

EAST BETHEL CITY COUNCIL MEETING

SEPTEMBER 2, 2015

The East Bethel City Council met on September 2, 2015, at 7:00 p.m. for the regular City Council meeting at City Hall.

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

ALSO PRESENT: Jack Davis, City Administrator
Mark Vierling, City Attorney
Mike Jeziorski, Finance Director
Mark DuCharme, Fire Chief
Craig Jochum, City Engineer

1.0 Call to Order The September 2, 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'd like to make a motion to adopt tonight's agenda and under Department Reports, we'd like to add the topic on Engineer for Biosolids Permitting and Disposal. Koller stated I'll second.** Voss stated any other discussion? All in favor say aye?" **All in favor.** Voss stated opposed? **Motion passes. Motion passes unanimously.**

4.0 Presentation Davis presented the staff report, noting Stepping Stone Emergency Housing, the only licensed homeless shelter in Anoka County, will make a presentation to Council explaining the mission and benefit of their organization to the City, as well as a request financial support for their activities.

4.0A. Stepping Stone Emergency Housing Julie Jepson, Development Director for Stepping Stone Emergency Housing, stated good evening gentlemen. I first have to start this evening by making two apologies. One for my very casual attire. I was at my son's school for three hours this afternoon and I came directly from there. My second apology is that I had every intention of staying here for the meeting but I have to leave right after to go to my daughter's school. It's not the first week of school that's the busiest; it's the week before the first week of school that's the craziest. So, please accept my apologies.

Jepson stated again, my name is Julie. I grew up in a very upper middle class white family, going to church twice on Sunday and once on Wednesdays. I grew up knowing that I would graduate from high school, knowing I would graduate from college, get married, and have, hopefully, two children. All of which happened. It wasn't an option. It wasn't a decision. It was just the way life is. That's the way I was raised. You do all those things and pay your taxes and you live a good life and you are a very good person of society, creating value to your community. Being as involved with my kids as I am, being involved in their school as I am, I'm raising my kids to expect the same things out of life.

4.0A. Jepson stated all of these things happened to me and I've lived a very lucky life. When I

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used to see homeless people on the street pushing their shopping carts, holding their signs along the side of the street, and thinking to myself, 'Why don't you just get up. Just go to work. Find a job for heaven's sakes. Get your motivation. Find it and move on with your life.' In asking those questions to myself, I was really doing myself a disadvantage because that was before working at Stepping Stone. Now that I work at Stepping Stone, I see what hopelessness looks like, and helplessness, and homelessness actually looks like. So rather than pointing the finger away from myself, I point it at myself and ask instead, 'Why should I expect them to get up and go to work? To get up and make their lives better?' They didn't have my life. I was not abused from the time I could walk. I was not raped over and over again by a family member. I did not serve in Viet Nam, come home just to have a horrendous accident and have a traumatic brain injury. I haven't made such a stupid decision that it has dictated my life moving forward. Nor have I had medical bill after medial bill after medical bill that has crippled me from working ever again.

Jepson stated those are true examples of our guests and those are true examples of homelessness in Anoka County. Anoka County homelessness is not pushing a shopping cart or holding a sign. Anoka County homelessness looks like you and I. It's very transparent because we can't see it, because it's in our parks, it's in parked cars, it's couch hopping from home to home, it's finding somewhere that you can lay your head at night comfortably.

Jepson stated so that's what we are at Stepping Stone. We are some place where our guests can lay their head comfortably and feel safe and secure. In 2012 and 2013, I did have a major medical issue and I am here by the grace of God. I didn't go bankrupt, I didn't lose my job, I still have my house, but I have all those things because I have a support system. I have family, friends, colleagues, that supported me through that time. Homeless people don't have that. They don't have someone they can talk to and tell a joke to. They don't have someone they can complain about their day to. They don't have someone who can pick them up after a car accident, from a health procedure, from a dentist appointment. They don't have that support system. That, too, is what Stepping Stone is for them. We are their family. We are their friends and we are their colleagues.

Jepson stated a guest and I were talking the other day and she said to me, 'You know before coming to Stepping Stone, I couldn't see the light at the end of the tunnel for me.' She said, 'I didn't even think I was in a tunnel.' I kind of chuckled at that but in reality, that's what it is. They're lost. They don't know where to go. They don't know where to think. They're only focused on surviving the here and now and when you are focused on surviving, on finding your food and where you're going to put your head and what you're going to do the next day, you can't think a week from now and you certainly can't think a year from now. They're thinking about today and what today means and what today brings.

Jepson stated there's a lot of things that I've learned since working at Stepping Stone. I'm just going to share a few things, one of which is that being poor is very hard. I can stand here today with 100% certainty that the people who are staying at Stepping Stone do not want to be there. They're not 'living the dream,' they're not 'living the life,' they're not 'living off the system and milking it for every dollar it's worth.' Because I can tell you if those kinds of people came to Stepping Stone, they wouldn't last. Living there is not very easy. It's not very comfortable. You're living in a dormitory-style setting with very 'black and white' rules, set schedules, set chores, set expectations based on individual needs and goals they have for their lives in getting out of that homelessness.

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Jepson stated the second day that I started working at Stepping Stone, about three and a half

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years ago, one of our case managers said to me, 'Finding someone a place to live, finding someone a house, isn't the hard part. It's teaching them how to keep it. That's the hard part.' For them that's also what Stepping Stone is. We do the hard part. We walk alongside them, giving them the basic skills, providing them with our community resources and amenities. We do give them their basic needs. We do give that handout but a handout that's compassion. Like I said before, they're so focused on their survival skills, they're so focused on making it through the day with their food, and just the simple things that you and I do every single day. So we take that stress away from them, happily so, so that they can focus on themselves and getting better and doing more and doing better.

Jepson asked so what is Stepping Stone after all this? We have 76 men and women, 50 men and 26 women, from youth and adults, ages 18 and older. We have a waiting list of about 50 to 100 people, depending on the weather. We're already preparing for this winter, which is interesting to consider for a homeless shelter. We put a priority on our waiting list for those ages 18 to 23 as well as for U.S. veterans. We are funded in numerous ways. Sixty percent of our funding comes from government funding. We get State funding through what's called Group Residential Housing as well as funding from the Office of Economic Opportunity through an Emergency Shelter Grant and that is federal funds passed through the State. Fifteen percent of our funding comes from in-kind donations, primarily food. We do have to provide our guests three meals a day with a snack in the evening. Then 25% comes from individual donations, civic groups, faith-based groups, and independent foundation grants.

Jepson stated that's really why I'm here today. I'm asking for you, as the City of East Bethel, to contribute financially to Stepping Stone and I'll tell you why. This year we're going to have 600 men and women living at Stepping Stone. Of those 600, 15%, or 90 people will be coming from this part of Anoka County. It might not seem like a lot to you, and in the grand scheme of things it might not, but for those 90 people, it is essential that they are Stepping Stone. To put it in perspective, the State values the shelter that is given by us for each individual at \$12,000 per person. So, for those 90 people coming from your community, each person costs us \$12,000 to shelter.

Jepson stated another number that shocked me, and this is the last and final thing of the many things I've learned recently, is that for those 90 people who are homeless, it costs tax payers, on average, \$40,000 for them to remain homeless, \$40,000, \$12,000. There's so many factors that go into that \$40,000 number; however, the largest factor, the most contributing dollars that go into that, is health care. A homelessness person's health care is the emergency room because they cannot be turned away. So, they have to be helped, they have to receive care. The way Stepping Stone counters that, in addition to all of our programs and all of our services, actually State policy maker told us there's nothing like us in the State, let alone the country.

Jepson stated I'm happy to answer any questions about our programs or services but the thing that we're doing at Stepping Stone to counteract that \$40,000, that medical care cost, is we have an Allina Clinic in our shelter, in our building, in our facility. And, we have doctors and nurses and pharmacist and chemical dependency counselors, and smoking cessation counselors come to Stepping Stone and work on our guest's current and preventative health care needs. In addition to them doing that, they work on our guests and what's going to happen when they leave. And, figure out a plan so that they don't ever have to use the emergency centers again for their main health care. So, not only are we helping them in the immediate, we're helping you as taxpayers take the burden off of you as

Stepping Stone well.

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Jepson stated so yes, I ask today for your financial support because we are helping your community and we won't stop helping your community. But, I am going around to all the cities in Anoka County because I think it's important for you to understand who we are and who we're helping and what a difference you guys can make in your cities. I'm happy to answer any questions you might have. Thank you for having me today.

Voss stated thank you Julie. Any questions? Ronning stated not a question, a comment I guess. This homelessness thing, I've listened to this same things about 'Why don't they just get up by their boot strings and pull themselves up,' whatever. I lived in the Detroit for 17 years and if you want to see homelessness and sad, dejected, destroyed people, that's, it can be heart breaking. There was one guy that I was supporting who was living under Cobo Hall by the freeway and I just, I don't remember his name anymore but I'd see him out there and I'd slip him some money. And, every so often you'd see him just beat to pieces. Somebody beat the 'tar' out of him. And, nothing you could do, just feel bad for him and give him a couple bucks. Then he disappeared so as far as I know he either was in prison or somebody killed him. But, there's not a whole lot of options for these.

Ronning stated there was a young guy doing community services at the church I go to. Seventeen years old and he'd been living in his car during the wintertime for about two years. He was kicked out of the house. It's really a terrible problem. Jepson stated it really is. Ronning stated I sympathize very much and appreciate what you're doing. Jepson stated thank you.

Voss asked how long has Stepping Stone been around? Jepson stated we've been around since 2005. We started in a 4-plex apartment building right off Ferry Street in Anoka and just recently, almost three years ago, moved to the facility that we're in now and have 18,000 square feet. Voss stated good.

Mundle asked what contributions are other cities making towards Stepping Stone? Jepson stated we've never been funded, we've never gotten funding, from a city directly. Mundle asked from any city? Jepson stated from any city directly. We do get funds through the Anoka Round Up Program but that's where citizens can round up their utility bill and then the 'pool' is given to the city and then the city gives us the money but it originates from the community. So, no one, based on my presentations of the next two months, have come back with a dollar figure. And, I'm not asking for a specific dollar figure because I don't know your budget. I don't know your passions or your philosophies on giving to community organizations. So, I'm leaving that in your hands plus we don't have a background for those gifts to us either. So, I'm leaving it in your trustworthy hands to make a good decision.

Voss stated one of the agenda items to be brought up tonight, we're actually passing our preliminary levy. It's on our agenda to be passed. So in order to make any donation, we'll have to re-examine our budget over the next couple months to see how that fits in. But, I think we'll certainly be discussing it as we go forward. Jepson stated thank you very much.

Davis stated in moving forward next year, if you would come and present your request, say perhaps in May, it would be much easier for us to attempt to incorporate that in our budget planning. Voss stated most cities start their budget process about that time too. Jepson stated okay, I will absolutely make a note of that, thank you. Voss stated you're not

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absolutely late, but it would be a lot easier if it was earlier in the year. Jepson stated okay, thank you. Voss asked any other questions? Thank you for being here tonight. Jepson stated I appreciate your time.

Davis presented the staff report, noting the Council is being asked to consider approving the preliminary tax levy for 2016.

As a result of budget discussions conducted at the Council Work Session in July, City Council acknowledged that the preliminary property tax levy for 2016 be set such that funds are available to accomplish the goals and objectives identified in those meetings.

The proposed preliminary 2016 General Fund Budget is proposed to be \$4,973,300, which is an increase of \$124,600 or 2.6% from the 2015 budget. A General Fund levy of \$4,109,300 is necessary for 2016, which is an increase of \$58,800 over the 2015 budget. A Debt Service levy of \$1,142,000 is necessary for 2016, which is an increase of \$18,000 over the 2015 budget. Overall, the 2016 Preliminary City Levy is \$5,251,300 or 1.5% greater than figure was for 2015.

The preliminary budget must be submitted to Anoka County by September 30, 2015. The preliminary budget can be reduced but not increased prior to the adoption of the final budget in December of 2015. This budget can be reduced but not increased prior to the adoption of the final budget in December of 2015.

Davis stated in your packets, there are attachments. There are four resolutions and the Preliminary Budget, each one of these need to be acted upon individually, if you choose to approve them tonight and also the Sheriff's Contract for 2016.

Staff recommends adoption of the preliminary levy and budget and submission as such to the County by Resolution on or before September 30, 2015. At this time Mike Jeziorski will present an overview of the Preliminary 2016 Budget.

Jeziorski stated thank you Mr. Davis, Mr. Mayor, members of Council. Again, my name is Mike Jeziorski, I'm your Finance Director. Again, I just have a few slides to go through. As far as the agenda, I'm going to touch on the budget timeline, we're going to touch on some financial highlights of the City, and will get into the 2016 General Fund Budget and what that means for the 2016 Levy, answer any questions you may have, and then we can consider the approval of the resolutions.

Jeziorski stated again the budget and levy is a yearlong process. It really starts at the first of the year when the budget model is created and you're payroll data is updated into the system. Again, your payroll makes up about 40% of your General Fund budget. With that in hand and then the debt service portion of your budget updated, we bring that to the Finance Committee for an overview of where we're seeing the 2016 budget heading. Then with those items kind of completed, we provide the line item budgets to each one of the Department Heads to fill in their needs for the upcoming year.

Jeziorski stated with that in hand, we have a nice good proposed budget that we submit to the Council. We did that on July 8th. Where we are tonight, September 2nd, is when we look at the Preliminary Budget and Levy resolution. The important part about today is once this is approved, this is what the actual stakeholders will see on their property tax statements. It will indicate when they can come and have input in the final budget. That,

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again, is up for discussion for December 2nd.

Jeziorski stated some of the financial highlights of the City, our General Fund Balance is projected to be about \$2.3 million at the end of this year. That's going to be roughly 47% of the Preliminary 2016 Budget. We have a Fund Balance Policy that says we would like to have 40% or above. Again, the reason that we set it in the neighborhood of 40% to 50%, is because the City doesn't receive their first tax settlement until six months into the year so they need to cash flow the first six months of the operations in order to not have to borrow any money. That's why we end the year with about \$2.3 million. That gets us through the first six months of the next year.

Jeziorski stated the City also has a Capital Cash Balance of about \$2.9 million. Again, these are savings for equipment, building capital, streets, and park equipment. The City also has a very strong bond rating at AA. In the past two years, we've refinanced three bond issues: 2005A, 2010A, and 2010B. The 2005B bond will be defeased in 2016. The definition of 'defeased' is essentially the last payment, the principal payment, and that's going to be February 1, 2016. That will be completely off the books. Then also 2010C, we just have \$1.3 million kind of sitting in that fund and it's waiting to pay off the principle balances in 2017. Finally, this past Wednesday, the Met Council passed Amendment #2 to our Reserve Capacity Loan, which is a pretty good thing.

Jeziorski stated getting right into the highlights of the General Fund 2016 Budget, for 2015 we had General Fund Revenues of \$4,848,700. For 2016 then, we're projecting revenues of \$4,973,300, or a 2.6% increase. For our General Fund Expenditures, the same numbers in order to have a balanced budget. For 2015, \$4,848,700 and then for 2016, \$4,973,300, a 2.6% increase.

Jeziorski stated again, I like to show this slide. We have a lot of different contributors to our revenue sources but the main contributor is our property taxes. Eighty-Three percent of our revenue stream is derived from property taxes. Each one of these items, obviously, is very important but property taxes makes up 83% of our funding.

Jeziorski stated getting into the expenditures, again, I had mentioned that 40% of our General Fund budget is personnel, so salaries and benefits. The Mayor and Council and Committee stipends, we're proposing 0% change in salaries and stipends. The City itself has 19 FTEs, full-time equivalents. Eleven of those FTEs are in the union and their contract runs from 2014 to 2016. In that contract, it had a 2% COLA increase for 2016. They also had a cash benefit increase from \$917 to \$950 per month. Then there's also three FTEs eligible for step increases. There's eight FTEs non-union. Again, the same kind of thing applies for them. Two percent COLA increase, \$950 cash benefit, and then there's also four FTEs eligible for step increases.

Jeziorski stated Other, we have 35 paid on call fire fighters, one part-time cable technician, two seasonal Public Works employees, and then 30 election judges are also included in the 2016 Budget.

Jeziorski stated another way to split our budget is looking at it from a program standpoint. Our General Government, which makes up our City Administration, our Mayor, Council, Finance Department, IT, Legal, things like that, the budget for 2015 was \$1,075,400. For 2016, it's \$1,084,300 or an increase of 1%. Community Development, that's our Building Inspection and our Planning and Zoning, for 2015 that was \$407,900. For 2016 it is

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projected to be \$428,000 or a 5% increase. Public Safety that is going to be our Public Safety, Anoka County contract for our police services, and our Fire Department. For 2015 the budget number was \$1,590,000 and for 2016, we're projecting that to be \$1,620,300 or a 2% increase.

Jeziorski stated Engineering costs are projected to stay the same at \$35,000 or a 0% change. Public Works, again that's our Street Department and our Parks Department. For 2015 the budget was \$1,212,900 and in 2016 it's \$1,273,200 or a 5% change. Transfers to Other Funds, again, those are transfers that the City makes to those Capital Improvement Funds, the Street Fund, the Building Capital, the Parks Fund, that's projected to increase by \$5,000 from \$525,000 to \$530,000, or a 1% change.

Jeziorski stated so overall, in order to fund these expenditures, the City is looking at a 1% increase to the General Fund Levy, going from \$4,050,500 to \$4,109,300. The Debt Service Levy, again to fund the seven different debt issues we have, is projected to increase by 1.6% going from \$1,124,000 to \$1,142,000. Overall, taking the General Fund Levy and the Debt Service Levy and combining them, we have an increase of about 1.5% going from \$5,174,500 to \$5,251,300. With that, I'll entertain any questions that you may have. Voss asked any questions of Mike?

Mundle stated so essentially it's about \$75,000 that it's increasing. Correct? Jeziorski stated correct. Mundle stated so \$5.1 million budget that's. Ronning asked what was the number? \$73,000, \$75,000? Mundle stated I said roughly \$75,000.

Ronning asked what would that work out percentage-wise? Mundle stated 1.5, I believe. Jeziorski stated the actual increase is \$76,800. Ronning asked any idea what inflation is? Jeziorski stated actually I don't know off hand. Ronning asked do you think it's over 1.5? I doubt it. Under 1.5, I'm backwards. Voss stated it's around 2, I think that's what I heard. Most of it's from personnel, right? The COLA increase. Davis stated correct, the major cost increase are from personnel, contractual obligations, some basic increases in public safety costs, and an election cost next year that we don't have this year. One that we incur every other year so our election costs go from essentially \$2,000 a year to \$15,000 to \$20,000 a year, every other year.

Ronning stated so we're looking, very likely, 25% less anyhow than inflation costs. Just another way to look at that stuff sometimes. Sounds like a certain amount of money but when you compare it to every day grocery stores and stuff, it's not much, not bad. Voss asked any other discussion?

Harrington stated I'll make a motion for adoption of the primary Budget and Levy and submission, as such, to the County for resolution on or before September 30, 2015. Mundle stated I'll second. Voss stated to clarify, it is Resolution 2015-49, correct? Harrington answered correct. Voss asked any discussion? All in favor say aye?" All in favor. Voss stated opposed? Motion passes. That motion passes unanimously.

Davis stated if we can go through these resolutions individually. The next resolution would be 2015-50, Setting the Preliminary Levy and Budget. Voss asked is there a motion to this resolution? **Koller stated I'll make the motion to approve Resolution 2015-50. Mundle stated I'll second that one. Voss stated any discussion? All in favor say aye?" All in favor. Voss stated opposed? Motion passes. Motion passes unanimously.**

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Davis stated the next resolution is 2015-51, Resolution Setting Preliminary EDA Property Tax Levy & Budget for 2016. **Mundle stated I'll make a motion to approve Resolution 2015-51, Set the Preliminary EDA levy and Budget. Harrington stated I'll second.** Voss stated any discussion?

Ronning asked what are the numbers on that Jack? Davis stated \$123,400, I believe. It's the same budget we've had for the EDA for the past three years. Ronning stated two or three years ago, I think it was \$133,000 or \$136,000. Davis stated it originally started out as something like \$144,000 and then it went down to \$133,000 and now it's at \$123,400, I believe. I believe those are the numbers. Ronning stated thank you. Voss stated any other discussion? All in favor say aye?" **All in favor.** Voss stated opposed? Motion passes. **Motion passes unanimously.**

Davis stated the next resolution is Resolution 2015-52 Consenting to the HRA No Tax Levy for 2016. **Ronning stated move to adopt Resolution 2015-52 Consenting to the HRA No Tax Levy for 2016. Koller stated I'll second.** Voss stated any discussion? All in favor say aye?" **All in favor.** Voss stated opposed? That motion passes. **Motion passes unanimously.**

Davis stated the final portion of this is approval of the Law Enforcement Contract with the Anoka County Sheriff's Department for 2016 at \$1,026,000. **Koller stated I'll make a motion to approve the 2016 Sheriff's Department Contract. Harrington stated I'll second.** Voss asked any discussion?

Voss stated Mark, I assume you've reviewed this? Vierling advised the contract, in form at least, is a repeat from prior years. There's been no change to the substance of the text other than dollar amounts. Voss stated okay. Any other discussion? All in favor say aye?" **All in favor.** Voss stated opposed? That motion passes. **Motion passes unanimously.**

5.0
Public
Forum

Voss asked is there anyone here tonight to speak to City Council at the Public Forum? If not, we will move forward with Consent Agenda.

6.0
Consent
Agenda

Item A Approve Bills

Item B August 19, 2015 City Council Minutes
Meeting minutes from the August 19, 2015, City Council Meeting are attached for your review and approval.

Item C Transportation Economic Development Program
The Transportation Economic Development Program (TED) is a competitive grant program available to communities for highway improvement and public infrastructure projects that create jobs and support economic development. It is a joint program of the Minnesota Department of Employment and Economic Development (DEED) and the Minnesota Department of Transportation (MnDOT).

A total of approximately \$30 million is available through the 2015 TED program. This includes approximately \$28 million in MnDOT trunk highway funds and approximately \$2 million of DEED general obligation bond funding.

6.0 The program may provide up to 70 percent of the costs for trunk highway interchanges and

Consent
Agenda

other improvements (which is defined as the accepted bid of the construction cost of the project) or the State's share as determined by MnDOT's cost participation policy, whichever is less.

Staff is seeking approval from City Council to submit an application that would support and seek funding for the Phase I Service Road Project from the TED Program. Applications are due by September 25, 2015.

Ronning stated move to adopt the Consent Agenda as written on the City Council agenda. Harrington stated I'll second. Voss stated any discussion? All in favor say aye?" All in favor. Voss stated opposed? Motion passes. Motion passes unanimously.

**7.0
New Business**

Commission Association and Task Force Reports

7.0A
Planning
Commission

Davis presented the staff report, noting the Council is being asked to consider granting an Interim Use Permit (IUP) for Joseph and Amanda Pikala for the keeping of farm animals.

7.0A.1
IUP for
Joseph &
Amanda
Pikala

Joseph and Amanda Pikala are requesting an IUP for the keeping of six chickens on their 2.48-acre lot. The chickens will be housed in a 4' x 8' chicken coop with an 8' x 24' run, which will be located 25 feet from the property line. Their property is zoned Rural Residential and they meet the requirements of the Ordinance, Chapter 10, Article V – Farm Animals and the attached amendments.

The Planning Commission recommends that City Council consider approval of an IUP for keeping six chickens for Mr. and Mrs. Pikala, located at 4423 Viking Boulevard NE, East Bethel, Minnesota. Property Identification Number 25-33-23-24-0016 with the conditions that are attached in your packet

Mundle stated I'll make a motion to approve the IUP for keeping six chickens for Mr. and Mrs. Pikala, located at 4423 Viking Boulevard NE, with the conditions set forth by the City. Koller stated I'll second. Voss stated discussion? Ronning stated the conditions set forth by the City, just clarification for anybody watching, it's all within the City Code. Voss stated as I understand it, there wasn't any public comment at the meeting. Davis confirmed that's correct. Voss stated any other discussion? All in favor say aye?" All in favor. Voss stated opposed? That motion passes. Motion passes unanimously.

7.0B
Economic
Development
Authority

None.

7.0C
Park
Commission

None.

7.0D
Road
Commission

None.

8.0 None.

**Department
Reports**

8.0B Davis stated at this time our City Engineer will review our current status with the
Engineer decommissioning of the Castle Towers Waste Water Treatment Plant and where we stand in
8.0B.1 this matter.

Biosolids
Permitting
and Disposal

Jochum stated thank you Mr. Mayor, Members of the Council. I'm just going to give a brief update of where we're at from the last meeting. There's a little more detail in the memo I prepared, if you have that, but I'm just going to kind of breeze through that. So, basically, staff met with Matt Montane. He's a Type IV Operator that's going to help us permit the sites. We decided on trying to permit on-site some of the material. It's not all going to fit but we're going to give that a shot. We're going to pick one of the two sites in Anoka County, which are within two miles of the site. Then Montane Environmental actually has a relationship with a farmer about ten miles north in Isanti. So, he's going to permit that as kind of a back up. We're thinking we only need 40 acres and the Anoka site will be enough but just in case something happens with that, we'll have a backup site.

Jochum stated we talked a little bit more with them about disposal of it. That's kind of what they do, that's one of their expertise more on the tanker side of the trucks. Basically, like we'd already known, there's two methods. One is to mix the material in a slurry. You end up with about a 10% solid, put that into tanker trucks, and haul it off site that way. Or the other method is basically the opposite. Dry the material out, dry enough to actually excavate with a backhoe or a loader. Put it in dump trucks and truck it out that way.

Jochum stated so just to kind of give you a feel for how much material's out there. We did some calculations and how many trucks we could expect. For Method 1, which is the agitated material, putting it in tankers and hauling it out, a typical sized tankers are either the smaller ones at 3,000 gallons or the larger ones, the 9,000 gallons. So, depending on which one you use of course, it's 300 to 900 truckloads that method. The other method, of course the drying it out, they thought that probably the volume can be reduced to about 60% of its current volume. That would take 200 end-dump-type trucks, the larger ones that dump out the back with a gate. Or, the single axes typical dump truck is probably about 365 of those. So it kind of gives you an idea how much material's out there and how much we need to move.

Jochum stated I guess other than that, we didn't really talk too much about anything else at the meeting other than he's going to move forward with the permitting and, again, that's going to take about 60 to 90 days. He did think the second method, even though he doesn't specialize in that, it would be drying it out, so I guess that's one thing we need to decide over the next couple of weeks, which method we're going to use. If we're going to dry it out, we've got to start pushing it up, get a contractor with a dozer to start pushing it up into one corner of the pond. Or if we use the other method, basically we're going to leave it sit. It actually needs water.

Voss asked is one method preferable over the other in terms of odor control? Jochum stated well I would assume the slurry method's going to be less odor because it's going to have water in it and it's going to be agitated. It's likely not going to have any odor. But, we're not expecting either method to have too much odor. Voss stated maybe that's something you can ask Mr. Montane, what their experience is. Jochum stated I guess one thing to

8.0B.1

Biosolids

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and Disposal

note, though, we're getting fairly comfortable that this is going to be under \$100,000.

Koller asked how many yards of material are we talking about? Jochum stated wet as it sits now, but it's about 60%-65% moisture, water, it's about 7,500 yards. But one other thing we're going to do. We're going to do a little more surveying now that the City kind of has the water off it. So, the material's kind of settled down so we're going to survey it one more time on the edges so we'll get a good...right now we're assuming it's about 3.5 feet deep but we're going to know a lot better after this week if that 3.5 is accurate. It could be a little more but it could be a little less. So, we're talking 300 to 900 trucks or maybe we're talking 200 to 700. But, we think we're pretty close. We'll refine that number a little more.

Voss asked the benefit of land farming it on site is just reduced costs of trucking, correct? Jochum stated yeah, that's essentially the, bulldozer taking some of that out of there, as much as we can spread on site and then incorporating it with a plow or till or some sort of piece of equipment like that.

Voss stated and the obvious question is the number of trucks going through that neighborhood. Our roads, is there a route that has strong road to handle all that truck? Jochum stated no, essentially they're all the same. But, it's kind of a, it's probably best to try to use the bigger trucks. They do have more axels. They don't really weigh any more so it would be less trips. But, then again, it's also the neighborhood perception. They're going to see these large semi-type trucks. But if you use the smaller trucks there's a lot more of them. It's kind of a balance and we're just hoping the road holds up. But there's no other options that I know of to get out of there.

Davis stated there's only one way in and one way out. One advantage to trucking it out with the solids is it could possibly be done in the winter time when there could be potentially less damage to the road. That road was recently overlaid so the asphalt, there's probably four to five inches of asphalt base there. The road that went out of there, we haven't had too many problems with road issues. There are no wet areas that we'll be traversing over. What we want to do too is now that we have these numbers, is start getting some estimates from both parties that would operate this on either the pump or the haul method, the dry haul and start comparing the cost and then trying to get three quotes on this.

Voss asked any other questions for Craig? Koller stated thanks. Voss asked at the next meeting we'll have another update? Jochum answered yes and, again, we'll do a little more survey, which we can then get the potential people that want to quote it.

Ronning asked what's our timing on this Jack? Davis answered hopefully by the next meeting we can have some quotes so that we'll know, essentially, which direction we're going to go. Whether we're going to try to pump it out or are we going to try to push it up and dry. Because if we're going to push it up and dry it, we need to start that within the next two or three weeks.

Ronning asked we have into the next year to complete this? Davis responded October of 2016. Ronning stated if we wait for September of 2016, it might be late. Davis stated it sure could. Jochum stated it's best, if we do go with the pushing it up and drying it, the trucking method, I've heard from a lot of Type IV that work with this stuff, for some reason, if you get it up and it goes through a freeze/thaw, it seems to dry well, that process helps dry the stuff tremendously.

8.0B.1
Biosolids
Permitting
and Disposal

Voss in terms of the receiving facilities, they can still take it frozen? Jochum stated no, it will likely be a spring. So, we'd push it up in the pond, we'd have to leave it in the pond. Push it up in a corner and then the first thing in the Spring, it will be hauled out. Voss stated oh, so we wouldn't be hauling out in the winter. Jochum stated either method, we won't have our permits, it takes about 60 to 90 days.

Ronning stated it may not be a subject for here but how are we protected if we go for the drying. Keep it as dry as we can get it. Jochum stated we've got to get it pushed up, which could take some time. It's likely going to push it for half a day, leave it sit, it might take a week. Voss stated half of it's going to slough off. Jochum stated yeah, it's going to be a process though. But then to get it up such that it drains off, then that water does not sit in the pond. Nate has already got the edge kind of dug down so that the surface water doesn't sit on there any more.

Ronning asked and there's no harm in that surface water? Jochum responded by stating correct.

Davis stated the water that was in there was considered 'treated.' And, it can be drained off. I did mention something about wintertime disposal, the only reason I mentioned that was the road conditions. If we couldn't do anything in the winter and probably a time schedule will not permit us to do that, then the next timeframe we'd have would be after road restrictions lifted. We'd be looking, maybe it's possible, as getting it out of there somewhere around the first of May. Voss stated all right, thanks Craig. Jochum stated thanks.

8.0C
City Attorney

None.

8.0D
Finance

None.

8.0E
Public Works

None.

8.0F
Fire
Department
8.0F.1

Davis presented the staff report indicating the East Bethel Firefighters Relief Association is requesting the City Council ratify the East Bethel Firefighters Relief Association bylaws, Appendix C with a \$500 benefit increase, from \$4,000 per year of service to \$4,500 per year.

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The East Bethel Firefighters Relief Association is requesting that City Council approve the attached amendments to the East Bethel Firefighters Relief Association Bylaws. The current Bylaws were approved by City Council on August 20, 2014. The only change proposed is to amend Appendix C to include a \$500 benefit increase. The fund is currently 126% funded.

With this proposed increase of \$500 per service year, the fund is projected to be 113% funded as of December 31, 2015. The East Bethel Firefighters Relief Association Board of Trustees approved the change of the bylaw on Monday, July 20, 2015. For this bylaw to take effect, the City Council must also approve this item.

This change in bylaws will have no fiscal impact to the City of East Bethel. In the event the East Bethel Firefighters Relief Association portfolio falls below 95% of the Fund balance,

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the City of East Bethel would then be required to make mandatory contributions to the Fund according to the Minnesota Auditor Office's formula.

Davis stated at this time Mr. Troy Lachinski will present the request to raise the benefit from \$4,000 to \$4,500.

Troy Lachinski stated hello everybody. Thank you for your time. I appreciate the opportunity to come and talk to you again about this topic. You know, how did we get here? This is a process that starts very early in the year with the budget cycle. It starts off, maybe in March we started with an independent audit, which we have to go through every year. The independent audit is completed that looks at our accounting practices, looks at our financial situation, and that finalized report is actually submitted to the State Auditor for their records as well.

Lachinski stated shortly after that, we start working on our schedules and our forms that we need to turn into the State Auditor and during that time, one of the forms that we have to fill out is a maximum benefit form, which calculates, based on our finances, based on our number of members, what the maximum benefit could be to the Relief Association. So this year, our number came in at \$4,600.

Lachinski stated the next thing that we do, you know the process that we follow is the process laid out by the State Auditor. It's our Statement of Position, considerations when making a benefit change. So, #1, we determine the maximum benefit allowed. #2, we run our financial projections. One of the forms that we have to fill out every year is a Schedule 1 and a Schedule 2, which lays out how many members we have, how many years they've been on the Department, what their investing percentage is, what our current benefit level is, what we think that our projected income's going to be from municipal contributions, our State aid, and our investment portfolio.

Lachinski stated once we do all that, we put all the numbers into a form and at that point, we can do some scenarios on what we think is going to happen. So, we run those scenarios every year and this year where it came out to look the best for us is not to go with the maximum benefit of \$4,600 but to keep that a little bit lower. The number that we choose was \$4,500.

Lachinski stated the next step that we do is we have to decide as a Trustee, all the Trustees in the Association have to look at the numbers, figure out if they're prudent, and vote on whether we want to increase the benefit, which we did back in July. Then the next step is we have to get it ratified by the City Council. A benefit increase of \$4,000 to \$4,500 may seem like a large amount but if you look at the number of years of service and what that benefit is really for, we have this Fund for one purpose and that is to pay a benefit to our fire fighters. The main reason that we want to have a good benefit for our fire fighters is for retention and for recruitment. One of the key things for any fire department is to have qualified and tenured and experienced fire fighters so that we can take care of our City in the best possible manner.

Lachinski stated if you look at what Mike presented earlier, we talked a little bit about increases to the City for the budget purposes. One of the big keys is the salaries. Maybe people don't really know this but the fire fighters on the Fire Department are paid on call. So, we do get paid per call but the amount is not very much. I'm not complaining about that because we're not on the Fire Department to make money. That's not our main reason.

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It's because we all love our City and we want to give back to the City. That's the main reason that we're here. If you want to look at myself, I make roughly 40% of the calls during my shift. I make all the trainings and the business meetings and I was paid last year, give or take, roughly \$1,800. So, that's what an average fire fighter may make. If we look at a benefit level that you get as a lump sum after serving some time, let's say 20 years, that's the real benefit. That's the real thing that keeps people on the Department. That's kind of where we come up with these numbers.

Lachinski stated so, if we look at the history, we did get a benefit increase the last couple of years because the stock market has been very strong. In 2012, we were 125% funded so we thought, 'Okay, well, the maximum benefit worksheet said we could go a little bit higher. We decided to go with \$200. Let's see what happens next year.' Well, the end of that year we actually were 132% funded. So, the next year we looked at it again and thought, 'Well, let's give a \$400 benefit increase because the funding ratio, we want it to be as close to 110% as possible.' So we went up to \$4,000, which was an increase of \$400. At the end of last year, we were still 132% funded. At the time we did our forms and such, in the middle of this year, we were at 126% funded so those are the reasons that we came up with this number.

Lachinski stated I had the opportunity to talk to you guys back in July at the Work Session. I went through a presentation that showed exactly where the numbers come from, what the benefit means, how you get the benefit. So, I guess at this time I'd like to know, is there any other questions that you guys have?

Voss stated I think the first question, did you rerun your model in the past week? Lachinski stated I re-ran the numbers actually today and I anticipated that you may ask that question. A couple things. First of all, we have actually two funds on the Relief Association. We have a long-term fund and we have a short-term fund. First of all, neither one of those funds are very aggressively invested because we're not in this to be risk takers. We're not in it for the 'short grab.' The long-term account is more aggressive of the two but the short-term is very, very, very un-aggressive. So why do we have two different accounts? The short-term account is made up of enough money in our portfolio that we could pay out anybody that could request a payment today. We look at that as a five-year pay out. So, anybody that could be paid out today or within the next five years. So that means the person is over 50 years old and they are already at least have ten years experience, which makes them 60% vested. So, if you look at the short-term account, I have some numbers here, the short-term account is \$348,000. The year-to-date return on that is actually still positive as of yesterday. Then today the stock market went way up. So, the short-term account is invested in a way that it's very risk free because we know that any of that money could get paid out, literally, tomorrow. Somebody could request to get paid off.

Lachinski stated the long-term account, as of yesterday's close, was actually down about 4%. Although what that said, the stock market went up about, it was almost 2% today it looked like. So, it's a 'roller coaster' ride. If you look at, I ran some graphs so if we look at, here's today so you can see it went way up and then a little bit up and down, up and down, and then it ended way up. If you're looking at it over the last five days, it's pretty much even. It goes up, it goes down, it goes up, it goes down, pretty much even. If you look over the last three months, it was pretty steady, pretty steady, pretty steady, a little bit of a drop off, well a pretty big drop off, came back, went down, went back up, 'roller coaster.' If you look at it over the last five years, now that's the number we need to look at. You know, there are 'bumps in the road' all the way but it's basically still going up. If you

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look at the portfolio that way, it's a long-term basis, it's still very positive. Our numbers are not aggressive. Every year the number that we use is 3.5%. We guess that, okay, at the end of the year, we're hoping to do 3.5%. If we have a bad year, we think that's going to be 0%, or maybe -3.5%. I looked at the number for the rate of return and as of yesterday, it was -3.5%. Even if we went forward with the benefit increase that we're discussing, we still would be 105% funded assuming that nothing else happens in the market the rest of the year.

Lachinski stated the other thing that we have to look at, these 'what if' scenarios all include the State Auditor's formula on what the actual liability is. The State Auditor, they're really nice, they just assume that everybody's going to stay on for more than ten years and everybody's going to get paid the full benefit of the amount. So, for example, today our benefit level is \$4,000 per year of service. In their calculation, we have a fire fighter right here that has one year of service, as far as the State Auditor's concerned, that's \$4,000 worth of liability. As far as real liability, if that fire fighter quits today, they get paid nothing. So, if we look at the schedule forms liability, it's \$1.5 million. If you look at the real liability, if every fire fighter were to quit the Department today, the payout would be just over \$1 million. We have \$1.735 million in the fund. So, those are the numbers we look at. It's a very legitimate question. Are we paying attention to what the stock market is doing right now? We definitely want to be prudent. We definitely want to make sure that we don't increase our benefit level and the stock market declines and then there's suddenly a mandatory municipal contribution. We don't want that.

Ronning stated I went back and looked at some of the history. 2006 was \$3,200 with 2007 at a \$200 increase, 6% to \$3,400 and stayed \$3,400 for 2007, 2008, 2009, 2010, 2011, and 2012. And, 2013 it came up another \$200. 2014 it came up \$400. So, it's at the \$4,000 you mentioned. Part of our responsibilities is to look at what the obligation for the taxpayers would be if it goes below 95%, then we have obligations. Is that correct? Lachinski stated yes, you'd have an obligation to cover the difference. You don't have to cover it in a lump sum. For example, I think in the year 2009, obviously the stock market had a big downturn back in 2008. It was the great recession, or the recession of our time and at that time, there was a municipal contribution that was required. The way that works is the State Auditor looks at our numbers, they figure out what the deficit is, and the City's required to pay 10% of that deficit each year until there is no more deficit. The way that one worked out, is the first year I think it was a \$28,000 mandatory contribution. Then the following year, there was like \$14,000.

Ronning asked is this in the 2008-2009 timeframe? Lachinski stated yes, the 2008-2009 timeframe and that's the only time that's happened in the history of our Relief Association as well. Then at that point, the stock market came back to where it needed to be and there wasn't any more mandatory contribution.

Ronning stated the last couple of years we've spoken about this, it's been 120%, 110%, or whatever, 130% I think at one point. Was there any obligation to the City under that? Lachinski replied no.

Ronning asked is there any other source of revenue for that outside of your investments? Lachinski stated the three main sources of revenue for the Relief Association, well the three only is: #1 the investments, which usually makes up about 70% of our income per year; State aid, which is 2% money that is collected from homeowner's insurance. It all goes into a big 'pot' and the State of Minnesota decides. They look at each city, the population, and

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the worth of those properties and they divvy that money back out to all the different cities for their relief associations. So, that's our #2 source of revenue. Then the #3 source of revenue is the voluntary municipal contribution that you guys are so kind to provide to us each year.

Ronning stated so some of this just background for everybody to understand. There was considerable investment in 2008-2009 and I don't know if there was 10 or not, has there been anything on the City's obligation since then? Lachinski replied no. Ronning stated so it's pretty, the point is kind of to say that it's your money to begin with. Lachinski stated that's right. Ronning stated it's been a pretty responsible thing and also to verify that we pay attention to this stuff. We don't look at it lightly ourselves. We have, it's your money but we have an obligation with it as well. I don't know if there's anything else that I can think of.

Lachinski stated well, there's one other thing that I'd like to add too. Starting in the last year, the City's actually provided some accounting services to us so Mike is actually been doing a lot of our financial work for us. He does a mini-audit every single month just to make sure that the numbers all add up. So, we want to be in full disclosure. We want to make sure that we're working closely with the City, that we're all making good decisions. We want to make sure that we have a good working relationship and want to be 'one big happy family.' It's been really great. We had a great accountant before as well, but it's really nice having some additional help. Somebody that can do this as part of their job and pay very close attention to it. It's been a great help to us so we'd like to thank you guys for that as well.

Ronning stated I'm not sure if you've said, if you did I apologize for missing it, the 120-something percent now, with the increase how does that change? Lachinski stated let's just say that everything stayed the same as exactly where it is right now, we'd still be at 105% funded at the end of the year. That's just assuming that nothing's going to change. Like I said, the numbers that I ran today only go through actually yesterday's close of today and I know today's close of day was up close to 2%. You can't look at the stock market on a day-by-day basis because you'll drive yourself crazy.

Ronning stated that's a meaningful change but you say the homeowners' insurance and is there any kind of a conservative estimate what that puts you? 105%? Would you be at an estimate of 110% next year? Lachinski stated my estimate would be 113%. I would think that by the time everything 'shakes out' at the end of the year our rate of return in 2015 would be +3.5%. That's the calculation that we normally go with.

Lachinski stated if you look at the history of our Relief Association investments, I think over the last ten years it's still +9 and that's with some horrible years, with 2008 in there too. Like I showed this graph and this shows the black line, this was in the presentation we went through at the Work Meeting, but it just goes up and up and up every year. I mean, right here, this is the funding percentage. If you look at where we were in 2013, 132%, I think that was top five in the State. So, of all the cities that have a plan similar to ours, we were one of the most over-funded cities in all of Minnesota. What that means is our benefit is not big enough because the only reason to have that fund, is to pay benefit. Of course we want to be prudent. We always want to be well over 100% funded. But, 132% is a little bit high. Ronning stated but better high than low. Lachinski stated well, that's correct.

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Voss asked Jack, Troy mentioned that the contribution, the volunteer contribution the City makes every year, what do we have budgeted in 2016? Davis replied \$14,000. Voss asked is that fairly consistent with previous years too? Davis replied it is and actually it's a reduction. That amount of the volunteer City contribution was reduced from \$17,000 to \$14,000 three years ago upon the stock market's performance and it has held constant since then. So, the City did contribute up to \$17,000 until 2013 and that was reduced to \$14,000 and it's been \$14,000 for the last three years.

Lachinski stated if you put that into perspective, of the two years that there was a mandatory contribution, I think one year, it wasn't much more than that voluntary contribution those years it was mandatory. One other thing I'd like to point out too, one of the requirements that the City has now is, maybe Mike you can speak to it, the GASBY change?

Jeziorski stated there's some additional accounting standards that need to be completed by the Relief Association on an annual basis and that's going to run the Relief Association some additional dollars on an annual basis. Again, there isn't really any financial impact to the Relief Association itself but then if that is not completed, this additional requirement, it kind of spirals into the City's financial report. So, it's just best, obviously, to get this actuarial study done, this additional requirement completed and know that there's a substantial cost to it. It's better to just kind of get it done and do it that way.

Lachinski stated the Relief Association agreed to take on the cost of that even though there's not benefit to the Relief Association to do that. But, it is a help to the City and that's all in the spirit of working together and making sure that we're one unit working together.

Voss stated okay, any other questions? With that, we need a motion going forward. Davis stated if someone wishes to make a motion, the motion would be to ratify the East Bethel Fire Fighters Relief Association Bylaw Appendix C with the \$500 benefit increase. **Mundle stated I make a motion to approve the ratification of the East Bethel Fire Fighters Relief Association Bylaw Appendix C with the \$500 benefit increase. Harrington stated I'll second.** Voss stated any discussion? Hearing none, all in favor say aye?" **All in favor.** Voss stated opposed? That motion passes. **Motion passes unanimously.** Lachinski stated thank you very much. Voss stated thanks gentlemen.

Lachinski stated since I'm up here, I know it's not during the Open Forum, but I just want to give a quick update on HeartSafe. Actually I just came, we're doing HeartSafe training at the Ice Arena. Right now as we speak, Ryan and Wade are over there. We're training all of the coaches and any parents and hockey players from the St. Francis Youth Hockey Association. That will be happening over the next three weeks. We've got three dates set up. In addition, last month they came to the Parks Commission and we got them trained and next week I'll be at the Roads Commission as well. So, things are still progressing along. We fully expect to get our designation still within this calendar year. I just wanted to get on record to let everybody in the City know if you have a group or business in the City of East Bethel, we're happy to come out and do free training on CPR and AED use.

Ronning asked do you have a maintenance agenda, philosophy, or anything as far as retraining at a certain period of time? Lachinski stated people can be retrained as often as they feel comfortable. Some people, actually, the folks at Coon Lake Market, some of those people have already been trained twice. They came to the pancake breakfast and I also did a training at Coon Lake Market just last month. So, if people want to get trained three times a year, or once a year, or once every other year, whatever is most comfortable for them.

8.0F.1 Ronning stated there's no limit, you're willing to update, whatever. Lachinski stated we're willing to, we've had training classes with as many as 46 and as small as 1. We're willing to do whatever it takes to get our City HeartSafe. Ronning stated thanks for what you guys do. Lachinski stated thank you.

Increase

8.0G

City

Administrator

Comp Plan

Map

Correction

Davis stated I have a couple things to bring up tonight. One issue that Council has discussed in the past was the 1-in-10 acre lot requirement that is in our Comprehensive Plan for all areas within the City. For whatever reason, when the Comp Plan was adopted in 2008, this was inadvertently put in there. I don't know if it was done after but it was in error. We brought this to the attention of the Met Council and the Met Council agrees it was an error. They're not going to take any action or make us enforce that in areas outside the Sewer District. So, we can proceed with the 2-2.5-acre lot density developments. They just said address that when we do our Comp Plan update. We'll go ahead and make that correction though within the Plan itself now so anyone interested in developing outside the sewer corridor can go ahead at the 2.5-acre density levels.

Voss stated so are we going to make the change now? Davis stated we'll make the change. The only place it's mentioned is on the map so we'll make the change in the map now, submit that to the Planning Commission for their approval and it will get back to the Council for their approval.

Voss asked we're not waiting for the whole update? Davis replied no, we'll do that now and then the whole thing will be finally corrected when the Comp Plan's updated officially in 2018.

Reserve

Capacity

Loan

Revision

Davis stated Mayor Voss and I attended the Met Council meeting last Wednesday and the amendment for the revisions in the Reserve Capacity Loan Program were approved by the full Met Council with no discussion, objections. We took the trip down to St. Paul and sat there for ten minutes and got up and left. But, that was taken care of so everything with the Reserve Capacity Loan, what we discussed previously, the elimination of that loan if the debt hits \$2 million, the equalization of our SAC rates with just the \$700 increment of which that will be frozen if that \$2 million cap is hit, and then the elimination of our loan payment if that \$2 million cap is hit also. So, I think that's a very good deal for the City and I wish to thank everybody that helped us get that through.

9.0 Other

9.0A

Staff Reports

None.

9.0B

Council

Report –

Member

Mundle

Mundle stated the Business Retention Expansion Program's having two training sessions coming up for the members that will be interviewing. It will be September 9th during the day and September 17th during the evening. A reminder that Tuesday, September 15th, is the Anoka County Sheriff's Open House from 4 to 7 p.m. and the public is definitely invited to that. That is down at the Hanson location. Wish everybody a safe and good Labor Day weekend.

Council

Member

Koller

Koller stated I met with the Planning Commission and we already approved the chicken variance. BWSR's required audits from both Watersheds, the Sunrise River we've already got the bids back and we have chosen an auditor so that's done. And, the Upper Rum we just received the bids back so at the next meeting we'll be picking an auditor for that. That's about it.

- Council Member Harrington Harrington stated September 15th, from 12:30 to 6 o'clock, the blood mobile will be next door at the Senior Center. There's a phone number that you can call to make an appointment. The new striping the County put down on County Road 22, the fluorescent, is done. It really lights the road up at night now.
- Verizon Cell Tower Update Harrington stated I have one question for Jack. What's the status on that cell tower next door, Verizon? Is anything going to be done this year? Davis stated we're working on it. There have been many 'hic-ups' in the whole process. It's been an issue that we've had some difficulties. I won't say it's necessarily Verizon's but perhaps Verizon's representatives. We think that we have everything worked out now and we just re-reviewed the site plan to make sure everything was correct in their latest submittals. So, we're following up on the information we just received. So, hopefully, we'll be able to tell you something a little bit more in two to four weeks. But, it's been a real process in dealing with them on this matter.
- Council Member Ronning Ronning stated nothing other than echo what Brian said. Have a safe and happy Labor Day. Be safe. This is the last travel weekend of the season, pretty much.
- Mayor Voss Voss stated a question, follow up, on the striping project. We're also going to have streetlights along Viking. Is there seven, eight, of them? Do we have any knowledge on timing of that at all? Davis stated no more updates than the last one when we contacted Anoka County to see what the status was. At the time, they weren't ready to schedule the preconstruction conference. They said they hoped they would be able to do that some time in September. We anticipate or hope that project could commence construction at least in October. If it goes beyond that, then the costs to Anoka County will be raised because Connexus does have wintertime rates that are higher than their normal rates. So, Nate is monitoring that and I'll be able to give you an update on it at the next Council meeting. Voss stated good, that's all I have.
- 9.0C Other 9.0D Closed Session Not-Public Data None.
- Vierling stated thank you Mr. Mayor. For the benefit of the public and for the record, we note that the City Council's about to go into Closed Session under the authority of Minnesota Statute 13D.05, subd. 2, subparagraph 1. The matter involved is essentially a personnel matter of internal affairs but because it raises allegations contained within the protected areas of that Statute, the Council is required to go into Closed Session to deal with the matter. The Closed Session will be tape recorded as required by law with that tape maintained for a period of two years. Council will come back into Open Session after they have concluded that Closed Session and announce any action that may have been taken during that Closed Session. With that being said Mr. Mayor, I'd recommend that a motion be made to go into Closed Session for the purposes I've indicated.
- Move to Closed Session **Mundle stated make a motion to go into Closed Session at 8:15 p.m. for the purposes that City Attorney has indicated. Harrington stated I'll second. Voss stated any discussion? All in favor say aye?" All in favor. Voss stated opposed? Motion passes. Motion passes unanimously.**
- Reconvene Open Session Vierling stated thank you Mr. Mayor. For the benefit of the record and for those folks still with us on cable TV, we'd note that the Council's concluded its Closed Session, which went from 8:18 p.m. to 8:53 p.m. It was attended by all Members of the City Council, the

Reconvene Mayor, and in addition had City Administrator Jack Davis, Chief Mark DuCharme of the
Open Session Fire Department with us, and myself, Mark Vierling as the City Attorney in attendance.

Vierling stated the Council was updated by staff on issues, gave some suggestions and feedback, but took no formal motions on any matter. That being said, the Closed Session was concluded and that summarizes the action of the Council during Closed Session. Thank you.

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

Meeting adjourned at 8:55 p.m.

Submitted by:

Carla Wirth

TimeSaver Off Site Secretarial Inc.