

EAST BETHEL CITY COUNCIL MEETING

AUGUST 3, 2016

The East Bethel City Council met on August 3, 2016, 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
Nate Ayshford, Public Works Manager

1.0 The August 3, 2016, City Council meeting was called to order by Mayor Voss at 7:00 p.m.

Call to Order

2.0 The Pledge of Allegiance was recited.

Pledge of Allegiance

3.0 **Harrington stated I'll make a motion to adopt tonight's agenda. Ronning stated I'll second.** Voss asked any discussion? All in favor? **All in favor.** Voss asked opposed? Hearing none, that motion passes. **Motion passes unanimously. (NOTE: The agenda was revised following Item 4.0A.1 to remove the Closed Session.)**

4.0 Davis presented the staff report, noting the proposed 2017 Public Works Department Budget consists of the street and parks maintenance departments. The park maintenance budget is proposed to increase from \$409,700 in 2016 to \$425,000 for 2017 or a 3.7% increase. This \$15,300 increase is mainly attributed to an increase in salaries and benefits as it includes a 2% increase for each department employee and a step increase for one eligible employee per the existing union contract. The street maintenance budget is proposed to increase from \$863,500 in 2016 to \$897,500 for 2017 or a 3.9% increase. This \$34,000 increase is mainly attributed to an increase in salaries and benefits as it includes a 2% increase for each department employee per the union contract and \$4,100 for IT related expenses that were previously allocated to the Central Services category. Davis noted at the July 6, 2016, Work Meeting, it was requested that Public Works Manager Ayshford be present tonight to answer questions of the City Council related to this budget.

4.0A.1

Public Works 2017 Budget

Ayshford reviewed the parks maintenance department budget, noting it has no major changes proposed and is basically the same as 2016 with a few categories lowered to reflect what was actually spent, such as with fuel. He then reviewed the streets operation budget, noting it now includes line item 307, professional services fees, which increased from \$600 in 2016 to \$4,000 in 2017 for Safe Assured, a safety training program that was moved from the general fund budget into this budget. Ayshford stated line 308, information systems, was also transferred from the general fund budget into the streets operations budget.

Ayshford pointed out that every year, they have been able to stay under budget; however, all it takes is a couple of bad storms and that can change. He explained that as a result of last year's mild winter, the City will start this winter season with a full salt shed and snowplow cutting edges ready to go.

Informational; no action required at this time.

3.0 Davis advised that the Closed Session can be removed from tonight's agenda as there is

**Agenda
Revision**

nothing to discuss. **Harrington stated I'll make a motion to pull Item 9.0D, Closed Session. Mundle stated I'll second.** Voss asked any discussion? All in favor? **All in favor.** Voss asked opposed? Hearing none, that motion passes. **Motion passes unanimously.**

**5.0
Public
Forum**

GreenStep
Cities
Program

Sharon Lamay, 22959 Erskin Street NE, encouraged the Council to enter the GreenStep Cities Program, which was considered by the Planning Commission but they decided to take no action. She described this Program as a free voluntary challenge assistance and recognition program to make the City greener in all aspects that will generally result in cost and energy savings. Ms. Lamay stated there are currently 91 cities Statewide that are GreenStep Cities including Isanti, which is an active participant. She explained that like the Tree City Program, this requires a resolution of the Council but there are no legal entanglements or contracts required. Ms. Lamay described the advantages of membership and stated MPCA staff is willing to present this Program information to the Council and staff upon invitation. She provided Program information to the Council and suggested staff contact a GreenStep City to learn more about this Program.

Davis asked Lamay to provide the MPCA staff contact information so he can schedule a presentation before the Planning Commission. He suggested that process as portions of this Program may be included in the Comprehensive Plan update.

The Council thanked Ms. Lamay for presenting this information.

**6.0
Consent
Agenda**

- Item A Approve Bills
- Item B July 20, 2016 City Council Meeting Minutes
- Item C Resolution 2016-32 Accepting Work – 2015 Street Overlay Projects
- Item D Resolution 2016-33 Accepting Work – Lincoln, Laurel, 185th Ave Project
- Item E Resolution 2016-34 Accepting Donation of Audio Equipment from Ben Geving
- Item F Approve 2016 Tobacco License – Above & Beyond Vapor
- Item G Resolution 2016-35, Proclaiming October Domestic Violence Awareness Month
- Item H Resolution 2016-36 Setting Special Meeting Date to Canvass General Election Results

Ronning stated move to adopt the Consent Agenda as printed. Harrington stated I'll second. Voss asked any discussion? All in favor? **All in favor.** Voss asked opposed? Hearing none, that motion passes. **Motion passes unanimously.**

**7.0
New Business**

Commission, Association and Task Force Reports

7.0A
Planning
Commission
7.0A.1
July Planning
Commission
Report
7.0A.1

Davis presented a report on items considered by the Planning Commission at its August 26, 2016 relating to the request of Steve Strandland, Carrington Development LLC, and property owner George Rogers for a Subdivision Concept/Preliminary Plat for Prairie Ridge Estates. This proposed subdivision is located on a 41.67-acre tract at the southwest corner of 229th Avenue and Bataan Street and would contain 10 lots ranging in size from 2.19 acres to 5.88 acres. Staff is working with Mr. Strandland on matters relating to the proposed private drive entrances on 229th Avenue, comments from the City Engineer, and an agreement on the application of park dedication fees. The Planning Commission held a

public hearing and following discussion, unanimously recommended approval of the concept plan/preliminary plat base on conditions for City Council consideration. This item could be scheduled for the August 17, 2016, City Council Meeting pending completion of those outstanding items as detailed in the staff report.

Davis stated the Planning Commission also held a public hearing on revisions relating to a re-definition of Light Industrial Use, inclusion of additional and revised performance standards, clarification of prohibited uses and alignment of the City Ordinance with the City Comprehensive Plan were approved for City Council consideration. The proposed revision, as detailed in tonight's meeting packet, may be presented to the City Council at the August 17, 2016, meeting unless Council desires further discussion of the proposed changes.

Davis indicated the Planning Commission also discussed the Green Step Cities Program, but no action was taken on that item.

Harrington stated staff is holding discussions with Mr. Strandland about the proposed private driveway entrances on 229th Avenue and concerns were expressed at the Planning Commission meeting about the speed of traffic, hill, and points of access. Davis stated that is something the Anoka County Highway Department will have to approve so it is being worked out at this time along with safety requirements, such as sight distance requirements, that must be met.

Informational; no action required at this time.

7.0B
Economic
Development
Authority

None.

7.0C
Park
Commission

None.

7.0D
Road
Commission

None.

**8.0
Department
Reports**

None.

8.0B
Engineer

None.

8.0C
City Attorney
8.0C.1
Resolution
2016-37

Davis presented the staff report, indicating the Council is asked to consider easement acquisition for the Phase I Service Road Project by means other than negotiated purchase or dedication. He stated the City has completed or has tentatively scheduled the signing of all easement/right-of-way deeds for Phase I Service Road Project with the exception of one party. Negotiations with this individual have reached an impasse. Davis reported the City was able to acquire all the other easements for the Phase I Service Road Project through plat dedication, parcel acquisition, and negotiated easement purchases. The final easement deed has been signed by five of the six owners but one of the owners has refused the City's offer

8.0C.1

and is not open to continue the discussion.

Attorney Vierling outlined the process of obtaining the final easement as it pertains to this situation to commence an action for eminent domain for acquisition of real estate interest adversely, as provided for under Minnesota Statutes, Chapter 117. The first action is a City Council resolution authorizing the City Attorney and staff to pursue eminent domain of the property. Attorney Vierling advised the statute as well as the other rules that effect these procedures anticipates that a good faith effort has been implemented to resolve the issue prior to that step, which the City believes has occurred. He noted the Council has already authorized and obtained an appraisal of the property. The process going forward, if the Resolution is passed, would be for the City to provide and draft a Summons and Petition to be served upon the individual and filed with the Anoka County District Court from which the Court would appoint three Commissioners to review the property, determine its value, and determine the damages on the taking relative to the individual's interest. Attorney Vierling stated in this instance, the individual has a fractional interest in the property. The other five-sixths of the interest have been accomplished by the other parties so the taking is not as significant as it could be.

Attorney Vierling advised the three commissioners appointed will conduct hearings, hear the evidence relative to appraised values, and then assess the final market value for purposes of the taking, apply it to the fractional interest, and that becomes the amount due to the individual for the taking of the interest. Thereafter, the payment is made, the court certifies the action, and at that point the District Court process is completed.

Davis stated the easement the City is seeking is owned by six brothers and sisters and it is the husband of one of the sisters that has refused to sign. All other family members have been in agreement. Attorney Vierling advised it is a spousal interest and in the State of Minnesota, although anybody can buy property, for purposes of selling property, if an owner is married, the spouse must join in the conveyance. If they do not join, then it is not a marketable title.

Mundle asked if the draft resolution is only for this one property. Attorney Vierling answered in the affirmative. Mundle asked if this piece of property has no structures. Attorney Vierling answered in the affirmative and stated there will be no relocation duty or obligation or damages. Mundle asked if this piece of property is necessary to move forward with the road. Attorney Vierling noted the taking affects both a permanent easement for the right-of-way and road surface and a temporary easement to facilitate the time of construction. He stated the engineer has certified that this parcel is needed.

Voss asked how it would affect the purchase if the commissioners come back with an award that is less than what the City was negotiating. Attorney Vierling advised the commissioners will determine the interest for the one-sixth and can go above or below the City's offer. It will not affect the settlement with the other owners.

Ronning stated move to approve Resolution 2016-37 Approving and Authorizing Acquisition and, if necessary, Condemnation of Easements for Street and Utility Improvements. Mundle stated I'll second. Voss asked any discussion? All in favor? All in favor. Voss asked opposed? Hearing none, that motion passes. Motion passes unanimously.

8.0D None.
Finance

8.0E None.
Public Works

8.0F None.
Fire
Department

8.0G Davis presented the staff report, indicating at the July 27, 2016, Work Meeting, the City Council interviewed four firms that submitted proposals for the City Comprehensive Plan update. He referenced the summary of the firms and their experience as detailed in the staff report. The four firms are: Community Design Group (CDG); Houston Engineering, Inc. (HEI); Northwest Associated Consultants, Inc. (NAC); and, WSB and Associates, Inc. (WSB).
City Administrator
8.0G.1
Comp. Plan
Consultant
Selection

Davis stated estimated costs for consulting services for the Comprehensive Plan update range from \$40,000 to \$73,505. Costs for the City Engineer's service for the Plan update are estimated to be \$9,500. Additional services, while not required for completion of the Comprehensive Plan, could include traffic modeling to improve plans for the City road system and Zoning Ordinance review and update. Costs for these services could range from \$15,000 to \$30,000 depending on the scope of the work, if selected.

Davis reported the City has been approved by the Met Council to receive a grant of \$32,000 to be applied to the Plan update costs. \$28,000 has been included the 2017 Preliminary Budget for this activity. Committed funds available at this time are \$60,000. If additional funding is required, an amount to be determined could be allocated to the project from the EDA budget with Council approval. Davis reviewed a list of basic criteria that should be considered in the evaluation of the proposals and selection of the consultant for this work.

Davis presented options for the Council's consideration to select a consultant and commence negotiation of the terms and responsibilities of the contract as detailed in the staff report. He provided the Council with a rating sheet that could be used when considering the selection of a consultant.

Voss stated he was not in attendance for the interviews or able to watch the DVD of the Work Meeting so if the Council chooses to move forward, he is fine with that but will not be part of the vote. However, if the decision is deferred so he has time to watch the interviews, he will be part of the selection process. Davis indicated the Council does not have to make a selection tonight but it should be done over the next four to six weeks. He estimated it will be at least a yearlong process to complete the Comp Plan update.

Koller supported tabling this decision until Mayor Voss has time to review the meeting video. Mundle agreed and stated this decision should come from the entire Council. Voss stated he appreciates that consideration.

Ronning noted the Comp Plan update is required by State Statute. Davis clarified it is required by the Met Council, which is in the State Statute and if not completed by the City, the City will lose control of the process.

8.0G.1

Comp. Plan
Consultant
Selection

Koller stated I'll make a motion to table this to the next meeting. Mundle stated I'll second. Voss asked any discussion? All in favor? **Harrington, Koller, Ronning, and Mundle-Aye; Voss-Abstain, motion passes 4-0-1 (Voss).**

8.0G.2

Employment
Agreement
City Admin.

Davis presented the staff report, indicating the employment agreement for the City Administrator is set to expire on December 31, 2016. The proposed Agreement would commence on January 1, 2017, and continue thereafter until December 31, 2018, or until otherwise terminated pursuant to the provisions of the contract. This proposed contract would automatically renew for an additional two-year period unless either party provides written notice to the other on or before July 1, 2018, of intent not to renew this contract, in which case this contract would terminate as of December 31, 2018. The employee agrees to remain in the exclusive employ of the City until this contract is terminated. Davis presented the terms of the new contract as detailed in the staff report. The Council is requested to consider the extension of the employment agreement for the term as indicated.

Ronning stated move to approve extension of the employment agreement for the City Administrator for the term as indicated. Koller stated second. Voss asked any discussion? All in favor? **All in favor.** Voss asked opposed? That motion passes. **Motion passes unanimously.**

8.0G.3

Mn. Amateur
Sports Comm.
Grant

Davis presented the staff report, indicating the Minnesota Amateur Sports Commission is seeking grant proposals from local governments for projects that will improve indoor air quality within Ice Arenas. The City currently utilizes a propane powered Zamboni and would be eligible to apply for funding for an electric powered unit. A new electric Zamboni is estimated to cost up to \$130,000 and this grant, if approved, could provide 50% of the cost. Davis described the repairs made to the City's 1996 model Zamboni, noting the only required upgrade is to replace the conditioner, which is estimated at \$5,800 and needs to be done by next year. Once that is completed the unit should be serviceable for several years.

Davis explained the major issue with a propane powered Zamboni are exhaust emissions and the resultant air quality within an arena. He described the required emissions monitoring and immediate corrective actions taken should carbon monoxide levels exceed 20 ppm and/or nitrogen dioxide levels exceed 0.3 ppm. An electric powered Zamboni would have no emissions issues that would affect air quality standards, minimize liability concerns, and eliminate suspension, postponement or cancellation of events due to incidents related to this matter.

Davis referenced the projected Zamboni cost estimates as detailed in the staff report. He stated based on the projected grant funds of \$65,000, the sale of our Zamboni for \$15,000, and the elimination of an additional expenditure of \$5,800 for a conditioner, these sources could provide \$85,800 towards the purchase of an electric Zamboni.

Davis reviewed the considerations for such a grant application and stated the deadline to submit the grant application is October 3, 2016. Funds for the matching of the grant request would come from the Arena Fund and the re-sale of the propane powered Zamboni. This proposal would not require use of City tax levy funds. All funding for the Arena is derived from user fees from ice, locker room and dry floor rentals, concession leases and ad sales. Funds are available in this account to cover up to \$44,200 of the matching costs for the Zamboni replacement.

8.0G.3
Mn. Amateur
Sports Comm.
Grant

Davis explained that due to the unknowns relating to the life expectancy of our current Zamboni, the potential for more restrictive air quality standards and uncertainty of the future funding opportunities for this type of equipment, staff recommends that Council consider approving the submittal of a grant to the Minnesota Amateur Sports Commission for funding for an electric Zamboni.

Voss asked whether the City acquired the current Zamboni as a new purchase. Davis answered it was used and acquired in 1996. Voss asked whether a used electric Zamboni would be available. Davis answered they could be and if grant funds are used, it may generate 70-80% of the cost but staff would have to determine if there are conditions. Voss asked if the grant would provide 50% of the cost of a used Zamboni. Davis answered in the affirmative. Voss asked if the grant application indicates whether a new or used unit is being purchased. Davis stated the Minnesota Amateur Sports Commission is trying to distribute grant funds equally throughout the State so they would probably discourage applicants from applying for more funds than will be used and then turning some funds back to them.

Ronning asked about the option for ice use if the Arena does not have an operating Zamboni. Davis stated the City would not be able to maintain the ice and it would be unskatable. Ronning asked about the potential income loss for one week. Davis stated it would be \$192 per hour for however many hours are rented, generally about \$16,000 for one week. Voss stated he likes the idea of having an electric Zamboni as it will create a better environment for the Arena and the users have put a nice investment into the Arena over the past few years.

Davis stated the major concern is that at some point, the Zamboni will need to be replaced. Even if it is in ten years, the grant funds may not be available and if that is the case, the City will have to cover 100% of the cost. Voss agreed this grant presents an opportunity. Ronning asked if the City has a repairman for the Zamboni. Davis stated staff can handle the essential maintenance but not major emergency repairs.

Mundle asked if the City has to first purchase the Zamboni and then be reimbursed. Davis stated first the City would be notified it received the grant, the City would enter into a purchase agreement, submit that agreement to Minnesota Amateur Sports Commission, and then the City would receive the 50% reimbursement.

Davis stated part of this program involves helping to replace arena refrigerant systems that had R-2 refrigerant but the City's Arena uses ethyl glycol so it is in compliance with those standards. Davis stated it would be worthwhile to check on the availability of electric Zambonis so he would recommend tabling consideration to the next meeting to allow time for staff to present additional information. **Ronning stated move to table until the information referenced by the City Administrator is available. Koller stated I'll second.** Voss asked any discussion?

Voss asked if there has been discussion with the St. Francis Hockey Association about this consideration. Davis stated they informed the City of this grant program. Voss thanked the St. Francis Hockey Association and stated it would be nice to have their 'buy-in.' Voss asked any other discussion? Hearing none, all to the motion to table say aye. **All in favor.** Voss asked opposed? That motion passes. **Motion passes unanimously.**

8.0G.4

Aug. 24, 2016
Work
Meeting

Davis presented the staff report, indicating staff is seeking direction on the August 24, 2016, Work Meeting agenda. He suggested the agenda include finalization of the 2017 Budget and discussion of the proposed amendments to City Code Appendix A, Zoning, Section 23 (Screening Regulations), 24 (Exterior Storage) and 48 (Light Industrial). **Ronning stated move to direct staff to set the August 20, 2016, Work Meeting agenda for these two items with a start time of 6 p.m. Mundle stated I'll second.** Voss asked any discussion? All in favor? **All in favor.** Voss asked any opposed? That motion passes. **Motion passes unanimously.**

9.0 Other

9.0A

Staff Reports

Event Center

Economic
Roundtable

9.0B

Council

Report –

Member

Harrington

Davis stated he has had e-mail discussions with Ms. Lisa Palm who wants to have an Event Center off 221st Avenue about the access road. He stated he will talk with her again tomorrow and, hopefully, be able to resolve the open issues so it can be considered at the August 17, 2016, meeting.

Davis stated if anyone is interested in attending, he has tickets for the Economic Roundtable discussion on August 5, 2016, in Blaine. Voss asked if the EDA will also be invited. Davis answered in the affirmative.

Harrington reported on his attendance at the Joint Powers Fire Department meeting and stated the 2018 budget will be discussed in October. He stated on August 2nd, he attended a Nation Night to Unite gathering on the south end of East Bethel where there was a nice turnout, he met a lot of people, and was asked a lot of questions about a grocery store and the superstreet.

Council
Member
Ronning

Ronning stated it was an interesting process last week to interview the four consultant firms to update the Comprehensive Plan.

Council
Member
Koller

Koller stated the Road Commission meeting was canceled for this month as there was nothing to discuss.

Council
Member
Mundle

Mundle reported the August 4, 2016, Sunrise River Water Management Organization Meeting has been rescheduled to August 18, 2016.

Sunrise WMO
Night to Unite

Mundle stated on August 3, 2016, he attended a couple Night to Unite parties on the north side of East Bethel and it is always a good experience to get out and meet your neighbors and talk with residents. He stated it was an enjoyable evening.

Mayor Voss

Voss stated he missed Night to Unite as he was out of town last night.

9.0C
Other

None.

9.0D

Closed

Session

10.0**Adjourn**

Ronning stated I'll make a motion to adjourn. Mundle stated I'll second. Voss asked any discussion? All in favor? **All in favor.** Voss asked any opposed? That motion passes. **Motion passes unanimously.**

Meeting adjourned at 7:51 p.m.

Submitted by:

Carla Wirth, *TimeSaver Off Site Secretarial, Inc.*