by that? Ronning asked are they moving? Are they coming from someplace? Jochum stated they do move. Ronning stated part of that answer tells you how much gets replaced. Jochum stated sure, the Wanawake, which is prevalent in East Bethel, basically flows in general towards the Mississippi River. And, it actually recharges, maybe more than they thought at first, from the dripping or leaking of the glacial till but it also recharges to the west. I know it charges all the way from like the Croix River. So, as these bedrocks daylight and outcrop, they actually have water. You could almost look at it as a large pipe, you know. So they can recharge ten miles away. They are not necessarily just getting water from the glacial till. But yes, they do flow.

Voss stated Craig, you mentioned that we're currently permitted for 54 million gallons a year out of those two wells. Jochum answered correct. Voss stated so as the City grows we'll be adding wells. Jochum stated correct and we've got a long ways to go before we get to that. Voss stated I just wanted to make it clear that if you look at it wrong, it made it sound like we can go to 54 million gallons and then that's it. Jochum stated you've got to somewhat prove. So we somewhat proved that in ten years we could grow to this. Because, they don't make you look at it every year.

Voss stated I think that's part of the concern that some folks had with this study was that in some way the study, the State, whoever, was eventually going to stifle groundwater use, which for us is then growth. So, in terms of that report and our review of it, it seems like you don't seem a whole lot concerned with what we have here. But, do we need to communicate that to DNR as part of this review of this report so we have official comment in there?

Davis stated from my standpoint, I requested that Craig prepare this information to show that our issues here are not connected with the White Bear issue. Water quality issues are still of paramount importance and that's something we can't neglect or consider. But because of the White Bear problem, it basically has little relationship to our situation in East Bethel.

Voss stated right, and I understand that. What I'm saying though, should we then not hang on to this knowledge ourselves? Or opinions? I mean express the opinions to the State that, having it on record, that we reviewed the report, reviewed the issues. Davis stated they always offer that up for public comment and I think we've provided comment on that in the

past. If we want to send something special in from our own investigation of where we are now with our situation, I think that would be a good idea to have that on record.

Jochum stated I think they're already actively involved because you'll see these reports every year, the monitoring reports. So, I guess if there's anything that triggers their concern, we're already actively involved with them. Versus in the past, where basically you reported your water use. They had no data saying what was actually happening in the field.

Voss stated I think what the concern was with this report was that there's be policy changes coming from DNR that's going to effect the communities in this area. Davis stated there were. In fact, there was some consideration that certain communities around the White Bear Lake area, even up to Forest Lake and maybe even Columbus may have to rely on surface water as a source of supply. One of the issues with that whole problem over there is that you have three agencies that are involved. The DNR, the U.S. Geological Society, and the Met Council. None of them can really, at this point, agree on where the problem originates. But, one of the proposals offers for solutions to the situation is that water lines be run to serve those communities with surface water as a source of supply.

Voss stated I just think that if this is our opinion and we don't think we're part of the problem, it's only to our benefit to let the State know. Here's our opinion on it. If you see differently, then we want to talk. But at least then it's in the record to the State. Agree? Disagree? Mundle stated yeah, sounds like a plan. Voss stated is that something staff can put together? I don't know what the right means to communicate that is.

Davis asked when is our next annual report due Craig? Voss stated I'm thinking more to this specific report that came out. That wasn't part of the annual report, was it? Jochum not the Geological report that came out in 2011. Voss asked the one that they just held hearings on? Jochum stated there could have been other reports but the main report came out in 2011. There was law suits. That law suit just got settled. That's where it came down that, I think, Forest Lake and Columbus is in Phase 2 of being mandated to use surface water. There's some Phase 1 cities that are White Bear Lake, White Bear Lake Township. But, I guess there are studies going on now yet. They're trying to do soundings on the lake to see if there's fractures in the bedrock. But I don't know of the study I guess, or a comment period open right now. But, I could be wrong too.

Voss stated they just had public hearings on it. Mundle asked are you referring to when at one of our last public hearings, a meeting or two ago, that it was brought up that person attended that meeting? Voss stated yeah, when Heidi was here. Meetings in Ham Lake? Davis stated I don't think that was a public hearing. It was just a series of meetings to address ground water situations. Voss stated right but there was a public comment period. Davis stated there was a public comment period but I think that has passed. Voss stated I'm sure it's passed, I know.

Ronning asked would you call it informational meetings? Davis stated the latest one was probably more of an informational meeting or report more from, maybe, USGS and DNR on what some of the issues were there and trying to come up with some kind of a consensus, what some solutions were to the problem. More or less to point out that there was a problem that existed and that the three agencies were working on trying to come up with a solution. But, I think we should definitely be on record in some form or fashion, whether it's through our annual report, or an addendum, or just a separate letter indicating what we feel our status here is in East Bethel and indicate we don't foresee any issues at this point.

Let them know where we stand on the matter.

Voss asked any other questions for Craig? Mundle asked was there updates on other projects? Voss asked do you have anything else?

Jochum stated I can give an update on the projects. Basically, Lift Station #1 is done and it was closed out last Council meeting, payment. The Forcemain Project still has some punch list items that will be taken care of as soon as road restrictions get taken off. The Nordin Estates tonight was awarded, of course. We took bids on Friday. The Lincoln Laurel Longfellow Project, do we still have one or two? Davis stated we still have two but one is, as soon as they give me a time to meet with them we'll get that one executed. Jochum stated hopefully that will be resolved this month. Then we'll bid that in May, that project. Probably would be a late June start then. Then I guess the last thing going on is the decommissioning of the Wastewater Treatment Plan at Castle Towers. We're breaking it up into two phases. Phase 1 basically cleaning all the sludge, removing the liner, any kind or type of contamination pipes, out of there. That report and plan set is to the MPCA for comment. Hopefully, that will be resolved here and comments received back in the next two to three weeks. Then that will probably be coming to Council to get your opinions on whether that could be bid. I guess the thought is that's kind of a specialty contractor. Once we get that out of the way then we can see how much money we have left to see if we're going to do additional site grading or if that would wait until a developer or whatever the City decides to do with the project. Again, Phase 1 for that is at the MPCA for review. I think that's all the projects.

Voss asked any other questions for Craig? Thank you.

Informational; no action required.

9.0C
City Attorney

None.

9.0D
Finance

None.

9.0E
Public Works

None.

9.0F
Fire
Department
9.0F.1
March Report

DuCharme stated thank you Council. First of all, I'd like to start off, East Bethel Fire Department has a great relationship with the Minnesota DNR, their fire program. And, Art Widerstrom has been one of the State Foresters that has been assigned to the Metro area. After 47 years and two months, Art retired at the end of the month and I miss him already. If Art or any of his friends or family are listening, I know East Bethel misses him and he'll be a hard one to replace. He helped us a lot with equipment and other things. So, we miss him.

DuCharme stated tomorrow, April 16th, we're going to have a tornado drill. I want the Council to know it. I want our audience to know it and I also want our citizens to know it. The sirens are going to sound twice tomorrow for a mock tornado warning. The first one is going to be at 1:45 in the afternoon. The sirens will go off and it will be a simulated tornado warning. Then the sirens are going to go off in the evening, at 6:55 p.m. Once again, that's just a mock warning and gives a chance for the public to think about what

they're going to do in case of a tornado or really bad weather. It's a great time to do that.

DuCharme stated one thing about our outdoor warning sirens, they're outdoor warning sirens. Okay? They're designed to warn people when they're outside. So sometimes when we're in our houses, we can't hear them as much. But, I just want the public to know that. The other thing I want them to know is that there is no such thing as an 'all clear siren.' If you hear sirens, that means we've got weather in the area and we've got to take cover. We don't sound the sirens for 'all clear.' Okay? So, once again, that's going to be tomorrow. We'll sound the sirens, well I won't but National Weather Service will sound the sirens at 1:45 and then again at 6:55.

Mundle asked is that Statewide then? DuCharme answered that's Statewide so all six National Weather Stations in the State are going to participate in that. And, you'll probably see if you're watching TV or listening to the radio, they'll post these mock tornado watch is what they'll start with and then a mock tornado warning and then the sirens will sound.

DuCharme stated here's one other thing. A few years ago, we had some bad weather that moved in at the same day they were going to do this. So, if weather looks like it could be an issue then they'll cancel that and they'll do it the next day. But, that will be tomorrow, please listen for that.

Harrington asked could I ask you one on that? Is it strictly tornados for our sirens? Some cities sound their sirens for severe thunderstorms. DuCharme stated you're right, Tim, about that. The County is in charge of activating our weather sirens. The Fire Chief, Shelly our Sheriff liaison, we don't have any control on that. It's the County that does that, County Dispatch, and they'll sound those for winds that are projected to be like 50 miles, 65 miles an hour or above. So they will, on straight-line winds, non-tornadic activity, they will sound that. Anytime we hear a siren, we've got to get in. We've got places in our City where a little bit of wind, where those branches are falling and everything else. I also remember being out with a Council person one time and I thought we were going to get hit in the head. So, be aware.

DuCharme stated the other thing I'm going to report on is, as Council knows because we made you go through it, our HeartSafe Program is off and running and doing really well. I've got just a quick report that so far we've trained over 250 residents in East Bethel. We're about 30% to our goal of training. We believe that at the end of the year we're going to meet our goal and we'll have the designation as a HeartSafe City. We're working really, really hard on it. The team met with the Coon Lake Beach Community Center people and did a training over there, assisted them with installing an AED, and on Sunday I'll be over at their Pancake Breakfast, which starts at 9 o'clock in the morning, to accept a \$2,000 donation that they're going to give the Fire Department. On the next Council agenda, we'll have that there for formal acceptance.

DuCharme stated I really want you to know that we've got a strong team. I just want to read off a couple firefighter's names. We've got Wade Hoffman, Ryan Henry, Tammy Gimpl, Doug Dobbert, Chad Fish, Jeremy Shierts, and Troy Lachinski that have really worked hard in this program and they're making East Bethel a safer community. We're looking forward to that. We're also, the Community Center is buying an AED for the Coon Lake Market that our team's going to install.

Voss asked Mark, the Department offers the training once a month? DuCharme responded yes. Voss asked and what night? DuCharme stated usually Thursday nights and it's on Facebook. Voss asked it's the last Thursday? DuCharme stated well it's not necessarily the last one. We've got it posted on Facebook and it's East Bethel Heart Safe. You can find us on there. It's got the whole schedule. We actually do it like the second and fourth Thursdays, is when we do it.

Voss asked do we have it on the City calendar as well Jack? Do you know? On the website? Davis stated no, we don't have that information. We can add that though. DuCharme stated I'll make sure that we have that information posted.

DuCharme reported that in the month of March, I'd like to talk a little bit about our fire calls. Our fire calls or emergency calls, we had 52 of them. We had a few mutual aids. A couple of mutual aids didn't amount to much as far as we were concerned. Instead, we were just standby. We had a number of medical calls. Out of those 52, we had 34 medical calls. You know, when you look at the report in March, we ran on 34 medical calls and of those 34, 25 were transported by ambulance to hospital. But, we also had a number of calls. The reason why that number is a little bit skewed is we had a number of calls of elderly population that have med-alert buttons to press and medical alerts where we went and actually, they had fallen and we helped them. I'm going to tell our senior population that we don't mind doing that at all. It's a service that we're proud to provide.

DuCharme stated when you look at the first quarter of 2015, we've run on 151 calls. We're way ahead of what we were last year and I've put in your package a little chart on January to March, the first quarter. You can see that in the five-year history, this is the highest we've run on calls in the first quarter. Now, this is coming off 2014 when we had a very good decrease in calls. So, sometimes that happens.

DuCharme stated we continued to run very high level of EMS calls and in the first quarter, as you can see, we've run a lot of medical calls this first quarter. Some very good ones and some very bad ones. So, 72% of our calls were EMS related. Of all the EMS calls, and there were 108 of them, most of those people are transported, over 90% of the people are actually transported and many times we'll do what we call 'packaging,' getting them ready for the ambulance and get them off.

DuCharme stated real quick here, the last one is type of medical calls. You can kind of take a look at what we run. When we talk about medical complications, those are complications from people having diseases or just illnesses and we're there to help them. Does Council have any questions at all?

Mundle asked how are the, and this is related to the flu, are those kind down from the previous months? DuCharme stated you know it's real interesting. We did have a flu outbreak and I think we talked about it a little bit. Right now, this is the prime seasons for what we call RSV, which is a respiratory virus. We were just talking to a doctor, right now is the peak of that and it, once again, affects the people who are compromised, their immune system is compromised by other illnesses and everything else. We've got to be real careful in our population that has RSV, real careful. Voss stated I hope it's not me coughing. That's allergies.

Ronning asked Mark, was there a fire in the City this evening, down Polk Street around Jackson? There was a lot of smoke going up in the air. DuCharme stated Oak Grove had a

grass fire earlier. We had the DNR actually staged in our parking lot this afternoon because they expected that East Bethel would be the 'hot spot' for fires and it didn't happen. It happened all around us but we didn't get the wind. Oak Grove had a fire and Ham Lake also, I think they had a grass fire there too that they were working pretty hard on. About a 2-3 acre fire, it sounded like.

Ronning asked of the EMS, did we lose anybody? DuCharme stated we have good ones and bad ones. Ronning stated that sounds like maybe. DuCharme stated yeah.

DuCharme stated remember we've got the burning ban on. You can have recreational fires. The recreational fires are three-foot wide, three-foot high. You can't burn your leaves in it. We had a guy yesterday that was burning his leaves and actually DNR is going to send him a bill for being out there. You can't burn your leaves and you can't burn garbage in there.

Harrington asked can I make one comment you could maybe pass on to the DNR? Yesterday afternoon I was coming down 22, there was one of their vehicles that was coming down with just the lights on. Maybe if he could put his siren on because cars weren't pulling over for him until he got up to 65. So, just let him know. DuCharme stated I'm sure we'll see him tomorrow. Lately they've been running the Managers out on the trucks too so I'll mention it to him. Harrington stated okay.

Voss asked anything else for Mark? Thank you. DuCharme stated okay, thank you.

Informational; no action required.

9.0G
City
Administrator

It was noted that Koller had indicated, upon agenda adoption, that he would abstain from consideration of this item. At this point, Koller left the Council dais.

9.0G.1
Ice Arena
Management
Services
Contractor

Davis presented the staff report, indicating the City of East Bethel managed and operated the City Ice Arena with City Staff until 2006. From 2006 to 2008, the City contracted with the National Sports Center for management services. The National Sports Center declined to exercise their option to extend their contract at the end of the 2008 season. As a result, the City solicited other management proposals for the operation of the facility and awarded a contract to Gibson Management Company, LLC. Gibson Management has operated the Arena for the past seven years.

The City Ice Arena operates as an Enterprise Fund. The Fund had a cash balance deficit of \$134,835 in 2011 but currently has a positive cash balance of \$134,254. City levies are not used to support the Arena; however, revenues from the cell tower on site were allocated to the Arena Fund prior to and through 2014. The goal of the City, at minimum, is to operate this facility with all costs paid through user fees. This position was made abundantly clear to all those who have submitted RFP's.

Aside from the outsourcing of the management of the Arena to an independent contractor as we have done since 2006, the City could consider the following alternative options:

- Lease the facility outright to a user; or
- Hire a contract manager and operate the facility under the umbrella of the City.

The major issue with leasing is protecting the City's investment in the facility and establishing responsibilities for maintenance and use of the equipment and property. Directly contracting the management as a City function, while a consideration, could create

a position and role that has the potential to expand well beyond its anticipated purpose and produce an additional level of management and possible expense. Staff is of the opinion that contracting with an independent management company is the most efficient and economical means to operate the facility at this time.

A Request for Proposals (RFPs) for the Arena Management Contract were advertised in the *Anoka Union*, City website, and with the League of Minnesota Cities. There were two submittals for the Management Services Contract:

Gibson Management, LLC of Rochester, Minnesota; and,
Victory Management of Isanti, Minnesota

The City Council received and reviewed presentations of the management proposals from these two firms at a Work Meeting on March 25, 2015.

The City has budgeted \$79,000 for this service for the 2016 Budget. Both proposals exceed this amount and it is recommended that the contractor selected be open to negotiate their quote for services. Staff recommends that a contract award be provided for a term of not less than two nor more than three years.

Staff recommends that Council consider approval of a contractor from the above list to provide management services for the City Ice Arena and direct staff to negotiate a contract for these services with the selected contractor and present the negotiated contract for consideration of approval at the May 20, 2015, City Council Meeting.

Ronning stated I move to table this for the Work Meeting for the review. Ronning stated I think there was some things that came up at that Work Meeting last time that we didn't really investigate. Didn't get any more information on. **Harrington stated I'll second.**

Voss stated discussion? What things in particular that you think are unresolved? Ronning stated technically, there isn't discussion, but there was one that we spoke about. A website cost and there was a response that not doing the website the way proposed would reduce the cost by, I'm not sure what the number was. Davis responded \$6,000. Ronning stated so what does that do and also I'd like to see the last year's proposal and compare it to this year's proposal. Davis stated the actual RFPs that were submitted? Or, the contract with Gibson? Ronning stated the proposal that was submitted for us to consider, for our consideration. True or not, I don't know, I've heard that there were some commitments made last time that didn't happen. We were a little, there was a reason why we went with a one-year contract. They seem like fair questions.

Voss stated okay there's a motion and second to table. All in favor say aye?" **Harrington, Mundle Ronning and Voss-Aye; Koller-Abstain.** Voss stated opposed? **Motion passes.**

Voss stated you want to send this back to a Work Meeting so it's really not tabling it. Right? We're not going to have any action at a Work Meeting. Ronning stated I think I said table for review at the next Work Meeting. Voss stated all right, the next Work Meeting then. Anything else Jack? Davis responded that's all on that.

At this point, Koller returned to the Council dais.

10.0 Other
10.0A
Staff Reports
Local Gov.
Off. Meeting

Davis stated there's a Local Government Official's meeting on Wednesday, March 29th. I sent some information out a week or so ago. Voss asked did you say March 29th? Davis said excuse me, April 29th, I'm a month behind. If any of you are interested in attending, let me know and we'll RSVP for you.

Town Hall
Meeting
Spring
Recycle Day

Davis asked everybody remember the Town Hall Meeting is scheduled for April 23rd, which is a week from tomorrow at 6 p.m. Also, the Spring Recycle Day is scheduled for Saturday, April 25th at the Ice Arena. It will run from 8 a.m. to 1 p.m.

Work Mtg.
Agenda

Davis stated we have a Work Meeting scheduled for April 22nd and aside from the Rental Ordinance and now the further discussion of the Ice Arena Contract, I'd like to add a discussion and review of where we are with our Met Council Environmental Services negotiation and discussion and to see if there's any other items that you wish to add to that agenda.

Voss asked anyone have suggestions? Anything they want to suggest be added to the Work Meeting? Mundle asked how much time do we want because Booster Day is coming up. How much time do we need as a Council to discuss that? Voss asked Booster Day? Mundle answered yeah. Voss stated we really don't discuss Booster Days too much, do we? Davis stated I think Brian was interested in discussing what the City's role is in Booster Day and either defining that or exploring different options. Mundle stated if we want to volunteer in some way or if we want to have any involvement, no involvement.

Ronning stated historically I think it's been a completely separate function. Voss asked are you talking about us being involved? Or staff being involved? Mundle responded Council. Voss stated I'm not sitting in a dunk tank, I'll tell you that right now. Ronning stated it seems like a reasonable discussion. Mundle stated I just think that as leaders of the community, we should have some sort of presence there beyond just attending it. Just so the community can meet us and talk with us.

Voss asked anything else for the Work Meeting? Davis stated that's four issues. Voss stated I think we'll probably want to put the Ice Arena on top, talk about that first. Davis replied yeah. Voss stated so it's the 22nd at 6 o'clock? Or 7? Davis stated your pleasure as to the hour. Voss asked is there a suggestion on time? Koller stated let's do 6 o'clock. That way if it goes a little longer. Voss stated I'm fine with 6. Anything else? Davis stated that's it.

10.0B
Council
Report –
Member
Harrington

Harrington stated just to add onto Jack's, the 25th of April we've got Arbor Day. We're going to plant a tree up in Booster East at 10 o'clock on Saturday morning. The East Bethel Lions have their garage sale at the Ice Arena on May 1st and 2nd, Friday from 8 to 5, Saturday from 8 to 3. Two of our local businesses have open houses the 25th. Plow World from 10 to 4 and Northway Sports, May 1st and 2nd, Friday from 10 to 6, Saturday from 10 to 3. That's all I've got.

Council
Member
Ronning

Ronning stated the Road Commission met last night. They went through their budget recommendations and things and will be forwarding that to us. At the next meeting, Jack? Davis stated that will be on our first of May meeting.

Ronning stated there was a question about what the weather did to us as far as cost this year. Nate indicated it came in at, overtime especially, came in about 2% below what was expected and budgeted. They ended up with a minimum salt use so that expense. Voss

stated we probably had a surplus of salt in our area. Ronning stated yeah, I would think so. Davis stated we have a cold storage shed that's completely full of salt. It can't hold another grain, which is good.

Ronning stated there was discussion about the service road from, what is it Johnson or something to Viking, Buchanan? Davis stated we just call it the northwest quadrant, where it's going to go. Ronning stated okay, what he said. There's an A and a B proposal in there now and they had quite a bit of discussion on that. The A is the closer one to 65. The B is the one that would be under the power line. Voss asked the straight shot? Ronning replied yes.

Ronning stated there was discussion about getting some real data for was it Hanson or 9 has one of those shredded tire base. Davis stated the County is doing several of these. One of them is on Hanson Boulevard from Crosstown south. They've done another one on County Road 14 east of Lino Lakes. Oak Grove did one on 221st from Drake Street, 1,500 feet east going back toward County Road 9. Nate is going to come up with several projects that have been done so we can evaluate them and see what their success is. And, Craig is giving us some valuable information on that also.

Ronning stated some of the discussion was getting adequate, reliable information that engineers, for one thing. I was suggesting get some borings, see what's down there. I think you guys know how to fix it but what's down there none of us know. There was some kind of a foam process and some other thing that they encase in some kind of material. They've been successful but we better know that we're doing a right thing before we make a mess.

Ronning stated 209th at Highway 65 was discussed about garbage dumping in there. So, they'll be sending a recommendation that we put barriers to restrict access to that. There is nothing back there. There's been refrigerators, tires, appliances. Voss asked is that our property? Davis answered it is the service road west of 65, 209th and then it's actually Ulysses Street that goes north and south and dead ends. It's quite an active area for trash dumping and other activities. It had been suggested that we maybe barricade the road off. We'll bring something to Council based on the Road Commission's recommendation at the next meeting for some discussion.

Davis explained there's several other issues involved there too. That is also an area that could be used to access the residences on Buchanan Street with emergency services in case there was a blockage of the road there at the school. Voss stated we could gate it, right? Davis stated the only problem is we can gate it, Jersey barrier, whatever, but it's just so simple to hop the curb and drive around it. It's something that's an issue and we do have to send crews back there to pick up. People dump mattresses and garbage and things of that nature. It's something that is open for consideration. Anybody that's got a great recommendation, we're more than welcome to listen to it.

Ronning stated so far it's pretty much nuisance stuff. The owners and Nate said the City has been back there picking up TVs, appliances, tires. Myself, I think it's just good fortune that they haven't been back there dumping shingles and oil and stuff. For that reason alone, we should make it inaccessible to them as best we can. That's about it.

Council
Member
Koller

Koller stated I don't have anything.

Council
Member
Mundle

Mundle stated Monday night I went to the firefighter's training meeting. They were doing their agility training that night and that was pretty interesting to watch because they do a whole obstacle course and it's timed but they have to walk it. Voss asked so what was your time? Mundle stated I didn't do it. Ronning stated 'no guts no glory.' Mundle stated I was tempted but. Voss stated you're younger than us so you should do it. Mundle stated next time I suppose I'll have to insist. But, other than that, that's all I had. That was a good meeting to watch to see what they do, opened up the fire station and all the different activities that they did. They did it in full gear plus air tank.

Harrington stated I just want to add on. I was there Monday morning when they were doing it and they asked me to do it and I said, 'No, no.'

Mayor Voss

Voss stated everyone took everything on my list. The question, Jack, you left this Sunrise report? This is just for our information? Davis replied that's for your information only. Leon brought that by today and just asked me to pass that out to the Councilmembers. Voss stated okay, it's the Sunrise Water Management Organization Annual Report for 2014. Davis stated correct. Voss asked we post this on our website too, don't we? Davis responded that will be on our website.

Voss stated as Jack reminded, Town Hall is coming up next week and encourage everyone to be there on the 23rd and hope to see some community involvement there. Other than that, that's all I have.

Ronning stated on that Town thing, just to add, there's no restrictions, no limits. Voss stated there will be limits. Ronning stated well sober maybe but it's open for discussion. Voss stated I encourage everybody to be here so it's an opportunity to meet with staff, meet with Council, in an open environment. So, it's a good deal.

10.0C
Other

None.

11.0
Adjourn

Mundle stated I'll make a motion to adjourn. Koller stated I'll second. Voss stated any discussion? All in favor say aye?" **All in favor.** Voss stated opposed? Motion passes. **Motion passes unanimously.**

Meeting adjourned at 8:58 p.m.

Submitted by:
Carla Wirth

TimeSaver Off Site Secretarial Inc.

**EAST BETHEL CITY COUNCIL MEETING
LOCAL BOARD OF APPEALS AND EQUALIZATION – CONTINUED**

April 15, 2015

The East Bethel City Council Local Board of Appeals and Equalization reconvened the April 15, 2015, meeting on April 15, 2015, at 6:00 PM 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
 Ken Tolzmann, City Assessor
 Alec Gugenberger, Anoka County
 Diana Stallmach, Anoka County

1.0 The meeting was called to order by Mayor Voss at 6:00 p.m.

Call to Order

2.0 **Harrington stated I'll make a motion to adopt tonight's agenda. Koller stated I'll**
Adopt **second.** Voss stated any discussion? All in favor say aye?" **All in favor.** Voss stated any
Agenda opposed? That motion passes. **Motion passes unanimously.**

3.0 Kenneth A. Tolzmann, SAMA #1939, City Assessor, stated good evening, I'd like to
Assessor's welcome you to this 2015 East Bethel Board of Appeal and Equalization. My name is Ken
Letter and Tolzmann, your City Assessor, and here representing Anoka County is Alec Gugenberger.
Report The purpose of this meeting tonight is to hear any valuation questions surrounding the 2015
assessment, which represents your taxes payable in 2016. This is the first step in
establishing next year's property taxes. Once this process is complete, the City will begin
working on the new City budget. Once the new budget has been established, Truth in
Taxation notices will be sent out in November.

Tolzmann stated one of the things I'd like to take a minute to explain is the relationship between your estimated market value and your taxes. The most important thing to know is that the only purpose your market value serves is to establish what your fair share of the cost of services will be. The next step is for the City and the County to go through their budgeting process this summer and fall. Then when all proposed budgets have been established, a Truth in Taxation notice is mailed out in November listing the proposed property tax for 2016.

Tolzmann stated as your City Assessor, I work for the City of East Bethel. It's my priority to advocate on behalf of the taxpayers of this community while, at the same time, maintaining a duty to uphold the Property Tax Laws of the State of Minnesota. I'm available during normal business hours and on weekends by appointment.

Tolzmann stated I'm sure a lot of you are wondering just how do we come up with these market values. The whole process surrounds getting good information on sales that take place in the community. For this year, we're using sales that took place between October 2013 and September 2014. This is the process Statewide. All these sales are reviewed and determined to be either qualified or unqualified. A qualified sale is one that is not a bank sale, relative sale, foreclosure sale, or any other type of sale that would not be representative

of market value. These good sales are used comparatively with unsold properties to reach these new estimates of market value. For this 2015 assessment, overall, there were 212 sales of which 115 were considered good sales. Overall, after this assessment was complete, these sales deviated on the average by only 8% from the average sale price. With the average assessed market value for this 2015 assessment being at 93% of actual market value, as established on January 2 of this year.

Tolzmann stated overall, the City's tax base increased this year by 7% to an overall taxable market value of \$842,450,620. As it stands now looking at the new sales going into next year's assessment, we have 62 qualified sales with an average ratio of 94%, which is a good indication that the real estate market in the City is continuing to rebound. In my opinion, this upturn of real estate values in the City is due, in large part, to the continued reduction of the number of bank owned properties for sale in the City. For this past year, there were 52 such bank sales as compared to 82 bank sales that we had last year.

Tolzmann stated in closing, I would just like to say and take this opportunity to thank the City of East Bethel for their continued support as your City Assessor. Thank you. Any questions?

Voss asked any questions from Council for Mr. Tolzmann? Can you talk about what sales you included in terms of market value? In fact, the bank sales aren't included in that. I know years ago, when the vast majority of sales were bank sales or short sales. Right? Tolzmann stated we went through some times when I think we had probably close to 150 bank sales in one year. It was brutal and it affected the market values considerably. Probably the 2010-2011 were probably the worst years.

Voss stated it affected market value for the fact that the housing stock was the bank sale properties. Right? Tolzmann stated exactly. Voss stated it wasn't even then taken into account in terms of determining market value. Tolzmann stated well they affected market value indirectly because of the supply and demand. If someone was going out to buy a property and they could buy it from a bank for \$120,000 and the guy across the street had the same house for sale for \$180,000.

Voss stated right but in terms of determination of the market valuation for a house, you didn't compare the bank sales just like you don't now. Tolzmann stated we only look at qualified sales. Voss stated so the way I kind of interpret it now, tell me if I'm wrong, because the regular sales are becoming more stronger percentagewise, the market value seems to me to be more stable and increased because of that. Tolzmann stated right, it's going back to a normal market situation. Voss stated that's good.

Voss asked do you know how we compare with other cities in terms of that balance? Tolzmann stated I think, I'm just going from, I believe St. Francis probably had more foreclosures than East Bethel did. You get up into Isanti County and I think it was even more of a problem up there. You get closer in and it was less of a problem. You go down towards Blaine, they didn't see the kind of affect with the recession that we did. It's a different market area. I would say Oak Grove, East Bethel, probably are very similar and had similar situations.

Mundle asked how do you see the rest of 2015 playing out for market sales? Tolzmann stated based on the sales, I've got 62 qualified sales right now. For the year before, we only had 85 good sales for 2013. So, we're almost to that right now. We're at 94%. I would

look for that ratio to probably tick down a little bit. The State wants us to be a 100% of values so I'm looking at another year similar to what we've got now. Or, we can look at City value, tax base increase of probably 5%-7%, probably somewhere in there. That's what I'm thinking.

Ronning asked did you explain when these bad sales become good sales, how that, we all come up together? Or does, I'm trying to think how to say the ratio of, are the good sales now higher or will stay higher than what the good-old sales that were bad? Tolzmann stated let's say that some of those bank sales that took place a few years ago, in a lot of cases the homes were, there were problems with them. Investors came in and bought those homes, fixed them up, now they're back up for sale. Now they're considered good sales. If they're on the market, if they're offered for sale, there's nothing to, if it's not a relative sale or it doesn't involve a bank or anything like that, it's probably a good sale.

Ronning stated I think I've seen some that look like good sales but somebody's got to come in and put a lot of work into it. So what happens with them? They're tax based on the sale? Tolzmann stated if somebody has a property, let's say they are going to lose to foreclosure but it hasn't technically happened yet, I usually check into those and talk to the buyer and seller to find out just what's going on there. If it looks like what we call a 'forced sale,' in other words pending, there may have been a Sheriff's certificate on the property, or the bank might have filed on the property in an attempt to foreclose, those are indications that it will probably be a forced sale.

Ronning stated for example, there's one in our neighborhood that they did the 'midnight move' and left the water on. So, there was a big mess to deal with but they bought the house as a good sale for probably 30%-50% less than. Tolzmann stated once in a while some sale will come through that it's a good sale and it might be in worse condition than it was when I was last out there. That's something we just try to work with it.

Ronning asked does that bring the rest of the market area down, up, doesn't change it? Tolzmann stated it has negligible effect on that because in each zone, we've got probably a half a dozen zones in the City ranging from, depending on the size of the site primarily, one for lakeshore, but you get 30, 40 homes in the sales area it's not going to effect the outcome of the entire zone.

Ronning stated that kind of begs the question. How large is a sale area or housing area? Tolzmann stated it's the entire City. I look at homes that are, say on one to two acres, the small tract. I look at two to four. I look at above quality homes in some of the nice areas like Bear Hollow, lakeshore, Coon Lake Beach is a separate area, properties over ten acres. They're all looked at individually so that we can satisfy the sales ratio using that. So, each one of those zones is equalized to the same percentage of the overall City. In this case, roughly 93% for each one of those zones.

Ronning stated they're part of the 4,000 house bucket so that many homes doesn't really effect the. Tolzmann stated each zone is part of the City so we look at the City as a whole but then we break it up into different zones within the City so that we can do the best we can to make sure that equalization is being served in all the different areas of the City.

Voss stated we've got a number of residents so why don't we open the hearing.

**4.0
Board of
Equalization**

Davis presented the staff report, noting annually, the City Council, sitting as the Board of Appeal and Equalization, is required to hear resident concerns regarding assessed values for properties in the City.

Mr. Ron Koller and Mr. Tom Ronning are Councilpersons who have completed the required Department of Revenue training for Board of Appeal and Equalization Hearings.

At this hearing, the Council must make a decision on requests for adjustments in valuations based on materials presented by residents and the City Assessor.

Davis stated at this time we can open the floor for those who wish to speak about their assessments.

Voss opened the public hearing at 6:13 p.m. He stated there was a sign in sheet so we'll start with the persons that did sign in.

Dan Archibald, 4644 Fawn Lake Drive, Bethel, stated good evening members of the City Council. I got to talk to Ken today. We've been playing 'phone tag' back and forth for the last couple of days. Anyway, my biggest concern was the increased valuation of the property without any improvements and everything. I don't remember this from before. We were burdened with having that power line put in front of our homes. We ended up having to sign the property over to Connexus Energy and Great River Energy. We were compensated for it, a little bit. But, in the meantime we lost a lot of our trees and it doesn't make the property any more valuable with these big power lines in front of our homes. It's going to be harder to sell so I don't feel that the valuation of the home is comparable to the other ones in the area in that respect.

Voss asked Ken, did you look at any properties along that route by chance? Tolzmann stated I was out there last year. Mr. Doug Archibald is the neighbor of Dan, and I did make adjustments on both properties. Doug's property is more severely impacted with the loss of trees than Dan's property. With Doug's property, I allowed a 15% adjustment because of that and for Dan's property, I allowed a 7% adjustment because he was more back in the trees and it wasn't, I guess what you might say 'in your face' kind of situation. The increase that Mr. Archibald is seeing for this year is basically, it would have been roughly 7% more had I not put those adjustments on last year because the market did go up this year even though it did have an adjustment for the loss of trees. There was still increases. But not as much as it would have been had he not had an adjustment for that. I, basically, was explaining that to Mr. Archibald.

Voss asked Dan, what was the change in your market value. Dan Archibald answered the change in the market value from, you want the estimated market value or are you looking for the taxable market value? Tolzmann stated the taxable market value isn't really the market value.

Tolzmann stated you want to look at your PIN number there Dan and tell me what your PIN number is. Dan Archibald stated I don't have it with me. Tolzmann asked what is your address. Dan Archibald responded 4644 Fawn Lake Drive. The one that this came from, 2014 to 2015 has gone from \$165,900 to \$171,700, which is up \$5,800. Then the proposed for 2015 to 2016 is going from \$171,700 to \$176,400, an increase of \$4,700. So in the two year time, the value of the home has gone up \$10,500 with no improvements, no changes whatsoever.

4.0
Board of
Equalization

Voss stated that's what, roughly 8% over two years? Tolzmann stated yeah and it would have been a greater increase. For this assessment, he's at \$176,400. Had he not had an adjustment for the loss of the trees, it would have been up around \$190,000. I felt that was a just allocation for the loss of the trees on his property.

Voss stated so Dan, your concern is, are you looking at other properties in your area in terms of? Dan Archibald stated correct, I'm looking at other properties in my area. I know just west of me they just sold that property but I believe it's on how many acres, 30? 30 acres. The property across from me is for sale. That's on 10 acres and the one diagonally across from me, I think they're waiting for their insurance company to rebuild. That home burned down six months ago and it's been sitting vacant and it's half burned out.

Ronning stated you started to say what they sold for or what they're marketing for? Dan Archibald stated I'm trying to find what they sold for because I know Mrs. Jones' place just sold.

Voss stated so Ken, all the properties along that route saw last year a downward adjustment? Tolzmann stated these two properties were impacted more severely. Voss stated just these too. Dan Archibald stated I had a smaller easement but they took more of his land than they did mine. He ended up with three power lines on it.

Voss asked so was that adjustment based on loss of trees? Or, the fact that the power lines? Tolzmann stated based on what I judged to be the impact of the power line on that particular property. Voss stated but for these properties that was done last year, correct? Tolzmann stated correct and that adjustment remains in effect.

Dan Archibald asked what is the average adjustment for increase in Anoka County for properties over this next year? Tolzmann asked over this next year? Dan Archibald responded yeah. Tolzmann stated it depends on which zone. For, I'd say probably, around 7%-8%. Archibald stated 7-8%. Tolzmann stated yours went up from \$171,700 to \$176,400, which is not even 5, it's about 3.5%.

Ronning stated you mentioned \$169,900. What year was that for? 2009? Dan Archibald stated \$169,500, 2014 to 2015. Tolzmann stated for pay 2014 he was at \$165,900. Dan Archibald stated correct. Tolzmann stated for pay 2015 it went to \$171,700. For this current assessment, it went to \$176,400.

Voss stated so it roughly, if I'm doing the math in my head right, it's roughly 1.5% last year increase in market value and about 3-3.5% this year. So, it would seem that in terms of comparison with the rest of the City, you're relative market value is on the low end in terms of change. Even with the second year. If the Assessor made the adjustment for the last year, this year you're only going up 3-3.5%. If you just look at that comparison to the average for the City, it's pretty good. No one wants your property value to go up until you sell, I know that.

Dan Archibald stated if you increase the market value, you get more tax money. Voss stated that's not the individual goal, and if the whole City increases by the same amount of value, it doesn't change, all it does is change the distribution of everyone's percentage. What we take in is based on what we set our budgets on. Dan Archibald stated these were just my concerns on it and that's why I'm here.

4.0
Board of
Equalization

Voss stated Dan was the only one that signed in. Is there anyone else that's interested tonight in speaking? Can you come up to the microphone please and state your name and address please?

Douglas Archibald, 4610 Fawn Lake Drive NE, East Bethel, stated I only came here because I didn't think he was going to make it because he was working down in Bloomington. I came here to represent him and talk to the City Council and talk to Ken. That's the only reason I'm here.

Voss asked so you don't have any concerns on your assessment? Douglas Archibald stated no. Voss asked or your market value? Douglas Archibald stated no, well, no not really. You know, the stuff I have to say, I can talk to Ken about. It's not really City Council's concern because it's something we have to talk about. I have no complaint on mine at all. I'm retired. I've been retired. I'm 70 years old. You know, and you 'can't fight City Hall.' You can't, there's a lot of things you can't do so I just 'roll with the flow.' I didn't think he was going to make it here tonight. I just came here to represent him. Voss stated okay. We like to think we work with residents, not fight them so thanks for coming up.

Douglas Archibald stated I have no complaints. Ken did a good job on that. But some of the houses in our neighborhood really, I think they bring down the value. I have one across the street from that's garbage from that property line to that property line. Mattresses, cars, junk.

Voss stated although that's, I agree, that's not directly what we're here for tonight but I think the entire Council and staff have that concern across the City too. Douglas Archibald stated right and I think every member here, including Ken, has this problem in their neighborhood.

Ronning stated that's kind of a good point though. If he's going to sell his house and the neighborhood is not going to help him sell it, that affects his value and everybody's value. Tolzmann stated that's right. Typically, it would show up, that's Citywide, in lower prices. If the homes in the City are dumpy and not kept up, it's reflective of market values.

Ronning stated right but if his area, his neighborhood, his market area is affected by one or several homes like that and then you compare that to something over on the golf course, some such thing like that, that's not an 'apples and apples.' Even though we're all lumped into a pie. Tolzmann stated if I see a place where there's mattresses stacked up against the neighbor's fence and it's a nice place, the other ones, I, chances are, would put an adjustment on it, make a note that the adjacent property has some issues, that type of thing. You see it once in a while but quite honestly, I don't see it a lot. It's more the exception than the rule. The City, overall has got some very nice, very nice places. But there's one, you see one once in a while. That's normal.

Jake Mattakat stated I actually have two properties in East Bethel. One at 4905 South Tri Oaks Circle, which was my residence for about 14 years and I recently bought a home on 19427 East Front Boulevard back in July of 2014. Looking at the market value in these areas, the 4901 South Tri Oak Circle address, market value goes up about 3% to 4% for 2014 to 2015, even less in 2016. However, we're looking at a 15% increase on my other property at 19427 East Front Boulevard. \$100,000 difference from 2014 evaluation to 2016 projection. We have a 15% increase right now for 2015 and we're looking at, on par again,

for another 15% coming in to 2016, picking up over \$100,000.

Voss asked Jake, for the East Front Boulevard, what were the evaluations for those years. Mattakat stated \$311,000 to \$362,000. This is on East Front Boulevard. The Mayor knows it well. He drives by it every day.

Ronning asked \$300 and how much? Voss stated actually both of them. So 2014 it was \$311,000? Mattakat stated 2014 was \$311,400; 2015 is \$362,200; and then we jump to \$414,200 for 2016. Now in comparison to the 4905 property, which is not on the lake. Voss stated not on the lake. Across the street from the Lake. Mattakat stated no, maybe not. Voss stated Ken will tell you why in a second here. Mattakat stated you're looking at a \$7,000 increase on that property over the course of 2014 and 2016. My main concern isn't what market value is.

Mattakat stated my main concern is where are we going with these taxes because we start looking at the value of these homes went down, my house was marketed at over \$200,000 at one time and then we had a crash. We watched taxes pretty much stay stable for the most part but the values went down. Now our houses are going back up. Now exponentially is that going to be minor raises in our taxes or is that going to be huge raises in our taxes when you're looking at \$100,000 difference in a house from when I bought it, not even year ago.

Tolzmann stated I got the 4901. What was the other address that you had there? Mattakat responded 19427 East Front Boulevard. The actual tax amount didn't go up much from 2014 to 2015 but it was a rental prior to me buying it and it's a residence now. My family lives in it. My other house was my residence for almost 15 years and it now has to be a rental because I wasn't able to sell it, which we need to work on that. Being able to sell houses in East Bethel isn't easy.

Voss stated I'm familiar with the neighborhood. Jake's East Front house is on the Lake, Coon Lake, which, understand the lake properties had their own adjustments in themselves. Mattakat stated the market only called for 10%. We're looking at 15% on the market value.

Tolzmann stated the property at 19427 Front Boulevard, the increase that he saw there was a result in the increase in the land value. The building value stayed essentially the same. It went from \$208,000 to \$211,000. The land went from \$154,000 to \$202,000 on that property. Now, if I go to the other property, the one on Tri Oak, that's from last year to this year. 4905 Tri Oak, that's not on the lake. Voss stated yeah, the one on Tri Oak is across. Tolzmann stated 4905 is not on the Lake so you can't compare the increase or decrease because you've got two different kinds of property.

Voss stated so the land value, if I've got the number right, went from \$154,000 to \$208,000. Is that right? Tolzmann stated that's correct. Voss stated that's a 30% increase or so. Are all the properties along the Lake seeing land values. Tolzmann stated the entire Lake was adjusted accordingly based on the sale data. Voss stated so all the properties went up. Tolzmann stated all of them. Voss stated and so why were Lake properties adjust this year? Tolzmann explained because of the sales that were coming through. We had over a dozen good qualified sales on the Lake this past year. With looking at those sales, it convinced me that an increase in the land value was necessary if we were to meet market value.

Voss asked so is it just Coon Lake? Or, is it lake properties in general? Tolzmann answered just Coon Lake. There are other lakes but I looked at Coon Lake individually.

4.0
Board of
Equalization

Ronning asked did you give the address 19437 or 27? Mattakat answered 27.

Voss stated I'll vouch. I've got property on the Lake there too and it went up. I don't know what the percentage was but the land, the home value didn't change but the land value did. Mattakat stated that may be but it's still going up quite high. I'm just wondering where our taxes are going to be going with that. I know the taxes didn't go up much. They only actually went up roughly about \$63 per year or something like that on the actual overall taxes for that. But, where are we going to be going with our taxes when we have to pay for a water tower, all the other stuff? Now we have that full market value. It's been in a down market for so long and we've been paying the same amount of taxes on that same type of property. The tax amount has been over \$4,000 on that property for quite a few years. So, where are we going to go when we have higher taxes? Where are those taxes going to go?

Voss stated, again, the purpose of tonight's meeting is from an assessment standpoint of the property. We're going to have a whole another set of meetings soon. Mattakat stated I couldn't even get an appraisal at \$414,000 on that property right now. I can tell you that right now. I just bought it in July and I already refinanced it and I can't get it for \$414,000. It's way ahead of what market. And, market on the Lake has been 10%. If you actually look at the market on the Lake, it's 10% increase, not 30, not 15, not 20.

Voss stated what I'm trying to do is separate the discussion of, we're trying to say that tonight's not a discussion, a night to discuss taxes and budgets and things like that. That's going to be coming up. In terms of how your tax money is spent, all this is about is how it's distributed around the City. If your values are up, your taxes go up. So long as values don't go up, the taxes are lower.

Mattakat stated but that's obviously going to (*inaudible*) increase. Voss stated I think you heard the reason why everyone around the Lake, it's not just you, it's everyone on the Lake. Mattakat stated yeah, I understand, but I know of other people on the Lake that didn't go up as much as my property did.

Voss stated Ken, I remember, oh maybe not, but years ago that the Lake properties were actually adjusted downward when the market got really bad. Tolzmann stated this property here, in 2008, the land alone was \$233,000. Just kind of give you an idea where we were and where we are now. We haven't seen lakeshore values come back to the extent they were prior to the downturn in the real estate market but we are seeing things coming back. And, for example, he bought his property for \$387,000. Mattakat stated no, \$397,000. Tolzmann stated \$397,000? And, we've got it at \$414,000 so allowing for some appreciation between then and now I'd say we're 'right in the ballpark.' From my perspective, I think we're okay.

Mattakat stated my main concern is when our taxes adjust to actual market value, the way those are going up because anybody that looks at that at \$100,000 increase over two years. I mean, that's ridiculous. You don't see that. I mean, that doesn't follow market value whatsoever. That doesn't follow the market. But, you could get \$414,000? I know I couldn't sell it for \$414,000 right now. I had a hard time getting a VA loan for even close to that. So, it won't happen. That's my 'two cents' worth but I'm hoping you guys control the taxes and work with Anoka County and Minnesota to control the taxes on these as it's going up because I think East Bethel is taxed right out of the market right now for properties on that Lake. I know other people on that Lake that pay less than what I do for

my 4905 Tri Oak Circle home. I know they didn't go up as much as I did.

Voss stated okay, thanks. Is there anyone else that's interested in speaking?

Tolzmann asked Jack, did you have a letter from Nelson? Davis stated I do. I have a letter from Joyce Nelson, 4126 Viking Boulevard, property ID 26-33-23-44-001. Mrs. Nelson couldn't attend tonight's meeting but I would like to read her letter into the record.

Gentlemen,

I've talked with Mr. Ken Tolzmann about the change of classification and he suggested I write a letter about this change.

We have had this piece of property since 1902 and the farmhouse was started in 1872 and now all of a sudden, the classification is changed from Residential Non-Homestead to Commercial, which will triple the tax basis.

I ask you to reconsider this change as I do not feel this change is in order.

Thank you for considering as I cannot attend the meeting on Wednesday evening, April 15, 2015.

*Joyce Nelson
4126 Viking Boulevard NE
Wyoming, Minnesota*

Davis stated I think that Mrs. Nelson has had a conversation with Ken. Tolzmann stated that's correct. Davis stated and you've worked your, or you've resolved her issues. Is that correct? Tolzmann stated that's correct. It's not a valuation issue. Rather, it's a classification issue. Prior she was classed as a mom and pop resort, which has some special qualifications to it. It has to open a certain number of...it can't be open longer than a certain number of days. And, this came up for a review last year and I think it was Kelsey that I worked with on that. What Mrs. Nelson is asking that we take and relook at that to see if we can't do something to get her back on the 4C5, I think it is, the mom and pop seasonal. I think it was 4C5. I could look it up. That's what she's asking for is if we can't work with her on this. So instead of having it all Commercial, her taxes will probably triple if that goes to straight Commercial on that property.

Off mic comment from the audience was inaudible.

Tolzmann stated that's all she's asking. Davis stated for those that are unfamiliar with this property, this is the Norquist Campground.

Voss asked what was it classified earlier as? Tolzmann stated it was a mom and pop resort, 4C5. Voss asked that's the technical term for that classification? Tolzmann stated that's a State term. They're open only a certain number of days. In other words, a seasonal type of business that surrounds a lot of the resorts up north are on 4C5.

Voss asked and so why was it changed? Tolzmann stated well, it was determined that a Commercial class was more appropriate and she's asking that we take another look at that.

Voss stated so there hasn't been any change to the operations so why would the classification change? Tolzmann stated I guess I can't really answer that. Voss asked who sets the classification? Tolzmann stated I think it was Kelsey that I was working with on it last year. I don't know if you were involved with that Diana? (*Diana's Stallmach's off mic comment inaudible.*)

4.0
Board of
Equalization

Voss stated I'm sorry, I didn't catch that. Stallmach stated (*inaudible*) it's my understanding from, I only remember the e-mails (*inaudible*) that she has some commercial storage going on there. Is that correct? Tolzmann stated she allows the trailers to stay there year round and they've got a few boats that they put in a shed but they've been doing that for 50 years.

Voss stated they continue to not be open in the winter, right? Davis responded they're open from May 1st until September 30th. Voss stated so it's definitely seasonal. Davis stated that's correct. Voss stated that's less than half a year. Davis stated they're open roughly five months, 150 days.

Davis stated for your information, this is Diana Stallmach. She's with the County Property Records Division and with her is also Alec Gugenberger. So, they are attending the meeting representing the County tonight.

Voss stated okay. So if I understand right, this issue is being reassessed? Davis stated as explained to me by Mr. Tolzmann, he is working with Mrs. Nelson to see if this classification can be readjusted. Is that correct Ken? Tolzmann responded in the affirmative.

Voss stated it seems to me that discussion would be at the County to be reclassified, not with Mrs. Nelson. Davis stated this isn't so much a question of assessment but we did want to read this into the record. Tolzmann stated that's correct.

Ronning stated if in the terms of 50 years, whatever reality is, if they've been doing this X amount of time, did they come into being incorrectly cataloged? Or, has it always been?

Gugenberger stated those guidelines or requirements have changed over the past several years depending on what the State Legislature does, whether or not it has to be opened X number of days, whether or not there's a commercial operation is going on at that property. For example, I believe, if I remember the e-mails correctly, the storage that she had going on there wasn't just for the owners that were there. One of the requirements of 4C5 is that they have to provide recreational activities that's not associated, necessarily, with the camping. They have to provide, like with the boats for use. They're very specific guidelines for meeting that mom and pop resort. If those guidelines changed, have changed, over the last 50 years, so that she no longer met that, she would be (*inaudible off mic*).

Ronning stated part of my question is how long has she been off. Is that recent? Has she, a couple years, last year or two? Stallmach stated the review was in the last four months. Tolzmann stated this is current.

Voss stated it was in the news. I remember it affecting a lot of resort owners up north too. Well my concern is just because of a classification change, the potential for losing the resort that's been here for 50 years. I'd hate for that to be the reason they shut down. They haven't changed their use. They still provide a service within the City.

Stallmach stated I think it's something that we need to know more details about the property to be able to review it. She may not qualify for the 1C1 mom and pop resort. She may qualify for a different classification based on commercial resort, which is a lesser rate, rather than the straight up commercial rate. If there is a, I'm familiar with the property but

memory of that property is 25 years old now, probably, since I've been there so I can't address whether or not it's changed since the last time I was on the site. Let's say she had some commercial storage there that was not associated with the campground. That would be a 3-A commercial endeavor but that doesn't mean the property can't be split class though being those uses, that part of it would be seasonal commercial and part of it would be regular commercial storage.

Stallmach asked is there still a house there on that property? Tolzmann answered yes. Stallmach asked and is that house rental? Tolzmann stated there's no rent involved. I think her son lives there. Stallmach stated so then we're potentially dealing with, has her son applied for relative homestead there? Tolzmann stated that I can't tell you.

Stallmach stated that's also another possibility. Until I have all the facts, I wouldn't be able to tell you that. But, if she's got a qualifying relative living in that house, there's a possibility of having another split classification that would be a relative homestead.

Voss stated okay, just so we're all working together on this one. Okay? All right, anyone else here tonight to speak to the Board of Equalization? If not, we'll close the public hearing.

Voss closed the public hearing at 6:49 p.m.

Voss asked do you want action? Davis responded yes, if you want to take action on these items, now is the time to do so. Voss stated so we've got two properties that we'll be discussing then. Any thoughts?

Ronning stated it's kind of a tough thing. You don't have a whole lot of information and I don't know how we can get a whole lot of information. The one with the \$100,000, what happened with the neighbors? What happened with the five doors down or something? When it comes to lots, that would be how many square feet? Or, how many feet of lakeshore? Tolzmann stated those lakeshore lots were all proportionally increased.

Voss asked around the entire Lake? Tolzmann responded the entire Lake, in East Bethel anyway. Voss asked do we know if Ham Lake did? Tolzmann stated no, they've got a different market area over there than we do. But we're, along with Columbus. Columbus has the same rate as East Bethel. Those were increased as well.

Voss asked any thoughts? I think Mr. Archibald, through that discussion, figured it's actually pretty, I wish mine only went 3%. The Lake property is a little more problematic because, probably have what, 400-500 properties on the Lake that are all adjusted by that same percentage, including one of mine.

Harrington asked Ken, is that just Coon Lake? Or, would it be Rice Lake too? Any lake? Tolzmann stated well, each lake is it's own market area. In other words, lots on these lakes vary. But lakeshore, as a whole, did go up. And, these rates were all adjusted proportionately. Harrington stated okay.

Voss stated there were quite a few sales around the Lake in the last year or two, which said you had good data then. Tolzmann stated if you're asking for my recommendation, I don't see a problem with it. If he wants to take it to the County Board for further review, he's certainly welcome to do that. But, given the fact that all the properties around the Lake

have been treated equally, this would throw that one outside the range.

Ronning asked is that Lake involve Columbus, East Bethel, Coon Lake Beach, and Ham Lake? Ham Lake's the south end? They're the same adjustments? Tolzmann stated I'm not sure what they did in Ham Lake but Columbus and East Bethel have the same rate per front foot. They're treated the same.

Ronning asked do you know what that is off the top of? Tolzmann stated I believe it's \$2,385 per front foot. Ronning asked 2385, any decimals in there? Voss stated two thousand three hundred eighty five. Tolzmann stated I can tell you exactly what it is. Just a second. \$2,584, excuse me. The rate last year was \$1,950 a front foot. This year it went to \$2,584 a front foot.

Voss stated Ken, you talked about that Columbus is at the same rate. Tolzmann stated correct. Voss asked did they have the same increase then? Tolzmann stated same increase, correct. Voss asked why is Ham Lake different? Tolzmann explained that's a different market area over there. I think it's muddy. They are working on the sales that they have over there. But, given the fact that Columbus and East Bethel have very similar lakeshore, I felt it was appropriate to look at them equally.

Ronning asked who sets the \$2,584 from \$1,950? Tolzmann stated I did. Ronning asked you did? Tolzmann stated yup. Ronning stated it would be interesting to know what Ham Lake did. It's kind of hard to charge East Bethel disproportionately than Ham Lake even through there are different people doing different valuations. Googenberger stated I believe Ham Lake is very similar. (*Stallmach off mic comment inaudible.*)

Ronning stated as far as assessments, a community can't raise assessments on a property more, without relationship to what the value to the property owner is. We can't just 'jack up' the price like crazy. Does the State have any obligations like that? Tolzmann stated we need to meet the test for market value. In other words, if we look at good sales, qualified sales, and those sells are telling us here's what the property is worth. I've got to go with the data. It's not about personalities or who or any of that. It's about, we try to do the best we can to estimate the market value. In this case, the market on Coon Lake indicated that this was an appropriate change.

Ronning asked can you identify the source for those data? Tolzmann asked for the sales? Ronning stated yeah. Tolzmann stated we keep a listing of all the sales we look at. Sure.

Stallmach stated Ham Lake actually has a range. Like Mr. Tolzmann was alluding to, there are parts of the Ham Lake/Coon Lake frontage that are bulrushes and docks are a million miles out or whatever. And there is some really nice stuff too. So, they have a couple different rates in Ham Lake depending on what the shoreline is like. Those range from \$3,100 per front foot down to \$1,850.

Ronning stated part of this is looking at what it is but if you are giving an answer based on something, you have to be able to explain what's behind your answer, from us. Tolzmann stated based on the sales that we've had this past year, these are the changes that were necessary in order to meet the qualification market value for the lakeshore district. That's what it came down to.

Ronning stated that sure makes for a lot of questions. What's the multiplier? What's the basis for the multiplier? If it's times 30% or if it's times 32%? Tolzmann stated if we take a look at those sales that took place during that period, through that we can come up with what the rate should be if we're going to meet the State qualifications for market value.

Ronning asked and when you have the data for what the sales were, how does that compare with what the assessments come out to be? Tolzmann stated right now, Citywide, we're at 93%.

Ronning asked about Coon Lake? There were a number of sales on Coon Lake that affected the values so once you adjust the values for everybody, how does that compare with what people are paying for the homes for the market value? Tolzmann stated that's where we're coming out to 93%. Then there's very little variation with the sales that are out there. Applying these new rates basically brought every property on the Lake, not just Coon Lake but the other lakes too, in compliance to the 93% that we are seeing right now for a sales ratio.

Ronning asked what's the 93%? Like he says, he can't qualify for what the tax value is. So if, what is there, if there's 100 and these 100 sales are adjusted for property, after the fact, is that property worth what the assessment went up? Tolzmann stated well, statistically, there's about a 90% chance that it's in the 'ballpark' assuming that it's a qualified sale and not a bank sale or something like that. Statistically, we're pretty accurate. I don't want to 'toot my horn,' but it really is.

Voss stated so it seems to me we're talking about an entire class of properties. Not just Jake's property. Is there any, notion from Council about (*too far from mic, inaudible*). Jake's next option would be to go to the County? Tolzmann stated yeah. Voss asked when is that hearing? Tolzmann stated that's June 15th at 6 p.m.

Ronning asked the records for these sales, are they public at the County? Tolzmann stated I keep a file of all these sales, sure. Ronning asked can you forward that? Tolzmann stated sure, I can send a listing to Jack. Ronning stated that would be good and no doubt, but like I say, if we do something, we have to have some reason behind it. We can't be arbitrary, capricious in your actions. Tolzmann stated absolutely.

Voss asked any other discussion? There's no action. Right? We're done? Davis stated you're ready to close. Voss asked anything else you want to add Jack? Davis responded no. Thank you. Voss asked Ken, you want to add anything? Tolzmann stated I can't think of anything.

Voss stated we will then close the Board of Equalization hearing.

5.0 Adjourn

Harrington stated I'll make a motion to adjourn. Mundle 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.**

Meeting adjourned at 6:56 p.m.

EAST BETHEL TOWN HALL MEETING

APRIL 23, 2015

The East Bethel City Council met on April 23, 2015, at 6:00 p.m. for the Town Hall Meeting at City Hall.

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

ALSO PRESENT: Jack Davis, City Administrator
 Mike Jeziorski, Financial Director
 Nate Ayshford, Public Works Director
 Craig Jochum, City Engineer
 Nick Schmitz, Building Official
 Colleen Winter, Community Development Director
 Karen White, Receptionist
 Michelle Orlando, Anoka County Sheriff's Department Liaison
 Mark DuCharme, Fire Chief

1.0 The April 23, 2015, City Council Town Hall Meeting was called to order by Mayor Voss
Call to Order at 6:00 p.m.

2.0 **Harrington stated I'll make a motion to approve the agenda. Mundle stated I'll**
Adopt Agenda **second.** Voss stated any discussion? All in favor say aye?" **All in favor.** Voss stated
opposed? Hearing none motion passes. **Motion passes unanimously.**

3.0 It was noted that the Council and staff had introduced themselves to those in attendance.

4.0 It was noted the Council and staff had met with members of the community in the Community
Center to hold individual discussions.

5.0 Voss stated I want to thank everyone for being here tonight on such a gorgeous night
Council outside. This is a nice crowd for our Town Hall meeting, particularly the last couple of
Chambers years. Thank you everyone for being here. My name is Steve Voss. I am your Mayor.
Question & All four of our Councilmembers are here as well as Jack Davis at the table.
Answers

Welcome Voss stated I know a lot of you have been to a few of these in the past. A lot of familiar
faces and a couple new ones. We started Town Hall Meetings over ten years ago now for
the purpose of trying to reach out to the public and giving you an opportunity to come to
us in a less formal environment than our City Council meetings to talk on a more loose
basis in terms of any issues you have, questions you have, what's going on. It gives us an
opportunity to talk about a few of the things that are going on in the City.

Voss stated this is really meant to be your time. So, again, thank you all for being here.
What I'd like to do first is really just open it up to questions or comments. We'd like you
to come up to the microphone. Like I said, it's pretty informal. But, what we're also
doing this time, probably for the first time, it's being broadcast live right now. Davis
stated correct.

Voss stated not to make you nervous. I'm not sure how many people know it's on live. If you're watching now, great. Ronning stated there are millions of people watching everyone. Voss stated now I'm nervous. And it will be taped too so you can tell your friends and neighbors that the Town Hall Meeting was on. But, this is one way that as a City, as a City Council, to reach out. I'll tell you for the years I've been involved with the City, it's been 20 years now, the hardest thing for this City and any city is really to communicate with the residents. And, I think more importantly, is to hear back. Get the feedback from the residents because we truly, truly want to hear what's on your mind.

Voss stated with that, is there anyone that would like to come up first and ask a question? Or comment? Anything you want to talk about? I'll pick on Diane because Diane's usually the first one. She's not here tonight so maybe she's watching. If not, no we're not leaving. You can leave any time you want but, you know, the City has been working on a few things lately.

221st Avenue
Improvement
Project

Voss stated maybe one thing, actually the City's not doing it but I know we've gotten questions on and maybe you did as you drove up. You saw 221st here, now it's been cleared, cleared of quite a few trees in many places. The first question I had to Jack was, 'I guess we're getting shoulders on the road.' But that's not it. It's just a simple overlay. Where's the overlay going? Davis responded the overlay will go from 65 east to Luan Drive all the way down to 213th Avenue.

Voss stated okay, good. That stretch of road definitely needs it. And that's starting soon, right? Davis stated we anticipate the paving could start some time in the next two to three weeks. Voss stated okay, and the road will be open at all times? Davis stated correct, there will be no detours. Voss stated it's a County project because it's basically, we're getting a new pavement surface on it and I think it's kind of a shame they cleared out so many trees in some of the places but that's part of the County policy. So, if you're curious about that.

Voss stated as long as we're on that subject, does anyone have any questions about our roads? That's one of the big things the City provides is road maintenance. Nate Ayshford is in the back of the audience. He's our Maintenance Supervisor. He can definitely answer direct questions.

Mundle asked any comments about the roads? Not necessarily questions?

County Road 22
Safety
Improvements

Leon Mager stated I heard there was going to be three lights put in on the intersection along County Road 22. Voss stated oh, yeah, the safety improvement is, Jack you can probably explain it better than I can.

Davis stated that's going to happen some time this spring or this summer. There'll be lights at seven locations. Voss clarified streetlights. Davis stated streetlights, yes, not traffic lights. They'll be located at Breezy Point Drive, Sportsman Lane, Thielen Boulevard, 195th Avenue, Tri Oak Circle, Rochester Street and Rendova.

Voss asked and they're also restriping Viking? Davis stated they will be restriping Viking Boulevard with a highly-reflective surface, which will make visibility of the road much better at night. Voss stated especially on the concrete surface. Anyone that drives it, it gets kind of tough.

Voss stated I think, isn't that an off-shoot of Council's concern a couple years ago and asking them to look at Viking? Davis stated that's a part of it. The Council had asked the Anoka County Highway Department to conduct a speed study that was a result of the six traffic deaths that occurred there over an 18 month period. As a part of the follow-up to this, they were able to get some Highway Safety Improvement money, which will fund these lights that will be totally paid for by the grant. The only cost the City will have is to pay the electrical bill on them.

Proposed
40-Unit
Housing
Development

Ronning stated there is, to me it's significant, there's the housing development being, it's in progress I guess. Jack and Colleen, I just volunteered, you're drafted. Jack and Colleen probably have the most recent information on 22 at Jackson. A little bit east of Jackson, about a 40-unit housing. Their preparing it for platting out. That's big.

An audience member asked by the water tower? Davis responded yes, just south of the water tower. The developer, hopefully, will be submitting his final plat within the next month or so. The Council's approved a few preliminary activities where he can do some grading work but we hope a final plat will be submitted here within the next three or four months and that we'll see some activity there in 2016.

Ronning stated I think this guy has run up against 'stone walls' every time he turns around, almost. He was planning initially, like 62 units. He had his plans in. He was ready for approval and the Corps of Engineers says, 'No, you didn't talk to us enough.' So that swamp land is navigable waters for the Corps of Engineers. I don't think a frog could navigate it. But he has a lot of expense and it's been platted at least twice I can think of, maybe three times. And he's still interested. That's very fortunate.

Highway 65
Service Road
Proposal

Voss stated he's committed to it, it's just a matter of time. Along that subject and the subject of roads too and it's right in that area, you may have seen the poster board in the Community Center. The Council's been discussing it for a while and now we're getting to the point we're kind of looking at more plans of a service road, which one of the main purposes is a reliever to the Classic Commercial Park where the theater is and the bank because there's only one outlet there. So Council's actively looking at a service road in that area and there are a few options that we're looking at. But, it's part of a, start of a service road system in that area of the City to relieve, not only relieve traffic off 65 in that area but give our residents options of not having to drive 65 to get to some of these places. And, to make traffic flow a little bit better through that area. That's one of the things we're looking at. It's slowly moving forward. That's one of the things Council will be tackling over the next couple of months for sure.

Harrington stated to add onto that too, that service road, because there's lots of safety concerns there on 185th. We've had a couple serious accidents, we're trying to reduce that a little bit. So, that's why that service road would be put in.

Voss stated we've actually had meetings, multi-agency meetings, with Mn/DOT, with the County Commissioner, with the County Highway Department, Met Council, City of Ham Lake's been involved too. From an agency government standpoint, everyone's kind of pointing in one direction, which is not common when you start projects. It looks like we're even going to get funding from the State for safety improvements to the tune of a half million dollars. Davis confirmed a half a million dollars for Phase 1 and a half a million dollars for Phase 2. Voss stated and that's money from the State so this is all going to be done without any City tax dollars.

Ronning asked can you explain what the phases are? Davis stated the current phase, the first segment we're considering, is to go north from 187th Lane along Buchanan Street to Viking Boulevard. We have three different alignments that we are looking at. The second phase would go south out of the Classic Commercial Park from Buchanan Street south to 181st Avenue. Phases 3 and 4 would be on the east side of Highway 65 and their order hasn't really been determined. It will probably be based on developmental needs. But that will give a direct route from 181st Avenue behind the businesses on the east service road up by, hopefully, the golf course and come out at the old Our Savior's Lutheran Church.

Lexington &
Viking
Wayfinding
Signage
Request

Harriett Olsen stated this is probably a County thing but Lexington and Viking, everybody misses that road and comes in and turns around in my driveway (*inaudible*). Is there better signage or whatever that can be put up? It's probably the County, right? Davis stated we can certainly address that issue with the County.

Voss stated I think, for everyone's benefit and on TV, Harriett's question was that your section of Lexington, which is County Road 17 and Viking Boulevard. Harriett stated they're always missing it and I know (*inaudible*). This is all the time. Voss agreed this is tough. We've been living there for 20 years and I miss it sometimes too. So, it's a tough intersection so the question is if something can be done to improve it. It is a County road, both roads.

Davis stated one of the things that the City did in 2009 when Wild Rice Drive was reconstructed is we realigned that road and met with the County so it would tie in the future plans so that would be a four-way intersection instead of an off-set intersection. Whenever the County is going to get to their part is probably still several years down the road. But the reconstruction of Wild Rice Drive was designed to coincide with the alignment of the new intersection at County Road 17. So at some point, that will be a four-way intersection but we can let the County know that there are issues with identification of that intersection and see what they'll do with signage.

Voss agreed we could pass it on to the County, so good comment. I'm going to switch subjects a little bit because Troy is in the back. One of the things that the City's doing, and actually our volunteer Fire Department is heading this up, is called the HeartSafe Program. The goal is to make the City of East Bethel certified as a HeartSafe City and rather than me struggle through it, Troy can you come up to the mic and kind of explain? This is Troy Lachinski, a long time fire fighter of our City.

HeartSafe
Program &
Training
Opportunities

Troy Lachinski, 22286 Vermillion, stated what Steve's trying to say is we have started a HeartSafe initiative. We're backed by the City Council and it's a grass roots effort run by a bunch of volunteers. Basically, we want to make the community HeartSafe. We all live here, our neighbors are here, our friends are here, our family is here. We want this to be a safe community because the people we care about live here. The way that we're doing that is we're raising awareness on what sudden cardiac arrest (SCA) is and what to do if you see somebody that suffers from sudden cardiac arrest. So we're training people on by-stander CPR and how to use an AED if an AED is available.

Lachinski stated the other thing we're doing is meeting with local businesses and local groups so that we can get AEDs installed in public places so they're available to people in case there is a sudden cardiac arrest emergency. And that's what we're doing.

Lachinski stated we're doing a lot of training classes. We've got ten scheduled this month including an open house tonight at the Station. We're training the boy scouts. We're training the Chamber of Commerce. We've trained City Council. We're training the City groups, the Planning Commission, and the Roads Commission. We're going to be doing all those. We're going to be training the Lions. We're going to be training the seniors. So anybody that has a group that they're involved with, let us know. You can contact me through the City. You can call me on my cell phone: 763 350-9060. We've got a great group of people that will come out and will train you at your business. We can do the training at City Hall. We can do the training at the Fire Station or whatever works best for you guys.

Lachinski stated that's really what we're doing and I want to thank you for your time and thanks for listening. I am doing free training in the other room after this is over. I would like to get four more people trained to get to 12. Our goal this year is to train 10% of the entire population of the City, which is 1,200 people. Every time I train 12 people, that's 1%. Thanks for your time.

Voss stated Troy, don't sit, if you could for the public and for the TV audience, the thing that impressed me most about your presentation before was just some of the statistics behind, well the difference between a heart attack and what you're training for and the survival statistics.

Lachinski stated yup, that's a great point Steve. So, everybody knows what a heart attack is. Everybody's heard of a heart attack. Not everybody's heard of sudden cardiac arrest and there's one big difference. I'm going to use blunt terms. I'm going to tell you the way that it is. Basically, somebody that had a heart attack, they're alive. They can walk in the house and they can call 911. They can tell their wife or their spouse, 'I'm not feeling well.' They're alive. Somebody that has sudden cardiac arrest, they're dead. They've hit the ground. They are not alive any more. If you think about the way that a heart beats, everybody kind of knows, they've seen the heart beat. You know, your heart kind of goes klump-klump, klump-klump. With at sudden cardiac arrest you heart's doing this (*rapidly moved his fingers to demonstrate*). It's so out of rhythm that it's not beating properly and it's not getting blood through the body. When blood doesn't go through your body, blood doesn't go to your brain and your brain will die. In three minutes you'll have permanent brain damage.

Lachinski stated every day in America, 1,000 Americans die of sudden cardiac arrest. 1,000 people die. It's the #1 killer in the work place. It's the #1 killer at home. So, if you run across somebody that's suffering from a sudden cardiac arrest, it's unfortunate. It's going to be a coworker. It's going to be a family member. It's going to be somebody that you care about and know very well.

Lachinski stated 97% of those people today, they die while they're waiting for the ambulance to arrive. 97%. These people are savable. If somebody starts doing CPR within 1 minute or 2 minutes, they have an 85% chance to survive. 85%. People are afraid. There's a loved one that's on the ground that are not alive. They're dead. People are afraid. It cripples you. But what we want people to do is we want them to feel the confidence, to have the confidence, to do something before the help arrives. We don't want people to wait for the help. We want people to be the help. That's the essence of our whole program. Thank you.

Voss stated again, the Fire Department puts these on quite often. They're on our website. You can always call the City or call Troy's number and find out. The training, like tonight you said, is at the Fire Station. It's for anyone. You don't need to make an appointment, you just show up.

Mundle asked what kind of numbers have you been getting at those training sessions? Lachinski stated you know, this is our third open house. I know the first one we had five people. At the second one we had ten people. So through word of mouth it's going to spread. Our training classes that we've done in the community are anywhere from five people to the biggest one we've done is 45 people. So it really ranges depending on the group we go out to meet with. And you know what, to be honest with you, I don't care if we train only one person. That's one more person that's trained in the community. This is a team effort here saving people's lives. We can all do this together. It doesn't take one person or two people. Everybody has the power. We all have the tools right here, two hands, to do CPR.

Ronning stated this is somewhat of a community action as well. There are other cities that are either in the process. Lachinski stated yeah, I got involved with this program because a friend of mine from growing up in Coon Rapids, he started the Coon Rapids HeartSafe Program. And he's a guy that I grew up with. Coon Rapids is obviously a much bigger city than we have. They've already trained 8,000 people in Coon Rapids through this program. And, he's very passionate about it and he got me very interested in it. What really got me interested in it is I saw some stories he was sharing on Facebook and I've seen them on the news. People that actually came back to life. It's one thing to see it on TV and in the movies and news with somebody you don't know. But, this was a guy that I know that actually, literally, brought people back to life. And, I've met these people. I've met these people that have come to our trainings here. I've seen them in other places. These are people that if nobody did the CPR, they'd be dead. They've been given a second chance at life. They have time to be with their families and loved ones and they really inspired me to bring this to work.

Voss stated I'm one who's always apprehensive about training like that and I went through it. But if you keep in your mind, that little bit of time that it takes you to train, and you're in that situation, it only takes ten minutes for that person not to come back. What a little help you can provide, it's a good investment for your family, your friends. I'd encourage everyone to try it out.

Bob Jacobsen asked how many AEDs are in the City right now? Lachinski stated when we started this program back in July of last year, at that time I knew there were some out there but I didn't know where they were. We didn't know exactly where they were. The Fire Department has three. We have one in each of our rescue vehicles and we have one in our duty truck. All the Sheriff's have them in the Sheriff vehicles. The ambulances all carry them. So, the emergency people have them. As far as where they are in the community, we so far have identified ten in the community. We have one at the Senior Center. We have one at the Coon Lake Beach Senior Center.

Lachinski stated the Coon Lake Beach Senior Center also just very generously donated an AED to the Coon Lake Market across the street. They paid for that. They actually also donated \$2,000 to the Fire Department for our HeartSafe Program to help us purchase

training aids and do some other things as well. So, that's very generous and there'll be an article written where we thank them profusely. So if you see anybody, tell them how much we really appreciate that. We also, Cedar Creek Nature Center has two of them there, one in each one of their labs. Hidden Haven has one. Our Savior's Church has one. St. Andrews Church has one. The Ice Arena has one. We were actually able to take advantage of a grant, the NHL Alumni Association actually donated an AED to our Ice Arena. Brad Maxwell, former Minnesota Northstar, came out and presented that to us. That's what I can think of so far. I know that each one of the schools has one but I haven't been able to get out there and talk to them and help them train the staff yet. But, I have reached out to them. So that's what we know of so far.

Lachinski stated I've also talked to a whole bunch of the business owners in town about putting them in and we're working with them. I'm sure that this number will be at least double in the next coming year. Any other questions?

Ronning stated this is mostly an awareness thing as far as knowing how to do? Lachinski stated awareness is a big key of it. We want people to be aware of how to identify sudden cardiac arrest but we also want them to know what to do in the case that they see sudden cardiac arrest. So, awareness is one thing. Training is another thing. Then making sure that the AEDs are out there and available to the public is another key piece of it. Not only that the AEDs are out there, but they're also being maintained. I'm also working with the local businesses to make sure that they maintain those AEDs. There is a battery in the AED and also the electrodes only have a certain shelf life. It's three years but still it has to be checked from time to time because three years goes by just like that.

Ronning stated you almost can't say too much about this sort of thing. It's worth having him just do the demonstration himself or something. It's really simple. Takes about, if the equipment is there, you can do it in a minute. Lachinski stated that's right. And, it's one of those things that's easy to be passionate about because you don't talk to anybody about this program and they say, 'Well, I don't really think that's a good idea.' I mean how do you not feel good about helping people save each other?

Voss stated that's the definition of our Fire Department. Lachinski stated that's right. Well, thank you very much. Voss stated thanks Troy. Did that spark any questions from the audience?

Voss stated the other thing, the City over the past several years has been focused on, and I think probably over the last year, two years, is economic development. We do have an Economic Development Authority, which is a board of five citizens and two Councilmembers. Basically with a goal of help strengthening our business community in the City and to encourage it and to spark growth. There are two EDA members in our front row here and it's very active group. We also have an East Bethel Chamber of Commerce. I think 20 some years ago it used to be the East Bethel Chamber of Commerce that's been resurrected over the past two years. That is growing as well with a lot of the same goals of helping spark our growth in our City.

Voss stated there's a little bit of crossover between the EDA, the Chamber of Commerce, and City Council right now in that the EDA is embarking on a new program that's entitled Business Retention and Expansion Program. The whole idea behind it is when we talk about growth in the City, most everyone thinks about new businesses coming in and new jobs, and new entities coming in. But, at the same time, we don't want to forget about

who's here in terms of businesses that have been here that are established. So, Council had that concern and then this program came up. Doug, why don't you explain it? You can explain it better than I can. Doug Welter is a part of our Economic Development Authority.

Doug Welter stated the Business Retention and Expansion is, we're going to do a partnership with the University of Minnesota. The University of Minnesota set this program up to help communities build better environments, stronger environments, to support business, retain and expand business. The retention being first. So what the University provides us is the expertise in how to build surveys and how to analyze the data from those surveys. What we do as a community is we take that data, we understand the data, we actually do the interviews too with the businesses. We'll try to interview between 50 and 100 East Bethel businesses to get information on what's working well, what things could be done differently, what are the challenges. With the goal of building stronger communication and creating a stronger environment for businesses in East Bethel. So, when we get done with the surveys, the interviews, the analysis, then what we're going to do as a group, we're going to decide what do we need to do. What projects do we need to undertake in order to make improvements for businesses in East Bethel. That's the summary.

Welter stated what we need are volunteers. So, we have a leadership team and a leadership team will put in between 70 and 100 hours each on this project. Then we're going to need a task force of an additional 10 or 15 people. All of us are going to do interviews and we're going to get a group of people that just help with interviews. The task force will do interviews and also help determine, from the analysis, what projects we're going to take on for the City. So they'll have an additional, maybe 16 hours beyond the interviews. Interviewing and training is probably going to take 12 hours, give or take.

Welter stated then we have the group of volunteers that the only thing they want to do is help with the interviews. So, they'll have two two-hour interviews including travel time and probably a couple hours of training of how to do the interview. The timeline, we haven't got it completely nailed down, but the timeline we want to do the interviews the last half of September. So, we would like to have everything in place as far as all of the volunteers that can help with it in place and trained around the first half of September.

Welter stated so just in case that didn't make sense, what questions do you have? Ronning stated you mentioned participation by the U of M. Does that include 'warm bodies' and what would they be doing? Welter stated no, the University provides us with the framework in how to conduct this project. It provides a consultant that will help us walk through the steps and make sure we're not missing any. They have template surveys that they will provide us that we can slightly customize for our needs in East Bethel. They provide all the data analysis and they provide a series of experts that help us understand that data and help us decide what to do with it. They run one or two of the big meetings, like training us on how to do interviews. They'll run those for us. So that's their involvement but the rest of it is ours.

An audience member asked what kind of businesses are you looking for then? Welter stated the only businesses we wouldn't be looking for are completely home-based businesses. Anybody that has employees, basically, would qualify. Because their survey is designed for businesses that have employees. It's not designed for home-based businesses like a consultant.

Business
Retention &
Expansion
Program

Voss stated a big part of this program for Council is just what I said. One of the more difficult things for us is to get feedback from residents. It's even more difficult to get feedback from the business community to the Council on how they feel the City is treating them, what issues they may have. And, a lot of it's because many times the businesses aren't necessarily residents. So part of this program is to get that feedback so we have a better understanding of what we can do better as a City for existing business that we have. Because our existing business is the core that we need to maintain if we're going to grow as a City. So I think we're all excited about this program, the potential, the outcomes. One thing I'll say, I don't think it's nearly as intimidating as it may sound in terms of the program looking for volunteers. It's really just someone willing to sit down and talk one-on-one with someone else in the community. We need those 'feet on the ground' in order to make this work. So we need quite a few people but it's not necessarily a huge commitment of time either. So, if someone is community minded out there, here tonight, or in the audience, Doug, how do they reach you?

Welter stated probably the easiest way without having to write anything down would be to contact Colleen Winter because she is right here and you can get her information off the East Bethel website right now. Voss stated our Community Development Director. You can just call City Hall and ask for Colleen.

Welter stated otherwise, there's an orange brochure in the other room that has phone numbers on it too and you can take a look at that. Voss stated there's probably a pen and a pad if you want to leave your name and number. Welter stated I can make sure of that. Anything else? Voss asked any questions for Doug on our program? Okay, thanks Doug.

Voss stated we talked about, again, the communication, which I keep emphasizing, it's a big thing for our community to have that communication. One of the things we do is our City newsletter. Everybody should be getting a City newsletter. If you're not, call City Hall because it's mailed to every address. Correct? Davis replied correct.

City
Newsletter

Voss stated the newsletter is a means for the City to communicate back to the residents primarily about things going on in the City. Our Fire Chief has an article every month. Our Community Development Director, Public Works, so we're trying to communicate. One of the things I know staff would like to hear back from the public is how's that newsletter doing in terms of the communications. Are there things in the newsletter that aren't there that you'd like to see? News items? Whether it be more technical items? Is there anything there you'd like to see in the newsletter that's not there now? That's the question I'm asking all of you. Who reads the newsletter? (*Most of those in the audience raised their hands*). Voss stated that's encouraging. I like that.

Voss stated if there's any suggestions or any suggestions from people watching, I know staff really would like to know of ways to improve it. I think over the past 15 years it's made improvements but, again, having that feedback from more than just a few people is good. That had to spark some questions? Come on.

Harrington stated I just have one little thing. The City Council, in the last month, refinanced the 2010A bond, the \$11,800,000 bond, and will probably save about \$1.2 million on this bond so it was a good deal for the City. The City took advantage of good interest rates.

Bond
Refinancing

Bond
Refinancing

Ronning stated it's important to note there was no City investment in refinancing that and the term expires the same as the previous one. So, it's not a refinance with a longer 'tail.' That's a win-win. Voss agreed it's a flat out savings.

Harrington stated there's no news on 22 and 65. So, don't get your hopes up for a store yet. Voss stated I'm surprised someone hasn't asked about that.

CR 22 &
TH 65

Voss stated we are working on one right now, ordinances, that have been brought up a few times, a rental ordinance. In fact, we talked about it last night at a Work Meeting. We're working quite a bit with Nick, our Building Inspector, on developing an ordinance on rental properties in our City. It's primarily meant as a safety measure so that those folks in our City that are renters are living in safe homes. We've had a few issues over the past several years of some rental properties that have not been nearly 'up to snuff' in terms of Code and in terms of safety issues. So, this is one tool that the City's developing to help us address that. I think along those lines, we'll probably get to, eventually, is to allow the City the ability to actually make corrections that just don't get fixed. Right now we don't have that ability as a City. Correct? Davis stated we have the ability if they're identified but we don't have the means of identification at this time. This will enable us to further identify those properties and have those people register so we'll know exactly what the conditions are.

Proposed
Rental
Ordinance

Voss stated also then when there are the derelict properties, abandoned homes, and stuff that we've all seen through the City, I think every City has them. We don't have the means to go in there and actually clean them up just so they look, the appearance is better and the safety things are taken care of, broken windows and things like that. So, we'll probably be looking at that eventually too. It's just another tool to help us improve the City. And, that improves all our neighborhoods too.

Animal
Ordinance

Voss stated another new ordinance that's going to come up that's been discussed before is the small winged animal ordinance. Hey, somebody said it, the Chicken Ordinance. We've actually had residents come in and ask about that so I think that's on Planning & Zoning's 'plate' next month. So, they'll be looking at that. It's not a high priority item for Council but something that we've had residents have concerns about it and want to do something. That's how we make changes to our ordinance, when someone wants a change we consider it and address it.

Ronning stated to add to what Steve said, there was a person who came in within the last couple of meetings and was asking questions about these things and what his ability was that he can do, what the limits were and such. The fact of the matter is most people don't ask. So, this guy was, if we're able to modify in a proactive way, it will make a lot of people legal.

Voss stated I actually had a call last night from somebody about horses and they've got small animals too. They realized that they probably shouldn't have so many small animals in their yard. So, she was a little embarrassed. She didn't know but I said I didn't worry about them, I liked them. So, I don't think too many people have a problem with ducks in people's yards but our ordinances have an issue with it sometimes.

Ronning stated it was kind of nice to see somebody come forward and ask permission instead of forgiveness. Voss stated definitely.

Voss asked what other news do we got going on? Harrington stated I've just got, go ahead Ken if you want to.

Ice Arena

Ken Langmade asked about the Ice Arena. Voss stated they're still playing hockey. We haven't gotten rid of it. Right now we're looking at the contract for the management is up. So right now we're considering the next term of contract on that. I think it has been utilized, for the ice time, it's pretty well, this last winter. Was there something specific on the Ice Arena Ken?

Langmade asked about the improvement of it. Davis stated we've made gradual improvements on that facility over the last couple of years. We've replaced exterior doors, replaced some deteriorated sidewalks on the outside. We're in the process of developing a Capital Improvements Plan to identify other internal improvements that need to be done there. Some of the things we're looking at are improvements to the lobby to brighten its appearance and to do some restroom renovation within the facility itself. Those are the two major things that we're doing.

Davis stated also, the Council approved the replacement of the dasher boards. Those are the boards that surround the rink. A gentleman with the St. Francis Booster Club and Youth Hockey Association actually found a set of used boards that we're going to purchase. These boards are five years old. To buy them new would cost over \$100,000. We're going to be able to purchase them for \$54,000. We'll be able to sell the existing ones for about \$10,000. And, the Youth Hockey Association and the Booster Clubs would raise approximately half that money so the City will pay approximately \$22,000 for a value that's over \$100,000. That \$22,000 will come out of the Arena Fund and it won't come out of a City levy. The Arena Fund is generated by the users of the facility so that will be done before the next hockey season.

Voss stated with that, it's striking and I'm just impressed with the fact that this was brought to us by a resident. By a user of the Arena. It wasn't instigated by the City. So, someone with some great foresight and planning and ideas came to the City with this and worked with us and it's going to help everyone. It's a win-win for everyone. So, it's one of those stories where it's great and residents can actually make an impact to the City, no pun intended, on hockey words. It's a great safety improvement. It helps them as a Hockey Association and the investment on our part is rather small but for a great return.

Davis stated the boards that we're replacing, the City installed those in 1997 and they were purchased used at the time so we're replacing something that's 25 to 30 years old. It was a replacement that would have to have been done regardless and we were fortunate enough to be able to do this and have it at an extreme cost savings.

Voss stated one of the other things too with the Arena, we've had some preliminary discussions on, I think we're going to have some discussions on, is replacing the sign. Right now we've got just a regular sign where someone has to physically go out there and put the letters on. We're looking into whether it's feasible to put a reader sign there that's electronic. It improves the safety of having somebody walk up there. We can change the sign more often. We can put community messages on there. That's one of the things we're looking at from both the benefit and the cost standpoint.

Mundle asked is there going to be a warming house built for the exterior? Davis stated there are improvements planned for the outdoor rink. There's going to be new boards put

Ice Area

up, the surface will be leveled so it will be easier to install the ice and maintain it, also there's going to be some improvements to the lights out there. Part of the Park's submission, what Nate our Public Works Director is looking into, is alternatives for a warming house. We're looking at several different options so, hopefully, we'll have something to replace the old trailer that was destroyed in the wind storm two years ago.

Volunteerism

Ronning stated it's nice to see the involvement that a community has. There are Commissions and Authorities. What is there, maybe close to 50 people on the different? Davis stated probably so when you count up the total. Ronning stated they dedicate their time. There's no pay so you get all the overtime you want. This guy that came up with the boards found them in Canada. Toronto wasn't it? Mundle stated Ontario. Ronning stated for somebody to go to that kind of effort and personal expense.

Ronning stated the Lions are very active in the community. It's nice to see a community, this is 48 square miles, but it's really more like a small town. We've been here a little over ten years and plan on staying here a lot longer. You have a reason or a right to be proud about the place you live, I think.

Voss stated along those lines, Jack, we have several of our City staff members who are in the audience too. Would you mind introducing? Davis stated I'd be more than happy to.

City Staff
Introductions

Davis stated we have Craig Jochum our City Engineer. Voss encouraged stand up, stand up. There we go. Davis stated we have Michelle Orlando. She is our Police Liaison with the Anoka County Sheriff's Department. Colleen Winter our Community Development Director; Nick Schmitz our Building Official; Nate Ayshford our Public Works Director; Mark DuCharme our Fire Chief; and, Mike Jeziorski our Financial Director. We also have Karen White our Receptionist/Recycle Coordinator.

Voss stated so we're ready to answer all your questions. Davis stated I'd like to recognize one other person too. We also have Dan Butler here who is the President of the EDA. Voss stated front row and he can't even stand up. Ronning stated take a bow, please.

Chamber of
Commerce

Dan Butler stated as unaccustomed as I am to public speaking, I want to give a shout-out to the Chamber of Commerce. The East Bethel Chamber of Commerce is just a little under two years old and we're about 60 members strong. So, this is also to the people who are watching this tonight. If you have a small business and you want to, for a small investment, get a chance to network and expand your business with other businesses in the community, it's a great opportunity. I also want to mention that on May 14th, Troy is going to be doing training for the Chamber of Commerce, right here at the Senior Center, for the HeartSafe City training. Even if you're not a member of the Chamber of Commerce certainly you're always invited to attend any one of our meetings. That's the first point.

Chamber Golf
Outing

Butler stated as far as Chamber events, the second one is Tim Harrington is leading our event in July, July 17th. We're going to have a golf outing over at Viking Meadows so we'll have a Chamber golf outing starting at, I think it's, 12:30. Harrington corrected 11 o'clock. Butler stated 11 o'clock, okay, and there'll be food after golf and a good chance get some exercise and to meet some other business owners. Again, thanks for heading that up.

Butler stated Steven and Brian are on the EDA as well so appreciate all your support.

Thank you.

A lady asked is that on the same day the (*inaudible*). Butler stated it's the Friday of Friday afternoon. We're going to try to get a little golf in coordination with Booster Days so that's good. You've got your calendar running there. So, are you going to be at the golf outing then? A lady answered no. Butler stated okay, just checking.

Ronning asked is everybody aware of who's entitled to or invited to play in the outing? Is it the Chamber of Commerce? Butler replied everyone is invited. There's flyers that are going to be going up. They've been previewed, reviewed, and we'll be putting flyers throughout the City. So, look for that. We're looking for preregistration on that because we are going to be having a hole-in-one contest. I forgot to mention that. You might want to rethink your position on this. Northway Sports, in conjunction with Butler & Associates Insurance, is going to be offering a motorcycle, a snowmobile, and a 1-up ATV as the hole-in-one prize. All one prize.

Harrington stated valued at \$35,000. Butler repeated a \$35,000 prize. Harrington stated winner takes all. Butler stated even if you're not a golfer, you might want to just try for the hole-in-one. Voss stated probably the easiest way is just to contact Councilmember Harrington. Harrington stated yeah either that or the flyers or City Hall. But, I mean for \$45 for 18 holes of golf, a cart, and a meal, you can't go wrong.

Davis stated one other thing I'd like to add in relation to what Tom says about the citizen participation that we have here. There's a member of our Parks Commission, Tim Hoffmann who's with us tonight and also our citizen representative on the Sunrise River WMO, Leon Mager. Thank you for attending and thank you for all you do. Voss stated and Ken. Davis stated and Ken Langmade too. Ken's our Parks Commission Chair.

Commissioners
Volunteers
Thanked

Ronning stated when you make a comment like I did, you have to make the goof of not including, you intend to do everybody but somebody like Troy sees an opening, a need for something, he can fill a space that there really wasn't a need for or we didn't know about. So you have that sort of thing. The Fire Department guys I've met before, absolutely top shelf. My son-in-law was one over at Oak Grove and they're so conscientious about what they do. It's one thing to see something that needs to be done and do it and it's another thing that ignore it. There's a lot of people here that see something that can be done and pitch in and do it.

Mundle stated or finding something to be done, finding something new. Ronning agreed stating yeah.

Voss stated one thing we do have coming up, as you mentioned, is Booster Day. Summer will be here sooner, hopefully, so it's an annual celebration we've done for at least 20 years. It's on July 18. The 17th there are activities. The movie in the park for sure. Then there's a whole slate of activities on Saturday. We want to get the word out to the community, particularly to those who may be new to the community. We always want to try to encourage involvement and to build our celebration.

Booster Day

Davis stated one thing, if you've never seen on a Friday night, the Fire Department puts on a waterball exhibition and it's worth your while to come out and watch that. So I would encourage anybody that hasn't seen it, please come out Friday night, July the 17th, at approximately 6 or 7 o'clock and watch that demonstration. It's very, very interesting.

Booster Day

Mundle stated if you've ever wondered what that ball on that cable out in Booster East is for, you'll find out.

Voss stated if you ever want to be involved with the Booster Day, the planning, and the Committee, we do have a Committee and Troy's wife actually heads that up. They're always looking for more volunteers to help out. Davis stated that Committee does meet next Wednesday at 6:30 here at City Hall. So if anybody's interested, please drop on by.

Fire Chief
DuCharme
Comments

Voss asked Mark, you want to say anything at all? Fire Chief DuCharme asked who's this guy Troy? So, anyway, we still have burning restrictions on. We've been getting a lot of calls. Basically, this is how the DNR figures when to pull the burning restrictions off. That's when the green stuff gets as high as the brown stuff. Okay? So, we've got a ways to go yet as far as the tall brush and things like that. So, you can't get a burning permit right now but you can have recreational fires. You don't need a permit for a rec fire.

DuCharme stated but let's think about what a recreational fire is. It's for recreation. It's for maybe campfire cooking or something like that. It's not to burn your leaves. It's not to burn your brush and things like that. And, my advice is, if you're going to have a rec fire, take the five minutes and talk to your neighbors. Let them know you're going to have a rec fire. Maybe they can close their windows if the smoke bothers them or something like that. But, try to be considerate of that. We've been going on a lot of calls as far as illegal burnings this past week. Over the weekend, coming up here, it doesn't look like the restrictions are going to be pulled off quite yet. I think we're close but as of now, we're not issuing burning permits. Any questions? Any questions about Fire Department stuff? I don't know why trucks are red. Voss added why our trucks are red. DuCharme stated thank you. Voss stated thanks Mark.

Fire Fighters
Thanked

Voss stated I'll say one thing about our Fire Department. Over the years, I've been involved in the City, I'm impressed over and over again of the commitment that our fire fighters have, 34-35 firefighters roughly. They're all residents of the City and all provide time, do a lot of training. I think quite often we think of as a Fire Department but the vast majority of their responses are actually medical calls. They're usually the first ones there. A lot of times even before the Sheriff is there. So, it's an important service to the community. It's a group that, you know, we're in front of the cameras twice a month, the Commissions are in front, but I think the fire fighters are the ones who are in the background all the time. I think as residents, we just don't really recognize them enough. So, it's a very dedicated group of people.

Mundle stated you never get to see them unless you have to call him. Voss stated right, that's true. DuCharme stated or you can come to the games. Voss stated which is the night of Booster Day at Booster West. That's our weekend of celebrations. Anything else?

Harrington one of the road projects, too, I think Lincoln and Laurel, I'm hoping that should be done this year. I think we've got one more individual to deal with and then hopefully get that going later this spring or early summer. That should be done around the Beach.

Open for
Business
Program

Voss asked any questions? Mundle stated there's another EDA related. East Bethel did get, well helping to promote the Open for Business Program. I believe the Program's put on through Anoka County at no cost for East Bethel for this first year. Essentially it's a business consultant that if you have a business or if you're an entrepreneur and you have questions, you would like some help, you want to know, maybe how to finance your projects, or something like that. You can contact this individual and sit down with her and she will assist you in any way that she can. If you have any interest in that, contact City Hall and they can get you in touch with her. Voss stated and it's a free service. Mundle agreed.

Senior Housing
Proposal

A lady asked is there any plan in the works for senior housing in the City? Voss stated plans for senior housing. We've had a lot of discussion about senior housing. Our Savior's has had discussions. Jack's talked, probably more recently than I have. Ronning stated Our Savior's has met with the Presbyterians. Apparently they build and maintain, run, a number of senior housing locations. They're very interested.

Voss stated it's kind of grouped, in discussions I've had with Pastor Dan just a few years ago. They're looking to see when the grocery store is going to come. Which, my guess is they're looking to see when the housing development's going to come in down on Viking. So it's all kind of tied together. It's not to say what, if one starts the rest are going to start to follow. But, I think that's part of it. The service road that we've talked about earlier, that's kind of related because that is the area that's been talked about over by Our Savior's Church. So, they have that transportation means. It's an ongoing discussion. I think it's a little optimistic this time. We've had these discussions for 20 years, right? At least? But this one seems to have a little more 'legs' this time. I think like with any business, they have a measure of what works for them as a senior home. I had heard that they're looking at a larger type senior home than discussed in the past. A larger, with more units. So, it's something that's on our radar for sure.

Davis stated in addition for the other comments, the City is also in position to be able to extend and furnish utilities to expedite and facilitate the decision making process on this project. So, we have a great deal of flexibility in that so we stand ready to react whenever we get some decision from them.

Ronning stated all that stuff, I don't mean to burn up your time, but here to burn up your time. All that stuff is private investment. We all know that but we sometimes forget that and what's the City doing to get this. What's the City doing. What Jack just mentioned is one of the few things that we can try to do. The City staff and the Council's trying to cooperate in any way we can. Voss stated we're facilitators and we can make things happen. We can certainly try to help and assist.

Davis stated again echoing on that, I think that we do have a few more 'tools' in the 'toolbox' now to help make some of those things happen. I think, as Steve had mentioned, there's a group of people and everybody's sitting back to wait to see who goes first. We think that we're nearing a time where somebody will actually 'pull the trigger' and we think that there will, hopefully, be some domino effect that will come from the first development decision.

Voss stated before we retire this session, and particularly since it's being broadcast and going to be rebroadcast, again, I think all five of us are accessible as we can be. If there's

Residents
Encouraged to
Communicate
with Council
& Staff

ever any question, our e-mails are on the website. Our personal phone numbers are on the website. You can always come to Council meetings if you want direct contact with us. City staff is always willing to listen to resident's concerns or questions. Again, we encourage that. The last thing you should do as a resident, if you have a grievance, is not to share it. Really, truly. If there's an issue you have, please share it.

Mundle stated share it with us and preferably not to your neighbors and all over the neighborhood first before you come to us to address it.

6.0
Closing
Comments

Voss stated last call. All right, then we'll end this session. We are going to go back next door and you're welcome back next door to talk more one-on-one if you like. There's coffee and cookies remaining too. If not, thank you all for being here. On behalf of Council, we all really appreciate it. Thank you.

7.0
Adjourn

Koller stated I'll make a motion to adjourn. Mundle 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.**

Town Hall Meeting adjourned at 8:55 p.m.

Submitted by:
Carla Wirth
TimeSaver Off Site Secretarial, Inc.

**CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA**

RESOLUTION NO. 2015-26

**RESOLUTION ACKNOWLEDGING THE DONATION FROM
COON LAKE COMMUNITY CENTER**

WHEREAS, the City of East Bethel has received a donation of \$ 2,000.00 from The Coon Lake Community Center to be used towards the East Bethel Fire Department HeartSafe Program.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF EAST BETHEL, MINNESOTA THAT: the City Council of the City of East Bethel acknowledges and accepts the Donation of \$2,000.00 from The Coon Lake Community Center.

BE IT FURTHER RESOLVED THAT: the City Council of the City of East Bethel expresses its thanks and appreciation to The Coon Lake Community Center for the Donation of \$ 2,000.00.

Adopted this 6th day of May, 2015 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

Steven R. Voss, Mayor

ATTEST:

Jack Davis, City Administrator

**CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA**

RESOLUTION NO. 2015-27

RESOLUTION DESIGNATING SURPLUS PROPERTY

WHEREAS, the City of East Bethel owns and operates a fleet of trucks and equipment for the purposes of maintaining its city streets and parks; and

WHEREAS, the City of East Bethel has adopted a plan for the replacement of trucks and equipment; and

WHEREAS, the 2004 Ford F-550 light duty truck has come to the end of its useful service life as a reliable and dependable piece of equipment; and

WHEREAS, the City Council of East Bethel has approved the purchase of replacement equipment pursuant to the Equipment Replacement Schedule; and

WHEREAS, the City of East Bethel will trade-in or the 2004 Ford F-550 on the purchase of the replacement vehicle or sell at auction to recover the remaining value of the vehicle.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF EAST BETHEL, MINNESOTA THAT: the 2004 Ford F-550 light duty truck is hereby declared as surplus property and direction to dispose of the property is hereby authorized.

Adopted this 6th day of May, 2015 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

Steven R. Voss, Mayor

ATTEST:

Jack Davis, City Administrator

**CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA**

RESOLUTION NO. 2015-28

RESOLUTION DESIGNATING SURPLUS PROPERTY

WHEREAS, the City of East Bethel owns and operates a fleet of trucks and equipment for the purposes of maintaining its city streets and parks; and

WHEREAS, the City of East Bethel has adopted a plan for the replacement of trucks and equipment; and

WHEREAS, the 2003 Ford F-150 light duty truck has come to the end of its useful service life as a reliable and dependable piece of equipment; and

WHEREAS, the City Council of East Bethel has approved the purchase of replacement equipment pursuant to the Equipment Replacement Schedule; and

WHEREAS, the City of East Bethel will trade-in or the 2003 Ford F-150 on the purchase of the replacement vehicle or sell at auction to recover the remaining value of the vehicle.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF EAST BETHEL, MINNESOTA THAT: the 2003 Ford F-150 light duty truck is hereby declared as surplus property and direction to dispose of the property is hereby authorized.

Adopted this 6th day of May, 2015 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

Steven R. Voss, Mayor

ATTEST:

Jack Davis, City Administrator

Midway Ford Commercial
 Fleet and Government Sales
 2777 N. Snelling Ave.
 Roseville MN 55113



Travis Swanson
 651-343-5212
tswanson@rosevillemidwayford.com

Fax # 651-604-2936

T80 Contract # 74463
2016 F350 4x4- Super Cab- 6.5' Box 142" WB

Standard

Automatic Transmission
 Dual Front Air Bags
 AM/FM Radio
 Tow Hitch
 Tilt Wheel

40/20/40 Vinyl Front Seat
 Standard Base Upholstery
 4-Wheel ABS Brakes
 Air Conditioning
 LT245/75r17 E All Season Tires

Front Tow Hooks
 Rubber Floor Covering
 Black Bumpers w/Rear Step
 Matching Full Size Spare Tire
 6.2L V8 E85

Options	Code	Price	Select	Exterior Colors		Select	
Snow Plow Prep	473	\$73	x	Blue Jeans Metallic	N1		
Power Group	90L	\$763	x	Race Red	PQ		
Cloth 40/20/40 Seat	1S	\$85	x	Green Gem Metallic	W6		
LT245/75r17E AT Tires	TBM	\$107	x	Caribou Metallic	H5		
Shift on Fly 4x4	213	\$158	x	Tuxedo Black Metallic	UH		
Brake Controller	52B	\$230	x	Magnetic Metallic	J7		
Back-up Alarm	76C	\$107	x	Ingot Silver Metallic	UX		
XL Décor Group	17F	\$188	x	Oxford White	YZ		
				Interior Colors			
				Steel only (color for XL)			
				Extended Service Contracts		Cost	Select
				5yr/100000m F250/350 Gas 4x2		\$885	
				5yr/100000m F250/350 Gas 4x4		\$1,015	
				5yr/100000m F250/350 Diesel 4x2		\$935	
				5yr/100000m F250/350 Diesel 4x4		\$1,080	
Option Total		\$1,711					
				More time and mileage options available			
Base Price				Totals			
6.2 L E85 Gas				\$27,070.70			
Options Price Totals				\$1,711.00			
Extended Warranty							
Transit Impr Excise Tax				\$20.00			
Tax Exempt Lic							
Other							
Document fee							
Sub total per vehicle				\$28,801.70			
Number of Vehicles				1			
Grand Total for all units				\$28,801.70			
PO #							
Acceptance Signature				Name of Organization			
Print Name and Title				Address			
Date				City, State, Zip			
				Contact Person/ Phone #			
				Contact's e-mail address and fax #			
				Midway Ford Acceptance Signature			
				Date			



City of East Bethel City Council Agenda Information

Date:

May 6, 2015

Agenda Item Number:

Item 6.0 A.1

Agenda Item:

April Planning Commission Report

Requested Action:

Information Item

Background Information:

At their April 28, 2015 meeting the Planning Commission reviewed a proposal by Brown-Wilbert, the largest septic tank manufacturer and supplier in Minnesota, regarding an interest in relocating their headquarters from St Paul to a location in the Northern Metro area. They are interested in property at the southeast corner of 221st Ave. NE and Hwy. 65 as a potential site for their business. The site under consideration is zoned B-2, Central Business District capped by a Business Overlay District. The purpose of the Overlay District is to:

- To promote a planned environment for integrated residential, industrial, office, and commercial which features design continuity;
- To encourage orderly development of property;
- To encourage patterns of development in harmony with the objectives of the city's comprehensive plan;
- To encourage more attractive and enduring commercial and industrial districts; and
- To provide a uniform set of standards to be applied equally to all owners and developers in this district.

The Planning Commission will conduct a Public Hearing for a Conditional Use Permit for this business at their May 26, 2015 Meeting. This subject will be also be discussed at the May 18, 2015 EDA Meeting.

Craft Breweries

There was a discussion of potential ordinance changes or the drafting of a new ordinance that would address the permitting of craft breweries and local distilleries within commercial and light industrial zoned areas within the City. The City is currently working with a small brewer who is looking at locations in the City for their business operation. We currently do not have anything in our Code of Ordinances that addresses the particular needs of this type of business. Staff is in preparation of a proposed ordinance or ordinance change, whichever is appropriate, to address this matter.

City Ordinance Chapter 10, Article 5

The Commission reviewed a request to amend the City Ordinance that regulates the raising and keeping of chickens (Chapter 10, Article 5). After discussion of the issue, the Planning Commission recommended a Public Hearing be held to consider changing the current ordinance to allow a maximum of 6 chickens on lots of less than 3 acres with the provisions that no roosters be kept, proper

enclosures be provided and sanitation standards maintained. The Commission will conduct the Public Hearing on this matter at their May 26, 2015 Meeting

Attachments:

Attachment 1- Proposed Brown-Wilbert Site

Fiscal Impact:

Recommendation(s):

No action is required

City Council Action

Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required:_____

Potential Site



1 in = 376 ft



April 24, 2015

Map Powered by DataLink
from WSB & Associates



City of East Bethel City Council Agenda Information

Date:

May 6, 2015

Agenda Item Number:

Item 6.0 B.1

Agenda Item:

Business Retention and Expansion (BR & E) Program – Liaison Appointment

Requested Action:

Consider the appointment of a City Councilperson as the City Liaison to the BR & E Task Force

Background Information:

The East Bethel Economic Development Authority and Chamber of Commerce have partnered with the University of Minnesota to develop a Business Retention and Expansion Program to assist eligible businesses in the City.

The purpose of the program is:

- Help existing business solve issues that directly impact their firms;
- Assist businesses in identifying and utilizing resources that designed to assist them to become more competitive;
- Develop plans to long range and sustaining retention and expansion activities;
- Build community capacity and a stronger business environment to sustain growth and development

A Leadership Team has been formed by the EDA and Chamber and they are seeking task force volunteers to assist in the development and implementation of the project goals. Anyone that would be willing to assist in this effort can call City Hall for contact information.

The Leadership Team has also requested that a City Councilperson be appointed as a liaison to the group. This appointment would create a link between the Council and the program managers and provide a direct avenue of communication to the Council.

Attachments:

Fiscal Impact:

Recommendation(s):

Council is requested to consider the appointment of a City Councilperson as City Liaison to the BR & E Leadership Team and Task Force.

City Council Action

Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required:_____



City of East Bethel City Council Agenda Information

Date:

May 6, 2015

Agenda Item Number:

Item 6.0 D.1

Agenda Item:

2016-2020 Street Capital Improvement Plan (CIP)

Requested Action:

Consider approval of 2016-2020 Street Capital Improvement Plan (CIP)

Background Information:

The Streets Capital Improvement Plan was developed by the Roads Commission and staff to prioritize street improvement projects over the next five years. The Roads Commission adopted the 2016-2020 Streets Capital Improvement Plan at their April 14, 2015 meeting. The plan is presented in the attachments to this report.

The recommended street maintenance projects for 2016 are estimated to cost \$870,900 and include the overlay of Rendova St., Okinawa St., Tippecanoe St., 209th Ave., Austin St., and 204th Ave.

For 2016, the Road Commission recommends that funds for an MSA project be approved for the construction of a service road that would link Buchanan Street to Viking Blvd. The final alignment has yet to be finalized but would connect the Classic Commercial Park area to Viking Blvd. Currently the commercial park only has one access location at 187th Ave and TH 65. The additional access would alleviate some of the stacking issues that occur at 187th Ave, provide additional access for emergency vehicles and open up additional property for development in the municipal services area. The proposed route is currently designated as a MSA street and has been part of the City's street plan since 2005. The estimated cost of the project is \$2,400,000 and would be funded through MSA funds and a Highway Safety Improvement Grant. The City will also apply for a Cooperative Agreement Grant from MnDOT to offset the costs of this project.

Commitment to this plan requires the dedication of funding for 2016 only. Projects beyond 2016 are identified and prioritized by the Roads Commission to provide Council with recommendations for 2017 through 2020 as part of the overall capital project planning for major street improvements. Commitment to projects beyond 2016 will be considered for approval as part of each year's subsequent budgets.

Attachment(s):

1. MSA Capital Fund and Street Capital Fund Projects, Funding Analysis 2016-2020

- 2. Proposed Service Road Plan Map
- 3. 2016 Overlay Project Map

Fiscal Impact:

The estimated cost of the Street Capital Projects in 2016 is projected to be \$870,900. This amount is available from dedicated sources in the Street Capital Fund. The estimated cost of the MSA Capital Projects in 2016 is \$2,400,000. Funding for this portion is available through MSA funding, Highway Safety Improvement Grants, and a MnDOT Cooperative Agreement Grant.

Recommendation(s):

The Road Commission and staff recommend approval of the 2016-2020 Streets CIP.

City Council Action

Motion by: _____

Second by: _____

Vote Yes: _____

Vote No: _____

No Action Required: _____

**Street Capital Projects
2016-2020
Funding Analysis**

MUNICIPAL STATE AID FUND	Beginning Balance	Sources (Revenues)	Uses (Project Costs)	Ending Balance
2016 Beginning Balance	\$855,083			
Municipal State Aid Funding		\$603,199		\$1,458,282
HSIP Grant		\$500,000		\$1,958,282
Cooperative Agreement Grant		\$700,000		\$2,658,282
189th Ave/Taylor St Service Road (Phase I)			\$2,400,000	\$258,282
2016 Ending Balance				\$258,282
2017 Beginning Balance	\$258,282			
Municipal State Aid Funding		\$603,199		\$861,481
None			\$0	\$861,481
2017 Ending Balance				\$861,481
2018 Beginning Balance	\$861,481			
Municipal State Aid Funding		\$603,199		\$1,464,680
HSIP Grant		\$500,000		\$1,964,680
Cooperative Agreement Grant		\$200,000		\$2,164,680
Classic Commercial Park Service Road, South Section (Phase 2)			\$1,500,000	\$664,680
2018 Ending Balance				\$664,680
2019 Beginning Balance	\$664,680			
Municipal State Aid Funding		\$603,199		\$1,267,879
181st Ave Reconstruction			\$400,000	\$867,879
2019 Ending Balance				\$867,879
2020 Beginning Balance	\$867,879			
Municipal State Aid Funding		\$603,199		\$1,471,078
Cooperative Agreement Grant		\$300,000		\$1,771,078
East Side Service Road, South Section(Phase III)			\$1,900,000	-\$128,922
Davenport St Reconstruction			\$600,000	-\$728,922
2020 Ending Balance				-\$728,922
TOTAL MUNICIPAL STATE AID FUND SOURCES & USES		\$5,215,995	\$6,800,000	

Note: MSA Funding can be "Advanced Funded" to met certain requirements. The City can advance fund up to 4 times the construction allotment or \$3,000,000 whichever is less

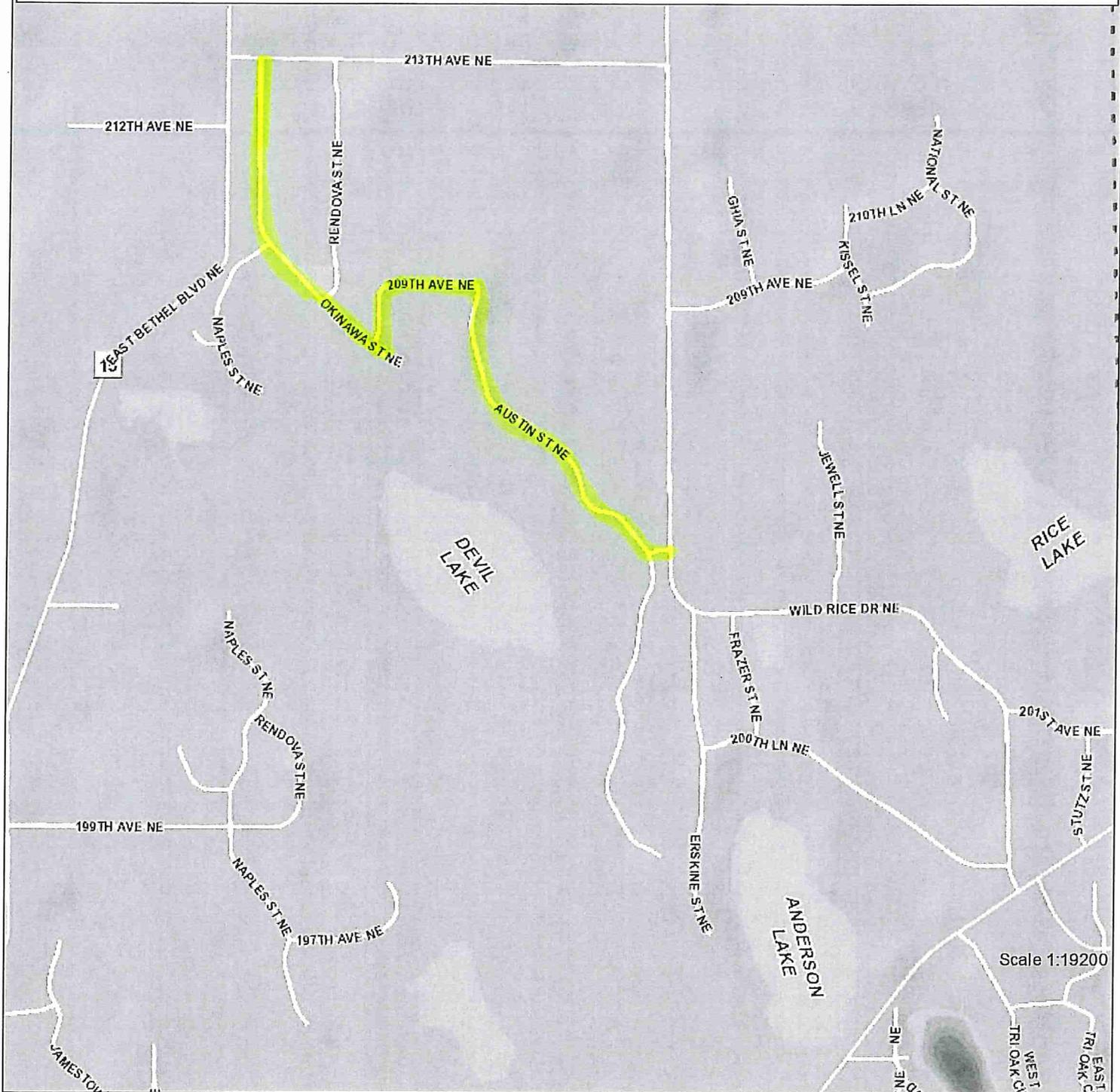
A negative balance is not an indication of too many projects. It simply means the City has anticipated numerous projects and can fund this within the regulations identified by MnDOT.

**Street Capital Projects
2016-2020
Funding Analysis**

STREET CAPITAL FUND	Beginning Balance	Sources (Revenues)	Uses (Project Costs)	Ending Balance
2016 Beginning Balance	\$573,293			
Transfer from General Fund		\$425,000		\$998,293
Rendova St- Overlay			\$140,000	\$858,293
Okinawa and Tippecanoe-Overlay			\$225,000	\$633,293
209th, Austin, and 204th-Overlay			\$505,900	\$127,393
2016 Ending Balance				\$127,393
2017 Beginning Balance	\$127,393			
Transfer from General Fund		\$425,000		\$552,393
Sunny View Addition- Sealcoat			\$53,000	\$499,393
DeGardners Addition- Sealcoat			\$75,500	\$423,893
2017 Ending Balance				\$423,893
2018 Beginning Balance	\$423,893			
Transfer from General Fund		\$425,000		\$848,893
Hidden Haven West-sealcoat			\$180,000	\$668,893
Hidden Haven East-sealcoat			\$70,000	\$598,893
Cedar Brook Addition-sealcoat			\$90,000	\$508,893
2018 Ending Balance				\$508,893
2019 Beginning Balance	\$508,893			
Transfer from General Fund		\$425,000		\$933,893
181st Ave Reconstruction			\$300,000	\$633,893
2019 Ending Balance				\$633,893
2020 Beginning Balance	\$633,893			
Transfer from General Fund		\$425,000		\$1,058,893
University Ave Reconstruction			\$400,000	\$658,893
2020 Ending Balance				\$658,893
Total Street Capital Fund Sources and Uses		\$2,125,000	\$2,039,400	



Proposed 2016 Overlay Projects



Scale 1:19200



Aerial Photo: Flown Spring of 2014



EAST BETHEL ROAD COMMISSION MEETING

April 14th, 2015

The East Bethel Road Commission met on April 14, 2015 at 6:30 P.M at the East Bethel City Hall for their regular monthly meeting.

MEMBERS PRESENT: Lori Pierson-Kolodzienski Kathy Paavola Dennis Murphy
 Roger Virta Daniel Nowack

MEMBERS EXCUSED: Al Thunberg, Jeff Jensen

ALSO PRESENT: Nate Ayshford, Public Works Director
 Tom Ronning, City Council Member

Adopt Agenda **Ms Pierson-Kolodzienski motioned to adopt the agenda as submitted. Mr Murphy seconded; all in favor, motion carried unanimously.**

Approve **Ms Pierson-Kolodzienski motioned to approve the minutes as written.** Mr Virta
March 10, abstained as he was not at the meeting in March. **Mr Nowack seconded; all in favor,**
2015 Meeting **motion carried unanimously.**
Minutes

Roads Members reviewed the financial statements for Fiscal Year 2015. (Attachment 4.1)
Financial
Information & Mr Virta asked how the projected budget for the winter months compared to actual costs.
Roads Capital Mr Ayshford reported that there were funds remaining due to less need for salt and snow
Funds plowing. The remaining money is returned to the General Fund at the end of the fiscal
Summary year. He also stated that with the salt shed full, the department is well set for the next
 winter season as well.

Mr Ayshford stated that much of the budget for the department is dependent on the weather. Fuel, overtime, truck repair and maintenance all increase in years with heavy snow and ice.

Proposed City staff has been directed to consider closing 209th Ave west of TH 65 across from the
Closure of Ice Arena. There are no outlets and no buildings or residences that use the road for
209th Avenue access. Dumping of appliances, tires and garbage has become an issue on the back
 stretches of the road.

Staff is seeking input from the Road Commission on the issue. Closing the road would require purchasing class 3 barricades to either place or permanently mount through the asphalt. Access could still be achieved by driving around the barricades because the area is relatively flat and sandy, but would make it more difficult.

Mr Ayshford reported that his department has been going out almost monthly to clean up the area. The road is an MSA (state aid) road and was built with future development of the area in mind. Any barricades placed will need to be moved periodically to allow access and permanently if development begins in the area.

Mr Murphy questioned where the request for the barricades originated. The City Administrator has received concerns about the area and trying to prevent or at least

reduce access seems the best way at present to keep people from dumping there.

Mr Nowack stated that he had driven through the area and was concerned about what appears to be an abandoned building on the northwest corner of the intersection of 209th and Hwy 65. He noted that the building above ground appears to be near collapse but there are stairs leading below ground that appear to be open for use. Mr Ayshford will report this to the Building Department for review.

Mr Ronning shared his concern that people might dump hazardous waste in the area if they are not prevented from doing so. Members agreed that this was an important consideration.

Mr Nowack noted that if the road is closed it would require less labor to clean up and less plowing in the winter months, possibly saving the City some money. The barriers would be installed by the City. He also noted that law enforcement vehicles sometimes park on 209th Ave just off of Highway 65 to monitor traffic. He stated the barriers would be set back far enough so that this practice could continue.

Mr Nowack asked about using concrete or “Jersey” barriers instead of the proposed barricades. This was considered a better option as they might be more effective in stopping people from entering and it would be easy to move the barriers with a bobcat when needed.

Mr Nowack made a motion to recommend installation of Jersey barriers to prevent access to 209th Ave to the City Council. Ms Pierson-Kolodzienski seconded; all in favor, motion carried unanimously.

Mr Virta suggested that the situation be monitored once the barriers are in place to see if they prevent the dumping in that area.

**2016-2020
Roads Capital
Improvement
Planning (CIP)**

The Road Commission continued the planning process for the Municipal State Aid and Street Capital Improvement Plans.

The Roads Commission prepares a Capital Improvement Plan annually which updates projected projects, evaluates priorities and establishes funding for these works for the coming year and for each of the subsequent years for a five year period. This plan is presented to City Council for their approval and use for preparing the coming year’s budget.

A draft of the 2016-2020 Roads CIP is Attachment 6.1. It is based on discussions from the March Road Commission meeting. Members discussed projects listed for 2016 and reviewed those proposed for future years, prioritizing as appropriate. Other projects could be added and existing ones could be deleted if deemed necessary by the members.

**Municipal State
Aid (MSA)
Fund**

The current available funds in the MSA account are approximately \$1,539,456. The reconstruction of Lincoln, Laurel, and 185th Ave planned for the summer of 2015 has an estimated cost of around \$700,000 leaving \$839,456 for use on future projects. This amount does not include the option of advance funding future MSA amounts.

Possible items for addition to the MSA CIP include;

1. 189th Ave (or other access to Classic/Sauter Commercial Park)
2. East Side Service Road (approx \$2,170,000)
3. Davenport Street from 209th up to and including 213th Ave (3/4 mile approx \$600,000)
4. 181st Ave from TH 65 to Jackson St(3/4 mile with the cooperation of Ham Lake approx \$600,00)
5. University Ave from Sims road to 221st Ave (1 mile with the cooperation of Oak Grove approx \$825,000)
6. Klondike Dr (Gravel 1 ¾ mile approx \$1,500,000-\$2,000,000)

The beginning balance for the MSA Fund in 2016 is expected to be approximately \$855,000. The \$603,199 expected for this year has already been received. MnDOT has stated that the City is eligible for a Highway Safety Improvement Program (HSIP) grant of \$1 million to be used for the North and South Service Road projects. The first phase of the project is scheduled for 2016.

It is possible that the fund could gain another \$700,000 through a Cooperative Agreement Grant that the City has used before on the Johnson St service road and the service road on the east side of Highway 65.

Mr Ayshford reported that based on earlier discussions with MnDOT the City might be eligible for these funds. However, this would require the City to agree to eliminate or limit at least one access point to Highway 65.

There are no projects currently scheduled for 2017 but the second phase of the service road project on the west side of Highway 65 is planned for 2018 with the same proposed funding from the MSA account.

Mr Ayshford noted that the Service Road project was discussed at the breakfast meeting held recently with the East Bethel Chamber of Commerce. The recommendation for the 189th Ave/Taylor St Service Road project may yet have to be changed. The City is having problems with Right of Way acquisition for the project.

The alternative plan is to extend Buchanan Street north to Viking Blvd. but there are issues with this proposal as well. Due to the wetland area on that route an option might be to use shredded tires or other lightweight fill to “float” the road through that section. Mr Ayshford has discussed this with Anoka County staff who have used this method on some of their roads.

Ms Pierson-Kolodzienski related that she had worked on a project of this type in Oak Grove on 221st going towards Round Lake Blvd. Ham Lake also has a small section of road that was done using this method. The process involves wrapping shredded tires or other lightweight fill in a geotextile and placing it below the road surface. Sand is backfilled over the top and then covered with aggregate and finally an asphalt base and wear course.

The cost of extending Buchanan St is about the same as the cost for following 189th and extending Taylor St north but there is ¼ mile less road with the Buchanan option. The

Buchanan option also does not open up as much land for potential development as the Taylor St option.

Mr Nowack asked about a potential grocery store he had heard about and where it might be located. Mr Ayshford explained that the store and other development has been discussed at the northwest corner of the intersection of Hwy 65 and Viking Blvd but no plans have been presented to the City.

Mr Murphy commented that after so many years of seeing so many road failures going over soft ground, pursuing the extension of Buchanan Street to Viking Blvd did not seem to be the best option. He stated that “floating” the road sounded a little bit experimental when the traffic would include heavy trucks using that road. Mr Ayshford related that Anoka County used the process on Hanson Blvd two years ago and on Hwy 14 near Centerville near Rice Creek Park.

Mr Nowack asked if the current status is “settling” for the Buchanan Street option because of the difficulties in procuring Right of Way or are there other reasons that the option has become more preferable than the Taylor Street option. Mr Ayshford stated that there are pros and cons for each option.

Buchanan Street

- closer to Hwy 65 and more easily identified as a service road and easier to navigate
- would line up with the possible future service roads extending north to Klondike.
- a future project continuing Buchanan St. south would make it a straight line from 181st to Klondike eventually and easier to find businesses along the road.

Taylor Street

- could open more areas for development
- more stable soils

Mr Virta asked how much area would be available for development along the Taylor Street option. He stated that one of the driving forces behind the service road project has been safety and making a better way to access businesses without turning directly off of or trying to enter directly onto Hwy 65. Another goal is to increase development in the area that is served by sewer and water which is a priority to pay off the bonds. Mr Virta also stated that he agreed with Mr Murphy’s concerns about floating the road. He suggested a review from an engineer or other expert who have more expertise and can provide information more specific to the exact area of the proposed road.

Mr Ronning suggested that seeking input from a contractor or from a well company might also be helpful in making the decision on which option is best for the service road project.

Ms Paavola suggested it might be helpful to have expert input and cost comparisons for all three types. Mr Nowack suggested getting boring data as well. Boring in other wetlands in the surrounding areas went down 35 feet without hitting bottom so it is assumed that if the road is put in, it will have to float.

Mr Ayshford related that the actual work on the first phase of the service road project won’t begin for a year or so and plans can change a fair amount between now and then.

He stated the Commission needs to recommend any changes to the CIP but there will continue to be discussions about the service road project as more information comes in. Mr Virta commented that he felt the plans for the service roads are getting a lot better than what was started last year using Jackson St as an outlet. He added it is a much more comprehensive long-term plan.

Reconstruction of 181st in 2019 is dependent on coordination with Ham Lake but this is a low priority for them. Mr Ayshford noted that the area around Hwy 65 and 181st has many options for development and MnDOT has stated that there is now a possibility of a traffic light at this intersection if there is enough traffic turning there. This may require closing the entrance to Hwy 65 via 187th. This may also increase interest in Ham Lake to work on improving 181st.

The East Side Service Road is projected for 2020. The CIP as proposed delays some projects like University Ave, Davenport and Klondike and it moves to a negative balance in 2020 which would require advanced funding. Mr Virta related that it made sense to put effort into the area around 181st with more potential for development and delay the other projects for later years.

Street Capital Fund

Members reviewed the proposed plan for projects under the Street Capital Fund. The beginning balance is \$573,293 with some funds carried over from previous years and the funds transferred in from the General Fund.

Funding in 2016 is projected for overlays on streets in the Whispering Oaks neighborhood. These roads appear to be in the worst shape. For 2017 two sealcoats are proposed for the neighborhoods off of 209th Ave behind the post office. East and West Hidden Haven and Cedarbrook neighborhoods are scheduled for sealcoats in 2018. No projects are proposed for 2019 or 2020 on the draft CIP.

Mr Nowack asked about 221st Street and the tree cutting beside the road. Mr Ayshford explained that 221st is an Anoka County road and they plan to overlay it this summer. The county has been removing trees along the sides of all roads as a “clear zone” to prevent any obstructions to line of sight and hopefully prevent more accidents. He is hoping that they will overlay East Bethel Blvd and County 24 west of Cooper’s Corner soon.

Members agreed to add two projects left off the MSA fund proposal to the Street Capital Fund proposal. Mr Ayshford will make those changes to the approved Roads CIP and present it to City Council.

Ms Pierson-Kolodzienski made a motion for the addition of the Davenport Street project to 2019 and the University Avenue project to 2020 on the Street Capital Fund proposal and to approve the Roads CIP. Mr Murphy seconded; all in favor, motion carried unanimously.

Council Report

Mr. Ronning reported that the Council approved refinancing for the city’s 2010A Bonds for a potential savings of over one million dollars. The 2014 audit was unanimously accepted with assets exceeding liabilities by more than 32 million dollars. They approved an MOU for the Viking Preserve housing development and the contract for the cell tower with Verizon.

Other Business Mr Ayshford reported that the bids were opened for Class 5 and came in about 50 cents/ton cheaper this year. The Nordin Estates drainage project bid came in at \$53,000, which was also lower than anticipated.

Mr Murphy asked about the area where Zumbrota St and Xylite St come together, near the entrance to the Sand Hill Crane area. He wondered if the City and/or County were working on something there. Mr Ayshford explained that the section is owned by the County and the City is part of the management group. There was Oak Wilt in the area and they had to remove all the trees and put in a trench to try to prevent further spread. Nothing else is planned for that area at this time.

The Road tour is planned for the June Road Commission meeting.

Adjourn **Ms. Pierson-Kolodzienski motioned for adjournment. Mr Murphy seconded; all in favor, motion carried. Meeting was adjourned at 7:40 p.m.**

Respectfully submitted,
Susan Lori Irons
Recording Secretary

Attachments:

- 2.1) Agenda for March 10, 2015 Road Commission Meeting
- 3.1) Minutes of February 10, 2015 Road Commission Meeting
- 4.1) Fiscal Year-to-date Financial Reports
- 5.1) 209th Avenue Location Map
- 6.1) Draft 2016-2020 MSA and Street Capital CIP



City of East Bethel City Council Agenda Information

Date:

May 6, 2015

Agenda Item Number:

Item 7.0 E.1

Agenda Item:

Amendment to Cemetery Policy

Requested Action:

Consider approval of an amendment to the cemetery policy that would require cremation burials be placed inside a suitable vault

Background Information:

The City of East Bethel Public Works Department maintains three cemeteries including the locating, marking, opening and closing of the burial plots. One problem the staff consistently encounters is the locating of cremation burials without a vault. Many times the urns are too small to locate or are made of a material that breaks down or collapses. Two cremations are allowed on a single plot, so accurately locating the existing urns is a necessity before opening the plot for an additional cremation burial. By requiring the urns to be placed in an approved vault, they can be accurately located and not disturbed.

Most cemeteries in the metropolitan area require vaults for cremation burial. The cost to the family ranges from \$100-300 depending on the vault style.

Attachments:

1) Amended Cemetery Policy

Fiscal Impact:

No fiscal impact to the City

Recommendation(s):

Staff recommends that Council consider approval of the amended cemetery policy.

City Council Action

Motion by: _____

Second by: _____

Vote Yes: _____

Vote No: _____

No Action Required: _____

City of East Bethel

Cemetery **Regulations** Policy

The purpose of these regulations is to provide a uniform set of rules for the use and visitation of the public cemeteries within the City of East Bethel. The regulations are designed to help improve the appearance and reduce the maintenance requirements for the cemeteries while maintaining respectful grounds for the deceased.

Management

- 1) Oak Leaf Cemetery, Old Bethel Cemetery, and East Bethel Cemetery are owned and operated by the City of East Bethel.
- 2) The City of East Bethel is responsible for the selling and recording of all plots.
- 3) The City of East Bethel is responsible for the opening and closing of all plots. No person shall proceed to disturb the grounds without the knowledge and consent of the Public Works Manager.
- 4) The City of East Bethel is responsible for the maintenance of the cemetery grounds.
- 5) Prices for plots, plot digging, and other services provided at the city cemeteries are established in the annual fee schedule adopted by the East Bethel City Council.

Visitor Rules

- 1) Cemetery visitors will be allowed in the cemetery from sunrise to sunset. Any person(s) found loitering on the grounds during closed hours will be subject to penalties.
- 2) No pets allowed on the cemetery grounds.
- 3) No motorized vehicles will be allowed off designated roadways at any time with the exception of city maintenance personnel, monument setters, and vault company employees.
- 4) Any person disturbing the tranquility of the cemetery by noise or other improper conduct will be asked to leave the grounds or be subject to penalties.
- 5) All visitors are reminded that the cemetery is considered sacred ground for the deceased, and that a strict observance of all properties due such a place will be required.

Burial Rules

- 1) No interment shall take place without all laws of the State of Minnesota and the City of East Bethel having been complied with.
- 2) 72 hours notification will be required for grave opening services.
- 3) Interment will not be allowed unless in a cement or steel vault. **Cremation burials require a vault constructed of cement, steel, or other suitable material that will not degrade and able to withstand the weight of the soil.**
- 4) Two adult interments in one grave (one on top of another) will not be permitted. An infant child or cremation will be allowed at the foot end of an adult grave.
- 5) For record keeping purposes, identification and determent, cremated remains should not be buried on top of a vault. Only two cremated remains may be buried on a burial site. Center of location is to be 2.5' from the side of the plot and 3' from the end.

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Monuments (Plots sold before October 3, 2012)

- 1) While reasonable care will be taken to protect monuments and markers, the City of East Bethel is not responsible for the damage done to monuments or property. Stone monuments are considered private property of the deceased relatives and are therefore responsible for their care.
- 2) All monuments must have a cement base with a minimum 4" margin around the headstone and the base shall be inside of the lot line.
- 3) All large headstones are to be set on the west edge of the lot.
- 4) All markers placed on the east end (foot end) of the grave must be flush to the nominal ground level. At no time will above ground markers be allowed on the east end of a grave.
- 5) All monuments shall be of good grade marble, granite, or bronze materials built by reputable companies. All foundations for monuments and other structures must be of sufficient depth into the ground in order to support it.
- 6) All monuments must be set in line with other monuments so far as possible.

Monuments (Plots sold after October 3, 2012)

- 1) All markers, both headstones and footstones, must be flush to the nominal ground level.
- 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 deceased relatives and are therefore responsible for their care.

Privileges and Restrictions for Plot Owners

- 1) No tree or shrub shall be planted, removed, cut down or trimmed on cemetery grounds without permission of the Public Works Manager.
- 2) All newly placed flowers, whether real or artificial, must be in approved above ground pot stands.
- 3) Grave decorations will be allowed for placement on ground only if kept within on foot of grave markers for the period of two weeks prior to Memorial Day and one week following Memorial Day. Following the final allowed date for such decorations, maintenance staff will remove and dispose of those not in approved stands.
- 4) At no time will jars, tin cans, unsightly plastic containers, fences, retaining walls, or any other objects be allowed in the cemeteries.
- 5) Perpetual care of cemeteries which cover mowing, tree trimming, grass trimming, and leaf removal will be assumed by city maintenance staff only.



City of East Bethel City Council Agenda Information

Date:

May 6, 2015

Agenda Item Number:

Item 7.0 E.2

Agenda Item:

Aquatic Invasive Species Control Program (AISCP)

Requested Action:

Consider direction to participate in the AISCP or approval to opt out of the program

Background Information:

At the Annual Meeting of the Coon Lake Improvement District in July of each year, members at the meeting vote to approve and fund the districts activities for the coming year. An annual fee is determined and will be charged to eligible district properties via collection of fees by the county on the following year tax statements. These fees are currently used to fund the cost of herbicide treatments in areas identified as moderate to heavily infested with Curly Leaf Pondweed (CLP) or Eurasian Water Milfoil (EWM). This is determined by means of a delineation to locate and document sites to be re-inspected and/or approved by the MN DNR for treatment by a state licensed applicator contracted by the CLID. The chemicals normally used to control these are Endothall, Triclopyr and 2-4-D.

Sec. 78. Minnesota Statutes 2010, section 103G.615, has been recently amended by adding a subdivision to read: (in part)

Subd. 3a. Invasive aquatic plant management permits.

- a) "Invasive aquatic plant management permit" means an aquatic plant management permit as defined in rules of the Department of Natural Resources that authorizes the selective control of invasive aquatic plants at a scale to cause a significant lake wide or bay wide reduction in the abundance of the invasive aquatic plant.
- b) The commissioner may waive the dated signature of approval requirement in rules of the Department of Natural Resources for invasive aquatic plant management permits if obtaining signatures would create an undue burden on the permittee or if the commissioner determines that aquatic plant control is necessary to protect natural resources.
- c) If the signature requirement is waived under paragraph (b) because obtaining signatures would create an undue burden on the permittee, the commissioner shall require an alternate form of landowner notification, including news releases or public notices in a local newspaper, a public meeting, or a mailing to the most recent permanent address of affected landowners. The notification must be given annually and must include: the proposed date of treatment, the target species, the method of control or product being used, and instructions on how the owner may request that control not occur adjacent to the landowner's property.

Signatures for herbicide control of invasive species are not currently needed for Coon Lake as the MN DNR has waived the signature requirement as allowed by state statute. This is documented as an amendment to the Lake Vegetation Management Plan through April of 2015. The following, with the distribution of this letter, fulfills the requirement as stated in Subd.3c. (above);

Early season herbicide treatment for CLP is expected to take place from mid to late April (depending on variables such as ice-out date, water temperature, approval of permit and herbicide applicator availability) and will be done by using the chemical Aquathol K, at dosage rates of .75 – 2 ppm. Nuisance control of EWM should follow in mid-May to mid-late June and areas would be treated with a 2-4-D or Triclopyr herbicide and be applied at the rate of .75 – 2.5 ppm depending on the applicators recommendation. All of the rate variables listed above have a direct correlation to the size of the weed bed and requirement for satisfactory results.

It is your right to request treatment not be done in front of your property in the case it is identified as an area that needs to be treated, but please be mindful that this is a collective effort funded by each of us and non-treated areas may diminish the quality of control and affect our goal to reduce the quantity of control of AIS with each year’s successful results. **Should you desire to Opt Out, please entirely fill out the “Request to be Excluded From Herbicide Treatments” form, copy it and mail one copy to each of the recipients listed on the form.** A decision to opt out would only include non-treatment of City frontage property and not that of the entire lake. The City has participated in this program in the past.

Attachments:

- 1) Map of City Owned Property
- 2) Exclusion Letter

Fiscal Impact:

Recommendation(s):

Staff is seeking direction from Council as to the desire to participate in the Aquatic Invasive Species Control Program.

City Council Action

Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

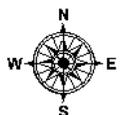
No Action Required:_____



Map



Disclaimer: Maps and documents made available to the public by the City of East Bethel are not legally recorded maps or surveys and are not intended to be used as such. The maps and documents are created as part of the Geographic Information System (GIS) that compiles records, information, and data from various city, county, state and federal resources.
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COON LAKE IMPROVEMENT DISTRICT - (CLID)

**REQUEST TO BE EXCLUDED FROM HERBICIDE TREATMENTS
FOR AQUATIC INVASIVE SPECIES (AIS) CONTROL**

**SIGNING THIS FORM DOES NOT EXEMPT YOUR PROPERTY FROM THE
ANNUAL CLID FEE CHARGED TO ALL PROPERTIES WITHIN THE DISTRICT**

**Use this form each year to Opt Out of having herbicide treatments to
control AIS within the 150' lake-ward zone from your shoreline:**

Due to the distribution date of aforementioned information and when the treatments would occur, this signed form is only valid when signed between January 1st and May 31st and is valid only for that years Spring/Summer season. If you plan to submit this form and wish not to have treatment for CLP, do it immediately as early season treatment for CLP is temperature sensitive and could be applied as early as mid April. EWM treatments may occur as early as mid May. **Your request to "Opt Out" is invalid for treatments that occur prior to receipt of your signature by the CLID or the DNR.**

Submit a copy of the following to each of the addresses listed below:

Coon Lake Improvement District
PO Box 26
East Bethel, MN 55011

Keegan Lund / Invasive Species Specialist
Division of Ecological and Water Resources/ MN DNR
1200 Warner Rd, St. Paul, MN 55106

I have read the CLID annual letter sent on or before April 1st of this current year and reviewed this document. I request that no herbicide treatment occur adjacent to the property and 150' lake-ward of the shoreline for the property listed below. (For further information or clarification, call Mike Bury @ 612-618-1372)

Signed _____ Date _____
(Only One Signature is required)

All requested information must be entered for verification and validation purposes.

Current Year: _____ Pin Number(s): _____

Property Owners Name(s): _____

Lake Property Address: _____

City / State / Zip _____

Phone Number(s) Home: _____ Cell: _____

Mailing Address (If different from Lake Property Address):



City of East Bethel City Council Agenda Information

Date:

May 6, 2015

Agenda Item Number:

Item 7.0 G.1

Agenda Item:

Ice Arena Management Contractor Selection

Requested Action:

Consider approval to select a Management Contractor for the East Bethel Ice Arena

Background Information:

The City of East Bethel managed and operated the City Ice Arena with City Staff until 2006. From 2006 to 2008 the City contracted with the National Sports Center for management services for this facility. The National Sports Center declined to exercise their option to extend their contract at the end of the 2008 season. As a result, the City solicited other management proposals for operation of the facility and awarded a contract to Gibson Management Company, LLC. Gibson Management has operated the Arena for the past seven years.

The City Ice Arena operates as an enterprise fund. The fund had a cash balance deficit of \$134,835 in 2011 but currently has a positive cash balance of \$134,254. City levies are not used to support the Arena, however, revenues from the cell tower on site were allocated to the Arena Fund prior to and through 2014. The goal of the City, at minimum, is to operate this facility with all costs paid through user fees

Aside from the outsourcing of the management of the Arena to an independent contractor as we have done since 2006, the City could consider the following alternative options:

- Leasing the facility outright
- Hire a contract manager and operate the facility under the umbrella of the City.

The major issue with leasing is protecting the City’s investment in the facility and establishing responsibilities for maintenance and use of the equipment and property. Directly contracting the management as a City function, while a consideration, could create a position and role that has the potential to expand well beyond its anticipated purpose and produce an additional level of management and possible expense. Staff is of the opinion that contracting with an independent management company is the most efficient and economical means to operate the facility at this time.

A Request for Proposals (RFP) for the Arena Management Contract was advertised in the Anoka Union, City Website and with the League of Minnesota Cities. There were two submittals for the Management Services Contract:

Gibson Management, LLC-Rochester, Minnesota; and
Victory Management – Isanti, Minnesota

The City Council received and reviewed presentations of the management proposals from these two firms at a Work Meeting on March 25, 2015. This matter was considered by City Council on April 15, 2015 but was tabled and additional discussions were conducted at a Work Meeting on April 22, 2015.

Attachments:

Attachment 1- Gibson Management Proposal

Attachment 2 -Victory Management Proposal

Fiscal Impact:

The City has budgeted \$79,000 for this service for the 2016 Budget. Both proposals exceed this amount and it is recommended that the contractor selected be open to negotiate their quote for services. Staff recommends that a contract award be provided for a term of not less than 2 nor more than 3 years.

Recommendation(s):

Staff recommends that Council consider approval of a contractor to provide management services for the City Ice Arena and direct staff to negotiate a contract for these services with the selected contractor and present the negotiated contract for consideration of approval at the May 20, 2015 City Council Meeting.

City Council Action

Motion by: _____

Second by: _____

Vote Yes: _____

Vote No: _____

No Action Required: _____

Due to file size limits, the proposal attachments for this City Council Packet item have been omitted.

If you would like to view this information, please contact East Bethel City Hall at 763-367-7840.



City of East Bethel City Council Agenda Information

Date:

May 6, 2015

Agenda Item Number:

Item 7.0 G.2

Agenda Item:

Insurance Agent Selection

Requested Action:

Consider approval of the insurance agent agreement for the City’s Workers Compensation and Property / General liability insurance.

Background Information:

The League of Minnesota Cities Insurance Trust (LMCIT) is a cooperative, member-owned organization founded during 1980 that provides property, liability, workers' compensation and employee benefit needs to Minnesota cities. Members contribute premiums to a jointly-owned fund rather than paying premiums to buy insurance from a private insurance company. The funds are used to pay for members' claims, losses and expenses. The City of East Bethel utilizes the LMCIT as its insurance carrier. A condition for program participation is the requirement to retain a licensed insurance agent to perform the following functions:

- Assist the City in requesting LMCIT Contract Review Services for evaluating municipal agreements and City contracts for insurance concerns.
- Advise and assist the city with assembling the underwriting data, for the renewal rating process.
- Advise and assist the city on evaluation and selecting among coverage alternatives such as deductibles, limits, optional coverages, alternative coverage forms, etc.
- Review coverage documents and invoices to assure coverage has been correctly issued and billed.
- Advise the city on potential gaps or overlaps in coverages.
- Assist the city in identifying risk exposures and developing appropriate strategies to address those issues.

The City’s current contract for this service is with the Bearence Management Group. Their contract expires at the end of this year. At the March 18, 2015 council meeting, Council directed staff to solicit proposals for an insurance agent to ensure that the City is receiving the best value for its investment. The City received three responses to their request for proposals, which are summarized below:

Vendor	Annual Cost
Northern Capital Insurance Group	\$5,000
Gallagher Risk Management Services	\$6,000
Bearence Management Group	\$6,500

Bearence Management Group has provided the City with excellent service but submitted the highest cost proposal. Although continuity is important in these types of professional services, there is only a small scope of services provided and transitioning to a new agent should not pose any problems.

Attachments:

Attachment #1 Northern Capital Insurance Group

Attachment #2 Gallagher Risk Management Services

Attachment #3 Bearence Management Group

Fiscal Impact:

As noted above.

Recommendation(s):

Staff recommends that Council consider approval of 2016 - 2018 insurance agent agreement with NCIG given that the transition to change to a new insurance agent is minimal, they provided the lowest cost proposal and their reference check came back positive. City Staff conducted an interview with NCIG on April 27, 2015 and has no reservations in the recommendation of their approval for our insurance agent of record.

City Council Action

Motion by: _____

Second by: _____

Vote Yes: _____

Vote No: _____

Due to file size limits, the proposal attachments for this City Council Packet item have been omitted.

If you would like to view this information, please contact East Bethel City Hall at 763-367-7840.

City of East Bethel
May 6, 2015
Supplemental Payment Summary

This is a supplemental listing of invoices that were received after the creation of the Council packet. Due to the invoice deadline and the timing of the next Council meeting, they could be deemed as late payments which could possibly accrue late fees and/or finance charges if not paid by the due date.

Dept Descr	Object Descr	Invoice	Check Name	Fund	Dept	Amount
Park Maintenance	Bldg/Facility Repair Supplies	630-88489	Play & Park Structures	101	43201	\$4,135.35
						\$4,135.35