

Drug Arrests: There were two arrests for possession of methamphetamine as a result of traffic stops.

Scams: There was one report of a fraud incident where a female had received a phone call from an unknown male, who advised he needed her to pay \$1,445 to keep her daughter from being arrested for writing a bad check. The unsuspecting female provided the male with her bank account number. Afterwards she contacted her daughter and learned that she had been scammed. Do not give out your banking information to anyone over the phone – always check with your relatives if you get a call from an unknown person claiming to need money for something that involves a relative of yours.

We have had some accidents with the construction zones going on. Just beware that you need to be careful when driving in these zones. It gets confusing to people about what they should actually be doing when they are driving. Luckily though, there have been no fatalities so far.

DeRoche, “These domestic arrests, are they alcohol related? Lt. Orlando, “Because I don’t report on them anymore, I will have to look at them. But some of them usually are. DeRoche, “I would be kind of curious to know where in the City this is going on.” Lt. Orlando, “Like mapping?” DeRoche, “Yes, just something showing this.” Lt. Orlando, “The trailers that were broken into were at Norquist Campground. And then there has been a series of thefts from vehicles on Edmar Lane, the left side of Coon Lake.”

DeRoche, “The felony arrests, are these new felonies? Or are they felonies where another county called and asked us to pick up for them?” Lt. Orlando, “No, they would be charged within Anoka County.” Lawrence, “Are our calls for service stabilizing now?” Lt. Orlando, “It looks like compared to last year we are up by a little less than a hundred calls.” Lawrence, “We had a little jump in the beginning of the year.” Moegerle, “Because it was so warm?”

Boyer said on a personal note, I would like to thank the sheriff for responding so quickly to my wife’s accident in the Crosstown traffic area this morning. And arranging for transportation to the hospital for her. Boyer asked, also, do you have an update on the pot-bellied pig that was terrorizing my neighborhood? Davis, “I assumed it was taken care of by the Animal Control. I never heard anymore beyond our conversations on late Friday evening.”

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

Tom Ronning, 20941 Taylor St. NE, “At the last open house I got up and talked about some numbers about the amortization schedules from the bonds we are probably going to have to pay. And since then, virtually no one in the whole community is aware of what these numbers mean and what they are. We are tens of millions of dollars over what were advised it would be. I am here to ask. Who do you see or how do you go about getting information distributed, get a meeting, or in your monthly bulletin? There should be an update of what is happening. What have we spent so far, what are our total costs, what are we obligated to yet. People don’t know. Nobody has any idea of what is going on.”

DeRoche, “To be honest with you, I have tried to explain this to people when I talk to them. I hate to be Mr. Doom and Gloom, but the reality is this is the situation the City is in. And you are right; people need to be made notice of it. I know a lot more people watch the cable

channel, but some people don't have that. Some people watch it on the internet, some people don't have that."

Moegerle, "And it is in the minutes. And it is a problem that East Bethel has always had about communicating with its residents because we are in four different zip codes, three phone exchanges, the newsletter comes out quarterly, not everybody has internet access." Ronning, "When you say it is in the minutes, what minutes?" Moegerle, "The Town Hall Meeting minutes." Ronning, "I don't think we took minutes that night." Moegerle, "Yes, we did. And I think I mentioned it in the minutes we just approved tonight that in 2016 if no one hooks up we are in the whole \$2.5 million which is half of our annual budget. Door knocking to say this is what the problem is, is not accessible. Boy, if you can get people involved, civic engagement is what we need."

Lawrence, "I think we could probably put something in the newsletter. It goes out quarterly. Have a big title, "Water and Sewer Update", and then people will read that." Ronning, "Then nobody will have the excuse that it didn't get to them." Moegerle, "It is very easy to send that out and then you have alarmists that overreact. Instead of being proactive. That is something that I am concerned about. We need to be proactive." Ronning, "There are drop dead dates coming up fast. That is a pretty big surprise."

DeRoche, "At a couple meetings and I know at the last meeting I brought up, "If anyone has any ideas or knows of any businesses?" It would be nice if this place was full of people going, "Hey, what are we going to do here?" Then the same couple people that show up." Ronning, "And if you get it beforehand is a little less throwing your hands up and cussing. There might be a little more of what can we do to help." Moegerle, "The thing of it is, I still do cuss about this but that is not productive. There is the side where we all cuss and say "We were in this mess and no one is helping to get us out. But there is also the side of okay, what can we do to get out of it. And that is pretty much when I am not privately cussing; I am publicly trying to get this resolved. The thing of it is we know it is bad. But I think the problem is when people know it is bad and don't do anything about it. The first line is: are all five of us involved in getting it done? If the public has leads we want to know about it."

Ronning, "The meeting with the consultant we had in the Senior Center, people got up and said the positive was, "You drive by and there is the water tower." There is no way they can know what is behind it." Moegerle, "Today we heard everyone thought it was shut down because Weidema is not out there doing things. So you hear a lot of things, but what is truth and what is gossip is something else as well." Ronning, "Is the quarterly newsletter an option as far as an update?" Lawrence, "We can do that in the newsletter." DeRoche, "Or maybe we can put it out more often." Moegerle, "Or we can put it on the website. And then again, who reads the newsletter?" Lawrence, "I think the newsletter is pretty big. The seniors all read the newsletter." Ronning, "This seems to be a community where everyone isn't connected to the internet."

Harley Hanson, 1960 221st Avenue NE, "I am here doing the same thing that Tom is doing. On the General Obligation (GO) Bonds that were taken out back in 2010, when are they due? When do we have to start paying that \$18 million back?" Lawrence, "They come in a progression; they are not all due at the same time."

Davis, "Actually, we have already started making bond payments. We have paid approximately \$1.2 million in bond payments for the A and B bonds. The Recovery Zone Economic Development Bond and Build America Bond. Those are the ones that have the 45% rebate increment on them. They were rebated by about a half million dollars, so to date

we have made over \$700,000 in bond payments. The one single issue GO bond comes due in 2016. It is \$1.2 million. About \$650,000 is due in 2016 and about \$550,000 is due in 2017. These bonds can be paid in full at the time or can be refinanced.

Lawrence, "I think what he is talking about is "Where did the money come from to pay the bonds?" Davis, "Going forward the challenge is to make the revenue to make the bond payments." Hanson, "I know you weren't involved with the Council back during that time, Mr. Mayor, and you were kind of against all this bonding anyways. What my problem is, there seem to be a lot of "Ifs" that seem to pop up as the question goes on. Probably the same thing Tom was saying. There is a lot of conversation out there that gets carried away. There is nothing we can do about it, which is why we should get it out straight. Level with the people/residents out there. That is what I am trying to say. Back then, I don't think the residents were aware of what a General Obligation bond was." Boyer said, I have said the answer a hundred times and I will say it once more. There were over thirty public meetings on this issue, over a period of five years. Hanson, "I think I was here for the ten years of it. So, the residents are responsible for the General Obligation bonds, correct?"

Moegerle, "Technically, it is a revenue/GO bond and if there is no revenue it functions as a General Obligation Bond. As a practical matter, for the first few years it is going to function as a GO bond." Hanson, "I am trying to get the message out there so, we can clear it with the public. Maybe I can help in another way. I am not opposed to any progress and there are a lot of people that are working very hard on this whole subject. I don't want to get in the way of that. I am just a concerned resident and I am looking at the judgments of some of these things that are coming up. I am willing to talk to any of you about these things coming up. I appreciate the time to get the message out there and maybe we can get the public on our side here, because the conversations are going all over."

Moegerle, "The time for cussing is over. It is not a good thing. You can vote at the ballot box if you want to cuss some more. We need businesses, we need them building here. The point is, "If you build it and it will come" has never worked, and it is not working now, and it is not going to work into the future. So, we have to go out and recruit who we want. If someone has a lead about a business, just because we recruit them, doesn't mean they are going to come. But you at least have to make an effort and make yourself known and get good PR. And if we have a lot of PR that says, "We are in big trouble", people aren't going to come. There is one thing about being candid, and there is being an alarmist. I don't take it lightly, but let's start doing something proactive to fight the problem." Hanson, "I would like to see some more information out there. I realize a lot of people probably watch it on TV here. They can probably get some information from that. But, we got to get it steered the right way. I would like to help anyway I can."

There were no comments so the Public Forum was closed.

Consent
Agenda

Boyer made a motion to approve the Consent Agenda including: A) Approve Bills: B) Meeting Minutes, July 5, 2012, Regular Meeting; C) Resolution 2012-35 Accepting Donation for Schoolhouse from Rachel Peterson and Friends; ~~D) Resolution 2012-36 Adopt -A-Park - Carlisle; E) Purchase of Fire Trucks; F) Resolution 2012-37 Accepting Work Wild Rice Drive Reconstruction Project.~~ Moegerle would like to pull items D) Resolution 2012-36 Adopt -A-Park - Carlisle; E) Purchase of Fire Trucks. **DeRoche seconded; all in favor, motion carries.**

Item D –
Resolution

Moegerle, "I pulled the Resolution Adopting Carlisle Park and I think it is great. I know they will get a sign there, but can we get something on the website saying, "Carlisle Park

sponsored by or adopted by The Boda's? I think they should get public recognition for doing this." Davis, "Yes, we can do this. And we can add the others."

Moegerle made a motion to adopt Resolution 2012-36 Adopt-A-Park Carlisle. DeRoche seconded; all in favor, motion carries.

Item E –
Purchase of
Fire Trucks

Moegerle, "I pulled this because the write up indicated that we saved a grand total of \$7,600. I talked to the Fire Chief earlier and I brought it up so he could tell the public that actually we saved more than that."

Fire Chief, Mark DuCharme, "I spoke to the Houston Galveston Purchasing Consortium (HGAC) and that was what the average discount would be. Although they are not real specific, the clerk there told me we could look for savings from regular pricing from 5% on up. Also talked to deputy fire chief in Spring Lake Park/Blaine/Moundsview Fire and he indicated they were very happy with program and saved about \$40,000 on a large rig. Next call was to Rosenbauer. Talked to salesperson. Asked about difference in pricing. What he told me was the discount using the consortium. He told me the difference is savings of 7-7.5% on each vehicle. Roughly that would be about \$46,000 in savings for the two trucks. In addition, that \$7,600 discount would be for ordering both trucks at the same time. So it is about a \$53,600 savings on the whole package.

What I should have done is put this in the write-up to disclose this information. I think the HGAC is going to be a real favorable thing. Also, when we go purchase these new trucks they will last about 25-30 years with proper refurbishing." Moegerle, "I wanted to recognize you for doing a great job." Lawrence, "The one thing people are asking is do we need two trucks?" Chief DuCharme, "We are taking two trucks out of service. Engine 21 at Station 2, a 1995 that has severe rust underneath. It is going to be tough to sell because of condition of it. At one time we had a refurbishment plan for that truck and we were told not to do it by some vendors because of the advanced rust. Also, Engine 31 at Station 3, a 1984 and it is in better shape than the 1995. Our guess is when we turn them to resell them we will have to explore some possibilities to sell them. Most you can expect for Engine 21 net is \$20,000. A lot of the equipment from the trucks will go from one truck to the new truck."

Moegerle made a motion to approve the purchase of two fire trucks. DeRoche seconded. Boyer asked what percentage is coming out of equipment replacement fund? Davis, "All of the funding is coming out of the equipment replacement fund. The City has a capital equipment replacement plan in which we have a schedule for replacing all of our equipment. We also have a schedule for a transfer of funds into this plan for the acquisition of this. A lot of cities that don't wind up having to bond for equipment replacement costs. We are ahead of that curve, in that, we allocate "X" number of dollars each year and are able to keep efficient equipment at work for the City." Lawrence, "How long would you say we have been saving for these trucks?" Davis, "I think the capital equipment fund was started about eight years ago. Each year there is a certain amount transferred from the general fund, into the capital replacement fund based on the schedule that has been developed. There is a fund for parks, fire and roads."

Chief DuCharme, "Want to thank Deputy Chief Ardie Anderson and my staff that went through and worked on this for about six months and Dan Berry. Boyer said he would think you would want to seize this opportunity and remind people of fire fighters dance. Chief DuCharme, "The dance is coming up Saturday, fireworks at 10 pm. Hope everyone comes out and enjoy the evening. Booster Day is meant for family activities." **All in favor, motion**

carries.

Beaverbrook
WMA

Davis explained that the DNR is interested in purchasing the William Gombold property on Klondike Drive. This acquisition is intended to become part of the proposed Beaverbrook State Wildlife Management Area.

In the late 1970's, the DNR was approached by the Beaverbrook Sportsman's Club to sell or convey property to DNR to generate revenues for debt retirement purposes. That event initiated the concept of a Beaverbrook WMA Project Proposal to document an approach and potentially assemble any future land ownership in which DNR might have interest, including existing DNR Trust Lands, County lands, or other properties, some of which are now the Sandhill Crane Natural Area. However, no lands were ever purchased for this project.

Because Mr. Gombold's land is adjacent to the existing Beaverbrook WMA project designated area, it simplified the process for the DNR to create this as an addition to the project. The DNR has emphasized that the Beaverbrook WMA is a concept and adding tracts 9 – 14 to the original proposal (Supplemental Acquisition Map attachment identifies these properties) would be dependent on future funding and willingness of the adjoining property owners to sell. The owners of tracts 13 and 14, as shown on the attached location map, have expressed interest in selling their land to DNR if the DNR is successful in acquiring the Gombold property.

The DNR has an "in lieu of tax" payment to the County, of which an amount is distributed to the cities by the County. The formula for calculating these amounts is somewhat complex and is listed in the attachment that references the state statute on this matter. Total taxes payable on this property in 2012 are \$2,502 with the share received by the City being approximately \$825. At this time it is undetermined the net difference between what the City currently receives in taxes as opposed to a payment in lieu of taxes.

The City would expect the dedication of right of way and drainage easements as indicated on the attached Right of Way and Easement Map from the DNR as a condition of support for this purchase.

Staff has no objections to the purchase of this property by the DNR and recommends the approval of the resolution 2012-38 provided the DNR grants the easements and rights of way along Klondike Drive as outlined by the City Engineer.

Brian Luth, Department of Natural Resources (DNR) Wildlife Manager for Anoka, Washington, Ramsey and most of Hennepin Counties, "One piece of information, in 2010 the current owner of the property, Mr. Gombold sold a conservation easement to the Minnesota Land Trust which is held along with the Anoka Conservation District (ACD). And that conservation easement in essence protects that property from any alteration that would change its current conservation value. So it is pretty restrictive of what can happen on that property, with the exception of a footprint for a small residence that he maintained with the idea that maybe he would build a house there and it included the driveway. So the questions

of the rights of way for utilities get somewhat problematic. Are these necessary for the approval of that proposed plat? Or is this something for the future reconstruction of Klondike?”

Jochum, “A draft plan was completed when Mr. Gombold was going to plat his property. As part of that, Klondike Drive would have been paved in front of that property. And there is really no outlet to that area other than to the north through Gombold's property. So the plan sheet I sent you shows the storm sewer system and the outlet that would be needed to drain that area and that roadway.” Boyer said the City was part of this and granting variances to Mr. Gombold. As a matter of fact, we facilitated this conservation agreement and in exchange for doing this we had certain rights to the property in terms of trails and other items. I just want to make sure that is protected from the City prospective. Boyer said one of the key things about this is it provides access to a parcel of City owned land, which is Sandhill Crane under the joint powers agreement, they meet corner to corner I believe.

Moegerle, “Can you tell us what the purchase price is on this?” Luth, “I can't. Statute says until we actually have a purchase agreement that is considered confidential and protected non-public data.” Moegerle, “And I am wondering if the DNR is the best use of the land? I know you from the Sandhill Crane Committee. We are talking about DNR areas that are recreational. My understanding is the DNR charter is not recreational oriented, is that the best use of that land to be conserved? Or is recreation not allowed on that land because of what has gone on their before?” Luth, “Well, State Management Wildlife Areas are part of the outdoor recreation systems. But their primary purpose is public hunting, wildlife production, and then wildlife oriented recreation. So recreation is a very important part of these, but we are not a state park. We don't have camping. We typically don't have bathrooms, picnic areas, preserving the natural. This easement is very restrictive about what is going to be allowed on this property. Because the plat was never finalized, I would say this conservation easement extinguishes that plat. It specifically says that property cannot be developed except for the footprint of that house.”

Jochum, “Like Mr. Boyer has said the City worked with Mr. Gombold on this property to get something done and that all fell through. But it appears he moved forward with this conservation easement and I don't know that the City had any say in it.” Luth, “And our dealings with Mr. Gombold, there was always a moving finish line. As far as I know this easement is recorded on the deed. I had a brief conversation with Chris Lord from Anoka Conservation District (ACD) and asked him about this. Told him it is basically a storm water pond and would that be allowed? We paged through the conservation easement and it specifically mentions diversion of natural water, lakes, shorelines, or creations of lakes, shorelines, new bodies of water, etc., except to restore or enhance wildlife habitat area. It also talks about changing topography and this would definitely be a change in topography. But if something could be worked out that this pond could be constructed in such a way in an adjoining property or area is enhanced as far as conservation value, I can't make that decision. ACD and Minnesota Land Trust are holders of the easement.”

Moegerle, “I know Boyer has always wanted East Bethel to have a County Park and I am wondering is this an opportunity for East Bethel to get a county park that is nature orientated. Where the easement is and the house is, that is a ranger station. I just don't know how the analysis has gotten to this. Or Mr. Gombold really wants the DNR and the adjoining property owners really want the DNR. That background would be helpful to me.”

Boyer asked assuming the DNR buys the property, I will assume that extinguish the

conservation easement with the Minnesota Land Trust? Luth, “No, the conservation easement is perpetual on the property. What we are purchasing is his remaining interest in the property.” Boyer said what I am trying to get to is public access to that property. My understanding of DNR WMA land is it is open for public access. It is open for hunting and nature hikes, that sort of thing. If you want to go for walk in the woods, you can go for a walk in the woods. Luth, “Absolutely, for wildlife orientated sorts of things. Open year round. Most of these open 365 for compatible uses. We have a list of compatible uses. Off-highway vehicles are not a compatible use. Would mention we have a two- month option that was signed June 8th. We have a little bit of time. The next step is to go through the county wetland review committee before we can go to the county board. And we are required to have county board approval and generally they say they would like the local government’s opinion and that is used for them to make their decision.” Boyer asked how large is easement the City is claiming along Klondike? Jochum, “About 30 foot all the way to the back. This was meant for the whole development, so it could be significantly reduced.” Lawrence, “Is that a problem with the DNR?” Luth, “I can’t speak for the Minnesota Land Trust and ACD, the holders of the easement. In my dealings with them they are reasonable people.”

Davis, “Is Klondike Drive easement or ROW?” Jochum, “I think is prescriptive easement.” Davis, “That is what I thought. The reason we were requesting ROW is so the City would have control and ownership over that when improvements were done.” DeRoche, “I think there are some questions that need to be answered before we pass this.” Moegerle, “I am looking on our Comprehensive Plan and this is on our map for proposed trails. That shows trails through that area and I don’t know if you are agreeable to that plan going through or not.” Luth, “These are specifically addressed in the conservation easement.”

Moegerle, “Sounds like we need more information. Could we have a special meeting to deal with this?” DeRoche, “You are saying if they are agreeable and then if they are not agreeable. There is no recourse for us to come back.” Moegerle, “If the DNR purchases it, do the other tract owners want to sell too?” Luth, “Those properties to the east have contacted me directly and said I heard you are interested in the Gombold property. There are other players. Know in the instance of Mr. Gombold that has been a traditional hunting camp. That is why we were a natural fit for him.”

Boyer said speaking for myself I would rather see it remain a DNR WMA than a county park because I think our residents would get better use of it. How many acres do you own in Sandhill Crane? Luth, “Those are school trust fund lands currently owned. Owned by the state and administered by us. I don’t have that figure.” Boyer said he thought it was roughly 400 acres that you owned. Davis, “I think there is roughly 500 acres. And the City owns 27 acres. Rough guess would be 60/40 split.”

Moegerle made a motion to table the DNR-Beaverbrook WMA. DeRoche seconded; all in favor, motion carries.

Resolution
2012-39
Awarding Bid
for Coon Lake
Beach
Improvement
Project

Jochum explained as directed by Council, the staff received and opened bids for this project on July 12, 2012, at 11:00 a.m. at the City Hall. A total of four bids were received. The bids are summarized on the resolution, which is included as Attachment 1. The project included the Base Bid and three Alternate Bids. The bid components and range of bid prices are summarized below:

1. Base Bid

North Valley, Inc.	\$667,558.64
Rum River Contracting Co.	\$673,225.25
Midwest Asphalt Corporation	\$682,045.60
Knife River Corporation	\$683,332.91

The Base Bid includes all labor, equipment and material to complete the street reconstruction in the Coon Lake Beach area. The Base Bid prices ranged from \$667,558.64 to \$683,332.91. North Valley, Inc. was the low bid at \$667,558.64. North Valley, Inc. is the low bidder based on the Base Bid and any combination of the Base Bid and Alternate Bids. The budget amount for this project was \$612,000.

2. Alternate Bid No. 1

Alternate Bid No. 1 includes overlaying 187th Lane from Highway 65 to Ulysses Street. North Valley, Inc. Alternate Bid No. 1 bid price was \$22,654.89. The engineers estimate for this alternate was \$25,550.00.

3. Alternate Bid No. 2

Alternate Bid No. 2 includes reconstruction of the pavement on 245th Avenue from Highway 65 to 330 feet west of Highway 65. North Valley, Inc. Alternate Bid No. 2 bid price was \$26,501.06. The engineers estimate for this alternate was \$29,840.00.

4. Alternate Bid No. 3

Alternate Bid No. 3 includes constructing drainage improvements on Bryant Lane and Cedar Road in the Coon Lake Beach area. North Valley, Inc. Alternate Bid No. 3 bid price was \$20,175.13. The engineers estimate for this alternate was \$19,430.00.

As previously discussed, the low bid for the Base Bid, which includes the reconstruction of the streets in the Coon Lake Beach area, was \$667,558.64, which is approximately 8.3 percent higher than the project budget.

Alternate Bid No. 1 is an overlay of 187th Lane to match that street with the renovation paving that has been completed for street restoration required by the Municipal Utility project. 187th Lane was not disturbed as part of the project but requires the overlay to maintain the appearance of the area and correct paving issues at the entrance to Hwy. 65.

Alternate Bid No. 2 is a requirement of the settlement agreement with Athens Township as it relates to the GRE project.

Alternate Bids No.1, 2, and 3 were below the engineers estimate. The total bid price for the Base Bid and all Alternate Bids is as follows:

Base Bid	\$667,558.64
Alternate Bid No. 1	\$ 22,654.89
Alternate Bid No. 2	\$ 26,501.06
Alternate Bid No. 3	\$ <u>20,175.13</u>
Total Bid	\$736,889.72

There are sufficient funds in the Street Capital Fund to finance this project including the additional costs of the alternatives and the higher than anticipated bid costs. If this project is approved as recommended, the Street Capital Fund is projected to retain a balance of \$751,772 at the end of 2017. We also intend to apply the \$35,050 surplus from the 2012 Street Maintenance Project to this project reducing the costs of the alternates and overbid to \$89,839.72.

Staff recommends that Council approve Resolution 2012-39 awarding the Base Bid and Alternate Bids No. 1, 2, and 3 to North Valley, Inc. in the amount of \$736,889.72

Moegerle made a motion to adopt Resolution 2012-39 awarding the Base Bid and Alternates Bids No. 1, 2 and 3 to North Valley, Inc. in the amount of \$736,889.72. Lawrence seconded.

DeRoche, "These covers fixing Forest back down to the lake and all these little drive downs, is that included in the bid?" Jochum, "Correct." DeRoche, "I kind of have a problem with approving a lot of those. Mainly because I live on the lake and it creates a lot more traffic than just comes in on the two boat landings. And the nicer you make it the more people want to bring their boats out. Pretty much every day I am cleaning up people's goods that they leave and it has actually become a hazard. Because you get so many boats out, and a lot of these are pretty high-powered. A lot of people don't understand these don't just stop. There is one particular person that uses the one on Forest and there is nobody checking the prop, checking for Eurasian milfoil, anything. And if mussels or whatever are introduced into the lake, the people that can rent the dock spaces are going to blame who?" Jochum, "Are you talking about boat landings themselves?" DeRoche, "No. I am talking about where the roads come down to Lake Drive and people back their boats into the lake." Jochum, "It only includes everything inside Lakeshore."

Davis, "The boat landings weren't bid as part of this project specifically. We talked about fixing them up or abandoning them." DeRoche, "When we did the Roads Commission tour, that wasn't the understanding." Davis, "If anything was done there we would have to get approval from eh community center. If this was done we would have a contractor there to do it. So what was discussed is, if it was to be done, this would be the time to do it. That would be a separate agreement." DeRoche, "There is nobody there to monitor it." Moegerle, "We also discussed at the beach if we had a driveway adjacent, that would be cut and replaced." Davis, "We had two meetings at Coon Lake Beach and if anyone had any special problems to discuss it with us. Jochum and Aysford met with some property owners down there and took care of any issues."

Boyer asked so alternate bid #2 is to pave a road in Athens Township? Davis, "Half in Athens and half in East Bethel. This is part of the GRE settlement agreement that Council approved back in April." Boyer said I am not going to vote for this because of that. I am all for paving the roads in Coon Lake Beach, but not in Athens Township. Davis, "Although half of this road is in Athens Township, the benefit of it probably goes 99% to East Bethel because all the residents it serves is 100 to 1." Boyer said we can say that about Sunset Drive. **Boyer, nay; DeRoche, Lawrence and Moegerle, aye; motion carries.**

2013 Proposed Budget

Davis explained that on Wednesday, July 11, 2012, staff provided Council with a proposed 2013 Budget. The proposed budget is available on the City's website and at the City Hall receptionist area.

Prior to September 15, 2012 the City Council must adopt a preliminary budget and levy for 2013 to be provided to the Anoka County Auditor. The preliminary levy will be used to provide property tax payers with parcel specific notices in November for pay 2013 taxes. The final 2013 Budget and levy are then adopted by City Council in December.

Staff is requesting Council set a work session(s) meeting date(s) to review the proposed 2013 Budget.

Staff is seeking guidance from Council on dates for this work session. Davis explained that the next available dates are July 23, 26, 30, 31.

Council consensus was to meet on Monday, July 23rd at 6:00 p.m. Boyer said he is not sure he can make it. DeRoche, "What are the chances of having the budget heads at this meeting?" Davis, "We will need to call a special meeting for the DNR issue and then a work meeting. If you would like department heads at this meeting, we will plan for that." Lawrence, "I would like to see comparative salaries for area and what they are getting for increases and such." Moegerle, "I would like to see the savings of doing electronic packets and using these envelopes."

Moegerle made a motion to set a special meeting on Monday, July 23 at 6:00 p.m. to discuss the DNR-Beaverbrook WMA. Lawrence seconded; all in favor, motion carries.

Moegerle made a motion to set a work meeting on Monday, July 23, 2012 at 6:15 p.m. to discuss the budget. DeRoche seconded, all in favor, motion carries.

Plans and Specifications for Electronic Reader Board

Davis explained that at the June 6, 2012 City Council meeting, direction was given to staff to seek proposals for replacing the storm damaged City Billboard located at the intersection of Viking Boulevard and Hwy. 65. Staff has received proposals from sign contractors, but due to the varying range of amenities and costs, staff has prepared bid specification for project bids.

The following bid requirements have been assembled by staff as a format for base bids and alternate upgrades if the Council should determine the need:

- 1) The Contractor is responsible for the dismantling and proper disposal of the existing sign as well as all site clean-up. The existing footings, support poles and electric service will remain and be used for the new structure.
- 2) The sign will be a double faced aluminum cabinet finished with a heavy textured finish in tan (or other color as selected) with the final outside dimension of 16' W x 10' H. Each side of the sign panel will have individual translucent green acrylic plastic letters with white trim cap reading "City of East Bethel" and will be internally illuminated with white LED lighting. Final design to be approved by the City.
- 3) Poles to be covered with .080" aluminum covers finished in the same heavy textured tan finish utilized on the upper cabinet.
- 4) Message center to be Daktronic AF 3500 Series Monochromatic 46mm, 32 x 96 matrix or approved equal. LED color to be amber.

- 5) The sign must utilize programming software compatible with Microsoft products.
- 6) The bid will include all electrical connections.
- 7) The sign must be able to be remotely programmed from East Bethel City Hall using radio equipment or cellular transmission.

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

As in all bids, contractors would be required to furnish all required insurances, license certificates, workman's compensation coverage and bonding if applicable.

Alternate bid items would include:

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

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

The estimated costs of an electronic reader board under the base bid amount range between \$60,000 and \$85,000. There is currently \$50,000 in the 2012 EDA budget and a preliminary request for \$45,000 for 2013 EDA budget for a reader board sign. The East Bethel Seniors have provided a donation of \$5,000 toward the sign and the City has received \$2,800 as a damage claim payment, bringing the total available funds for the project to \$57,800 for 2012. If approval is granted by City Council to replace the existing sign with a new reader board an intra-fund no interest loan could be extended from our HRA account to cover those costs of the sign above \$57,800. The loan could be repaid to the HRA from the 2013 EDA budget.

Staff is recommending Council approval to solicit bids for a new electronic reader board using the base bid specifications and include the upgrades as alternate bids.

Moegerle made a motion to approve the RFP for the electronic reader board plans and specifications. Lawrence seconded.

Moegerle, "If we are going to have architectural standards for buildings, shouldn't we use those same architectural standards with regard to this reader board? And since we don't have

that.” Davis, “Not sure what other architectural standards we could use on this board.” Boyer said he thinks this point is well taken. If you build this first monument without standards, everyone is going to say, “Well you built it just like that, why can’t I?” Boyer said it sets precedent. Moegerle, “I am all for a range of \$60,000-80,000 and I did see in here the stone columns. But if we could see in the future and see our architectural standards are probably going to look like? This is something we could swing by the Planning Commission. Just take their temperature because we don’t have everything ready.” Lawrence, “Don’t we require that already?” DeRoche, “The theatre put up a little wood sign. They have their big sign and then have a little wood sign.”

Moegerle, “We need to set the standard. I realize money is tight, but if we are going to set the standards; we need to be up to the standards. We have a great City, but 4 ½ feet for our name? Most people that go by will know this is East Bethel. Isn’t the message more important than our name? Question goes to, “Can we make our reader board bigger and at what cost?” Davis, “We can always bid it bigger. Not sure at what point we cross the line of making electronic things bigger the cost starts increasing exponentially. We can certainly find out though. As far as architectural treatments go, if anyone has any particular recommendations we can incorporate those. The rendering you have before you is but an example. We talked about eliminating the sponsors.” Boyer said we could eliminate the line: community billboard.

Moegerle, “Have we talked to the Lions and asked if they want to sponsor something that doesn’t get blown over every strong wind? Do we want business sponsors?” Davis, “His preference would be to have no sponsors on the sign. Especially business sponsors they will expect preferential treatment.” DeRoche, “Shouldn’t we be discussing thing during our budget meeting. I am all for a pretty sign.” Boyer said our other sign had its constant damage, but why is an electronic sign any safer during a wind storm? Davis, “It isn’t. However, the sign we have up there due to the current design of it, four sheets of four acrylic panels loosely attached so it begs to be damaged whenever the wind gets above a certain speed.” Boyer asked have we spoken to other communities that have these or even the bank? Moegerle, “You missed a meeting, and maybe it was an EDA meeting, where we talked about the letters getting blown off. Having the staff go up in the middle of the cold. Climb up and safety. With this you can program it from here. Not saying we are riding the wave of the future, but it is the way things are going.” Boyer said even if we rip the old sign down and put up a new similar, don’t know that this life of electronic is any better than the other. Are we going to be replacing the sign every 5 years, 10 years or 20? Davis, “Talked to Ham Lake and they have had very minimal maintenance issues with theirs.”

DeRoche, “I am looking at the financial part of it. Until we figure out where we are financially and figure out some plans. We keep spending money left and right and where is it going to come from?” Moegerle, “How important is civic engagement and communicating with residents? A small portion drive 65, and over at the beach we don’t have this, but effort at communication is important.” DeRoche, “I understand that, but you have to have money to spend.” Boyer said it is the best intersection in the City. Moegerle, “Would you be more amenable if we got donations? And if we do, would you put their names on it?” DeRoche, “Anytime you put names on it you are asking for trouble. I am suggesting we table this until after we have a budget meeting.” Davis, “My recommendation is to solicit bids.”

DeRoche made a motion to table the RFP for an Electronic Reader Board until after the next budget meeting. Boyer seconded. Moegerle, nay; Boyer, DeRoche, Lawrence, aye; motion carries.

Fire Dept.
Report

Davis said these reports are included for your review and information. Boyer asked why you didn't respond to the pot belly pig in my neighborhood, instead of me having to go corral this vicious beast. Chief DuCharme, "I understand the pig is still at the Animal Control Officers house. The monthly reports are included and if you have any questions I would be more than happy to answer them." Boyer asked have we had any increase in response because of construction? Chief DuCharme, "Our call volume, I can equate it to a year ago. We are actually down about 30-40 calls compared to a year ago. A lot could be the grass fire season not heating up like we thought it would. June was a light month for response." DeRoche, "What happens on 2nd inspection emergency lights? Is that to say on the first inspection they had problems with the emergency lights?" Chief DuCharme, "No. What that means is on the first inspection you have a bulb out on lights. So we will be back to make sure you get that done. When we hit the third inspection we start charging money. We try to hit every business within the City. We don't do the home occupations." DeRoche, "You don't do any of the in-home businesses?" Chief DuCharme, "We haven't been directed to do that in the past." Moegerle, "There are certain ones." Chief DuCharme, "Many of the new home occupations would require a home safety inspection."

Approve Hire
of Building
Official/Code
Enforcement
Officer

Davis explained with the resignation of Mr. Larry Martin, the City's Building Official, City Council directed that the Building Official's position to be advertised and filled. The ad for the position was posted in the Anoka Union, Star Tribune, the City's web site and the League of Minnesota Cities web site. The City received 14 applications for the position. Of the 14, staff identified seven that had the required qualifications including current licensure as a Building Official by the State of Minnesota, MPCA ISTS certification and experience as a Building Official. All seven of the qualified applicants were invited for an interview. Interviews were completed on July 10, 2012.

Two of the applicants presented skills, knowledge and abilities that were clearly above the requirements and other interviewees. Both had experiences that were an excellent match for the position. However, in our final analysis, one applicant had a skill set, experience and personal qualities that exceeded those of the other final candidate. Mr. Nick Schmitz is the candidate that is recommended for this position.

Mr. Schmitz is currently the Building Official for the City of Columbus. He has been the Building Official there for nine years and manages the building inspections and code enforcement for the City of Columbus. Prior to this employment, Mr. Schmitz was the Building Official for Vadnais Heights from 1999 to 2003 and a Building Inspector for Cottage Grove from 1992 to 1999. Mr. Schmitz has previous experience in the private construction industry subsequent to his career as a Building Official/Inspector. Mr. Schmitz background in both a rural and emerging City setting provides a background that is a perfect fit for our situation in East Bethel.

He is very well qualified and possesses the "people skills" to function at a level that is expected of an employee in this position. All references from Mr. Schmitz's previous employment have been completed and Mr. Schmitz received complimentary marks and commendations for his previous service. Mr. Schmitz was recognized as being extremely punctual, professional and competent in his performance. His current and past two employers unequivocally stated they would hire him again if he were applying for employment. Mr. Schmitz background check has been received and there are no issues with this report.

If Council moves to approve the offer of employment, we would anticipate Mr. Schmitz

being available for work on or before August 6, 2012.

Wages and benefits have been budgeted in the City's General Fund budget for 2012 for this position.

Staff is recommending approval of the tentative offer of employment which has been extended to Mr. Nick Schmitz as the Building Official/Ordinance Enforcement Officer at Pay Grade 10, Step B with benefits per City Policy and with 40 hours of sick leave to be included as part of this offer. This pay grade represents an annual salary of \$68,640.

Boyer made a motion to make the tentative offer of employment of Nick Schmitz as the Building Official/Ordinance Enforcement Officer at Pay Grade 10, Step B with 40 hours of sick leave to be included as part of the offer. Moegerle offered an amendment to make a motion to approve the offer. Remove make. Boyer accepted the amendment. Moegerle seconded.

Moegerle, "The day he starts he has 40 hours of sick leave banked?" Davis, "Yes." DeRoche, "I am surprised he isn't here." Davis, "He wasn't invited. It has not been policy to have those people here as part of the approval." DeRoche, "Well I guess the problem I see in that I thought it was going to be whittled down to a few and then Council was going to interview. I got a bad taste in my mouth because of the last building official we had and his departing." Moegerle, "But this is probationary." Davis, "That is correct. The employee will be on a six-month probationary period at which time he can be approved for full-time employment or terminated." DeRoche, "Who did the interviews?" Davis, "Myself, Hanson and Pierce and city administrator from Oak Grove because they might be interested in contracting with us. It is policy that staff does interviews and recommends an applicant. Then they do probation and at the end of the probation period immediate supervisor provides recommendation to City Council."

Moegerle, "Has Council ever sat in on interviews?" Vierling, "Each city has their own practice and/or policy." Boyer, "This city hasn't done it since 2004/2006." Lawrence, "Does this pay represent benefits package?" Davis, "No." DeRoche, "What is the benefits package? Because I have people asking me a lot what the benefits are. I get asked this a lot. They are asking me, "I thought you were going to cut back." or "There isn't a lot going on." Davis, "There is a lot going on. Not in terms of single family homes building permits. Currently there is enough going on with roofing, siding, window, septic, remodeling permits and code compliance to keep one person and maybe another one busy during the construction season. There is more going on and by not having these positions filled really eating up a lot of valuable time. Taking away a lot of time we need to spend on other functions. Code compliance and enforcement, might take hours to go out and investigate a compliant."

Lawrence, "What is the revenue in the building department at this time?" Davis, "Earlier in the year we were projecting \$75,000 to \$80,000 in permit fees. This could go up or down. This is an essential government service. This is part of the duties the City is required to perform. One thing we have not been proactive on is code enforcement and compliance. It has all been reactive because of time constraints. One of the key components of this person's job is code enforcement officer." DeRoche, "What is his package. People are going to want to know." Davis, "The salary is \$68,000 and the benefit package is probably about \$20,000 to \$22,000. I would have to look it up. This salary is in the middle of what everyone is paying." DeRoche, "I am not doubting you. But this City has been known in the past to pay really good benefits." Moegerle, "That is history." DeRoche, "If the contracts have

changed.” Davis, “There are no contracts. Everyone is an at-will employee.” **All in favor, motion carries.**

Request for
Financial
Consulting
and Bond
Counsel
Services

Davis explained that as part of the city’s past practice to evaluate professional services, staff recommends that Council solicit RFPs for Financial Consulting and Bond Counsel Services and that these proposals be presented at a City Council work session on Wednesday, August 1, 2012 at 6:00 p.m. The reason for the request is there will probably be some TIF discussions coming up and at some point there is going to be the necessity for involving bond counsel in financial decisions for potentially Aggressive Hydraulics but also economic development prospects. We want to make sure council is comfortable with whoever our bond counsel is.

Moegerle, “We were at a meeting with Aggressive Hydraulics. Part of this came up with finding financing for Aggressive Hydraulics. There was a discussion that Kathy Aho did not get the warmest reception from us. Is that a concern? It is fact finding and information before we do anything. We want to have someone we have confidence in.”

Moegerle made a motion send out a RFP for Financial Consulting and Bond Counsel services. Boyer seconded. DeRoche, nay; Boyer, Lawrence and Moegerle, aye; motion carries.

DeRoche, “Are you sending out RFPs on what you are looking for, or what we are looking for as a City?” Davis, “There is no cost to send out for RFPs. There are times we need to utilize bond counsel and I want to have someone that everyone is comfortable with.” DeRoche, “Apparently there are plans to go into TIF or Tax Abatement or how are you going to structure an RFP is we don’t know what we are looking for?” Davis, “What an RFP does is they can come in and outline what their qualifications are and then you have an opportunity to interview them. They might do a variety of things. We are getting into the area where we need to be competitive in the economic game.” DeRoche, “That is going to be tough. Because financially, we are not in the same place as others.”

Council
Reports –
DeRoche

DeRoche, “The Fire Fighters dance is Saturday night. There will be a good band”

Council
Reports –
Moegerle

Moegerle, “EDA did get a booth for Booster Day. We will have a questionnaire and it will be designed to say, “Developers are interested in knowing what we would like to have for services as a community as far as franchises, restaurants and those kinds of things.” We are going to have a list, you can circle, “I want Culvers vs. Arby’s, or McDonalds.” Kind of fun to test the waters, we will have candy and sugar-filled enticements there.

We had a website meeting this morning with CivicPlus this morning and will have another tomorrow with Vision Internet. Aggressive Hydraulics complex situation, we are getting down to the wire on that. Got an interesting e-mail from Bryce Pickart today about accepting septage at our waste water treatment plant. Could pay us some dividends.”

Council
Reports –
Lawrence

Lawrence, “The GRE Settlement is all but done. Go-For-It Gas on Viking Blvd. just east of Co. Road 15 is having their Grand Opening Saturday July 28th. Stop in and support our local businesses. We also have Booster Day this Friday and Saturday. And I would like to thank Rachel Peterson and Friends for their donation to the schoolhouse.

Adjourn

Boyer made a motion to adjourn at 9:33PM. DeRoche seconded; all in favor, motion carries.

July 18, 2012
Attest:

East Bethel City Council Meeting

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Wendy Warren
Deputy City Clerk