

## EAST BETHEL TOWN HALL MEETING

April 26, 2012

The East Bethel City Council met on April 25, 2012 for the Town Hall meeting at City Hall.

MEMBERS PRESENT: Bob DeRoche Richard Lawrence Heidi Moegerle  
Steve Voss

MEMBERS EXCUSED: Bill Boyer

ALSO PRESENT: Jack Davis, City Administrator  
Nate Ayshford, Public Works Manager  
Rita Pierce, Fiscal and Support Services Director  
Craig Jochum, City Engineer  
Stephanie Hanson, City Planner  
Mark DuCharme, Fire Chief  
Lt. Shelly Orlando, Anoka County Sheriff's Office

Call to Order **The April 25, 2012 Town Hall meeting was called to order by Mayor Lawrence at 7:02 PM.**

Davis, "Welcome to the question and answer period of the Town Hall meeting. If anyone has any comments that they would like Council or myself to address, please step up."

Tom Ronning, "For several years now, probably six or more years, I have been among group that has grumbled about the sewer and water business. So far all we have brought is opinions. For a change I have brought some amortization schedules, Met Council costs. It was surprising to me and I think some others might find it surprising as well.

Ronning, "The Bond is valued at \$19,058,000.49. It is broken down into (not sure what they are called) identified as 2010A, 2010B and 2010C, and one is Build America. Also, when this was brought up and discussed that these were revenue bonds and wouldn't cost us anything. In fact they are General Obligation bonds which are guaranteed by the residents in case of default. Principal and interest on the first bond is \$32,564,963.33. The second bond is \$17,093,914.57. And the third bond is \$1,493,487.49. That is what we are working with. If you buy a house for 19 million you are going to pay a lot more than that for it. The total cost of all this principal and interest is \$51,152,365.39. That is what we are on the hook to the bonds for. I knew it would be bad, but I didn't know it would be this bad."

Ronning "The SAC rate, Sewer Access Charge, none is listed for 2011. But for the 2012 through 2030 list as \$3,300 per unit, up to \$5,620 per unit in 2030. The forecast for connections was for 100 this year, 110 next year, 123 next year, then all the way up to 610 for 2030. That adds up to 5495 connections that we are on the hook for and at the SAC rate, which turns into another \$26,039,260.00. For a grand total (for this 19 million dollar project that we aren't going to pay for) of \$77,191,625.39. We nagged about this for years. We never had a chance to see any of these numbers. These numbers are based on the Met council numbers and amortization schedule. They are right."

Ronning, "What I want to know is did you guys know you were doing this?" Voss asked Ronning how many meetings has he been at? Ronning, "A hundred or so." Voss asked you were at the same meetings we were at. Ronning, "I never heard \$77,000,000 at the meetings

I was at.” Voss said he doesn’t remember hearing that number either. You just brought that tonight. Ronning, “You did not know about this?” Voss said no, he did not know what you just said. Ronning, “How could you have not known? You put us in this predicament if you didn’t know?” Voss asked what predicament? Ronning, “His share of \$77,000,000. Voss said we have had this argument for years. Ronning, “Not like this, nobody said it was going to be five times what you said it was going to be.” Voss said he is not going to engage in this argument. Ronning, “From what your answers are, you didn’t know you were getting in this deep. And if you didn’t know I can’t possibly understand how you would vote for it. Unanimously.”

Moegerle, “Do you know what your share of that 77 million is? Did you find that? Do you have that number?” Ronning, “It will depend on how many ERUs are sold for one thing. In his estimation it will only go up. The reason he says that (he is not an accountant), if we can’t pay the bonds he sees we are going to be refinancing the bonds which adds costs and it is a rough spot.”

Lawrence, “It is a tough spot and that is why we have enacted the EDA, to get out as many bumps as possible to make it not as difficult. We have been working very hard with the EDA to attract businesses. Getting our City ready to accept businesses to come in. It is not enough to say we have City sewer and water. We have to sell this so people can be coming to East Bethel to use it and that is kind of what we are working on doing. We just have to work on it and hope it will make it.”

Moegerle, “I have done extensive reading on economic development, and there are experts on it and she is not putting herself out there as an expert on economic development. It is what it is, and where we are. Everything that the experts say, whether it is an article or books, all of them say that you have to act in a bold method. That now is the time to be bold. If 2010 was bold, we have to follow through and continue to act bold in the steps we take to get businesses here. It is as simple as that. If we are not bold and if we sit back and say, “If we build it they will come.” And if we sit back and say, “Oh but we have this amenity of course everybody is going to want it.” We are big fools. We have to go out there and reach out to developers and market it. We have employees We have workers here. We have a great place to live. We have recreation. We have reasonable cost (this is the hardest part of the sell). Every one of these residents are on the hook if we don’t pay for it, because these are general obligation bonds. So if we don’t pay these general obligation fees through businesses hooking up, then you and I are going to pay for it. And it will come soon. We could see it as soon as 2016 that our taxes could go up. I am working hard for that reason, because I don’t think residents should pay for an infrastructure project for commercial development. If anyone has ideas on how we can get businesses in or development, do not hesitate to call me or the City Administrator.

Ronning, “When I mention it, I don’t think anyone knows how much of a big hit this could be. I am not grumbling about the City going down the tubes. I moved here because I like the place and I would like to see it succeed as well as any place I have ever lived or more so.” DeRoche, “We are giving it our best shot. We are not sitting on our heels” Ronning, “I don’t think you are. I don’t think the previous council and administrator knew what they were getting into, and that is my opinion.” DeRoche, “But the City is moving forward, I have never been to so many meetings in my life. Between EDA, HRA, City Council, this work meeting, that work meeting and we can’t change what has already happened. Now we have to deal with that and do anything and everything we can to make it work.”

Diane Jacobsen, 20628 East Bethel Blvd.NE, “I have a few comments to make to the County

Commissioner. My first thoughts were when I read in Anoka County Union that employees of Anoka County were going to get a bonus of \$300 each, part-timers were only getting \$150. At first I didn't know the amount of employees they had. The following week it came out in the paper, but it is a little over a half million dollars that our county gave away. And it was for "Work Well Done", because they knew how to cut corners. I don't know how many pay raises they have gotten along the way, but when I was still working I had gone three years without a pay increase. No bonus, no nothing. We were told to use our imaginations, because if there was cuts you had to work harder and smarter. So the county took it upon themselves to reward their employees because they finally figured out how to work smarter, with less people. When I finally did get a pay raise my last year of work there, I got 45 cents. 19 years, I got 45 cents. I didn't get the holidays off the county employees get, they get every federal holiday off. That's bonus right there. What I want to ask is when you are setting the budget next year, all of a sudden the county says "Hey, we got to have... how do you justify it?"

Andy Westerberg, County Commissioner, "She is referring to the bonus we did give to employees of Anoka County. One of those things where we had the opportunity to do that. She was kind enough to point out that the total cost was extremely high, about \$500,000. She also pointed out that she hasn't had a raise in about three years. I know for a fact that the county employees didn't get a raise either because we did not raise payroll last year. We worked hard with the employees and told them how important it was in order to be effective in leading the way in cutting the size of government. The size and scope of government. Keep in mind Anoka County has consistently ranked in the bottom per capita per tax rate of all counties in the metro area. We are either the cheapest, the lowest cost or the second lowest cost. And that happens across the State of Minnesota. What that should tell you is that they have done a good job of managing our budget. We have a AAA bond rating. We went from a AAA good rating to a AAA strong rating. The biggest reason we decided to do the bonus is because of the initiative we were able to save 8 million dollars and we wanted to take care of our employees and wanted them to understand they are part of our team. We were very happy to be able to do that.

Jacobson, "I am still not happy with his answer and won't be for a long time. I read where you were giving the people that had the farmers market a real hard time. You were going to be controlling where they went, charging them a fee for setting up, am I correct?"

DeRoche, "I have never heard anything like that." Moegerle, "The farmers market hasn't even gotten started, and it isn't going to start this year."

Jacobson, "Because you are going to pass an ordinance about where they could go, what they could do." Davis, "There was discussion about organizing a farmers market and having it in a central location, but nothing has ever been decided about that." Jacobson, "And the City was going to take control over it in the beginning and then eventually you were going to turn it over to someone else." Davis, "That was part of the discussion." Moegerle, "These were brainstorming sessions. All kinds of ideas come to the top, some are selected, and some are not." Jacobson, "Why do you even want to control the farmers market?" Davis, "The idea was to have it better organized, so it would be better for the vendors and better for the City. If it works out that way, that is great, if it doesn't we would explore other options. Nothing is set in stone; everything is just up for discussion."

Jacobson, "Why can't they just set up on a corner and let people come in and buy their goods and go." Davis, "They do and that still wouldn't limit them if they wanted to do that. The farmers market would be optional; you could come there if you wanted to. It would be a

place where they could consolidate all their wares and sell all their goods. It may attract more traffic than just individual locations. But if somebody wanted to have an individual location that wouldn't be prohibited as far as I am aware of." Jacobson, "I am talking several farmers get together. Because I am sure anybody that plants a garden you have excess and you want to sell them if you can. I guess as I was reading that and all the complications that were coming in, it brought to mind does it only apply to this side of Coon Lake and not the other side? Because here Coon Lake Beach is going to have their little Flea Market and nothing is said. No license, no permit. It is only supposed to be once a month, but what is good for our side over here has to be good for the other side over there."

Davis, "The City doesn't currently have any ordinances that address flea markets." Jacobson, "So in other words when the farmers come in and want to do the farmers market, they can call it a flea market can't they."

Jacobson, "One more thing, when she got her tax statement, she was happy, you did one heck of a job."

Dale Williams, "I was wondering if you could put the Planning and Zoning meetings on the Cable TV. It would be kind of interesting to watch and see what goes on there." DeRoche, "That was suggested last night. It was one of the things that came up. Put Planning and Zoning, Parks, so that some people could get a little better idea of what is going on." Voss asked is that something that, normally we have the Cable Technician do the City Council meetings. He asked is there a way of doing this without having the Cable Technician here? Davis, "We could do that but you would only have a fixed view. The technician is able to pan around to focus in on visual speakers, but we could set the recording to run on a fixed view." Voss asked the sound, discussion would be okay. Davis, "The sound would be fine." Lawrence, "We are still having problem with the microphones. People saying when they watch it, some people are too loud, some they can't hear. Part of it is a mixing problem, but part of it is a problem where people need to learn how to use the microphones." Davis, "If you have a tendency to speak away from the microphone it won't pick it up well. We all are guilty of that. We had one recording where the technician turned the sound down, but we have resolved that. If we all focus on speaking into the microphones, it would solve most of the problems."

Voss asked the Anoka County Engineers. Display in community Center and most of know there is a section on Viking Boulevard between Highway 65 and Vickers that is being redone. Voss asked for a verbal description on what is being done.

Curt Kobilarcsik, Anoka County, "We are here to discuss two projects, County Road 74 and Highway 65, which I think we are all quite familiar with. In addition to that we had a layout in the center for a white-topping project on County Road 22 between Highway 65 and Vickers. We will be milling off the top two inches of bituminous pavement and coming in with six inches of concrete placing on top of that. It will be closed during construction, but to local traffic. So people will still be able to get to their residence and local businesses. But we will have a detour for people just passing through. In addition to white-topping itself, we are providing other safety improvements to the project as well. We are adding numerous right turn lanes and adding some bypass lanes. We have had some other successes with white-topping recently. One on 22 further out to the west, further out in Nowthen last summer and one down in Ham Lake on Crosstown west of 65 last summer as well. The project will be starting in early June and completed in September. Voss asked has the County made any notification to adjacent landowners that you know of? Kobilarcsik said he has not been involved in that project, that is more our construction staff that has been designing it. But, he

will check and get back to you on whether this has occurred.

Lawrence, "Can you give us an update on the signal project on County Road 74 and Highway 65." Kobilarcsik, "Right now we have final construction plans into MnDOT for final review and approval. We are looking forward to starting that project in September after this other project is completed because it is used for the detour. It will be completed at the end of this construction season, so mid-November. The right-of-way negotiations have been going well with the adjacent property owners, everyone seems very happy with the project. We are having successful negotiations as well. DeRoche, "Weren't we going to have some temporary signals put up prior to this?" Kobilarcsik, "There is a MnDOT project going on this summer as well. They are putting a concrete overlay from he believes 217<sup>th</sup> to the county line. He believes as part of that project they will be placing a temporary signal at that intersection. We don't currently have that in our plans for our project. Our project will start after the MnDOT project is completed at 74. Then we will be closing that road during construction and we will have a detour set-up for that as well. We will have it open obviously to local traffic."

Moegerle, "On a different area, what about the Main Street Project, down by Coon Rapids, is that on tract to be finished in August?" Kobilarcsik, "Yes, August 3rd is the date they are shooting for." Moegerle, "We are excited to have that done."

Jacobson, "On the project on County Road 22, why are they not starting that sooner?" Kobilarcsik, "We finished design a little bit ago, and now are preparing the plans for bid. Early June is a fairly early start yet. It is a 45 working day project. So that is why it will be able to be completed in September. That takes into account some rain days and such."

Jacobson, "If you are only milling out two inches and adding six, that means we will have a bump in it, won't we?" Kobilarcsik, "No we won't have a bump in there; we will be blending it in. We will make a transition at the end of the project to tie it in back into the existing grade and we will blend it at the intersections." Voss asked is this the same design that was done at Crosstown? Kobilarcsik, "It is, and it will look the way Crosstown does and the way 22 in Nowthen does as well." Voss asked maintenance wise how are they holding up? Kobilarcsik, "Very well. That is the type of project that is there for the long term. That is going to be there for a while." Commissioner Westerberg, "You won a Statewide Award for the White topping Project in Nowthen." Kobilarcsik, "Yes we did, so we have been recognized statewide as well for our white-topping project out in Nowthen."

Bob Jacobson, "Are you going to be doing more of these types of projects then in the future?" Kobilarcsik, "Yes, we are looking forward to that. We have been doing bituminous projects for many, many years. Over the course of time, concrete used to be a lot more expensive than bituminous. In the last few years, they have been getting closer and closer, so it is making more sense for us to pave in concrete. And we like the finished product. We have to have a plan, we can't just go out and say here is a mile of road let's put some concrete there. We have to have a plan. So, as you can see with the projects coming up on 22, we are looking at concrete on 22 in the future. We do have another reconstruction project in Nowthen this summer as well that will be concrete.

Voss asked what are you doing on 22 in Linwood? Why not do the concrete pavement there? Kobilarcsik, "That is a bituminous overlay. That is in need of quick repairs and in the planning it made sense to us to come in with bituminous. This is a very important roadway for us across the county. We don't have a lot of great east/west routes throughout the county, so we are looking to make this a very finished product in the end."

Diane Jacobson, "Do you have to do Lexington by County 18 by Carlos Avery? That is awful

rough.” Kobilarcsik, “We don’t have any reconstruction plans for that area. But we will have some overlays in the future that will address some of those issues.” Moegerle, “That is a very serious area. Just outside of Forest Lake the road is very bad, so we are looking forward to getting that fixed.”

Voss asked along the lines of detours, the Lexington Avenue Project in Blaine, when is that? Kobilarcsik, “That project will be this year as well.” Voss said he asks that because now we don’t have an access to Highway 65 for those that live along Viking. Now that part of the City will be kind of trapped. Kobilarcsik, “The bypass for Lexington Avenue will be Radisson Road which was newly constructed in the last few years to four lanes. That is a good stretch of road as well.” DeRoche, “So Lexington will be completely shut down with they do it, or shifted to one lane?” Kobilarcsik, “It will be shut down with a detour; it will be open to local traffic with one direction to the south.”

Moegerle, “The biggest question and irritant she has with the regards to county roads is the intersection of Lexington and Crosstown. Does that need a traffic signal? It is impossible to turn to go north into East Bethel from there. For people who may want to shop in East Bethel that live at Coon Lake Beach they have to go that way, come back that way unless we go through Viking. And Viking is going to be torn up and only accessible to local traffic so for folks at Coon Lake Beach, Crosstown and Lexington is going to be a headache. What is the plan there?” Kobilarcsik, “We received federal funds for that intersection as well. I believe that is a 2013 project up there. We will be adding a traffic signal at the intersection along with some turn lanes.” DeRoche, “That is going to really slow traffic down on Lexington.” Kobilarcsik, “We received safety funds for that, so they saw the value in our project for safety at that intersection.” Moegerle, “Are they going to widen Crosstown so you can do some right turns there?” Kobilarcsik, “No it will just be its existing section there.” Voss said he remember that road before they had the bypass lane there and what a pain it was. He agrees a stoplight just stops traffic. Voss said the west coast does this a lot, have a through lane on the right side to allow the traffic to take a left and merge together.

Moegerle, “Can we hear from Craig Jochum our City Engineer about our infrastructure plans at Castle Towers?” Jochum, “What we have going on this summer, forcemain project with the redesign of the treatment plant. There was some savings there. The City is going to use the money to decommission the Waste Water Treatment Plant (WWTP) at Castle Towers and force that sewage from the north end of the City down to the new system. That waste water will be treated by the Met Council’s new waste water treatment facility. Should likely be done around fall of 2013. Part of the project is City alone and the other part of the project is the Met Council is going up to 229<sup>th</sup> with their discharge water from their WWTP. Discharge goes into two infiltration areas and the northern one is at 229<sup>th</sup>. So they would already have a trench going up that way so we piggybacked onto that project. Then from 229<sup>th</sup> to the facility that is a City owned project.

Jochum, “The other project in the works is a new service road on the west side from 221<sup>st</sup> to right around the Fat Boys area. Connecting that service road and then closing the median at 219<sup>th</sup> Avenue. Some overlays and seal coatings, typical maintenance projects going on. Coon Lake Beach is getting a new facelift with bituminous overlays.

Voss asked at next Wednesday’s Council meeting you are going to bring color chips for water tower, what colors are you bringing? Jochum, “You will have a color chart from Sherwin Williams. A whole array to pick from. You need to pick one color for the tower itself and four or five for the logo. Voss asked what are the basic colors that go on water towers. Jochum, “White, off-white, beige.” Davis, “Generally the lighter colors age better.

They require less re-painting less often than the darker colors do. They are a little more neutral.” Jochum, “The logo is typically darker colors but is coated by clear coat.”

Jochum, “On the water treatment side, the tower is up and they are going to start painting that. That is why it is important to get the color picked. The water treatment plant has started. The footings are in and they have started laying block. Starting to pour the foundation this week.” Moegerle, “Have we heard from Homeland Security about the fencing for the water treatment plant? Or do we have a timeline on getting some feedback on that?” DuCharme, “He had a conversation with FEMA and they have still not heard anything. It could be 24 months before we hear anything.” Moegerle, “The Homeland Security could pay for the fencing around the water treatment plant, so that it wouldn’t come out of tax money or bond money.” Diane Jacobson, “I talked to Davis about this earlier. But with every water tower you have a light or beacon on the top. Are we putting one on there for safety’s sake?” Jochum, “It has one.” Jacobson, “How come it doesn’t flash?” Jochum, “It wouldn’t be working yet, there is no electrical in the tower yet. It will have a flasher when it is done. It is under the required 200 feet, but it still has one for safety.”

DeRoche, “Does anyone have questions for the Fire Chief?” DuCharme, “The DNR is going to open up burning permits starting tomorrow. We will be able to do open burning with permits. Recreational fires were never restricted. They do not need permits. A recreational fire is three feet wide and not more than three feet wide.” Lawrence, “And don’t burn green-treated wood.” DuCharme, “That is true. Can’t burn that if you have an open burning permit. Burning permits are for not burning permits are for night, 6:00 p.m. to 8:00 a.m. And if you are going to burn with a burning permit, you are supposed to be out there and be monitoring it. Can go to DNR at Cambridge and ask for a variance. We don’t give out variances, but they do. Voss asked and variance is to burn during the day? DuCharme, “Yes occasionally a contractor may ask to burn during the day, or a prescribed burn.” DeRoche, “Why do they prefer burning during the night instead of the day?” DuCharme, “Higher humidity’s, less intrusion into neighbors and things like that. If you are going to have a recreational fire, I encourage everybody to let your neighbor know. Because the smoke might bother them and that way they can make sure their windows are closed.”

Davis, “We do have another representative from the Highway Department, Matthew Parent. He is here with us tonight presenting information to us about the bus routes. Parent, “We did receive a grant in 2009 for a three year bus service starting in 2013. As it stands right now we are in negotiations with the East Bethel Theatre and Glen Cary Church in Ham Lake and we are also trying to pick out a lot in Blaine. We are trying to pick out providers in the RFP; Metro Transit will be one of them. We have several private firms in Anoka County. Hopefully going to have the RFP done within a month. The service shall begin in September 2013. Lawrence, “What is the route?” Parent, “Highway 65 to Blaine and there will be a Park and Ride lot there. And then straight to Minneapolis. Lawrence, “Are you joining up with another bus, or with the light rail?” Parent, “I believe there is a bus route in Blaine that Metro Transit runs. So this will just be a separate bus route.” Davis, “The bus from Blaine then goes non-stop to Minneapolis.” Moegerle, “So there will be three stops, or will there be more?” Parent, “We are still working that out.” Lawrence, “How many times a day will that run?” Parent, “It will be nine trips in the morning and nine in the evening.” Lawrence, “And how often will it run?” Parent, “We don’t have that yet either, but typically that is every 15-20 minutes.”

Diane Jacobson, “A few weekends ago, my husband and I were driving around and we drove on the other side of the maintenance building. The gate was wide open; who is responsible to make sure it is locked?” Davis, “I am responsible for everything, so that would be me.”

Jacobson, "We could have walked off with anything we wanted back there." DeRoche, "You never know where those Anoka County Deputies might be." Jacobson, "They weren't around anywhere. And I really thought there are trailers back there, fencing, and vehicles." Davis, "We will make sure that is corrected."

Diane Jacobson, "Also, why was the old Our Saviour's on 22 and 65, has that been rezoned to different district?" Davis answered, "No." Jacobson, "So it is still zoned as a church?" Hanson, "It is actually City Center, but last year Council did say they would allow the use as a place of worship with a permit." Jacobson, "Why was the zoning ever taken away?" Voss said it was residential years ago, and when Comp Plan went through it was zoned as City Center. It was never zoned as a church; it was an allowed use within a residential zone. Voss said what Ms. Hanson referred to was there was another church proposing to buy it and we had to make an exception that allowed (since the building sat vacant for so long they lost their use) the church to go in there. But the deal fell through. Jacobson, "Is it because of the mix-up in zoning of it?" Voss said no. We embraced it. Voss said it was marketed as commercial property, not as a church.

Adjourn

**DeRoche made a motion to adjourn at 9:00 PM. Moegerle seconded; all in favor, motion carries.**

Attest:

Wendy Warren  
Deputy City Clerk