

# City of East Bethel City Council Agenda

Regular Council Meeting – 7:00 p.m.  
Date: November 18, 2015



- |                | <b>Item</b> |                                |
|----------------|-------------|--------------------------------|
| <b>7:00 PM</b> | <b>1.0</b>  | <b>Call to Order</b>           |
| <b>7:01 PM</b> | <b>2.0</b>  | <b>Pledge of Allegiance</b>    |
| <b>7:02 PM</b> | <b>3.0</b>  | <b>Adopt Agenda</b>            |
| <b>7:03 PM</b> | <b>4.0</b>  | <b>Presentations</b>           |
|                | Pg. 3-17    | A. Heart-Safe Program Report   |
|                | Pg. 18-20   | B. Sheriff's Department Report |
|                | Pg. 21-24   | C. Fire Department Report      |
| <b>7:30 PM</b> | <b>5.0</b>  | <b>Public Forum</b>            |
| <b>7:40 PM</b> | <b>6.0</b>  | <b>Consent Agenda</b>          |

*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*

- |                |             |  |
|----------------|-------------|--|
|                | Pg. 27-31   | A. Approve Bills   |
|                | Pg. 32-49   | B. Meeting Minutes, October 28, 2015 City Council Work Meeting   |
|                | Pg. 50-69   | C. Meeting Minutes, November 4, 2015 City Council Meeting  |
|                | Pg. 70-78   | D. Flex Spending Plan Revision Adoption  |
|                | Pg. 79-82   | E. Pay Estimate #3 for the 185 <sup>th</sup> Avenue, Laurel Road and Lincoln Drive Street Reconstruction Project |
|                | Pg. 83-84   | F. Pay Estimate #2 for the 2015 Street Overlay Projects  |
|                |             | <b>New Business</b>  |
| <b>7:45 PM</b> | <b>7.0</b>  | <b>Commission, Association and Task Force Reports</b>  |
|                |             | A. Planning Commission   |
|                | Pg. 85-106  | 1. IUP - 22050 Quincy Street   |
|                |             | B. Economic Development Authority  |
|                |             | C. Park Commission   |
|                |             | D. Road Commission   |
| <b>7:55 PM</b> | <b>8.0</b>  | <b>Department Reports</b>  |
|                |             | A. Community Development   |
|                | Pg. 107-112 | 1. Administrative Subdivision- 22350 Hwy. 65   |
|                |             | B. Engineer  |

- C City Attorney
- D. Finance
- E. Public Works
- F. Fire Department
- G. City Administrator

Pg. 113-115  
Pg. 116-122

- 1. City Council Video Indexing
- 2. Gambling Contribution Ordinance Change

**8:15 PM**

**9.0 Other**

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

**8:30 PM**

**10.0 Adjourn**



# City of East Bethel City Council Agenda Information

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**Date:**

November 18, 2015

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**Agenda Item Number:**

Item 4.0 A

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**Agenda Item:**

Designation of the City of East Bethel as a Heart Safe Community

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**Requested Action:**

Information and Recognition Item

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**Background Information:**

East Bethel Firefighter Troy Lachinski has led other Firefighters and Community Members in the goal to achieve the designation of a Heart Safe Community for the City of East Bethel. Requirements for this designation included C.P.R. training for over 900 residents (over 1,200 people have been trained to date), placement of AEDs throughout the City and a dedication of the City, Fire Department and trainers to achieve this objective. The goal has been achieved and tonight this coveted designation will be recognized. Bryan Platz, Heart Safe Coon Rapids and Carol Frazee, Allina Heart Safe Communities will present this award. Firefighter Troy Lachinski will provide a presentation summarizing the Heart Safe activities.

**Attachments:**

Attachment 1- Heart Safe Presentation

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**Fiscal Impact:**

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**Recommendation(s):**

No action required

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**City Council Action:**

Motion by: \_\_\_\_\_

Second by: \_\_\_\_\_

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Vote Yes: \_\_\_\_\_

Vote No: \_\_\_\_\_

No Action Required: \_\_\_\_\_



Journey to Heart Safe Designation

Presented by Troy Lachinski

## Journey to Heart Safe Designation

- Events
- Training
- AED's
- Future Plan

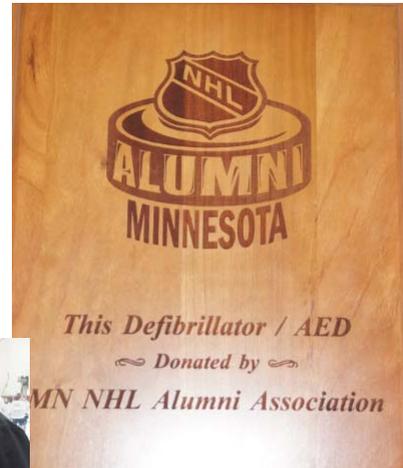
## Events

4 Events  
Required

13 Events  
Attended

SFHS Hockey JV & Varsity Games  
Troop 733 Troop Meeting  
Coon Lake Community Center Pancake Bfast  
Pack 387 Pack Meeting  
Town Hall meeting  
Coon Lake Community Center Pancake Bfast  
CRHS Heart Safe Training  
Booster day  
SFYHA – Registration Night  
EBFD Open House  
SFMS Staff meeting  
SFMS 7th Grade classes  
Play for Patrick  
3200+ Attendees

## Events – Ice Arena



## Events - CRHS



## Events – SFMS Staff



## Events – SFMS 7<sup>th</sup> Grade



## Training

5%  
Population  
(600 people)  
Required

7.7%  
Population  
(935 people)  
Achieved

## Training Status

- 40 Classes so far
- 935 Trained
- 2-340 students!!
- 1200+ total (inc. non East Bethel events)

## Training – East Bethel Council \ Commissions



## Training - SFYHA

Training was mandated by SFYHA for all coaches

Four Sessions... one picture...



## Training – East Bethel Royalty



## Training – Troop 733 \ Pack 387



### Training Status

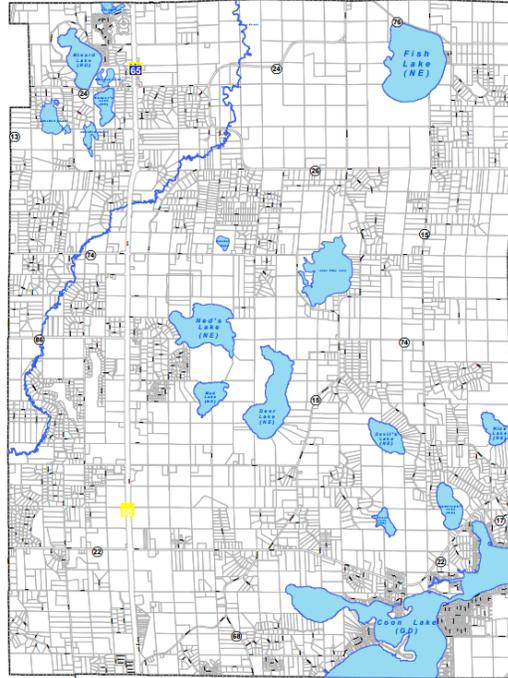
Contact us if your East Bethel Group or Business would like to receive free training.

Cell: 763-350-9060

E-Mail: [heartsafeeastbethel@gmail.com](mailto:heartsafeeastbethel@gmail.com)

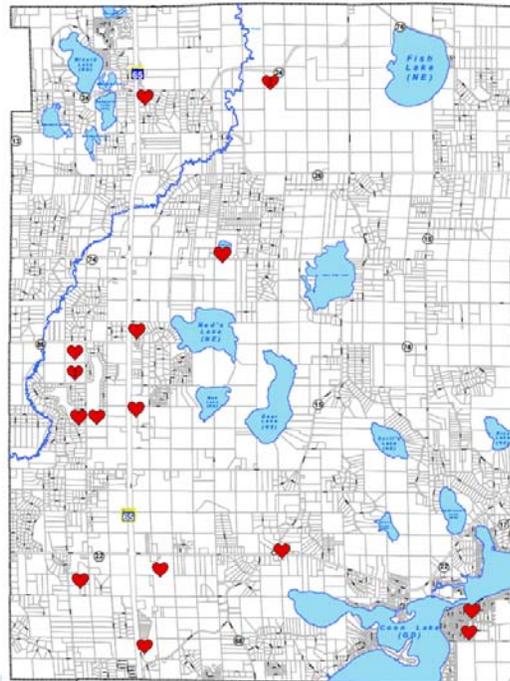
## Current AED Locations

▶ When we started:



## Current AED Locations

- Cedar Creek Community School
- Cedar Creek Ecosystem Science Reserve
- Coon Lake Community Center
- Coon Lake Market
- East Bethel Community School
- East Bethel Fire Station #1
- East Bethel Ice Arena
- East Bethel Senior Center
- Hidden Haven
- Our Saviour's Lutheran Church
- Peoples Bank of Commerce
- Route 65
- St. Andrew Lutheran Church
- Viking Meadow



## AED Status

12 AED's  
Required

17 AED's  
so far...

## The Future Plan

- **Continue to offer Free Training to East Bethel Groups and Businesses**
- **Goal = train additional 5% each year**
- **More AED's in community**
- **Work with neighboring cities to start Heart Safe programs**

**Overall Status**

450  
Heartbeats  
Required



A red heart icon with a white ECG line passing through it, set against a light blue background. The heart is positioned to the right of the text.

**Overall Status**

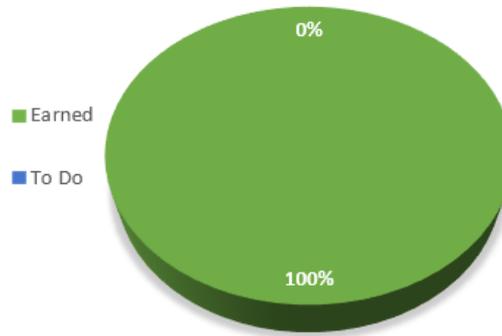
490  
Heartbeats  
Earned



A red heart icon with a white ECG line passing through it, set against a light blue background. The heart is positioned to the right of the text.

## Overall Status

TOTAL HEARTBEATS EARNED as of  
11/6/2015



### Minnesota Heart Safe

4701 West 77th Street  
Edina, MN 55435  
[Heart.safe@heart.org](mailto:Heart.safe@heart.org)



November 10, 2015

Troy Lachinski  
City of East Bethel  
2241 221<sup>st</sup> Ave. NE  
East Bethel MN 55011

Dear Troy:

**CONGRATULATIONS!** We have reviewed your application, and the City of East Bethel has met all the criteria to become a Minnesota Heart Safe community

**Thank You**

**180+  
Training  
Hours**



**Thank You**

**Doug Doebbert  
Wade Hoffman  
Ryan Henry  
Jeremy Shierts  
Chad Fish  
Troy Lachinski**

**10+ Training  
Hours**



**Thank You**

**Mark DuCharme  
Tim Hoffman  
Bryan Platz  
Tammy Gimpl  
Mike Howe**

**5-9 Training  
Hours**



**Thank You**

**Andrew Dotseth  
Zac Lachinski  
Bill Hoppenrath  
Mark Prachar  
Adam Arneson  
Brian Mundle**

**At least one  
Training class**



**Paul Mendoza  
Amy Norling  
Dan Berry  
Mark Duchene  
Jim Saenger  
John Zahn**

**And...**

**Coon Lake Beach Community Center  
East Bethel City Council  
East Bethel businesses**

**Thank You**



# City of East Bethel City Council Agenda Information

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**Date:**

November 18, 2015

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**Agenda Item Number:**

Item 4.0 B

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**Agenda Item:**

Anoka County Sheriff's Report

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**Requested Action:**

Information Item

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**Background Information:**

Commander Orlando will present the October 2016 Sheriff's Report

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**Fiscal Impact:**

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**Recommendation(s):**

No action required at this time

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## **Anoka County Sheriff's Office Report October 2015**

### **Custodial Arrests / Significant Events**

**DWI's** – There were three dwi arrests in October. All three arrests were the result of traffic violations being witnessed by deputies. One driver was stopped after being clocked on radar at 89 mph. He stated he was just “trying to get home”. The male failed field sobriety and tested at a .16 bac which is a gross misdemeanor.

**2<sup>nd</sup> Degree Assault / Terroristic Threats** – On 10-11-15 deputies were called to an assault report where the victim had left the residence and went to a nearby business to call. Deputies met with the victim, who advised his brother had come into the kitchen and punched him 5-6 times in the back of the head. The suspect then grabbed a knife from the kitchen drawer and threatened him with it. The victim fled the home to contact 911. The victim did have some minor injury to the back of his head from the assault. The victim provided the deputies with a key to the residence. The deputies went to the house and the brother refused to answer the door. The key was used to gain entry. The suspect was located in the kitchen and upon being searched, a paring knife was found in his pocket. The suspect was taken to jail on the above charges.

**Possess Stolen Motor Vehicle / Flee in Motor Vehicle** – On 10-15-23 Deputy O'Connor heard a Coon Rapids Officer advise that there was a stolen vehicle, with an accomplice vehicle at the Holiday Store in Ham Lake on Hwy 65. The stolen vehicle had a stolen iPad in it, which the owner was able to ping and give updated locations of the iPad. Several deputies responded and a final location was given of the 1200 block of 229<sup>th</sup> Ave NE. As deputies were approaching the residence, one deputy reported that the truck was fleeing through the back of the yard. A squad was behind the truck with its emergency lights activated. A second male was seen getting into another vehicle, but was taken into custody prior to leaving. The vehicle he was in turned out to be stolen from Wright County a few days prior. A short pursuit began with the truck. One of the deputies attempted a PIT maneuver to stop the truck, which caused the truck to go down into the ditch, but did not disable it. The suspect was attempting to gain access onto Hwy 65. A squad car utilized a blocking maneuver to stop the truck. The male suspect was taken into custody. A stolen RV was also found at the

location on 229<sup>th</sup> Ave NE. The homeowner advised a person that he had met a few times had asked to store his “dad’s” RV there for a few days. That person was the same male suspect that was driving the stolen truck. The truck had been stolen from Sherburne County. There was drug paraphernalia and drugs located in the stolen vehicles. The stolen iPad was recovered in a nearby field. Both male suspects were taken into custody.

**5<sup>th</sup> Degree Controlled Substance** – On 10-19-15 Deputy Bayer noticed a vehicle pass him while he was on a traffic stop that had an extremely loud muffler. Deputy Bayer returned to his squad and began to try and catch up to the vehicle. Deputy Bayer saw the vehicle turn left in front of another vehicle, then quickly turn into a driveway. Deputy Bayer did have his lights on. The female driver stated she did not see he had his lights on. She was extremely nervous. The residence that she had turned into was a known drug house. The female stated she lived there. The female was not able to produce any proof of insurance for the vehicle. Deputy Bayer ran the female through records and noted that she had been arrested before with narcotics. Deputy Kvam, who was training Deputy Bayer, advised he had seen a glass pipe in the vehicle. Deputy Bayer noted that the vehicle was quite littered with items, including 4 or 5 bags. Deputy Bayer asked the suspect about the pipe and she advised a friend must have left it in there. Given the narcotics background and the pipe, Deputy Aker who has a drug detection K9 was called to conduct a sniff of the vehicle. Deputy Aker’s K9 partner did alert to the presence of narcotics. The deputies searched the vehicle and located three small plastic baggies containing a white powdery substance which tested positive for methamphetamine. Two additional pipes were also located. The female was taken into custody and transported to jail.

**5<sup>th</sup> Degree Controlled Substance** – On 10-23-15 deputies were called to a report of a person sleeping in a vehicle. Upon arrival, the deputies found a male sleeping in the vehicle and there was an opened bottle of vodka on the front seat. The male was awakened and advised he had been working all day and just fell asleep. The male advised he had drank some vodka but that was several hours ago. The male did pass field sobriety tests. The male advised that there was nothing else in the vehicle. A search of the vehicle found a glass pipe with a substance that tested positive for methamphetamine. The male was arrested and transported to jail. Upon arrival at the jail, a small plastic baggie was found which contained .5 grams of methamphetamine.



# City of East Bethel City Council Agenda Information

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**Date:**

November 18, 2015

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**Agenda Item Number:**

Item 4.0 C

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**Agenda Item:**

Fire Department Report

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**Requested Action:**

Informational only

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**Background Information:**

The Fire Chief has provided reports of Fire Department emergency calls and emergency medical calls from the previous month.

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**Fiscal Impact:**

None

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**Recommendation(s):**

Informational only.

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**East Bethel Fire Department  
October, 2015  
Response Calls**

Incident Number	Incident Date	Alarm Time	Location	Incident Type
460	10/30/2015	21:05	22022 7TH ST	Unauthorized burning
459	10/30/2015	15:14	18448 Jackson ST NE	Grass fire
458	10/30/2015	11:46	18818 Breezy Point DR NE	Gas leak (natural gas or LPG)
457	10/30/2015	11:01	21108 Polk ST NE	EMS
456	10/28/2015	09:51	19624 3rd ST	Power Lines in Trees
455	10/26/2015	12:05	23236 Erskine ST NE	EMS
454	10/26/2015	07:29	21210 Polk ST NW	EMS
453	10/25/2015	14:35	2817 Viking BLVD NE	Passenger vehicle fire
452	10/23/2015	22:48	1604 209th AVE NE	EMS
451	10/23/2015	10:36	23859 Hwy 65 NE	EMS
450	10/21/2015	19:05	20017 Naples CT NE	EMS
449	10/18/2015	11:26	24355 Hwy 65	EMS
448	10/16/2015	09:48	3118 229th AVE NE	EMS
447	10/16/2015	07:45	152 Juniper RD	EMS
446	10/16/2015	22:47	22960 Sunset RD	EMS
445	10/15/2015	20:37	Hwy 65 & 226 <sup>th</sup> Ave	Passenger vehicle fire
444	10/15/2015	13:34	Hwy 65 & Viking Blvd	Motor vehicle accident with injuries
443	10/15/2015	07:33	4614 East Front BLVD NE	EMS
442	10/14/2015	09:24	18164 Hwy 65 NE	EMS
440	10/13/2015	07:05	19764 5th ST NE	EMS
439	10/13/2015	04:46	18164 65 HWY NE	EMS
438	10/12/2015	19:44	18164 Hwy 65	EMS
437	10/11/2015	08:09	707 199th AVE	Fire Alarm
436	10/10/2015	19:23	711 200 AVE	EMS
435	10/10/2015	09:09	2041 229 AVE	EMS
434	10/09/2015	23:03	3541 228th AVE	EMS
433	10/09/2015	12:27	345 Elm RD NE	EMS
432	10/09/2015	12:00	2751 Viking BLVD NE	Standby
431	10/09/2015	11:09	2415 225th AVE NE	EMS
430	10/09/2015	09:37	20967 Buchanan CT NE	EMS
429	10/08/2015	12:56	22435 Palisade ST NE	EMS
428	10/08/2015	11:46	21108 Polk ST	EMS
427	10/07/2015	03:26	22484 Tippecanoe ST	EMS
426	10/06/2015	19:47	Hwy 65 & 226 <sup>th</sup> Ave	Motor vehicle accident with injuries
425	10/06/2015	15:26	20038 Hwy 65 NE	Gas leak (natural gas or LPG)
424	10/06/2015	13:45	21058 Davenport ST NE	Fire Alarm
423	10/05/2015	05:56	18405 Everglade DR NE	EMS
422	10/05/2015	02:22	19556 W Tri Oak CIR NE	EMS
421	10/04/2015	02:20	24355 Hwy 65 NE	EMS
420	10/03/2015	23:00	19139 Staples ST NE	EMS
419	10/03/2015	18:58	1347 Sims RD NE	Authorized controlled burning
<b>Total</b>				<b>41</b>

# City of East Bethel

Subject: Fire Inspector Report

October 1 – 31, 2015

## City of East Bethel Fire Inspection List

Name	Address	Comments
Crashed Toys	21155 Hwy 65	No Violations
Northway Sports	21429 Ulysses St	No Violations
Tinman	21461 Aberdeen St	No Violations
East Bethel Ice Arena	20568 Hwy 65 NE	4 <sup>th</sup> Inspection: Extension cord for video camera??
Oakridge Auto Body	23428 Hwy 65	No Violations
Gopher State Ins.	18447 Hwy 65	No Violations
Georges Boat Repair	18611 Hwy 65	No Violations
S&S industrial Supply	18541 Hwy 65	No Violations
Star of the North Academy	1562 Viking Blvd	Fire Extinguishers and Sprinkler System
NACE	18511 Hwy 65	Fire Extinguishers
Tourco	18530 Ulysses St.	No Violations

NOTE: First Inspections Unless Noted

00 Businesses Inspected

Reported by: Mark Duchene  
Fire Inspectors





# City of East Bethel City Council Agenda Information

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**Date:**

November 18, 2015

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**Agenda Item Number:**

Item 6.0 A-F

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**Agenda Item:**

Consent Agenda

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**Requested Action:**

Consider approval of the Consent Agenda

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**Background Information:**

Item A

Approve Bills

Item B

October 28, 2015 City Council Work Minutes

Meeting minutes from the October 28, 2015 City Council Meeting are attached for your review and approval.

Item C

November 4, 2015 City Council Work Minutes

Meeting minutes from the November 4, 2015 City Council Meeting are attached for your review and approval.

Item D

Flexible Spending Program Plan Revision

The City instituted a flexible spending program for both medical and dependent care expenses in 2006. A flexible benefit plan allows employees to set aside pre-tax dollars for qualified medical expenses and or dependent care expenses they incur during the year. Because the City administers this program they were required to adopt a plan document that identifies the City insurance carriers, frequency of deductions, etc. The attached plan document for this program has been updated to reflect the current medical insurance provider (Preferred One) and frequency in which contributions and or deductions are made. There were no material revisions made to the program or plan. Staff recommends that the Council consider the adoption of the revised flexible spending plan.

Item E

Pay Estimate #3 for the 185th Avenue, Laurel Road and Lincoln Drive Street Reconstruction Project

This item includes Pay Estimate #3 to Peterson Companies for the 185<sup>th</sup> Avenue, Laurel Road and Lincoln Drive Street Reconstruction Project. This pay estimate includes payment for signage, striping, fence construction and restoration. Staff recommends partial payment of \$89,562.10. A summary of the recommended payment is as follows:

Total Work Completed to Date	\$ 903,077.42
Less 5% Retainage	\$ 45,153.87
Less Previous Payments	<u>\$ 768,361.45</u>
Total Payment	\$ 89,562.10

Payment for this project will be financed from the Municipal State Aid Construction Fund. Funds are available and appropriate for this project. A copy of Pay Estimate #3 is attached.

Item F

Pay Estimate #2 for the 2015 Street Overlay Projects

This item includes Pay Estimate #2 to Peterson Companies for the 2015 Street Overlay Projects. This pay estimate includes payment for mobilization and bituminous milling and paving. Staff recommends partial payment of \$190,727.32. A summary of the recommended payment is as follows:

Total Work Completed to Date	\$ 210,052.90
Less 5% Retainage	\$ 10,502.65
Less Previous Payment	<u>\$ 8,822.93</u>
Total payment	\$ 190,727.32

Payment for this project will be financed from the Street Capital Fund. Funds are available and appropriate for this project. A copy of Pay Estimate #2 is attached.

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**Fiscal Impact:**

As noted above.

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**Recommendation(s):**

Staff recommends approval of the Consent Agenda as presented.

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**City Council Action:**

Motion by: \_\_\_\_\_

Second by: \_\_\_\_\_

Vote Yes: \_\_\_\_\_

Vote No: \_\_\_\_\_

No Action Required: \_\_\_\_\_



**Payments for Council Approval November 18, 2015**

Bills to be approved for payment	\$43,415.73
Electronic Payroll Payments	\$29,605.42
Payroll - City Staff November 4, 2015	\$34,586.36
Payroll - City Council November 13, 2015	\$1,775.99
Payroll - Fire Dept. November 13, 2015	\$9,624.05
<b>Total to be Approved for Payment</b>	<b>\$119,007.55</b>

# City of East Bethel

November 18, 2015

## Payment Summary

Dept Descr	Object Descr	Invoice	Check Name	Fund	Dept	Amount
Anoka County CDBG	Professional Services Fees	CA4533	North Metro Electric	233	23300	\$578.00
Anoka County CDBG	Professional Services Fees	102315	Ronnie Bowman Excavating	233	23300	\$7,700.00
Arena Operations	Auto/Misc Licensing Fees/Taxes	IN0015656	Anoka County	615	49851	\$380.00
Arena Operations	Bldg/Facility Repair Supplies	58375-IN	R & R Specialities, Inc.	615	49851	\$77.95
Arena Operations	Bldgs/Facilities Repair/Maint	62451	Aker Doors, Inc.	615	49851	\$213.50
Arena Operations	Bldgs/Facilities Repair/Maint	ABR0128098I	MN Dept Labor & Industry	615	49851	\$20.00
Arena Operations	Bldgs/Facilities Repair/Maint	102715	Wright-Hennepin Coop Electric	615	49851	\$29.95
Arena Operations	General Operating Supplies	183701	Class C Components	615	49851	\$437.50
Arena Operations	General Operating Supplies	15-69565	Joel Boerboom	615	49851	\$153.00
Arena Operations	General Operating Supplies	473	Menards Cambridge	615	49851	\$5.97
Arena Operations	General Operating Supplies	558	Menards Cambridge	615	49851	\$37.60
Arena Operations	General Operating Supplies	99820	Menards Cambridge	615	49851	\$98.69
Arena Operations	Motor Fuels	1088907668	Ferrellgas	615	49851	\$305.49
Arena Operations	Motor Fuels	1089136620	Ferrellgas	615	49851	\$200.18
Arena Operations	Refuse Removal	1269853	Ace Solid Waste, Inc.	615	49851	\$101.79
Arena Operations	Repairs/Maint Machinery/Equip	110915	Jon Barry	615	49851	\$145.68
Building Inspection	Electrical Permits	110115	Brian Nelson Inspection Svcs	101		\$1,711.50
Building Inspection	Motor Fuels	931087	Mansfield Oil Company	101	42410	\$315.05
Central Services/Supplies	Information Systems	B151103J	Anoka County Treasury Dept	101	48150	\$225.00
Central Services/Supplies	Information Systems	1332289017665	Midcontinent Communications	101	48150	\$650.00
Central Services/Supplies	Office Supplies	IN0965109	Innovative Office Solutions	101	48150	\$36.10
Central Services/Supplies	Office Supplies	IN0975330	Innovative Office Solutions	101	48150	\$14.33
Central Services/Supplies	Telephone	110115	CenturyLink	101	48150	\$97.53
City Administration	Professional Services Fees	M21690	TimeSaver Off Site Secretarial	101	41320	\$709.25
Fire Department	Clothing & Personal Equipment	169176	Aspen Mills, Inc.	101	42210	\$372.80
Fire Department	Conferences/Meetings	596194	Century College	101	42210	\$1,387.50
Fire Department	Conferences/Meetings	596602	Century College	101	42210	\$395.00
Fire Department	Motor Fuels	931087	Mansfield Oil Company	101	42210	\$501.19
Fire Department	Motor Fuels	931090	Mansfield Oil Company	101	42210	\$222.07
Fire Department	Refuse Removal	1269853	Ace Solid Waste, Inc.	101	42210	\$64.30
Fire Department	Repairs/Maint Machinery/Equip	5003	Emergency Response Solutions	101	42210	\$2,322.50
Fire Department	Telephone	110115	CenturyLink	101	42210	\$116.85
Fire Department	Telephone	110115	CenturyLink	101	42210	\$58.29
Fire Department	Telephone	110115	CenturyLink	101	42210	\$173.40
Fire Department	Telephone	110115	CenturyLink	101	42210	\$59.52
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	1001	Bill's Quality Cleaning	101	41940	\$380.00
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	455408-10-15	Premium Waters, Inc.	101	41940	\$48.85
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	126650	Robert B. Hill Company	101	41940	\$18.00
General Govt Buildings/Plant	Cleaning Supplies	IN0975330	Innovative Office Solutions	101	41940	\$18.65
General Govt Buildings/Plant	Refuse Removal	1269853	Ace Solid Waste, Inc.	101	41940	\$51.10
Legal	Legal Fees	10 2015	Eckberg, Lammers, Briggs,	101	41610	\$8,401.78
Legal	Legal Fees	145585	Eckberg, Lammers, Briggs,	101	41610	\$1,499.00
Mayor/City Council	Other Advertising	75533	The Courier	101	41110	\$219.25
Park Maintenance	Cleaning Supplies	99226	Menards Cambridge	101	43201	\$15.97
Park Maintenance	Clothing & Personal Equipment	1182367870	G&K Services - St. Paul	101	43201	\$19.00
Park Maintenance	Clothing & Personal Equipment	1182379367	G&K Services - St. Paul	101	43201	\$19.00

# City of East Bethel

November 18, 2015

## Payment Summary

Dept Descr	Object Descr	Invoice	Check Name	Fund	Dept	Amount
Park Maintenance	Motor Fuels	931087	Mansfield Oil Company	101	43201	\$429.59

# City of East Bethel

November 18, 2015

## Payment Summary

Dept Descr	Object Descr	Invoice	Check Name	Fund	Dept	Amount
Park Maintenance	Motor Fuels	931090	Mansfield Oil Company	101	43201	\$427.07
Park Maintenance	Park/Landscaping Materials	99691	Menards Cambridge	101	43201	\$142.69
Park Maintenance	Small Tools and Minor Equip	9945	Plow World, Inc.	101	43201	\$559.99
Payroll	Union Dues	10 2015	MN Public Employees Assn	101		\$429.00
Planning and Zoning	Filing Fees	2121432.001	Anoka County	101	41910	\$46.00
Planning and Zoning	Legal Fees	145585	Eckberg, Lammers, Briggs,	101		\$300.00
Planning and Zoning	Travel Expenses	110915	Colleen Winter	101	41910	\$46.91
Police	Professional Services Fees	110415	Dick Kable	101	42110	\$18.00
Police	Professional Services Fees	10 2015	Gratitude Farms	101	42110	\$425.00
Recycling Operations	Bldgs/Facilities Repair/Maint	9875511090	Grainger	226	43235	\$1,265.65
Recycling Operations	Bldgs/Facilities Repair/Maint	9880196192	Grainger	226	43235	\$1,265.65
Recycling Operations	Professional Services Fees	11 2015	Cedar East Bethel Lions	226	43235	\$1,200.00
Recycling Operations	Professional Services Fees	11 2015	Cedar East Bethel Lions	226	43235	\$417.80
Recycling Operations	Refuse Removal	1269853	Ace Solid Waste, Inc.	226	43235	\$160.83
Recycling Operations	Refuse Removal	100515	Freimuth Enterprises LLC	226	43235	\$264.40
Recycling Operations	Small Tools and Minor Equip	99135	Menards Cambridge	226	43235	\$468.71
Recycling Operations	Small Tools and Minor Equip	99225	Menards Cambridge	226	43235	\$378.88
Street Maintenance	Auto/Misc Licensing Fees/Taxes	110215	DVS Renewal	101	43220	\$18.25
Street Maintenance	Auto/Misc Licensing Fees/Taxes	ABR01273341	MN Dept Labor & Industry	101	43220	\$20.00
Street Maintenance	Bldg/Facility Repair Supplies	62528	Aker Doors, Inc.	101	43220	\$92.00
Street Maintenance	Bldgs/Facilities Repair/Maint	1182367870	G&K Services - St. Paul	101	43220	\$5.33
Street Maintenance	Bldgs/Facilities Repair/Maint	1182379367	G&K Services - St. Paul	101	43220	\$5.33
Street Maintenance	Bldgs/Facilities Repair/Maint	455408-10-15	Premium Waters, Inc.	101	43220	\$48.85
Street Maintenance	Cleaning Supplies	2948014	Dalco	101	43220	\$67.80
Street Maintenance	Clothing & Personal Equipment	1182367870	G&K Services - St. Paul	101	43220	\$31.95
Street Maintenance	Clothing & Personal Equipment	1182379367	G&K Services - St. Paul	101	43220	\$17.96
Street Maintenance	Equipment Parts	9941	Plow World, Inc.	101	43220	\$29.80
Street Maintenance	General Operating Supplies	550412	Ham Lake Hardware	101	43220	\$6.75
Street Maintenance	Lubricants and Additives	1539-409859	O'Reilly Auto Stores Inc.	101	43220	\$23.98
Street Maintenance	Motor Fuels	931087	Mansfield Oil Company	101	43220	\$186.15
Street Maintenance	Motor Fuels	931090	Mansfield Oil Company	101	43220	\$1,059.16
Street Maintenance	Professional Services Fees	149444	Gopher State One-Call	101	43220	\$13.05
Street Maintenance	Refuse Removal	1269853	Ace Solid Waste, Inc.	101	43220	\$81.90
Street Maintenance	Shop Supplies	279992	S & S Industrial Supply	101	43220	\$42.93
Street Maintenance	Street Maint Materials	IN00012685	City of St. Paul	101	43220	\$131.02
Street Maintenance	Street Maint Materials	99924	Menards Cambridge	101	43220	\$24.48
Street Maintenance	Telephone	110115	CenturyLink	101	43220	\$70.03
Street Maintenance	Welding Supplies	9931125644	Airgas USA, LLC	101	43220	\$82.50
Water Utility Operations	Bldgs/Facilities Repair/Maint	102715	Wright-Hennepin Coop Electric	601	49401	\$26.67
Water Utility Operations	Chemicals and Chem Products	3792399 RI	Hawkins, Inc	601	49401	\$45.00
Water Utility Operations	Telephone	110115	CenturyLink	601	49401	\$178.60
Water Utility Operations	Telephone	110115	CenturyLink	601	49401	\$125.23
Water Utility Operations	Telephone	110115	CenturyLink	601	49401	\$72.94
Water Utility Operations	Utility Maint Supplies	173170	Ferguson Waterworks #2516	601	49401	\$1,884.63
Water Utility Operations	Utility Maint Supplies	173173	Ferguson Waterworks #2516	601	49401	\$169.19
						<b>\$43,415.73</b>

**City of East Bethel**  
**November 18, 2015**  
**Payment Summary**

Dept Descr	Object Descr	Invoice	Check Name	Fund	Dept	Amount
<b>Electronic Payroll Payments</b>						
Payroll	PERA					\$6,291.33
Payroll	Federal Withholding					\$5,869.90
Payroll	Medicare Withholding					\$1,965.32
Payroll	FICA Tax Withholding					\$8,104.34
Payroll	State Withholding					\$2,389.92
Payroll	MSRS/HCSP					\$4,984.61
						<b>\$29,605.42</b>

## EAST BETHEL CITY COUNCIL MEETING

OCTOBER 28, 2015

The East Bethel City Council met on October 28, 2015, at 7:00 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  
                                     City Building Official, Nick Schmitz

**1.0**                      The October 28, 2015, City Council Work Meeting was called to order by Mayor Voss at 7:00  
**Call to Order**        p.m.

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

**3.0**                      Davis presented the staff report, indicating the Council approved a Rental Ordinance at their  
**Proposed**                      May 20, 2015, meeting. To date we have issued one license but have seven pending completion  
**Amendment**                      of inspection. The license fee is \$25 and the inspection fee is \$50.  
**to Rental**  
**Ordinance**

Several of the applicants that have applied for a rental license have informed us that the septic system inspection is/could be a deterrent to voluntary compliance with the ordinance. Several owners of rental property have been hesitant to comply with the ordinance for fear that their septic systems, while functioning properly, may fail inspection due to changes in State standards for soil separation.

Staff feels that this concern will discourage many rental property owners from obtaining licensure from the City but at the same time will probably not prevent these owners from continuing to rent their property. With the primary goal of the ordinance is to ensure that rental properties meet life/safety Codes, the septic system issue may be a disincentive to this purpose.

Staff proposes that we explore alternatives/modifications relating septic system inspection as a requirement of the ordinance and consider the focus on systems that are eminent public health threats.

Davis stated we have with us tonight Nick Schmitz, our Building Official, to help us answer some questions on that. Basically what we've run into are people are fearful of coming up and having a septic system compliance check, which is part of the ordinance requirement, for fear it won't pass compliance even though, again, most of them are probably working properly. They just don't meet current standards. So, this is kind of a 'tightrope' we're walking here but we might want to consider maybe changing the language on this about inspections just to make sure that their sewage disposal systems don't pose any eminent public health situations on the property.

Voss stated I guess the first question I have is what all is involved in a system compliance inspection. Schmitz stated septic system compliance inspection requires that a private septic inspector would go out and look at the septic tank to make sure there's no cracks or leaks in the tank, make sure nothing is surfacing outside or backing up into the house. Either one of those would be an eminent health threat. The most reasons septic systems fail is because they don't

3.0  
Proposed  
Amendment to  
Rental  
Ordinance

meet the separation required by the State of Minnesota. The either two- or three-foot separation, depending on when the system was installed. That's really why most systems fail. They don't have the separation between the redox or mottled soil, which is deposited when the water table is at its highest, and the bottom of the rock bed. That's pretty much what a compliance inspection looks for.

Voss asked now the compliance inspection is done by the contractors that do the pumping, correct? Schmitz stated no, by a licensed septic system inspector. Pumpers do inspect tanks when they pump the tanks but they're only inspecting the tank itself. In other words, if there's a baffle on it; is the manhole cover intact and safe; is it broken; is it not broken. They're not doing any kind of soil borings or determining the separation between the bottom of the rock bed and any redox.

Voss asked so at what times does the City require system compliance inspections to be done? Schmitz stated right now the City requires compliance inspection when anybody sells a house or if anybody is adding a bedroom, remodeling the shoreland management area. There's certain criteria. I don't have all of them here. Voss asked but there's no routine compliance inspection? Schmitz answered no.

Koller asked how do they tell where the mottled soil level is. Do they dig down? Schmitz stated yeah, they do a soil boring. The redox or the mottled soil; it's iron stains, usually reds or grays. When they find that, it's where the water table is when it's at its highest. And that could have been something from 10 years ago, 10,000 years ago, could be seasonal. But, that's how they determine where the water table is at its highest.

Ronning asked if the owner lived in that house, would that be a failed system? Or, would it just be a system? Schmitz stated if they were renting it? Ronning stated no, if they lived in the house themselves. Schmitz stated if they lived in the house, there's no requirement for a compliance inspection. But once something triggers it and it is found not compliant, they need to bring it up to Code.

Voss stated so when they sell a house, put on a deck in the Shoreline District, adding bedrooms, basically. Schmitz stated yeah, adding bedrooms. Davis stated or if you do a major remodel and expand your kitchen, something like that. Sometimes those can trigger the need for the compliance inspection.

Ronning asked as far as Statute changes, does the sale go grandfathered to the next person as long as their separation and stuff is right? Schmitz stated say they had a compliance inspection, are you saying and if it failed? Ronning stated no and asked to what extent is it grandfathered in those. Schmitz explained the State of Minnesota states that if it's a new system being installed, the original inspection is good for five years. Any inspection after that is good for three years. So after the five or three years, down the road, you don't need to do anything until a compliance inspection is required by City Ordinance or State Statute.

Davis asked Nick, what were the basic differences in soil separations, say from the mid-1990s until now? How much is that increased or decreased? Schmitz explained up until April of 1996, if an inspector went out and did a compliance inspection, it only required a two-foot separation. The State of Minnesota determines that two feet is adequate to treat the wastewater, the effluent. After that, it requires a three-foot separation. The State used to always, and still does, require a three-foot separation but due to settling of soil and things like that, a lot of septic systems were failing. They were putting in brand new septic systems with that three-foot separation but as soon as the State started requiring compliance inspections, a lot of septic systems were failing because of settling. So, a compliance inspector would go out there and

3.0  
Proposed  
Amendment to  
Rental  
Ordinance

find out that it may fail due to two or three inches of settling and now the homeowner had to put in a new drainfield. So, what the State did was, in 1996, they said, 'Okay, we need these to pass three-foot separation so anything before this we will allow a two-foot separation for existing systems.' That's kind of grandfathered. After that, it's a three-foot separation requirement.

Schmitz explained that since then, they were still having some septic systems fail so they allowed cities and counties to adopt this 15% reduction. Each city or county, if they wanted to do that, they could do that and we have adopted that. So, if we had a system that went in with a 36-inch separation new and say it went in four years ago and now you could pass with that 15% reduction so it would not have to meet a 36-inch separation. 15% from 36 is around 32 inches.

Davis stated so the issue we're hearing is that because the full compliance measures that are specified in our Ordinance, there are people that would willingly get their license but now are fearful to do so because they feel their system may not pass the test and then they'll have to install a new system. Even though their system at least appears to be functioning properly.

Schmitz stated I always tell people septic systems do two things. They make the wastewater go away and not back up into the house or surface on the ground, which would be an eminent health threat. And then they treat the wastewater with the separation. When we drafted the Rental Ordinance, we thought it was a great idea to have a bunch of safety measures and that's why we have the Ordinance. Smoke detectors and stuff like that. We thought it was a good idea but in hindsight now, after we started the program and finding out, we're hearing from people that if they have to get a compliance inspection, they're 'putting the breaks' on it. We had one couple, they weren't going to do it. To my surprise, they decided to have a compliance inspection done and it did pass. To my surprise too because the septic system was installed in the 1970s. It just happened to be really high ground and it just happened to be a shallow system that went in at the time.

Schmitz stated I have since spoken with another guy. I went to do a rental inspection and when he found the extent of that compliance inspection and if it failed he would need a new drainfield, he told me he wasn't going to go any further. He wanted me to inspect it for safety, fire, electrical, anything that was a hazard to anybody. So, he wanted that part of it inspected but he told me he was in no way going to have a compliance inspection on his septic system knowing there was a good chance he's going to have to put in a new drainfield.

Voss stated let me ask this. We have a requirement within this Ordinance that the septic pumping has to be kept up-to-date. Schmitz stated that's correct. Voss stated if that's being kept up-to-date and the pumpers are inspecting to make sure baffles are in there and if they saw an issue, the sewage was coming out the top I'm sure they would report that. Wouldn't they? Schmitz answered yes, I believe so. But that's something we would look at too.

Schmitz stated if this got passed where it was just an eminent health threat when we did a rental inspection, what we're thinking right now is we would do everything that was originally passed by the City Council for rental license. When it came to the septic system, we would just be looking that the pumping is current (within three years as required by the State) and we would look to see if there's any signs of sewage backing up into the house or surfacing.

Voss stated okay, I think that's the intent. Schmitz stated the intent is that renters are in a safe environment and if we don't get in there to inspect these, if people are afraid they're going to have to put in a new drainfield, people are going to keep doing what they are going to do. And, we're not going to be able to get in there and make sure they have smoke detectors and fire extinguishers and electrical covers/panels, and all of that stuff is safe.

3.0  
Proposed  
Amendment to  
Rental  
Ordinance

Ronning stated the people I've spoken with, seems most of them are afraid they're going to have to put a mound system in and the cost that goes with that. Voss stated I've heard some concerns too.

Harrington stated I've got a question Nick. You said, is it three years the septic has to be pumped? Is that a law? Schmitz stated it is State law. Harrington stated State law, okay because... Schmitz stated there's two things that go with that. They either have to be pumped every three years or inspected by a qualified person or licensed person. The thing is if you have it inspected by a licensed person, it cost just as much to have it pumped.

Harrington stated okay. I've talked to pumpers that told people you don't have to, you can wait another year, four years, you don't have to do it in three years. I didn't know that was a State law. Schmitz stated it is and like I said, it can be inspected but it would have to be inspected by a qualified person. And, again, pumping may cost, I'm not quite sure what it costs today, maybe \$150. Voss stated it's more like \$250. Schmitz stated is it \$250?

Harrington stated yeah, \$250 now. What's an inspection then? Schmitz stated I'm not quite sure. A compliance inspection is around \$350. To inspect the tank, I would imagine it's at least \$150 to get somebody out there. Voss stated yeah, just to get them out there and open it up, I'm sure. Davis stated not only is it State law, it's part of the City's Ordinance too.

Voss stated I think you all know, I've got two rental properties and it is a good thing to have them pumped every three years anyway because you don't know what they're doing or pumping down the drain. They could be pumping grease down there, you don't know.

Davis stated we're approaching the Council tonight for some direction to see if there's a need to try to modify any of the language on this portion of the ordinance that would address some of these concerns and still try to craft it so it still provides protections for eminent threats to public health and safety.

Voss asked staff is recommending to change the language to just delete the compliance inspection? Schmitz stated delete the compliance inspection but we would maintain the eminent health threat part of it. In other words, if sewage was backing up or surfacing then we would require them, at that time, to get a full compliance inspection to determine if the septic system is an eminent health threat or if they have something else going on.

Voss stated it's sort of the analogy that instead of searching everybody, you see evidence of an issue and then you go after it. Schmitz stated that's correct. Voss asked 'probable cause' is that the term?

Koller stated that makes more sense. Voss stated I think it does too. I've got one rental property that's the 1970s, one system I put in 2 years ago and I'd be concerned that Code changed and my new system is not up to par. I know my old system is not up to current Code. It's got separation, I'm not worried about that but there's other things in there I'd be worried about. Voss stated I think the objective is, is it operating. Is it functioning?

Ronning asked can we word it something like, the septic treatment would be treated as though the owner were living there and whatever you call the obvious things would trigger a more thorough inspection. Davis stated I don't know if we even want to be that specific. Just say this is the requirement for septic inspection. It has to be pumped every three years and there has to be no evidence of eminent threats to public health or safety.

Mundle agreed and stated that works just fine. Koller stated the City would have a record of all

3.0 the pumpings. Davis stated yes. Koller stated so that would be nice.  
Proposed  
Amendment to Davis stated this still keeps in our same policy of what triggers a compliance inspection intact  
Rental also. As Nick said, the sale of the property, the addition of a bedroom, or a major remodeling  
Ordinance involving extensive plumbing. So, we don't change any of that and we still follow the same test  
and pattern for that type of inspection. Ronning stated that sounds good to me.

Voss asked you'll draft the changes for the next Council packet? Davis stated they'll be in the next one if we can get them done. I'll try to get them done so we can get them in the next Wednesday's meeting. Koller stated that sounds good.

Davis stated Nick, thanks for coming. That's very helpful information and I appreciate it. Schmitz stated you're welcome. Voss stated you haven't inspected my places yet because I'm not ready for you. Schmitz asked any other questions for me before I leave? Koller stated no, that would do it. The Council thanked Schmitz.

**4.0** Davis presented the staff report, indicating the City has provided varying forms of  
**Discussion of** administrative assistance that have supported the expansion of existing business and recruitment  
**Incentives of** of new business. These efforts, with the exception of the creation of one TIF District, have been  
**the City's** primarily staff support relating to guidance through City zoning and ordinance requirements and  
**Business** provision of information and data needed for business development decisions.

**Recruitment** In addition to the basic administrative support, other forms of City assistance need to be  
**Strategies and** discussed to determine what level the EDA and ultimately City Council believe to be  
**Retention** appropriate for consideration. Absent a defined policy, evaluations of any type of offers of  
**Efforts** assistance would be considered on a case-by-case basis. However, to provide consistency with offers of assistance, minimum standards for eligibility need to be considered.

Financial assistance is the primary tool that is most commonly used by other cities in their efforts to retain and attract business. A city's ability to offer this form of incentive is based on its capacity to postpone and/or forego revenues and depends on a city's position related to its need for development and public competition in this market.

The forms of financial incentives are varied but most commonly associated with the following forms: Tax Increment Finance Districts; Tax Abatement; Sales of Public Lands and Buildings; Subsidies; Modification or deferment of City Fees; and, Participation wholly or partially in Infrastructure Improvements.

Staff is seeking input from Council as to their opinions on the issue of incentives and to determine if there is a need to consider further discussion of a general policy that relates to this matter.

Davis stated in relation to those that I just read you, we have done a tax increment financing (TIF) district, which we used to help Aggressive Hydraulics with some gap financing. This was what's called a pay-as-you-go TIF note. So, in other words, the developer actually paid for this up front but they borrowed the money from a bank. What we've done, we've pledged that the tax increment, the difference between the tax on the property before development and after development, then goes back to the bank to pay off this, which minimizes their risk.

Davis explained the other way would be to issue a bond and then use the tax increment to make the bond payments. This is a little more risky. We've done one tax increment financing project and we do have a Tax Increment Financing District set up all along the Highway 65 corridor. So, this is something we can offer if the right conditions are met. One other form is tax

4.0  
Discussion of  
Incentives of  
the City's  
Business  
Recruitment  
Strategies and  
Retention  
Efforts

abatement, which is very similar to the TIF except what it does is postpones the increase in taxes until a development is paid off. In other words, if somebody comes in and wants to put, say another manufacturing facility and they need a street extension by the City and the City wants to use tax abatement to pay for it, then what we would do is issue a bond and then use the difference in the increment to pay off that bonding amount or whatever sources of funds were used to fund the road.

Davis explained the problem with TIF and tax abatement is they both have to be approved by the County and the School District because neither one of those entities gets that increase in until these projects are paid off. So, sometimes that can be a little challenging. In our cause with Aggressive Hydraulics, it wasn't really an issue because the amount of it was fairly low. In terms of these, it was \$200,000. Some cities, especially a couple to our north and south, actually own public lands and public buildings, which they sell at below market rates. A good example is the City of Isanti and the City of Cambridge who have marketed property for \$1 an acre to attract businesses and industries.

Davis stated with subsidies, a good example of that is our new SAC rate beginning in January will be \$3,180 for the Met Council. Blaine's same SAC rate is \$2,480. So, let's say we had a company come in here that will have to pay 100 SAC units and they say, 'Well, we can go to Blaine and save \$70,000 just on SAC rates.' The City may, at some point, want to consider, say, 'Maybe we'll subsidize the difference in that.' Where would we get the money? Hopefully we could build up some surplus in our Water and Sewer Funds to look at this. But, that's just an example of what we might need to consider.

Davis stated some other things I mentioned were modification or deferment of City fees. There may be, for a huge building, permit fees could be maybe \$50,000. Maybe we modify those or maybe there's some other fees that we could defer and stretch out over a period to be paid.

Davis stated another example is participation in the extension of infrastructure. I think we discussed once that there may be interest in extending the water and sewer on the east side, about 300 feet south. The person that was interested in this extension only needed the minimum size water and sewer line, which would have been an 8-inch sewer and 6-inch water. However, due to our plans to extend farther south, this would have to really be a 24-inch sewer and a 16-inch water. So the City, in that instance, may want to even consider paying the difference in the up charge to help get that off the ground.

Davis stated these are just a few of the things that we could consider but I guess my primary purpose in pointing these out is to see if there's any of them you are uncomfortable with and if there's any we need to get you more information on or explore. Because, I'm hoping these issues come up sooner rather than later. I just want everybody to kind of be familiar with them and comfortable with them so when we start talking about them, we'll all be on the 'same page.'

Voss stated before we start discussion, I think I heard you say that the TIF District we established is for the entire 65 corridor. I thought it was just the Phase 1. Davis stated the entire corridor. Voss asked the whole eight mile corridor? Davis replied yes. Let me double check on that but it was my opinion it was the entire corridor.

Mundle stated that's what I seem to recall too. Voss asked the whole corridor? Mundle stated the whole corridor because that was the purpose of doing it once along the entire thing so it doesn't have to be done again. Voss stated I remember when we had the discussion at Council, we did a Phase 1 because that's what made sense. And maybe we did expand it. I just don't recall.

4.0  
Discussion of  
Incentives of  
the City's  
Business  
Recruitment  
Strategies and  
Retention  
Efforts

Davis stated you know, a lot of these things too depend on who we're dealing with. That's why as part of some follow up discussions, if you feel it's necessary, we may want to set some minimum standards.

Voss stated the one thing of all the options you went through, I guess the one that gave me any 'heartache' was fees. Only because it seems like if we use fees as one of the tools, it's almost irregardless of whether it's in a sewer district or not. If you gave one person a reduction of fees, someone's doing a 100-acre residential development on the east side, not even close to our sewer district, 'Well, I want a reduction in my fees too to get this done.' You know. How do you say 'yes' to one and 'no' to the other on fees?

Davis stated that's why you have to have certain standards. You wouldn't qualify for this unless you meet these requirements To use an extreme example, let's assume we have an industry coming in and they're going to bring in 500 jobs. Perhaps let's say we subsidize some of their SAC rates and modify their building permit costs and with this benefit to the City to encourage their decision to locate and they would have to pay \$100,000 less. That puts us on equal footing with other Cities. Assume that the 500 jobs pay \$25 an hour and they're a reputable company, they're going to add 'X' amount of dollars to our economy, things we can validate to justify those reduction of fees. Your point is well taken, though. We have to be very careful. Even with the thing like subsidies for SAC fees, I can see that people who have already paid their SAC fees are going to say, 'Well, where's my subsidy?' Well, the difference is the people that paid their initial Met Council fees paid \$2,600. So, we wouldn't be too far off in that respect. But, we have to set certain standards to consider these. You may not use them all. You may not want to use them all. But, I think there has to be certain criteria that somebody who comes in has to meet before we could even consider this.

Ronning stated I think I heard you say about tax abatement is you postpone the taxes until the facility or whatever is paid. That's about the time they're ready to move. Davis stated and here again, that's why you have to be very, very careful with a lot of these situations. Especially with industrial recruitment because a lot of them will relocate sooner than commercial businesses. Their goals may be to stay in some place for eight or ten years and they get to a certain place in their wage market and then they start looking somewhere else or some other entity may offer them a better deal.

Voss stated I know the west side of 169 in Elk River, all that development happened in the last 20 years. Menards and everything up and down that line. That was, I'm not sure if it was completely, but I was told a lot of it was tax abatement through the city. And, that's what the residents concerns then were. I think it was a seven-year abatement. That area's done nothing but thrive, 20 years later. But it wasn't industry either.

Davis stated with the tax abatement though, they still pay taxes but they just pay taxes on the rate prior to development. Voss stated right, not the new development. Davis agreed, not the new development. And then that increment is used to pay it off costs of improvement.

Davis stated none of this is non-controversial. And, if you're already here, I can see the argument for, 'They got help but I didn't get help.' So, that's why we would have to have some basis for making a judgment on some of these requests.

Voss stated it's like when they change our vacation policy the year after I finally acquired three weeks. I could have gotten three weeks five years ago. Guess what, I didn't get my five weeks vacation I wanted. The rules change and, you know, there's going to be a time, I think, in the best of all worlds you wouldn't have to do any of these things. Businesses would just come in. So, there may be a time when we don't need to do these for folks. It's a tool.

#### 4.0

#### Discussion of Incentives of the City's Business Recruitment Strategies and Retention Efforts

Davis stated I included a sample of a business assistance policy. I'm not advocating that we develop one of those now. I think if we do anything, it should be something much simpler. We'd look at these on a case-by-case basis because things change, needs change. If somebody comes in and says, 'I'm going to bring three jobs in and I need half a million dollars for you to build a road to my property.' Well, I think we're not going to look at that in the same terms as a prospect that comes in and says, 'I'm going to bring 300 jobs in.' Or, 'We're going to locate a Fleet Farm, or a Lowes, or a Menards in and need a half a million dollar road.' Those would be instances that would trigger the consideration for incentives.

Voss stated I think the discussion at the EDA was just for the City to be able to show we have these tools and we're willing to consider them. I don't think at this point in time we have to go through all the ins and outs of what works and doesn't work because we'll be able to do that when that time comes.

Mundle stated we weren't really sure of what would be applied where for what industries. So, to set up standards it might have been a little bit difficult. It was more of, kind of harder to be proactive on it, might have to be a little more reactionary.

Ronning stated like he said, if you bring in the jobs, a bigger 'anchor' than if somebody just brings a bunch of roofers and nail bangers.

Mundle agreed and stated ultimately we want to show that we are absolutely business friendly and we have these tools that can be applied so come talk with us.

Voss stated for Colleen or whoever else is talking to these developers, is to be able to say that EDA and Council, on consensus, is willing to use some of these tools should they be needed. As opposed to the message of not being ready or having these or even having discussed them.

Ronning stated and still be mindful without being discouraging that if somebody brings a Starbucks that's jobs but it doesn't count. Voss stated yes, and it's what Jack's talking about with having the 'but for' test and what kind of impact they're really going to have.

Davis stated that's a crucial test and a lot of these things would happen even if we don't participate. The 'but for' test, I think, if we want to keep things as simple as possible, you apply that one and you say, 'If not, but for, our assistance would they be here? Or, would they not be here?' Like you say, with a Starbucks, they're going to come when there's a market. It doesn't matter what we do. They're still not going to come until their numbers are reached.

Davis stated I just wanted to bring these things up and briefly go over some of them and see if anybody has any issues with anything. At this point, I think we need to just keep in mind that these are things we have and can possibly bring up. Hopefully we don't need to but they're there and maybe they'll be brought back to you again at some point in the near future.

Voss asked what, as a staff, you're looking at creating a document? Davis stated no, the only thing that I'd like to work on as the staff, and maybe have it discussed first at the EDA, is just here are some basic requirements that we'd like to see if we're going to consider this. I really don't want to get too specific on that because sometimes that locks you in and reduces our flexibility to react to a situation. You need a certain degree of flexibility on some of these issues. The only thing that a document or policy does is provides you some consistency in the administration of the standards. Case-by-case basis, sometimes depending on who the evaluators are, and they can change, but I think we need to start looking at something that's going to basically be outlined as some criteria. I'd just like to start working on this at the staff

4.0  
Discussion of  
Incentives of  
the City's  
Business  
Recruitment  
Strategies and  
Retention  
Efforts

level at this point and come back at a later date and discuss it and get input and feedback on it.

Ronning stated for my own purpose, abatement and subsidies are scary things. I don't know if anybody else shares that sort of an opinion. The other ones, they seem like they're workable. Davis stated that it all depends on what you're going after and who you're dealing with.

Voss asked any other feedback for Jack? Ronning asked could you repeat what we've discussed? Davis stated we'll continue to work on this and try to get a few things more refined and see if we can come up with some kind of policy that says 'keep it simple,' but 'keep it effective'. But, I think that should be the goal. We don't want any complicated formulas. At this point we just need some basic goals to look for and have that out there to see what we want to do in case the situation arises that we have to consider it.

Voss asked isn't the program we had for Sauter's Park, that fit into business assistance. So, that was one tool we used and not saying we couldn't use it in the future either.

Ronning stated if some of this is 'testing the water,' I'd support these things. I'm interested. Voss stated when it comes down to it, whatever we say now, whatever applicant comes in for one of these things, that's how we're going to assess it. On a case-by-case basis.

Ronning stated but you want to know how much interest there is, it appears. Davis stated I just wanted to know if anyone had any real problems or issues with any of these things. Here again, like you say, we'd apply on a case-by-case basis whether it's 3 jobs, 500 jobs, \$20 million commercial investment versus a \$20,000. Voss added or sit around for 20 years or 2 months.

Ronning stated with the service thing, like the guy mentioned Starbucks, if this 'king' did come in with a market, that could bring 100 jobs in without too much. That would be another consideration so 'cross that bridge' when we get there.

Davis stated all right. Again, I just wanted to go over some of this stuff so we could at least get a little discussion in on it now and then we'll work towards seeing if we can come up with something that's a little more definitive. I want to do something that leaves a lot of flexibility in this whole issue.

**5.0  
Donation  
Policy**

Davis presented the staff report, indicating at the September 21, 2015, EDA Meeting, the East Bethel Royalty presented a request for a donation to renovate the Royalty float that was used in 20 parades in 2015. The donation would fund the replacement of the deck and frame, the update of the décor and the installation of a new sound system on the float. After discussion of the matter, Mayor Voss suggested that the group submit a letter describing their proposal to City staff for further review.

The Royalty submitted the letter and presented their request to the City Council on October 7, 2015. After discussion of the request, Council voted to direct the EDA to consider the request for a donation to the East Bethel Royalty and provide a recommendation to City Council.

There is an issue with this request. Without express authority by Charter or Statutory provision, cities have no authority to appropriate or give public funds as donations to any persons, corporation, or private institution. The City Attorney has opined that cities are deemed by law not to have the authority to make donations of taxpayer funds. The exception is that the City may make "Grants" to community-based events and organizations that it determines generate a broad based community benefit under the criteria outlined in the attached League of Minnesota Cities' memo.

5.0  
Donation  
Policy

While donations are not considered a lawful public expenditure, there could be differing ways to approach these types of requests. From a City perspective though, this is not the primary issue. There is more concern with the precedence and perception this would establish. Approval of these requests could be interpreted by other civic and non-profit groups that the City may be a funding source for their needs and projects.

The request was resubmitted to the EDA and after discussion, the matter was tabled. The EDA recommended that prior to seeking a donation from the City, the East Bethel Royalty should consider the following as a means to achieve their financial goals without City assistance:

- Focus efforts for donations on private business, civic and non-profit groups
- Conduct community service activities that are fund generators
- Develop a sponsorship program
- Consider registering with the Department of Alcohol and Gambling Enforcement to become eligible to receive charitable gambling proceeds
- Determine if a 501C3 designation, as opposed to the current legal status, is needed for donations to be IRS recognized as tax deductible.

As a result of this request and others the City has received, Council may desire to consider a Donations Policy that would outline requirements for consideration for funding by Council. Items to consider could include but not be limited to the following:

- Reasonable amount the donation sought
- Documented efforts to secure other donations
- Justification of the broad based community benefits that would be provided by the donation
- Term of the request (1 year, continuing)
- Other standards as needed

Davis stated as a result of this, Mayor Voss asked that we start looking into the way we approach receipt of our City gambling proceeds. The gambling proceeds can be used for a number of functions that aren't tax payer dollars. There's two methods the City can receive gambling proceeds from the permit holders. They can issue a gambling tax, which is 3% of the net profits. The 3% monies can only be used for funds to monitor, enforce City codes as it relates to lawful gambling. This is currently what we do now. It was established by Ordinance in 2006. And, last year we received about \$22,000. Of that \$22,000, this was dedicated to pay for part of the Sheriff's contract. Our justification for this is it's for their use for monitoring the sites that do lawful gambling.

Davis stated the other way that the City could receive the gambling proceeds is again through Ordinance and we would have to redact the 3% tax and pass an Ordinance where we would receive a 10% contribution from all the people that conduct charitable gambling. In the City we currently have Ham Lake Lions, Andover Huskies, Chops, and the East Bethel Community Center. The 10% is the limit by Statute. There's about 25 items; however, when you take a look at it, it's really broad based. There's a lot you can do with the money. If we did that, though, we would probably lose some of the other contributions we get from some of these other organizations and the 3% that we currently collect. We could probably generate a little bit more revenue if we went the 10% route and we would have more flexibility in how we decided to expend it.

Voss stated 10% is the max though. Davis agreed stating 10% is the max, correct. Voss stated it could be set lower. Davis agreed. Voss stated just for 'kicks' on this subject, if we went away from the 3% tax and went to a 3% contribution, the net effect on the gambling organizations should be nil but it would then give the City more flexibility on how those funds

5.0  
Donation  
Policy

can be utilized.

Ronning stated 3% of everything is pretty good compared to 3% of the net. Voss asked the 10%, is that of the gross or net? Davis answered net. Voss stated so it would still be on the net. Ronning stated okay. Voss stated under that scenario, if we went 3% contribution the net effect on the Lions and Andover Huskies is zero. But we would have more flexibility. Davis stated yes, we would have more flexibility in how we expended the funds.

Ronning asked what do we have now. Davis stated answered \$22,000. Ronning asked what's the means? How do we get it? Davis explained we get it monthly. Each of those organizations that conducts charitable gambling sends a report in monthly to us and sends a check in based on the proceeds that they took in for that month. To date, for 2015, we've taken in about \$16,000 through the end of September.

Ronning asked what's the percent regarding that. What's the multiplier? Voss asked the 3%? The \$22,000 is 3%. Davis stated if you divided .03 into \$22,000 you'd get what their total net is. Voss stated \$600,000 some. Ronning stated your discussions are kind of just changing the name of the 3%.

Voss stated the scenario is, obviously with the 10%, like Jack's saying, some of these organizations won't be happy. But, if we kept it at 3% and just changed the method but kept it at 3%, what I'm trying to understand is to make sure there's no effect on the gambling organization. Ronning stated yes, in whatever terminology to make the funds more usable. Voss stated right, and that's what Jack's saying.

Davis explained the State Statute says that the Minnesota Gambling Control Board, all organizations licensed and registered shall be required to contribute 10% of their net profits derived from lawful gambling. Voss noted it doesn't say 'up to' it says 10%. Davis stated that does but this isn't State Statute this is what's in Ham Lake's ordinance. Voss stated okay.

Davis stated 7-1280 is in the Ham Lake's ordinance. If we read down through here, it says that you can do up to 10%. In Ham Lake's ordinance they're charging 10% as a contribution. So, you've got the 10% contribution or the 3% tax.

Ronning asked 10% contribution and 3%? Davis stated no, you can't do them both. We looked at that too but we got a report from the Gambling Control Board today that says it's either or. Ronning stated yeah, it's kind of double dipping. Davis stated we have to do one or the other.

Voss stated State Statute does say 10%. It doesn't say 'up to.' So, that's just a question I asked is whether we're bound by the 10%. Let's set that aside because the broader questions is, does the City get involved with making donations. Whether it's gambling proceeds or not, they're still tax dollars and that's where it gets a little 'dicey.' The reason I asked Jack about how we spend charitable donations to the City is that's not money that's directly derived from taxpayers. It's people throwing their money away, that's their own choice. It's not direct taxpayer so for me, I would feel better if we had discretionary spending of that rather than something off the tax levy. Whatever we thought was a worthy function or not.

Ronning stated it just popped into my head, if you're thinking legitimate expense, some requests, these young ladies were in for their request. What would stop anybody from coming in and saying we're having a fundraiser for so-and-so who's on their deathbed. How do you say 'no' to that? Mundle stated there would actually have to be guidelines. Voss stated yeah, guidelines and I can see having, because it's kind of how we do it at the office, we have a certain allotment per year. People put in requests and there's a committee that reviews the

5.0  
Donation  
Policy

requests and that's how we divvy out the money and they decide. Something like that could happen here too.

Davis stated there are a couple organizations that we do provide money to. The Alexander House; however, that's looked at as a fee for service because we do get something in return for that. They do issue a report every year to us that shows how many East Bethel residents they served. This group that came in before us back in September, Stepping Stone, that represented the homeless shelter, if we look at that, that's another one that would probably be considered a fee for service.

Voss stated to use those two programs, Alexander House is one we have been funding for quite a while. If we switched our mechanism of funding those, to be shifted from the charitable gambling proceeds, to me that in itself is setting a 'bar' of here is a donation we're making to an entity that we can measure and get some metrics back on how it benefits the City. Rather than you're, the bar contributions you see all the time, those kind of fundraisers are more individuals. That's where I see the risk, the individuals coming forward and our having to say 'no' so someone like that. It's tough.

Davis stated we give the Lion's Club \$12,000 a year but in return, they run the Recycle Center for us. Those are things that we definitely get a service from that we can measure results and show broad-based community benefits.

Koller asked with the Royalty, who owns the float? Davis stated the Royalty owns the float. Voss stated yes, they're registered, right? Davis stated Doug was going to provide me with their legal status and they're not a 501c3 but he said they are registered with the State. But he wasn't sure exactly how that registration was. They do have some legal status but it's not a 501c3. One of the things about a 501c3 is when you go out to do fundraising or things like that, if you make a donation to them, generally all those are tax exempt and they meet the IRS test. If you have some type of other legal status, you may make a donation to them but your donations may not be recognized as tax exempt.

Ronning stated oddly enough, that 501c3, the NFL fit that until earlier that year. They've been non-profit for decades. Voss stated they don't make any profit, do they. Ronning stated well, they're not in it for the money. Voss stated they get public funding for stadiums. Ronning stated and they're not in it for the money, it's for the good will. Voss stated for the sport of it. Ronning stated the good will of stealing stadiums.

Ronning asked where we are with this. Davis stated I'm just wondering if we need to come up with some type of policy that relates to donations. This won't be the last one that we receive and here again, it's good to have some guidelines that say, 'Here's what we consider before we make a donation.' Or, 'All of our donation funds are going to come out of our charitable gambling proceeds or money we receive from other donations. They won't come from tax dollars.'

Voss stated right, the City gets donations throughout the year. Davis stated generally when we get a donation, it's earmarked. But, you know, there may be times where somebody is going to say, 'I'm going to give the City 'X' amount of dollars.' If we did that, we could put that into a fund that could be utilized for that.

Mundle stated I think the first step then would be to see if it's 10% or up to 10%. See if that can be changed because that would be the first, to see if we can actually use those funds. Then if we want to change that, then we would have to come up with guidelines for it. Possibly the donation amounts, how much per organization, and possibly an advisory group for donations,

5.0  
Donation  
Policy

whether we'd want to create something new or if one of our existing committees, if it would fit into one of their roles to administer that.

Davis stated different cities look at it differently. I spoke with the City of Cambridge and they said generally they don't make donations but if they do consider anything, it had to be related to marketing, tourism, or economic development. To me, the first two are part of the last one.

Voss stated the Royalty is marketing. Davis stated it is and my only question there, and I hope anybody listening to this does not get me wrong because I think they're a great organization and they do a great job for the City; they only market to other cities. I don't think they market to the audience we're trying to achieve. And, there is value in that though. You can make a case for it. Voss stated it is soft marketing, that's what it is. It's just getting your name out on something. You're not going after anyone specific. It's just getting your name out there.

Ronning asked would what you're looking for be defined as criteria and number one, would it have to be something that can be shown to benefit the City and population with those three things you mentioned? But, not limited to? Davis stated by State law, and I've talked with Mark on a couple things on this, he said you know, there's ways you can do it if you can show that it does generate 'broad-based community benefit.' Like you say, the criteria. If we give \$5,000 to this organization, really what are we going to get in return and how does it benefit the City.

Voss stated it's like years ago. We made a donation to the Boy Scouts for creating the sign in the south part of the City. So, there's obviously a direct benefit of it so the City made the donation, which was basically the material costs.

Ronning stated the beginning qualifier of the criteria, before it would be that the requesting party has to justify it. We don't have to come up with a reason for it.

Voss asked the Council, on that 10% thing, if by law should be stuck with taking a 10% contribution from the gambling organizations, do we have any interest in doing that? Koller stated I, myself, would be against it. Mundle asked would that be then taking, say if we take in, instead of \$22,000 we'd be taking in \$70,000? Davis stated yes, roughly \$70,000. Mundle stated around that number.

Davis stated probably we'd have to deduct what other contributions they're making to us now. They'd probably stop that. But, I haven't checked. I don't think the Ham Lake Lions have donated anything specifically to the City of East Bethel. It says in our Ordinance that these funds have to be spent within our market area. Our market area is the City of East Bethel and every city that we border so that includes Andover, Ham Lake, and Oak Grove.

Voss stated I find that surprising. Andover Huskies has a gambling license here. Davis stated they're in our market area. Voss stated they don't touch East Bethel. Davis stated yes, on the very southwest corner. Oak Grove and East Bethel, it's our version of Four Corners. Ronning stated if I knew that, we'd have something else to claim instead of putting a sign on 35.

Voss stated so basically, what it will do to these gambling organizations, it will dilute what they expend in the target area. Davis stated it would dilute some of that. Now, we can get what some of the expenditures were. Chops is the one that primarily gives us a donation annually for the Movie in the Park and the Kiddie Parade. They give us about \$1,000 each year.

Ronning asked what is Chops? Davis stated it's the drum corp. Koller stated they were behind us in the parade. Davis stated out of St. Paul. Ronning stated oh yes, the brass band. They're

5.0  
Donation  
Policy

Chops?

Davis stated Ham Lake Lion's, to my knowledge, they have not contributed anything directly to the City. Now, they do spend their proceeds within our market area. The Andover Huskies, I think on occasion we've asked them for a donation. It wasn't much and I think they did come forward with it. But I don't think they do that on a voluntary basis. They do spend their funds in our market area.

Voss asked who's in Route 65? Davis stated Andover Youth Hockey. Voss stated Blaine Hockey used to be in there years ago. Davis stated Blaine's not one of our permittees now. The other one is the Coon Lake Beach Community Center. Essentially, they use most of their funds to support their activities. Voss stated that's the one I'd hate to take it from, the 10%.

Voss stated it seems like we're all in general agreement of wanting the ability to make some of these donations. Mundle stated yes but not at the huge cost. I just think it would be nice if we could do some donations here and there. Like for instance to the Royalty but if it's going to stir up everything just for the ability to make some donations, I'd rather just leave it as is. Ronning stated it's a real 'Pandora's Box.'

Voss stated I think EDA as a whole is more supportive of doing something like this from a business development standpoint. Maybe, perhaps, that's where it should be. Maybe they should administer it then. So, I think if we have the litmus test of showing what it does for the community. It's not always going to be tangible. That's kind of the tough thing. I think that would stay away from the general fundraising-type activities. But, never say never.

Koller stated it is marketing for the City. Ronning stated I'm on your 'horse' that 10% would be, if we've been doing 3% for how many years or decades. Davis stated since 2006. We changed in 2006 and went to the 3%. Koller stated I really wouldn't want to make a jump up to 10%. Ronning stated 4% or 5% is something different but 10% is a lot.

Davis stated we'll check the State Statutes and see if there's any latitude and if you can do less than 10%. Mundle stated that works for me.

Voss stated I'm just trying to think back to 2006. I know there was something that happened and that's why we changed the Ordinance. Because, we spent a lot of time on the Gambling Ordinance back in 2006. I think organizations were under reporting to us and there was all kinds of things.

Davis stated that was about the time, too, when there were a lot of issues with some of these people that were doing the charitable gambling. They had a lot of issues with reporting. There were several of them that were getting in trouble and some of the other youth sports organizations. This may have been a way to separate ourselves from that. This letter here says, 'The revised Ordinance simplifies the computations of amounts owed to the City. All organizations will pay a 3% gambling tax on receipts, less prizes paid out for each site.' So, it doesn't mention the fact that there were some issues back about that time with those but I'd say this may be one of the things that precipitated that.

Voss stated here's my suggestion on the 10% thing. Ask the question and see if we can do less than 10%. If we can't, in the meantime before we discuss this again, can someone have a discussion with one or two of these organizations and just ask them how they would feel about it? Davis stated we'll contact all of them. I think we should contact all of them before we do anything.

5.0  
Donation  
Policy

Voss stated first find out whether we can go lower than 10%. If we're stuck with 10% I wouldn't contact them. They work in other communities and maybe other communities do the 10%. Either way, the organization has to spend the money in the area. I think we can smooth over the lines on that too. Davis stated Ham Lake does the 10%. Oak Grove does 10% but they said their amount that they receive is minimal.

Voss stated I thought Ham Lake did the 3%. Davis stated no, they do 10%. Voss asked do they dedicate it all to the Sheriff's contract then? Davis stated they dedicate a portion to the Sheriff's contract and then they allocate the rest depending on what the requests are and how they comply with the guidelines.

Voss stated they have SRO. Davis stated they're also going to be on a TV show pretty soon. Ronning stated when that place first opened they were gangbusters for the first five years. Voss stated just ask the Sheriff's Department, they were there a lot of the time.

Voss asked anything else on this? Davis stated I'll check on those things and report back and then we can see if we want to continue this discussion.

6.0  
Video  
Indexing of  
City Council  
Meetings  
DVDs

Davis stated he wanted to give a presentation of something that's a nice feature to have. Several of our cities have something called Video Indexing of their council meetings whereby their agendas are displayed side-by-side with the replay screen. And instead of scrolling to whatever you want to try to find, you can actually click on the agenda item and it will take you directly to that. If you're like me, trying to scroll to find some of these things can be a little time consuming but more than that, it's frustrating because trying to get it right where it starts you usually end up watching the last minute of whatever was presented last.

Davis stated we've looked at three different services. The City of Roseville uses CTV, which is backed by Roseville that is their IT provider, which is really the one that's the least expensive and we have more support on. There's one called Leightronix and another called Granicus. Fridley uses Leightronix and Oak Grove uses Granicus. This one for Roseville, just take for an example, if you want to watch the replay of the last of October City Council meeting. *Davis provide a demonstration of how to use Roseville's video indexing.*

Voss stated you've got to go to the video screen, right there, click on that volume. There you go. Well, we don't need volume. Davis stated okay, so you'll have agendas of meetings on one side of the page, here's the video display of the meeting. If you want to go to a specific item on the agenda on this one, you'll scroll down to Public Hearings and that will take you directly to where that starts. Anyway, this is just a brief example of what you can do with this. I don't know how many of you actually go back and look at the video for some stuff. I use it quite frequently. I don't know how many of our residents do, so this is a fairly nice feature.

Davis stated the cost on this is about \$150 a month. There's a \$30 piece of software and then it's about \$150 a month for the storage capacity and for them to host this. Voss asked who creates the indexing? Davis stated we would create the indexing and Jackie said it would take about 20 minutes to do it for each meeting.

Voss asked can you show the Fridley one? What I didn't like about this one was with the index, you had to get off the video to get to the index. The Fridley one was on the same page. I think it was Fridley. Either one, show them both. I think the Oak Grove one was on the same page. *Davis provided a demonstration of how to use Fridley's indexing program.*

Davis stated let's just say you want to go to the Open Forum, you just click on that. Voss stated it's basically links. Davis asked do you want to check out the Oak Grove one? Voss answered

6.0  
Video  
Indexing of  
City Council  
Meetings  
DVDs

in the affirmative.

Voss stated I like that one. Harrington stated having everything on one page like that, it's kind of nice. Voss stated Oak Grove's that way too but the graphics aren't as good. Harrington stated with Fridley you had to go back. I kind of like everything on one. And, you said \$150 a month? Davis stated yes.

Ronning asked what's the cost for if Jackie can do it in 20 minutes? Davis explained she has to index it and then we send it in. That just formats the agenda to the video. Actually, they just host and provide it so it's for the storage. Ronning asked does the place that does the minutes do this sort of thing? Davis stated they probably do but I'd say we could probably do it a whole lot cheaper than they can.

Mundle asked do they actually host the videos? Davis answered in the affirmative. Mundle asked right now with our website, we can only have so much video on there, can't we? Davis stated one of the things that we're looking at we might be able to do. What we're hoping we can do is remove some of the storage that we're paying for on there that we use to store this stuff. If we could, we could save maybe \$100 a month or something.

Mundle stated it wouldn't be huge but would off set. He asked would the storage capacity of another site hosting all of these be greater than our current cost of hosting? Could we offer more videos on our website versus what Civic Plus has? Davis stated it's possible. CTV is the Roseville site, which they have huge storage capacities. I'm sure that all of these probably do too. *Davis provided a demonstration of how to use Oak Grove's indexing program.*

Davis stated this is the most expensive one. Voss asked Oak Grove is doing something that's the most expensive? Davis stated yes at least based on the cost we received. Davis stated the one for Oak Grove, there's a one-time purchase cost for an encoder of \$2,500 to \$4,900 and monthly costs range from \$300 to \$600. The one you saw for Fridley is \$199 a month.

Voss stated so \$200 a month. This one has the actual documents. I was wrong. I thought that was keyed in but it's not. Davis stated you can scroll down. Voss stated you can scroll inside there. The bar on the ends, to the right. You can scroll that. Mundle asked that's just the agenda? Voss stated that's just the agenda. Mundle stated that's the same thing as opening it up two windows. Voss stated yes. I like the Fridley one because you can jump to the, the key's right there on the page.

Davis stated the only reason that I like the CTV one is because it keeps everything integrated with the same support system we have. I'd like to check with them to see if it's possible to modify that page to reflect more of what the Fridley one represented. I'm just checking to see if there's any interest in pursuing this. I think it's a useful feature.

Davis stated one other thing. We now have the equipment capabilities to live stream our City Council meetings. The cost on that is about \$150 a month. Voss stated I thought we had been live streaming. Davis stated only on Channel 10. Voss stated oh, we don't need to live stream it. People can download it at any time. If they want to see it live, we have 48 seats out there.

Koller asked do we have any idea how many people actually watch our videos? Davis stated we could go back and see how many hits we get on this. Actually, there's a counter on these. It depends on the meeting. Voss stated there's over 100. Davis stated there were some meetings back in 2014 that had, I think one of them had upwards of 1,500 hits. Voss stated yes, there were a couple big meetings.

6.0  
Video  
Indexing of  
City Council  
Meetings  
DVDs

Davis stated if you go on our website to the videos, there's a counter that shows how many hits we had for the Planning Commission and for the City Council. Voss stated I'm surprised there's that many. I really am. Davis stated generally it will average 100-200 a meeting. Voss stated that's a lot. Koller agreed stating it is. Ronning stated that's good. Mundle stated considering our meetings are boring.

Harrington stated I agree with Steve. I like that Fridley one. Voss stated and it had nice video. Harrington stated you don't need all this like Oak Grove's got. You don't need all that on there. Koller asked can you put that Fridley one back up? *Davis again provided a demonstration of Fridley's indexing program.*

Mundle stated I was also noticing on the bottom of the, can you see the dots along there? Do those go right to...? Voss stated click on one of those dots Jack. I bet it goes right to the agenda item. Ronning stated oh, sure. Mundle stated so it shows you how much time was spent. Voss stated that's kind of neat. Ronning stated click a different topic and see if it goes to the next dot. Yep. Davis stated they just have their things categorized, difference in how they've indexed them. If you're looking for stuff on the replay, this is really handy to have.

Koller stated I like this one. Harrington stated yeah. Mundle stated it's not complicated. Voss stated yes, and the screen's bigger than what we have right now on line.

Mundle stated I would be interested in doing this, especially if we can offset the cost from taking some storage space off Civic Plus and applying that savings towards this. Davis stated we can certainly come back and give you an update on that and see what we can do with Civic Plus. We approached Civic Plus and they're looking into seeing what we can do about modifying that and if we don't require as much storage space.

Ronning stated the numbers tell you almost whatever story you want to come up with. If this was allocated to the population, it would be approximately 1.3 cents per person a month.

Voss stated I think it makes sense to do it because if the residents want to see a certain item, they don't have to page through. Of those 100, some people that use it every month. I'm sure they'll like it. Harrington stated I agree. Ronning stated and it would probably grow.

Davis stated we're currently paying Civic Plus \$1,000 for video storage a year. Voss stated and this is \$2,400 a year. Davis stated yes, this would be about \$2,400. Mundle stated if we could apply the \$1,000 towards that and if this service will host a larger space, more video.

Voss asked is that just meeting video and nothing else? Davis stated it's 3 per month on CTV. Voss asked do we have any other links on the website to have video. Davis stated we have the Planning Commission and could consider possibly doing them for select meetings. Voss stated whatever meetings we do should have this. On our website, for what we pay for the video storage, does that also include non-meeting things like informational videos that we have on there? Davis stated no, we don't have any. Let me take that back and double check these videos we have for meetings indexing.

Voss stated I like Brian's idea if we can offset the cost. Mundle stated yeah, and if it offers more of a storage capacity for more. Voss stated and a better quality video.

Ronning asked what's the point in time? What's the past and from there forward? Or would there be any historical? Voss asked are you talking about archive meetings on this? Ronning stated yeah. Voss stated I don't think we want to go back and have Jackie index everything. Davis stated no.

6.0  
Video  
Indexing of  
City Council  
Meetings  
DVDs

Voss stated we'd still have them available somehow. Davis stated they'd still be available but if we chose to go this route, whenever we started the service, that's when it would begin. I don't think we'd try to go back. Voss stated that would be a question I'd ask. Can we archive our old ones with whatever new service it is? Ronning stated if that's an option. Voss stated because we definitely want those available.

**Backup  
Generator  
Update**

Harrington stated I talked with Jack earlier. Jack, the generator, is the City going to do anything with the generator? At one time, we were going to get one. Davis stated Nate's been working on those processes and had some difficulties with a couple of contractors quoting. We are scheduled now to hopefully have something on the November 18<sup>th</sup> meeting. Harrington stated I think there should be a generator here. Everything's at the City anyhow.

Voss stated I thought we decided that a long time ago. Harrington stated they were but then they got a used one that they couldn't hook up or there was a power issue or something.

Davis explained we got the used one from the DNR but it was an older surplus model that was going to be very difficult to adapt. It didn't have an automatic starter on it and the cost to retrofit it was going to be more expensive, probably than maybe getting a new one. It was a diesel. What's been recommended to us was that we get a gas-powered generator with a propane backup. So if the gas goes out, there's a special orifice that can automatically convert to propane. Then you don't have to worry about fuel going bad or having to start the thing every so often to make sure the fuel doesn't go bad, run it an hour a week. They say it's more dependable and a lot better and you don't have that fuel issue.

**7.0  
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 8:26 p.m.

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

## EAST BETHEL CITY COUNCIL MEETING

NOVEMBER 4, 2015

The East Bethel City Council met on November 4, 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  
Colleen Winter, Community Development Director

**1.0 Call to Order** The November 4, 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 adopt tonight's agenda. Mundle stated I'll second.** Voss stated any discussion? All in favor say aye?" **All in favor.** Voss stated any opposed? That motion passes. **Motion passes unanimously.**

**4.0 Public Hearing** Davis presented the staff report, indicating East Bethel Code of Ordinances, Chapter 74, Section 74-126 (b) provides for the collection of delinquent accounts through the property tax system. This Ordinance provides the opportunity for property owners that are delinquent in payments to the City for utility services to come before the City Council to state their objections. This Public Hearing meets the requirements of this Ordinance.

**4.0A Delinquent Utility Certification Resolution 2015-58** This Public Hearing must be conducted before the final certification of delinquent amounts is forwarded to the County for collection with property taxes.

At the October 7, 2015 meeting, Council set November 4, 2015, as the Public Hearing date for individuals wishing to object to the delinquent charges being collected through the property tax system. All affected property owners have been notified via U.S. mail of the opportunity to appear before the City Council this evening.

The final list of properties with delinquent charges must be provided to the County Auditor no later than November 30, 2015.

Staff recommends that the public hearing be conducted at tonight's meeting to provide an opportunity for citizens to be heard on their delinquent amounts. At the conclusion of the Public Hearing, staff recommends Council consider approval of Resolution 2015-58, Final Certification of Delinquent Charges for Collection with 2016 Property Taxes.

Mayor Voss stated with that we'll open the Public Hearing with regard to the delinquent utility charges. If there's anyone here tonight wishing to speak before Council on this matter, please come forward.

No one offered comment.

4.0A  
Delinquent  
Utility  
Certification  
Resolution  
2015-58

Voss stated seeing none, we'll close the Public Hearing. We have a Resolution that's suggested.

**Ronning stated move to adopt Resolution 2015-58, addressing delinquent utility certification. Harrington stated I'll second.** Voss stated any discussion? Hearing none, all in favor of the motion say aye?" **All in favor.** Voss stated any opposed? That motion passes. **Motion passes unanimously.**

4.0B  
Admin.  
Appeal  
19715 Tri  
Oak Circle

Davis presented the staff report, indicating Ms. Jerolyn Williams is requesting an appeal of a City Staff decision to not allow a miniature horse on her property at 19715 Tri Oak Circle. This decision was based on requirements of City Code, Chapter 10, Article IV, Section 10-116, no animal regulated by this article can be kept on a parcel of land located within a platted subdivision or on any parcel of land of less than three acres provided, however, that if all the lots within a platted subdivision are larger than four acres, then interim use permits for horses may be issued for these lots. The four-acre exception does not apply in this situation.

19715 Tri Oak Circle is a platted lot of 2 acres in size and is located in the Viking Knoll Subdivision. The other platted lot in this subdivision is 2.28 acres.

There are no distinctions between horse breeds or size included in the City Code, Section 10-115, an also provides definition for animals, parcels and platted subdivisions.

Chapter 2, Article X of the East Bethel City Code, provides a process for appeal of an administrative decision. The process is outlined in this Section.

Staff recommends that the Administrative Appeal under this Section be conducted by City Council, as requested by Ms. Williams, and upon conclusion of the Hearing direction be provided to Staff in this matter.

Voss asked is Ms. Williams here tonight? I think so. Why don't you come forward? And, if you could state your name and address for the record. And, state your concerns. I think we know basics.

Jerolyn Williams, 19715 Tri Oak Circle NE, stated my daughter (Brooklyn Williams) actually typed up, this was her kind of project here. But, how big they are, they're like the size of a dog. They don't really require much more than a half acre. Do you want to come up? Oh, a fourth of an acre, I'm sorry. So, she just was hoping that there might be a possibility since they're actually smaller than most dogs, you know. Some of the bigger dogs anyway.

Voss stated if I understand, the write up that staff provided, there's no distinction. You mentioned there's no distinction between sizes of horses, types of horses. I see reference in there with donkeys and burros. I assume this is still smaller than a donkey or burro.

Williams stated she actually took some pictures and they're on the back here. I don't know if you want to look at them. Voss stated well, obviously, it's not a full size horse. Right? Williams stated no. Do you want to look at it? Voss stated sure, you can pass it around so we all can see it. *(Williams provided the pictures for the Council's review.)*

4.0B  
Admin.  
Appeal  
19715 Tri  
Oak Circle

Voss stated in your preparation tonight, by chance did you look at if other communities have gone through this issue at all? Williams stated no, gone through the issue meaning? Voss stated of what you're going through right now with a miniature horse. Wow, it is miniature, isn't it? That's cute. The question I have, again this is something that wasn't anticipated when the Animal Ordinance was drawn up because we've never had this issue as far as I know. So the question I have is, we always look to see if other communities, how they handle the issue. Williams stated I'm not aware of any. We see them around but mostly full sized are around us for the most part.

Voss asked Jack, Colleen, do we know of any precedence on it? Davis stated Oak Grove's ordinance is almost identical to ours. They don't make any distinction between breeds or sizes. That's the only one that I'm aware of. Voss stated okay that's interesting. I'm sure staff's explained to you because of that, that's why you're not allowed to have it. Because it doesn't say whether it's six feet tall or two feet tall. It's a horse by our definitions. It's still a horse. Does staff have any recommendations or does anyone else have any ideas?

Harrington stated my thought is we did some changing on the Chicken Ordinance. This horse isn't very big so I don't know why something couldn't be done to accommodate this family. Voss stated and we went through an Ordinance change to do that. Harrington stated right, so you'd have to do the same thing here. Voss stated and that's what would have to happen. We'd have to change our ordinances.

Voss asked Colleen, could you come to the microphone? I'm sure you're the one with the most contact in this. So, we don't know of any other communities that have ordinances? Winter stated no, I was actually trying to look that up right now. I'm not aware of any communities near us that have ordinances that make the distinction between equine at all.

Voss stated I've never seen this before but how common are these miniature horses? Winter asked how common? Voss stated yeah, how many people have them. Do you know others that have them? Williams stated um, there's, well, do you know of any around? Brooklyn Williams stated there's some around Scandia. I've seen them there. Williams stated I know there's one in Isanti. Brooklyn Williams stated we've heard that there's some up there. Williams stated there's a mini-horse farm. Brooklyn Williams I've seen the big full sized ones around. Voss stated we have a lot of that. Brooklyn William stated but not miniatures, probably because they're so rare and people who buy them, they're considered a 'specialty.' *(off mic, inaudible)*

Ronning asked is the animal in these pictures full grown? Williams answered yeah. Ronning asked what age is it, please. Brooklyn William stated those ones are five years. Voss stated so they're adult. Williams stated yeah. Davis asked is there a name to the breed of these animals? Voss asked are they just called miniature horses? Williams stated miniature horses, yeah.

Voss stated the suggestion I'd throw out is, I mean this would have to go to Planning & Zoning, and that's why I was asking about if you know of other communities, is where you know there's these horses. And, not to get anyone else in trouble in case they're not following the rules, but contact those communities and see how they handle the issue. Bring that to staff and staff can bring it to Planning and they'll have a discussion on it and they'll make a recommendation to the Council. That's how ordinances get changed. We can't make a variance because of it.

4.0B  
Admin.  
Appeal  
19715 Tri  
Oak Circle

Davis stated actually, it wouldn't have to go to Planning & Zoning because this is an ordinance relating and regulating farm animals and large animals. It doesn't have anything to do with zoning or subdivision issues. So, they wouldn't even have to come to the Planning Commission. Voss stated okay.

Davis stated if we were going to consider amending our existing ordinance, it would help to have examples of what other communities have done and actually how they treated and defined this type of animal so that we could make that distinction very clear.

Voss stated that's where I was going. If you can find other communities that allow these horses, they'd likely have ordinances about that. If you can do that research and provide that to the staff, so we can see how other communities handle it, so we're not writing a new 'book' here. We're seeing how others are doing things, which helps that process of changing the ordinance. Then when we consider changing the ordinance we have to think about all the other unintentional consequences that happen. That's the tough thing to do when you make ordinances. And, this wouldn't be the first time this ordinance has been modified over the years.

Davis stated I think as Mayor Voss stated, the issue here was when this ordinance was adopted, 'a horse, is a horse, is a horse, of course' and there was no distinction made between breeds or sizes. I think it was just commonly assumed that they would all be standard horses that are animals that you ride. If you know, even if you just know of places that permit these, if you could let us know, then we could look those up.

Williams stated I know in Isanti. Davis asked is that the county or the city? Williams stated it's in the city. They have miniature horses there.

Voss stated is there an association, club, or anything that's... Koller stated right here it says there's a Minnesota Miniature Horse Club. Voss stated where I'm going with that is if you contact them and let them know that in the community you live, you want to have a miniature horse but our ordinances don't allow it, and we're willing to consider it, ask them if they know of other communities that have these things to help make a change. That's how we get things done. In working with staff, between the two of you, you can probably find that. The reason we do that, because like I said, although right now to me it sounds like a very reasonable request, there may be some other crazy thing I don't know about these animals that maybe is not such a good idea. Are they loud? Are they yelling goats? Things like that. That's what we have to consider when making changes. Williams stated okay.

Mundle stated another thing to consider is if we amend it to allow this, somebody else will come in and say, 'Well I have this other animal that isn't allowed but it's really similar to this, which you already allowed.' How far is it going to go to change the rules?

Voss stated usually, like with our Animal Ordinance we have now, we have definitions on how much grazing area is needed per animal, how many animals we allow per acre, do they have to be sheltered, things like that we have to consider. Williams stated yeah, just like a dog. Voss stated I think it's safe to say that none of us really know how to take care of a horse. But that's why we rely on what's been done in the past and not try to create something new. It will be a smoother and shorter process for you to get the ordinance changed.

4.0B  
Admin.  
Appeal  
19715 Tri  
Oak Circle

Ronning stated I'm just thinking about this thing. When they wrote the ordinances, I wasn't there, I don't know, but I would think, it's not unlikely they had no consideration or thought of miniature horses. Voss stated I'm certain. Ronning stated it's like Chihuahuas or something. I'm looking at something here that's apparently in Blaine, gray quarter horse. But the advice he's (*meaning Mayor Voss*) given is good. Check with the, what's the name of the... Koller answered Minnesota Miniature Horse Club.

Ronning asked are you familiar with that? Williams stated no. Voss stated well, you can find it. Just Google it. I'm sure they're supportive of the hobby, right? So I'm sure they will be more than welcome to help you. It's not like you're fighting the City over it. You're helping to make a change.

Williams stated so you're saying you'd have to actually change the ordinance to be able to do it. There's no, like where you can just get a letter from the neighbors if they would be okay with it? Voss stated no. The process is called getting a variance and there's actually State-mandated rules on getting variances and it's basically based on hardship. I don't think in any respect this could be a variance at all. Vierling stated I fail to see where it could be and you're right, to do what you want to do you really need to amend the ordinance.

Voss stated it's not necessarily a huge deal. It will take some time. It's not going to happen by the next meeting. And the more that you can be resourceful providing City staff with the information, the quicker that process goes. I think I'm making it sound like it's a huge deal but I really don't think it's going to be once you get into it.

Brooklyn Williams, 19715 Tri Oak Circle NE, asked if we did, what would we need from the other cities? What would they need to tell us about? Voss stated if they have an existing ordinance that allows the miniature horses, ask to receive a copy of it. Or, you can let City staff know which cities have that and we can contact them and get those ordinances also.

Davis stated we would be willing to do that if you can just let us know which cities have regulations that specifically enumerate and permit this type of animal. Then we'll do the follow up work to see what they've got as far as regulations. That way we can recommend an amendment to the ordinance.

Voss stated the other recommendation I have too is for you to review those ordinances and maybe their ordinances are perfect, maybe there's something that's different that you want to suggest to staff and the Council to make it better. Williams asked is there possibility that you would know? Voss stated I don't think off hand. We would have to do research and I suggested you doing the research. It's just a suggestion to make the process go a little faster.

Ronning asked you're familiar with the organization? Brooklyn Williams responded yeah. Ronning stated they probably have some literature on line. You could download that and look through boarding recommendations, referrals, and any number of things like that, that would steer you towards places that don't discourage this.

Voss stated I'd be very surprised if they wouldn't whole-heartedly support you and help you do this. I'd be really surprised because that's what these organizations are for. They're promoting the hobby. You might be the first in East Bethel. As far as we know, I'll put it that way. Do you have any other questions? Williams stated no.

4.0B  
Admin.  
Appeal  
19715 Tri  
Oak Circle

Voss asked Mark, do we need a formal action? Vierling stated I don't think there's any action you need to take at this time other than to take final action on the appeal because the ordinance doesn't permit it. Voss stated we need to deny the appeal, basically. Vierling stated that doesn't preclude you folks from advocating a change in the ordinance. You're able to do that but the appeal is based on the existing application and on the existing ordinance and there's no opportunity. Voss stated so don't be discouraged when we deny this. Williams stated okay, thanks.

Voss stated to the appeal, do we have a motion from the Council? **Mundle stated make a motion to deny the appeal. Koller stated I'll second.** Voss stated any discussion?

Voss stated thank you for being here and good luck on the process. Ronning stated on discussion, if there's a motion, is it a dead issue? How does it come back? Vierling stated it will come back when they apply to make a text change to the ordinance. That's when it will come back in front of you.

Voss stated and if the ordinance is changed, then it's an administrative decision. Vierling advised then it's a permitted use. Voss stated then it won't come to Council. We don't have to allow you to permit it, you'll work with the City staff on it. We just have to change the ordinance, the law. Ronning stated perhaps if you can find some information and then come in and ask how to write what he said. Voss stated we have two good staff that can help write the ordinance. Ronning stated yeah.

Voss stated any other discussion? To the motion, all in favor say aye?" **All in favor.** Voss stated any opposed? That motion passes. **Motion passes unanimously.**

**5.0  
Public  
Forum**

5.0A  
Code  
Enforcement  
Letter  
23262 Kissel  
Street

Voss asked Denise Davis has signed up tonight to speak before us. State your name and address please.

Denise Davis, P.O. Box 342, Forest Lake, Mn, 55025, stated I'm here now talking about a residency that I own. It's 23262 Kissel Street, East Bethel, Mn, 55005. I have been a victim of what landlords would call tenant malice and/or more. I have a police investigation that's going on my property because I got, first a renter that I've been trying to request him to move for some time. It's issues with domestic abuse, proven, documented. A landlord has a very difficult situation when you've got people like this in your residency and there's certain things that you have to do to make sure you're careful about what you do. He was not a danger to anybody except for the person that had come to me and personal issues about this man.

Denise Davis stated moving on, I decided, because of my economic situation, it was important for me to sell this home. In 1981, the City of East Bethel grandfathered this house in to be a multi-family dwelling because I had acquired the additional permits to allow a resident to live in the lower level as best as we could. I have been trying to keep updated on East Bethel with regard to issue of landlord rights and responsibilities because there was never in process or acquired ordinances. Or as Steve Voss would say, you said that it was a rental application that Colleen said was volunteer to acquire rental licenses to rent properties.

Voss stated we've recently passed the Rental Ordinance, which is a license that is applied for and then issued by the City. Is that fair to say? Davis stated that's correct. We

5.0A  
Code  
Enforcement  
Letter  
23262 Kissel  
Street

encouraged voluntary registration but it is mandatory for all landlords to have a rental license. Voss stated it's mandatory but we're not seeking out and searching for rental properties. When we become aware of them, then we have the Notice that goes out to make sure that the owner's aware. Mundle explained you're not necessarily penalized or in trouble if you haven't come forward and said, 'I have a rental property.'

Denise Davis stated I've been penalized because I was never given this information and trust me, Anoka County knows where to send my tax bills every year so I can pay taxes on this property. I'm easily found. I've been to several Council meetings with regard to not only my properties but what I call thuggery, which is involved with RICO. Mark, what attorney firm do you work for? Vierling answered Eckberg & Lammers.

Denise Davis stated yes, aren't you the number one attorney representative for land rights in the State of Minnesota? Aren't you the best? Vierling stated I've never heard that before. Thank you for the 'plug.' Denise Davis stated it's true though. You are. You are recommended the best firm to go to if there's issues with land.

Denise Davis stated I have three major properties that I have been fighting for in different counties. This is the first time I've been to East Bethel because now this house has become a problem because I was victimized. Steve, you told me that you have rental properties. You know how it goes. We have laws to support landlords and tenants. Right now, I believe that there's a stretch of executive power for East Bethel right now to give me this Letter of First Notice indicating there's problems on this property.

Denise Davis stated the reason why I'm saying that is because I know that this tenant did these things to these properties to make it difficult for me to sell. I have had, every time I put a house up for sale, something happens. Like second floor water damage. The particular house that we're talking about, I rebuilt to meet the standards for federal regulations to provide for housing with the septic system to have 30 or more people live there with full-time, every-day bowel movements. And, on your statement, it says that I have a failed septic system. Do you know what I have? I have someone that's sprayed insulation foam with plastic tile in the 'U' joint of the drain of the laundry tub that only services that drain.

Voss stated let me ask a question to that point. What would happen when the toilets flush, the washer drains? What would happen? Denise Davis stated I did it. I asked the renters upstairs. Voss stated no, I'm asking you Denise. What would happen? Denise Davis stated it would go into the septic system. Voss asked even though the pipe is plugged? Denise Davis stated the pipe that's plugged is that 'U' pipe for the laundry tub in the laundry. It doesn't effect the septic. I had the renters upstairs, who love living there, who I think are the 'salt of the Earth,' flush their toilets. I had them do everything possible to force water to come up in that joint and it drains slowly. But, this is just an example of what I found out today.

Denise Davis stated you know, 'rags to riches' here. I was in rags doing this. I found out about this faulty wiring that was put on this sheet of paper for inspection preventing potential rental housing in that property, which was additional wiring that it looked like he had done. Which was about, I sent you pictures, but it was like wrong. But, it shows where the junction box was there and potentially had a cover on it. All that stuff will be fixed.

5.0A  
Code  
Enforcement  
Letter  
23262 Kissel  
Street

Denise Davis stated the point I'm trying to make is you've got a document now on file on this piece of property that says this property is 'less than' rather than the amount of money I put into it, receipted as \$385,000, and I can only get it advised at \$310,000 because property values in East Bethel have depreciated in value so much. So, if I was to sell it, I'm already at a loss of \$75,000. Now you're using, in a sense, executive power because you've got this sheet of paper that's registered on my license, or on my home, as unfit, or less than. And, that's wrong because there's laws that support issues like this.

Denise Davis stated such as, the proper protocol for this tenant would have been to document that he had informed the landlord that these things were wrong. If I did nothing about them, then the inspector could call me and say, 'Let's go look at your property.' And say, 'Hey, these things, do you know about them? Yes? Or, No?' Absolutely not. I never got any documentation and there's other things that, too, could go into a better procedure for the City of East Bethel so I wouldn't be victimized as a landlord. The people that want to live there could easily live there and feel secure that there is ordinances in place. But, even better than that, I wouldn't be here tonight in a way that I have to express the agony that I've gone through in the last ten years.

Denise Davis stated do not lose touch with who people are. We're just trying to survive like everybody else and when you put such strict ordinances, like on a little horse. For God's sake, East Bethel ten years ago was like, 'What do you want, population growth moving out here.' Because we wanted to be able to keep our horses and our freedoms and everything else.

Denise Davis stated so, all I'm asking right now is I'm going to have an inspection of my house with the Truth in Housing Inspectors. Not the Building Inspector of East Bethel because I don't think he's actually qualified to do rental properties because there are landlord rights and there are tenant responsibilities that come with renting, with a landlord, someone else owning that property. It's a partnership. This was not a partnership. This was a 'railroading.' And, unfortunately, the only person that's really going to get hurt from this is me. Because, I'm selling it. Or, in fact, the realtor who also lived in East Bethel for many, many, many years. Because he wants to sell it too to provide for his family. And, not only that but we want to move forward.

Denise Davis stated so all I'm saying is okay, take away that first Notice. I will give you a proper Truth in Housing Inspection of that home so the people that love living there can live there and I can provide that inspection to you guys. Which, like I said, I think you should put in your procedure to have these people handle it anyways because the risk of East Bethel ever getting sued because your ordinance might not be fair to both parties, because there's always two stories when you've got a landlord and you've got a tenant. The best thing you can do is outsource the Truth in Housing Investigators to look at these issues. They're not only going to be trained at what they do. They're going to do it well. And not only that, but the City of East Bethel doesn't get the risk of being sued, which affects the taxpayer's dollars. That's where I come in because I don't want to pay more higher taxes.

Denise Davis stated so that's what I'm asking. Right now, I will get well versed on what this ordinance is about, what my responsibilities are as a landlord. I will do that as long as I'm a landlord on that residency. I will make sure that I will abide by whatever ordinance is in effect. But, I also want to volunteer my services to help make it fair for the landlords because I was victimized and I was 'railroaded' this last week. Unfortunately, I think your secretary Amy got a few words that I should probably get, it wasn't foul but it was like what

5.0A  
Code  
Enforcement  
Letter  
23262 Kissel  
Street

I'm doing now, which is rambling. Voss stated yeah, we heard about that too.

Denise Davis stated it's not to be vile. It's what I have gone through in the last ten years with my properties. It was actually thuggery and unfortunately, I don't want to go into it, because it's forced me as a woman and an RN and as a Christian to create better situations for the problems that I ended up getting into because I was forced into them by RICO, my local government.

Voss asked Denise, you have other properties, correct? Denise Davis answered correct. Voss stated and you've talked about the Truth in Housing Inspectors. Do the other communities where you have homes, do they use outsourced Truth in Housing Inspectors? Denise Davis stated I rarely have to have inspections. Let's see, in Forest Lake I had one inspection, found out... Voss stated but in those cities, do they use those inspectors? I'm just trying to inform us. Denise Davis stated I don't know but I do know that the Truth in Housing Inspectors are trained to do this.

Denise Davis stated and, I don't know. Has the Building Inspector Nick Schmitz, been trained to do this? Davis answered absolutely. He has all the certifications to do the inspections. Denise Davis asked for rentals? Davis stated for things that comply with the State Building Code, which is what we're talking about here.

Denise Davis stated no, rental is different. Rental is different because there's rights for the landlord as much as the tenant. Let me tell you sir, I forgot your name, but I'm telling you, I was victimized. I have pictures. I have the tenants upstairs telling me how this happened. So, without the drama.

Voss stated you keep saying you were victimized. Are you suggesting you were victimized by the City of East Bethel? Denise Davis stated I am victimized by the tenant. Voss stated ma'am, that is a civil issue that you have to deal directly with your tenant. Denise Davis stated no, it's a police investigation now.

Voss stated that is still, not in this Chambers, a discussion that we have. If it's with the Sheriff's Department, it's with the Sheriff's Department. It's not with the City of East Bethel. Denise Davis stated wrong because I have a paper stating how to dictate my life and my income and my personal property. That's from the City of East Bethel.

Ronning asked may I interrupt? I have no idea what brings you here other than you're unhappy with the tenant. It sounds like you've got something regarding your septic? Denise Davis stated no. Ronning stated okay.

Denise Davis stated I'll minimize the problem here. I got a letter from the Building Inspector of the City of East Bethel that supposedly did an investigation on my home that I was not notified of. It was from a disgruntled tenant and I sort of got impressions that this has happened before with this particular name. That police have been called on this person. But, without going there and not really knowing that, because like I said, this all just happened to me, I was never given that there was even an ordinance in the City of East Bethel. I have really tried to follow that closely because of this house. Because, I love the neighbors. I raised my kids in this house in this neighborhood.

Voss stated let me interrupt you for just a minute because one of the questions I had is you suggest that we talked about it, and it's a question for Mark. In this situation when a tenant

5.0A  
Code  
Enforcement  
Letter  
23262 Kissel  
Street

who is a resident of that home requests that the City do an inspection, is there a duty by the City to get permission from the owner to do an inspection? Vierling stated we can get permission from the occupant as well as the owner. Either one.

Voss asked so if the occupant requests it? Vierling stated if the occupant requests it and allows us access, they have a right of access to the property. We'll follow through. And, I appreciate that there's disputes between landlords and tenants. But, of course, whether or not somebody has made a request for an inspection out of malice or something else is not what the City is interested in. We don't care why people do what they do. It's an objective review of the property in terms of whether or not the substantive provisions of the building meet the Code or don't. So, the Building Inspector's not involved in determining the rights of the landlord or the tenant. That's what the courts will do. But in the mean time, he is reviewing the property relative to the Building Code and the requirements that are set forth in the Life and Safety Code. He's just calling 'balls and strikes' from the Code's perspective.

Denise Davis stated okay, what is the Code perspective that says it is not. That it does not meet the Code? Vierling explained he's following his Inspection Codes, his Building Codes.

Denise Davis stated okay, did you see the letter? The First Notice of Issues to have these things corrected? Vierling answered yes. Denise Davis stated okay, did you see the pictures that I sent today to the City of East Bethel. Vierling answered yes but you know, you need to follow up with the Building Inspector. The Council's not going to be in a position to set aside a Notice from the Building Inspector. If you want to have an issue with him in terms of if you think he was in error on his review of a particular aspect of your property, you can certainly call him and ask to speak with him at the site on that so you can review it.

Denise Davis stated no. What I want to do is come to the Council as an involved landlord to look at this ordinance and see how fair it is to the landlord involved who right now has a devalued property, which is what East Bethel does not want. Because in his statement it stated that my septic system was not in compliance. And my septic is an 'over kill.'

Voss stated Denise, now that in itself is just a dispute with the Building Inspector. Denise Davis stated correct. Voss stated now to your previous statement of wanting, as a landlord, to make this ordinance better, we're 'all ears.' Okay? But nothing you've said tonight is a suggestion in how to make the ordinance better for anyone.

Denise Davis stated he should not come on a property that says, 'No Trespassing' with my name and phone number unless he notifies the owner. Voss stated that is not an issue related to the ordinance. Denise Davis stated oh, really? There is a State of Minnesota law that states that a tenant has procedure they're supposed to follow to correct issues within a home. Voss asked Denise, how does that make the ordinance better? Denise Davis stated it does not devalue properties in East Bethel. We do not want our properties any more further devalued than they possibly can be.

Voss stated I don't think anyone does but how we look at our ordinances, you haven't even seen our ordinance. Denise Davis stated I know, I wasn't given it. I didn't even know that it existed. Voss explained what I'm saying is if you want to make suggestions to make the ordinance better, we're 'all ears.' But, you're not in a position tonight to do that because

5.0A  
Code  
Enforcement  
Letter  
23262 Kissel  
Street

you haven't seen our ordinance. Correct?

Denise Davis stated so I've given you my address. I expect that in my mailbox, because I am an active responsible landlord, and I know I was victimized and the City of East Bethel perpetuated that because they didn't notify me of any particular problems before I got a letter devaluing my property.

Davis stated the notification of the ordinance was in your mailbox. It was in the City Newsletter that was sent out in the previous edition. It has also been highly publicized on our website, Channel 10. Every means of disposal that we had to get information out we utilized that to communicate the fact that this ordinance was in effect. But, it was mailed to every address within the City.

Denise Davis stated well, when the issue came up with the Met Council, I found it through e-mail. You sent it to me through e-mail about the Met Council. This ordinance just came into effect a month ago; why wasn't I notified of it by e-mail since I went to the Met Council meeting responsibly over at the Coon Lake Beach Club?

Davis stated we didn't send any notice out. Denise Davis stated well, I got an e-mail. Davis stated Coon Lake Beach Community Center may have sent something out. Denise Davis stated which would have been a very responsible form of communication. Voss stated and we did send out an e-mail alert when the rental ordinance came out too, didn't we? Davis stated to the people on the email list serve, that was sent out.

Denise Davis stated okay, I'm coming to the Council because I believe that there's issues that are in play here with regards to rights for landlords. Like I said, I feel like I was victimized and my property now is devalued even though I know it's a beautiful home. I know all these things are minor corrections but that piece of paper could have been, it also would have saved time for the Building Inspector to make the landlords responsible for their properties. There are landlords out there that aren't responsible for their properties and I understand why this ordinance is good. I would push an ordinance like this but I also think it should have been fair to me because at this point in time, during this week, dealing with the issues that I had to deal with this particular troublesome person, I don't think that it's fair that the who people upstairs had to go through the drama because they're afraid they've got to move. And, I had to openly discuss this with them because it does affect their life.

Denise Davis stated in a very positive way, all I'm saying is that I will review the ordinance and I will offer suggestions to make it positive because that's what I want. But, that first Notice that was given to me with defects in that property might prevent the sale of that house. Which might prevent me having paying \$810 for medications I have to give my son because I finance his life. I'm just a 'little person.'

Davis stated if you're attempting to sell the property, you'd have to have a compliance inspection on your septic system regardless. Denise Davis stated well, Casper's Septic System was just out. Is that compliance? Davis answered no. Denise Davis stated that's okay anyways. That's good.

Voss stated Denise, here's my suggestion. It's – you're in a tough position to criticize our ordinance when you haven't read it. Right? Do you agree? Denise Davis stated well, yes. Voss stated okay so I would suggest, I mean you can go home tonight, pull up the

5.0A  
Code  
Enforcement  
Letter  
23262 Kissel  
Street

ordinance, it's right on our website. Denise Davis stated I don't have internet. Voss stated if you call tomorrow morning, I'm sure Colleen will be more than happy to send you a copy of the ordinance. Winter stated Mr. Mayor, when Ms. Davis received her Notification Letter, the ordinance was attached to it.

Voss stated so you do have a copy of the ordinance. Ronning stated we have a little conflict in this anyhow. Voss stated I don't want to get into, it's still at an Inspector level, right? Ronning stated we've got a problem with some content in here. Voss asked and that is? *(Ronning showed Voss a section in a document.)*

Denise Davis stated well, I not only had an attorney look at some things but I also had an insurance agent look at some things, which was very concerning to insurance companies.

Voss stated well, it's got to be taken care of right away. It's a health issue.

Denise Davis stated I also asked for all the public information that has been written on my property and I will receive that too to better prepare myself to come back, if it's necessary. I'm hoping this will all be cleared up. I mean, as soon as I get the proper professionals to fix whatever this person did. But I can honesty tell you there is no septic problem. Like I said, these people who are living there now have a right to live there. It is a safe and beautiful home. And, I will make sure that I will get my own investigation with, I think, more qualified. I don't even know Nick, to say that he can't do the job. But, I know these people are doing it in Ramsey and Minneapolis, St. Paul, they are qualified.

Voss stated and I'm sure staff will have no problem in reading that report if that's what you want to have done. Denise Davis stated I don't think they will either. And, like I've said, I've just had a hard life in the last ten years being a property owner in the Tenth Judicial District and I want it to stop. I really do. And, I'll move on because of the issues and thuggery that's happened to my family. But, it happens. And, I don't want the City of East Bethel to do that to any of our residents here, what happened to me. Because, we are good people in East Bethel and it's a beautiful City and we do want it to grow. But, we want it to grow because were not more restricted but less restricted. And, that is my personal thought.

Denise Davis stated thank you for letting me speak tonight and I will work with the Building Inspector on this. And, like I said, I will get my inspection in but I will continue to rent the home because I think what has happened to me last week has just been horrible. Sorry. Thank you.

Ronning asked you have a lease agreement with your tenants? Denise Davis stated I refuse to enter into a lease with him and he refused to move. So, that point being the reason I didn't want a lease with this person. Ronning stated okay, I was just curious if you had an enforceable damage agreement with him. But that's, forget it. Denise Davis stated there's no recover. Matter of fact, he didn't pay his last rent as the story goes. You know, it just happens. I had him on a legal 30 day/30-day/60-day move out notice. However, in the State of Minnesota, you have a 30-day/30-day. All he would have had to do is give me 30 days notice and he failed to even do that. He called you guys instead. But, thank you. Voss stated thanks Denise.

Voss asked is there anyone else here tonight for Public Forum? Seeing none, we will move on.

**6.0  
Consent  
Agenda**

Item A Approve Bills

~~Item B October 21, 2015 City Council Minutes~~

This item was removed from the Consent Agenda.

Item C Liability Coverage Waiver Form

The City purchases its insurance from the League of Minnesota Cities Insurance Trust (LMCIT). A requirement of that insurance coverage is that each participating municipality must annually either affirm or waive its statutory limits of liability.

The statutory limits of liability for Minnesota cities are \$500,000 for an individual claimant and \$1,500,000 per occurrence. Cities can waive these limits by allowing an individual claimant to recover more than \$500,000, up to the \$1,500,000 occurrence limit or more if limits are waived and excess liability insurance is purchased. They may also waive the “per occurrence” limit and purchase excess liability insurance. Historically, East Bethel has not waived its liability limits and has chosen to purchase excess coverage.

Staff and the City Attorney recommend that the City does not waive the liability limits.

**Harrington stated I’ll make a motion to adopt tonight’s Consent Agenda.** Mundle stated I’d like to **pull Item B.** Voss stated okay, with that change is there a second? **Koller stated I’ll second.** Voss stated any discussion? All in favor say aye?” **All in favor.** Voss stated any opposed? That motion passes. **Motion passes unanimously.**

6.0B  
October 21,  
2015 City  
Council  
Minutes

Mundle stated on the minutes, Page 15 of 27, 4<sup>th</sup> paragraph down, the area that states, in the paragraphs, (doesn’t list where he works), I would like to remove that. That was added into the minutes.

Ronning asked which page? Is it 23? Is that what you’re referring to? Mundle stated it would be 36 down on the bottom but in the upper right hand corner it would be 15 of 27. Voss stated I’m sorry Brian, which paragraph? Mundle stated 4<sup>th</sup> paragraph down, the section that is in parentheses (doesn’t list where he works). Page 15 of 27. Voss stated oh, I’m looking up here. So, you’d like that stricken? Mundle stated I did not say that so I would like that removed. Voss stated it looks like a comment that was added. With that said, do you want to make a motion to amend the minutes?

**Mundle stated I will make a motion to approve the amended minutes then with that deletion. Ronning stated I’ll second.** Voss stated any discussion? All in favor say aye?” **All in favor.** Voss stated any opposed? That motion passes. **Motion passes unanimously.**

**7.0  
New Business**

Commission Association and Task Force Reports

7.0A  
Planning  
Commission  
7.0A.1  
Oct. Report  
Resolution  
2015-59

Davis presented the staff report indicating at the October 27, 2015, Planning Commission Meeting, The Commission considered an IUP for a home occupation for Erryn Magnusen, 22050 Quincy Street NE. The IUP was submitted for a loading dock repair business at this location which is zoned Rural Residential. After discussion of the request, the Planning Commission, by a 4-3 vote, recommended for City Council consideration, approval the IUP for one year. This recommendation will be submitted to City Council for consideration at the November 18, 2015, meeting.

7.0A.1  
Oct. Report  
Resolution  
2015-59

Staff briefed the Planning Commission on the National Flood Insurance Program and updated Flood Plain Maps for the City. The Federal Emergency Management Agency has recently published new floodplain maps and requires every community that participates in the Flood Insurance Management Program to adopt the new maps and adopt their Model Floodplain Ordinance by December 16, 2015. The Planning Commission will conduct a Public Hearing on this matter at the November 17, 2015, Planning Commission Meeting.

Staff updated the Planning Commission on the status of the 2018 Comprehensive Plan. The priority at this time is to revise and correct Met Council's land use designation of the City as Diversified Rural for those areas outside the Utilities Corridor. In August, staff informed City Council that the density issue of 4 in 40 for areas outside the Utilities Corridor would be addressed in the Comprehensive Plan update and that 1-2.5 acre lot densities could proceed.

The City was provided a System Statement, which the framework for the Met Council Thrive MSP 2014 Plan, and this document did not correct the density designation of the Diversified Rural area within the City. The City can request a hearing before the Met Council's Land Use Advisory Committee if they disagree or if there is a dispute as to the Statement. Staff is requesting Council appeal this oversight by approval of Resolution 2015-59. The Planning Commission did not formally vote on the matter but did provide direction to proceed with the request for an appeal.

Davis stated Colleen and I met with the Met Council today to discuss this issue and to attempt to find a resolution to the matter. Staff was told that even though the Diversified Rural designation did recommend at 4 in 40 density requirement, they agree with our assertion that this requirement literally interpreted is too restrictive and not the intent of this classification. They also stated that the 4 in 40 should be the goal but agree with our interpretation that development in this area can continue at the 1-2.5 acre lot density as long as we continue to adhere to the development standards in our current City Code.

Davis stated staff requested that the City be provided an official letter indicating this position and interpretation. Met Council staff stated that we'd receive this notification within a week. Staff still recommends approval of Resolution 2015-59 and will withhold submission of the Resolution and Letter of Dispute until the official letter explaining the difference of opinion is received from Met Council.

Voss asked Mark, this letter Met Council suggested, we get this formal letter, how much 'weight' does it hold if we ever get into a dispute with the Met Council in the future as opposed to taking the route of appealing it to the Met Council. Vierling stated I would assume if they send the letter, they'll make the revisions that we need to have them make to their Plan. But, I agree with Jack that you want to certainly have the Resolution passed and ready to go because a letter is a nice thing to have but until they formally amend the Plan to correct it, you have issues.

Voss stated my concern is when you go to change the Comp Plan, like we're in the process of, and they reject it and we show them the letter and they say, 'It's a piece of paper.' Vierling stated they'll say that's but it's a letter. Voss stated yeah, that's my concern about it.

Voss asked so the process is, if this Resolution passes, then we appear before that Committee? Davis stated that's correct. Voss asked and testify? Davis stated and present

7.0A.1  
Oct. Report  
Resolution  
2015-59

our case and then request that they formally make the change. In our discussions with them today, the option we have is to be classified as Rural Residential, which is what Ham Lake is classified as, almost all of Oak Grove with the exception of their Municipality Utilities Service Area, and all of the northern portion of Andover. Our argument going into this is we're similar to those communities. Voss stated which is, I think, what we thought we were.

Davis stated according to their interpretation of this, 4 in 40 is the goal. They say that we're implementing that goal and we're making strides to achieve it and, therefore, the 1-2.5 acre lots are acceptable. However, this is a staff interpretation. So, my concern is that if it ever, staff changes, staff interpretations can change. So, even though this is fine that we'll get an official letter, I think we need to pass the Resolution and try to get it at least modified within the adoption of their Plan.

Voss asked did you ask the question at the meeting of, it almost seems like they're unwilling or afraid to change their plan. 'So, we'll just give you a letter instead.' Did you get a sense of that? They don't want to do it? Davis stated I think they're reluctant to change any Plans. It's almost like when we had the negotiations with the modifications for the contract for the Reserve Capacity Loan. They didn't want to do anything that would change the Plan. So, they actually changed, they reverse engineered it and worked at it backwards. I think the feeling we got today was they wanted to leave the Plan as it was and just give us a statement that said, you know, 'You're working to achieve this goal. You have things in place within your City Code that regulate. You have to have minimum building areas. You don't encroach on wetlands. You don't infill wetlands. You have to designate two areas for septic systems on a lot. And this satisfies what our goal is in terms of this classification.' And, I'm assuming that's what the letter is going to state.

Voss asked is there a motion to staff's recommendation to pass this Resolution? **Mundle stated make a motion to approve Resolution 2015-59. Harrington stated I'll second.** Voss stated any discussion?

Voss stated I guess my suggestion if this passes, that you let Met Council know our reasons for it. It's not that we're trying to be mean or hardheaded about it. It's just we're trying to protect our rights on it. Davis stated I also think too that if we do this and we have the hearing at their Committee level, then at least they're on public record of at least having acknowledged our position too. Even if they don't amend the Plan. We're on record other than just staff communications.

Voss stated a little better position. Okay, any other discussion? To the motion, all in favor say aye?" **All in favor.** Voss stated any opposed? That motion passes. **Motion passes unanimously.**

Floodplain  
Discussion

Voss stated Jack, before we move on off of Planning, I've got a question back on the floodplain issues. Did we notify any or all of the homeowners that are affected by this? Winter stated we, as a community, that's through the Public Hearing process, that's why we're having the Public Hearing. It would be very difficult to go in and probably notify all those homeowners. Voss asked do we know how many? Ten? A hundred? Winter stated no, it's a significant amount but the floodplain itself actually the new floodplain is actually, less people are in that than what's in there existing. The language that we're including in the three-model process is just defining those areas better. And, it's cleaning up the language as far as travel trailers, all the different things that we had. We essentially have

Floodplain  
Discussion

Ordinance 34, which is floods. Then we also have under Appendix A in Section 58, under Zoning, we also talk about floods.

Winter explained what the DNR is recommending that we do is that we take and repeal the ordinances that we have and that we actually adopt this three-model ordinance, which is a uniform ordinance that sort of everyone is adopting. It really just cleans up the language. It doesn't really have impact on people that are in the floodplain. If they've been in the floodplain, they would be notified probably through their, maybe their insurance company. But, when we put the overlay map on top, it looked like there was actually a significant amount that were taken out of the floodplain that were in it originally.

Voss stated the reason I ask is that quite a while ago, when we got our fire rating changed, it got downgraded which, in essence, lowered everyone's insurance rate. Not every insurance company jumped on it and changed their rates right away. We kind of made an effort to tell residents so they'd contact their insurance agents. Because, I remember in my case it lowered my insurance like \$300 a year. If that's the case where there's the floodplain change, if there's homeowners that are no longer required to have it, then it would be nice for them to know that they're no longer required to have it. Koller stated yes.

Voss stated maybe more importantly, the ones that are required to have it that won't know about it and maybe insurance, not that I don't trust insurance companies or agents, but maybe they're not proactive. But if they actually do have a flood and they're not covered, then they're really out of luck.

Winter stated one of the things that I guess I would suggest then is in addition to having the Public Hearing before the Planning Commission, is when we have the Town Hall Meeting we can certainly have those maps available for folks. Voss stated I think that would be helpful.

Voss asked we have a newsletter coming out soon? Or, is it already... Davis stated it's already gone to the printer. Voss stated it already has. This wasn't in it? The floodplain? Davis answered no, it wasn't in it. Winter stated we'll probably put it in the next one.

Harrington stated you must have notified some people because I was in the floodplain and I got a letter from my mortgage company that I was taken out. So, there was a letter sent to somebody. I didn't get a letter but my mortgage company did and they sent me a copy.

Voss stated I'm just concerned because when the fire rating changed, not everyone knew right away and it took awhile. Winter stated there was probably a way we could do it but it would be, it would be something probably our GIS folks could put together. It would just take a while. Davis stated it would be very time consuming to try to identify those parcels. With the fire stuff it involves more like neighborhoods and areas. This involves parcels. Voss stated that's true, the fire was a 'blanket' across the City.

Ronning asked how many properties are affected? Davis stated we don't know for sure. Ronning stated you mentioned ten and, 'Oh, there's a lot more than that.' Davis stated as far as acreage goes, I'll just throw out a rough number. There's 36,000 acres in the City, probably at least 4,000 or 5,000 acres is listed as floodplain.

Voss asked new or is removed? Davis stated total. So maybe up to one-eighth to one-sixth of the City in either the 100-year or 500-year floodplain. 100-year is the one they use for insurance purpose. But, there is a significant amount of land within the City that's denoted as being in the 100-year floodplain.

Floodplain Discussion Voss stated and I agree. It's not going to be practical or cost effective to send notices out to everyone. But to the extent that we can get the news out. Davis stated we'll utilize every means we can to let people know that there has been a change in the floodplain map and there's a possibility that your property could now be omitted from floodplain requirements.

Voss stated and then most people aren't going to care about that but when you say it could lower their insurance rates, then people will pay attention to that. All right.

7.0B Economic Development Authority 7.0B1 Oct. Report Davis presented the staff report, indicating at the October 19, 2015, EDA meeting, the Authority, as directed by City Council, considered a donation request by the East Bethel Royalty for float renovations. After discussion of the matter and a briefing on the restrictions of public expenditures, the EDA tabled the request and recommended that the East Bethel Royalty consider other means to achieve their financial goals prior to seeking City assistance.

The EDA also discussed the assets, liabilities and opportunities of the City as they relate to attracting and retaining new business. These issues will be addressed as part of the business recruitment and retention strategy the EDA is currently developing.

Davis stated as an update to our Work Meeting, we did get notification today from the Gambling Control Board that the 10% contribution, the max that you can solicit or require these organizations donate, can be up to 10%. It's not fixed at 10%. Voss stated it's not fixed at 10. Davis stated it can be anywhere from 1% to 10%. What we'll do, we'll contact those permittees that are effected and kind of gauge what their feelings are regarding change over from the tax to the contribution.

Voss stated I think our discussion at our Work Meeting was to keep it at 3%. Right? Good.

6.0C Park Commission None.

6.0D Road Commission None.

**8.0 Department Reports** None.

8.0A Community Development

8.0B Engineer None.

8.0C City Attorney None.

8.0D Finance None.

8.0E Public Works None.

8.0F  
Fire  
Department

None.

8.0G  
City  
Administrator  
8.0G.1

Davis presented the staff report indicating City Council approved a Rental Ordinance at their May 20, 2015, meeting. One license has been issued and seven applications are pending upon completion of inspection. The license fee is \$25 and the inspection fee is \$50.

Rental Ord.  
Amendment

Several of the applicants that have applied for a rental license have informed us that the septic system inspection as required in the ordinance is or could be a deterrent to voluntary compliance with the ordinance. Several owners of rental property have been hesitant to comply with the ordinance for fear that their septic systems, while functioning properly, may fail inspection due to changes in State standards for soil separation.

Staff feels that this concern will discourage many rental property owners from obtaining licensure from the City but at the same time may not prevent these owners from continuing to rent their property. If the primary goal of the ordinance is to ensure that rental properties meet life/safety Codes, the septic system issue may be a disincentive to this purpose.

Per City Ordinance, Section 74-48, compliance inspections are only required on properties upon sale of the property, addition of a bedroom, replacement of an septic system, or when a building permit is required in the Shoreland Management District, or when a parcel having an existing system undergoes development, subdivision, or a split.

Staff proposes that Section 8(1) of the Ordinance, Compliance Inspection, be removed and changed to read, “the septic system must pose no eminent threat to public health and have the capacity to serve the number of occupants of the rental unit” and that “a copy of the pumping report shall be provided with the application” be added to 8(2).

Davis stated these were attached in a redlined revision in your attachments and those are the only two amendments that are proposed at this time.

Voss asked is there a motion for the staff recommendation? **Koller stated move to approve the staff recommendation for changing the wording on the septic systems. Mundle stated I’ll second.** Voss stated any discussion?

Voss stated I think there’s a little bit of an inherent problem with the changes for Section 8(2), where the new language states, ‘The septic tank must have been pumped in the last three years and a copy of the pumping report shall be provided with the application.’ Two things. One is I don’t think that’s provided to residents necessarily. But, aren’t the pumping companies required to submit that to the City? When they pump, as part of their pumping they have to get a permit? Davis responded yes.

Voss stated so, my question is, if the City already, this is just more of convenience really, if the City already has it, it’s a hassle for the homeowner/landlord to find it, and if they don’t have it they’re going to call City Hall and get a copy of it anyway if we already have it in our file. So why not just have it state that a copy of the pumping report must be on file with the City? Davis stated that’s fine by us. Voss stated and if we don’t have it on file, we ask the landlord to give us a copy of it. And if they can’t provide a copy, then it wasn’t done. Right? Does that seem reasonable? Davis stated it does. No objections to that.

8.0G.1  
Rental Ord.  
Amendment

**Ronning stated amend the motion to reflect what the Mayor just said about the copy on file. Voss stated a copy of the pumping report. Ronning added a copy of the pumping report is on file with the City in relative to the permits issued and followed up. Mundle stated second the motion.**

Voss stated to the amended motion. Vierling stated or on the amendment to the motion first. Voss stated on the motion for amending the motion, any other discussion? All in favor say aye?" **All in favor.** Voss stated any opposed? Amendment to the motion passes. **Amendment motion passes unanimously.**

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

8.0G.2  
Upcoming  
Agenda  
Items

Davis stated staff is seeking recommendations for agenda items for upcoming Council meetings. So, if there's anything you'd like to see added to the November 18<sup>th</sup> agenda or any future agendas, please let us know. Voss asked and we can let you know at any time? Davis replied any time, correct. Voss asked is there any suggestions from Council at this time? Okay, then we'll move on.

**9.0 Other**  
9.0A  
Staff Reports

None.

9.0B  
Council  
Report –  
Member  
Mundle

Mundle stated I attended the Fire Department Joint Powers Meeting on October 29<sup>th</sup> with our Fire Chief. And, due to not enough public officials showing up to the meeting, there was not a quorum and public officials cannot vote on anything that they could vote on. So, nothing was voted on by public officials at that meeting. Two of the things that the public officials, or the Joint Powers wanted public officials to vote on was an amended 2016 budget because they were seeking an increase. And, a formation of a super formula contingency fund. I will be asking our Fire Chief to explain these things to Council so I can take these back. Because there's not a quorum, a new meeting date was set up for December 10<sup>th</sup> for these items to be voted on. If there's any increase in budgets, I would like the support of Council before I go to say 'yes.'

Ronning asked could you explain what those budgets. Mundle stated that's why I'm going to have the Fire Chief come. Ronning asked so there's some kind of a super? Mundle stated the paperwork that I have here states, 'It was decided by the Finance Committee to recommend to the membership the creation of a PSDS super formula contingency fund with the following motion. So, the motion to create 2016 PSDS super formula contingency fund in the amount of \$10,000. This amount will be calculated by adding it to the 2016 super formula amount due. The funds are being held for the 2016 fiscal year to assist in covering any fluctuations in the PSDS support payment due to the Joint Law Enforcement Council. Should a balance remain at the end of the 2016 fiscal year, the funds will be used to offset the 2017 PSDS support payment and the account will be closed.'

Voss stated it sounds like interesting accounting to me. Mundle stated yeah. Voss stated there's a term for that. Ronning stated if you have the ability to make the comment, I would suggest that somebody go on record or seconded, moved, whatever, that whatever excess funds are left from that, an explanation be provided of where they are. Voss stated or don't create the excess funds to start with. Ronning stated there should be an accounting of what

Council Report – Member Mundle they use it for. Voss stated that’s one of the things we were concerned about when this whole thing started.

Mundle stated yeah, one of the things that they’ve been finding is their estimations of the first year of this Joint Powers is that things have been more expensive than they were thinking. And, they haven’t entered their numbers in a timely manner that councils can then approve and incorporate these things into a city budget.

Voss stated they’re a quasi-governmental body, right? Davis stated yeah. Voss stated so they have their responsibilities too. Mundle stated I believe they are learning but that’s why I’m requesting the Fire Chief to be here to explain it at the next meeting. He knows the ins and outs far better than I do. I just want to bring that up.

Mundle stated the Town Hall Meeting is November 19<sup>th</sup> and this coming weekend is deer hunting opener. I just want to say to stay safe everybody. Be smart and be responsible.

Council Member Koller Koller stated I attended the Planning Commission meeting but we’ve covered everything that was done there on Item 7.0A.1.

Council Member Ronning Ronning stated I have nothing to add.

Council Member Harrington Harrington stated I’d just like to add onto Brian’s, I’m sure there’ll be guys in East Bethel deer hunting so kind of keep your head up and when you’re driving I’m sure the deer will be moving so everybody be safe out there.

Mayor Voss Voss stated good luck to all the East Bethel deer hunters. I don’t need to hit any more deer.

Voss stated I was just going to add the Town Hall Meeting coming up. You know for anyone watching, we want as much participation from the public as possible and our State Rep and our State Senator are both still scheduled to be here. Davis stated correct. Voss stated so they’ll have time to talk to the public as well.

Voss stated that’s all I have tonight. So, with that I’ll entertain a motion to adjourn.

9.0C Other  
**10.0 Adjourn** None.  
**Mundle stated make a motion to adjourn. Harrington stated second.** Voss stated any discussion? All in favor say aye?” **All in favor.** Voss stated any opposed? That motion passes. **Motion passes unanimously.**

Meeting adjourned at 8:16 p.m.

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

**City of East Bethel**

**FLEXIBLE BENEFIT PLAN  
ADOPTION AGREEMENT**

This is the Adoption Agreement referred to in the Flexible Benefit Plan Basic Plan Document ("Basic Plan Document"). The Adoption Agreement plus the Basic Plan Document constitute the "Plan."

The Employer hereby makes the following selections:

**EMPLOYER AND AFFILIATED EMPLOYER INFORMATION:**

Employer Name: City of East Bethel  
Address: 2241 221<sup>st</sup> Avenue NE  
City, State Zip: East Bethel, MN 55011  
Phone/Fax Number: 763-367-7840/763-434-9578

Affiliated Employer Name: Not Applicable  
Address: \_\_\_\_\_  
City, State Zip: \_\_\_\_\_  
Phone/Fax Number: \_\_\_\_\_

**Section Number References:** The section numbers below correlate to the section numbers found in the Basic Plan Document.

**ARTICLE II: DEFINITIONS**

2.5 Claims Administrator means:  
 Plan Administrator  
 Other (please provide additional information below):  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State Zip: \_\_\_\_\_  
Phone/Fax Number: \_\_\_\_\_

2.12 Effective Date means: January 1, 2016  
(month, day, year)

Is this a restatement:  Yes  No If yes, original Effective Date: January 1, 2005  
(month, day, year)

2.18 Employer means: City of East Bethel

Affiliated Employers participating in this Plan are: \_\_\_\_\_

2.19 See 4.4 below regarding Employer Contribution.

2.20 Entry Date means:  
 The date on which the Employee becomes eligible to participate in the Plan.  
 The first day of the month coinciding with or following the date on which the Employee becomes eligible to participate in the Plan  
 Other: The first day of the month following date of hire.

2.28 Available Benefit(s) means (check all that apply):

**Very Important Note:** The Basic Plan Document describes all of the Available Benefits that *can be* provided through the Plan. However, it is through the Adoption Agreement that the specific portions of the Basic Plan Document are activated. An Available Benefit must *both* (1) be checked below, and (2) have the corresponding Article of the Adoption Agreement (if any) completed, in order for the provision regarding that Available Benefit in the Basic Plan Document to be activated and part of the Plan.

*Premium Contributions:*

- Group Medical Benefits
- Group Dental Benefits
- Group Vision Benefits
- Group Term Life Benefits and/or AD&D Benefits
- Long Term Disability Benefits
- Short Term Disability Benefits

*Expense Reimbursement:*

- Dependent Care Expense Reimbursement Plan
- Medical Expense Reimbursement Plan
- Limited Scope Medical Expense Reimbursement Plan

*Other:*

- HSA Contribution Feature
- Cash Payment
- Individual Premium Feature

2.31 Plan Name: City of East Bethel Flexible Benefit Plan

2.33 A Plan Year commences on the first day of: January  
*(insert month)*

and ends on the last day of: December  
*(insert month)*

A "short" Plan Year begins on: Not Applicable  
*(insert month/day/year)*

and ends on: Not Applicable  
*(insert month/day/year)*

**ARTICLE III: ELIGIBILITY AND PARTICIPATION**

3.1 General eligibility requirements are as follows (check and complete only those that apply):

Minimum Number of Hours (*Describe, including whether Employee must actually work, or be scheduled to work, the hours and the period over which the required hours must be worked (e.g., per week, per month, etc.):*)

Length of Service (*Describe*): \_\_\_\_\_

Employment Classification (e.g., union, part-time, full-time) (*Describe*): MN Public Employees Association working a minimum of 1,040 hours per year Full-time salaried and hourly employees working an average of at least 40 hours per week.

Other (*Describe, including any Available Benefit(s) with different eligibility and participation requirements*): Only full-time employees are eligible for the \$50K life insurance.

3.1 Eligibility requirements for elected officials:

- Elected officials are subject to the general eligibility requirements identified above.
- Elected officials are eligible to participate without satisfying the general eligibility requirements identified above.
- Elected officials are not eligible to participate.

3.3(b) Special rule for new hires described in the Basic Plan Document:

- Applies.
- Does not apply.

**ARTICLE IV: CONTRIBUTIONS**

4.1 Salary reduction contributions shall occur:

- Every payroll period. (FSA contributions only)
- Only two payroll periods per month (bi-weekly). (Medical, Dental, Life and disability contributions only)
- Monthly. (Union Dues only)

4.2 Imputation of income (*please choose one*):

- Pre-tax contributions with imputation of income of "fair market value" (See 4.2(a) in the Basic Plan Document).
- After-tax payments of the "fair market value" (See 4.2(b) in the Basic Plan Document).

4.4 Employer Contribution

- Amount of the Employer Contribution towards Available Benefits for the Plan Year is as follows:
  - None.
  - Amount of the Employer Contribution is: Determined annually by the City Council. Employees will receive notice of the amount available before the beginning of each Plan Year. Benefits for part-time employees working 20 hours per week will be pro-rated.
- Frequency of the Employer Contribution:
  - Per pay period.
  - Per month or over 24 Pay periods.
  - Per year on the first day of the Plan Year.
- Restrictions, if any, on the Employer Contribution (*Describe*): \_\_\_\_\_
- Continuation of Employer Contribution during an unpaid leave (except as required by applicable law):
  - Employer Contributions do not continue.
  - Employer Contributions continue.

**FMLA Leave.** FMLA requires maintenance of the status quo for group health benefits. To the extent any portion of the Employer Contribution has been allocated to pay for the cost of Available Benefits that are group health benefits (e.g., Group Medical Benefits, Group Dental Benefits, Group Vision Benefits, Medical Expense Reimbursement Plan, Limited Scope Expense Reimbursement Plan), the Employer Contribution must continue to be made during the leave.

- For Participants joining the Plan mid-Plan Year, the Employer Contribution is:
  - Pro-rated.
  - Unchanged (i.e., the entire Employer Contribution for the Plan Year is available.)

**ARTICLE V: ELECTIONS**

- 5.1 Initial Election of Premium Contributions (e.g. toward Group Medical Benefits, Group Dental Benefits, etc.):
- As provided in the Basic Plan Document (i.e., affirmative election required to pay premiums pre-tax).
  - An Eligible Employee is deemed to have elected to participate and to pay the Participant's share of the cost of such Available Benefits through pre-tax salary reduction unless (1) the Eligible Employee specifically elects not to participate with respect to such Available Benefit(s) and notifies the Plan Administrator in writing on or before the close of the Election Period, or (2) such deemed Election is otherwise prohibited by law.
- 5.3(b) Ongoing Annual Election of Premium Contributions (e.g., Group Medical Benefits, Group Dental Benefits, etc.):
- As provided in the Basic Plan Document (i.e., automatic election to pay premiums pre-tax).
  - Affirmative election required to pay cost of benefits on a pre-tax basis through the Plan each year.
- 5.4 Irrevocable election rules are modified as follows: \_\_\_\_\_

**ARTICLE VI: PLAN ADMINISTRATION**

- 6.1(b) Plan Administrator means:
- As provided in the Basic Plan Document (i.e., the Employer).
  - Other (*Describe*): \_\_\_\_\_
- 6.7(a) For paper claims, reimbursement of eligible expenses shall be made at least:
- Weekly
  - Monthly
  - Other (*Describe*): \_\_\_\_\_
- 6.7(b) Electronic payment for Medical Expense Reimbursement Plan is:
- N/A – no Medical Expense Reimbursement Plan is included.
  - Available.
  - Not Available.
- 6.7(b) Electronic payment for Limited Scope Medical Expense Reimbursement Plan is:
- N/A – no Limited Scope Medical Expense Reimbursement Plan is included.
  - Available.
  - Not Available.

- 6.8 Claims determination and appeal procedures:  
 As provided in the Basic Plan Document.  
 Other (*Describe*): \_\_\_\_\_

**Specifics on Available Benefits.** The remainder of this Adoption Agreement, with the exception of the signature page, relates solely to each individual Available Benefit that is offered under the Plan as reflected in Section 2.28 (i.e. where (1) there is an Employer contribution towards benefits, and/or (2) the Employee may pay for certain benefits on a pre

**ARTICLE IX: GROUP MEDICAL BENEFITS**       Available       Not Available

Group Medical Benefits are provided in accordance with the applicable Insurance Contracts, HMO agreements, other medical benefit agreements, and/or self-insured plan documents identified in Exhibit A attached to this Adoption Agreement.

**ARTICLE X: DEPENDENT CARE EXPENSE REIMBURSEMENT PLAN**       Available       Not Available

- 10.3(a) Claims Run-Out Period means:  
 The 60-day period following the end of Plan Year.  
 The 90-day period following the end of Plan Year.  
 Other (*Describe*): \_\_\_\_\_

10.8 Maximum Reimbursement: See the Basic Plan Document for the statutory limits. To implement further limits on the maximum available to employees, describe those limits in Section 10.12(b) below.

- 10.9 Reimbursement of Dependent Care Expenses following termination of participation:  
 Expenses incurred **while a Participant** may be reimbursed if submitted within the Claims Run-out Period identified in Section 10.3(a).  
 Expenses incurred **while a Participant** may be reimbursed if submitted within 60 days following termination of participation.  
 Expenses incurred **during the Plan Year** (whether while a Participant or after participation ceases) may be reimbursed if submitted within the Claims Run-Out Period identified in Section 10.3(a).  
 No reimbursement of expenses shall occur following termination of participation.

- 10.12(b) Other dependent care limitations are as follows:  
 N/A  
 Other (*Describe*): \_\_\_\_\_

**ARTICLE XI: MEDICAL EXPENSE REIMBURSEMENT PLAN**       Available       Not Available

**Note:** For a Limited Scope Medical Expense Reimbursement Plan intended to work with a Health Savings Account ("HSA"), see Article XIX.

- 11.3(a) Claims Run-Out Period means:  
 The 60-day period following the end of Plan Year.  
 The 90-day period following the end of Plan Year.  
 Other (*Describe*): \_\_\_\_\_

- 11.3(b) Dependent means:  
 As provided in the Basic Plan Document.  
 Other (*Describe*): \_\_\_\_\_

- 11.3(d) Medical Expense means:  
 As provided in the Basic Plan Document.  
 Other (*Describe*): \_\_\_\_\_

- 11.6 With respect to orthodontia expenses:  
 Expenses for orthodontia care shall be deemed incurred and may be reimbursed when the Participant makes an advance payment for the orthodontia care.  
 Expenses for orthodontia care are incurred and may be reimbursed only as the care is provided.

- 11.8 Maximum Elections
- The maximum election a Participant may make for a Plan Year is: \$ \$2,000

**Uniform Coverage.** Because the full amount of a Participant's election (including salary reduction and allocation of Employer Contributions) under the Medical Expense Reimbursement Plan is available starting on the first day of the Plan Year (even though contributions are made over the course of the entire Plan Year), the amount of the maximum relates to the amount of risk the Employer assumes with respect to funding benefits under this plan.

- For a "short" Plan Year, the maximum election is:
    - Not applicable.
    - Pro-rated.
    - Unchanged.
  - For Participants joining the Plan mid-Plan Year, the maximum election is:
    - Pro-rated.
    - Unchanged (i.e., the entire Employer Contribution for the Plan Year is available.)
- 11.9 Reimbursement of Medical Expenses following termination of participation:
- Expenses incurred **while a Participant** may be reimbursed if submitted within the claims run-out period identified in Section 13.12.
  - Expenses incurred **while a Participant** may be reimbursed if submitted within 60 days following termination of participation.
  - No reimbursement of expenses shall occur following termination of participation (unless required under COBRA).
- 11.12(a) Claims Grace Period:
- A Claims Grace Period **is** available under the Medical Expense Reimbursement Plan.
  - A Claims Grace Period **is not** available under the Medical Expense Reimbursement Plan.
- 11.14 Qualified Reservist Distributions:
- Qualified Reservist Distributions **are** available under the Medical Expense Reimbursement Plan.
  - Qualified Reservist Distributions **are not** available under the Medical Expense Reimbursement Plan.
- 11.17(e) Other Medical Expense Reimbursement Plan limitations are as follows:
- None
  - Other (*Describe*): \_\_\_\_\_

**ARTICLE XII: GROUP DENTAL BENEFITS**  Available  Not Available

Group Dental Benefits are provided in accordance with the applicable Insurance Contracts, DMO agreements, other dental benefit agreements, and/or self-insured plan documents identified in Exhibit A attached to this Adoption Agreement.

**ARTICLE XIII: GROUP VISION BENEFITS**  Available  Not Available

Group Vision Benefits are provided in accordance with the applicable Insurance Contracts, other vision benefit agreements, and/or self-insured plan documents identified in Exhibit A attached to this Adoption Agreement.

**ARTICLE XIV: GROUP TERM LIFE BENEFITS AND/OR AD&D BENEFITS**  Available  Not Available

Group Term Life and AD&D Benefits are provided in accordance with the applicable Insurance Contracts, other benefit agreements, and/or self-insured plan documents identified in Exhibit A attached to this Adoption Agreement.

**ARTICLE XV: LONG TERM DISABILITY BENEFITS**  Available  Not Available

- 15.6 Insurance Premiums paid through the Plan are:
- Included in the Participant's gross income (after-tax).
  - Excluded from the Participant's gross income (pre-tax).

**ARTICLE XVI: SHORT TERM DISABILITY BENEFITS**  Available  Not Available

- 16.6 Insurance Premiums paid through the Plan are:
- Included in the Participant's gross income (after-tax).
  - Excluded from the Participant's gross income (pre-tax).

**ARTICLE XVII: INDIVIDUAL PREMIUM PLAN**

Available

Not Available

17.3(a) Claims Run-Out Period means:

- The 60-day period following the end of Plan Year.
- The 90-day period following the end of Plan Year.
- Other (*Describe*): \_\_\_\_\_

17.3(b) Dependent means:

- As provided in the Basic Plan Document.
- Other (*Describe*): \_\_\_\_\_

17.3(g) Insurance Contract means:

- As provided in the Basic Plan Document (i.e., both specialty coverages and major medical coverage).
- Just specialty coverages (e.g., cancer, vision, hospital indemnity, transplant, dental).
- Just individual major medical; to the extent permitted under law.
- Other (*Describe*): \_\_\_\_\_

17.7 Reimbursement of Individual Premium Expenses following termination of participation:

- Expenses incurred **while a Participant** may be reimbursed if submitted within claims run-out period identified in Section 17.3(a).
- Expenses incurred **while a Participant** may be reimbursed if submitted within «Number\_Days» days following termination of participation.
- Expenses incurred **during the Plan Year** (whether while a Participant or after participation ceases) may be reimbursed if submitted within the claims run-out period identified in Section 17.3(a).
- No reimbursement of expenses shall occur following termination of participation.

**ARTICLE XVIII: HSA CONTRIBUTION FEATURE**

Available

Not Available

18.3(b) HSA means:

- An HSA provided through a trustee/custodian selected by the Employer.
- An HSA provided through any trustee/custodian selected by the Participant.

18.3(d) High Deductible Health Plan means:

- As provided in the Basic Plan Document (i.e., the Employer-sponsored High Deductible Health Plan).
- Any health plan constituting a high deductible health plan under Section 223 of the Code (i.e. a qualified health plan to be offered with a HSA).

18.5 Certification of HSA Eligibility:

- A Certification of HSA Eligibility **is** required to participate in the HSA Contribution Feature.
- A Certification of HSA Eligibility **is not** required to participate in the HSA Contribution Feature.

**ARTICLE XIX: LIMITED SCOPE MEDICAL EXPENSE REIMBURSEMENT PLAN**

Available

Not Available

19.3(a) Claims Run-Out Period means:

- The 60-day period following the end of Plan Year.
- The 90-day period following the end of Plan Year.
- Other (*Describe*): \_\_\_\_\_

19.3(b) Dependent means:

- As provided in the Basic Plan Document.
- Other (*Describe*): \_\_\_\_\_

19.3(e) Limited Scope Medical Expense means:

- As provided in the Basic Plan Document.
- Other (*Describe*): \_\_\_\_\_

19.6 With respect to orthodontia expenses:

- Expenses for orthodontia care shall be deemed incurred and may be reimbursed when the Participant makes an advance payment for the orthodontia care.
- Expenses for orthodontia care are incurred and may be reimbursed only as the care is provided.

19.8 Maximum Elections  
• The maximum election a Participant may receive for a Plan Year is: \$ \_\_\_\_\_

**Uniform Coverage:** Because the full amount of a Participant's election (including salary reduction and allocation of Employer contributions) under the Limited Scope Medical Expense Reimbursement Plan is available starting on the first day of the Plan Year (even though contributions are made over the course of the entire Plan Year), the amount of the maximum relates to the amount of risk the Employer assumes with respect to funding benefits under this plan.

- For a "short" Plan Year, the maximum election is:
  - Pro-rated.
  - Unchanged.
- For Participants joining the Plan mid-Plan Year, the maximum election is:
  - Pro-rated.
  - Unchanged (i.e., the entire Employer Contribution for the Plan Year is available.)

19.9 Reimbursement of Limited Scope Medical Expenses following termination of participation:  
 Expenses incurred **while a Participant** may be reimbursed if submitted with the claims run-out period identified in Section 19.12.  
 Expenses incurred **while a Participant** may be reimbursed if submitted within «Number\_Days» days following termination of participation.  
 No reimbursement of expenses shall occur following termination of participation.

19.12(a) Claims Grace Period:  
 A Claims Grace Period **is** available under the Limited Scope Medical Expense Reimbursement Plan.  
 A Claims Grace Period **is not** available under the Limited Scope Medical Expense Reimbursement Plan.

19.14 Qualified Reservist Distributions:  
 Qualified Reservist Distributions are available under the Limited Scope Medical Expense Reimbursement Plan.  
 Qualified Reservist Distributions are not available under the Limited Scope Medical Expense Reimbursement Plan.

19.17(d) Other Limited Scope Medical Expense Reimbursement Plan limitations are as follows:  
 N/A  
 Other (*Describe*): \_\_\_\_\_

**ARTICLE XX: CASH PAYMENT**       Available       Not Available

20.2 Restrictions on the Cash Payment available :  
 N/A – no restrictions.  
 Other (*Describe*): Single health insurance coverage is required for all employees eligible for City contributions to a Flexible Benefits Plan. Employees are permitted to opt out of health insurance coverage under the City's policy with acceptable proof of health insurance coverage through another group health plan.

**ACKNOWLEDGEMENTS**

- 1. This Plan has been duly adopted or authorized to be adopted by the Employer’s managing body
- 2. Portions of this Plan are intended to be a “covered entity” for purposes of the Health Insurance Portability and Accountability Act (HIPAA).

**EMPLOYER:** City of East Bethel

Date: November 18, 2015  
\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_  
\_\_\_\_\_

**EXHIBIT A**

**INSURER/PROVIDER INFORMATION**

**Group Medical Benefits**

Not Applicable  
Name of Insurer/Provider: Preferred One  
Address: 6105 Golden Hills Drive  
City, State Zip: Golden Valley, MN 55416-1023  
Phone #/Website: 763-847-4000 www.preferredone.com  
Group #: PCH43423

**Group Dental Benefits**

Not Applicable  
Name of Insurer/Provider: Delta Dental  
Address: P.O. Box 330  
City, State Zip: Minneapolis, MN 55440-0330  
Phone #/Website: 651-406-5912/www.deltadentalmn.org  
Group #: PPO - 004905-0945/Premier - 3951-0590

**Group Vision Benefits**

Not Applicable  
Name of Insurer/Provider: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State Zip: \_\_\_\_\_  
Phone #: \_\_\_\_\_  
Group #: \_\_\_\_\_

**HSA Contribution Feature**

Not Applicable  
Name of HSA Vendor (if vendor selected by Employer): \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State Zip: \_\_\_\_\_  
Phone #: \_\_\_\_\_  
Group # (if applicable): \_\_\_\_\_

**Group Term Life Benefits and/or AD&D Benefits**

Not Applicable  
Name of Insurer/Provider: Dearborn National  
Address: 1020 31<sup>st</sup> Street  
City, State Zip: Downers Grove, IL 60515  
Phone #/Website: 800-348-4512/www.dearbornnational.com  
Group #: F010002-1

**Long Term Disability Benefits**

Not Applicable  
Name of Insurer/Provider: Dearborn National  
Address: 1020 31<sup>st</sup> Street  
City, State Zip: Downers Grove, IL 60515  
Phone #/Website: 800-778-2281/www.dearbornnational.com  
Group #: F010002-1

**Short Term Disability Benefits**

Not Applicable  
Name of Insurer/Provider: Dearborn National  
Address: 1020 31<sup>st</sup> Street  
City, State Zip: Downers Grove, IL 60515  
Phone #/Website: 800-778-2281/www.dearbornnational.com  
Group #: F010002-1

**Additional Information:**

Single health insurance coverage is required for all employees eligible for City contributions to a Flexible Benefit Plan. Employees are permitted to opt out of health insurance coverage under the City's policy with acceptable proof of health insurance coverage through another group health plan.

Participation in the life insurance and disability policies is **mandatory** for **all** full-time employees.

Beginning January 1, 2011, expenses for over-the-counter drugs (other than insulin) may not be reimbursed from an FSA unless prescribed by a physician.

**PAY ESTIMATE #3**  
**CITY OF EAST BETHEL**  
**185th Avenue, Laurel Road and Lincoln Drive Street Reconstruction Project**

October 31, 2015

Honorable Mayor & City Council  
City of East Bethel  
2241 221st Avenue NE  
East Bethel, MN 55011

RE: 185th Avenue, Laurel Road and Lincoln Drive Street Reconstruction Project  
Contractor: Peterson Companies  
Award Date: July 15, 2015  
Completion Date: July 15, 2016

Dear Honorable Mayor and Council Members:

The following work has been completed on the above-referenced project by Peterson Companies:

**Bid Schedule "A" - S.A.P. 203-122-001 - 185th Avenue NE**

ITEM NO.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	CONTRACT UNIT PRICE	USED TO DATE	EXTENSION
1	CLEARING	1.25	ACRE	\$2,500.00	1.25	\$ 3,125.00
2	GRUBBING	1.25	ACRE	\$2,500.00	1.25	\$ 3,125.00
3	REMOVE PIPE CULVERTS	27	LIN FT	\$24.26	27	\$ 655.02
4	REMOVE FENCE	781	LIN FT	\$2.35	781	\$ 1,835.35
5	REMOVE SIGN TYPE C	8	EACH	\$30.00	8	\$ 240.00
6	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)	41	LIN FT	\$2.35	41	\$ 96.35
7	SALVAGE SIGN TYPE C	1	EACH	\$45.00	1	\$ 45.00
8	SALVAGE STEEL POST	25	EACH	\$22.90	25	\$ 572.50
9	COMMON EXCAVATION (EV) (P)	8649	CU YD	\$6.96	8,649	\$ 60,197.04
10	MUCK EXCAVATION (EV)	5970	CU YD	\$9.11	6,212	\$ 56,591.32
11	SELECT GRANULAR BORROW (LV)	2013	CU YD	\$16.66	4,475	\$ 74,553.50
12	GEOTEXTILE FABRIC TYPE V	555	SQ YD	\$0.54		\$ -
13	CALCIUM CHLORIDE SOLUTION	5742	GALLON	\$1.00		\$ -
14	AGGREGATE BASE CLASS 5	3367	TON	\$17.00	2,794	\$ 47,498.00
15	FULL DEPTH RECLAMATION	6167	SQ YD	\$0.57	6,167	\$ 3,515.19
16	SHOULDER BASE AGGREGATE CLASS 2	45	TON	\$49.54		\$ -
17	MILL BITUMINOUS SURFACE (2")	5	SQ YD	\$70.00		\$ -
18	BITUMINOUS MATERIAL FOR TACK COAT	424	GALLON	\$4.10		\$ -
19	TYPE SP 12.5 WEARING COURSE MIXTURE (2,B)	1022	TON	\$60.15		\$ -
20	TYPE SP 12.5 NON WEARING COURSE MIXTURE (2,B)	1022	TON	\$59.99	941	\$ 56,450.59
21	15" RC PIPE APRON	2	EACH	\$910.47	2	\$ 1,820.94
22	18" RC PIPE APRON	4	EACH	\$935.22	4	\$ 3,740.88
23	21" RC PIPE APRON	1	EACH	\$959.96	1	\$ 959.96
24	18" RC PIPE CULVERT DESIGN 3006 CLASS III	120	LIN FT	\$24.32	120	\$ 2,918.40
25	TRASH GUARD FOR 15" PIPE APRON	2	EACH	\$150.73	2	\$ 301.46
26	TRASH GUARD FOR 18" PIPE APRON	2	EACH	\$173.22	2	\$ 346.44
27	TRASH GUARD FOR 21" PIPE APRON	1	EACH	\$209.21	1	\$ 209.21
28	15" RC PIPE SEWER DESIGN 3006 CLASS V	1223	LIN FT	\$22.14	1,284	\$ 28,427.76
29	18" RC PIPE SEWER DESIGN 3006 CLASS III	736	LIN FT	\$18.39	736	\$ 13,535.04
30	21" RC PIPE SEWER DESIGN 3006 CLASS III	27	LIN FT	\$41.41	18	\$ 745.38
31	CONSTRUCT DRAINAGE STRUCTURE DESIGN H	9.5	LIN FT	\$323.20	9.5	\$ 3,070.40
32	CONSTRUCT DRAINAGE STRUCTURE DESIGN 48 - 4020	37.0	LIN FT	\$358.06	37.0	\$ 13,248.22
33	CONSTRUCT DRAINAGE STRUCTURE DESIGN SPECIAL	3.0	LIN FT	\$1,108.90	3.0	\$ 3,326.70
34	CASTING ASSEMBLY	12	EACH	\$725.52	12	\$ 8,706.24
35	GEOTEXTILE FILTER TYPE IV	20.8	SQ YD	\$1.02	20.8	\$ 21.22
36	INSTALL RANDOM RIPRAP	5.1	CU YD	\$30.40	8.27	\$ 251.41
37	CONCRETE CURB AND GUTTER DESIGN B618	2581	LIN FT	\$12.75	2,607	\$ 33,239.25
38	6" CONCRETE DRIVEWAY PAVEMENT	10	SQ YD	\$65.00	7	\$ 455.00
39	GUIDE POST TYPE B	7	EACH	\$65.00	7	\$ 455.00
40	WIRE FENCE DESIGN 72-9322	97	LIN FT	\$31.50	97	\$ 3,055.50

**PAY ESTIMATE #3**  
**CITY OF EAST BETHEL**  
**185th Avenue, Laurel Road and Lincoln Drive Street Reconstruction Project**

**Bid Schedule "A" - S.A.P. 203-122-001 - 185th Avenue NE (Continued)**

ITEM NO.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	CONTRACT UNIT PRICE	USED TO DATE	EXTENSION
41	WIRE FENCE DESIGN 6.5-9323	756	LIN FT	\$22.75	751	\$ 17,085.25
42	SIGN PANELS TYPE SPECIAL	11.4	SQ FT	\$22.35	11.4	\$ 254.79
43	SIGN PANELS TYPE C	94.6	SQ FT	\$34.00	97.6	\$ 3,318.40
44	INSTALL SIGN TYPE C	1	EACH	\$145.00	1	\$ 145.00
45	INSTALL STEEL POST	25	EACH	\$54.96	12	\$ 659.52
46	SILT FENCE, TYPE MS	1363	LIN FT	\$3.10	1,423	\$ 4,411.30
47	STORM DRAIN INLET PROTECTION	10	EACH	\$250.00		\$ -
48	SEDIMENT CONTROL LOG TYPE COMPOST	3089	LIN FT	\$3.75	1,920	\$ 7,200.00
49	CULVERT END CONTROLS	4	EACH	\$50.00	2	\$ 100.00
50	FERTILIZER TYPE 3	1160	POUND	\$0.45	1,250	\$ 562.50
51	SEEDING	2.9	ACRE	\$2,305.00	2.9	\$ 6,684.50
52	SEED MIXTURE 25-131	1276	POUND	\$1.85	600	\$ 1,110.00
53	MULCH MATERIAL TYPE 4	1.5	ACRE	\$3,130.00	1.5	\$ 4,695.00
54	EROSION CONTROL BLANKETS CATEGORY 2	7030	SQ YD	\$1.15		\$ -
55	4" SOLID LINE WHITE - PAINT	4115	LIN FT	\$0.27	4,033	\$ 1,088.91
56	4" SOLID LINE YELLOW - PAINT	1210	LIN FT	\$0.28	1,210	\$ 338.80
57	4" BROKEN LINE YELLOW - PAINT	300	LIN FT	\$0.28	310	\$ 86.80
58	4" DOUBLE SOLID LINE YELLOW - PAINT	500	LIN FT	\$0.56	500	\$ 280.00
59	4" SOLID LINE WHITE - EPOXY	4115	LIN FT	\$0.41		\$ -
60	4" SOLID LINE YELLOW - EPOXY	1210	LIN FT	\$0.41		\$ -
61	4" BROKEN LINE YELLOW - EPOXY	300	LIN FT	\$0.41		\$ -
62	4" DOUBLE SOLID LINE YELLOW - EPOXY	500	LIN FT	\$0.82		\$ -

**Total Bid Schedule "A" \$ 475,355.04**

**Bid Schedule "B" - S.A.P. 203-123-001 - Laurel Road N.E.**

ITEM NO.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	CONTRACT UNIT PRICE	USED TO DATE	EXTENSION
1	REMOVE SIGN TYPE C	4	EACH	\$30.00	4	\$ 120.00
2	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)	24	LIN FT	\$4.00	24	\$ 96.00
3	SALVAGE SIGN TYPE C	1	EACH	\$45.00	1	\$ 45.00
4	SALVAGE RANDOM RIPRAP	14	CU YD	\$13.54	14	\$ 189.56
5	COMMON EXCAVATION (EV) (P)	215	CU YD	\$6.96	215	\$ 1,496.40
6	CALCIUM CHLORIDE SOLUTION	719	GALLON	\$1.00		\$ -
7	AGGREGATE BASE CLASS 5	418	TON	\$17.00	348	\$ 5,916.00
8	FULL DEPTH RECLAMATION	654	SQ YD	\$0.57	654	\$ 372.78
9	SHOULDER BASE AGGREGATE CLASS 2	6	TON	\$108.75		\$ -
10	MILL BITUMINOUS SURFACE (2")	3	SQ YD	\$33.00		\$ -
11	BITUMINOUS MATERIAL FOR TACK COAT	53	GALLON	\$5.60		\$ -
12	TYPE SP 12.5 WEARING COURSE MIXTURE (2,B)	127	TON	\$66.25		\$ -
13	TYPE SP 12.5 NON WEARING COURSE MIXTURE (2,B)	127	TON	\$66.09	122	\$ 8,062.98
14	15" RC PIPE APRON	2	EACH	\$910.47	2	\$ 1,820.94
15	TRASH GUARD FOR 15" PIPE APRON	2	EACH	\$150.73	2	\$ 301.46
16	15" RC PIPE SEWER DESIGN 3006 CLASS V	99	LIN FT	\$21.33	99	\$ 2,111.67
17	CONSTRUCT DRAINAGE STRUCTURE DESIGN 48 - 4020	7.0	LIN FT	\$286.99	7.0	\$ 2,008.93
18	CONSTRUCT DRAINAGE STRUCTURE DESIGN SPECIAL	3.1	LIN FT	\$649.65	3.1	\$ 2,013.92
19	CASTING ASSEMBLY	3	EACH	\$822.47	3	\$ 2,467.41
20	GEOTEXTILE FILTER TYPE IV	20.8	SQ YD	\$2.00	20.8	\$ 41.60
21	INSTALL RANDOM RIPRAP	5.1	CU YD	\$30.40	8.27	\$ 251.41
22	CONCRETE CURB AND GUTTER DESIGN B618	295	LIN FT	\$12.75	297	\$ 3,786.75
23	GUIDE POST TYPE B	2	EACH	\$65.00	2	\$ 130.00
24	SIGN PANELS TYPE SPECIAL	11.3	SQ FT	\$22.35	11.3	\$ 252.56
25	SIGN PANELS TYPE C	11.3	SQ FT	\$37.00	11.3	\$ 418.10
26	INSTALL SIGN TYPE C	1	EACH	\$145.00	1	\$ 145.00
27	STORM DRAIN INLET PROTECTION	2	EACH	\$250.00		\$ -
28	SEDIMENT CONTROL LOG TYPE COMPOST	356	LIN FT	\$3.75	300	\$ 1,125.00

**PAY ESTIMATE #3**  
**CITY OF EAST BETHEL**  
**185th Avenue, Laurel Road and Lincoln Drive Street Reconstruction Project**

**Bid Schedule "B" - S.A.P. 203-123-001 - Laurel Road N.E. (Continued)**

ITEM NO.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	CONTRACT UNIT PRICE	USED TO DATE	EXTENSION
29	CULVERT END CONTROLS	1	EACH	\$50.00	1	\$ 50.00
30	FERTILIZER TYPE 3	80	POUND	\$0.45	100	\$ 45.00
31	SEEDING	0.2	ACRE	\$8,535.00	0.2	\$ 1,707.00
32	SEED MIXTURE 25-131	88	POUND	\$1.85	40	\$ 74.00
33	MULCH MATERIAL TYPE 4	0.2	ACRE	\$5,685.00	0.2	\$ 1,137.00
<b>Total Bid Schedule "B"</b>						<b>\$ 36,186.47</b>

**Bid Schedule "C" - S.A.P. 203-125-001 - Lincoln Drive N.E.**

ITEM NO.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	CONTRACT UNIT PRICE	USED TO DATE	EXTENSION
1	CLEARING	0.25	ACRE	\$2,500.00	0.55	\$ 1,375.00
2	GRUBBING	0.25	ACRE	\$2,500.00	0.55	\$ 1,375.00
3	REMOVE PIPE CULVERTS	21	LIN FT	\$7.39	96	\$ 709.44
4	REMOVE FENCE	414	LIN FT	\$3.43	414	\$ 1,420.02
5	REMOVE RIPRAP	26	CU YD	\$29.16	26	\$ 758.16
6	REMOVE SIGN TYPE C	2	EACH	\$30.00	2	\$ 60.00
7	REMOVE MAILBOX SUPPORT	2	EACH	\$200.00	2	\$ 400.00
8	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)	50	LIN FT	\$1.92	50	\$ 96.00
9	SALVAGE LANDSCAPE ROCK	20	SQ YD	\$11.45		\$ -
10	SALVAGE RANDOM RIPRAP	3	CU YD	\$57.84	3	\$ 173.52
11	COMMON EXCAVATION (EV) (P)	4183	CU YD	\$6.96	4,183	\$ 29,113.68
12	MUCK EXCAVATION (EV)	3392	CU YD	\$9.34	5,325	\$ 49,735.50
13	GEOTEXTILE FABRIC TYPE V	240	SQ YD	\$0.54	240	\$ 129.60
14	CALCIUM CHLORIDE SOLUTION	3439	GALLON	\$1.00		\$ -
15	AGGREGATE BASE CLASS 5	1975	TON	\$17.00	1,621	\$ 27,557.00
16	FULL DEPTH RECLAMATION	4170	SQ YD	\$0.57	4,170	\$ 2,376.90
17	SHOULDER BASE AGGREGATE CLASS 2	29	TON	\$54.56		\$ -
18	MILL BITUMINOUS SURFACE (2")	3	SQ YD	\$33.00		\$ -
19	BITUMINOUS MATERIAL FOR TACK COAT	249	GALLON	\$4.00		\$ -
20	TYPE SP 12.5 WEARING COURSE MIXTURE (2,B)	600	TON	\$60.18		\$ -
21	TYPE SP 12.5 NON WEARING COURSE MIXTURE (2,B)	600	TON	\$60.02	552	\$ 33,131.04
22	TYPE SP 12.5 WEARING COURSE MIXTURE (2,B) 2.5" THICK	58	SQ YD	\$16.50	58	\$ 957.00
23	18" RC PIPE APRON	1	EACH	\$935.22	1	\$ 935.22
24	TRASH GUARD FOR 18" PIPE APRON	1	EACH	\$173.22	1	\$ 173.22
25	15" RC PIPE SEWER DESIGN 3006 CLASS V	775	LIN FT	\$21.57	774	\$ 16,695.18
26	18" RC PIPE SEWER DESIGN 3006 CLASS III	28	LIN FT	\$37.98	32	\$ 1,215.36
27	CONSTRUCT DRAINAGE STRUCTURE DESIGN H	9.4	LIN FT	\$364.04	9.4	\$ 3,421.98
28	CONSTRUCT DRAINAGE STRUCTURE DESIGN 48 - 4020	30.0	LIN FT	\$402.99	30.0	\$ 12,089.70
29	CASTING ASSEMBLY	9	EACH	\$680.47	9	\$ 6,124.23
30	GEOTEXTILE FILTER TYPE IV	25.6	SQ YD	\$1.02	25.6	\$ 26.11
31	INSTALL RANDOM RIPRAP	6.8	CU YD	\$65.15	6.8	\$ 443.02
32	CONCRETE CURB AND GUTTER DESIGN B618	1220	LIN FT	\$12.75	1,181	\$ 15,057.75
33	6" CONCRETE DRIVEWAY PAVEMENT	25	SQ YD	\$65.00	23	\$ 1,495.00
34	MAILBOX	2	EACH	\$164.50	3	\$ 493.50
35	MAILBOX SUPPORT	2	EACH	\$107.25	3	\$ 321.75
36	INSTALL LANDSCAPE ROCK	20	SQ YD	\$22.90		\$ -
37	GUIDE POST TYPE B	1	EACH	\$65.00	1	\$ 65.00
38	WIRE FENCE DESIGN 72-9322	348	LIN FT	\$46.00	341	\$ 15,686.00
39	METAL POST EXTENSIONS	56	LIN FT	\$20.00	56	\$ 1,120.00
40	SIGN PANELS TYPE C	59.0	SQ FT	\$34.00	59	\$ 2,006.00
41	SILT FENCE, TYPE MS	1073	LIN FT	\$3.10	1,131	\$ 3,506.10
42	FLOTATION SILT CURTAIN TYPE STILL WATER	189	LIN FT	\$16.10	227	\$ 3,654.70
43	STORM DRAIN INLET PROTECTION	9	EACH	\$250.00		\$ -
44	SEDIMENT CONTROL LOG TYPE COMPOST	840	LIN FT	\$3.75	780	\$ 2,925.00
45	FERTILIZER TYPE 3	360	POUND	\$0.45	400	\$ 180.00

**PAY ESTIMATE #3  
CITY OF EAST BETHEL  
185th Avenue, Laurel Road and Lincoln Drive Street Reconstruction Project**

**Bid Schedule "C" - S.A.P. 203-125-001 - Lincoln Drive N.E. (Continued)**

ITEM NO.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	CONTRACT UNIT PRICE	USED TO DATE	EXTENSION
46	SEEDING	0.9	ACRE	\$3,595.00	0.9	\$ 3,235.50
47	SEED MIXTURE 25-121	98	POUND	\$2.95		\$ -
48	SEED MIXTURE 25-131	44	POUND	\$1.85	60	\$ 111.00
49	MULCH MATERIAL TYPE 4	0.2	ACRE	\$5,685.00	0.2	\$ 1,137.00
50	EROSION CONTROL BLANKETS CATEGORY 2	3291	SQ YD	\$1.15	3,180	\$ 3,657.00
51	4" SOLID LINE WHITE - PAINT	2285	LIN FT	\$0.27	2,251	\$ 607.77
52	4" DOUBLE SOLID LINE YELLOW - PAINT	1105	LIN FT	\$0.56	1,066	\$ 596.96
53	4" SOLID LINE WHITE - EPOXY	2285	LIN FT	\$0.41		\$ -
54	4" DOUBLE SOLID LINE YELLOW - EPOXY	1105	LIN FT	\$0.82		\$ -
<b>Total Bid Schedule "C"</b>						<b>\$ 246,347.91</b>

**Bid Schedule "D" - Miscellaneous Construction**

ITEM NO.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	CONTRACT UNIT PRICE	USED TO DATE	EXTENSION
1	MOBILIZATION	1	LUMP SUM	\$119,326.00	1.00	\$ 119,326.00
2	CONSTRUCT ACCESS ROAD	1	LUMP SUM	\$16,112.00	1.00	\$ 16,112.00
3	TRAFFIC CONTROL	1	LUMP SUM	\$7,750.00	1.00	\$ 7,750.00
4	TRAFFIC CONTROL SUPERVISOR	1	LUMP SUM	\$1,500.00	1.00	\$ 1,500.00
5	STABILIZED CONSTRUCTION EXIT	1	LUMP SUM	\$2,000.00		\$ -
6	EROSION CONTROL	1	LUMP SUM	\$500.00	1.00	\$ 500.00
<b>Total Bid Schedule "D"</b>						<b>\$ 145,188.00</b>

Total Bid Schedule "A" - S.A.P. 203-122-001 - 185th Avenue NE	<b>\$ 475,355.04</b>
Total Bid Schedule "B" - S.A.P. 203-123-001 - Laurel Road N.E.	<b>\$ 36,186.47</b>
Total Bid Schedule "C" - S.A.P. 203-125-001 - Lincoln Drive N.E.	<b>\$ 246,347.91</b>
Total Bid Schedule "D" - Miscellaneous Construction	<b>\$ 145,188.00</b>
Total Work Completed to Date	<b>\$ 903,077.42</b>
Less 5% Retainage	<b>\$ 45,153.87</b>
Less Pay Estimate #1	<b>\$ 213,762.91</b>
Less Pay Estimate #2	<b>\$ 554,598.54</b>
<b>WE RECOMMEND PAYMENT OF:</b>	<b>\$ 89,562.10</b>

**APPROVALS:**

**CONTRACTOR: PETERSON COMPANIES**

Certification by Contractor: I certify that all items and amounts are correct for the work completed to date.

Signed: \_\_\_\_\_

Title: Project Manager Date 11/10/15

**ENGINEER: HAKANSON ANDERSON**

Certification by Engineer: We recommend payment for work and quantities as shown.

Signed: \_\_\_\_\_

Title: City Engineer Date 11/10/15

**OWNER: CITY OF EAST BETHEL**

Signed: \_\_\_\_\_

Title: \_\_\_\_\_ Date \_\_\_\_\_

**PAY ESTIMATE #2  
CITY OF EAST BETHEL  
2015 Street Overlay Projects**

October 31, 2015

Honorable Mayor & City Council  
City of East Bethel  
2241 221st Avenue NE  
East Bethel, MN 55011

RE: 2015 Street Overlay Projects  
Contractor: Peterson Companies  
Award Date: July 15, 2015  
Completion Date: July 15, 2016

Dear Honorable Mayor and Council Members:

The following work has been completed on the above-referenced project by Peterson Companies:

**Bid Schedule "A" - Rochester Street, Leyte Street, 7th Street and 229th Avneue Overlay Projects**

ITEM NO.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	CONTRACT UNIT PRICE	USED TO DATE	EXTENSION
1	MILL BITUMINOUS SURFACE (2")	244	SQ YD	\$37.41	343	\$ 12,831.63
2	BITUMINOUS MATERIAL FOR TACK COAT	1296	GALLON	\$2.98	1,300	\$ 3,874.00
3	TYPE SP 12.5 WEARING COURSE MIXTURE (2,B)	2852	TON	\$58.67	2,761.26	\$ 162,003.12
4	TYPE SP 12.5 WEARING COURSE MIXTURE (2,B) 2" THICK	409	SQ YD	\$14.61	527	\$ 7,699.47
5	TYPE SP 12.5 BITUMINOUS MIXTURE FOR PATCHING	240	TON	\$95.12	124	\$ 11,794.88
6	ADJUST FRAME AND RING CASTING (SPECIAL)	4	EACH	\$500.00	4	\$ 2,000.00
7	4" CONCRETE DRIVEWAY PAVEMENT	77	SQ YD	\$60.00	93.33	\$ 5,599.80
<b>Total Bid Schedule "A"</b>						<b>\$ 205,802.90</b>

**Bid Schedule "B" - Mobilization and Traffic Control**

ITEM NO.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	CONTRACT UNIT PRICE	USED TO DATE	EXTENSION
1	MOBILIZATION	1	LUMP SUM	\$2,500.00	1.0	\$ 2,500.00
2	TRAFFIC CONTROL	1	LUMP SUM	\$1,750.00	1.0	\$ 1,750.00
<b>Total Bid Schedule "B"</b>						<b>\$ 4,250.00</b>

Total Bid Schedule "A" - Rochester Street, Leyte Street, 7th Street and 229th Avneue Overlay Projects	<b>\$ 205,802.90</b>
Total Bid Schedule "B" - Mobilization and Traffic Control	<b>\$ 4,250.00</b>
Total Work Completed to Date	<b>\$ 210,052.90</b>
Less 5% Retainage	<b>\$ 10,502.65</b>
Less Pay Estimate #1	<b>\$ 8,822.93</b>
<b>WE RECOMMEND PAYMENT OF:</b>	<b>\$ 190,727.32</b>

**PAY ESTIMATE #2  
CITY OF EAST BETHEL  
2015 Street Overlay Projects**

**APPROVALS:**

**CONTRACTOR: PETERSON COMPANIES**

Certification by Contractor: I certify that all items and amounts are correct for the work completed to date.

Signed: \_\_\_\_\_

Title: Project Manager Date 11/10/15

**ENGINEER: HAKANSON ANDERSON**

Certification by Engineer: We recommend payment for work and quantities as shown.

Signed: \_\_\_\_\_

Title: City Engineer Date 11/10/15

**OWNER: CITY OF EAST BETHEL**

Signed: \_\_\_\_\_

Title: \_\_\_\_\_ Date \_\_\_\_\_



# City of East Bethel City Council Agenda Information

\*\*\*\*\*

**Date:**

November 17, 2015

\*\*\*\*\*

**Agenda Item Number:**

Item 7.0 A.1

\*\*\*\*\*

**Agenda Item:**

Interim Use Permit Application for Erryn Magnusen, (dba Loading Dock Specialists) at 22050 Quincy St NE, East Bethel, MN, PIN: 07-33-23-12-0002

\*\*\*\*\*

**Requested Action:**

Consider an Interim use permit to Erryn Magnusen to operate his business out of a Detached Accessory Structure.

\*\*\*\*\*

**Background Information:**

At the October 27, 2015 Planning Commission meeting, the Commission reviewed an Interim Use Permit Application for Mr. Erryn Magnusen at 22050 Quincy Street, dba/ Loading Dock Specialists. Mr. Magnusen’s property is zoned Rural Residential. One resident was present to object to the IUP.

Mr. Magnusen, DBA/Loading Dock Specialists (LDS) has been in business for over twenty years and has reported he has 3 full time employees and 1 part time/seasonal employee. LDS installs dock equipment for truck terminals throughout Minnesota and a 5 state area. All of the installation and service work takes place on the construction site and most of the equipment is sent directly to the work site, with the exception of electronic controls and miscellaneous installation hardware.

Mr. Magnusen’s employees park on the property (see attached photos) and pick up their work trucks and parts in the morning and leave 22050 Quincy Street for the job site around 7:30 AM. They return in the afternoon to pick up their vehicles, usually between 2-4:30 PM Monday-Friday. In addition to the employee parking, there is a roll off dumpster and up to 3 company vehicles that are permanently quartered on the property.

Staff inspected this property based on a complaint from a resident and notified Mr. Magnusen that he was required to have an IUP for a Home Occupation based on the general development guidelines for the Rural Residential Zone. Staff inspected the property on October 27, November 10, and 12, 2015 and noted that there were 12, 12 and 13 vehicles respectively on the property on those dates.

The Planning Commission considered Mr. Magnusen’s IUP Application and after a lengthy discussion passed a recommendation for approval of the IUP with conditions for one year. The following motion was made and approved by the Planning Commission:

**Mr. Plaisance made a motion to recommend approval to the City Council of the Interim Use Permit for a one year term with the stated conditions for Erryn Magnusen/ dba as Loading Dock Specialist at 22050 Quincy St NE, East Bethel MN 55011, PIN 07-33-23-12-0002, plus additional conditions to place a fence enclosure around the waste disposal container or have it removed, to remove from visibility the equipment that has been stored there without a building a fence around the entire property. Ms. Allenspach seconded the motion.**

**By a show of hands, 4 in favor and 3 against (Bonin, Cornicelli, Holmes); motion carried.**

\*\*\*\*\*

**Attachments:**

Attachment 1- October 27, 2015 Draft Planning Commission Meetings

Attachment 2- Location Map

Attachment 3- Aerial Property Photo

Attachment 4- Current Property Photos (November 12, 2015)

\*\*\*\*\*

**Recommendation(s):**

The Planning Commission recommends City Council consider approval of the IUP for Erryn Magnusen/ dba as Loading Dock Specialists at 22050 Quincy St NE, East Bethel MN 55011, PIN 07-33-23-12-0002, subject to the following conditions:

1. No more than three persons, at least one of whom shall reside within the principal dwelling, shall work at the home occupation site.
2. No traffic shall be generated by any home occupation in a significantly greater volume than would normally be expected from a single-family residence.
3. Any sign associated with the home occupation shall be in compliance with the East Bethel Sign Ordinance.
4. The home occupation shall not generate hazardous waste unless a plan for off-site disposal of the waste is approved. Documentation from MPCA or Anoka County Environmental Services regarding hazardous waste generation is required.
5. A home occupation at a dwelling with an on-site sewage treatment system shall only generate normal domestic household waste unless a plan for off-site disposal of the waste is approved.
6. The home occupation shall not constitute, create, or increase a nuisance to the criteria and standards established in this ordinance.
7. There shall be no outdoor display or storage of goods, equipment, or materials for the home occupation.
8. Parking needs generated by the home occupation shall be provided on-site.
9. The area set aside for the home occupation in the principal structure shall not exceed 50 percent of the gross living area of the principal structure.
10. No structural alterations or enlargements shall be made for the sole purpose of conducting the home occupation.
11. There shall be no detriments to the residential character of the neighborhood due to the emission of noise, odor, smoke, dust, gas, heat, glare, vibration, electrical interference, traffic congestion, or any other nuisance resulting from the home occupation.
12. The area set aside for the home occupation in the attached or detached accessory structures or garages shall not exceed total accessory structure space.
13. Applicant is required to follow all local building and fire codes.

14. *A fenced privacy enclosure must be placed around any waste containers or containers must be removed from the property.*
15. *Company vehicles and equipment must be store, when not in use, in a manner that shields visibility from streets, roads and adjoining property.*
16. *No privacy fencing will be permitted around the property that fronts Quincy Street or 221<sup>st</sup> Avenue*
17. *The IUP is recommended for one year period. The IUP must be signed by the applicant by November 30, 2015 to be valid.*

*Note: Conditions in red/italics are those recommended by the Planning Commission. Conditions in blue/italics are additional Staff recommendations.*

\*\*\*\*\*

**City Council Action:**

Motion by: \_\_\_\_\_

Second by: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Vote Yes: \_\_\_\_\_

Vote No: \_\_\_\_\_

No Action Required: \_\_\_\_\_

## EAST BETHEL PLANNING COMMISSION MEETING

October 27, 2015

The East Bethel Planning Commission met on October 27, 2015 at 7:00 PM for their regular meeting at City Hall.

MEMBERS PRESENT: Glenn Terry\* Randy Plaisance Lorraine Bonin  
\* Chairperson Sherry Allenspach Eldon Holmes Tanner Balfany  
Lou Cornicelli

ALSO PRESENT: Colleen Winter, Community Development Director  
Ron Koller, City Council Member

**1.0 Call to Order** Mr. Terry called the East Bethel Planning Commission meeting to order at 7:00 PM.

**2.0 Adopt Agenda** **Mr. Terry motioned to adopt the agenda as written. Mr. Plaisance seconded the motion. All members were in favor; motion carried.**

**3.0 Approval of August 25, 2015 Meeting Minutes** Ms. Winter requested a correction to the meeting minutes, noting it says Brian Mundle is the City Council Liaison and it should say Ron Koller. Mr. Terry asked we have no recording secretary tonight? All right, any other corrections.

**Mr. Holmes motioned to approve the minutes with corrections. Mr. Plaisance seconded the motion; all others in favor. Motion carried.**

#### **4.0 Loading Dock Specialist Home Occupation IUP**

##### **Background Information:**

##### **Owner/Property Location:**

Erryn Magnusen, (dba Loading Dock Specialists)  
22050 Quincy Street NE  
East Bethel, MN 55092  
PIN: 07-33-23-12-0002  
Zoning: Rural Residential (RR)

Ms. Winter presented the staff report, indicating Mr. Magnusen, dba Loading Dock Specialists (LDS), has been in business for over twenty years and employs three full time employees and one part time/seasonal employee. LDS installs dock equipment for truck terminals throughout Minnesota and the five State area. All of the installation and service work takes place on the construction site and most of the equipment is sent directly to that site, with the exception of fragile electronic controls and miscellaneous installation hardware.

The day-to-day operations are as follows:

The employees leave their vehicles and pick up their work trucks and any miscellaneous parts in the morning, usually at 7:30 a.m., and leave for the job site and work for the day and then in the afternoon return to pick up their vehicles usually between 2-4:30 p.m. The operation is Monday to Friday.

##### **Recommendation(s):**

If the Planning Commission were to choose to recommend approval of the IUP, it should be subject to the 13 conditions detailed in the staff report.

Ms. Winter stated attached in your packet you will find a site plan drawing that indicates where this is located. She reported she had the opportunity to go to Mr. Magnusen's today and I did observe a number of vehicles parked outside as well as a large dumpster. She talked with Mr. Magnusen a little bit about that. So, that is a concern with the number of vehicles that are actually parked outside.

The Public Hearing was opened at 7:03 pm.

Bruce Roles, 21853 Quincy Street NE, stated he's got several comments about this business. First and foremost, it's a residential area and he doesn't need a heavy equipment storage yard at the corner of his street as all know how that can degrade property values. Based on Colleen's comments, he assumed none of the Commissioners personally visited the site. Mr. Holmes stated he drove by it today and took a look.

Mr. Roles stated his disappointment, noting he had served on the Planning Commission and would go to every site and 'lay his eyes' on it as pictures usually don't do justice. He stated this business has been existing for well over two years, maybe three years, and he doesn't know what prompted it to finally get to the point where it's getting a permit to operate. Mr. Roles stated if we haven't followed the rules up to this point and the City grants the permit for the business to exist, he doesn't know why anyone would expect the rules to be followed from this point forward. He noted Colleen has already addressed the equipment and if you look at the satellite picture in the packet, it does not come close to representing the equipment on the site. He suggested there are one and maybe more that he's never seen move and wonders if they are even operational. In addition, there is a large commercial dumpster outside the building and everything can be seen from the road, especially now that the leaves have dropped. Mr. Roles noted they have been operating in violation of City ordinances for a couple years and strongly recommended, as a resident on that street, to not allow this business and require it to move to an appropriate business location due to the impact it has on the residential area.

Mr. Holms asked Mr. Roles, since he used to be on the Planning Commission, why he didn't call City Hall before. Mr. Roles stated he has talked with the City Administrator a number of times over the last couple of years and was told there wasn't enough there to move it on to the next step. Mr. Roles stated there are no company logos on the trucks. He stated he's lived on Quincy Street since 1986 and is a long-time resident.

Mr. Plaisance asked about the level of traffic he's noticed that this business has generated. Mr. Roles stated it comes and goes but the traffic was most notable, maybe when there were more employees. Now because of his recent work schedule, he is gone before and returns after any of the traffic flow. He stated his bigger concern is the visual impact of this mature business that should be properly relocated and impact to property valuations. Mr. Roles described the comments he receives from visitors to his property asking what is going on with this business that looks like a heavy equipment storage yard. He suggested there are more than enough appropriate locations to which this business can relocate.

Loading Dock  
Specialist Home  
Occupation IUP

Mr. Terry noted with the Planning Commission's consideration, property values are somewhat immaterial as it is conditions that are detrimental to residential. Mr. Roles suggested that storage of heavy equipment is detrimental. Mr. Terry stated it still comes down to the basis of whether this business belongs there, not how it affects property values. Mr. Roles suggested it doesn't look like a business but looks like a residence and big parking lot storing functioning and nonfunctioning equipment and a big commercial dumpster container. He noted if all those things are removed and it looks like a residential property and a business can still function, he doesn't understand what the harm would be. Mr. Roles stated another concern is the industrial trucks stored, whether they are leaking, what is being thrown in the dumpster, and those types of details. Mr. Roles pointed out that City ordinances provide places for business to be and this is a mature 20+ year business that has been operating 'under the radar,' not a business trying to get off the ground. He suggested this business has had its opportunity to get situated and should now relocate.

No other members of the public were present to speak. The Public Hearing was closed at 7:11 pm.

Mr. Terry stated if this is a 20-year business but has been operating here only two years, he would ask where they operated the other 18 years.

Aaron Magnusen, applicant, stated Loading Dock has been working at this site since 1998 and there has not been a big expansion because three brothers own the business and are not interested in making it a huge production. He stated they don't have heavy equipment but do have a dumpster and after talking with Colleen, will relocate or cover it to meet Code. Mr. Magnusen stated they have five company vehicles and one will be removed but the others are day-to-day vehicles and located behind the tree line so they are not visible.

Mr. Plaisance referenced the Home Occupation Ordinance indicating, 'no more than three persons at least one of whom shall reside within the principle dwelling shall work at the home occupation's site.' He noted that Mr. Magnusen exceeds this condition. Ms. Winter stated yes, in addition to himself he has three other full-time employees and one part-time employee. But, again, that is if they work directly at that site and according to what Mr. Magnusen indicated, they park their vehicles there and then to go off site to work. She explained this is similar to the Pavement Resources consideration of a couple years ago.

Ms. Winter presented what would be required as far as in-home occupations and those conditions. (*Note: Ms. Winter's comments are identified in bold italics.*)

1. No more than three persons, at least one of whom shall reside within the principal dwelling, shall work at the home occupation site. ***Again, employees are parking their vehicles there so there is not anyone working at the home occupation site itself except for Mr. Magnusen.***
2. No traffic shall be generated by any home occupation in a significantly greater volume than would normally be expected from a single-family residence.
3. Any sign associated with the home occupation shall be in compliance with the East Bethel Sign Ordinance.

Loading Dock  
Specialist Home  
Occupation IUP

4. The home occupation shall not generate hazardous waste unless a plan for off-site disposal of the waste is approved. Documentation from MPCA or Anoka County Environmental Services regarding hazardous waste generation is required. *So, as part of the conditions, that would be one of the things that I would work with them on, is making sure that they got the proper documentation from Anoka County regarding any sort of hazardous waste.*
5. A home occupation at a dwelling with an on-site sewage treatment system shall only generate normal domestic household waste.
6. The home occupation shall not constitute, create, or increase a nuisance to the criteria and standards established in this ordinance.
7. There shall be no outdoor display or storage of goods, equipment, or materials for the home occupation. *Again, having a conversation with Mr. Magnusen. I expressed my concerns about the outside storage. He does have a pole barn there so there may be potential that he can put the vehicles inside that building.*
8. Parking needs generated by the home occupation shall be provided on-site. *That part we do want provided on site. We do not want them parking on the road.*
9. The area set aside for the home occupation in the principal structure shall not exceed 50 percent of the gross living area of the principal structure. *That does not apply in this case because they're operating out of a detached accessory structure.*
10. No structural alterations or enlargements shall be made for the sole purpose of conducting the home occupation.
11. There shall be no detriments to the residential character of the neighborhood due to the emission of noise, odor, smoke, dust, gas, heat, glare, vibration, electrical interference, traffic congestion, or any other nuisance resulting from the home occupation.
12. The area set aside in the attached or detached accessory structures shall not exceed whatever that accessory structure space is.
13. Applicant is required to follow all local building and fire codes.

Mr. Terry stated to the earlier question of why grant the permit, you can see with the conditions they need to follow them or they get revoked. There's more control than were they not going through this process.

Mr. Roles refuted some of the statements made, noting on the south side of the building there is the truck with a huge mounted boom crane that has never moved but is not shown in this picture. There is a manlift, industrial equipment, that is routinely sitting out next to the dumpster. Mr. Roles stated he understands it may be stored inside and if it doesn't look like a business, then he does not necessarily have a problem with it. With regard to being required to follow all local Codes, Mr. Roles asked whether the Fire Marshal will inspect the building for proper sprinkling and the plumbing facilities for off-site employees, or if they are using residential facilities within the house. He also asked what is needed for infrastructure to operate this business and who is monitoring that actually exists. To the point of the hazardous waste, Mr. Roles stated you can get a mitigation plan and he hopes that is followed because this business uses lubricants. He explained that as a mechanical engineer with a technical background, he hired guys like this to work on buildings

that he managed so he understands some of the equipment and products they use so he questions whether it is free of industrial wastes.

Mr. Roles stated they've admitted to being here the whole time and at the beginning it probably wasn't as obvious it was a business as it has been the last few years. He asked why it was not until now that we are following the rules and what suggests the rules will be followed going forward.

Mr. Terry stated to the last question, he would say if they were 'under the radar' before, that is no longer the case so that would be the difference.

Mr. Holmes asked what prompted this to be on the agenda. Ms. Winter answered Mr. Magnusen came forward and applied for an IUP through a complaint or Code violation with the Code Enforcement Officer going out and observing the business. She stated there were two properties in this neighborhood that had issues and then Mr. Magnusen came forward and applied for the IUP for his business.

Mr. Terry asked Ms. Winter if she saw the manlift and the boom truck while visiting the site. Ms. Winter stated she did not but did see three F-150 trucks and two commercial vans.

At the inquiry of a Commissioner, Mr. Magnusen described the dumpster location, noting it is next to the pole barn. Ms. Winter stated the dumpster was visible from the road when she was out there.

Mr. Terry asked if the pole barn is sufficient to store the equipment that is in question as far as being an eyesore. Mr. Magnusen stated there's no equipment that actually sits out, it's the vehicles and that's what they refer to as equipment, plus the dumpster. Everything else is usually in the pole shed or on a job site, besides his travel trailer, which he thinks he is allowed to have.

Ms. Allenspach asked if he had any concerns about the conditions of the permit. Mr. Magnusen stated he does not as he and Ms. Winter have gone through them and are willing to assure from this point forward it's taken care of. Ms. Allenspach asked if they can get the issues addressed. Mr. Magnusen answered in the affirmative.

Ms. Bonin stated one thing not being addressed is why the City is allowing this kind of business in a residential area. She felt when people move into a residential area, they have some right to expect it to be residential rather than commercial but has not heard anyone being concerned about that issue.

Mr. Terry stated in this case, the fact that their work is off site means to him that as long as they do things to maintain the residential character, it's not like they're operating a factory on the site. They're actually doing the labor off site and parking their personal vehicles.

Ms. Bonin stated that's the point, their equipment and vehicles are being parked there so that it doesn't look like a residential use. Mr. Terry stated they park three pick-up trucks that anyone might have. Ms. Bonin stated most don't have three

pick-up trucks in one family. Several Commissioners described their neighbors that have three or more trucks on their property.

Mr. Holmes stated when he visited the site he just glanced at the equipment and along the south side of the property he could see a lot of vehicles but did not know if they were for the business or family cars. Ms. Winter stated when she visited the site there were five parked down below and three in the driveway. Mr. Magnusen stated the three vehicles that were at the top are his personal vehicles and registered to him.

Mr. Holmes stated this business has been in operation for a while and should be growing. He asked if they've ever looked into finding a commercial spot. Mr. Magnusen stated they have not as it is a family-run business, not a large company, and when they moved to East Bethel it's not like they're on a quarter acre lot with houses on top of each other.

Mr. Terry asked what are the buildings located to the south. Mr. Magnusen stated the people who live to the south run a nursery. Mr. Balfany noted this is then not the only business on the street.

Mr. Balfany displayed a Google map on his cellular phone and asked Mr. Magnusen if that is what it looks like when vehicles are parked on site. Mr. Magnusen answered in the affirmative, noting the work vehicles are down below and parked in front of the sheds and those by the road are personal vehicles. Mr. Balfany described what was depicted on the Google map and stated it looks like there are a lot of trees. He asked if the only view is along the driveway. Mr. Magnusen stated it's hard to say because now the leaves are coming off but you can see it if you are looking for it. Otherwise, you have to be looking coming off Highway 74 and down the driveway. Ms. Winter confirmed it is observable from the road.

Mr. Balfany stated what's coming up a lot is visibility so at this point he starts to think about a privacy fence or some sort of obstructed fence to block the view of the vehicles. Mr. Plaisance felt that would almost make it a commercial site, to fence the front yard for equipment that nobody can see. Mr. Balfany concurred.

Mr. Plaisance stated this has been operating without a permit for 17 years and now all of a sudden the Commission is asked to approve a permit on faith that they'll follow the conditions. He stated he would much prefer to see conditions followed before entertaining a permit. Ms. Winter explained that usually after an IUP is approved, they have about one month to meet the conditions and then there is a final inspection and sign off. At that point, normally an IUP is for three years but if there is a level of concern, the Planning Commission can make that time period shorter. She stated additional appropriate conditions can also be recommended

Ms. Allenspach stated that is why she is inclined to approve, because even though it has been operating 'under the radar,' now it is not and now they must comply. She noted Mr. Magnusen is okay with complying and the City now has some leverage to assure the site will comply and things are done the way they should be for the neighborhood. She added that Mr. Magnusen will want to comply so he can continue the business from where he lives.

Loading Dock  
Specialist Home  
Occupation IUP

Mr. Terry asked if at the end of the IUP period, it is reviewed by staff or the Planning Commission. Ms. Winter explained if there are no problems with the IUP, it is typically renewed at the internal level. Mr. Terry stated if granted for one year instead of three, and if all went well for that one year, it could then be extended for three years. Ms. Winter stated the term is however the IUP is set up and it could be written into the IUP that it is for one year and then it has to come back before the Planning Commission or Council and set for a different time period. Or, if everything is fine it could be set up for an automatic renewal of three years. Ms. Winter stated as long as the conditions are not arbitrary, timeframes can be set and conditions placed to address any issues in the Home Occupation Ordinance or set additional conditions to address other concerns (i.e., noise, dust).

Mr. Terry stated his inclination, because this is not a start-up business with unknowns but rather a business that needs to meet conditions, to consider a one-year trial period to assure the conditions are met. Then thereafter, to put it back to a regular three-year cycle. Ms. Winter stated that is an option as a recommendation to forward to the Council.

Mr. Plaisance asked what kind of materials are being put into the waste disposal container, how often it is removed or replaced, and whether they could consider concealing it or removing it from the site. Mr. Magnusen stated it's for construction equipment, cardboard from boxes, and a company comes in once per month or when it is full. As to its location, if they have to put a net over it, or go with a smaller size in the pole shed, they are at the mercy of what they have to do to make it right.

Mr. Plaisance stated in trying to minimize the requirements and impact upon the applicant as well as conforming with concerns of the neighbors, if it is going to be a permanent thing, he would like to have a fenced enclosure around that particular piece so it can be accessed but not obviously a business or seen from the road. He stated he is also in favor of requiring a one-year review on this home occupation to make sure it conforms to the ordinance requirements.

**Mr. Plaisance made a motion to recommend approval to the City Council of the Interim Use Permit for a one year term with the stated conditions for Erryn Magnusen/ dba as Loading Dock Specialist at 22050 Quincy St NE, East Bethel MN 55011, PIN 07-33-23-12-0002, plus additional conditions to place a fence enclosure around the waste disposal container or have it removed, to remove from visibility the equipment that has been stored there without a building a fence around the entire property. Ms. Allenspach seconded the motion.**

Mr. Balfany described a minimal impact to the applicant to put in a six-foot or taller gated fence on the south side of the shed where the employee's vehicles can be parked. He asked whether the intent is to enclose or screen view of these vehicles. Mr. Plaisance stated his preference is to enclose so it is not visible from other sides of the property. He stated if there is only something in front, it could probably be seen from the nursery next door.

Mr. Plaisance stated his second concern would be if picked up once a month, if enclosed there would be no one who could get into it without serious concerns about

jumping into it, where somebody like a kid might get into it and get pulled away. He stated that is what he was thinking. Not only to remove visibility but to enclose it for safety reasons.

Mr. Cornicelli stated he has two points and may need a legal opinion. He felt that fencing a residential area constitutes a residential nuisance. He stated what he sees in his mind is where you pick up parts on Highway 65 that has a big giant fence in a commercial area. He does not view it any differently than that, a big fence that opens up so equipment can come and go, as being a commercial area. Mr. Cornicelli referenced the condition indicating, 'No more than three persons, at least one of whom shall reside within the principal dwelling, shall be employed by the home occupation site.' He stated it does not say, 'shall work at the home occupancy.' So if five people are employed by the home occupant, it doesn't really matter where they're working. It's more than three. Ms. Winter explained the City changed that language in the Code to say that no more than three persons can actually physically work at that site.

Mr. Terry stated with the fence, if it is a chain link fence with slats he would agree but if it is a fence that looks like a residential fence then he does not see how that's any different than someone who puts a fence around their yard.

Mr. Holmes asked if there are City regulations on how high that fence can be. Ms. Winter answered six feet. Mr. Holmes stated he has a problem with this and agrees with Mr. Cornicelli. He stated there could be a business in a residential area that could have 80 employees that drop their car off and leave. He asked if the City wants that and stated he does not think so. Mr. Holmes stated he is not in favor of this at all. He stated with soil contamination, we don't know what the employees' cars are doing and the only way he would be in favor of anything would be to grant one year at the property and after that they have to move to a commercial property. Mr. Holmes stated he thinks that's another option but this is too big a business for a residential property. He noted East Bethel has had a lot of problems with outdoor storage, outside buildings, outside vehicles sitting around, some that don't even have wheels, and it's against the rules yet we do nothing about it. Mr. Holmes stated it is now causing some problems.

Ms. Allenspach asked how many bedrooms are in the home. Mr. Magnusen answered three. Ms. Allenspach stated that house is built for six people, which means six vehicles at least. She stated every bedroom is built for two people and if every person that lives in the house has a vehicle, there could be six vehicles on that property and the City can't tell them if it's a car or pick-up truck.

Ms. Winter explained the ordinance says you can have no more than five personal vehicles on your property parked outside at any given time and they have to be licensed. What they count as part of that is not only cars and trucks but trailers are in that as well.

Mr. Terry stated the scenario then of having 80 employees parked there cannot be allowed. Ms. Winter concurred. Mr. Terry stated five vehicles is the limit of what can be parked outside and visible on a property. Mr. Holmes asked how do you rate when somebody has a party at their house for 20 people. Ms. Winter stated they are

Loading Dock  
Specialist Home  
Occupation IUP

not staying on the property. Mr. Terry stated this deals with a specific situation, not a wild scenario.

Discussion occurred relating to different scenarios on the number of cars that could be parked on a residential property. Mr. Holmes repeated his position and stated why he is against the request unless it is for one year and then they have to move to a commercial property.

**By a show of hands, 4 voted in favor and 3 against (Bonin, Cornicelli, Holmes); motion carried. This item will go to the City Council on November 17, 2015, for consideration.**

## 5.0 Met Council Thrive MSP 2014 Plan

Ms. Winter presented the staff report, indicating on September 17, 2015, the City of East Bethel was given the 2015 System Statement, which is the framework for the Metropolitan Council Thrive MSP 2040 long-range plan. The City of East Bethel is required to complete a Comprehensive Plan by 2018. As part of the process if a community disagrees with elements of the System Statement, they have 60 days (until November 17<sup>th</sup>) to request a hearing before the Met Council's Land Use Advisory Committee.

Areas of concern in the System statement are specifically with our Land Use designation. Staff, Planning Commission and City Council have all had numerous discussions regarding development within the Corridor, which is the area from 181<sup>st</sup> Avenue NE on the south and 245<sup>th</sup> Avenue NE on the north, that stretch from south to north along Highway 65 and three-quarters mile on either side of Highway 65. This area is designated for sewer and water district and for densities of 3-5 units per acre. In addition there is a second area around Coon Lake designated for 3-5 units per acre. These are both shown in attachments that you have in your packet and I'll put them up on the screen shortly.

The other land use designation is Diversified Rural, which is outside of the corridor. In that, the System Statement that we received is that it is 4 units per 40 acres. This is something that we feel, as staff, is incorrect. We've met with Met Council staff back in August to specifically discuss the area outside the corridor and all parties agreed that it should have an overall density of 1 unit per 10 acres with the ability to develop 2.5 acre lots. The Diversified Rural does not appear to have that same flexibility.

Ms. Winter stated so, in other words, if the Comp Plan is approved under this scenario, you are 4 in 40. So, you are not able to subtract out your wetlands or any of those other designations and be able to give people the ability to build rural developments in this area.

Ms. Winter explained population projections, households, and required affordable housing are also part of the System Statement and warrant more discussion. The 4 in 40 designation is in contrast to really what they've proposed to be our population density. By 4 in 40, if we were to go with that, we've already exceeded what we can have for households so there's some real inconsistencies with that.

Ms. Winter pointed out that the City's neighbors, Ham Lake, Oak Grove, and Andover, have the community designation called Rural Residential. Rural Residential communities have residential patterns characterized by large lots and do not have plans to provide urban infrastructure such as centralized wastewater treatment.

Ms. Winter stated these communities have topographic development limitations and a development pattern with lot sizes that generally range from 1 to 2.5 acres. That is very, very consistent with what East Bethel has as well. They are expected to discourage growth in those Rural Residential patterns and encouraged to look at a 1 unit per 10 acre density. But, again, the big distinction is, in the 4 in 40, their basically saying that's where any development stops and you are tied to that. Whereas in the Rural Residential designation, you have the ability to do those rural developments, you just have to make sure that you're not exceeding the 1 per 10.

Ms. Winter stated for example, if we had a 40 acre piece and you subtract out the wetlands, and you're able to get maybe 20 lots on that, or less, overall if you take that along with everything else that's in that Rural Residential area, we're still going to be over 1 per 10. Right now, The City is at 1 per just over 11 acres. Anything outside of the corridor, if you subtract out the wetlands and the other places where you're not able to develop, we already exceed the 1 per 10 density. Ms. Winter asked does that make sense?

Ms. Bonin asked, when you're saying 1 per 10, you're talking about over all. You're not talking about one area. Ms. Winter stated that is correct, overall in that area. Ms. Bonin stated if less than that, then you have to have an area that's more open to balance it. Ms. Winter answered in the affirmative.

Ms. Winter displayed the map, noting it is a little hard to read and distinguish the colors. She pointed out that clearly Ham Lake, Andover, and Oak Grove has a little section that's Diversified Rural, as well as Nowthen, Ramsey, etc. are all in that Rural Residential. Where they simply have East Bethel as more of that Diversified Rural, which is essentially agriculture.

Ms. Winter stated in the Met Council area they have it differently. It looks like Linwood Township and Columbus follow that same designation. But, staff has had many conversations at the Planning Commission level that they don't feel it's correct. She stated she talked to Met Council staff and they said East Bethel still has the ability within its own local zoning control to be able to do the Rural Residential and develop at 2.5 acre lots. Ms. Winter stated she said that's all well and good but the problem is if we're not following our Comprehensive Plan, we can't do that legally. The whole land use development within a community is dictated by what the Comprehensive Plan says. So, we need to get this clarified. Ms. Winter stated she believes it needs to have that Rural Residential designation versus Diversified Rural.

Ms. Winter stated you may say there's no difference if you take 4 in 40 versus 1 in 10 but the distinction, again, is if we go with Rural Residential we still have the ability to have some development out in those areas that's non-sewered

development. So, we're not holding the remaining part of the community that's outside of our corridor for however long because someday there might be sewer and water there. We recognize that outside of the corridor there's not going to be sewer and water.

Ms. Winter stated she'd like discussion and confirmation from the Planning Commission that staff is looking at this correctly and also to forward a recommendation to the Council but she doesn't know if it will get to that simply because on a staff level, they will be able to work with Met Council and get this figured out. She noted the City has until the 16<sup>th</sup> so if the City has to appeal it, it would have to go before the Council at their next meeting.

Mr. Plaisance stated staff has had a conversation with Met Council and from his understanding, this was originally set up as being Diversified. It was supposed to be Rural Residential but it was not that way according to them. He asked what kind of response staff got from the Met Council when told that the City wants this to be Rural Residential instead of Diversified. Ms. Winter stated there are two things to be careful about. Zoning is our development tool so she wants to leave zoning out of it. Ms. Winter stated the City needs to look at land use and from a Met Council perspective, land use is all about density. In the case of the 4 in 40, they're basically saying you don't have the ability to develop beyond 4 houses in 40 acres. Where with a Rural designation, it's 1 per 10 and we've already exceed that with what's in the community now if we subtract out the wetlands. So, their point back to the City was they are really not changing it. It can stay Diversified Rural and the City can still do what they want to do. Ms. Winter explained that's not something she believes staff can do because what they're saying is you can then guide that locally. But no, if it's part of your Plan and you're requesting us to get a Plan approved, we can't guide it locally because then our Comprehensive Plan, zoning, or one of the tools will be contrary to what we have to get approved. She stated it would be much cleaner and much easier to go through this process now and to get the designation correct to begin with.

Mr. Plaisance stated his question still stands, they're saying they will not bother changing it, you can just ignore the rules at the City level if that's what you want to do. And, staff is saying no, we can't do that. He asked what we can do that convinces them the City needs the other designation rather than ignoring the rule and coming up with our own plan. Ms. Winter stated she does not want to ignore the rule because not only is that somewhat reckless but it's also the idea that it's contrary to what the demographics are telling us right now.

Ms. Winter stated if the Planning Commission can make a recommendation and forward it to the Council saying that based on the System Statement, we don't agree with the land use designation that they have here and they need to look at changing it. She stated that is the biggest thing. There are other things they have in the Plan but quite frankly the rest of it she didn't have so much of an issue with.

Ms. Winter stated they have a regional park trail, for example, going through East Bethel; they talk about transportation but in our area, from a transportation perspective, they basically delineated the highways. She explained housing is another issue as the Met Council tells us we need to have so many affordable

housing units and our number is a lot lower than other communities in the Metro. Ms. Winter explained there is a bit of inconsistency there because in one part it says 290 and in another it says 369 or 368 so we need to look at the affordable housing component as well. Those are manageable but the biggest one is this land use issue that needs to be resolved at this point.

Mr. Cornicelli asked about northern Washington County (Columbus, Sandia, Grant Township) that fall into the same category. Ms. Winter stated her conversations have largely been with Anoka County and she hasn't talked to anybody in Columbus or Hugo or Scandia, but could do so. Her conversations have been with Oak Grove, St. Francis, and Ham Lake. Mr. Cornicelli stated he was just curious and surmised they would have the same concerns. Ms. Winter stated they may have but Washington County is a bit different than Anoka County.

Mr. Plaisance stated when talking about passing this along to the City Council and encouraging them to make a recommendation back to Met Council, is the intent to get it done before the Comprehensive Plan by 2018. Ms. Winter stated she'd like it done before November 17, 2015, because it's a System Statement and the City has 60 days to appeal anything in the System Statement. She found this to be a critical piece that needs to be resolved. Ms. Winter stated she is somewhat confident it can get done at a staff level but if not, then it has to go before the Met Council's Land Use Advisory Committee. She stated it would be good for the City Council to know that the Planning Commission had this discussion.

Mr. Terry stated he's stuck on a much earlier concern, which is why the City is in this position with the Met Council dictating land use policies when it's our City. He felt it should be generated from within and asked why the City is trying to see if the Met Council will conform to what we're looking at. Ms. Allenspach stated that's what the Met Council does. Ms. Winter explained the City is within their jurisdiction. Mr. Terry stated it's not in their charter, which deals with water use and one other thing, not this but suddenly that's what they're doing.

Ms. Winter stated they've been doing it for a long time. Met Council has had land use plans and comprehensive plans and before Thrive MSP, was the 2030 Plan. If the City is part of Metropolitan Council it is required to update its Comprehensive Plan and go by what they are guiding. This is because they are the regional organization that is responsible for wastewater, water, resources, as well as for transportation. As part of that, they need to look at the long-term future of the region and decide where their resources are going and how to best plan the region.

Mr. Terry stated they're not just doing that but wanting to dictate how much affordable housing and densities. He stated they might want to know where the City is at or planning for but he would ask why they are dictating those conditions.

Ms. Bonin stated she is concerned about the affordable housing thing and asked why you would want to put people with few resources so far from the city. She found this made no sense and while there needs to be some, it would be difficult. She felt it encourages people to live beyond their means when they can't afford the things they have to have in order to live out here. They have to have good cars because most will live where they can't use public transportation.

Ms. Allenspach stated they don't supply public transportation, which is part of what you're saying, it makes it ridiculous. But as Colleen has said, it's what Met Council does and they've been telling communities for many, many years what they expect them to have for affordable housing and for many years, communities have fought it.

Ms. Bonin asked about push back and say that's not reasonable. Mr. Terry stated that should be market driven, not some person planning who's 100 miles away and wants to move 'chess pieces' around. Ms. Winter explained affordable housing is a much more political issue as you get the Legislature involved and they're saying we need to have much more affordable housing because all of people are telling them there's a huge lack of affordable housing. So, a lot of what Met Council is going to dictate on some of the policies is a direct reflection of what they're being told from a political standpoint.

Ms. Allenspach stated there's no doubt we need affordable housing in East Bethel as we need places for our seniors to live when they can't afford to live in their houses and for the young people so they don't move away from East Bethel. But, for the Met Council to dictate it this way, is a little difficult for the community.

Ms. Winter stated I didn't include the whole System Statement because I didn't want to print it all out but I did provide you with the ability in your packet to look at that. If we want to continue this discussion, we certainly can and if you want, I could bring back more information. Ms. Winter stated if it would be helpful to have a representative from Met Council staff to come to talk about it, it's certainly something we could ask them.

Ms. Allenspach asked who is our rep? Ms. Winter replied we have a new person now. Edward Reynoso is on the Board and he's out of Ham Lake. Our new sector rep is Eric and he just started. She explained we've been dealing with the manager of the planning department who has been very receptive to working with staff.

Mr. Balfany stated staff is looking for direction from us and I'm pretty sure, without speaking for everybody, but looking at the head nods and the way the conversation is going, without having a motion, I'd say you have our blessing, unless somebody wants to contradict that statement.

Mr. Terry stated I think we need to decide what's best for East Bethel and let them know that's where we're going.

Mr. Plaisance stated when you take into consideration all of the requirements that are coming down from Met Council as to what we're doing with the City, we certainly would want to encourage to have a designation that we're talking about. Since we're talking about how many people per acre we can have, we have sewer and water that they were involved with, and also the affordable housing. In order to get the affordable housing, you have to have property cheap enough to do that and to get that property down, you have to split those properties. Mr. Plaisance stated when you take in all of those considerations and the fact of how do we pay for all that, it also requires development to go along with it. He stated from his

standpoint, he would highly encourage putting that recommendation to the Metropolitan Council to have this to be the way we recommend to have it.

Mr. Terry stated in order to come anywhere close to meeting their ideas about affordable housing, the City needs to have established infrastructure that would justify that so let's not 'put the cart before the horse,' to use another metaphor.

## **6.0 Floodplain Ordinance**

Ms. Winter displayed the a floodplain map and presented the staff report, indicating Federal Emergency Management Agency has recently published new floodplain maps and is requiring every community that participates in the Flood Insurance Management Program to adopt new maps and is recommending that guidelines be adopted as well.

Under the guidance of the Minnesota Department of Natural Resources (MnDNR), they are strongly encouraging communities adopt a Model Floodplain Ordinance.

Ms. Winter noted in the packet was the new floodplain map and it's displayed on the screen as well. She would like to bring a map to the next Planning Commission meeting and to call for a Public Hearing this evening for the next meeting. She noted, as a reminder, that both in November and December, our meetings are one week ahead of when they normally are. So, please note that the Planning Commission meeting will be on November 17<sup>th</sup>. At that time, I'll bring back what the differences are. Ms. Winter explained this is really nice, they've streamlined the language so it makes it a lot easier to deal with any floodplain that comes into the City.

Mr. Plaisance stated I don't see any difference between the current floodplain and the data for the 500 year. Is that correct? Ms. Winter explained the biggest difference, and what's really nice about the new floodplain maps, those areas that are not 'hatched' are actually areas that are in our existing Floodplain Ordinance. With the new maps, all of those areas will be taken out and no longer part of the floodplain.

Mr. Plaisance stated I realize we're going to cover this and assume we're going to have the Public Hearing. He stated he assumes it would be a benefit insurance-wise to current residents in these locations that would be removed from that 100-year floodplain. Ms. Winter indicated that is correct.

Mr. Holmes stated he used to live in an area where his house was in both a 50-year and 100-year floodplain and it made a big difference on your house insurance. He stated he didn't know there was a 500 year and asked who lives that long. Mr. Holmes explained if you are in a floodplain and it does flood for some reason and you don't have insurance, because it is designated as a floodplain, you get 'the big goose egg.' He stated this is important to some of the people.

Mr. Terry asked what is expected to be done at the Public Hearing? Ms. Winter explained it is required to hold a Public Hearing because the City is saying that the Ordinance currently in place regarding the floodplain will be revoked and staff will recommend a new ordinance be put in place to conform with FEMA and MnDNR

recommendations.

Mr. Holmes stated some of these involve the same body of water with some being 100 and some being 500. He asked what constitutes the difference when it's the same body of water. Ms. Winter agreed it is strange in some cases and explained their technology has changed as far as the maps they are using and maybe the elevations. Mr. Holmes stated with his old property, a blind man can say where the 100 year and the 50 year are because of the difference in height but when it's already standing water, two different floodplain years doesn't make sense. Ms. Winter stated by the next meeting she can have additional clarification on that issue.

Mr. Terry asked if there is significant change to language or just the map. Ms. Winter indicated there are some significant changes to the language.

**Mr. Plaisance made a motion to have a Public Hearing at the Planning Commission Meeting of November 17, 2015, to cover the revised FEMA floodplain map and to update our ordinances for said ordinances. Mr. Holmes seconded the motion. All members were in favor; motion carried.**

Mr. Holmes asked if everybody on this map will be notified. Ms. Winter stated the City is not required to notify them but sometimes their mortgage companies will notify them. The only time the City has to notify them is if they are now in a floodplain where they weren't before. She noted that as you can see from the map, everyone in an existing floodplain is still there and some folks that were in a floodplain will be removed, which is good news for them. So, it's probably going to be that their mortgage companies or title companies will probably notify them. Ms. Winter stated she expects East Bethel will be getting some phone calls after this is adopted.

Mr. Holmes asked if the City will have to have a display of this on our front window. Mr. Cornicelli stated that might be a good idea. Ms. Winter agreed it is a good idea and staff will also post it to the front page of the website to let people know. Ms. Allenspach stated that's nice, especially if a few of the major roads can be identified so people can determine where they are.

Mr. Holmes stated some of this could be very important and if you don't have it documented that it is being displayed or something at least in the City Hall window, it could cost somebody their house, their livelihood, if it did flood and they know nothing about it or have a chance to see it. At least they have a chance to see it through the window or come in during business hours. I would suggest that we do that.

Mr. Terry asked if he is correct to assume it would also include changes in the language of the ordinance. Ms. Winter answered in the affirmative.

**7.0 City Council Report**

Service Road Funding

Council Member Koller reported the Council had a fairly short meeting and worked on the advanced funding for the service road, which will go from our business area (around Aggressive Hydraulics) north to Viking (behind Our Saviors Church). Apparently, the State turned down our request so we're finding funding elsewhere and hopefully will start next spring.

Social Media Policy

Council Member Koller stated the Council is working on a Social Media Policy as there have been a couple problems on the internet with City employees making inappropriate postings.

Town Hall Meeting

Council Member Koller stated they hope to get the State Senator and Representative to the Town Hall Meeting so the format may be changed. Ms. Allenspach asked when is the next Town Hall Meeting. Ms. Winter responded November 19<sup>th</sup>.

**8.0 Other Business**  
BR&E Program

Ms. Winter reported on the Business Retention & Expansion Program with the University of Minnesota. To date, they have interviewed 43 businesses and think that's a nice turn out and excellent response. The end results and culmination of everything will be the first quarter of 2016. Everyone will be invited to view the results, next steps, and two or three big projects the City will be working on.

**9.0 Adjournment**

**Mr. Balfany moved to adjourn the meeting at 8:21 p.m. Mr. Terry seconded the motion; all members were in favor, motion carried.**

Submitted by:

Carla Wirth

*TimeSaver Off Site Secretarial Inc.*



# LOCATION MAP



Aerial Photo: Flown Spring of 2014



# 22050 Quincy St NE



## Parcel Information

PIN: 073323120002  
Acres: 2.52

Owner Name: MAGNUSEN ERRYN  
Address1: 22050 QUINCY ST NE  
Address 2: EAST BETHEL, MN 55011

Site Address1: 22050 QUINCY ST NE  
Site Address 2: EAT BETHEL, MN 55011-9523  
Zoning: RR  
Shoreland: null

Legal: CEDAR TRAILS LOT 1 BLK 1  
CEDAR TRAILS(SUBJ TO ACCESS BY  
ANOKA CNTY)

1 in = 94 ft



October 22, 2015

105  
Map Powered by DataLink  
from WSB & Associates





# City of East Bethel City Council Agenda Information

\*\*\*\*\*

**Date:**

November 18, 2015

\*\*\*\*\*

**Agenda Item Number:**

Item 8.0 A.1

\*\*\*\*\*

**Agenda Item:**

Administrative Subdivision

\*\*\*\*\*

**Requested Action:**

Request approval of an Administrative Subdivision, 22330 Highway 65 NE (PID 05-33-23-31-0004) and 22350 Highway 65 NE (PID 05-33-23-31-0003)

\*\*\*\*\*

**Background Information:**

Per Chapter 66, Article V of the City of East Bethel Code of Ordinances. Ms. Karen Elwood is requesting an Administrative Subdivision for the purpose of adding 0.4 acres to her existing property, 22330 Hwy 65. Acquisition of this acreage would allow her to secure an existing turn around that is at the end, but not part of, a dedicated easement drive-way to her property. Currently, Ms. Elwood has easement to the drive-way but not the turn- around (see Attachment 2).

Richard Gourley, 22350 Hwy. 65 NE, owns the property on which the turn- around is located. The property owner is agreeable to the sale and the separation of 0.4 of acre from his 22350 Hwy. 65 lot. The subtraction from one lot (22350 Hwy. 65) and the addition to 22330 Hwy 65 meets the requirements of an Administrative Subdivision and the City’s Zoning Regulations.

Both 22350 and 22330 Hwy. 65 are non-conforming lots of record and it could be argued from a density perspective that the non-conformity would be reduced for the 22330 lot and increased on the 22350 lot. However, these are existing, not newly created lots, there is no change in overall density per acre and in Staff’s interpretation the 1 per 10 acre requirement for newly created lots within the Corridor remains unchanged. While there may be a minor increase in the non-conformity of 22350 Hwy 65, Staff feels that the effect of subdivision is negligible and is over-ridden by the solution to the access matter for Ms. Elwood, 22330 Hwy. 65.

Staff encouraged Ms. Elwood (22330 Hwy. 65) to seek an easement for the turn- around from Mr. Gourley. Ms. Elwood would prefer to have the addition to her property as proposed and shown on Attachment 2, Survey Map with Easement Location.

**Attachments:**

- Attachment 1- Location Map
- Attachment 2- Certificate of Survey
- Attachment 3- Survey Map with Easement Location
- Attachment 4- Aerial Photo

\*\*\*\*\*

**Recommendation:**

Staff requests Council consider approval of the Administrative Subdivision request for Karen Elwood, 22330 Hwy. 65 PID 05-33-23-31-0004 as presented in the Certificate of Survey.

\*\*\*\*\*

**City Council Action:**

Motion by: \_\_\_\_\_

Second by: \_\_\_\_\_

Vote Yes: \_\_\_\_\_

Vote No: \_\_\_\_\_

No Action Required: \_\_\_\_\_



# Hwy 65, 22330 LOCATION MAP



Scale 1:9600

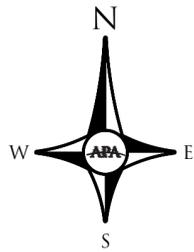


Aerial Photo: Flown Spring of 2014



# CERTIFICATE OF SURVEY

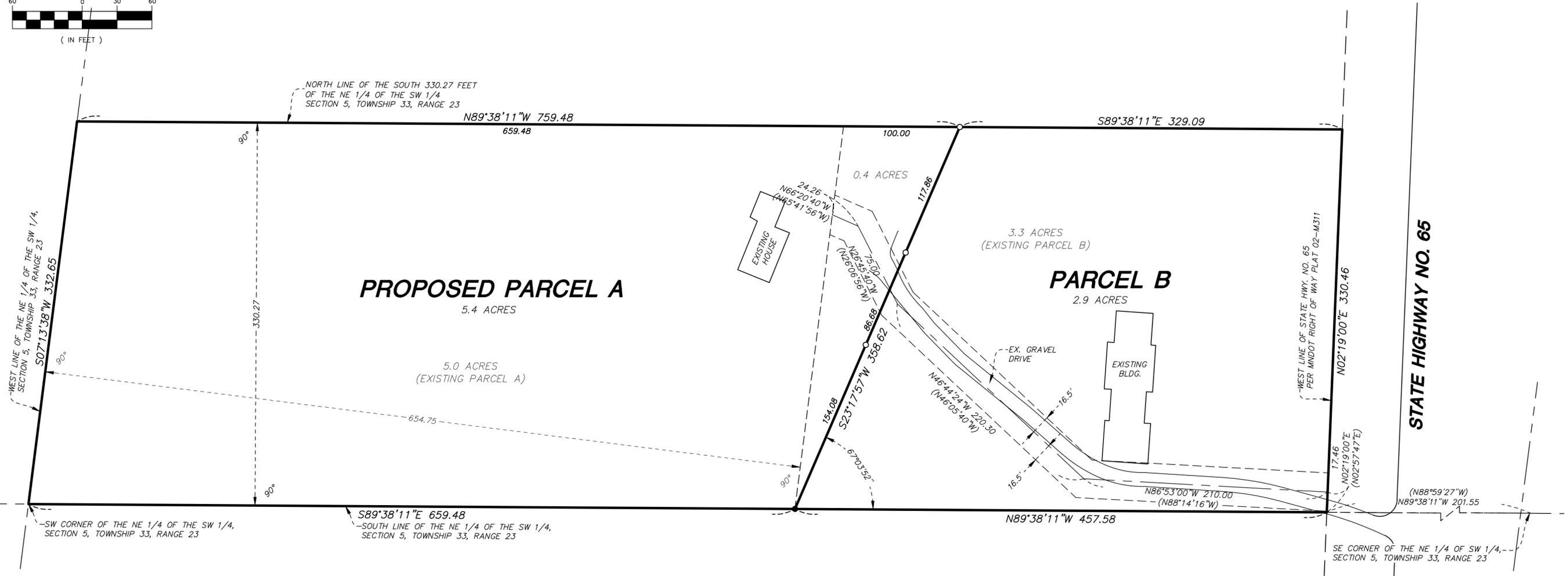
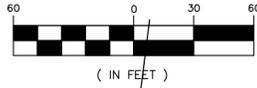
prepared for: Karen Elwood



## LEGEND

- DENOTES SET IRON PIPE
- DENOTES FOUND IRON PIPE
- (N88°59'27"W) DENOTES RECORD BEARING

## GRAPHIC SCALE



### EXISTING PROPERTY DESCRIPTION - PARCEL A (DOC. NO. 1118759)

The South 330.27 feet as measured at right angles to the South line of the West 654.75 feet, as measured at right angles to the West line of the Northeast 1/4 of the Southwest 1/4 of Section 5, Township 33, Range 23, Anoka County, Minnesota.

Subject to easements, restrictions, or reservation of record, if any.

### EXISTING PROPERTY DESCRIPTION - PARCEL B

The South 330.27 feet, as measured at right angles to the South line of the Northeast Quarter of the Southwest Quarter of Section 5, Township 33, Range 23, Anoka County, Minnesota, excepting therefrom that part thereof lying within MINNESOTA DEPARTMENT OF TRANSPORTATION MONUMENTATION PLAT 02-M31, Anoka County, Minnesota, and also excepting therefrom the West 654.75 feet thereof as measured at right angles to the West line.

Subject to easements, restrictions, or reservation of record, if any.

### EXISTING ROAD EASEMENT DESCRIPTION

Also subject to road easement over a strip of land being 16.50 feet on each side of the following described centerline; Commencing at the intersection of the South line of the Northeast 1/4 of the Southwest 1/4 of Section 5, Township 33, Range 23, Anoka County, Minnesota with the Westerly right of way line of State Trunk Highway No. 65, said point being 201.55 feet West from the Southeast corner of said Northeast 1/4 of the Southwest 1/4, thence North 02 degrees 57 minutes 44 seconds East along the said Westerly right of way line a distance of 17.46 feet to the actual point of beginning of the centerline to be hereby described; thence North 88 degrees 14 minutes 16 seconds West a distance of 210.00 feet; thence North 46 degrees 05 minutes 40 seconds West a distance of 220.30 feet; thence North 26 degrees 06 minutes 56 seconds West a distance of 75.00 feet; thence North 65 degrees 41 minutes 56 seconds West a distance of 24.14 feet, more or less, to its intersection with the East line of the West 654.75 feet of said Northeast 1/4 of the Southwest 1/4 as measured at right angles to the West line thereof and there terminating. (For the purpose of this description, the South line of said Northeast 1/4 of the Southwest 1/4 is assumed to have a bearing of North 88 degrees 59 minutes 27 seconds West.)

### PROPOSED PROPERTY DESCRIPTION - PARCEL A

That part of the South 330.27 feet, as measured at right angles to the South line of the Northeast 1/4 of the Southwest 1/4 of Section 5, Township 33, Range 23, Anoka County, Minnesota, lying westerly of the following described line: Commencing at the southwest corner of said Northeast 1/4 of the Southwest Quarter; thence east along said south line a distance of 659.48 feet to the point of beginning of the line to be described; thence deflecting to the left 67°03'52", a distance of 358.62 feet to the north line of said South 330.27 feet and said line there terminating.

Subject to easements, restrictions, or reservation of record, if any.

### PROPOSED PROPERTY DESCRIPTION - PARCEL B

That part of the South 330.27 feet, as measured at right angles to the South line, of the Northeast 1/4 of the Southwest 1/4 of Section 5, Township 33, Range 23, Anoka County, Minnesota, lying easterly of the following described line: Commencing at the southwest corner of said Northeast 1/4 of the Southwest Quarter; thence east along said south line a distance of 659.48 feet to the point of beginning of the line to be described; thence deflecting to the left 67°03'52", a distance of 358.62 feet to the north line of said South 330.27 feet and said line there terminating. EXCEPTING THEREFROM that part thereof lying within MINNESOTA DEPARTMENT OF TRANSPORTATION MONUMENTATION PLAT 02-M31, Anoka County, Minnesota.

Subject to easements, restrictions, or reservation of record, if any.

NOTE: BUILDING LOCATIONS SHOWN HEREON ARE PER AERIAL PHOTO AND WERE NOT FIELD LOCATED.

### CERTIFICATION

I HEREBY CERTIFY THAT THIS SURVEY WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION, AND THAT I AM A DULY REGISTERED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA.

 DATED: 11/13/15  
KYLE R. RUDDY, MN LIC. NO. 42627

**APA CONSULTING ENGINEERS & SURVEYORS**

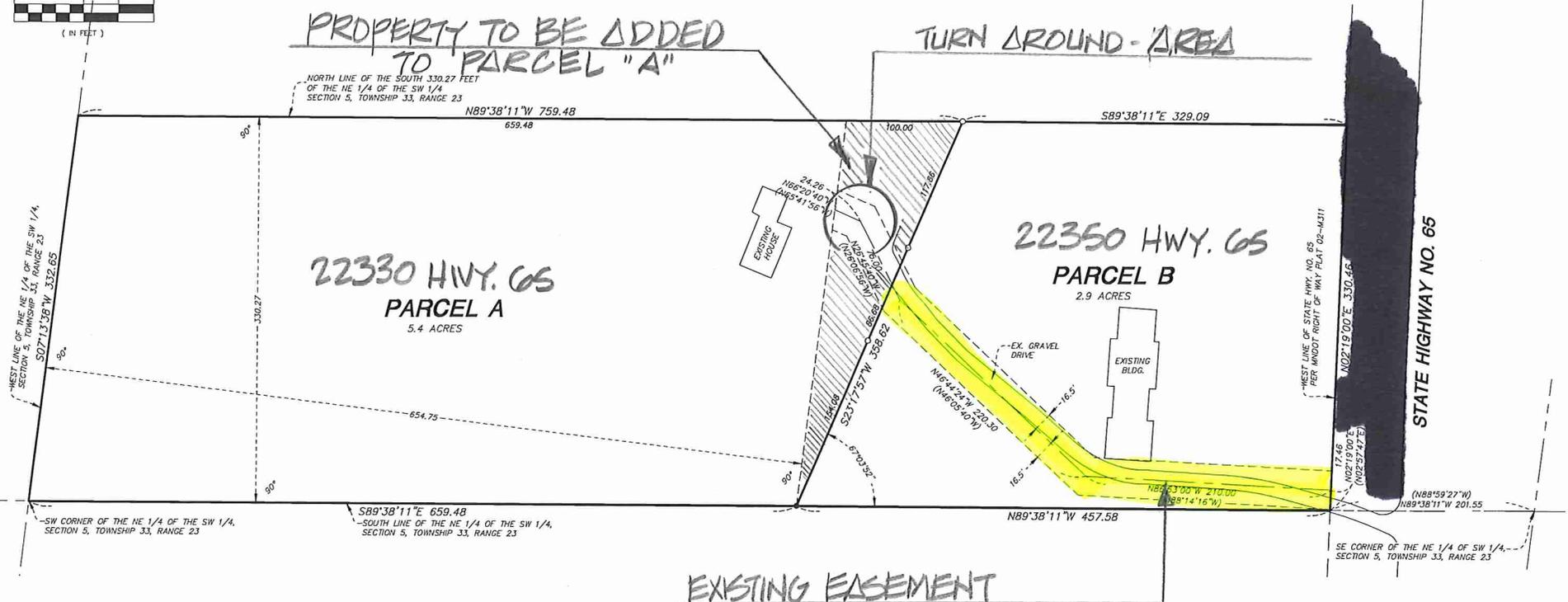
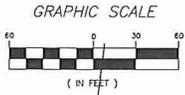
200 3RD AVE NE, SUITE 100 - CAMBRIDGE, MN 55008  
763.689.4042 PH 763.689.6681 FAX

# CERTIFICATE OF SURVEY

prepared for: Karen Elwood



**LEGEND**  
 ○ DENOTES SET IRON PIPE  
 ● DENOTES FOUND IRON PIPE  
 (N88°59'27"W) DENOTES RECORD BEARING



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*Kyle & Roddy* DATED: 11/12/15  
 KYLE & RODDY, MN LIC. NO. 42627

**APA** CONSULTING ENGINEERS & SURVEYORS

200 3RD AVE NE, SUITE 100 - CAMBRIDGE, MN 55008  
 763.689.4042 P11 763.689.6681 FAX



Address Labels

1 in = 94 ft





# City of East Bethel City Council Agenda Information

\*\*\*\*\*

**Date:**

November 18, 2015

\*\*\*\*\*

**Agenda Item Number:**

Item 8.0 G.1

\*\*\*\*\*

**Agenda Item:**

Video Agenda Indexing

\*\*\*\*\*

**Requested Action:**

Staff seeks Council direction to implement Video Agenda Indexing

\*\*\*\*\*

**Background Information:**

The City Council recently reviewed choices for video agenda indexing of City Council meetings. Currently the City uses the Civic Plus Media Center for video playback, however, there are no options to search for specific agenda topics within the recording. The video indexing feature on playbacks is a useful option for DVD review and enables the user to seamlessly scroll between different agenda items. The last 10 City Council Meetings from October 27 through June 3, 2015 have averaged 184 views. The last 4 Planning Commission Meetings have from August 25 to May 26, 2015 have averaged 128 views.

Staff presented the available options and costs for this service to the Council at the October 28, 2015 Work Meeting. Of the three proposals that were presented, the Council preferred the program offered by Leightronix due to the larger screen display and an agenda link contained on the same page with the video screen. Their service would be \$2388.00 annually for 600 hours of HD or 1200 Hours of SD Video storage. Local vendors have been contacted for installation and support this option. We have received one quote from AVI Systems for \$2388.00 plus an optional annual support package of \$250.00. The City of Fridley uses this system and reported that they've had no issues and are satisfied with this service.

Another option would be to contract this service with North Suburban Access Corporation. The North Suburban Access Corporation (NSAC), CTV, is a nonprofit organization that provides community media and is located in Roseville. We have used their services in the past and they have proven to be very reliable. They have the most cost effective option available and they are the vendor used by the City of Roseville which currently provides our IT services and support should technical issues arise.

This option currently requires the user to drop down a page on the screen to scroll the agenda items and the display screen is smaller than the product offered by Leightronix.

CTV is working on an update for future release which would move the agenda links to a more convenient area of the screen, comparable to Leightronix. An estimated timeline for this program upgrade projects to be in 3-4 months. The cost of the service would be \$150.00 per

month for three meetings and a one-time charge of \$30 for software. There would be unlimited storage space for meetings and they would be stored for at least 18 months.

The final option reviewed by Council was from Granicus. Their system requires the purchase of equipment at a cost of \$2500 - \$4900 dependent on compatibility with our system. The monthly fees for the service would be in the range of \$300 -\$600. Due to costs, this system does not appear to be a viable option.

**Attachment(s):**

Attachment 1- Vendor Summary

\*\*\*\*\*

**Fiscal Impact:**

Costs are as noted above and included Attachment 1. If we elect to use this service we would no longer need to continue the Media Center on our web page and could save \$1000.00 annually by discontinuing this feature. The balance of the cost for the Video Indexing is proposed to be paid from the EDA 2016 Projects Budget.

\*\*\*\*\*

**Recommendation(s):**

If CTV can offer a comparable product to Leightronix within a 3-4 month time frame, Staff recommends postponing action on this matter until the new CTV product can be compared with the Leightronix proposal. Should Council wish to proceed with the Leightronix proposal, the contract would be for one year, and would be reviewed in 2016 for renewal or change to another service if desired at that time.

Staff seeks Council direction on the proposals for Video Agenda Indexing Service.

\*\*\*\*\*

**City Council Action**

Motion by:\_\_\_\_\_

Second by:\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Vote Yes:\_\_\_\_\_

Vote No:\_\_\_\_\_

No Action Required:\_\_\_\_\_

# Video Indexing Options

<b>Information</b>			
<b>General</b>	<b>CTV</b>	<b>Leightronix</b>	<b>Granicus</b>
Requires Equipment Purchase?	No	No	Yes
Charges Support Fees?	No	Optional	Yes
<b>Cities Using this Service</b>	<b>CTV</b>	<b>Leightronix</b>	<b>Granicus</b>
<u>City of Roseville</u>	YES		
<u>City of Oak Grove</u>			YES
<u>City of Fridley</u>		YES	
<b>Equipment Requirements</b>	<b>CTV</b>	<b>Leightronix</b>	<b>Granicus</b>
Encoder	NO	NO	YES
Software	YES**	YES	YES
<b>Costs</b>	<b>CTV</b>	<b>Leightronix</b>	<b>Granicus</b>
Software (One Time Purchase) **	\$30.00	\$0.00	\$0.00
Encoder (One Time Purchase)	\$0.00	\$0.00	\$2500 - \$4900
Monthly Fees	\$150.00	\$199.00	\$300 - \$600
	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
Estimated total	\$180.00	\$199.00	\$2800 - \$5500

**Notes:**

\*\*CTV Software requires only QuickTime Pro (Approx \$30.00), Monthly Fees would be for 3 meetings per month. Unlimited storage.

**Leightronix** - VieBit VOD - provides option to integrate PDF's as well as hyperlink to indexed video points. Upload feature of FTP protocol is used. Basic service \$2388 charged annually for 600 Hours of HD or 1200 Hours of SD Video Storage. Support Package available.

All quotes are for "Video on Demand" Service as we are already broadcasting via Cable Channel 10. Leightronix offers an internet live streaming program but that would include an encoder purchase and higher fees. This service would also be available from CTV for a higher fee.

**Recommendations:** Return to using CTV and take advantage of the Index service originally provided but not utilized. (Original CTV agreement signed in 2010) If live internet streaming is ever wanted/needed, we would be working through Roseville's network and have their support.



# City of East Bethel City Council Agenda Information

**Date:**

November 18, 2015

\*\*\*\*\*

**Agenda Item Number:**

Item 8.0 G.2

\*\*\*\*\*

**Agenda Item:**

City of East Bethel Lawful Gambling Ordinance

\*\*\*\*\*

**Requested Action:**

Discussion of Amending Ordinance Chapter 42, Article V, Lawful Gambling

\*\*\*\*\*

**Background Information:**

City Council discussed a formula change for charitable gambling proceeds at their October 28, 2015 Work Meeting. Current City Ordinance, Chapter 42, Article V, Section 42-196, provides for a local gambling tax of 3% on gross receipts of each gambling organization operating lawful gambling in the City from proceeds less prizes paid out by the organizations. The Ordinance adopting the gambling tax was approved on February 15, 2006. These proceeds are by statute required to be used for no other purpose than the regulation of lawful gambling within the City.

State Statutes (Chapter 349) also allows the adoption by an ordinance requirement that such organizations conducting charitable gambling activities must contribute ten percent per year of their net profits derived from lawful gambling conducted at premises within the city's jurisdiction to a fund administered and regulated by the responsible local unit of government without cost to such fund. The funds must be disbursed by the local unit of government for (i) charitable contributions as defined in section 349.12, subdivision 7a, or (ii) police, fire, and other emergency or public safety-related services, equipment, and training, excluding pension obligations. Staff has been informed that by officials at the Minnesota Gambling Control Board that required contributions can be up to 10%.

Staff was directed by City Council to verify that the Ordinance could be changed to repeal the gambling tax and a 3% required contribution be substituted in its place. 'The Ordinance can be amended to reflect Council's concerns. The City Attorney will provide recommendations as to the modifications required to amend the Ordinance.

In addition, Staff was requested to contact the permit holders to determine if they had any issues with this proposed change. Currently there are four organizations that operate charitable gambling activities within the City. These are the Coon Lake Beach Community Center, Ham Lakes Lions Club, Chops, Inc. and the Andover Huskies Youth Hockey Association. Staff contacted all four permit holders to determine if they had any comments or objections to repealing the 3% City gambling tax and replacing the tax with a required 3% contribution. All the organizations stated that as long as they were required to pay no higher fees, they had no issue with the change

**Attachments:**

Attachment 1- 2006 Letter

Attachment 2- Lawful Gambling Expenditures

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**Fiscal Impact:**

We received \$22,000 in charitable gambling proceeds in 2014 and have received \$19,500 to date through this year. Repealing the gambling tax and changing the Ordinance to a required contribution allows the City additional flexibility in the assignment of these funds.

\*\*\*\*\*

**Recommendation(s):**

Staff is seeking direction as to the amendment of City Ordinance, Chapter 42, Article V, repeal of the 3% gambling tax with the addition of a 3% mandatory contribution from permit holders.

\*\*\*\*\*

**City Council Action**

Motion by: \_\_\_\_\_

Second by: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Vote Yes: \_\_\_\_\_

Vote No: \_\_\_\_\_

No Action Required: \_\_\_\_\_



March 3, 2006

Mr. Michael Gaynor  
Cedar East Bethel Lions  
18425 Lakeview Pt. Drive  
East Bethel, MN 55092

RE: Ordinance 163B – Charitable Gambling

Dear Mr. Gaynor;

At its regular meeting on Wednesday, February 15, 2006, the City Council of East Bethel adopted Ordinance 163B – Charitable Gambling. A copy is included with this letter. There are significant changes to the ordinance such as number of locations any one organization can have in the community, lawful purposes expenditures and the percentage of lawful purpose expenditures that must be spent in the community.

Since the City Council approved the revised ordinance on February 15, 2006, changes detailed in the revised ordinance will be effective for activities in that month. Gambling organizations will need to file a report for January in accordance with the previous ordinance. Beginning with February activity, all reporting requirements will be governed by the revised ordinance.

The revised ordinance simplifies the computation of amounts owed to the City. All organizations will pay a 3% gambling tax on gross receipts less prizes paid out for each gambling site operated within the City. The taxable base is calculated on a worksheet already required to be filed with the State on a monthly basis. The taxable base is shown on Schedule A, "Gambling Receipts and Expenses by Site", Line 10, column C. The tax owed to the City is 3% of this amount. Unlike the previous ordinance, there are no exemptions from this tax. Additionally, the tax is payable on a monthly basis. Under the previous ordinance, payments to the City were due on a quarterly basis. More specifically, the tax must be remitted to the City by the last business day of the month following the month in which the taxable activity occurred.

Please review the enclosed ordinance carefully. If you should have any questions, please do not hesitate to contact me, 763-434-9569.

Sincerely yours,

Douglas Sell  
City Administrator

Enclosure

## **Lawful Gambling Expenditures**

### **Chapter 349 Subd. 25. Lawful purpose.**

(a) "Lawful purpose" means one or more of the following:

(1) any expenditure by or contribution to a 501(c)(3) or festival organization, as defined in subdivision 15a, provided that the organization and expenditure or contribution are in conformity with standards prescribed by the board under section [349.154](#), which standards must apply to both types of organizations in the same manner and to the same extent;

(2) a contribution to or expenditure for goods and services for an individual or family suffering from poverty, homelessness, or disability, which is used to relieve the effects of that suffering;

(3) a contribution to a program recognized by the Minnesota Department of Human Services for the education, prevention, or treatment of problem gambling;

(4) a contribution to or expenditure on a public or private nonprofit educational institution registered with or accredited by this state or any other state;

(5) a contribution to an individual, public or private nonprofit educational institution registered with or accredited by this state or any other state, or to a scholarship fund of a nonprofit organization whose primary mission is to award scholarships, for defraying the cost of education to individuals where the funds are awarded through an open and fair selection process;

(6) activities by an organization or a government entity which recognize military service to the United States, the state of Minnesota, or a community, subject to rules of the board, provided that the rules must not include mileage reimbursements in the computation of the per diem reimbursement limit and must impose no aggregate annual limit on the amount of reasonable and necessary expenditures made to support:

(i) members of a military marching or color guard unit for activities conducted within the state;

(ii) members of an organization solely for services performed by the members at funeral services;

(iii) members of military marching, color guard, or honor guard units may be reimbursed for participating in color guard, honor guard, or marching unit events within the state or states contiguous to Minnesota at a per participant rate of up to \$50 per diem; or

(iv) active military personnel and their immediate family members in need of support services;

(7) recreational, community, and athletic facilities and activities intended primarily for persons under age 21, provided that such facilities and activities do not discriminate on the basis of gender and the organization complies with section [349.154, subdivision 3a](#);

(8) payment of local taxes authorized under this chapter, taxes imposed by the United States on receipts from lawful gambling, the taxes imposed by section [297E.02](#), subdivisions 1, 5, and 6, and the tax imposed on unrelated business income by section [290.05, subdivision 3](#);

(9) payment of real estate taxes and assessments on permitted gambling premises owned by the licensed organization paying the taxes, or wholly leased by a licensed veterans organization under a national charter recognized under section 501(c)(19) of the Internal Revenue Code;

(10) a contribution to the United States, this state or any of its political subdivisions, or any agency or instrumentality thereof other than a direct contribution to a law enforcement or prosecutorial agency;

(11) a contribution to or expenditure by a nonprofit organization which is a church or body of communicants gathered in common membership for mutual support and edification in piety, worship, or religious observances;

(12) an expenditure for citizen monitoring of surface water quality by individuals or nongovernmental organizations that is consistent with section [115.06, subdivision 4](#), and Minnesota Pollution Control Agency guidance on monitoring procedures, quality assurance protocols, and data management, provided that the resulting data is submitted to the Minnesota Pollution Control Agency for review and inclusion in the state water quality database;

(13) a contribution to or expenditure on projects or activities approved by the commissioner of natural resources for:

(i) wildlife management projects that benefit the public at large;

(ii) grant-in-aid trail maintenance and grooming established under sections [84.83](#) and [84.927](#), and other trails open to public use, including purchase or lease of equipment for this purpose; and

(iii) supplies and materials for safety training and educational programs coordinated by the Department of Natural Resources, including the Enforcement Division;

(14) conducting nutritional programs, food shelves, and congregate dining programs primarily for persons who are age 62 or older or disabled;

(15) a contribution to a community arts organization, or an expenditure to sponsor arts programs in the community, including but not limited to visual, literary, performing, or musical arts;

(16) an expenditure by a licensed fraternal organization or a licensed veterans organization for payment of water, fuel for heating, electricity, and sewer costs for:

(i) up to 100 percent for a building wholly owned or wholly leased by and used as the primary headquarters of the licensed veteran or fraternal organization; or

(ii) a proportional amount subject to approval by the director and based on the portion of a building used as the primary headquarters of the licensed veteran or fraternal organization;

(17) expenditure by a licensed veterans organization of up to \$5,000 in a calendar year in net costs to the organization for meals and other membership events, limited to members and spouses, held in recognition of military service. No more than \$5,000 can be expended in total per calendar year under this clause by all licensed veterans organizations sharing the same veterans post home;

(18) payment of fees authorized under this chapter imposed by the state of Minnesota to conduct lawful gambling in Minnesota;

(19) a contribution or expenditure to honor an individual's humanitarian service as demonstrated through philanthropy or volunteerism to the United States, this state, or local community;

(20) a contribution by a licensed organization to another licensed organization with prior board approval, with the contribution designated to be used for one or more of the following lawful purposes under this section: clauses (1) to (7), (11) to (15), (19), and (25);

(21) an expenditure that is a contribution to a parent organization, if the parent organization: (i) has not provided to the contributing organization within one year of the contribution any money, grants, property, or other thing of value, and (ii) has received prior board approval for the contribution that will be used for a program that meets one or more of the lawful purposes under subdivision 7a;

(22) an expenditure for the repair, maintenance, or improvement of real property and capital assets owned by an organization, or for the replacement of a capital asset that can no longer be repaired, with a fiscal year limit of five percent of gross profits from the previous fiscal year, with no carryforward of unused allowances. The fiscal year is July 1 through June 30. Total expenditures for the fiscal year may not exceed the limit unless the board has specifically approved the expenditures that exceed the limit due to extenuating circumstances beyond the organization's control. An expansion of a building or bar-related expenditures are not allowed under this provision.

(i) The expenditure must be related to the portion of the real property or capital asset that must be made available for use free of any charge to other nonprofit organizations, community groups, or service groups, and is used for the organization's primary mission or headquarters.

(ii) An expenditure may be made to bring an existing building that the organization owns into compliance with the Americans with Disabilities Act.

(iii) An organization may apply the amount that is allowed under item (ii) to the erection or acquisition of a replacement building that is in compliance with the Americans with Disabilities Act if the board has specifically approved the amount. The cost of the erection or acquisition of a replacement building may not be made from gambling proceeds, except for the portion allowed under this item;

(23) an expenditure for the acquisition or improvement of a capital asset with a cost greater than \$2,000, excluding real property, that will be used exclusively for lawful purposes under this section if the board has specifically approved the amount;

(24) an expenditure for the acquisition, erection, improvement, or expansion of real property, if the board has first specifically authorized the expenditure after finding that the real property will be used exclusively for lawful purpose under this section;

(25) an expenditure, including a mortgage payment or other debt service payment, for the erection or acquisition of a comparable building to replace an organization-owned building that was destroyed or made uninhabitable by fire or catastrophe or to replace an organization-owned building that was taken or sold under an eminent domain proceeding. The expenditure may be only for that part of the replacement cost not reimbursed by insurance for the fire or catastrophe or compensation not received from a governmental unit under the eminent domain proceeding, if the board has first specifically authorized the expenditure; or

(26) a contribution to a 501(c)(19) organization that does not have an organization license under section [349.16](#) and is not affiliated with the contributing organization, and whose owned or leased property is not a permitted premises under section [349.165](#). The 501(c)(19) organization may only use the contribution for lawful purposes under this subdivision or for the organization's primary mission. The 501(c)(19) organization may not use the contribution for expansion of a building or for bar-related expenditures. A contribution may not be made to a statewide organization representing a consortia of 501(c)(19) organizations.

(b) Expenditures authorized by the board under clauses (24) and (25) must be 51 percent completed within two years of the date of board approval; otherwise the organization must reapply to the board for approval of the project. "Fifty-one percent completed" means that the work completed must represent at least 51 percent of the value of the project as documented by the contractor or vendor.

(c) Notwithstanding paragraph (a), "lawful purpose" does not include:

(1) any expenditure made or incurred for the purpose of influencing the nomination or election of a candidate for public office or for the purpose of promoting or defeating a ballot question;

(2) any activity intended to influence an election or a governmental decision-making process;

(3) a contribution to a statutory or home rule charter city, county, or town by a licensed organization with the knowledge that the governmental unit intends to use the contribution for a pension or retirement fund; or

(4) a contribution to a 501(c)(3) organization or other entity with the intent or effect of not complying with lawful purpose restrictions or requirements.