

EAST BETHEL CITY COUNCIL MEETING

DECEMBER 2, 2015

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

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

ALSO PRESENT: Jack Davis, City Administrator
Mark Vierling, City Attorney
Mike Jeziorski, Finance Director
Colleen Winter, Community Development Director

1.0 Call to Order The December 2, 2015, City Council meeting was called to order by Mayor Voss at 7:00 p.m.

2.0 Pledge of Allegiance The Pledge of Allegiance was recited.

3.0 Adopt Agenda **Harrington stated I'd like to make a motion to adopt tonight's agenda. I'd like to add, under the agenda, 9.0D.1, Closed Session, Purchase or Sale of Real Estate Property, Statute §13D.05, Sub. 3., PID #30-33-23-44-0005. 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 Presentation Davis presented the staff report, indicating Minnesota Statute 275.065 requires cities to conduct a public comment period where residents are offered the opportunity to provide input to City Council on proposed budgets and tax levies. The State requires that each city announce the date, time and place of the meeting where residents can provide City Council feedback on proposed budgets and tax levies. The date selected must be done at the meeting when the City Council adopts the preliminary budget in September. This meeting date is also listed on the parcel-specific notices for proposed 2016 taxes that taxpayers received in November from Anoka County.

4.0A 2016 Budget Public Comment Council directed that December 2, 2015, be the regular meeting for this opportunity. As part of this agenda item, Council will be requested to consider tax levies and budgets for 2016.

Based on the decisions and any comment that we have, staff recommends Council consider approval of the 2016 Budgets and Levy Resolutions 2015-60 and 2015-61.

Davis stated at this time, our Finance Director Mike Jeziorski will present a budget summary for questions and answers at his completion.

4.0A Jeziorski stated thank you Mr. Davis. Mr. Mayor, members of Council, I do have a brief presentation before we hop into the public input section of tonight. Again, the City of East Bethel has a yearlong budget process that commences on January 1st of each year when the budget model is created. The budget model chronicles the prior two-year's activity, the current year's budget and next year's budget that is being considered for approval. Imbedded in the model are updates to the salary benefit line items and debt service

requirements for the 2016 budget. From there the City has a series of meetings with the Finance Committee, Department head meetings, and Council meetings where the budget is discussed and modified. Finally, the City Council conducts a meeting where they solicit input from the public and then consider the adoption of the budget, which is tonight. The budget document that has been provided as part of tonight's Council packet can be found in its entirety on the City's website.

Jeziorski stated before we hop into the budget itself, I just wanted to highlight some of the financial highlights that we have. The City of East Bethel has a formal Fund Balance Policy that states the City should maintain a minimum of 40% of next year's budgeted General Fund expenditures as its fund balance. The City is projected to have roughly \$2.3 million at the end of 2015 or 47% of the 2016 budget. The City also sets aside funds for equipment replacement, parks, streets, and building improvements and those balances are projected to be roughly \$2.9 million at year end. The City received their latest bond rating in March of 2015, which was AA, or very strong. Again, the only better bond ratings are AA+ and AAA, which are essentially risk free rates. The City is also in line to defease two bond issues in the next two years, the 2005B and the 2010C. Finally, the City renegotiated their Reserve Capacity Loan with Met Council to cap the loan's amount at \$2 million.

Jeziorski stated from a high point on the budget, our total revenues in all General Fund classifications is expected to increase from \$4,848,700 to \$4,975,900 or 2.6%. Total expenditures in the General Fund are budgeted to increase at the same rate. The \$127,200 increase is mainly attributed to the increase in personnel costs and the Sheriff's contract.

Jeziorski stated the City receives roughly 83% of their General Fund revenue from property taxes, which is illustrated on this graph (*a pie chart was displayed*). Other components of the City's revenue sources are: cable franchise fees, liquor and tobacco licenses, building inspection permit revenue, State aids for streets and other, fines and forfeits, intergovernmental charges, cemetery revenue, tower lease revenue, gambling tax revenue, and interest earnings.

Jeziorski stated looking at the expenditure side of our General Fund budget, again, the City's personnel costs account for roughly 40% of the General Fund budget. For 2016, the Mayor, Council, and Committee stipends are proposed to remain unchanged. The City has 19 full-time employees: 9 at City Hall, 9 in Public Works, and 1 Fire Chief. Of those employees, 11 are represented by a union. For 2016, salaries are proposed to have a 2% cost of living increase. The cafeteria contribution for benefits is also proposed to be increased from \$917 to \$950 per month. As for benchmarking those increases, the average inflation rate as measured by the Consumer Price Index is roughly 1.3% and staff will see an aggregate insurance premium increase of roughly 10%. The City also budgets for 35 paid-on-call firefighters, 1 part-time cable technician, 2 seasonal Public Works employees, and 30 election judges.

Jeziorski stated looking at our budget from a program standpoint, again, in governmental accounting we summarize the budget into specific program areas. The general government classification captures all expenses involved with City governance: City Council, City administration, finance, legal, and elections. This classification is budgeted to increase by 1% from \$1,075,400 in 2015 to \$1,086,900 in 2016. The community development classification captures all expenses involved with Planning & Zoning and building inspections. This classification is budgeted to increase by 5% from \$407,900 in 2015 to \$428,000. The public safety classification captures all expenses involved with police and

fire protection. This classification is budgeted to increase by 2\$ from \$1,590,000 in 2015 to \$1,620,300 in 2016. Jeziorski stated engineering expenses are budgeted to remain flat at \$35,000. The public works classification captures all expenses involved with street maintenance and park maintenance. This classification is budgeted to increase by 5% from \$1,212,900 in 2015 to \$1,273,200 in 2016. Transfers to other funds include transfers to street, building, and park capital and is budgeted at \$530,000 for 2016.

Jeziorski stated shifting gears into our debt service funds, again, the City has seven outstanding bond issues at the end of 2015 with principal balances of roughly \$20.8 million in total, none of which are currently eligible to be refinanced. Each year, the City pays interest and principle on each of these bonds. The City also pays fiscal agent and other administrative fees for each of these issues, which is reflected in the budget. The budget reflects an increase of 36% in these expenditures from 2015 to 2016 or \$1,369,356 to \$1,870,600. This increase of \$501,244 is attributed to the inclusion of the 2010C principle payment.

Jeziorski stated so overall, looking at our levy, adding up the general fund levy with our debt service levy, the total levy is budgeted to increase by 1.5% from \$5,174,500 to \$5,251,300.

Jeziorski stated the other levying authority within the City is the Economic Development Authority. The Economic Development Authority (EDA) addresses the City's need to proactively deal with economic development, housing, and redevelopment issues. The goals of the EDA are to encourage redevelopment, achieve commercial development, and encourage development of housing within the City. To that end, the EDA is proposing the 2016 levy remain the same as in 2015 at the \$123,022 level.

Jeziorski stated again, one of the questions that comes up is how does the City of East Bethel compare with others in Anoka County. Historically, the City of East Bethel ranks about in the middle of Anoka County as far as tax rates. For 2016, you can see from this chart that the City of East Bethel is projected to have the third lowest levy increase in Anoka County. Also, note that the County increase is anticipated to be 2.49% and the Forest Lake School District levy is expected to increase by 15.2%.

Jeziorski stated with that, everyone should have received their 2016 proposed tax statement. A couple reminders that your overall tax increase/decrease is controlled by a number of factors: your taxable market value in relation to the entire City, the City levy, the County levy, and School District levy.

Jeziorski stated with that the Council will welcome any public input on the budget.

Voss asked is there anyone here tonight to discuss their property taxes with the City staff?

The public hearing was opened at 7:10 p.m. No one offered comment. **The public hearing was closed at 7:11 p.m.**

Voss stated seeing none, I did talk to Ken Tolzmann today, for a while, primarily because I know the properties around Coon Lake, and I think Menard Lake and some of the other lakes, were adjusted up value-wise this past spring. And, obviously, taxes then went up proportionately. You know, he reminded, and wanted it brought out too, that there's a couple different ways to get tax relief if your taxes go up quite a bit. Like around the Lake,

it's anywhere from 20% to 30% around the Lake. So, the State has some relief. And then for those who are on fixed income, the County has a relief program as well. I'm not exactly sure how it works but there's some, you know, there's some relief programs out there for those that are particularly hurt by the increase because their valuation changed. So with that, we'll move forward. Resolutions?

Harrington stated I'll make a motion to approve the 2016 Budget and Levy Resolution 2015-60 and Resolution 2015-61, EDA Levy Resolution. Koller stated I'll second. Vierling advised to take them individually. Davis agreed. The motion and second were withdrawn. **Harrington move approval of the 2016 Budget and Levy Resolution 2015-60. Koller stated I'll second.** Voss stated is there any discussion? Hearing none, all those in favor say aye?" **All in favor.** Voss stated any opposed? That motion passes. **Motion passes unanimously.**

Harrington stated then move Resolution 2015-61, EDA Levy Resolution. Koller stated I'll second. Voss stated is there any discussion? Hearing none, all in favor say aye?" **All in favor.** Voss stated any opposed? That motion passes. **Motion passes unanimously.**

**5.0
Public
Forum**

Voss asked is anyone here tonight for Public Forum? It's going to be a quiet night.

**6.0
Consent
Agenda**

Item A Approve Bills

Item B November 18, 2015 City Council Work Minutes
Meeting minutes from the November 18, 2015 City Council Meeting are attached for your review and approval.

~~Item C November 19, 2015 Town Hall Meeting Minutes~~
This item was removed from the Consent Agenda.

Item D Resolution 2015-62 Accepting Work and Final Payment for the Castle Towers/ Whispering Aspen 2013 Forcemain Project
LaTour Construction, Inc. has completed the Castle Towers/Whispering Aspen 2013 Forcemain Project and has submitted all the required documentation to consider this project for final payment. Staff recommends final payment of \$66,624.92. The original contract amount for this project was \$2,016,376.39 and the total payments will be \$1,950,846.91. A summary of the recommended final payment is as follows:

Total Work Completed	\$ 1,950,846.91
Less Previous Payments	<u>\$ 1,884,221.99</u>
Total Payment	\$ 66,624.92

Final payment for this project will be financed from the bond proceeds. Funds, as noted above, are available and appropriate for this project. A copy of the Final Payment was provided in the meeting packet.

Item E Approve Permanent Fund Transfer—TIF 1-1 for Administration Costs
The City of East Bethel authorized the creation of TIF district 1-1 in order to facilitate the construction of an approximately 60,000 square foot manufacturing facility in the City (Aggressive Hydraulics). In order to track the Tax Increment revenue and expenditures of

the district City staff created fund 435. TIF District 1-1 requires administrative staff time in order to maintain the financial system of the district and has allotted a total of \$41,080 for this over the life of the district. Staff recommends Council consider approving a one-time transfer of \$1,060 from fund 435 to the General fund to cover these expenses for 2015.

~~Item F~~ Resolution 2015-64 Recognizing Terry Allen

This item was removed from the Consent Agenda.

Item G License Agreement- Gary & Delores Fessenden for a private sewer effluent line under East Front Blvd

Gary and Delores Fessenden have requested permission to install a private sewer line in the City's right-of-way for the purpose of serving their property located at 19249 East Front Boulevard. The proposal would be a standard license agreement that the City has exercised with other property owners and remove any liability on the City's part for maintenance, repair or replacement of the proposed line.

Ronning stated I'd like to pull Resolution Item F. Mundle stated I'd like to pull C. Voss asked any other changes to that? If not, I'll entertain a motion to the Consent Agenda. **Ronning stated move to approve the Consent Agenda with the exceptions noted, C and F. 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.**

6.0C
November 19,
2015 Town
Hall Meeting
Minutes

Mundle stated at the end, the minutes state that the meeting time ended was 8:05 and it was 9:05. Voss stated 9:05, I saw that. I've got two others on that too. On the first page of the Town Hall Meeting minutes, in Item 5, there's a typo where it states: Senator ~~Sarah~~ Benson. That should be Michelle Benson. And then I'm fine with the rest. So, entertain a motion to those minutes.

Mundle stated I'll make a motion to approve the Town Hall meeting minutes from November 29, 2015. Harrington stated I'll second. Voss stated is any discussion? All in favor say aye?" **All in favor.** Voss stated any opposed? That motion passes. **Motion passes unanimously.**

6.0F
Resolution
2015-64
Recognizing
Terry Allen

Ronning stated Item F, Resolution 2015-64, Terry Allen acknowledgement, was brought up at the last meeting, I believe. It just seems proper to read what the record will reflect. Davis asked do you want to read it? Or, do you want me to read it? Ronning stated well, I can. Ronning read Resolution 2015-64 as follows:

RESOLUTION ACKNOWLEDGING THE ACTIONS OF TERRY ALLEN

WHEREAS, Mr. Terry Allen, employed by the City of East Bethel's Public Works Department, came upon a traffic accident on October 27, 2015 at the intersection of 221st Avenue and Highway 65; and,

WHEREAS, Mr. Allen, along with other Good Samaritans immediately responded to the incident; and,

WHEREAS, Mr. Allen's swift and decisive reaction helped free one of the accident victims from the wreckage; and,

WHEREAS, Mr. Allen's actions assisted in a more timely extrication of the victim for

transport to a medical facility; and,

WHEREAS, Mr. Allen’s performance in this matter was exemplary and promotes the standards and expectations of City employees in these type of incidents;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF EAST BETHEL, MINNESOTA, THAT: Mr. Terry Allen’s actions relating to this incident are hereby acknowledged and appreciated by members of the Council and City Staff.

Ronning stated with that I move to adopt Item F. Mundle stated I’ll second. Voss stated any discussion? Hearing none, all in favor to the motion say aye?” All in favor. Voss stated any opposed? That motion passes. Motion passes unanimously.

Voss stated thank you Terry. Ronning agreed and stated yes.

**7.0
New Business**

Commission Association and Task Force Reports

7.0A
Planning
Commission
7.0A.1
Flood Plain
Ordinance

Davis presented the staff report indicating the City of East Bethel regulates land use controls relating to flooding under Chapter 34, Floods, and Appendix A, Zoning, Section 58-Floodplain Management Overlay District. To date, these regulatory controls contained in City Code have been sufficient to meet the minimum requirements of the National Flood Insurance Program and keep the City eligible for those affected by flooding to purchase insurance.

The National Flood Insurance Program is administered by the Federal Emergency Management Agency (FEMA). With each update of flood hazard mapping, amendment of existing regulations and controls is required by FEMA to maintain eligibility in the program.

FEMA recently issued the updated Flood Insurance Rate Map for the City of East Bethel and the City must adopt additional flood management measures to meet the minimum National Flood Insurance Program guidelines to avoid suspension from the Program. To continue our participation in the Program, we must adopt amendments to our Flood Ordinance by December 16, 2015. These amendments are contained and outlined in Attachment 2.

Per the 1973 Flood Disaster Protection Act, flood insurance must be purchased by property owners seeking any Federal financial assistance for the construction or acquisition of buildings in those areas designated as flood hazards. This financial assistance includes Federally guaranteed mortgages and direct loans, Federal disaster relief loans and grants, as well as other assistance from FEMA and other Federal agencies. In addition, all loans obtained from Federally regulated, supervised, or insured lending institutions that are secured by improved real estate located in identified flood hazard areas are contingent upon the borrower obtaining flood insurance coverage.

For the most part the recommended model ordinance, that’s included in your attachment, mirrors our existing ordinance. The requirements will add new definitions, clarify some inconsistencies and ambiguities in our ordinance, and include any new mandatory language necessary for program compliance. The overall effect of the updated flood map parcels, that are part of the ordinance change, will be a reduction in the areas identified as being classified as flood hazard areas and a decrease of properties that are required to purchase these policies.

7.0A
Planning
Commission
7.0A.1
Flood Plain
Ordinance

Staff requests Council consider approval of the amendments to City Ordinance, Chapter 34, Floods, as contained in your attachments.

Harrington stated I'll make a motion for approval of the amendments to the City Ordinance, Chapter 34, Floods, contained in the attachments. Mundle stated I'll second. Voss stated motion's made and seconded. Any discussion?

Mundle stated with the City reducing the area, it might be a silly questions, but if something were to happen to a person's house where now they didn't have flood insurance but their house flooded, would the City ever be liable for not making them have flood insurance on it? Davis replied no, only those areas that are identified, has homes, located in flood hazard areas would be required to purchase the insurance. If you lived in an area that's been in the part that's been reduced and you're not required, this is Federal requirement and not a City requirement. Mundle stated okay.

Winter stated the one thing to note on the flood plain maps, they are based on elevations and with the exception of what they have along the Creek, they do not designate what those elevations are. So if, on our maps, somebody comes in and it appears they're in the flood plain, what we tell them is they are required to get the flood plain elevation set so we know what that is when they come in for a building permit.

Ronning asked do we have, I don't know that there's an answer to this, do we have an idea how many properties are affected by this? A guesstimate? Davis replied no, we were going to look but it can vary so much, as Colleen said. Even if an area's identified in a flood hazard area, unless it's located directly along Cedar Creek where there's baseline flood elevations and cross sections, each one is parcel specific. Colleen if you'll go back to the first map that shows what the existing flood hazard area as identified in the City are? You can see that a major portion of the central part of the City, especially those areas between Coon Lake, Viking Boulevard east of 65, along Klondike Drive and then north to approximately Ned Lake and 214th Avenue, most all that is listed as being in the 100-year flood hazard area boundary. You know, if you look at that map, that's probably going to be like 40% of the City that's currently listed as a flood hazard area. Now there are certain areas within that yellow (*colored on the map*) designation, as Colleen said, that may not require flood insurance once elevational studies determine what that flood is. But, for the most part, anybody that builds there, that borrows any money at all, is probably going to be required to purchase flood insurance.

Davis stated Colleen, if you'll scroll down now to the last, the next map shows the new boundaries, which you can see is somewhat of a significant reduction. Then just scroll down to the next one. This one is an overlay of both maps. All the colored area is what is currently in effect now. The portions that are not 'hatched' or the solid areas are what would be the new. So, you can see there's quite a significant reduction in those areas.

Winter stated actually just the opposite so the stuff that's solid is what was taken out so anything in the 'hatched' would be the new. And then this stuff is all taken out.

Voss stated I have a feeling they had better technology this time. Davis answered yes, the others were more of a rough model that they used to project those. Voss stated just looked at topos is all they did years ago. Davis stated and there was no accuracy in them at all based on any elevational data.

7.0A
Planning
Commission
7.0A.1
Flood Plain
Ordinance

Winter stated and as we had talked about, there are elevations along the Creeks and that's the only place where they set elevations. There's, you know, a Zone AE or a Zone A but again, the elevations aren't set so they would be required to get an elevation set. Voss stated okay.

Davis stated one other thing too, this should be a significant cost savings to many of our homeowners who were previously classified as living in a flood hazard area and who now don't have that designation as far as their insurance premiums go.

Voss asked and we're going to do what we can to broadcast that? Davis stated yeah, we'll put this out in our methods of dissemination too. I think one of our Councilmembers was recently affected by this too and his designation has changed. Sometimes the lenders inform you but I wouldn't count on it all the time. But, at lot of times they do. We will make this information through all of our channels of access. Voss replied good.

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

7.0B
Economic
Development
Authority
7.0B.1
November
Report

Davis presented the staff report indicating at the November 16, 2015, EDA meeting, the Authority continued the discussion of the issues relating to the City in regard to attracting and retaining business. These issues will be addressed in the next two EDA meetings as a part of the preparation of a strategy to address this matter. As an update of EDA activities to date, EDA and staff have accomplished the following in 2015:

- Assisted Rivard Companies in the construction of a new 5,400 square foot cold storage facility.
- Worked with Minnesota Fresh Farm in the construction of a new storage/sales building and exterior refacing of an existing barn for the expansion of their operations.
- Assisted Builders by Design in their location to a new facility.
- Sponsored the Business Retention and Expansion Program.
- Coordinated the Open to Business Program with Anoka County.
- Assisted RAK Construction with the expansion of their business.
- Provided general assistance to Plow World, Emergency Management Solutions and North Metro Motors with their relocations within and to the City.
- Provided assistance to Brown-Wilbert with their attempt to locate their corporate headquarters in East Bethel.
- Continue to work with a microbrewer and an event center for locations within the City.
- Developing business strategy and providing other recommendations as needed.
- Provided for the update to the City GIS system and made this tool available on the City Website.
- In the process of developing a strategy for the retention and recruitment of business.

Informational; no action required.

7.0C
Park
Commission

None.

7.0D
Road
Commission

None.

8.0
Department
Reports
8.0A
Community
Development
8.0A.1
Admin.
Subdivision

Davis presented the staff report indicating Mr. Darrell Pearson is requesting an Administrative Subdivision for the purposes of dividing a 35.33-acre parcel into two lots per Chapter 66, Article V of the City of East Bethel Code of Ordinance. Per the proposal, Parcel A, in your attachment, would consist of 25.33 acres. Parcel B would be 10 acres with an existing legal non-conforming home and outbuildings. The property is currently zoned City Center and both parcels that would result from the division would have over 300 foot road frontage on Viking Boulevard.

Staff requests Council consider approval of the Administrative Subdivision request for Darrell Pearson, 1655 Viking Boulevard NE, Property Identification #29-33-23-14-0001, as submitted on the Certificate of Survey.

Ronning stated move to approve the Administrative Subdivision request involving Property Identification #29-33-23-14-0001. Mundle stated I'll second. Voss stated any discussion?

Voss stated one question I have and I think when we go through normal platting this happens but because it's on the County road, is there County right-of-way? Because, I know we've got different widths of right-of-way along Viking and the County usually tries to correct that or make them uniform, I should say. Davis stated to my knowledge, we haven't run into that situation as far as them requiring additional right-of-way to make it consistent. Is that what you're referring to? Voss answered yeah, right. Davis stated we've never been approached by the County on any of those adjustments. Voss stated okay.

Voss stated it looks like it from appearance but I wanted to. Winter stated the right-of-way is shown as part of the plat. It's a little tough to see, but it's on there. Voss stated well, oh, I see the 50s now. Okay. Winter 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.**

Voss stated I assume that's why you're here tonight? There you go. *(Inaudible off mic comment.)* Ronning asked did you bowl earlier or did you miss bowling? Darrell Pearson stated I'm skipping bowling for this. Voss stated well, we had someone skip bingo tonight, so. Well, thank you for being here. Pearson stated there's 31 other weeks.

8.0B
Engineer

None.

8.0C
City Attorney

None.

8.0D
Finance
8.0D.1
2016
Fee Schedule

Davis presented the staff report indicating the City Council reviews the Fee Schedule annually in order to ensure sufficient revenues are secured in order to cover the expense of providing the service. Staff has reviewed and updated the attached fee schedule.

As the first City Council meeting for 2016 is January 6th, and in order to have the 2016 Fee Schedule in place effective January 2, 2016, staff is requesting Council to review this matter at this time.

Staff requests Council to consider approval of the 2016 Fee Schedule.

8.0D.1

2016

Fee Schedule

Voss asked is there a motion to the matter? **Mundle stated I'll make a motion to approve the 2016 Fee Schedule. Harrington stated I'll second.** Voss asked would that be in the form of Resolution 2015-65? Davis replied yes. Voss stated **Resolution 2015-65 to be specific.** There's a resolution you keep going through. **Mundle stated okay, yes.** Voss stated I assume that's what you meant. And the second also? **Harrington answered correct.** Voss stated any discussion? You're all paging through. Hearing none, to the motion all in favor say aye?" **All in favor.** Voss stated any opposed? That motion passes. **Motion passes unanimously.**

8.0E

Public Works

8.0E.1

City Hall

Generator

Purchase

Davis presented the staff report indicating that due to the need to provide uninterrupted operation and coordination of emergency services during a natural disaster or other unforeseen event, it is essential that the East Bethel City Hall has the ability to remain functional during outages. The installation of an adequately sized backup generator with an automatic transfer switch would provide this need.

Staff has researched the size and type of generator that would meet the current and future power supply demands for City Hall and solicited quotes for generators with a minimum rating of 75kW. The peak demand for electrical power at City Hall to date has been 47kW. A 75kW generator would accommodate existing needs and provide for future load increases in demand. A natural gas powered generator is recommended over a diesel unit due to issues associated with the storage and shelf life of diesel fuel in exterior tanks over long periods. The generators quoted below would also have the option to switch to propane if the natural gas supply was disrupted. A permanent 500-gallon propane tank is recommended as a reserve fuel source. The propane tank would be provided by a local propane supplier.

Staff solicited bids and they're listed in your attachment. Cummins NPower, LLC was the lowest bidder with \$47,980. Staff is comfortable with the low quote provided by Cummins NPower, LLC and feels their history with this type of installation will meet all of the City's needs. The Cummins NPower quote includes installation, freight, gas connection, all wiring, service entrance, automatic transfer switch, enunciator, and electronic controls. Installation time could be as soon as six weeks if Council approves the purchase.

Costs for this proposal are noted in the attachment. Funds for this purchase are available from the City Building Capital Fund.

Staff requests that City Council consider the purchase and installation of a 75kW generator for East Bethel City Hall from the low quote submitted by Cummins NPower, LLC for \$47,980.

Koller stated I'll make a motion to approve the purchase and installation of a 75kW generator from Cummins NPower, LLC for \$47,980. Harrington stated I'll second. Voss stated any discussion?

Ronning stated one of the, right below the various estimates, it says staff is comfortable with the low quote, etc., etc. 'I feel their history with this type of installation will meet all of the City's needs.' Do we have a history? Davis stated Nate researched this and this company is very reputable. He's talking about the history of the company. They're a very reputable company. They've been in business for a long time so based on his research and what he's referring to is the history of the company, he feels like they'll be around enough, not only to provide installation but to service this unit once it's installed. Voss stated

8.0E Cummins is probably the most common one I see. GPS is out there too.

Public Works

8.0E.1 Ronning stated the word ‘their’ means ‘they,’ not ‘us.’ Right? Davis asked the word ‘their?’ Ronning stated yes. Davis answered yes. They have a very good reputation and they’ve been around in business for a long time. Koller stated Cummins is also the owner of Onan, who makes nothing but generators. Voss stated so it’s local. Koller stated yup.

City Hall

Generator

Purchase

Mundle asked would this be a permanent generator then? Davis stated it would be a permanent generator mounted to a pad behind City Hall. And, again, this generator, if there was a disruption in the natural gas supply, there would be an automatic transfer switch that would switch it over to propane. So, it could run, interrupted for approximately a week on 500 gallons of propane.

Voss asked so it’s just the City Hall building? Davis replied that’s correct. Mundle stated okay, and does this kick in automatically? Or does staff have to be trained to use it? Davis stated no, it kicks in automatically with any disruption or outage of power.

Voss stated so this includes installation of the board inside? Davis replied that’s correct and also has display panels inside too if there’s any problem, then it pinpoints what the solution to that is. Voss stated basically the lights don’t even flicker, when it happens. It’s that quick with the new ones.

Ronning asked are there any requirements for the transfer from natural gas to propane? Davis stated the only requirement is there’s a little, a different orifice that’s used for propane and natural gas. So, this is set up so that if the natural gas supply is disrupted or goes out while the generator’s on, then it would kick over to propane and the burner, there’s room for both so it would switch over to the propane through the orifice used for propane.

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

8.0F None.

Fire

Department

8.0G Davis stated the staff is retained the services of Gail Gessner as our recording secretary for Roads, Parks, EDA, and Planning Commission. Gail was more than happy to provide this service so she’ll begin her duties on December the 9th. Voss stated that’s wonderful. Davis stated yeah, she’ll do a great job. Gail’s local. She’s been around for a while, and she has a good knowledge of the workings of City government, which is a huge aid with somebody that’s taking the minutes. So, we feel very fortunate to have her on board.

City

Administrator

Recording

Secretary

City Eng. Davis stated I’d also like to give a little praise to our City Engineer who brought the Castle Towers forcemain project to a conclusion and brought us in at \$66,000 under budget. Funds that we can use either continuing the decommission of the Castle Towers plant or to use for future infrastructure for water and sewer lines. Voss stated that’s good news. Davis stated that’s all I have.

Castle Towers

Decommissioning

Under Budget

Ronning stated you say ‘future.’ It’s limited to future? Davis stated the \$66,000 is part of the bond issue so it must be spent on infrastructure. Ronning asked future infrastructure? Davis replied future, correct.

9.0 Other 9.0A Staff Reports	None.
9.0B Council Report – Member Koller Council Member Mundle	Koller stated I have nothing. Mundle stated BR&E, on December 16 th the leadership and part of the Task Force will be having a campus review meeting where they'll be going down to the U of M to review some of the information. And, a tentative date of February 25 th has been set for our Task Force retreat where the Task Force would get together and then review all this information. After that would come a commencement meeting with all stakeholders, businesses, City personnel, City Council would be invited to publicly display and show the results and some of the goals that the team will have set.
BR&E	Voss asked is that the one where we discussed having concurrently with the Town Hall Meeting in the Spring? Is it that meeting? Mundle stated I don't recall having that discussion. Voss stated I remember that came up at one point. Mundle stated okay, I'm not sure but it, that sounds like it would be the commencement meeting, then yes. So, December 16 th campus review.
Town Hall Meeting	Mundle stated I just want to say that Town Hall Meeting went very well from my perspective and the Council didn't even have time to update the citizens with what we have been doing. It was virtually all Q&A and it was very good. It almost, if we could have that kind of turnout every time, I'd almost entertain the idea of having a Saturday afternoon Town Hall Meeting just so it could go on a bit longer and we could present more information. But, I thought it went really good. Voss stated no, it was a good meeting. It went really well. Mundle stated thanks for all the citizens that showed up, and hopefully the next one will be twice as big.
Council Member Ronning	Ronning stated I don't really have a report. Comment, just to get a feel for what people think. I was in one of those and first year of our term with this retreat and I asked, 'Could we call this an offsite?' Change the name. Retreat is pretty well associated with a vacation-type thing. Voss stated junket. Ronning stated yeah, junket and 'offsite' is, it's a matter of terminology somewhat but 'offsite' really, in my mind, refers to an offsite meeting. But, it depends on what everyone wants to call it. Just 'food for thought.' I'm done.
Council Member Harrington	Harrington stated I have nothing at this time.
Mayor Voss Viking Blvd. Lighting Project	Voss stated I noticed that the street light project on Viking is moving forward. It's staked. I don't know if there's any new lights but they're staked, I saw. So, soon we'll see some improvements. Davis stated they gave us a deadline of December the 12 th so they're going to push that right to the end. Voss stated yeah, that's next week. Davis agreed and stated yes, it is. Voss stated good thing there's only an inch of frost out there.
Town Hall Meeting	Voss stated and then, you know again, to echo Brian's comments, the Town Hall Meeting was invigorating, I guess. It was good to see that kind of involvement for the public.

City
Newsletter

Voss stated kind of along these lines too, is, I just want to make a comment on our City newsletter, which our staff puts together and has been for a while. The last two issues I've noticed, and in particular this last one, is the content seems to have a different 'feel' to it. And I actually think, for the first time, got people commenting on how they've noticed an improvement too. They liked the content, the timeliness, and the information provided. I don't get too many comments from the public about our newsletter too often so people are noticing. It's a good thing, it's a very good thing. That is all I have.

9.0C

None.

Other

9.0D.1

Closed
Session

PIN

30-33-23-44-
0005

Vierling stated thank you Mr. Mayor. For the benefit of the public, we'd note at the present time, the Council's about to go into Closed Session to review two matters. First being one of real estate acquisition effecting Property Identification #30-33-23-44-0005. That particular Closed Session will be tape recorded as required by law with the tape being maintained for a period of two years. Council will come back into Open Session to announce any action taken during the Closed Session on that item.

District Court
File 02CV-
15-5612

Vierling stated the second Closed Session will deal with a matter of Attorney-Client Privilege effecting Anoka County District Court File 02CV-15-5612. As that matter is covered under Attorney-Client Privilege, it will not be tape recorded. That being said Mr. Mayor, I recommend a motion be made to go into Closed Session for the purposes I've indicated.

Move to
Closed
Session

Mundle stated make a motion to go into Closed Session at 7:44 p.m. for the purposes that City Attorney's indicated. Harrington 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.**

Reconvene
Open Session

Voss stated all right, Mr. Vierling. Vierling stated thank you Mr. Mayor. For the benefit of the public and for the record, we note the Council's back into Open Session after having concluded two Closed Sessions. Both Closed Sessions were attended by the Mayor and Council, City Administrator Jack Davis, and myself as City Attorney.

Vierling stated the first Closed Session dealt with issues of real estate effecting Property Identification #30-33-23-44-0005. That was discussed during a period of time from 7:50 p.m. to 8:02 p.m. There were no motions made by the Council during that action but staff did receive some input and discussion with regard to the matter.

Vierling stated additionally, the Council held a Closed Session with regard to Attorney-Client privilege on the matter of Anoka County District Court File 02CV-15-5612. Again, discussion ensued between staff and legal counsel and Council with regard to that matter. Again, no motions were made during the course of the presentation and the discussion but staff did receive commentary from Council on certain issues that were discussed. With that being said, Mr. Mayor, that concludes the summary report required

**10.0
Adjourn**

Mundle stated make a motion to adjourn. 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.**

Meeting adjourned at 8:15 p.m.

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