City of East Bethel
City Council Agenda

Regular Council Meeting – 7:30 p.m.
Date: June 5, 2013

	Item		
7:30 PM	**1.0**	**Call to Order**	
7:31 PM	**2.0**	**Pledge of Allegiance**	
7:32 PM	**3.0**	**Adopt Agenda**	
7:33 PM	**4.0**	**Presentation**	
Page 1-2	A.	SWPPP Public Hearing	
Page 3-119	B.	2012 AFR and Report by Auditor	
8:03 PM	**5.0**	**Public Forum**	
8:20 PM	**6.0**	**Consent Agenda**	

Any item on the consent agenda may be removed for consideration by request of any one Council Member and put on the regular agenda for discussion and consideration

Page 127-131	A.	Approve Bills
Page 132-150	B.	April 17, 2013 City Council Meeting Minutes
Page 151-173	C.	May 1, 2013 City Council Meeting Minutes
Page 174-193	D.	May 15, 2013, City Council Meeting Minutes
Page 194-202	E.	Approve Application to Conduct Excluded Bingo for East Bethel Seniors – Booster Day, July 20, 2013
Page 203	F.	Resolution 2013-28 Accepting Donation from Eckberg, Lammers, Briggs, Wolff & Vierling, PLLP
	G.	Approve Completion of Probation – Community Development Director
Page 204	H.	Approve Application and Permit for a 1 Day Temporary Consumption and Display Permit for Cedar East Bethel Lions – Booster Day, July 20, 2013
Page 205-256	I.	Personnel Policy Updates
Page 257	J.	Resolution 2013-29 Approving Compensation for Commission Members
	K.	Cell Phone Stipend
Page 258	L.	City Administrator Vacation Accumulation, Resolution 2013-30
Page 259-262	M.	Pay Estimate #4, Jackson Street
Page 263-269	N.	Pay Estimate #22, Phase I Project I Utilities Project
Page 270-271	O.	Final Payment Viking Boulevard Turn Lane Project
	P.	Appoint Insurance Agent Broker for Employee Benefits
	Q.	Approve the hire of Fiscal Services Director
Page 272-274	R.	Pay Increase for the Public Works Maintenance Technician/Utilities Operator
	S.	Old Schoolhouse Demolition Bids

New Business

7.0 Commission, Association and Task Force Reports

8:25 PM	A.	EDA Commission
Page 275-279	1.	Amend EDA By-laws
	B.	Planning Commission

		C.	Park Commission
8:35 PM		D.	Road Commission
	Page 280-290	1.	Meeting Minutes, May 14, 2013

8.0 Department Reports

		A.	Community Development
8:37 PM		B.	Engineer
	Page 291-293	1.	Fence at Water Treatment Plant
	Page 294-329	2.	Johnson Street Service Road Project ROW
		C.	Attorney
8:50 PM		D.	Finance
	Page 330-331	1.	Resolution 2013-32 Accepting and Adopting the 2012 City of East Bethel Annual Financial Report (AFR)
		E.	Public Works
		F.	Fire Department
9:00 PM		G.	City Administrator
	Page 332-335	1.	Approval of 2013 MNPEA Contract
	Page 336-345	2.	Joint Powers Agreement – Anoka County Highway Dept. for Paving of Turn Lane
	Page 346-349	3.	City Hall Improvement Project

9.0 Other

9:20 PM		A.	Staff Reports
9:30 PM		B.	Council Reports
		C.	Other
9:40 PM	Page 350	D.	Closed Session, Minn. Stat. § 13D.05, subd. 3(b)

10:00 PM **10.0 Adjourn**

City of East Bethel
City Council
Agenda Information

* *

Date:
June 5, 2013

* *

Agenda Item Number:
Item 4.0 A

* *

Agenda Item:
Storm Water Pollution Prevention Program (SWPPP) Public Hearing

* *

Requested Action:
Conduct Annual Meeting

* *

Background Information:
The City of East Bethel has developed a Storm Water Pollution Prevention Program as required by the National Pollutant Discharge Elimination Program, which authorizes City's to discharge storm water to the public water system. The goal of the Storm Water Pollution Prevention Program is to reduce the discharge of pollutants into receiving waters to the Maximum Extent Practicable. The Minnesota Pollution Control Agency issued coverage to the City of East Bethel on January 9, 2008.

Some of the implementation strategy's that are part of the program include:

1. Sweeping City Streets.
2. Inspection of approximately 20 percent of the City's storm water basins each year.
3. Posting City Programs such as the clean-up day on the City website.
4. Conducting the annual meeting.
5. Developing educational pamphlets for distribution to City residents.
6. Investigate any reports of illicit discharge or other non-compliance storm water complaints.

One of the requirements of the Program includes that the City must hold an annual meeting before June 30th of each year. At the annual meeting the City will consider public input, both oral and written, regarding the adequacy of the Program. Based on the public input, the City can modify the Program as the City determines to be appropriate. As required, the meeting notice was advertised in the Anoka Union. Copies of the City's SWPPP are available for public review at City Hall and on the City website.

* *

Fiscal Impact:
None at this time.

* *

Recommendation(s):
Staff recommends that the City Council conducts the annual meeting to consider public input on the City's Storm Water Pollution Prevention Program.

* * * *

City of East Bethel
City Council
Agenda Information

* *

Date:
June 5, 2013

* *

Agenda Item Number:
Item 4.0 B

* *

Agenda Item:
2012 Annual Financial Report and Report by Auditor

* *

Requested Action:
Informational Only

* *

Background Information:
Mr. Brad Falteysek, representing the City's audit firm of Abdo, Eick & Meyers, LLP, will review the 2012 Annual Financial Report with City Council and be available for questions.

Attachments:
1. Copy of 2012 Annual Financial Report
2. Management Letter
3. Minnesota Legal Compliance & Internal Control Report

* *

Fiscal Impact:
None

* *

Recommendation(s):
No action is requested

* *

City Council Action

Motion by:_____ Second by:_____

_____

_____

_____

Vote Yes:_____ Vote No:_____

No Action Required:_____

CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2012

CITY OF EAST BETHEL, MINNESOTA
ANNUAL FINANCIAL REPORT
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FOR THE YEAR ENDED DECEMBER 31, 2012

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INTRODUCTORY SECTION

CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2012

CITY OF EAST BETHEL, MINNESOTA
CITY COUNCIL AND OFFICIALS
FOR THE YEAR ENDED DECEMBER 31, 2012

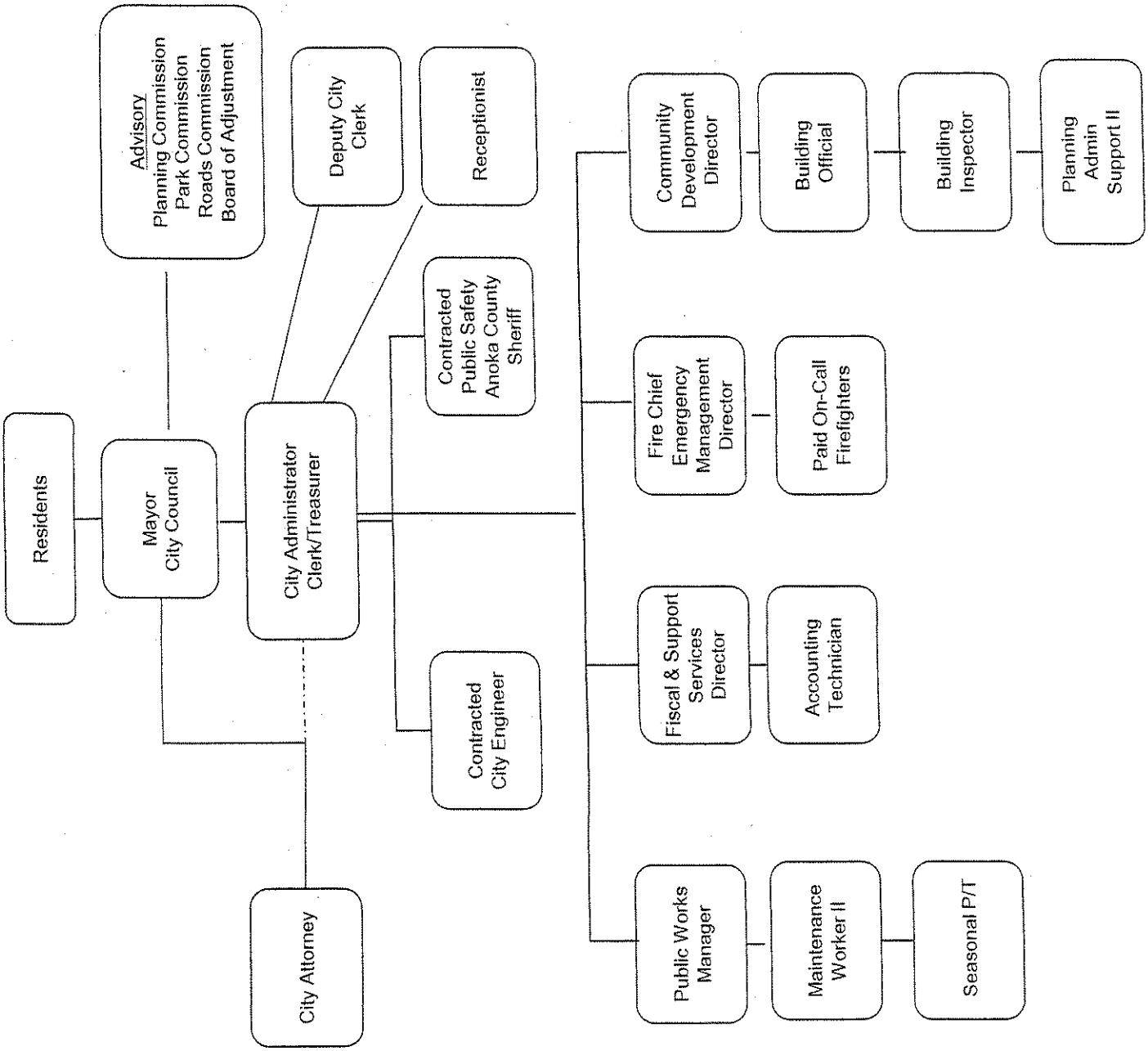
CITY COUNCIL

Name	Title	Term Expires
Richard Lawrence	Mayor	01/01/15
Robert DeRouche, Jr.	Council Member	01/01/15
Ron Koller	Council Member	01/01/17
Heidi Moegerle	Council Member	01/01/15
Tom Ronning	Council Member	01/01/17

CITY OFFICIALS

Jack Davis	City Administrator
Nate Ayshford	Public Works Manager
Mark DuCharme	Fire Chief
Nick Schmitz	Building Official
Rita Pierce	Director of Fiscal & Support Services
Colleen Winter	Community Development Director

Organizational Chart



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FINANCIAL SECTION

CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2012

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ABDO EICK & MEYERS LLP
Certified Public Accountants & Consultants

5201 Eden Avenue
Suite 250
Edina, MN 55436

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of East Bethel, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of East Bethel, Minnesota (the City), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. The prior year comparative information has been derived from the City's 2011 financial statements and, in our report dated May 25, 2012 we express unqualified opinions on the respective proprietary fund financial statements. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of December 31, 2012, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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www.aemcpas.com

Other Matters

Change in Accounting Standards

As described in the Note 7 to the basic financial statements, the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position and* Statement No. 65, *Items Previously Reported as Assets and Liabilities,* for the year ended December 31, 2012. Adoption of the provisions of these statements results in significant change to the classifications of the components of the financial statements.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information in Relation to the Financial Statements as a Whole

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section and combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 29, 2013, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Abdo Eick & Meyers, LLP

May 29, 2013
Minneapolis, Minnesota

ABDO, EICK & MEYERS, LLP
Certified Public Accountants

952.835.9090 • Fax 952.835.3261
www.aemcpas.com

Management's Discussion and Analysis

As management of the City of East Bethel, Minnesota (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2012.

Financial and Development Highlights

- The assets of the City exceeded liabilities at the close of the most recent fiscal year by $34,648,562 (net position). Of this amount, $5,474,003 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position decreased $687,241. Of the total, governmental activities decreased $551,002 and the business-type activities decreased $136,239.
- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of $11,584,923, a decrease of $4,576,190 from the prior fiscal year. Continued construction payments for water and sewer infrastructure from bond proceeds received in the prior year contributed significantly to the decrease in fund balance.
- At the end of the fiscal year the General fund had a fund balance of $2,621,894.

Overview of the Financial Statements

The discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of combing and individual fund financial statements and schedules that further explains and supports the information in the financial statements. Figure 1 shows how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, we have included a section with combining and individual fund financial statements and schedules that provide fund financial statements that include details about nonmajor special revenue governmental funds, which are added together and presented in single columns in the basic financial statements.

Figure 1
Organization of East Bethel
Annual Financial Report

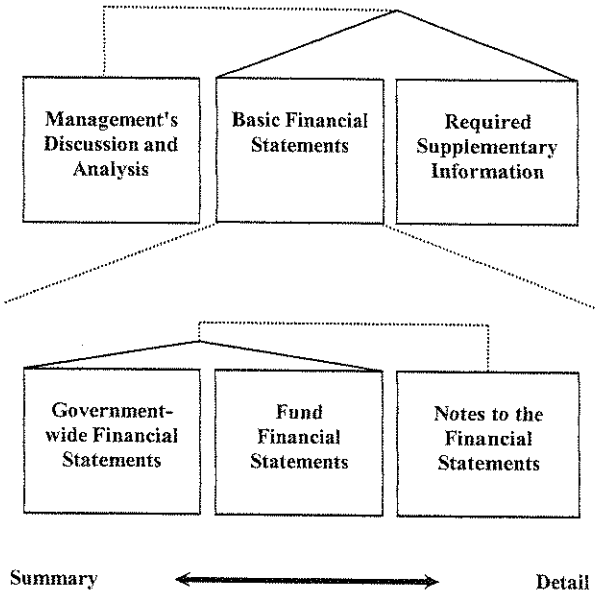


Figure 2 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Figure 2
Major features of the Government-wide and Fund Financial Statements

		Fund Financial Statements	
	Government-wide Statements	**Governmental Funds**	**Proprietary Funds**
Scope	Entire City government and the City's component units	The activities of the City that are not proprietary or fiduciary, such as police, public works and parks	Activities the City operates similar to private businesses, such as the water and sewer system
Required financial statements	• Statement of Net Position • Statement of Activities	• Balance Sheet • Statement of Revenues, Expenditures, and Changes in Fund Balances	• Statements of Net Position • Statements of Revenues, Expenses and Changes in Fund Net Position • Statements of Cash Flows
Accounting Basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of in flow/out flow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused, vacation leave). Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, streets and highways, and parks and recreation. The business-type activities of the City include an arena, wastewater treatment and water provision.

The government-wide financial statements start on page 23 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other State and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statement. By doing so, readers may better understand the long-term impact of the City's near term financial decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and change in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

For 2012, the City maintains four individual major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the following major funds:

- General fund
- Municipal State Aid Street Improvement fund
- Water Infrastructure fund
- Utility Infrastructure fund

Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annually appropriated budget for its General fund and many of its special revenue funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance with these budgets.

The basic governmental fund financial statements start on page 28 of this report.

Proprietary funds. The City maintains three enterprise funds and two internal service funds of the proprietary fund type. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal service funds are used to accumulate and allocate costs internally among the City's various functions. Because the Internal service funds predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The City uses enterprise funds to account for its water utility, sewer utility and arena operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for the following funds:

Enterprise funds	Internal service funds
Water utility fund	Compensated absences fund
Sewer utility fund	Equipment replacement fund
Ice arena fund	

The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The basic proprietary fund financial statements start on page 33 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government–wide and fund financial statements. The notes to the financial statements start on page 36 of this report.

Other information. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on budgetary comparisons. Combining and individual fund statements and schedules start on page 66 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by $34,648,562 at the close of the most recent fiscal year.

The largest portion of the City's net position ($21,170,323) or 61 percent reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, sewer main lines and storm sewers, and infrastructure) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of East Bethel, Minnesota's Net Position

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current and other assets	$ 15,990,633	$ 20,796,243	$ (343,314)	$ 34,072	$ 15,647,319	$ 20,830,315
Capital assets	39,328,455	38,351,800	4,171,307	1,488,469	43,499,762	39,840,269
Total assets	55,319,088	59,148,043	3,827,993	1,522,541	59,147,081	60,670,584
Long-term liabilities outstanding	19,584,217	22,684,655	-	-	19,584,217	22,684,655
Other liabilities	1,967,708	2,145,223	2,946,594	504,903	4,914,302	2,650,126
Total liabilities	21,551,925	24,829,878	2,946,594	504,903	24,498,519	25,334,781
Net assets						
Net investment in capital assets	19,858,371	15,763,575	1,311,952	1,488,469	21,170,323	17,252,044
Restricted	8,241,623	12,770,031	-	-	8,241,623	12,770,031
Unrestricted	5,667,169	5,784,559	(430,553)	(470,831)	5,236,616	5,313,728
Total net position	$ 33,767,163	$ 34,318,165	$ 881,399	$ 1,017,638	$ 34,648,562	$ 35,335,803

A portion of the of the City's net position ($8,004,236) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($5,474,003) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position for its governmental activities. The business-type activities have a deficit of unrestricted net position.

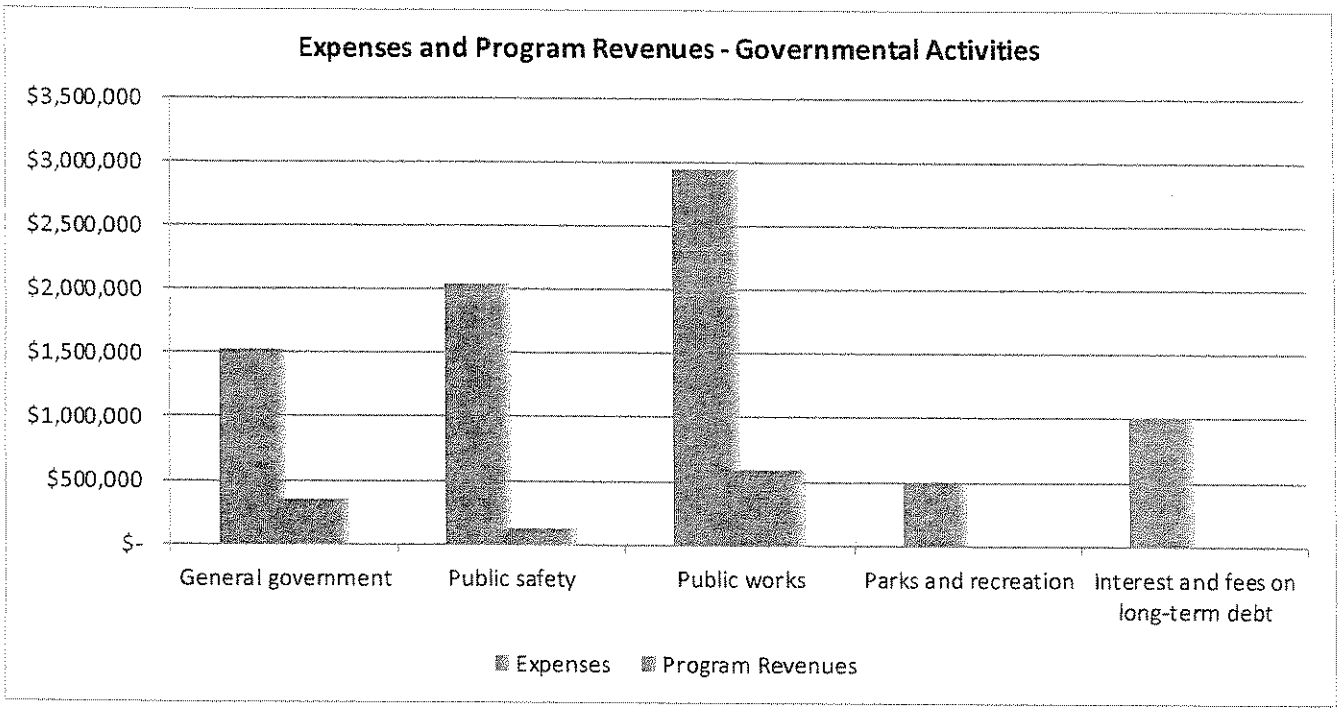
Governmental Activities

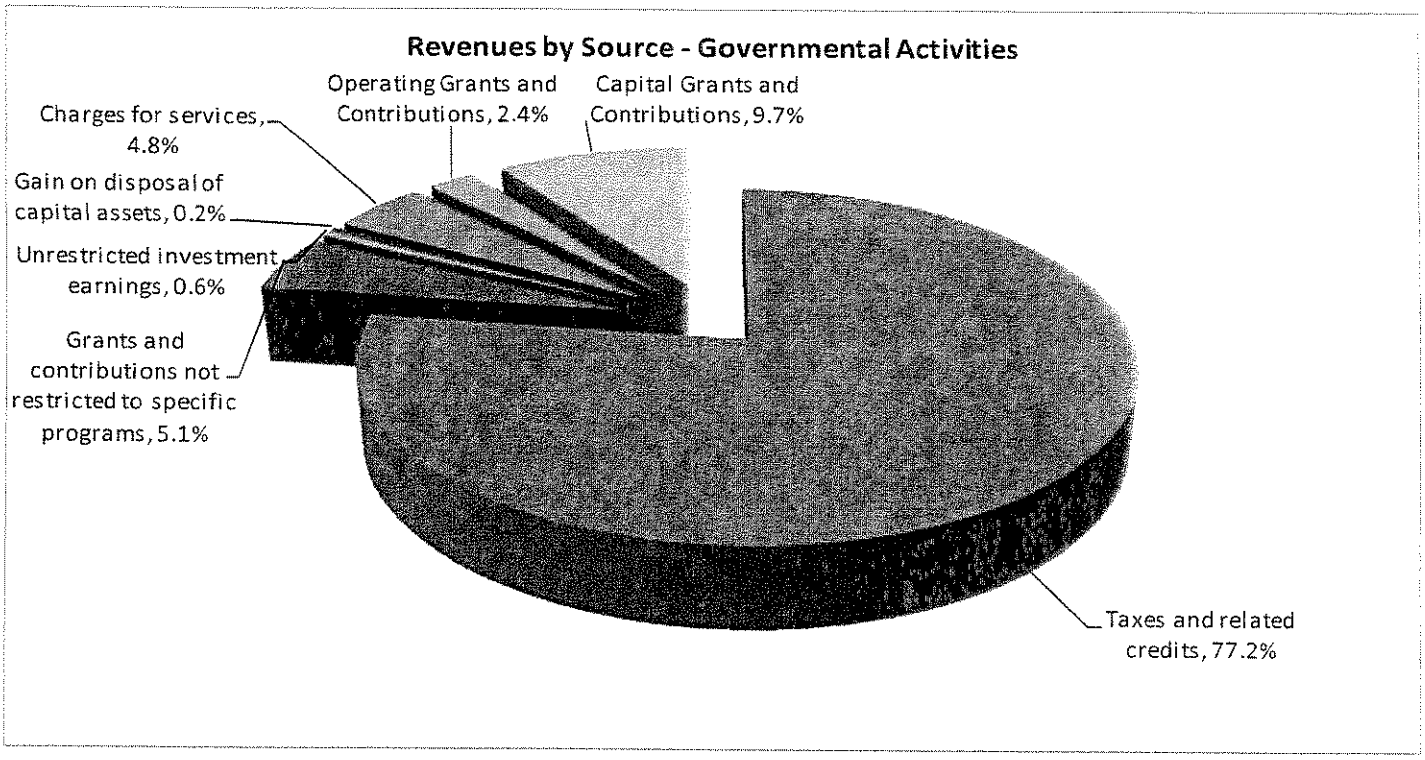
Governmental activities decreased the City's net position by $551,002. Business type net position decreased by $136,239. Key elements of the changes in net position are as follows:

City of East Bethel's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues						
Program revenues						
Charges for services	$ 513,937	$ 298,257	$ 354,568	$ 387,337	$ 868,505	$ 685,594
Operating grants and contributions	168,871	150,080	-	-	168,871	150,080
Capital grants and contributions	1,831,089	606,060	-	-	1,831,089	606,060
General revenues						
Taxes	4,658,456	4,829,697	-	-	4,658,456	4,829,697
Grants & contribution not restricted to specific programs	486,703	316,820	-	-	486,703	316,820
Unrestricted investment earnings	24,646	38,584	-	-	24,646	38,584
Gain on disposal of capital assets	5,312	10,827	-	-	5,312	10,827
Miscellaneous	2,890	-	-	-	2,890	-
Total revenues	7,691,904	6,250,325	354,568	387,337	8,046,472	6,637,662
Expenses						
General government	1,533,702	1,529,890	-	-	1,533,702	1,529,890
Public safety	1,835,446	2,033,451	-	-	1,835,446	2,033,451
Public works	2,973,597	2,942,970	-	-	2,973,597	2,942,970
Parks and recreation	494,806	496,101	-	-	494,806	496,101
Water	-	-	97,453	50,516	97,453	50,516
Sewer	-	-	98,031	94,161	98,031	94,161
Ice arena	-	-	295,323	269,300	295,323	269,300
Interest and fees on long-term debt	1,405,355	969,547	-	-	1,405,355	969,547
Total expenses	8,242,906	7,971,959	490,807	413,977	8,733,713	8,385,936
Change in net position	(551,002)	(1,721,634)	(136,239)	(26,640)	(687,241)	(1,748,274)
Net position as restated, January 1	34,318,165	36,039,799	1,017,638	1,044,278	35,335,803	37,084,077
Net position, December 31	$ 33,767,163	$ 34,318,165	$ 881,399	$ 1,017,638	$ 34,648,562	$ 35,335,803

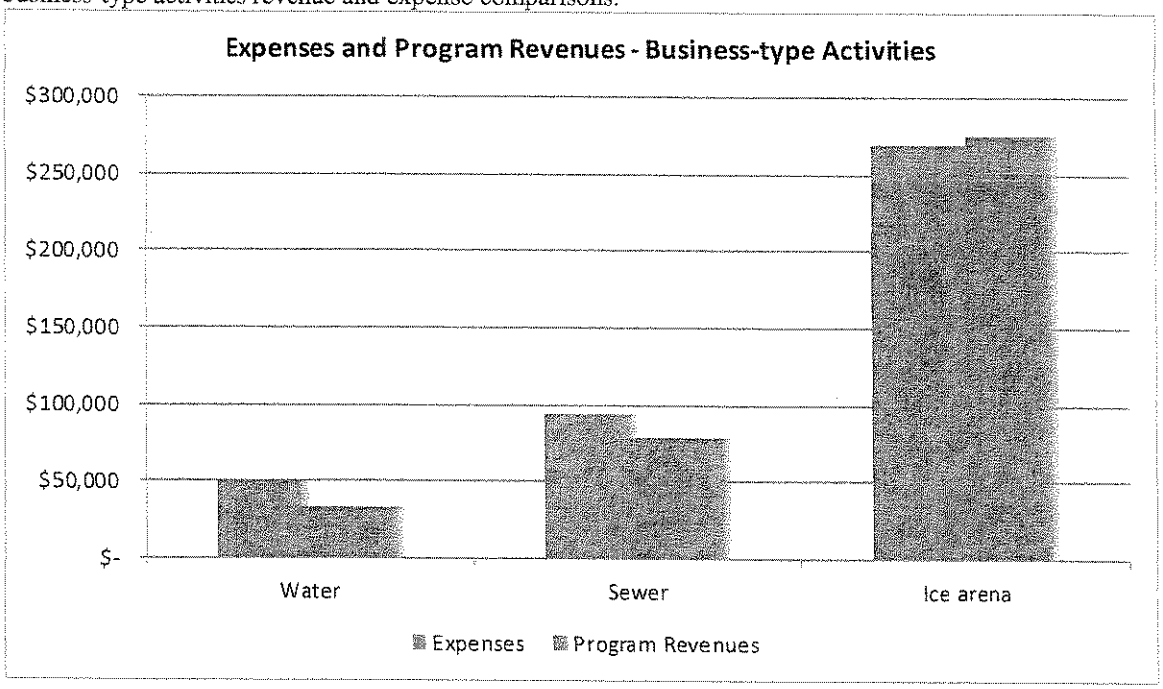
Below are specific graphs which provide comparisons of the governmental activities program revenues and expenditures:





Business-type Activities

Business-type activities decreased net position by $26,640 including depreciation expenses of $127,606. The results reflect the continuing start-up mode of the City's utility services and the continuing challenges at the City's Ice Arena. Below are graphs showing the business-type activities revenue and expense comparisons:



All of the revenues from Business-type activities come from charges for services.

Financial Analysis of the Government's Funds

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $11,584,923. Approximately 69 percent of this total amount ($8,004,236) constitutes restricted fund balance, indicating that it is not available for new spending because it must be used only for debt retirement or other restricted purposed. The assigned fund balance ($992,785) reflects the City's intended use. The unassigned fund balance is $2,586,688.

The General fund balance increased by $367,490 in 2012. This was a result of the City's decision to delay any discretionary spending in light of lower revenues related to depressed building activity and lower interest earnings.

The Municipal State Aid Street Improvement fund increased $236,405 by receiving intergovernmental revenues that were expended in a prior year.

The Water Infrastructure fund decreased $3,545,447 and the Utility Construction fund decreased $612,088 due to the expending of bond proceeds received in a prior year for the construction of water and sewer infrastructure.

Nonmajor Governmental Funds decreased by $1,022,550 primarily due to the interest charges on bonds.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The unrestricted net position in the respective proprietary funds are water ($149,877), sewer ($196,384) and ice arena ($84,292). The utility operations began in 2004; as the number of customers continue to grow, financial results will improve, as fixed costs will not increase appreciably. Unfortunately, 2012 was a year with no new homes constructed which directly affects the number of utility customers. Consequently, net position of the utility funds did not improve. Utility rates were increased appreciably in 2010 to improve operating results. The ice arena fund had a decrease in net position in 2012 of $38,985 including depreciation of $131,272.

General Fund Budgetary Highlights

The General fund budget was amended during 2012 without any change to total expenditures or revenues. Several different areas were affected by the budget changes.

During the year, revenues were more than budgetary estimates by $103,644, and expenditures were less than budgetary estimates by $217,101. The net result was a $320,745 increase in the General fund. The favorable expenditure budget variance was attributable to changes in City's staffing and delaying of discretionary spending.

Capital Asset and Debt Administration

Capital assets. The City's, investment in capital assets for its governmental and business type activities as of December 31, 2012, amounts to $43,499,762 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery and equipment, sewer main lines, water lines and wells, storm sewers, and infrastructure.

East Bethel's Capital Assets
(net of accumulated depreciation)

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Land	$ 887,546	$ 887,546	$ 30,000	$ 30,000	$ 917,546	$ 917,546
Construction in progress	9,611,559	6,478,969	-	-	9,611,559	6,478,969
Buildings and structures	3,189,396	3,393,975	-	756,145	3,189,396	4,150,120
Machinery and equipment	1,349,585	1,385,402	-	-	1,349,585	1,385,402
Park improvements	724,408	762,908	-	-	724,408	762,908
Sewer main lines and storm sewers	1,227,758	1,293,154	-	-	1,227,758	1,293,154
Infrastructure	22,338,203	24,149,846	4,141,307	702,324	26,479,510	24,852,170
Total capital assets	$ 39,328,455	$ 38,351,800	$ 4,171,307	$ 1,488,469	$ 43,499,762	$ 39,840,269

Additional information on the City's capital assets can be found in Note 2C.

Long-term debt. At the end of the current fiscal year, the City had total long-term debt outstanding of $22,329,439 a decrease of $258,786 from 2011.

All debt outstanding at year-end is general obligation debt, which are backed by the full faith and credit of the City. Some of the general obligation bonds have specific revenue sourced pledged other than property taxes, but in the event those other sources were insufficient, the City would be required to the he shortfall through property taxes.

City of East Bethel's Outstanding Debt

The City's long-term debt at December 31, 2012 is as follows:

	Governmental Activities		Business-type Activities	
	12/31/2012	12/31/2011	12/31/2012	12/31/2011
General obligation improvement bonds	$ 2,995,000	$3,130,933	$ -	$ -
General obligation revenue bonds	16,475,084	19,457,292	2,859,355	-
Totals	$ 19,470,084	$22,588,225	$ 2,859,355	$ -

Moody's Investor Services maintained the City's rating of A2 for it's most current debt issue.

State Statutes limit the amount of general obligation debt a Minnesota city may issue to three percent of total Estimated Market Value. The current debt limitation for the City is $23,938,740. Of the City's outstanding debt, $1,510,000 is counted within the statutory limitation.

Additional information on the City's long-term debt can be found in Note 2D.

Economic Factors and Next Year's Budgets and Rates

The City is anticipating an increase in commercial building activity during 2013 as water and sewer services become available along Minnesota State Highway 65, which is the City's main transportation route.

The City's Adopted budget includes a property tax levy of $4,452,955 which is a decrease of $43,843 (1 percent) over the 2012 levy.

Property tax valuations within the City decreased in 2012 and have continued to decrease in 2013; however appear to be stabilizing.

Requests for Information. This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, 2241 221st Avenue N.E., East Bethel, Minnesota 55011.

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2012

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CITY OF EAST BETHEL, MINNESOTA
STATEMENT OF NET POSITION
DECEMBER 31, 2012

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	$ 13,834,426	$ -	$ 13,834,426
Receivables			
Accrued Interest	2,883	-	2,883
Delinquent Taxes	237,630	-	237,630
Accounts	8,266	16,519	24,785
Special Assessments	275,479	7,326	282,805
Internal balances	367,539	(367,539)	-
Due from other governments	1,226,016	-	1,226,016
Prepaid items	38,394	380	38,774
Capital assets, nondepreciable	887,546	30,000	917,546
Capital assets, construction in progress	9,611,559	-	9,611,559
Capital assets, net of accumulated depreciation	28,829,350	4,141,307	32,970,657
TOTAL ASSETS	55,319,088	3,827,993	59,147,081
LIABILITIES			
Accounts payable	1,538,580	23,211	1,561,791
Salaries payable	64,515	1,586	66,101
Accrued interest payable	302,407	43,950	346,357
Deposits payable	43,087	-	43,087
Unearned revenue	19,119	18,492	37,611
Compensated absences payable			
Due within one year	80,100	-	80,100
Due in more than one year	34,033	-	34,033
Bonds payable			
Due within one year	283,000	-	283,000
Due in more than one year	19,187,084	2,859,355	22,046,439
TOTAL LIABILITIES	21,551,925	2,946,594	24,498,519
NET POSITION			
Net investment in capital assets	19,858,371	1,311,952	21,170,323
Restricted for			
Street Improvements	219,448	-	219,448
Water Infrastructure Construction	4,532,523	-	4,532,523
Utility Infrastructure Construction	1,737,128	-	1,737,128
Debt service	849,478	-	849,478
Recycling	29,665	-	29,665
Donations	6,848	-	6,848
Housing & Redevelopment	800,567	-	800,567
Economic Development	39,919	-	39,919
Park Development	26,047	-	26,047
Unrestricted	5,667,169	(430,553)	5,236,616
TOTAL NET POSITION	$ 33,767,163	$ 881,399	$ 34,648,562

The notes to the financial statements are an integral part of this statement.

CITY OF EAST BETHEL, MINNESOTA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012

Functions/Programs	Expenses	Program Revenues: Charges For Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Government activities				
General government	$ 1,533,702	$ 408,449	$ 59,428	$ 40,227
Public safety	1,835,446	-	109,443	-
Public works	2,973,597	10,824	-	1,790,862
Parks and recreation	494,806	5,064	-	-
Interest and fees on long-term debt	1,405,355	89,600	-	-
Total government activities	$ 8,242,906	$ 513,937	$ 168,871	$ 1,831,089
Business-type activities				
Water	$ 97,453	$ 34,445	$ -	$ -
Sewer	98,031	63,785	-	-
Ice arena	295,323	256,338	-	-
Total business-type activities	490,807	354,568	-	-
Total primary government	$ 8,733,713	$ 868,505	$ 168,871	$ 1,831,089

General revenues
Taxes and related credits
Grants and contributions not restricted to specific programs
Unrestricted investment earnings
Gain on disposal of capital assets
Miscellaneous

Total general revenues and special items

Change in net position

Net position as restated, January 1

Net position, December 31

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net position		
Governmental Activities	Business-Type Activities	Total
$ (1,025,598)	$ -	$ (1,025,598)
(1,726,003)	-	(1,726,003)
(1,171,911)	-	(1,171,911)
(489,742)	-	(489,742)
(1,315,755)	-	(1,315,755)
$ (5,729,009)	$ -	$ (5,729,009)
$ -	$ (63,008)	$ (63,008)
-	(34,246)	(34,246)
-	(38,985)	(38,985)
-	(136,239)	(136,239)
(5,729,009)	(136,239)	(5,865,248)
4,658,456	-	4,658,456
486,703	-	486,703
24,646	-	24,646
5,312	-	5,312
2,890	-	2,890
5,178,007	-	5,178,007
(551,002)	(136,239)	(687,241)
34,318,165	1,017,638	35,335,803
$ 33,767,163	$ 881,399	$ 34,648,562

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FUND FINANCIAL STATEMENTS

CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2012

CITY OF EAST BETHEL, MINNESOTA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2012

	General	Municipal State Aid Street Improvement Fund	Water Infrastructure Fund	Utility Infrastructure Fund
ASSETS				
Cash and investments	$ 2,805,374	$ 353,476	$ 4,733,822	$ 1,467,553
Taxes receivable	231,200	-	-	-
Special assessments receivable	5,658	-	-	-
Accounts receivable	5,622	-	-	-
Accrued interest and other receivables	2,269	-	-	-
Due from other funds	-	-	-	-
Due from other governments	4,133	-	-	1,159,441
Prepaid items	1,214	-	-	-
TOTAL ASSETS	$ 3,055,470	$ 353,476	$ 4,733,822	$ 2,626,994
LIABILITIES				
Accounts and contracts payable	$ 130,778	$ 134,028	$ 201,299	$ 889,866
Salaries payable	64,515	-	-	-
Due to other funds	-	-	-	-
Deposits payable	43,087	-	-	-
Interfund loan	-	-	-	-
Unearned revenue - other	-	-	-	-
TOTAL LIABILITIES	238,380	134,028	201,299	889,866
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	189,538	-	-	-
Unavailable revenue - special assessments	5,658	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	195,196	-	-	-
FUND BALANCES				
Nonspendable	1,214	-	-	-
Restricted	-	219,448	4,532,523	1,737,128
Assigned	-	-	-	-
Unassigned	2,620,680	-	-	-
TOTAL FUND BALANCES	2,621,894	219,448	4,532,523	1,737,128
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 3,055,470	$ 353,476	$ 4,733,822	$ 2,626,994

Other Governmental Funds	Total Governmental Funds
$ 2,872,792	$ 12,233,017
6,430	237,630
269,820	275,478
1,440	7,062
614	2,883
2,543	2,543
62,442	1,226,016
-	1,214
$ 3,216,081	$ 13,985,843
$ 182,609	$ 1,538,580
-	64,515
25,740	25,740
-	43,087
240,000	240,000
19,119	19,119
467,468	1,931,041
4,905	194,443
269,778	275,436
274,683	469,879
-	1,214
1,515,137	8,004,236
992,785	992,785
(33,992)	2,586,688
2,473,930	11,584,923
$ 3,216,081	$ 13,985,843

CITY OF EAST BETHEL, MINNESOTA
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
DECEMBER 31,2012

Total fund balances - governmental funds	$11,584,923
Amounts reported for governmental activities in the statement of net position are different because	
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds	38,260,778
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable in the funds	
Delinquent property taxes	194,443
Special assessments not yet due or delinquent	275,436
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds	
Bonds payable	(19,193,234)
Premium on bonds	(276,850)
Accrued interest payable	(302,407)
Internal service funds are used by management to charge the cost of compensated absences to individual funds and to set aside funds for capital equipment acquisition. The assets and liabilities are included in the governmental statement of net position	3,224,074
Net position of governmental activities	$ 33,767,163

CITY OF EAST BETHEL, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	General	#	Municipal State Aid Street Improvement Fund	Water Infrastructure Fund	Utility Infrastructure Fund	Other Governmental Funds	Total Governmental Funds
REVENUES							
General property taxes	$ 4,225,660		$ -	$ -	$ -	$ 467,800	$ 4,693,460
Special assessments	-		-	-	-	69,852	69,852
Licenses and permits	144,895		-	-	-	-	144,895
Intergovernmental	230,565		1,328,885	-	-	604,954	2,164,404
Charges for services	153,840		-	-	-	-	153,840
Fines and forfeitures	52,870		-	-	-	-	52,870
Investment income	2,100		-	-	-	19,842	21,942
Other	89,612		-	-	-	107,538	197,150
TOTAL REVENUES	4,899,542		1,328,885	-	-	1,269,986	7,498,413
EXPENDITURES							
Current							
General government	1,240,416		-	-	-	53,173	1,293,589
Public safety	1,598,718		-	-	-	69,283	1,668,001
Public works	719,920		17,797	-	-	222,860	960,577
Parks and recreation	376,067		-	-	-	41,255	417,322
Economic Development	-		-	-	-	125,511	125,511
Capital outlay	16,931		1,074,683	3,545,447	612,088	795,406	6,044,555
Debt service							
Principal and debt extinguishment	-		-	-	-	248,000	248,000
Interest and fiscal charges	-		-	-	-	1,317,048	1,317,048
TOTAL EXPENDITURES	3,952,052		1,092,480	3,545,447	612,088	2,872,536	12,074,603
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	947,490		236,405	(3,545,447)	(612,088)	(1,602,550)	(4,576,190)
OTHER FINANCING SOURCES (USES)							
Transfers in	-		-	-	-	585,000	585,000
Transfers out	(580,000)		-	-	-	(5,000)	(585,000)
TOTAL OTHER FINANCING SOURCES (USES)	(580,000)		-	-	-	580,000	-
NET CHANGE IN FUND BALANCES	367,490		236,405	(3,545,447)	(612,088)	(1,022,550)	(4,576,190)
FUND BALANCE, JANUARY 1	2,254,404		(16,957)	8,077,970	2,349,216	3,496,480	16,161,113
FUND BALANCES, DECEMBER 31	$ 2,621,894		$ 219,448	$ 4,532,523	$ 1,737,128	$ 2,473,930	$ 11,584,923

The notes to the financial statements are an integral part of this statement.

CITY OF EAST BETHEL, MINNESOTA

Statement 5

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2012

	2012
Amounts reported for governmental activities in the statement of activities (statement 2) are different because	
Net changes in fund balances - total governmental funds (statement 4)	$ (4,576,190)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense	
Depreciation	(2,228,787)
Capital outlay	6,044,555
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	
Change in delinquent taxes	(39,740)
Change in deferred and delinquent special assessments	(49,614)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
The amounts of these differences are	
Premium on bond issued	10,786
Principal payments on bonds payable	248,000
Internal service funds are used by management to charge the cost of compensated absences and certain capital assets to individual funds. The net revenue of certain activities of internal services funds are reported with governmental activities	
Franchise fees	4,736
Investment income	2,704
Gain on sale of capital assets	5,312
Transfer - net	262,200
Consolidation of internal service fund activities with governmental activities	(135,872)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. Expenses are reported in the statement of activities include the effects of the changes in these expense accruals as follows	
Change in accrued interest payable	(99,092)
Change in net position of governmental activities (statement 2)	$ (551,002)

The notes to the financial statements are an integral part of this statement.

CITY OF EAST BETHEL, MINNESOTA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2012

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Utility	Sewer Utility	Ice Arena	Total	
ASSETS					
CURRENT ASSETS					
Cash and investments	$ -	$ -	$ -	$ -	$ 1,601,409
Special assessments					
Current	3,248	1,851	-	5,099	-
Delinquent	1,328	899	-	2,227	-
Accounts receivable	8,025	8,494	-	16,519	1,204
Due from other funds	-	-	-	-	390,736
Interfund loan	-	-	-	-	240,000
Prepaid items	-	-	380	380	37,180
TOTAL CURRENT ASSETS	12,601	11,244	380	24,225	2,270,529
NONCURRENT ASSETS					
Capital assets					
Land	-	-	30,000	30,000	-
Buildings and structures	-	-	1,480,690	1,480,690	-
Machinery and equipment	-	-	25,000	25,000	1,603,865
Utility infrastructure	3,525,202	691,511	-	4,216,713	-
Total capital assets	3,525,202	691,511	1,535,690	5,752,403	1,603,865
Less accumulated depreciation	(283,412)	(416,865)	(880,819)	(1,581,096)	(536,187)
Net capital assets	3,241,790	274,646	654,871	4,171,307	1,067,678
TOTAL ASSETS	3,254,391	285,890	655,251	4,195,532	3,338,207
LIABILITIES					
CURRENT LIABILITIES					
Due to other funds	115,508	204,834	47,197	367,539	-
Accounts payable	2,270	1,958	18,983	23,211	-
Salaries payable	750	836	-	1,586	-
Accrued interest payable	43,950	-	-	43,950	-
Compensated absences - current portion	-	-	-	-	80,100
Unearned revenue - other	-	-	18,492	18,492	-
TOTAL CURRENT LIABILITIES	162,478	207,628	84,672	454,778	80,100
NONCURRENT LIABILITIES					
Compensated absences payable - noncurrent portion	-	-	-	-	34,033
Bonds payable - noncurrent portion	2,859,355	-	-	2,859,355	-
TOTAL NONCURRENT LIABILITIES	2,859,355	-	-	2,859,355	34,033
TOTAL LIABILITIES	3,021,833	207,628	84,672	3,314,133	114,133
NET POSITION					
Net investment in capital assets	382,435	274,646	654,871	1,311,952	1,067,678
Unrestricted	(149,877)	(196,384)	(84,292)	(430,553)	2,156,396
TOTAL NET POSITION	$ 232,558	$ 78,262	$ 570,579	$ 881,399	$ 3,224,074

The notes to the financial statements are an integral part of this statement.

CITY OF EAST BETHEL, MINNESOTA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Utility	Sewer Utility	Ice Arena	Total	
OPERATING REVENUES					
Ice rentals and related revenue	$ -	$ -	$ 195,025	$ 195,025	$ -
Rentals, signs, lockers and tower	-	-	46,713	46,713	-
Dry floor events	-	-	1,500	1,500	-
Concession revenue	-	-	12,282	12,282	-
Customer charges	34,445	63,785	-	98,230	279,903
Franchise Fees	-	-	-	-	4,736
Donations/refunds	-	-	818	818	7,890
TOTAL OPERATING REVENUES	34,445	63,785	256,338	354,568	292,529
OPERATING EXPENSES					
Wages and fringe benefits	18,501	18,640	-	37,141	17,703
Maintenance and repairs	962	11,258	19,219	31,439	-
Utilities	9,499	12,391	50,356	72,246	-
Professional services	154	7,403	80,555	88,112	-
Supplies	1,594	22,945	12,607	37,146	1,747
Other	415	2,050	1,135	3,600	-
Depreciation	22,195	23,050	131,272	176,517	142,015
TOTAL OPERATING EXPENSES	53,320	97,737	295,144	446,201	161,465
OPERATING INCOME (LOSS)	(18,875)	(33,952)	(38,806)	(91,633)	131,064
NONOPERATING REVENUES (EXPENSES)					
Sale of capital assets	-	-	-	-	5,312
Investment income	-	-	-	-	2,704
Interest expense	(44,133)	(294)	(179)	(44,606)	-
TOTAL NONOPERATING REVENUES (EXPENSES)	(44,133)	(294)	(179)	(44,606)	8,016
CHANGE IN NET POSITION	(63,008)	(34,246)	(38,985)	(136,239)	139,080
NET POSITION, JANUARY 1	295,566	112,508	609,564	1,017,638	3,084,994
NET POSITION, DECEMBER 31	$ 232,558	$ 78,262	$ 570,579	$ 881,399	$ 3,224,074

The notes to the financial statements are an integral part of this statement.

CITY OF EAST BETHEL, MINNESOTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Utility	Sewer Utility	Ice Arena	Total	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	$ 38,967	$ 65,610	$ 255,974	$ 360,551	$ 294,935
Receipts from other funds	-	9,010	-	9,010	
Payment to suppliers	(11,240)	(55,905)	(168,975)	(236,120)	(38,927)
Payment to employees	(18,368)	(18,421)	-	(36,789)	-
Payment to other funds	(9,176)	-	(87,638)	(96,814)	-
Miscellaneous revenue	-	-	818	818	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	183	294	179	656	256,008
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Due from other funds	-	-	-	-	219,273
Internal interest expense	(183)	(294)	(179)	(656)	-
NET CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	(183)	(294)	(179)	(656)	219,273
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	-	-	-	-	(162,257)
Proceeds from sale of capital assets	-	-	-	-	5,312
NET CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	-	-	-	-	(156,945)
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	-	-	-	-	2,704
NET INCREASE IN CASH AND CASH EQUIVALENTS	-	-	-	-	321,040
CASH AND CASH EQUIVALENTS, JANUARY 1	-	-	-	-	1,280,369
CASH AND CASH EQUIVALENTS, DECEMBER 31	$ -	$ -	$ -	$ -	$ 1,601,409
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating income (loss)	(18,875)	(33,952)	(38,806)	(91,633)	131,064
Adjustments to reconcile operating income (loss) to net cash flows from operating activities					
Miscellaneous revenue					
Depreciation expense	22,195	23,050	131,272	176,517	142,015
Change in assets and liabilities					
Decrease (increase) in receivables and inventory	4,522	1,825	3,200	9,547	2,406
Decrease in prepayments	-	300	-	300	(37,180)
Decrease (increase) in due from other funds	(9,176)	9,010	-	(166)	-
Increase (decrease) in accounts payable	1,384	(158)	(5,103)	(3,877)	17,703
Decrease in salaries payable	133	219	-	352	-
Decrease in due to other funds	-	-	(87,638)	(87,638)	-
Decrease in unearned revenue	-	-	(2,746)	(2,746)	-
Total adjustments	19,058	34,246	38,985	92,289	124,944
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 183	$ 294	$ 179	$ 656	$ 256,008
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIVES					
Transfer of capital assets from governmental activities	$ 2,859,355	$ -	$ -	$ 2,859,355	$ -
Transfer of debt from governmental activities	2,859,355	-	-	2,859,355	-

The notes to the financial statements are an integral part of this statement.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of East Bethel, Minnesota (the City) was incorporated in 1958 and has operated under the State of Minnesota Statutory Plan A form of government since 1974. The governing body consists of a five-member City Council elected by voters of the City.

The financial statements of the City of East Bethel have been prepared in conformity with generally accepted accounting principles as applied to governmental units by the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies.

A. Financial reporting entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City of East Bethel (the primary government) and its component units, entities which the City is considered to be financial accountable.

The City has two component units – the Housing and Redevelopment Authority (HRA) and the Economic Development Authority (EDA). The HRA is considered component unit because the governing board is the same as that of the City. Both the EDA and HRA are considered component units because the City is in a relationship of financial benefit with each of the entities.

The financial position and results of operations of the HRA and EDA component units are presented using the blended method. The blended component units, although legally separate entities, are, in substance, part of the City's operations. The component units include Governmental funds using the modified accrual basis of accounting, and as such are reported as a special revenue funds. Separate financial statements for the HRA and EDA are not prepared.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or business-type activity is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or business-type activity. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or business-type activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or business-type activity. Taxes and other items not included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers all revenues, except reimbursement grants, to be available if they are collected within 60 days of the end of the current fiscal period. Reimbursement grants are considered available if they are collected within one year of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, special assessments, intergovernmental revenues, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlement and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the tax is levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are also recorded as unearned revenue.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Description of funds

The government reports the following major governmental funds

The *General fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Municipal State Aid Street Improvement fund* is maintained according to Minnesota statutes for the construction of municipal State aid street projects throughout the City.

The *Water Infrastructure fund* is used to account for the bond proceeds that will be used to finance water infrastructure improvements.

The *Utility Infrastructure fund* is used to account for the bond proceeds that will be used to finance water and sewer infrastructure improvements.

The government reports the following major proprietary funds

The *Water Utility fund* accounts for water service activities to operate the water utility system.

The *Sewer Utility fund* accounts for sewer service activities to operate the sanitary sewer system.

The *Ice Arena fund* accounts for operations of the City's ice arena.

Additionally, the City reports the following fund type:

Internal service funds are used to account for the costs associated with employees' compensated absences and to account for the funding of major equipment necessary for City operations.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are transactions that would be treated as revenues, expenditures or expenses if they involved external organizations, such as buying goods and services or payments in lieu of taxes, are similarly treated when they involve other funds of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water, sewer, and arena enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for an allowable use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Budgets

Budgets are legally adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are legally adopted for the General fund and some special revenue funds. Budgeted expenditure appropriations lapse at year end. Debt Service funds' financial activities are governed by bond covenants. Capital projects funds' expenditures are approved by the City Council before projects are undertaken.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the appropriation, is not employed by the City because it is at present not considered necessary to assure effective budgetary control or to facilitate effective cash management.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

E. Legal compliance - budgets

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

2. The City Council reviews the proposed budget and makes appropriate changes.

3. Public meetings are conducted to obtain taxpayer comments.

4. The budget is legally enacted through passage of a resolution on a departmental basis for the General fund and on a fund basis for other funds and can be expended by each department (or fund) based upon detailed budget estimates for individual expenditure accounts.

5. Interdepartmental, intradepartmental or interfund appropriations and deletions are authorized by the City Council with fund contingency reserves or additional revenues.

6. Formal budgetary integration is employed as a management control device during the year for all funds. Legal debt obligation indentures determine the appropriation level of debt service tax levies for the Debt Service funds. Amounts annually budgeted for capital funds are consistent with the relevant five-year capital improvement program. A capital improvement program is reviewed annually by the City Council for the capital project funds.

7. The legal level of budgetary control is at the department level for the General fund and the fund level for other funds. Monitoring of budgets is maintained at the expenditure category level (i.e., personal services; materials and supplies; contractual services; and capital outlay) within each program. All amounts over budget were approved by the City Council through the disbursement process.

8. The City Council may authorize transfer of budgeted amounts between City funds. The City Council made no supplemental budgetary appropriations throughout the year.

F. Cash and investments

Cash and investment balances from all funds are pooled and invested to the extent available in authorized investments. Investment income (expense) is allocated to individual funds on the basis of the fund's equity in the cash and investment pool. The City provides temporary advances to funds that have insufficient cash balances by means of an advance from another fund show as due from other funds in the advancing fund, and due to other funds in the fund with the deficit, until adequate resources are received. These interfund balances are eliminated on the government-wide financial statements. Investments are stated at fair value, based upon quoted market prices. Investment income is accrued at the balance sheet date.

For purposes of the statement of cash flows the City considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

G. Receivables and payables

Property taxes and special assessments have been reported net of estimated uncollectible accounts. (See Note 1 H, J and M) Because utility bills are considered liens on property, no estimated uncollectible amounts are established. Uncollectible amounts are not material for other receivables and have not been reported.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

H. Property tax revenue recognition

The City Council annually adopts a tax levy and certifies it to the County in December (levy/assessment date) of each year for collection in the following year. The County is responsible for billing and collecting all property taxes for itself, the City, the local School District and other taxing authorities. Such taxes become a lien on January 1 and are recorded as receivables by the City at that date. Real property taxes are payable (by property owners) on May 15 and October 15 of each calendar year. Personal property taxes are payable by taxpayers on February 28 and June 30 of each year. These taxes are collected by the County and remitted to the City on or before July 7 and December 2 of the same year. Delinquent collections for November and December are received the following January. The City has no ability to enforce payment of property taxes by property owners. The County possesses this authority.

Government-wide financial statements

The City recognizes property tax revenue in the period for which the taxes were levied. Uncollectible property taxes are not material and have not been reported.

Governmental fund financial statements

The City recognizes property tax revenue when it becomes both measurable and available to finance expenditures of the current period. In practice, current and delinquent taxes received by the City in July, December and January are recognized as revenue for the current year. Taxes collected by the County by December 31 and remitted to the City the following January are shown as unremitted taxes. Taxes and credits not received at year-end are classified as delinquent taxes receivable. The portion of delinquent taxes not collected by the City is fully offset by a deferred inflow of resources because they are not available to finance current expenditures.

I. Special assessment revenue recognition

Special assessments are levied against benefited properties for the cost or a portion of the cost of special assessment improvement projects in accordance with State Statutes. These assessments are collectible by the City over a term of years usually consistent with the term of the related bond issue. Collection of annual installments (including interest) is handled by the County Auditor in the same manner as property taxes. Property owners are allowed to (and often do) prepay future installments without interest or prepayment penalties. Once a special assessment roll is adopted, the amount attributed to each parcel is a lien upon that property until full payment is made or the amount is determined to be excessive by the City Council or court action. If special assessments are allowed to go delinquent, the property is subject to tax forfeit sale. Proceeds of sales from tax forfeit properties are allocated first to the County's costs of administering all tax forfeit properties. Pursuant to State Statutes, a property shall be subject to a tax forfeit sale after three years unless it is homesteaded, agricultural or seasonal recreational land in which event the property is subject to such sale after five years.

Government-wide financial statements

The City recognizes special assessment revenue in the period that the assessment roll was adopted by the City Council. Uncollectible special assessments are not material and have not been reported.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Governmental fund financial statements

Revenue from special assessments is recognized by the City when it becomes measurable and available to finance expenditures of the current fiscal period. In practice, current and delinquent special assessments received by the City are recognized as revenue for the current year. Special assessments that are collected by the County by December 31 and remitted to the City the following January (unremitted taxes) are also recognized as revenue for the current year. Special assessments due to be collected in future years are classified as noncurrent assessments receivable. All remaining delinquent and noncurrent assessments receivable in governmental funds are completely offset by deferred inflows of resources.

J. Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

K. Capital assets

Capital assets, which include property, plant, equipment and infrastructure assets, e.g., roads, bridges, sidewalks, and similar items, are reported in the applicable governmental or business type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of at least $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair market value at the date of donation. Pursuant to GASB Statement 34, in the case of the initial capitalization of general infrastructure assets, i.e., those reported by governmental activities, the City chose to include all such items regardless of their acquisition date. These assets are reported at historical cost. The City estimated historical cost for the initial reporting of these assets through backtrending - estimating the current replacement cost and utilizing an appropriate price-level index to deflate the cost to the acquisition year. As the City constructs or acquires additional infrastructure assets each period, they will be capitalized and reported at historical cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is capitalized to the value of the assets constructed. For the year ended December 31, 2012, no interest was capitalized in connection with construction in progress. Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives and are capitalized according to the following thresholds:

Assets	Life in Years
Miscellaneous office equipment, copiers, computer hardware, light trucks, mowers, attachments, other light equipment	5
Loaders, dump trucks, graders, trailers, other heavy equipment, telephone and radio systems, pumps, generators	10
Fire rigs, playground equipment, irrigation systems	20
Buildings, park shelters, fences, paved streets, sidewalks, parking lots, signs	25
Water trunks, mains, towers; sewer trunks, mains, lift stations; storm drainage trunks, mains, ponds	30

Asset Category	Value Threshold
All assets not referenced in this schedule	$ 5,000
Parking lots, sidewalks, fencing, park shelters, land improvements	25,000
Buildings and building improvements	50,000
Infrastructure improvements: water, sewer, storm drainage, streets	100,000

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

L. Compensated absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. At year-end, each employee's accrued obligation is expensed to their home department and revenue is recognized in the compensated absences internal service fund to fund the City's obligation. The compensated absences internal service fund is typically used to liquidate governmental compensated absences payable. It is assumed that these amounts will be payable only upon employees' severance from employment. Vacation and sick leave used during employees' tenure with the City is assumed to closely match the leave earned during that year. In accordance with the provisions of Statement of Government Accounting Standards No. 16, *Accounting for Compensated Absences*, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits. A liability is recognized in the internal service fund for that portion of accumulating sick leave benefits that is vested as severance pay.

M. Long-term obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary funds statement of net position. Bond premiums and discounts, as well as issuance costs, are considered immaterial and are expensed in the year of bond issuance.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

N. Fund balance classifications

In the fund financial statements, governmental funds report fund balance in classifications that disclose constraints for which amounts in those funds can be spent. These classifications are as follows:

Nonspendable - consists of amounts that are not in spendable form, such as prepaid items.

Restricted - consists of amounts related to externally imposed constraints established by creditors, grantors or contributions; or constraints imposed by State statutory provisions.

Committed - consists of internally imposed constraints. These constraints are established by Resolution of the City Council.

Assigned - consists of internally imposed constraints. These constraints reflect the specific purpose for which it is the City's intended use. These constraints are established by the City Council and/or management. Pursuant to City Council Resolution, the City Administrator is to assign fund balance that reflects the City Council's intended use of those funds and approved by motion of the City Council.

Unassigned - is the residual classification for the General fund and also reflects negative residual amounts in other funds.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City's policy is to maintain a minimum assigned fund balance of 35 percent of the next year's property tax levy for cash-flow timing needs.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

O. Interfund transactions

Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

P. Use of estimates

The preparation of financial statements in accordance with generally accepted accounting principles (GAAP) requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.

Q. Inventories

Governmental funds

The original costs of materials and supplies have been recorded as expenditures at the time of purchase. These funds do not maintain material amounts of inventories.

Proprietary funds

Inventories of the proprietary funds are stated at cost, which approximates market, using the first-in, first-out (FIFO) valuation methodology.

R. Deferred inflows of resources

In addition to liabilities, the statement of financial position and fund financial statement will sometimes reports a separate section of the deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, that qualities as needing to be reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

S. Net position

In the government-wide financial statements, net position represents the difference between assets, liabilities and deferred inflows of resources. Net position is displayed in three components:

a. Net investment in capital assets – Consists of capital assets, net of accumulated depreciation deduced by any outstanding debt attributable to acquire capital assets.
b. Restricted net position – Consist of net position balances restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.
c. Unrestricted net position – All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets".

Note 2: DETAILED NOTES ON ALL FUNDS

A. Deposits and investments

Deposits

In accordance with Minnesota Statutes, the City maintains deposits at those depository banks authorized by the City Council, all of which are members of the Federal Reserve System. Minnesota Statutes require that all City deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110 percent of the deposits not covered by insurance or bonds. Minnesota Statutes require that securities pledged as collateral be held in safekeeping by the City Treasurer or in a financial institution other than that furnishing the collateral. Authorized collateral includes the following:

a) United States government treasury bills, treasury notes, treasury bonds; b) Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity; c) General obligation securities of any state or local government with taxing powers which is rated "A" or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service; d) Unrated general obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity; e) Irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank's public debt is rated "AA" or better by Moody's Investors Service, Inc. or Standard & Poor's Corporation; and f) Time deposits that are fully insured by any Federal agency.

At December 31, 2012, the carrying amount of the City's deposits with financial institutions was insured by FDIC insurance or protected by collateral provided by the financial institution.

Note 2: DETAILED NOTES ON ALL FUNDS - CONTINUED

Investments

Minnesota Statutes authorize the City to invest in the following:

a) Direct obligations or obligations guaranteed by the United States or its agencies, its instrumentalities or organizations created by an act of congress, excluding mortgage-backed securities defined as high risk.

b) Shares of investment companies registered under the Federal Investment Company Act of 1940 and whose only investments are in securities described in (a) above, general obligation tax-exempt securities, or repurchase or reverse repurchase agreements.

c) Obligations of the State of Minnesota or any of its municipalities as follows:

1) any security which is a general obligation of any state or local government with taxing powers which is rated "A" or better by a national bond rating service;

2) any security which is a revenue obligation of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service; and

3) a general obligation of the Minnesota housing finance agency which is a moral obligation of the State of Minnesota and is rated "A" or better by a national bond rating agency.

d) Bankers acceptance of United States banks eligible for purchase by the Federal Reserve System.

e) Commercial paper issued by United States corporations or their Canadian subsidiaries, of the highest quality, and maturing in 270 days or less.

f) Repurchase or reverse repurchase agreements with banks that are members of the Federal Reserve System with capitalization exceeding $10,000,000; a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York; certain Minnesota securities broker-dealers; or, a bank qualified as a depositor.

g) General obligation temporary bonds of the same governmental entity issued under section 429.091, subdivision 7; 469.178, subdivision 5; or 475.61, subdivision 6.

Balances at December 31, 2012

		Investment maturities (in years)		
Investment Type	Fair Value	less than 1 year	between 1 and 5 yrs.	Between 6 and 10 yrs.
External investment pool - 4M Fund	$ 12,704,345	$ 12,704,345	$ -	$ -

Total investments	12,704,345
Deposits	1,129,881
Petty cash	200
Total cash and investments	$ 13,834,426

Investments for the City are reported at fair market value. The Minnesota Municipal Money Market Fund (4M) operates in accordance with appropriate State laws and regulations. The 4M fund is an external pool not registered with the Securities and Exchange Commission (SEC); however, it follows the same regulatory rules of the SEC under rule 2a7. The reported value of the pool is the same as the far value of the pool shares. Financial statement of the 4M Fund can be obtained by contacting RBC Global Asset management (U.S.) Inc. at 100 South Fifth Street, Suite 2300, Minneapolis, MN 55402-1240.

Note 2: DETAILED NOTES ON ALL FUNDS - CONTINUED

Investment risk

The City's investment policy is to follow Minnesota State Statutes as described above which reduces the City's exposure to credit, custodial credit, and interest rate risks. Specific risk information for the City is as follows:

Interest Rate Risk. The City's investment policy requires the City to diversify its investment portfolio to eliminate the risk of loss resulting from over concentration of assets in a specific maturity. The policy also states the City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.

Credit Risk. As of December 31, 2012, the City's external investment pool investment is with the 4M fund which is regulated by Minnesota Statutes and the Board of Directors of the League of Minnesota Cities. The 4M fund is an unrated 2a7-like pool and the fair value of the position in the pool is the same as the value of pool shares.

Concentration of Credit Risk. The City places no limit on the amount the City may invest in any one issuer. 97 percent of the City's cash and investments are with the 4M fund.

Custodial Credit Risk. For investments in securities, custodial credit is the risk that in the event of a failure of the counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. As of December 31, 2012, all investments of the City were insured, registered and held by the City or its agent in the City's name. Investments in mutual funds are not evidenced by securities that exist in physical or book entry form, and therefore are not subject to custodial credit risk.

B. Receivables

Significant receivables balances not expected to be collected within one year of December 31, 2012 are as follows:

	Major Fund General	Nonmajor Funds	Total
Special assessments receivable	$ 5,658	$ 269,778	$ 275,436
Delinquent property taxes receivable	189,538	4,905	194,443
Total	$ 195,196	$ 274,683	$ 469,879

Note 2: DETAILED NOTES ON ALL FUNDS - CONTINUED

C. Capital assets

In accordance with GASB Statement No. 34, the City has reported all capital assets including infrastructure in the government wide statement of net position. Capital asset activity for the year ended December 31, 2012 was as follows:

	Beginning Balance	Increases	Decrease	Transfer	Ending Balance
Governmental activities					
Capital assets, not being depreciated					
Land	$ 887,546	$ -	$ -	$ -	$ 887,546
Construction in progress	6,478,969	5,991,945	-	(2,859,355)	9,611,559
Total capital assets, not being depreciated	7,366,515	5,991,945	-	(2,859,355)	10,499,105
Capital assets, being depreciated					
Buildings and improvements	5,542,755	-	-	-	5,542,755
Park improvements	1,273,193	-	-	-	1,273,193
Departmental equipment	3,106,393	199,688	(78,361)	-	3,227,720
Streets	47,911,186	15,179	-	-	47,926,365
Storm sewers	2,012,144	-	-	-	2,012,144
Total capital assets, being depreciated	59,845,671	214,867	(78,361)	-	59,982,177
Less accumulated depreciation for					
Buildings and improvements	2,148,780	204,579	-	-	2,353,359
Park improvements	487,063	61,722	-	-	548,785
Departmental equipment	1,744,213	212,283	(78,361)	-	1,878,135
Streets	23,761,340	1,826,822	-	-	25,588,162
Storm sewers	718,990	65,396	-	-	784,386
Total accumulated depreciation	28,860,386	2,370,802	(78,361)	-	31,152,827
Total capital assets being depreciated - net	30,985,285	(2,155,935)	-	-	28,829,350
Governmental activities capital assets - net	$ 38,351,800	$ 3,836,010	$ -	$ (2,859,355)	$ 39,328,455

Note 2: DETAILED NOTES ON ALL FUNDS - CONTINUED

	Beginning Balance	Increases	Decrease	Transfer	Ending Balance
Business-type activities					
Capital assets, not being depreciated					
Land	$ 30,000	$ -	$ -	$ -	$ 30,000
Total capital assets, not being depreciated	30,000	-	-	-	30,000
Capital assets, being depreciated					
Buildings and improvements	1,480,690	-	-	-	1,480,690
Department equipment	25,000	-	-	-	25,000
Utility infrastructure	1,357,358	-	-	2,859,355	4,216,713
Total capital assets, being depreciated	2,863,048	-	-	2,859,355	5,722,403
Less accumulated depreciation for					
Buildings and improvements	724,545	131,272	-	-	855,817
Department equipment	25,000	-	-	-	25,000
Utility infrastructure	655,034	45,245	-	-	700,279
Total accumulated depreciation	1,404,579	176,517	-	-	1,581,096
Total capital assets being depreciated - net	1,458,469	(176,517)	-	2,859,355	4,141,307
Business-type activities capital assets - net	$ 1,488,469	$ (176,517)	$ -	$ 2,859,355	$ 4,171,307

Depreciation expense was charged to functions/ programs of the City as follows:

Governmental activities	
General government	$ 130,341
Public safety	134,099
Public works	1,871,960
Parks and recreation	92,387
Depreciation on capital assets held by governmental internal service activities charged to each function based on use	142,015
Total depreciation expense – governmental activities	$ 2,370,802
Business-type activities	
Water utility	$ 22,195
Sewer utility	23,050
Arena	131,272
Total depreciation expense - business-type activities	$ 176,517

Note 2: DETAILED NOTES ON ALL FUNDS - CONTINUED

D. Long-term liabilities

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital items.

Governmental activities

	Issue Date	Maturity Date	Interest Rate	Original Issue	Payable 12/31/12
Governmental Activities					
2005A Public Safety Bonds	9/15/2005	2/1/2026	2.95 - 4.30%	$ 1,900,000	$ 1,510,000
2005B G.O. Improvement Bonds	9/15/2005	2/1/2016	2.95 - 3.80%	495,000	225,000
2010C Taxable G.O. Bonds	12/15/2010	2/1/2017	3.20 - 3.45%	1,260,000	1,260,000
Total G.O. Improvement Bonds				3,655,000	2,995,000
2008A G.O. Sewer Revenue Bonds	5/1/2008	2/1/2029	3.00 - 4.70%	1,715,000	1,430,000
2010 G.O. Water Revenue Note	2/17/2010	8/20/2029	1.00%	69,190	62,589
2010A Taxable G.O. Water Revenue Bonds	12/15/2010	2/1/2040	4.50 - 7.00%	8,605,645	8,605,645
2010B Taxable G.O. Utility Revenue Bonds	12/15/2010	2/1/2040	3.10 - 7.00%	6,100,000	6,100,000
Total G.O. Revenue Bonds				16,489,835	16,198,234
Total Bonds Payables				20,144,835	19,193,234
Bond Issuance Premium				299,000	276,850
Total City Indebtedness				$ 20,443,835	$ 19,470,084

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending December 31,	Governmental Activities			
	G.O. Improvement Bonds		G.O. Revenue Bonds & Notes	
	Principal	Interest	Principal	Interest
2013	$ 135,000	$ 107,902	$ 148,000	$ 1,003,847
2014	140,000	103,020	153,000	999,023
2015	140,000	97,910	158,000	994,037
2016	845,000	81,350	228,000	987,730
2017	660,000	55,805	263,000	979,043
2018-2022	545,000	169,138	1,953,750	4,663,341
2023-2027	530,000	46,198	1,970,000	4,185,743
2028-2032	-	-	3,477,589	3,339,916
2033-2037	-	-	4,695,000	1,921,309
2038-2040	-	-	3,151,895	336,350
Total	$ 2,995,000	$ 661,323	$ 16,198,234	$ 19,410,339

Note 2: DETAILED NOTES ON ALL FUNDS - CONTINUED

Business-type activities

The following bond was issued to finance major capital facilities in the enterprise funds. They will be repaid from net future revenues from the Water fund and are backed by the taxing power of the City.

	Issue Date	Maturity Date	Interest Rate	Original Issue	Payable 12/31/12
Business-type Activities					
2010A Taxable G.O. Water Revenue Bonds	12/15/2010	2/1/2040	4.50 - 7.00%	$ 2,859,355	$ 2,859,355
Total G.O. Revenue Bonds				$ 2,859,355	$ 2,859,355

Year Ending December 31,	Business-type Activities G.O. Revenue Bonds & Notes Principal	Interest
2013	$ -	$ 191,768
2014	-	191,768
2015	-	191,768
2016	-	191,768
2017	-	191,768
2018-2022	101,250	952,301
2023-2027	290,000	898,167
2028-2032	710,000	743,592
2033-2037	1,045,000	437,647
2038-2040	713,105	76,825
Total	$ 2,859,355	$ 4,067,372

Note 2: DETAILED NOTES ON ALL FUNDS - CONTINUED

Change in long-term liabilities

Long-term liability activity for the year ended December 31, 2012, was as follows:

	Beginning Balance	Additions	Reductions	Transfers	Ending Balance Balance	Due Within One Year
Governmental Activities						
Bonds Payable						
G.O. improvement bonds	$ 3,120,000	$ -	$ (125,000)	$ -	$ 2,995,000	$ 135,000
G.O. revenue bonds & notes	19,180,589	-	(123,000)	(2,859,355)	16,198,234	148,000
Deferred amount						
Issuance premium	287,636	-	(10,786)	-	276,850	-
Total bonds payable	22,588,225	-	(258,786)	(2,859,355)	19,470,084	283,000
Compensated absences	96,430	97,794	(80,091)	-	114,133	80,100
Total governmental activity long-term debt	$ 22,684,655	$ 97,794	$ (338,877)	$ (2,859,355)	$ 19,584,217	$ 363,100
Business-type activities						
Bonds Payable						
G.O. revenue bonds	$ -	$ -	$ -	$ 2,859,355	$ 2,859,355	$ -
Business-type activities long-term debt	$ -	$ -	$ -	$ 2,859,355	$ 2,859,355	$ -

E. Revenues pledged

Bond Issue	Use of Proceeds	Revenue Pledged: Type	Revenue Pledged: Percent of Total Debt Service	Revenue Pledged: Term of Pledge	Remaining Principal and Interest	Current Year Principal and Interest Paid	Pledged Revenue Received
G.O. Improvement, 2005B	Street improvements	Special assessments	100%	2006-2015	$ 242,000	$ 59,070	$ 28,561
G.O. Sewer Revenue, 2008A	Acquisition of Sewer System	Utility revenues special assessments	86% 14%	2009-2028	1,716,180	175,510	18,500
G.O. Water Revenue Note, 2010	Infrastructure improvements	Utility Revenues	100%	2010-2029	68,490	3,656	5,000
G.O. Water Revenue, 2010A (Recovery Zone Economic Development Bonds)	Infrastructure improvements	Utility revenues Federal credit	70% 27%	2012-2040	27,734,491	767,073	425,783
G.O. Utility Revenue, 2010B (Build America Bonds)	Infrastructure improvements	Utility revenues Federal credit	80% 17%	2012-2040	13,016,139	376,563	140,796
G.O., 2010C	Infrastructure improvements	Utility revenues	88%	2013-2017	1,425,556	41,733	-

Note 3: DEFINED BENEFIT PENSION PLANS-STATEWIDE

A. Public Employees Retirement Association (PERA)

1. *Plan description*

All full-time and certain part-time employees of the City of East Bethel are covered by defined benefit plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF) and the Public Employees Police and Fire Fund (PEPFF), which are cost-sharing, multiple-employer retirement plans. These plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356.

GERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. All new members must participate in the Coordinated Plan. All police officers, fire-fighters and peace officers who qualify for membership by statute are covered by the PEPFF. PERA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by Minnesota statute, and vest after three years of credited service. The defined retirement benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service.

Two methods are used to compute benefits for PERA's Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2 percent of average salary for each of the first 10 years of service and 2.7 percent for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2 percent of average salary for each of the first 10 years and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For PEPFF members, the annuity accrual rate is 3.0 percent for each year of service. For all PEPFF members and GERF members hired prior to July 1, 1989 whose annuity is calculated using Method 1, a full annuity is available when age plus years of service equal 90. Normal retirement age is 55 for PEPFF members and 65 for Basic and Coordinated members hired prior to July 1, 1989. Normal retirement age is the age for unreduced Social Security benefits capped at 66 for Coordinated members hired on or after July 1, 1989. A reduced retirement annuity is also available to eligible members seeking early retirement.

There are different types of annuities available to members upon retirement. A single-life annuity is a lifetime annuity that ceases upon the death of the retiree--no survivor annuity is payable. There are also various types of joint and survivor annuity options available which will be payable over joint lives. Members may also leave their contributions in the fund upon termination of public service in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available at any time to members who leave public service, but before retirement benefits begin.

The benefit provisions stated in the previous paragraphs of this section are current provisions and apply to active plan participants. Vested, terminated employees who are entitled to benefits but are not receiving them yet are bound by the provisions in effect at the time they last terminated their public service.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for GERF and PEPFF. That report may be obtained on the Internet at www.mnpera.org, by writing to PERA at 60 Empire Drive #200, St. Paul, Minnesota, 55103-2088 or by calling (651) 296-7460 or (800) 652-9026.

2. *Funding policy*

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. These statutes are established and amended by the State legislature. The City makes annual contributions to the pension plans equal to the amount required by Minnesota statutes. GERF Basic Plan members and Coordinated Plan members were required to contribute 9.10 percent and 6.25 percent, respectively, of their annual covered salary in 2011. PEPFF members were required to contribute 9.60 percent of their annual covered salary in 2012. PECF members are required to contribute 5.83 percent of their annual covered salary. In 2012, the City of East Bethel was required to contribute the following percentages of annual covered payroll: 11.78 percent for Basic Plan GERF members, 7.25 percent for Coordinated Plan GERF members, and 14.40 percent for PEPFF members. The City's contributions to the General Employees Retirement Fund for the years ending December 31, 2012, 2011 and 2010 were

Note 3: DEFINED BENEFIT PENSION PLANS-STATEWIDE - CONTINUED

$74,743.14, $79,085.52, and $85,451.77, respectively. The City's contributions were equal to the contractually required contributions for each year as set by Minnesota statute.

Note 4: OTHER INFORMATION

A. Interfund receivables, payables, transfers and loans

Interfund payables and receivables are representative of lending/borrowing arrangements to cover deficit cash balances at the end of the fiscal year. Interfund receivables and payables of the City are as follows:

	Interfund Receivables	Interfund Payables
Due from/due to		
Nonmajor governmental funds		
Special revenue fund		
SAFER Grant fund	$ -	$ 20,148
Economic Development fund	2,543	-
Capital project fund		
Improvements of 2003 fund	-	3,049
Tax Increment District No. 1-1	-	2,543
Proprietary funds		
Water	-	115,508
Sewer	-	204,834
Ice Arena	-	47,197
Internal service fund		
Equipment replacement	390,736	-
	$ 393,279	$ 393,279

Interfund transfers allow the City to allocate financial resources between funds. Interfund transfers were as follows:

	Transfer In	Transfer Out
Governmental Activities		
Governmental funds		
Major Funds		
General Fund	$ -	$ 580,000
Nonmajor Funds	585,000	5,000
Total governmental funds	585,000	585,000
Total governmental activities	585,000	585,000
Total interfund transfers	$ 585,000	$ 585,000

On December 31, 2012, one interfund loan is outstanding. In 2010, the 2010A Revenue Bond fund and the 2010B Utility Revenue Bond fund borrowed $150,361 and $89,639, respectively from the Equipment Replacement fund to finance bond issuance costs. In accordance with Resolution 2010-74, the loan will be paid back in 10 years with future utility revenues. No interest will be charged.

Note 5: OTHER INFORMATION - CONTINUED

B. Deficit fund balances/net position

The City has deficit fund balances/net position at December 31, 2012 as follows:

Fund	Amount
Governmental activities	
2010B Utility Revenue Bond	$ 28,326
Improvements of 2003 fund	3,123
Tax Increment District No. 1-1	2,543

C. Risk management

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Workers compensation coverage is provided through a pooled self-insurance program through the League of Minnesota Cities Insurance Trust (LMCIT). The City pays an annual premium to the LMCIT. The City is subject to supplemental assessments if deemed necessary by the LMCIT. The LMCIT reinsures through Workers Compensation Reinsurance Association (WCRA) as required by law. For workers compensation, the City has no deductible. The City has selected the regular premium option for its coverage. Under this option, the City's premium is calculated based on City payroll, by class. The premium is adjusted by an experience modification factor, which reflects the City's previous loss experience. This option is a "fully insured" option; premium payments are the City's only liability. Property, casualty, and automobile insurance coverage are also provided through a pooled self insurance program through the LMCIT. The City pays an annual premium to the LMCIT. The City is subject to supplemental assessments if deemed necessary by the LMCIT. The LMCIT reinsures through commercial companies for claims in excess of various amounts. The City retains risk for the deductible portions. These deductibles are considered immaterial to the financial statements. The City continues to carry commercial insurance for all other risks of loss, including employee health and disability insurance. There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three fiscal years.

D. Litigation

The City attorney has indicated that existing and pending lawsuits, claims and other actions in which the City is a defendant are either covered by insurance; of an immaterial amount; or, in the judgment of the City attorney, remotely recoverable by plaintiffs.

E. Federal and State funds

The City receives financial assistance from county and state governmental agencies primarily in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the applicable fund. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements included herein or on the overall financial position of the City at December 31, 2012.

F. Construction commitments

At December 31, 2012, the City was committed under various contracts related to the construction of water and sewer infrastructure. Total contract price is approximately $13.5 million, with the remaining commitment being approximately $2.1 million. The project is financed by General Obligation Recovery Zone Economic Development Bonds and Build America Bonds.

Note 5: OTHER INFORMATION - CONTINUED

G. Deferred ad valorem tax levies - bonded debt

General obligation bond issues sold by the City are financed by ad valorem tax levies and special assessment bond issues sold by the City are partially financed by ad valorem tax levies in addition to special assessments levied against the benefiting properties. When a bond issue to be financed partially or completely by ad valorem tax levies is sold, specific annual amounts of such tax levies are stated in the bond resolution and the County Auditor is notified and instructed to levy these taxes over the appropriate years. The future tax levies are subject to cancellation when and if the City has provided alternative sources of financing. The City Council is required to levy any additional taxes found necessary for full payment of principal and interest. These future scheduled tax levies are not shown as assets in the accompanying financial statements at December 31, 2012. Future scheduled tax levies for all bonds outstanding at December 31, 2012 totaled $1,874,146.

H. Postemployment benefits

In accordance with State statute, the City provides the opportunity for retired employees to maintain insurance coverage with the City until age 65. The retired employee is responsible for 100 percent of the cost. The City does not pool insurance costs among employees; all insurance premiums are age-rated. No cross subsidy exists between different age groupings. Consequently, the City has no liability for post employment benefits. No reporting activity is necessary for the City with regard to GASB Statement No. 43 *Financial Reporting for Post Employment Benefit Plans Other Than Pension Plans or* GASB Statement No. 45 *Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pension Plans.*

Note 6: COMPONENTS OF FUND BALANCE

At December 31, 2012, portions of the city's fund balance are not available for appropriation because amounts are not in spendable form (Nonspendable), are not available due to legal restrictions (Restricted), City Council policy and /or intent (Assigned). The following is a summary of the components of fund balance:

	General Fund	Water Infrastructure Fund	Utility Infrastructure Fund	Other Governmental Funds	Total
Fund Balances					
Nonspendable					
Prepayments	$ 1,214	$ -	$ -	$ -	$ 1,214
Total Nonspendable	$ 1,214	$ -	$ -	$ -	$ 1,214
Restricted					
Water Infrastructure Construction	$ -	$ 4,532,523	$ -	$ -	$ 4,532,523
Utility Infrastructure Construction	-	-	1,737,128	-	1,737,128
Debt Service Fund	-	-	-	616,996	616,996
Recycling	-	-	-	29,665	29,665
Donations	-	-	-	6,848	6,848
Housing and Redevelopment Authority	-	-	-	799,517	799,517
Economic Development Authority	-	-	-	36,064	36,064
Park Development	-	-	-	26,047	26,047
Municipal State Aid Streets	-	-	-	219,448	219,448
Total Restricted	$ -	$ 4,532,523	$ 1,737,128	$ 1,734,585	$ 8,004,236
Assigned to					
Park Capital Projects	$ -	$ -	$ -	$ 222,464	$ 222,464
Street Capital Projects	-	-	-	679,224	679,224
Other Capital Projects	-	-	-	91,097	91,097
Total Assigned	$ -	$ -	$ -	$ 992,785	$ 992,785

Note 7: ACCOUNTING CHANGE

During fiscal year 2012, the City implemented several new accounting pronouncements issued by the Governmental Accounting Standards Board (GAB), including Statement No. 63, *"Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position"* and Statement No. 65, *"Items Previously Reported as Assets and Liabilities"*. These standards required a retroactive implementation which resulted in the restatement of beginning balances in the December 31, 2012 financial statements. Changes related to these standards are reflected in the finance statements and schedules and related disclosures are included in Note 1.

As a result of the restatement of beginning balances, the following schedule reconciles the previously reported December 31, 2010 balances to the December 31, 2012 financial statements:

Activities/Fund	Net Position December 31, 2010 as Previously Reported	(1) Restatement	Net Position January 1, 2011 as Restated
Governmental activities	$ 36,664,637	$ (624,838)	$ 36,039,799

(1) Write-off of unamortized bond issuance cost balances at December 31, 2010.

Activities/Fund	Net Position December 31, 2011 as Previously Reported	(2) Restatement	Net Position January 1, 2012 as Restated
Governmental activities	$ 34,917,595	$ (599,430)	$ 34,318,165

(2) Write-off of unamortized bond issuance cost balances at December 31, 2011.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2012

CITY OF EAST BETHEL, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND - CONTINUED ON THE FOLLOWING PAGES
FOR THE YEAR ENDED DECEMBER 31, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUE				
Taxes	$ 4,191,470	$ 4,191,470	$ 4,225,660	$ 34,190
Licenses and permits	117,350	117,350	144,895	27,545
Intergovernmental				
Other aid	228,648	228,648	230,565	1,917
Charges for services	121,830	121,830	153,840	32,010
Fines and forfeitures	58,100	58,100	52,870	(5,230)
Investment income	5,000	5,000	2,100	(2,900)
Franchise fees	35,000	35,000	40,227	5,227
Refunds and reimbursements	38,500	38,500	49,385	10,885
TOTAL REVENUES	4,795,898	4,795,898	4,899,542	103,644
EXPENDITURES				
General government				
Mayor and Council				
Current				
Personal services	33,526	33,526	31,701	1,825
Other charges	52,078	52,078	44,306	7,772
Total Mayor and Council	85,604	85,604	76,007	9,597
Elections				
Current				
Materials and supplies	200	200	277	(77)
Contractual services	10,991	10,991	8,432	2,559
Total elections	11,191	11,191	8,709	2,482
Planning and zoning				
Current				
Personal services	192,134	192,134	151,902	40,232
Materials and supplies	150	150	758	(608)
Contractual services	16,958	16,958	16,601	357
Total planning and zoning	209,242	209,242	169,261	39,981
Administration/support				
Current				
Personal services	511,248	511,248	512,073	(825)
Materials and supplies	500	500	411	89
Contractual services	29,120	29,120	22,821	6,299
Total administration/support	540,868	540,868	535,305	5,563

CITY OF EAST BETHEL, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Expenditures - continued				
General government - continued				
General government buildings				
Current				
Materials and supplies	$ 4,200	$ 4,200	$ 2,177	$ 2,023
Contractual services	42,060	42,060	39,762	2,298
Total current	46,260	46,260	41,939	4,321
Capital outlay	-	-	5,167	(5,167)
Total general government buildings	46,260	46,260	47,106	(846)
Miscellaneous				
Current				
Contractual services	250,500	258,000	232,727	25,273
Total general government	1,143,665	1,151,165	1,069,115	82,050
Public safety				
Fire protection				
Current				
Personal services	296,966	296,966	297,568	(602)
Materials and supplies	38,875	38,875	32,919	5,956
Contractual services	187,750	187,750	168,895	18,855
Total current	523,591	523,591	499,382	24,209
Capital outlay	16,000	16,000	11,764	4,236
Total fire protection	539,591	539,591	511,146	28,445
Police protection				
Current				
Contractual services	959,272	960,772	959,924	848
Building inspection				
Current				
Personal services	175,437	166,437	112,620	53,817
Materials and supplies	3,390	3,390	5,183	(1,793)
Contractual services	10,005	10,005	21,609	(11,604)
Total building inspection	188,832	179,832	139,412	40,420
Total public safety	1,687,695	1,680,195	1,610,482	69,713

CITY OF EAST BETHEL, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Expenditures - continued				
Public works				
Street maintenance				
Current				
Personal services	$ 372,027	$ 372,027	$ 380,401	$ (8,374)
Materials and supplies	126,560	126,560	130,093	(3,533)
Contractual services	234,000	234,000	209,426	24,574
Total public works	732,587	732,587	719,920	12,667
Parks and recreation				
Current				
Personal services	311,230	311,230	301,467	9,763
Materials and supplies	42,000	42,000	36,715	5,285
Contractual services	50,550	50,550	37,885	12,665
Total parks and recreation	403,780	403,780	376,067	27,713
Miscellaneous				
Current				
Materials and supplies	9,500	9,500	9,044	456
Contractual services	191,926	191,926	167,424	24,502
Total miscellaneous	201,426	201,426	176,468	24,958
TOTAL EXPENDITURES	4,169,153	4,169,153	3,952,052	217,101
EXCESS REVENUE OVER EXPENDITURES	626,745	626,745	947,490	320,745
OTHER FINANCING USES				
Transfers out	(580,000)	(580,000)	(580,000)	-
NET CHANGE IN FUND BALANCE	46,745	46,745	367,490	320,745
FUND BALANCE, JANUARY 1	2,254,404	2,254,404	2,254,404	-
FUND BALANCE, DECEMBER 31	$ 2,301,149	$ 2,301,149	$ 2,621,894	$ 320,745

Note 1: Budgetary reporting

A. The schedule

The budgetary comparison schedule presents the comparison of the original and legally amended budget with actual amounts on a departmental level for the General fund. The departmental level budgets are adopted on a basis with generally accepted accounting principles.

B. Summary of significant budget procedures

The City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. The City Council reviews the proposed budget and makes appropriate changes. Public meetings are conducted to obtain taxpayer comments. Minnesota State Law requires that the preliminary budget and proposed tax levy be approved by the City Council prior to September 15 of each year. State statues require the preliminary property and proposed tax levy be certified to the County Auditor by September 15. Once the City adopts the proposed tax levy, the final tax levy can be decreased, but not increased, over the certified proposed tax levy. The City Council is required to adopt the final tax levy and submit the levy to the County Auditor by December 28. The budget is legally enacted through passage of a resolution on a departmental basis for the General fund.

C. Budget amendments

Interdepartmental, intradepartmental or interfund appropriations and deletions are authorized by the City Council with fund contingency reserves or additional revenues. The City Council may authorize transfer of budgeted amounts between City funds. The City Council made no supplemental budgetary appropriations throughout the year.

D. Budgetary compliance

The legal level of budgetary control is at the department level for the General fund. Monitoring of budgets is maintained at the expenditure category level (i.e., personal services; materials and supplies; contractual services; and capital outlay) within each program. All amounts over budget were approved by the City Council through the disbursement process.

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COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES

CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2012

CITY OF EAST BETHEL, MINNESOTA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2012

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
ASSETS				
Cash and investments	$ 858,346	$ 828,093	$ 1,186,353	$ 2,872,792
Taxes receivable	6,430	-	-	6,430
Accounts receivable	-	-	1,440	1,440
Due from other funds	2,543	-	-	2,543
Due from other governments	62,442	-	-	62,442
Special assessments receivable	-	232,482	37,338	269,820
Accrued interest and other receivables	-	614	-	614
TOTAL ASSETS	$ 929,761	$ 1,061,189	$ 1,225,131	$ 3,216,081
LIABILITIES				
Accounts and contracts payable	$ 32,614	$ 37	$ 149,958	$ 182,609
Due to other funds	20,148	-	5,592	25,740
Interfund loan	-	240,000	-	240,000
Unearned revenue - other	-	-	19,119	19,119
TOTAL LIABILITIES	52,762	240,037	174,669	467,468
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	4,905	-	-	4,905
Unavailable revenue - special assessments	-	232,482	37,296	269,778
TOTAL DEFERRED INFLOWS OF RESOURCES	4,905	232,482	37,296	274,683
FUND BALANCES				
Restricted	872,094	616,996	26,047	1,515,137
Assigned	-	-	992,785	992,785
Unassigned	-	(28,326)	(5,666)	(33,992)
TOTAL FUND BALANCES	872,094	588,670	1,013,166	2,473,930
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 929,761	$ 1,061,189	$ 1,225,131	$ 3,216,081

CITY OF EAST BETHEL, MINNESOTA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2012

Statement 11

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
REVENUES				
General property taxes	$ 162,472	$ 305,328	$ -	$ 467,800
Special assessments	-	46,625	23,227	69,852
Intergovernmental	127,975	476,979	-	604,954
Investment income	1,187	16,586	2,069	19,842
Other	7,459	89,600	10,479	107,538
TOTAL REVENUES	299,093	935,118	35,775	1,269,986
EXPENDITURES				
Current				
General government	53,173	-	-	53,173
Public safety	69,283	-	-	69,283
Public works	-	-	222,860	222,860
Parks and recreation	2,080	-	39,175	41,255
Economic Development	122,968	-	2,543	125,511
Capital outlay	15,032	-	780,374	795,406
Principal and debt extinguishment	-	248,000	-	248,000
Interest and fiscal charges	-	1,317,032	16	1,317,048
TOTAL EXPENDITURES	262,536	1,565,032	1,044,968	2,872,536
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	36,557	(629,914)	(1,009,193)	(1,602,550)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	5,000	580,000	585,000
Transfers out	-	-	(5,000)	(5,000)
TOTAL OTHER FINANCING SOURCES (USES)	-	5,000	575,000	580,000
NET CHANGE IN FUND BALANCES	36,557	(624,914)	(434,193)	(1,022,550)
FUND BALANCE, JANUARY 1	835,537	1,213,584	1,447,359	3,496,480
FUND BALANCE, DECEMBER 31	$ 872,094	$ 588,670	$ 1,013,166	$ 2,473,930

CITY OF EAST BETHEL, MINNESOTA
NONMAJOR SPECIAL REVENUE FUNDS
SUBCOMBINING BALANCE SHEET
DECEMBER 31, 2012

	Recycling Fund	Miscellaneous Grants/ Donations Fund	SAFER Grant Fund	HRA Fund
ASSETS				
Cash and investments	$ 13,358	$ 6,848	$ -	$ 796,961
Taxes receivable	-	-	-	1,063
Due from other funds	-	-	-	2,543
Due from other governments	41,432	-	21,010	-
TOTAL ASSETS	$ 54,790	$ 6,848	$ 21,010	$ 800,567
LIABILITIES				
Accounts and contracts payable	$ 25,125	$ -	$ 862	$ -
Due to other funds	-	-	20,148	-
TOTAL LIABILITIES	25,125	-	21,010	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	1,050
FUND BALANCES				
Restricted	29,665	6,848	-	799,517
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 54,790	$ 6,848	$ 21,010	$ 800,567

EDA Fund	Totals Nonmajor Special Revenue Funds
$ 41,179	$ 858,346
5,367	6,430
-	2,543
-	62,442
$ 46,546	$ 929,761
$ 6,627	$ 32,614
-	20,148
6,627	52,762
3,855	4,905
36,064	872,094
$ 46,546	$ 929,761

CITY OF EAST BETHEL, MINNESOTA
NONMAJOR SPECIAL REVENUE FUNDS
SUBCOMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2012

	Recycling Fund	Miscellaneous Grants/ Donations Fund	SAFER Grant Fund	HRA Fund
REVENUES				
Taxes	$ -	$ -	$ -	$ 2,484
Intergovernmental	59,428	-	68,547	-
Interest income	-	-	-	1,187
Other	2,329	5,130	-	-
TOTAL REVENUES	61,757	5,130	68,547	3,671
EXPENDITURES				
Current				
General government	37,151	1,022	-	15,000
Public safety	-	736	68,547	-
Parks and recreation	-	2,080	-	-
Economic Development	-	-	-	-
Capital outlay	15,032	-	-	-
TOTAL EXPENDITURES	52,183	3,838	68,547	15,000
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	9,574	1,292	-	(11,329)
NET CHANGE IN FUND BALANCE	9,574	1,292	-	(11,329)
FUND BALANCE, JANUARY 1	20,091	5,556	-	810,846
FUND BALANCE, DECEMBER 31	$ 29,665	$ 6,848	$ -	$ 799,517

EDA Fund	Totals Nonmajor Special Revenue Funds
$ 159,988	$ 162,472
-	127,975
-	1,187
-	7,459
159,988	299,093
-	53,173
-	69,283
-	2,080
122,968	122,968
-	15,032
122,968	262,536
37,020	36,557
37,020	36,557
(956)	835,537
$ 36,064	$ 872,094

CITY OF EAST BETHEL, MINNESOTA
NONMAJOR DEBT SERVICE FUNDS
SUBCOMBINING BALANCE SHEET
DECEMBER 31, 2012

	2005 Public Safety Bond	2005B Street Improvement Debt	2008A Sewer Revenue Bond
ASSETS			
Cash and investments	$ 176,039	$ 302,596	$ 1,238
Noncurrent special assessments	-	72,482	160,000
Accrued interest receivable	-	-	-
TOTAL ASSETS	$ 176,039	$ 375,078	$ 161,238
LIABILITIES			
Accounts payable	$ -	$ -	$ 37
Internal loan	-	-	-
TOTAL LIABILITIES	-	-	37
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - special assessments	-	72,482	160,000
FUND BALANCES			
Restricted	176,039	302,596	1,201
Unassigned	-	-	-
TOTAL FUND BALANCES	176,039	302,596	1,201
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 176,039	$ 375,078	$ 161,238

2010 Water Revenue Note	2010A Revenue Bond	2010B Utility Revenue Bond	2010C Bond	Totals Debt Service Funds
$ 2,750	$ 158,153	$ 61,313	$ 126,004	$ 828,093
-	-	-	-	232,482
-	614	-	-	614
$ 2,750	$ 158,767	$ 61,313	$ 126,004	$ 1,061,189
$ -	$ -	$ -	$ -	$ 37
-	150,361	89,639	-	240,000
-	150,361	89,639	-	240,037
-	-	-	-	232,482
2,750	8,406	-	126,004	616,996
-	-	(28,326)	-	(28,326)
2,750	8,406	(28,326)	126,004	588,670
$ 2,750	$ 158,767	$ 61,313	$ 126,004	$ 1,061,189

CITY OF EAST BETHEL, MINNESOTA
NONMAJOR DEBT SERVICE FUNDS
SUBCOMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2012

	2005 Public Safety Bond	2005B Street Improvement Debt	2008A Sewer Revenue Bond	2010 Water Revenue Note
REVENUES				
Property taxes	$ 147,328	$ -	$ 158,000	$ -
Special assessments	-	28,125	18,500	-
Intergovernmental	-	-	-	-
Investment income	142	436	-	-
Other	-	-	-	-
TOTAL REVENUES	147,470	28,561	176,500	-
EXPENDITURES				
Current				
Principal	75,000	50,000	120,000	3,000
Interest and fiscal charges	61,990	9,472	55,972	656
TOTAL EXPENDITURES	136,990	59,472	175,972	3,656
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	10,480	(30,911)	528	(3,656)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	5,000
NET CHANGE IN FUND BALANCES	10,480	(30,911)	528	1,344
FUND BALANCE, JANUARY 1	165,559	333,507	673	1,406
FUND BALANCE, DECEMBER 31	$ 176,039	$ 302,596	$ 1,201	$ 2,750

2010A Revenue Bond	2010B Utility Revenue Bond	2010C Bond	Total Debt Service Funds
$ -	$ -	$ -	$ 305,328
-	-	-	46,625
345,183	131,796	-	476,979
7,581	4,345	4,082	16,586
80,600	9,000	-	89,600
433,364	145,141	4,082	935,118
-	-	-	248,000
768,264	377,754	42,924	1,317,032
768,264	377,754	42,924	1,565,032
(334,900)	(232,613)	(38,842)	(629,914)
-	-	-	5,000
(334,900)	(232,613)	(38,842)	(624,914)
343,306	204,287	164,846	1,213,584
$ 8,406	$ (28,326)	$ 126,004	$ 588,670

CITY OF EAST BETHEL, MINNESOTA
NONMAJOR CAPITAL PROJECTS FUNDS
SUBCOMBINING BALANCE SHEET
DECEMBER 31, 2012

	Park Acquisition Fund	Park Trails Fund	Minard Street Fund	Improvements of 2003 Fund
ASSETS				
Cash and investments	$ 26,047	$ 146,044	$ 19,696	$ -
Accounts receivable	-	-	-	-
Special assessments receivable				
Unremitted	-	-	-	-
Delinquent	-	-	-	1,544
Noncurrent	-	-	-	20,033
TOTAL ASSETS	$ 26,047	$ 146,044	$ 19,696	$ 21,577
LIABILITIES				
Accounts payable	$ -	$ -	$ -	$ 74
Contracts payable	-	-	-	-
Due to other funds	-	-	-	3,049
Unearned revenue - other	-	-	-	-
TOTAL LIABILITIES	-	-	-	3,123
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - special assessments	-	-	-	21,577
FUND BALANCES				
Restricted	26,047	-	-	-
Assigned	-	146,044	19,696	-
Unassigned	-	-	-	(3,123)
TOTAL FUND BALANCES	26,047	146,044	19,696	(3,123)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 26,047	$ 146,044	$ 19,696	$ 21,577

Street Capital Fund	Park Capital Fund	Utility Improvement Fund	Building Fund	Lunde/Jewell Street Fund	Tax Increment District No. 1-1	Totals Nonmajor Capital Projects Funds
$ 768,980	$ 76,420	$ 19,091	$ 89,685	$ 40,390	$ -	$ 1,186,353
-	-	1,440	-	-	-	1,440
42	-	-	-	-	-	42
1,430	-	625	-	-	-	3,599
6,474	-	-	-	7,190	-	33,697
$ 776,926	$ 76,420	$ 21,156	$ 89,685	$ 47,580	$ -	$ 1,225,131
$ 115,347	$ -	$ -	$ -	$ 37	$ -	115,458
34,500	-	-	-	-	-	34,500
-	-	-	-	-	2,543	5,592
-	-	19,119	-	-	-	19,119
149,847	-	19,119	-	37	2,543	174,669
7,904	-	625	-	7,190	-	37,296
-	-	-	-	-	-	26,047
619,175	76,420	1,412	89,685	40,353	-	992,785
-	-	-	-	-	(2,543)	(5,666)
619,175	76,420	1,412	89,685	40,353	(2,543)	1,013,166
$ 776,926	$ 76,420	$ 21,156	$ 89,685	$ 47,580	$ -	$ 1,225,131

CITY OF EAST BETHEL, MINNESOTA
NONMAJOR CAPITAL PROJECTS FUNDS
SUBCOMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2012

	Park Acquisition Fund	Park Trails Fund	Minard Street Fund	Improvements of 2003 Fund
REVENUES				
Special assessments	$ -	$ -	$ -	$ 9,898
Investment income	39	213	29	-
Donations	-	-	-	-
Other	-	-	-	-
TOTAL REVENUES	39	213	29	9,898
EXPENDITURES				
Current				
Public works	-	-	-	74
Parks and recreation	-	685	-	-
Economic Development	-	-	-	-
Capital outlay	-	-	-	-
Interest and fiscal charges	-	-	-	16
TOTAL EXPENDITURES	-	685	-	90
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	39	(472)	29	9,808
OTHER FINANCING SOURCES (USES)				
Transfers in	-	5,000	-	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	5,000	-	-
NET CHANGE IN FUND BALANCES	39	4,528	29	9,808
FUND BALANCE, JANUARY 1	26,008	141,516	19,667	(12,931)
FUND BALANCE, DECEMBER 31	$ 26,047	$ 146,044	$ 19,696	$ (3,123)

Street Capital Fund	Park Capital Fund	Utility Improvement Fund	Building Fund	Lunde/Jewell Street Fund	Tax Increment District No. 1-1	Totals Nonmajor Capital Projects Funds
$ 7,892	$ -	$ -	$ -	$ 5,437	$ -	$ 23,227
1,584	39	36	75	54	-	2,069
-	300	-	-	-	-	300
-	4,764	5,415	-	-	-	10,179
9,476	5,103	5,451	75	5,491	-	35,775
222,749	-	-	-	37	-	222,860
-	38,490	-	-	-	-	39,175
-	-	-	-	-	2,543	2,543
774,905	5,469	-	-	-	-	780,374
-	-	-	-	-	-	16
997,654	43,959	-	-	37	2,543	1,044,968
(988,178)	(38,856)	5,451	75	5,454	(2,543)	(1,009,193)
425,000	100,000	-	50,000	-	-	580,000
-	-	(5,000)	-	-	-	(5,000)
425,000	100,000	(5,000)	50,000	-	-	575,000
(563,178)	61,144	451	50,075	5,454	(2,543)	(434,193)
1,182,353	15,276	961	39,610	34,899	-	1,447,359
$ 619,175	$ 76,420	$ 1,412	$ 89,685	$ 40,353	$ (2,543)	$ 1,013,166

CITY OF EAST BETHEL, MINNESOTA

Statement 18

SPECIAL REVENUE FUND - RECYCLING FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUE				
Intergovernmental	$ 30,721	$ 30,721	$ 59,428	$ 28,707
Miscellaneous revenues	2,000	2,000	2,329	329
TOTAL REVENUE	32,721	32,721	61,757	29,036
EXPENDITURES				
Current				
General government	32,721	32,721	37,151	(4,430)
Capital outlay	-	-	15,032	(15,032)
TOTAL EXPENDITURES	32,721	32,721	52,183	(19,462)
NET CHANGE IN FUND BALANCE	-	-	9,574	9,574
FUND BALANCE, JANUARY 1	20,091	20,091	20,091	-
FUND BALANCE, DECEMBER 31	$ 20,091	$ 20,091	$ 29,665	$ 9,574

CITY OF EAST BETHEL, MINNESOTA

Statement 19

SPECIAL REVENUE FUND - SAFER GRANT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUE				
Intergovernmental	$ 90,750	$ 90,750	$ 68,547	$ (22,203)
TOTAL REVENUE	90,750	90,750	68,547	(22,203)
EXPENDITURES				
Current				
Public safety	90,750	90,750	68,547	22,203
TOTAL EXPENDITURES	90,750	90,750	68,547	22,203
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE, JANUARY 1	-	-	-	-
FUND BALANCE, DECEMBER 31	$ -	$ -	$ -	$ -

CITY OF EAST BETHEL, MINNESOTA

Statement 20

SPECIAL REVENUE FUND - HRA FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUE				
Taxes	$ -	$ -	$ 2,484	$ 2,484
Interest Income	-	-	1,187	1,187
TOTAL REVENUE	-	-	3,671	3,671
EXPENDITURES				
Current				
General Government	37,100	37,100	15,000	22,100
NET CHANGE IN FUND BALANCE	(37,100)	(37,100)	(11,329)	25,771
FUND BALANCE, JANUARY 1	810,846	810,846	810,846	-
FUND BALANCE, DECEMBER 31	$ 773,746	$ 773,746	$ 799,517	$ 25,771

CITY OF EAST BETHEL, MINNESOTA

Statement 21

SPECIAL REVENUE FUND - EDA FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUE				
Taxes	$ 163,428	$ 163,428	$ 159,988	$ (3,440)
EXPENDITURES				
Current				
Economic development	140,940	140,940	122,968	17,972
NET CHANGE IN FUND BALANCE	22,488	22,488	37,020	14,532
FUND BALANCE, JANUARY 1	(956)	(956)	(956)	-
FUND BALANCE, DECEMBER 31	$ 21,532	$ 21,532	$ 36,064	$ 14,532

CITY OF EAST BETHEL, MINNESOTA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
DECEMBER 31, 2012

	Compensated Absences	Equipment Replacement	Total Internal Service Funds
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	$ 113,334	$ 1,488,075	$ 1,601,409
Accounts receivable	799	405	1,204
Due from other funds	-	390,736	390,736
Interfund loan	-	240,000	240,000
Prepaid items	-	37,180	37,180
TOTAL CURRENT ASSETS	114,133	2,156,396	2,270,529
NONCURRENT ASSETS			
Capital assets			
Machinery and equipment	-	1,603,865	1,603,865
Less accumulated depreciation	-	(536,187)	(536,187)
Net capital assets	-	1,067,678	1,067,678
TOTAL ASSETS	114,133	3,224,074	3,338,207
LIABILITIES			
CURRENT LIABILITIES			
Compensated absences - current portion	80,100	-	80,100
NONCURRENT LIABILITIES			
Compensated absences payable - noncurrent portion	34,033	-	34,033
TOTAL LIABILITIES	114,133	-	114,133
NET POSITION			
Net investment in capital assets	-	1,067,678	1,067,678
Unrestricted	-	2,156,396	2,156,396
TOTAL NET POSITION	$ -	$ 3,224,074	$ 3,224,074

CITY OF EAST BETHEL, MINNESOTA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Compensated Absences	Equipment Replacement	Totals Internal Service Funds
OPERATING REVENUES			
Departmental billings	$ 17,703	$ 262,200	$ 279,903
Franchise Fees	-	4,736	4,736
Donations/refunds	-	7,890	7,890
			-
TOTAL OPERATING REVENUES	17,703	274,826	292,529
OPERATING EXPENSES			
Wages and fringe benefits	17,703	-	17,703
Supplies	-	1,747	1,747
Depreciation	-	142,015	142,015
TOTAL OPERATING EXPENSES	17,703	143,762	161,465
OPERATING INCOME	-	131,064	131,064
NONOPERATING REVENUES			
Sale of capital assets	-	5,312	5,312
Investment income	-	2,704	2,704
			-
TOTAL NONOPERATING REVENUES	-	8,016	8,016
CHANGE IN NET ASSETS	-	139,080	139,080
NET POSITION, JANUARY 1	-	3,084,994	3,084,994
NET POSITION, DECEMBER 31	$ -	$ 3,224,074	$ 3,224,074

CITY OF EAST BETHEL, MINNESOTA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Compensated Absences	Equipment Replacement	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	$ 20,136	$ 274,799	$ 294,935
Payment to suppliers	-	(38,927)	(38,927)
NET CASH FLOWS FROM OPERATING ACTIVITIES	20,136	235,872	256,008
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Decrease in due from other funds	-	219,273	219,273
NET CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	-	219,273	219,273
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from capital equipment sales	-	5,312	5,312
Capital equipment purchase	-	(162,257)	(162,257)
NET CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	-	(156,945)	(156,945)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income	-	2,704	2,704
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	20,136	300,904	321,040
CASH AND CASH EQUIVALENTS, JANUARY 1	93,198	1,187,171	1,280,369
CASH AND CASH EQUIVALENTS, DECEMBER 31	$ 113,334	$ 1,488,075	$ 1,601,409
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income	$ -	$ 131,064	$ 131,064
Adjustments to reconcile operating income to net cash flows from operating activities			
Depreciation expense	-	142,015	142,015
Change in assets and liabilities			
Decrease (increase) in receivables	2,433	(27)	2,406
Increase in prepayments	-	(37,180)	(37,180)
Decrease in accounts payable	17,703	-	17,703
TOTAL ADJUSTMENTS	20,136	104,808	124,944
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 20,136	$ 235,872	$ 256,008

CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA

MANAGEMENT LETTER

FOR THE YEAR ENDED
DECEMBER 31, 2012

ABDO EICK & MEYERS LLP
Certified Public Accountants & Consultants

CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA

MANAGEMENT LETTER

FOR THE YEAR ENDED
DECEMBER 31, 2012

ABDO EICK & MEYERS LLP
Certified Public Accountants & Consultants

5201 Eden Avenue
Suite 250
Edina, MN 55436

May 29, 2013

Management, Honorable Mayor and City Council
City of East Bethel, Minnesota

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of East Bethel, Minnesota (the City), for the year ended December 31, 2012. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated November 23, 2012. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibility Under Auditing Standards Generally Accepted in the United States of America and *Government Auditing Standards*

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. As part of our audit, we considered the internal control of the City. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Significant Audit Findings

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However providing an opinion on compliance with those provisions was not an objective of our audit. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the City's compliance with those requirements. We noted no instances of noncompliance that are required to be reported under *Government Auditing Standards* or Minnesota statutes.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. The requirements of GASB statements No. 63 and 65 were adopted for the year ended December 31, 2012. The application of existing policies was not changed during the year. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were depreciation on capital assets and allocation of payroll and compensated absences.

- Management's estimate of depreciation is based on estimated useful lives of the assets. Depreciation is calculated using the straight-line method.

- Allocations of gross wages and payroll benefits are approved by City Council within the City's budget and are derived from each employee's estimated time to be spent servicing the respective functions of the City. These allocations are also used in allocating accrued compensated absences payable.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.
In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 29, 2013.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

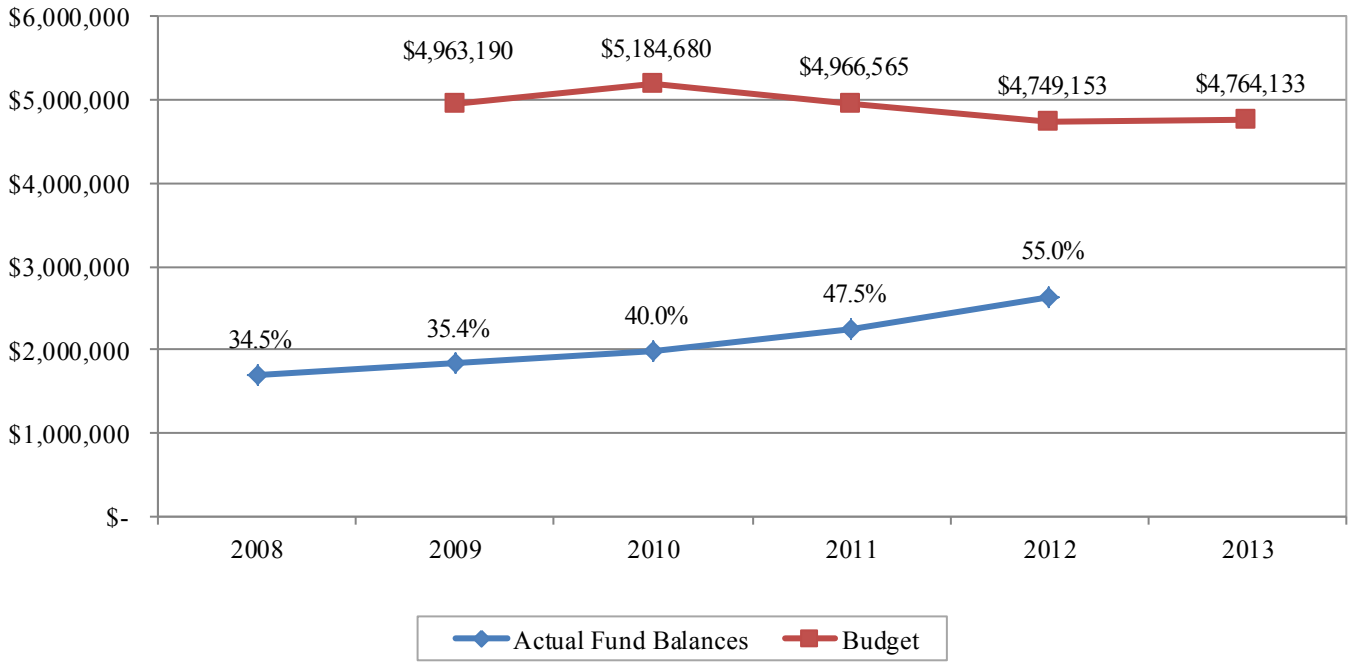
Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

A table summarizing the General fund balance in relation to budgeted expenditures and transfers out follows:

Year	Fund Balance December 31	Budget Year	General Fund Budget	Percent of Fund Balance to Budget
2008	$ 1,710,083	2009	4,963,190	34.5 %
2009	1,836,527	2010	5,184,680	35.4
2010	1,984,749	2011	4,966,565	40.0
2011	2,254,404	2012	4,749,153	47.5
2012	2,621,894	2013	4,764,133	55.0

Fund Balance as a Percent of Next Year's Budgeted Expenditures and Transfers Out



We have compiled a peer group average derived from information we request from the Office of the State Auditor for Cities of the 3rd class which have populations of 10,000-20,000. In 2010 and 2011, the average General fund balance as a percentage of expenditures was 54 percent and 76, percent, respectively. Based on comparison to the peer groups, the City's General fund balance is below the average.

The 2012 General fund operations are summarized as follows:

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues	$ 4,795,898	$ 4,899,542	$ 103,644
Expenditures	4,169,153	3,952,052	217,101
Excess of revenues over expenditures	626,745	947,490	320,745
Other financing uses			
Transfers out	(580,000)	(580,000)	-
Net change in fund balances	46,745	367,490	320,745
Fund balances, January 1	2,254,404	2,254,404	-
Fund balances, December 31	$ 2,301,149	$ 2,621,894	$ 320,745

The City's budget was not amended in 2012 and called for no change in ending fund balance. A more detailed summary of the budget variances is as follows:

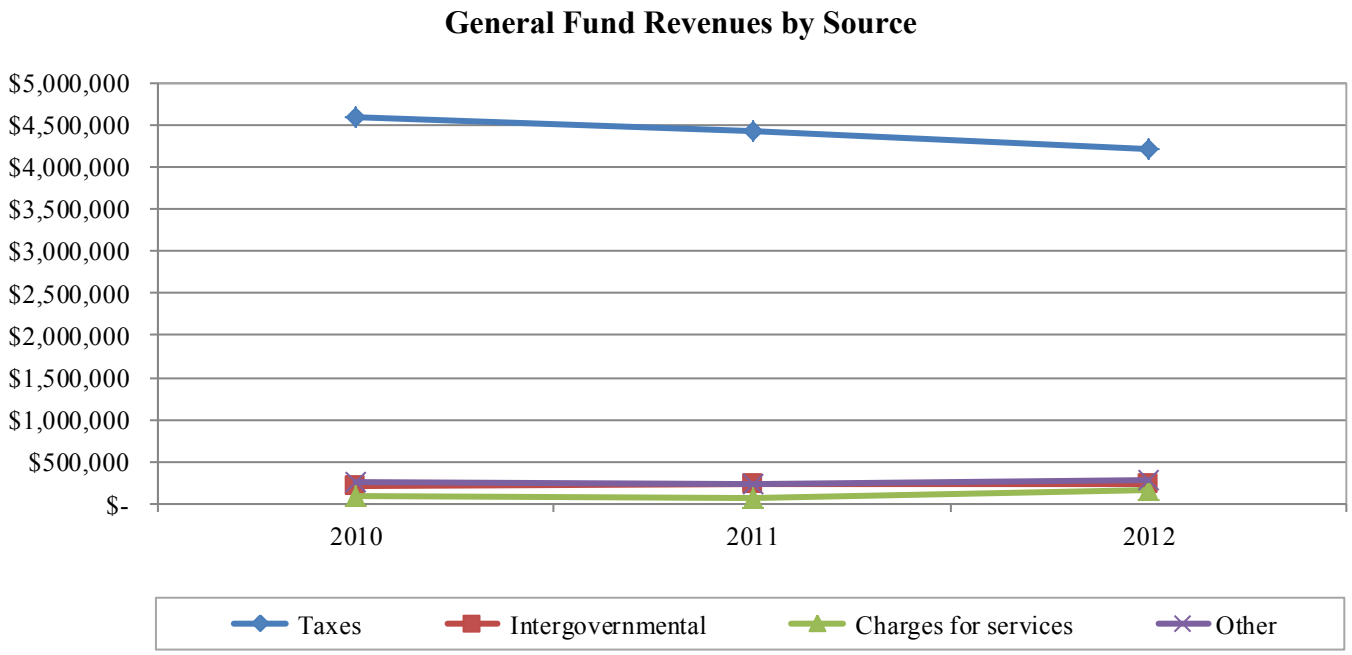
- Revenues were in excess of budget by $103,644 mainly due to taxes, charges for services, and licenses and permits which were in excess of budget by $34,190, $32,010, and $27,545, respectively.

- Expenditures were under budget by $217,101. The largest variances were in general government, public safety, and miscellaneous which were $82,050, $69,713, and $24,958 under budget, respectively. The general government variance was mostly due to personal services in planning ($40,232) and miscellaneous contractual services ($25,273). For the public safety area, the variance was mostly created because of personal services, part of building inspections, by $53,817 and contractual services, part of fire protection, by $18,855. Contractual services of $24,502 was a large part of the variance for miscellaneous.

A comparison of General fund among 2010, 2011, and 2012 revenues are presented below:

Source	2010	2011	2012	Percent of Total	Per Capita
Taxes	$ 4,583,900	$ 4,428,762	$ 4,225,660	86.3 %	$ 359
Licenses and permits	106,387	109,366	144,895	3.0	12
Intergovernmental	210,639	239,189	230,565	4.7	20
Charges for services	88,133	75,010	153,840	3.1	13
Fines and forfeitures	58,519	49,792	52,870	1.1	4
Investment income	3,982	1,586	2,100	-	-
Franchise fees	35,945	37,874	40,227	0.8	3
Miscellaneous	42,960	40,836	49,385	1.0	4
Total revenues and transfers	$ 5,130,465	$ 4,982,415	$ 4,899,542	100.0 %	$ 415

A graphical presentation of 2010, 2011, and 2012 revenues and transfers in follows:

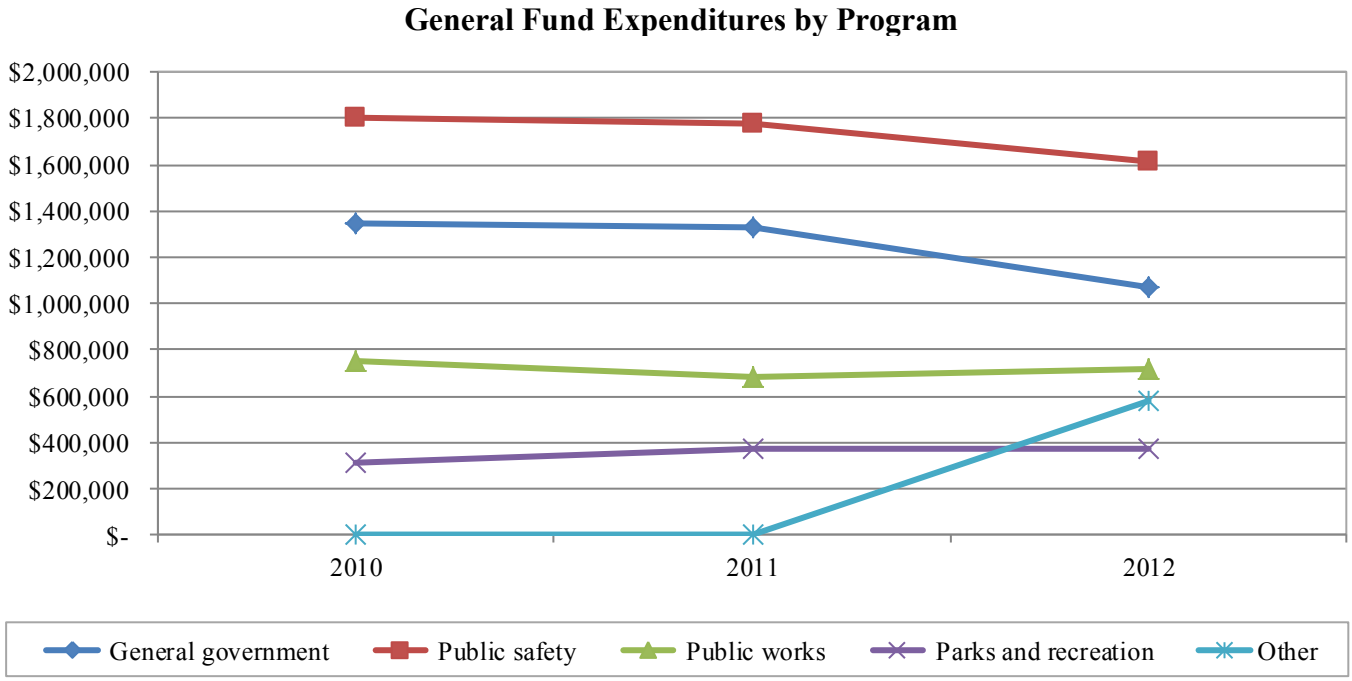


A comparison of General fund expenditures among 2010, 2011, and 2012 are presented below:

Program	2010	2011	2012	Percent of Total	Per Capita	Peer Group
General government	$ 1,350,215	$ 1,325,655	$ 1,069,115	23.5 %	$ 91	$ 97
Public safety	1,803,345	1,781,927	1,610,482	35.6	137	221
Public works	750,946	679,882	719,920	15.9	61	91
Parks and recreation	314,541	372,692	376,067	8.3	32	53
Miscellaneous	-	-	176,468	3.9	15	16
Transfers out	-	-	580,000	12.8	49	-
Total expenditures	$ 4,219,047	$ 4,160,156	$ 4,532,052	100.0 %	$ 385	$ 478

The above chart compares the amount the City spends per capita in comparison to a peer group. The peer group average is compiled from information from the 3rd Class Cities (populations 10,000 to 20,000) that we audit and information from the Minnesota Office of the State Auditor.

The expenditures and transfers out summarized above are presented graphically as follows:



Special Revenue Funds

A summary of the special revenue fund balances is shown below:

Fund	Fund Balances December 31, 2012	Fund Balances December 31, 2011	Increase (Decrease)
Nonmajor			
Recycling	$ 29,665	$ 20,091	$ 9,574
Miscellaneous Grants/Donations	6,848	5,556	1,292
HRA	799,517	810,846	(11,329)
EDA	36,064	(956)	37,020
Total	$ 872,094	$ 835,537	$ 36,557

Debt Service Funds

Debt Service funds are a type of governmental fund to account for the accumulation of resources for the payment of interest and principal on debt (other than enterprise fund debt). Debt Service funds may have one or a combination of the following revenue sources pledged to retire debt as follows:

- Property taxes - Primarily for general City benefit projects such as parks and municipal buildings. Property taxes may also be used to fund special assessment bonds which are not fully assessed.
- Tax increments - Pledged exclusively for tax increment/economic development districts.
- Capitalized interest portion of bond proceeds - After the sale of bonds, the project may not produce revenue (tax increments or special assessments) for a period of one to two years. Bonds are issued with this timing difference considered in the form of capitalized interest.
- Special assessments - Charges to benefited properties for various improvements.

In addition to the above pledged assets, other funding sources may be received by Debt Service funds as follows:

- Residual project proceeds from the related capital projects fund
- Investment earnings
- State or Federal grants
- Transfers from other funds

The following is a summary of the cash, total assets and bonds outstanding for each issue of the City:

Debt Service Fund	Cash and Investments	Total Assets	Bonds Outstanding	Final Maturity Date
G.O. Improvement Bonds				
2005 Public Safety Bonds	$ 176,039	$ 176,039	$ 1,510,000	02/02/26
2008A Sewer Revenue Bond	1,238	161,238	1,430,000	02/01/29
2010C Bond	126,004	126,004	1,260,000	02/01/17
G.O. Special Assessment Bonds				
2005B Street Improvement Debt	302,596	375,078	225,000	02/01/16
G.O. Revenue Bonds				
2010 Water Revenue Note	2,750	2,750	62,589	08/20/29
2010A Revenue Bond	158,153	158,767	8,605,645	02/01/40
2010B Utility Revenue Bond	61,313	61,313	6,100,000	02/01/40
Total Debt Service Funds	$ 828,093	$ 1,061,189	$ 19,193,234	

Capital Projects Funds

The fund balances of all capital projects funds are summarized below:

Capital Projects Fund	Fund Balances December 31, 2012	Fund Balances December 31, 2011	Increase (Decrease)
Major			
Municipal State Aid Street Improvement	$ 219,448	$ (16,957)	$ 236,405
Water Infrastructure	4,532,523	8,077,970	(3,545,447)
Utility Infrastructure	1,737,128	2,349,216	(612,088)
Total major	6,489,099	10,410,229	(3,921,130)
Nonmajor			
Park Acquisition	26,047	26,008	39
Park Trails	146,044	141,516	4,528
Minard Street	19,696	19,667	29
Improvements of 2003	(3,123)	(12,931)	9,808
Street Capital	619,175	1,182,353	(563,178)
Park Capital	76,420	15,276	61,144
Utility Improvement	1,412	961	451
Building	89,685	39,610	50,075
Lunde/Jewell Street	40,353	34,899	5,454
TIF No. 1.1	(2,543)	-	(2,543)
Total nonmajor	1,013,166	1,447,359	(434,193)
Total	$ 7,502,265	$ 11,857,588	$ (4,355,323)

The City should monitor the deficit funds to ensure there will be future revenues to remove the deficit.

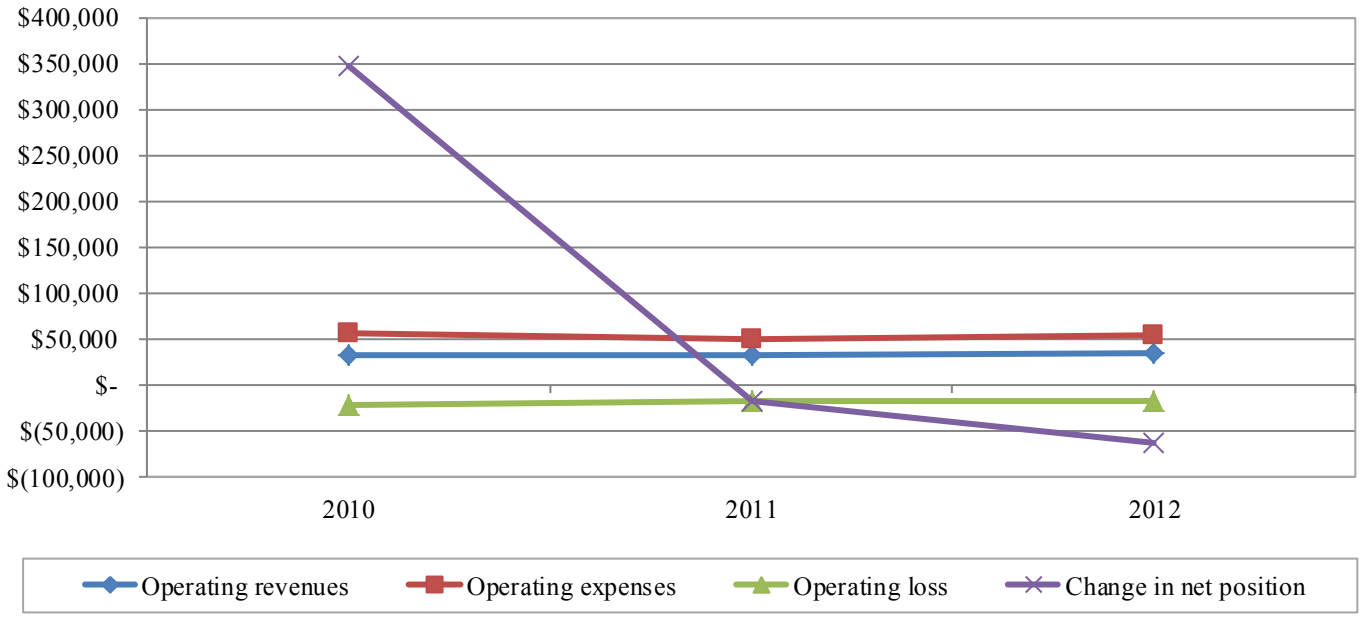
Enterprise Funds

Water Utility Fund

The following is a summary of operations in the Water Utility fund for the past three years:

	2010		2011		2012	
	Total	Percent	Total	Percent	Total	Percent
Operating revenues	$ 33,163	100.0 %	$ 33,014	100.0 %	$ 34,445	100.0 %
Operating expenses	55,180	166.4	50,302	152.4	53,320	154.8
Operating loss	(22,017)	(66.4)	(17,288)	(52.4)	(18,875)	(54.8)
Nonoperating expenses	(388)	(1.2)	(214)	(0.6)	(44,133)	(128.1)
Capital contribution	370,173	1,116.2	-	-	-	-
Change in net position	$ 347,768	1,048.6 %	$ (17,502)	(53.0) %	$ (63,008)	(182.9) %
Cash and investments	$ -		$ -		$ -	
Due to other funds	$ 125,543		$ 124,684		$ 115,508	
Bonds payable	$ -		$ -		$ 2,859,355	

Water Utility Fund Operations



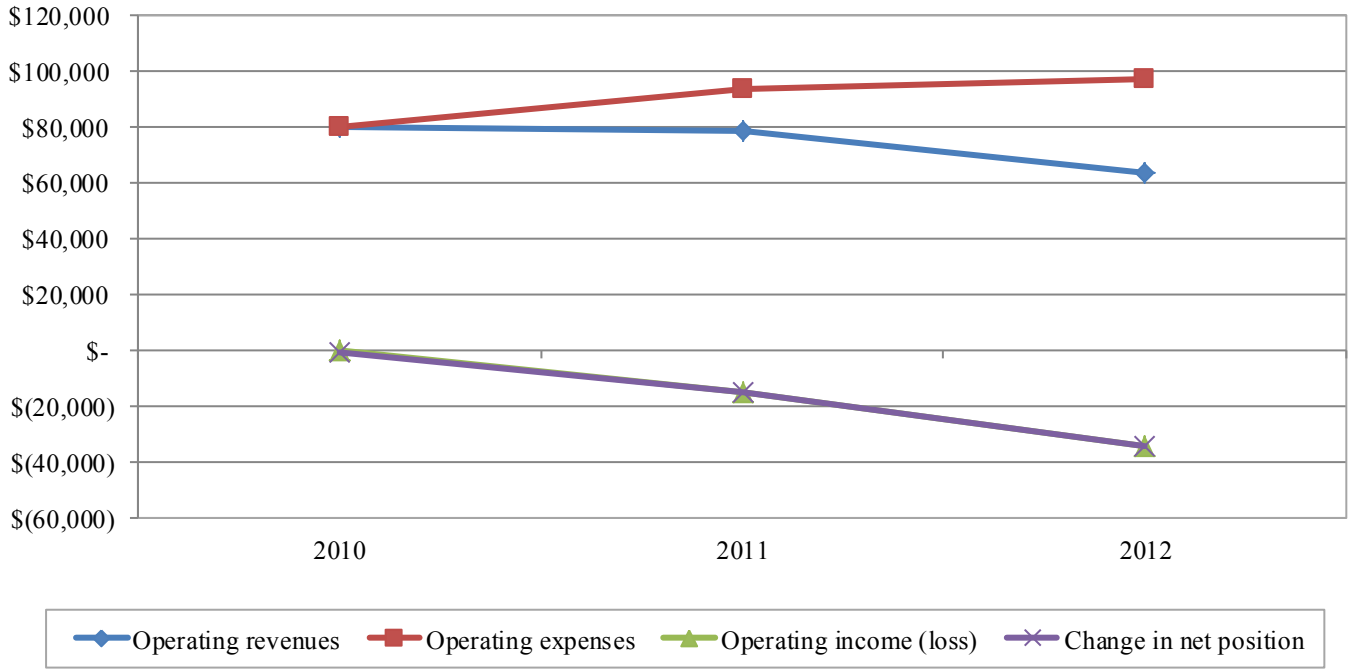
The fund experienced an operating loss for the previous three years. The fund has no cash and investments and is using reserves to support operations. We recommend that the rates be reviewed annually to ensure that they are sufficient to cover operating costs and planned project costs.

Sewer Utility Fund

The following is a summary of operations in the Sewer Utility fund for the past three years:

	2010		2011		2012	
	Total	Percent	Total	Percent	Total	Percent
Operating revenues	$ 80,247	100.0 %	$ 79,123	100.0 %	$ 63,785	100.0 %
Operating expenses	79,983	99.7	93,820	118.6	97,737	153.2
Operating income (loss)	264	0.3	(14,697)	(18.6)	(33,952)	(53.2)
Nonoperating expenses	(668)	(0.8)	(341)	(0.4)	(294)	(0.5)
Change in net position	$ (404)	(0.5) %	$ (15,038)	(19.0) %	$ (34,246)	(53.7) %
Cash and investments	$ -		$ -		$ -	
Due to other funds	$ 203,321		$ 195,824		$ 204,834	

Sewer Utility Fund Operations

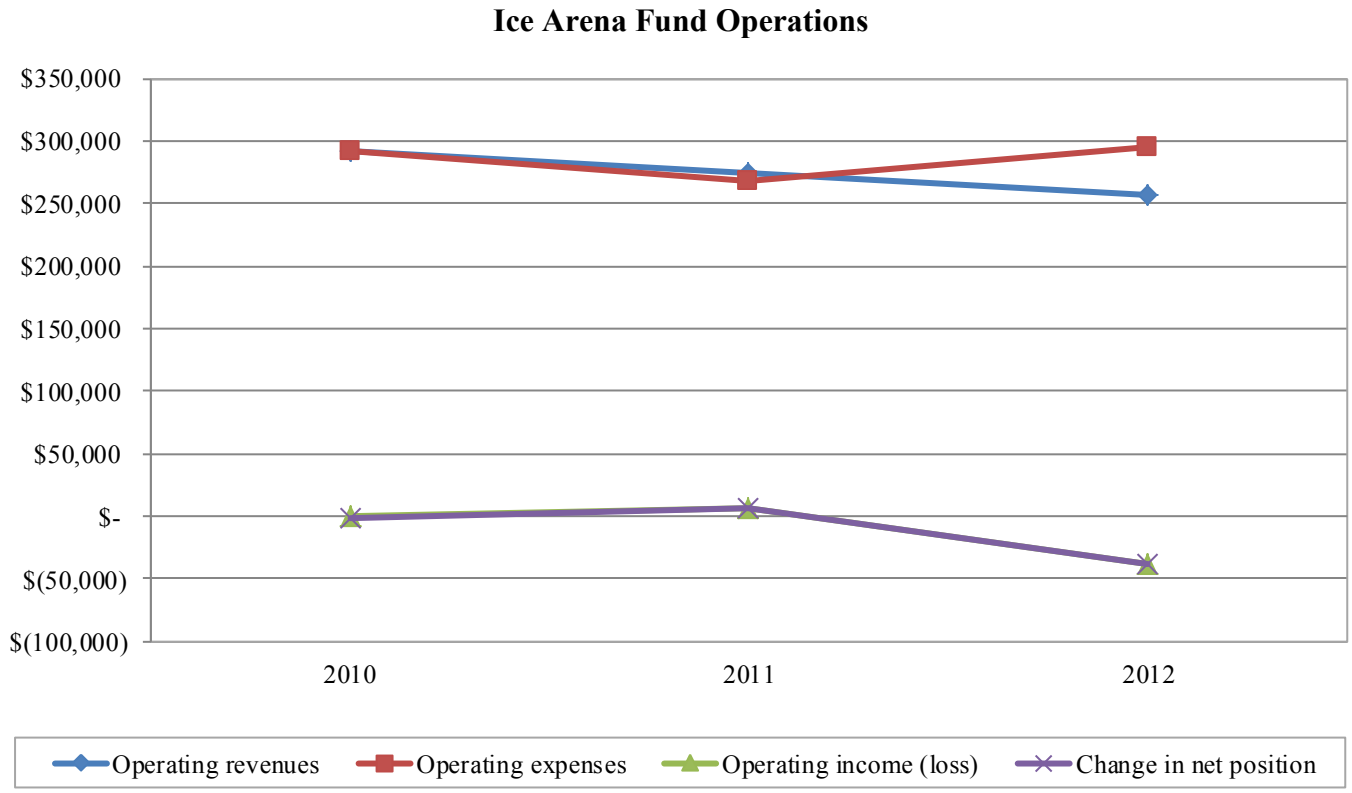


The fund experienced an operating loss for the second time in the previous three years. Some of the factors that participated in the operating loss were a decrease in customer charges and increase in supplies expense. The fund has no cash and investments and is using reserves to support operations. We recommend that the rates be reviewed annually to ensure that they are sufficient to cover operating costs and planned project costs.

Ice Arena Fund

The following is a summary of operations in the Ice Arena fund for the past three years:

	2010		2011		2012	
	Total	Percent	Total	Percent	Total	Percent
Operating revenues	$ 292,734	100.0 %	$ 275,200	100.0 %	$ 256,338	100.0 %
Operating expenses	292,691	100.0	268,950	97.7	295,144	115.1
Operating income (loss)	43	-	6,250	2.3	(38,806)	(15.1)
Nonoperating expenses	(907)	(0.3)	(350)	(0.1)	(179)	(0.1)
Change in net position	$ (864)	(0.3) %	$ 5,900	2.2 %	$ (38,985)	(15.2) %
Cash and investments	$ -		$ -		$ -	
Due to other funds	$ 192,934		$ 134,835		$ 47,197	



The fund had operating loss of $38,806 in 2012. Some factors that created the operating loss was a decrease in revenues relating to ice rentals, dry floor events, and donations; also, an increase in depreciation expense. The fund has no cash and investments at the end of 2012. We recommend that the rates be reviewed annually to ensure that they are sufficient to cover operating costs and planned project costs.

Ratio Analysis

The following captures a few ratios from the City's financial statements that give some additional information for trend and peer group analysis. The peer group average is derived from information available on the website of the Office of the State Auditor for cities of the 3rd class (10,000 to 20,000). The majority of these ratios facilitate the use of economic resources focus and accrual basis of accounting at the government-wide level. A combination of liquidity (ability to pay its most immediate obligations), solvency (ability to pay its long-term obligations), funding (comparison of financial amounts and economic indicators to measure changes in financial capacity over time) and common-size (comparison of financial data with other cities regardless of size) ratios are shown below.

Ratio	Calculation	Source	2010	2011	2012
Debt to assets	Total liabilities/total assets	Government-wide	39%	41%	42%
			36%	*32.0%*	*N/A*
Debt per capita	Bonded debt/population	Government-wide	$ 1,889	$ 1,943	$ 1,917
			$ 2,503	*2253*	*N/A*
Taxes per capita	Tax revenues/population	Government-wide	$ 396	$ 415	$ 395
			$ 468	*442*	*N/A*
Current expenditures per capita	Governmental fund current expenditures/population	Governmental funds	$ 387	$ 426	$ 379
			$ 632	*636*	*N/A*
Capital expenditures per capita	Governmental fund capital outlay/population	Governmental funds	$ 306	$ 418	$ 513
			$ 284	*257*	*N/A*
Capital assets % left to depreciate - Governmental	Net capital assets/ gross capital assets	Government-wide	57%	57%	54%
			57%	*63.0%*	*N/A*
Capital assets % left to depreciate - Business-type	Net capital assets/ gross capital assets	Government-wide	56%	51%	72%
			68%	*68.0%*	*N/A*

Represents the City of East Bethel
Represents Peer Group Average

Debt-to-Assets Leverage Ratio (Solvency Ratio)

The debt-to-assets leverage ratio is a comparison of a City's total liabilities to its total assets or the percentage of total assets that are provided by creditors. It indicates the degree to which the City's assets are financed through borrowings and other long-term obligations (i.e. a ratio of 50 percent would indicate half of the assets are financed with outstanding debt).

Bonded Debt per Capita (Funding Ratio)

This dollar amount is arrived at by dividing the total bonded debt by the population of the City and represents the amount of bonded debt obligation for each citizen of the City at the end of the year. The higher the amount, the more resources are needed in the future to retire these obligations through taxes, assessments or user fees.

Taxes per Capita (Funding Ratio)

This dollar amount is arrived at by dividing the total tax revenues by the population of the City and represents the amount of taxes for each citizen of the City for the year. The higher this amount is, the more reliant the City is on taxes to fund its operations.

Current Expenditures per Capita (Funding Ratio)

This dollar amount is arrived at by dividing the total current governmental expenditures by the population of the City and represents the amount of governmental expenditures for each citizen of the City during the year. Since this is generally based on ongoing expenditures, we would expect consistent annual per capita results.

Capital Expenditures per Capita (Funding Ratio)

This dollar amount is arrived at by dividing the total governmental capital outlay expenditures by the population of the City and represents the amount of capital expenditures for each citizen of the City during the year. Since projects are not always recurring, the per capita amount will fluctuate from year to year.

Capital Assets Percentage (Common-size Ratio)

This percentage represents the percent of governmental or business-type capital assets that are left to be depreciated. The lower this percentage, the older the City's capital assets are and may need major repairs or replacements in the near future. A higher percentage may indicate newer assets being constructed or purchased and may coincide with higher debt ratios or bonded debt per capita.

Future Accounting Standard Changes

The following Governmental Accounting Standards Board (GASB) Statements have been issued and may have an impact on future City financial statements.

GASB Statement No. 61 - *The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34*

Summary

The objective of this Statement is to improve financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14 and the related financial reporting requirements of Statement No. 34, were amended to better meet user needs and to address reporting entity issues that have arisen since the issuance of those Statements.

This Statement modifies certain requirements for inclusion of component units in the financial reporting entity. This Statement also amends the criteria for reporting component units as if they were part of the primary government (that is, blending) in certain circumstances.

This Statement clarifies the reporting of equity interests in legally separate organizations as well. It requires a primary government to report its equity interest in a component unit as an asset.

The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2012. Earlier application is encouraged.

How the Changes in This Statement Will Improve Financial Reporting

The requirements of this Statement result in financial reporting entity financial statements being more relevant by improving guidance for including, presenting, and disclosing information about component units and equity interest transactions of a financial reporting entity.

GASB Statement No. 64 - *Derivative Instruments: Application of Hedge Accounting Termination Provisions - an Amendment of GASB Statement No. 53*

Summary

The objective of this Statement is to clarify whether an effective hedging relationship continues after the replacement of swap counterparty or a swap counterparty's credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2011. Earlier application is encouraged.

How the Changes in This Statement Will Improve Financial Reporting

The requirements of this Statement enhance comparability and improve financial reporting by clarifying the circumstances in which hedge accounting should continue when a swap counterparty, or swap counterparty's credit support provider, is replaced.

Future Accounting Standard Changes - Continued

GASB Statement No. 66 - *Technical Corrections- an Amendment of GASB Statements No. 10 and No. 62*

Summary

The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54*, Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.

The provisions of this Statement are effective for financial statements for `periods beginning after December 15, 2012. Earlier application is encouraged.

How the Changes in This Statement Will Improve Financial Reporting

The requirements of this Statement resolve conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting and thereby enhance the usefulness of the financial reports.

GASB Statement No. 67 - *The Financial Reporting for Pension Plans- an Amendment to GASB Statement No. 25*

Summary

The objective of this Statement is to improve financial reporting by state and local governmental pension plans. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

This Statement replaces the requirements of Statements No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and No. 50, *Pension Disclosures*, as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria.

The requirements of Statements No. 25 and No. 50 remain applicable to pension plans that are not administered through trusts covered by the scope of this Statement and to defined contribution plans that provide postemployment benefits other than pensions.

This Statement is effective for financial statements for fiscal years beginning after June 15, 2013. Earlier application is encouraged.

How the Changes in This Statement Will Improve Financial Reporting

The requirements of this Statement will improve financial reporting primarily through enhanced note disclosures and schedules of required supplementary information that will be presented by the pension plans that are within its scope. The new information will enhance the decision-usefulness of the financial reports of these pension plans, their value for assessing accountability, and their transparency by providing information about measures of net pension liabilities and explanations of how and why those liabilities changed from year to year. The net pension liability information, including ratios, will offer an up-to-date indication of the extent to which the total pension liability is covered by the fiduciary net position of the pension plan. The comparability of the reported information for similar types of pension plans will be improved by the changes related to the attribution method used to determine the total pension liability. The contribution schedule will provide measures to evaluate decisions related to the assessment of contribution rates in comparison to actuarially determined rates, when such rates are determined. In that circumstance, it also will provide information about whether employers and nonemployer contributing entities, if applicable, are keeping pace with actuarially determined contribution measures. In addition, new information about rates of return on pension plan investments will inform financial report users about the effects of market conditions on the pension plan's assets over time and provide information for users to assess the relative success of the pension plan's investment strategy and the relative contribution that investment earnings provide to the pension plan's ability to pay benefits to plan members when they come due.

Future Accounting Standard Changes - Continued

GASB Statement No. 68 - *The Accounting and Financial Reporting of Pensions- an Amendment of GASB Statement No. 27*

The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

This Statement replaces the requirements of Statement No. 27, Accounting for Pensions by State and Local Governmental Employers, as well as the requirements of Statement No. 50, Pension Disclosures, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement.

This Statement is effective for fiscal years beginning after June 15, 2014. Earlier application is encouraged.

How the Changes in This Statement Will Improve Financial Reporting

The requirements of this Statement will improve the decision-usefulness of information in employer and governmental nonemployer contributing entity financial reports and will enhance its value for assessing accountability and interperiod equity by requiring recognition of the entire net pension liability and a more comprehensive measure of pension expense. Decision-usefulness and accountability also will be enhanced through new note disclosures and required supplementary information.

* * * * * *

This communication is intended solely for the information and use of City Council, management, others within the City, and the Minnesota Office of the State Auditor, and is not intended to be and should not be used by anyone other than these specified parties.

Our audit would not necessarily disclose all weaknesses in the system because it was based on selected tests of the accounting records and related data. The comments and recommendation in this report are purely constructive in nature, and should be read in this context.

If you have any questions or wish to discuss any of the items contained in this letter, please feel free to contact us at your convenience. We wish to thank you for the opportunity to be of service and for the courtesy and cooperation extended to us by your staff.

Abdo Eick & Meyers, LLP

May 29, 2013
Minneapolis, Minnesota

ABDO, EICK & MEYERS, LLP
Certified Public Accountants

CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA

OTHER REQUIRED REPORTS

FOR THE YEAR ENDED
DECEMBER 31, 2012

ABDO EICK & MEYERS LLP
Certified Public Accountants & Consultants

CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA

OTHER REQUIRED REPORTS

FOR THE YEAR ENDED
DECEMBER 31, 2012

CITY OF EAST BETHEL, MINNESOTA
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FOR THE YEAR ENDED DECEMBER 31, 2012

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ABDO EICK & MEYERS LLP
Certified Public Accountants & Consultants

5201 Eden Avenue
Suite 250
Edina, MN 55436

AUDITOR'S REPORT ON LEGAL COMPLIANCE

Honorable Mayor and City Council
City of East Bethel, Minnesota

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the of the City of East Bethel, Minnesota (the City), as of and for the year ended December 31, 2012 which collectively comprise the City's basic financial statements as listed in the table of contents and have issued our report thereon dated May 29, 2013.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the *Minnesota Legal Compliance Audit Guide for Political Subdivisions,* promulgated by the Minnesota Office of the State Auditor pursuant to Minnesota statute 6.65. Accordingly, the audit included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The *Minnesota Legal Compliance Audit Guide for Political Subdivisions* covers seven main categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, tax increment financing, and miscellaneous provisions. Our study included all of the listed categories.

The results of our tests indicate that for the items tested, the City complied with the material terms and conditions of applicable legal provisions.

The purpose of this report is solely to describe the scope of our testing of compliance with certain provisions of the *Minnesota Legal Compliance Audit Guide for Political Subdivisions*, and the result of that testing, and not to provide an opinion on the City's compliance with those provisions. Accordingly, this report is not suitable for any other purpose.

Abdo Eick & Meyers, LLP

May 29, 2013
Minneapolis, Minnesota

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PREFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Mayor and City Council
City of East Bethel, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of East Bethel, Minnesota (the City), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 29, 2013.

Internal Control Over Financial Reporting

Management of the City is responsible for establishing and maintaining effective internal control over financial reporting In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the City in a separate letter dated May 29, 2013.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Abdo Eick & Meyers, LLP

May 29, 2013
Minneapolis, Minnesota

ABDO, EICK & MEYERS, LLP
Certified Public Accountants

City of East Bethel
City Council
Agenda Information

* *

Date:
June 5, 2013

* *

Agenda Item Number:
Item 6.0 A-S

* *

Agenda Item:
Consent Agenda

* *

Requested Action:
Consider approving Consent Agenda as presented

* *

Background Information:
Item A

Bills/Claims

Item B

April 17, 2013 City Council Regular Meeting Minutes

Meeting minutes from the April 17, 2013 Regular City Council Meeting are attached for your review and approval.

Item C

May 1, 2013 City Council Regular Meeting Minutes

Meeting minutes from the May 1, 2013 Regular City Council Meeting will be sent under separate cover for review on Monday, June 3, 2013.

Item D

May 15, 2013 City Council Regular Meeting Minutes

Meeting minutes from the May 15, 2013 Regular City Council Meeting will be sent under separate cover for review on Monday, June 3, 2013.

Item E

Approve Application to Conduct Excluded Bingo for East Bethel Seniors – Booster Day, July 20, 2013

The East Bethel Seniors have applied for a one day permit to conduct excluded bingo on July 20, 2013, Booster Day at the Community Center. The application form has been submitted and is complete. Staff is recommending Council approve the one day permit for the East Bethel Seniors to conduct excluded bingo on July 20, 2013 at the East Bethel Community/Senior Center.

Item F

Res. 2013-28 Accepting Donation from Eckberg, Lammers, Briggs, Wolff & Vierling, PLLP

The City of East Bethel has received a donation of four Minnesota Twins Tickets valued at $192.00 from Eckberg, Lammers, Briggs, Wolff & Vierling, PLLP to be used towards the Family Fun Night scheduled for Friday, July 19, 2013.

Staff is recommending adoption of Resolution 2013-28 Accepting Donation from Eckberg, Lammers, Briggs, Wolff & Vierling, PLLP.

Item G

Approve Completion of Probation – Community Development Director

Colleen Winter began employment with the City on December 3, 2012 as the Community Development Director/City Planner. Since that time, she has performed in an exceptional and exemplary manner. Staff is recommending her appointment as a regular employee based on the satisfactory completion of the six month probationary period required of all new employees.

Item H

Approve Application and Permit for a 1 Day Temporary Consumption and Display Permit for Cedar East Bethel Lions – Booster Day, July 20, 2013

The Cedar/East Bethel Lions have applied for a one day temporary consumption and display permit to sell beer and set ups at the Booster Day and the Firefighter's Dance scheduled for July 20, 2013. We have received a signed application. We have not received proof of Liquor Liability Insurance. Staff is recommending approval subject to receipt of the certificate of Liquor Liability Insurance.

Item I

Personnel Policy Updates

Attached is a redline version of the Personnel Policy. The following are changes to the policy:

- Section 3 Conduct and Ethics, 3.2 Drug and Alcohol Free Workplace
  <u>Dilute specimen</u> definition added. Throughout the policy, the term dilute specimen has been added.
- Section 7 Leave Benefits, 7.2 Vacation Leave – Regular Full-time Employees
  Employee supervisor, in place of the City Administrator, shall approve vacation leave. For non-union employees any vacation in excess of 240 hours at year end shall be placed in a health care savings plan.

- Section 9 Separation from Employment, Add 9.4 Health Care Savings Plan
  The MN State Retirement System offers a health care savings plan where employees can vote to put all or a portion of their severance pay into the plan tax free and drawn down funds in the plan for medical expenses or premiums. A vote of the non-union employees requests that all of their sick leave severance pay and 50% of their vacation severance payout be placed in this plan. The City does not have to pay Social Security or Medicare taxes (7.65% of the severance) on this severance payout when it is put into the health care savings plan. If the union employees choose to vote to put all or a portion of their severance into this plan, it would be part of a future union contract.

- Assistant City Administrator/Human Resources Director.
  Throughout the Policy, the position of the Assistant City Administrator/Human Resources Director has either been eliminated or replaced with the City Administrator

Staff recommends approval of these changes to the Personnel Policy.

Item J

Resolution 2013-29 Approving Compensation for Commission Members

At City Council's direction, Staff is recommending that the compensation for all citizen members of Authorities and Commissions be $20 per regular scheduled monthly meetings. Staff recommends the approval of Resolution 2013-29.

Staff is seeking direction concerning compensation for special appointed committees or task force groups.

Item K

Cell Phone Stipend

Department heads, maintenance technicians and some firefighters are provided city cell phones to communicate during the workday, call ins for snow emergencies and fire calls, and other after hours or out of office contacts. Current City cell phone policy limits the use of City phones to City business and any personal calls made on the City phones must be enumerated monthly and this cost reimbursed to the City. There has been discussion about allowing employees to take a cell phone stipend and use their personal cell phone in lieu of an issued City phone to address this situation.

Staff is proposing a $30 stipend for non-union employees for cell phone reimbursement. The average bill per phone is currently $34.15 per month. Public Works employees have elected not to participate in this offer. Any employee that takes the stipend would have to have a personal cell phone. This is a common practice with other Cities and accomplishes the following:

- Eliminates the need for an employee to carry two cell phones
- There are three employees that desire to take this offer and this will save an average of $4.15 per phone per month or an annual savings $149.40
- The reduction in minutes used may enable the City to become eligible for a less expensive plan resulting in additional savings.

Staff recommends a stipend of $30 per month for those non-union City employees who opt to relinquish their City cell phone and use their personal phones as their City contact number.

Item L

Resolution 2013-30, Allowing Accumulated Leave To Be Transferred to the Cities Health Savings Plan for the City Administrator.

Item M

Pay Estimate #4 for the Jackson Street Reconstruction Project

This item includes Pay Estimate #4 to Rum River Contracting for the Jackson Street Reconstruction Project. This pay estimate includes payment for bituminous wear course paving. Staff recommends partial payment of $255,011.06. A summary of the recommended payment is as follows:

Total Work Completed to Date	$ 1,159,689.29
Less Retainage	$ 34,790.68
Less Previous Payments	$ 869,887.55
Total payment	$ 255,011.06

Payment for this project will be financed from the Municipal State Aid Construction Fund. Funds are available and appropriate for this project. A copy of Pay Estimate #4 is attached.

Item N

Pay Estimate #22 for the Phase 1, Project 1 Utility Improvements

This item includes Pay Estimate #22 to S.R. Weidema for the construction of the Phase 1, Project 1 Utility Improvements. The major pay items for this pay request include muck excavation and backfill and utility testing. Two separate payments will be made. One payment will be to S.R. Weidema and the other will be to the escrow account established at TCF Bank. Staff recommends partial payment of $97,852.00. A summary of the recommended payment breakdown is as follows:

Contractor Payment Summary			
	Totals to Date	Less Previous Payments	Amount Due this Estimate
MCES	$6,872,947.48	$6,840,855.20	$32,092.28
City	$4,209,377.38	$4,184,114.40	$25,262.98
County	$1,891,149.63	$1,855,545.49	$35,604.14
Total	$12,973,474.49	$12,880,515.09	$92,959.40
Escrow Payment Summary			
	Totals to Date	Less Previous Payments	Amount Due this Estimate
MCES	$361,734.08	$360,045.01	$1,689.07
City	$221,546.18	$220,216.55	$1,329.63
County	$99,534.19	$97,660.29	$1,873.90
Total	$682,814.45	$677,921.85	$4,892.60

The payment includes $92,959.40 to S.R. Weidema and $4,892.60 to the escrow account for a total of $97,852.00. Payment for this project will be financed from the bond proceeds and County proceeds in accordance with the Joint Powers Agreement. Funds, as noted above, are available and appropriate for this project. A copy of the Pay Estimate is attached.

Item O

Final Payment, Viking Boulevard Turn Lane Project

Resolution 2013-31 Accepting Work

The Contractor has completed all construction items for the Viking Boulevard Turn Lane Construction Project and has submitted all the required documentation to consider this project for final payment. We recommend final payment of $2,702.50. A copy of the final payment form is attached.

Original Contract Amount	$ 54,245.25
Final Contract Amount	$ 54,050.00
Less Previous Payments	$ 51,347.50
Total Payment	$ 2,702.50

Payment for this project was financed 100 percent by East Bethel Properties, LLC.

Item P

Appoint Insurance Agent Broker for Employee Benefits

Proposals for insurance agent services for employee benefits were solicited on the City's website and the League of Minnesota Cities website. The City received six responses and interviewed two of the respondents based upon the services they currently provide to several Minnesota

cities. The firms interviewed, Gallagher Benefits Services and Financial Concepts, both provide a "full" range of agent services as well as consulting services in areas that go beyond the normal "insurance" business. City staff contacted references and received positive feedback for both organizations. Estimated commission is $5,000 annually regardless of the service provider. These commissions are included in the premiums paid and there is no direct charge to the City. Staff is recommending that the City Council approve Gallagher Benefit Services as the Agent/Broker of Record for the City's Employee Benefits Program beginning July 1, 2013.

Item Q

Approve Hire of the Fiscal and Support Services Director

The position of Fiscal and Support Services Director was advertised in the Minneapolis Star Tribune, the City's web site; the LMC web site and the Anoka Union. Three applications were received of which two received a ranking that rated an interview. Interviews were conducted on May 29 and 30, 2013.

The top candidate, Michael Jeziorski, based on the evaluation of the interviews and background materials, has the skills and abilities that will meet or exceed our requirements for the position of Fiscal Services and Support Director. Funding for this position is provided for in the proposed 2013 Fiscal and Support Services Budget.

Pending completion of the required background and references checks, Staff is recommending that Council authorize an offer of employment for the Fiscal Services and Support Director position to Michael Jeziorski at Pay Grade 11, Step F, $83,158.40/yr. with all City Benefits. The employee must also complete a six month probationary period to be eligible for full time employment.

Item R

Pay Increase for the Public Works Maintenance Technician/Utilities Operator

Jeremiah Haller began his employment with the City in March 2002. During that period, Jeremiah has been actively increasing his skill sets and value to the City by obtaining, through a process of progression, his Waste Water Class D, C and B license and his Water Treatment Class D and C license. These are the licenses required by the MPCA and Minnesota Department of Health for the operation of our Castle Towers Sewer Treatment Plant and our Whispering Aspens and Municipal Utilities Water Treatment Facilities.

Mr. Haller was given a wage increase of what amounts to $0.375/hour to address his responsibilities for the Castle Towers/Whispering Aspens system in March of 2010.
Since that time Mr. Haller has assumed additional non-compensated on call duties and his scope of responsibilities has been increased with his assignment of the role of systems operator for the new water treatment plant and sewer collection system in addition to the Castle Towers/Whispering Aspens duties. In addition to these responsibilities, Jeremiah must be available after hours and on the weekends to answer calls that require Mr. Haller's expertise when there are reported problems from the assigned on call employee.

The City of East Bethel, upon recommendation by the City Administrator, has determined that Jeremiah Haller, a City employee who possesses a Water Supply System Operator Class C Certificate and a Waste Water Operator Class B Certificate, receive additional payment at the rate of $0.50 per hour due to these required certifications and this MOA will replace the existing agreement dated March 3, 2010. This agreement shall not be retroactive and will be effective upon the approval of both parties to the agreement for the remainder of the year 2013. In addition this rate will increase in steps of $0.25 per hour for 2014 and 2015 and an extra hour per week of

on call time will be included in the compensation for the period of this agreement. The extra hour of on call time will not be used in any calculation of overtime pay.

The wage increases are proposed for additional compensation for the extra duties and responsibilities over and above the existing job description as a Public Works Maintenance Technician. Mr. Haller's job description title would change to Public Works Maintenance Technician/Utility Operator. This proposal is based solely the requirements of licensure for water and wastewater treatment which are necessary for this position and on the added duties and responsibilities of the operation of water plant and system and the operation of the Castle Towers Waste Water Treatment Facility.

Mr. Haller is an East Bethel resident and this proposal has been approved and endorsed by the Union representing the City employees, the Minnesota Public Employees Association.

Approval of the elimination of the current MOU (see attachment), that provides for a $1.50/hour for a two hour period/day for days present, to be replaced by an MOU that proposes a pay increase of $0.50 per hour and adding one hour per week on call time to Mr. Haller's wages would result in an increase of $769.50 for the remainder of 2013. The source of these funds would be derived from the City's Water and Sewer Enterprise Accounts and would not be part of the levied funds for wages and salaries.

These wages are consistent with the Metro scales for Cities in the 10,000 to 15,000 population range as sourced by the League of Minnesota Cities for 2012 (see attachment). Mr. Haller's new wage would be $24.36 per hour (this includes the 1.5% wage increase approved by Council for 2013) Staff recommends the approval of the MOA as attached that addresses this situation.

Item S

Old Schoolhouse Demolition Bid

The school building at Booster East Park was moved from its previous location on East Bethel Blvd to Booster East Park in September 2010. Recently, the City Building Official was asked to inspect the building and recommend what repairs were needed and if the building was safe for occupancy. His conclusion was that in its current state, the building is unsafe for use and presents a liability to the City. The repairs required are extensive and any attempts at renovation would leave very little of the original structure intact.

At the April 3, 2013 City Council meeting, the council declared the building surplus property and recommended that it be offered up for sale for a thirty day period after which time if no offers were made, the building was to be removed and disposed of. The City has offered the building for sale on its website and the League of Minnesota Cities website but has not received any offers. Other options for disposal have also been exhausted including discussions with neighboring communities who had expressed an interest in possibly using the building and using the building for firefighter training. At this time the remaining alternative would be for the contracted demolition and removal of the material to an offsite disposal site.

Staff has solicited quotes for demolition and disposal of the building from four companies and has received two responses. PGM provided the low quote of $3,100.00 that includes stabilizing the lead paint, demolition of the building, asbestos testing, and hauling the material to an approved landfill.

Also, $2,850.00 has been donated for the renovation of the school house. A portion of that money was used to purchase windows and doors so that the building could be secured, but have not been installed at this time. There is currently a balance of $1,855 remaining in the donation

account. Donations for the renovation would be returned to the donors. The doors and windows that have been purchased with monies raised for the renovation could be donated to the Habitat for Humanity or sold and returned to the contributors with the decision for the refund pending their choice of options.

The disposal costs of $3,100.00 would be provided from the Park Capital Fund.

Staff recommends accepting the low quote from PGM for the demolition and disposal of the old schoolhouse in Booster East Park. Staff also recommends returning the donated monies to the donors and selling or donating the purchased windows and door.

* * * *

Payments for Council Approval June 5, 2013

Bills to be Approved for Payment	$127,364.11
Electronic Payments	$27,049.47
Payroll City Council - May 15, 2013	$2,145.74
Payroll Fire Dept - May 15, 2013	$17,692.48
Payroll City Staff - May 23, 2013	$29,195.75

Total to be Approved for Payment	$203,447.55

City of East Bethel

June 5, 2013

Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
Arena Operations	Auto/Misc Licensing Fees/Taxes	510472	MN Dept of Health	615	49851	35.00
Arena Operations	Gas Utilities	369355715	Xcel Energy	615	49851	378.93
Arena Operations	Heavy Machinery	2607681	Dalco	615	49851	9,705.02
Building Inspection	Electrical Inspections	05 2013	Brian Nelson Inspection Svcs	101		615.00
Building Inspection	Motor Fuels	2205171	Lubricant Technologies, Inc.	101	42410	392.31
Building Inspection	Telephone	332373310-138	Nextel Communications	101	42410	21.67
Central Services/Supplies	Office Supplies	655640363001	Office Depot	101	48150	38.61
Central Services/Supplies	Office Supplies	656343514001	Office Depot	101	48150	64.29
Central Services/Supplies	Office Supplies	656348287001	Office Depot	101	48150	22.97
Central Services/Supplies	Telephone	10910050	Integra Telecom	101	48150	223.44
City Administration	Telephone	332373310-138	Nextel Communications	101	41320	9.12
City Administration	Travel Expenses	052913	Jack Davis	101	41320	218.10
Economic Development Authority	Improvements Other Than Bldgs	101878	Rogers Electric	232	23200	1,336.70
Economic Development Authority	Professional Services Fees	53113	Teetzel, Jill	232	23200	185.00
Equipment Replacement Fund	Improvements Other Than Bldgs	17453	DeMars Signs	701	49950	51,611.51
Finance	Office Supplies	655640363001	Office Depot	101	41520	34.24
Finance	Personnel Advertising	IQ 01814184	ECM Publishers, Inc.	101	41520	105.00
Fire Department	Bldgs/Facilities Repair/Maint	051413	James J. Anderson	101	42210	200.00
Fire Department	Conferences/Meetings	52013	Gimpl, Tammy	101	42210	246.32
Fire Department	Conferences/Meetings	629430-3127	MHSRC/Range	101	42210	400.00
Fire Department	Conferences/Meetings	629730-3126	MHSRC/Range	101	42210	400.00
Fire Department	Gas Utilities	369355715	Xcel Energy	101	42210	454.57
Fire Department	Motor Fuels	2205171	Lubricant Technologies, Inc.	101	42210	624.10
Fire Department	Motor Fuels	2205172	Lubricant Technologies, Inc.	101	42210	470.02
Fire Department	Motor Vehicles Parts	884	Chief's Choice Fire & Rescue	101	42210	148.76
Fire Department	Motor Vehicles Parts	1921-493215	O'Reilly Auto Stores Inc.	101	42210	164.57
Fire Department	Personnel/Labor Relations	244829	LexisNexis Occ Health Solution	101	42210	339.00
Fire Department	Professional Services Fees	3504	Performance Plus LLC	101	42210	86.00
Fire Department	Refuse Removal	389883	Walters Recycling, Inc.	101	42210	42.21
Fire Department	Reimbursement-3rd Party Exp.	EC91161	Oak Ridge Autobody, Inc.	101	42210	4,062.04
Fire Department	Repairs/Maint Machinery/Equip	33191	Emedded Systems, Inc.	101	42210	226.72
Fire Department	Repairs/Maint Machinery/Equip	051613	Soderquist's Market	101	42210	59.88
Fire Department	Telephone	10910050	Integra Telecom	101	42210	139.66
Fire Department	Telephone	332373310-138	Nextel Communications	101	42210	72.23
Fire Department	Tires	213641	PTL Tire & Automotive Ctr	101	42210	228.22
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	CF65555	CDW Government, Inc.	101	41940	445.52
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	433052	Nardini	101	41940	129.00
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	455408-04-13	Premium Waters, Inc.	101	41940	33.14
General Govt Buildings/Plant	Gas Utilities	369355715	Xcel Energy	101	41940	453.02
General Govt Buildings/Plant	Refuse Removal	389883	Walters Recycling, Inc.	101	41940	31.58
Information Technology Service	Info Systems Equip	603526-IN	CompView, Inc.	701	49960	1,862.55
Mayor/City Council	Commissions and Boards	2nd 2013	Upper Rum River Watershed	101	41110	1,307.13
Mayor/City Council	Conferences/Meetings	051613	Soderquist's Market	101	41110	38.42
Mayor/City Council	Dues and Subscriptions	2013	Mediation Services	101	41110	1,279.00
Mayor/City Council	Professional Services Fees	53113	Teetzel, Jill	101	41110	175.00
Park Capital Projects	Bldgs/Facilities Repair/Maint	052813	D & S Construction	407	40700	13,900.00
Park Maintenance	Bldg/Facility Repair Supplies	23271	Menards Cambridge	101	43201	131.45

City of East Bethel
June 5, 2013
Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
Park Maintenance	Bldgs/Facilities Repair/Maint	11832	Sowada and Barna	101	43201	639.17
Park Maintenance	Clothing & Personal Equipment	1182505256	G&K Services - St. Paul	101	43201	19.56
Park Maintenance	Clothing & Personal Equipment	1182516446	G&K Services - St. Paul	101	43201	19.56
Park Maintenance	Equipment Parts	P06893	Isanti County Equipment	101	43201	30.10
Park Maintenance	Equipment Parts	P07797	Isanti County Equipment	101	43201	190.52
Park Maintenance	Equipment Parts	P06162	Suburban Lawn Center	101	43201	37.35
Park Maintenance	Equipment Parts	OI30491	Turfwerks	101	43201	81.75
Park Maintenance	Equipment Parts	OI30491A	Turfwerks	101	43201	189.61
Park Maintenance	Motor Fuels	2205171	Lubricant Technologies, Inc.	101	43201	534.94
Park Maintenance	Motor Fuels	2205172	Lubricant Technologies, Inc.	101	43201	903.90
Park Maintenance	Other Equipment Rentals	63131	Jimmy's Johnnys, Inc.	101	43201	729.46
Park Maintenance	Professional Services Fees	53113	Teetzel, Jill	101	43201	225.00
Park Maintenance	Repairs/Maint Machinery/Equip	P06787	Isanti County Equipment	101	43201	30.66
Park Maintenance	Telephone	10910050	Integra Telecom	101	43201	51.20
Park Maintenance	Telephone	332373310-138	Nextel Communications	101	43201	70.45
Payroll	Insurance Premiums	5140029	Delta Dental	101		880.25
Payroll	Insurance Premiums	C0031365254	Medica Health Plans	101		10,007.98
Payroll	Insurance Premiums	06 2013	NCPERS Minnesota	101		128.00
Planning and Zoning	Escrow Reimbursement	051513	Randall E. Johnson	939		3,000.00
Planning and Zoning	Escrow Reimbursement	051713	William Grobman	101		1,800.00
Planning and Zoning	Professional Services Fees	665	Flat Rock Geographics, LLC	101	41910	607.50
Planning and Zoning	Professional Services Fees	53113	Teetzel, Jill	101	41910	290.00
Planning and Zoning	Telephone	332373310-138	Nextel Communications	101	41910	64.48
Recycling Operations	Gas Utilities	369355715	Xcel Energy	226	43235	149.56
Recycling Operations	Other Equipment Rentals	63131	Jimmy's Johnnys, Inc.	226	43235	23.82
Recycling Operations	Refuse Removal	389883	Walters Recycling, Inc.	226	43235	264.85
Street Maintenance	Bldgs/Facilities Repair/Maint	1182505256	G&K Services - St. Paul	101	43220	5.70
Street Maintenance	Bldgs/Facilities Repair/Maint	1182516446	G&K Services - St. Paul	101	43220	5.70
Street Maintenance	Bldgs/Facilities Repair/Maint	455408-04-13	Premium Waters, Inc.	101	43220	33.14
Street Maintenance	Chemicals and Chem Products	4416	D.B. Koppy	101	43220	53.87
Street Maintenance	Cleaning Supplies	9136944544	Grainger	101	43220	15.80
Street Maintenance	Clothing & Personal Equipment	1182505256	G&K Services - St. Paul	101	43220	14.47
Street Maintenance	Clothing & Personal Equipment	1182516446	G&K Services - St. Paul	101	43220	14.47
Street Maintenance	Equipment Parts	P98570	RDO Trust # 80-5800	101	43220	220.59
Street Maintenance	Gas Utilities	369355715	Xcel Energy	101	43220	452.37
Street Maintenance	General Operating Supplies	23725	Menards Cambridge	101	43220	42.69
Street Maintenance	General Operating Supplies	052113	Wendy Warren	101	43220	26.80
Street Maintenance	Legal Notices	IQ 01814248	ECM Publishers, Inc.	101	43220	61.50
Street Maintenance	Lubricants and Additives	D10439	Gregory Cardey	101	43220	190.13
Street Maintenance	Lubricants and Additives	1539-218285	O'Reilly Auto Stores Inc.	101	43220	40.57
Street Maintenance	Motor Fuels	2205171	Lubricant Technologies, Inc.	101	43220	231.81
Street Maintenance	Motor Fuels	2205172	Lubricant Technologies, Inc.	101	43220	2,241.69
Street Maintenance	Motor Vehicle Services (Lic d)	66257	Hayford Ford	101	43220	830.86
Street Maintenance	Motor Vehicle Services (Lic d)	66332	Hayford Ford	101	43220	561.99
Street Maintenance	Motor Vehicles Parts	F-231360068	Allstate Peterbilt North	101	43220	27.66
Street Maintenance	Motor Vehicles Parts	F-231410063	Allstate Peterbilt North	101	43220	63.30
Street Maintenance	Motor Vehicles Parts	3311	Hydraulics Plus & Consulting	101	43220	226.75

City of East Bethel

June 5, 2013

Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
Street Maintenance	Motor Vehicles Parts	C242255741:01	I State Truck Inc.	101	43220	45.93
Street Maintenance	Motor Vehicles Parts	1539-216904	O'Reilly Auto Stores Inc.	101	43220	4.25
Street Maintenance	Office Supplies	656343514001	Office Depot	101	43220	58.86
Street Maintenance	Professional Services Fees	53113	Teetzel, Jill	101	43220	160.00
Street Maintenance	Refuse Removal	389883	Walters Recycling, Inc.	101	43220	247.54
Street Maintenance	Shop Supplies	1539-218514	O'Reilly Auto Stores Inc.	101	43220	24.75
Street Maintenance	Small Tools and Minor Equip	255237	S & S Industrial Supply	101	43220	50.10
Street Maintenance	Street Maint Materials	127188	City of St. Paul	101	43220	828.50
Street Maintenance	Street Maint Services	101540	Pavement Resources Inc.	101	43220	6,100.00
Street Maintenance	Telephone	10910050	Integra Telecom	101	43220	51.20
Street Maintenance	Telephone	332373310-138	Nextel Communications	101	43220	175.70
Water Utility Operations	Gas Utilities	051613	CenterPoint Energy	651	49401	64.12
Water Utility Operations	Gas Utilities	051613	CenterPoint Energy	601	49401	74.61
						$127,364.11

City of East Bethel

June 5, 2013

Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
Electronic Payments						
Payroll	PERA					$5,493.97
Payroll	Federal Withholding					$5,510.35
Payroll	Medicare Withholding					$1,943.94
Payroll	FICA Tax Withholding					$8,311.86
Payroll	State Withholding					$2,262.87
Payroll	MSRS					$3,526.48
						$27,049.47

EAST BETHEL CITY COUNCIL MEETING

April 17, 2013

The East Bethel City Council met on March 20, 2013 at 7:40 PM for their regular meeting at City Hall.

MEMBERS PRESENT:	Bob DeRoche	Ron Koller	Richard Lawrence
	Heidi Moegerle	Tom Ronning	

ALSO PRESENT: Jack Davis, City Administrator
Mark Vierling, City Attorney
Craig Jochum, City Engineer

Call to Order **The April 17, 2013 City Council meeting was called to order by Mayor Lawrence at 7:40 PM.**

Adopt Agenda **Moegerle made a motion to adopt the April 17, 2013 City Council agenda. Lawrence seconded; all in favor, motion carries.**

Sheriff's Report Lt. Orlando gave the March 2013 report as follows:

DWI Arrests: There was one DWI arrest for March. This arrest was the result of driving conduct. The male refused to test.

Thefts: There were two thefts reported. There were five other thefts as a financial card fraud. One report involved jewelry that was taken from a home. The suspect is an acquaintance of the homeowner's son. The case is under investigation. The second report was a theft of license plates from a vehicle parked in the driveway. There are a lot of license plate thefts going on, around the county. What the suspects do is they take the license plates and go and fill up with gas and do the gas drive-off and you have a stolen license plate. Moegerle, "These people aren't getting pulled over without a plate?" Orlando, "They are taking both usually. Like if you are at a movie theater, they don't realize it until they get a call from a police department. Once in a while they get caught driving the car with the stolen license plate. If you are parked in a parking lot, it is a good idea to take a look that everything is there when you get back."

Burglaries: There were two burglaries reported in March. One report involved a residence that was burglarized where the house was left unsecured. Items taken included a laptop, WII game system, and jewelry. The second burglary was of a business. The business owner was out of the state so loss is unknown at this time.

Damage to Property: There were no reports of damage to property in March! I have never had a month without damage to property reports. I don't know if it was because of the colder than average temperatures."

Assaults: On March 19th deputies were dispatched to a report of a male being held hostage at a residence, the information was secondhand. Deputies responded, along with other law enforcement agencies to set up a perimeter. The SWAT team was also deployed. Deputies were able to make contact with a resident of the home, who indicated that there was nothing wrong. The male, who was also the alleged suspect, agreed to come out, along with the alleged victim. It turned out that the alleged "victim" had sent texts to his adult son stating

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he was being held at gun point as he wanted him to come pick him up, not realizing the consequences of his actions. Both males had been drinking alcohol. It was determined that this was all a hoax. So unfortunately those things do happen.

Lawrence, "Do you get fined if you do something like that?" Lt. Orlando, "If the father had been the one calling and reporting a false crime than yes. But, he was sending text messages to his son and then his son called us. He would have never called us if he knew his father wasn't in danger. Obviously they will think twice before making that allegation again."

Lt. Orlando, "I was going to have some information on different types of crimes to see if there are any patterns for the past couple years. Unfortunately, I have been really busy for the last month. The only crime I have had time to look at was damage to property reports. I will have something for our next Council meeting. But, a lot of them are acquaintance related or domestic related. Then we do have some mailbox damages that go on. But, they are really sporadic, and all over. There were three in one neighborhood on one night and six months earlier I found two reports in one neighborhood on one night. Sometimes depending on residents or kids in certain neighborhoods you see certain patterns, but there wasn't anything like that. There were no trends that I could see." Moegerle, "Are we seeing an increase in domestics, assaults or crimes?" Orlando, "The domestic and assaults are not concerning at this point. As the weather warms up we usually see crimes increase. Unfortunately, things will probably turn around and it won't stay this quiet."

East Bethel Firefighters Relief Association (EBFRA) By-Law Amendments

Davis explained that the East Bethel Firefighters Relief Association (EBFRA) provides firefighter pensions that must meet certain requirements. From time to time, by-laws and benefits of the EBFRA are modified and/or updated as a result of statutory or regulatory changes. Currently, the by-laws of the EBFRA have gone through an update to incorporate changes and clarifications in state statute. The changes that are proposed for Council consideration were approved by the members on April 1, 2013. There are no changes to the pension amount. This matter is pending and for consideration of City Council."

Troy Lachinski, East Bethel Fire Relief Association, "Good evening. In the room there are four of the nine trustees here tonight. Secretary Mark DuCharme, Mayor Richard Lawrence and Fire Chief Mark DuCharme. Last month I was able to host two training sessions regarding these changes. All the Council Members were invited. The Mayor and Council Member Koller attended." Moegerle, "I missed that, I am sorry." Lachinski, "I am willing to do that training at any time."

Lachinski, "The current by-laws were revised and we work with a by-laws consultant. They develop them for 60 to 70 cities in MN, including St. Francis, Oak Grove, Stacy, Brooklyn Park, Eagan, many other cities. These are not something we wrote on our own. Our consultant works with two different teams of lawyers. She uses a non-profit lawyer. That person works on the by-laws portion, the non-profit portion. The other lawyer works on the articles, the law side of it. The Minnesota State Statutes relating to fire relief, we stick to that. The main changes that we are proposing have to do with recent changes in state statues. There is a working group that proposes things that are added or subtract."

DeRoche, "I am looking at paragraph 3, is that something that was going to change, but didn't?" Lachinski, "There are a lot of things in the changed document that are underlined that may have been deleted and added back in. Lucky for you, I do have a presentation and I will be going through every single change. It goes through and defines all the topics that

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are defined in the bylaws. In this paragraph it looks like they just added a space." DeRoche, "I didn't see anything in there." Lachinski, "In your packet you had the old by-laws and the new by-laws in your packet. I will go over a presentation on here. I can go through this as quickly or slowly as you want. Richard and Ron have already gone through this. One of the changes is in state statute they clarified who should be the signer on checks. Requires two signatures on checks. President and secretary. We have been doing this for many years. The next three slides are identical. It dictates what nights our meetings are held and if it falls on a holiday how we reschedule the meeting. Now we just say the trustee have the ability to choose another night. The next things are the municipal trustee terms. There are three municipal trustees, the fire chief and the elected official and an appointed official. In this case it has been Rita Pierce. What this talks about if one of them is no longer in employment or moves out of the City and then their term ends. Next is voting on trustees, every year we elect three trustees with a two-year term. If a voice vote is not good enough to determine a winner, then a show of hands, then a run off vote. It added another option that we can use."

Moegerle, "I had a question about proxy and absentee ballots. Is it my understanding that there is no secret balloting at these meetings?" Lachinski, "There is no secret balloting. Absentee and proxy balloting are really for our day shift people if they cannot attend the night meetings." Moegerle, "I understand. But if there were big changes that they wanted to be made, perhaps that wouldn't be accomplished with the open ballot."

Lachinski, "Officer terms were clarified a little bit. In the past every year at the annual meeting the board will vote on who will be the officers next year. President, secretary and treasurer. It states that they will begin their terms at the end of the meeting when they are elected. Conflict of interest was also addressed. Every year starting in January, all the trustees have to fill out a worksheet for the State. It states that we don't own any banks, any financial institutions, anything that could cause a conflict of interest. There wasn't any verbiage that discussed this in the past. If any board members felt that someone on the board has a conflict of interest that they didn't bring forward, we are obligated to bring that forward."

"Regarding our special fund, we use this to pay pensions. In the past there were only three things we could use that money for and they added two things. In the past we could use it to pay a service pension, benefit if a member passed away and they had a beneficiary and administrative expenses. We can now also use it to pay for fees or dues and to pay insurance premiums for volunteer fire fighters benefit association."

"Board limitations, we made a decision that the board of trustee can make some changes, such as wording without going to a board for a vote." DeRoche, "Are those non-policy kinds of things?" Lachinski, "Anything that will not change the money. If there is a vesting change, we go to the board. We can't change the definition of how active service is determined and we can't change the deferred interest percentage. And, we can't revise the number of members required to amend the by-laws."

"In appendix B they changed the definition of active service; this is for return to service. Break in service; they use to have a lot of talk about this. They stripped the wording out of this area and added it to return to service area. Current by-laws don't say anything about resumption of active service; the requirement definition was added to bylaws. We chose the option to have three years." DeRoche, "Do they have to do some kind of training when they come back?" Lachinski, "That goes back to our SOGs. And the Fire Chief will make

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a recommendation to the City Council regarding this and the City Council will decide what those requirements will be. The Relief Association's only goal is to provide a pension to the members. We keep track of the good years of service. We don't set the rules. We try to have a good relationship with the City Council. It is up to the City Council to decide who is on the department, hiring, firing and discipline." DeRoche, "I don't know why you wouldn't want them back if they left in good standing. As long as their training is current, a lot of it would expire. Some of them would have to come back and go over it again. If they left on good standing, it would be worth bringing them back. Are there CEUs that you have to do?" DuCharme, "For every certification that a fire fighter has, they have to have 10 to 24 hours of training on that certification per year. Only those firefighters that have had the training and it is verifiable are able to be recertified. We don't call them CEUs, we call them training hours."

"Clarification on the definition of retirement benefit. It states you are entitled to a retirement benefit but only after you meet all the requirements." Moegerle, "On those benefits, I was looking at exhibit C. Are there lump sum benefits and periodic benefits? Or how are those benefits distributed?" Lachinski, "Currently we have a lump sum benefit. What it equates to today is $3,400 per year of good service. At 20 years you are 100% vested." Moegerle, "And when you tap that fund you get it all in one lump sum?" Lachinski, "Yes. The one other main requirement is you have to reach age 50."

Lachinski, "Return to service the added some wording those talks about active service. It addresses how to account for breaks in service. Forfeiture of accrued benefits it worked against anyone coming back. They basically struck this out. Return to service it is talking about the benefit level in effect at their separation date. What that talks about is say the benefit level today is $3,400. Then they leave and in two years they come back and it is at $3,600 now. They would have to stay for a minimum for 3 years to get the new benefit level. They don't want people who retired to come back for a few months to get a higher benefit level. There is some more wording on that change. This is the bulk of the changes here talking about the return to service. It was also included in the packet the state auditor made a statement on return to service, 5 to 6 pages in your packet. We want to be able to allow good fire fighters the ability to come back and this explains how their benefits will be handled if they come back. If they work three years or more they will be eligible to receive the new benefit level." "

Moegerle, "Could you provide more information on deferred members, I saw the definition. Then as I read through the by-laws I saw active members and active members defined. Do they have voting rights?" Lachinski, "A deferred member is someone that has left the department but has not reached the age of 50 yet. They do not have voting rights. They cannot take the money out until they reach the age of 50, but they can leave the money in our account until they reach the age of 71 if they so wish."

Moegerle, "There is voting in section 4, 7 and 8. Confusing. There is something in 6.4 that say a Vice-President shall not exist?" Lachinski, "There is strictly in our by-laws, we don't have a vice-president." Moegerle, "But 6.3 says in the absence of President or Vice-President if applicable. And I was wondering if because of your standards you meant to use secretary or treasurer. Is that an oversight?" Lachinski, "It is hard when you deal with document that is shared with many people." Moegerle, "If the President isn't there, is a Pro-Tem officer selected?" DeRoche, "Yes, just like up here, then the rest of the board votes who will be the second." Lachinski, "Yes, as long as we have quorum, and the majority vote for it, it will pass."

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Moegerle, "The other one I have a question about is 9.1, you have a definition for board of trustees, and you talk about a board of directors and then it talks about the board of trustees operates as the board of directors, is that also a typo from using the model?" Lachinski, Because we are a non-profit we also operate as a board of directors. But, I can ask the consultant in the morning about this."

Moegerle, "Exhibit C on page 53, the member is active and vested. Terminates active service, lump sum is not paid, returns to service and then the option on the left, not paid. Shouldn't they have gotten some benefit?" Lachinski, "If you are here for 10 years, you get 60%, it will be based on the benefit level." Moegerle, "You could have some fun calling the State Auditor. I understand they have to be age 50." Ronning, "The term vested means you have crossed the line to where you are entitled to something. I have some questions on your benefits. Do you trade it as a deferred vested?" Lachinski, "Yes." Ronning, "But they can leave it to age 71?" Lachinski, "Yes." Ronning, "Do they freeze at the time that they left?" Lachinski, "Yes. Once again that is state statute. We don't pay out until they ask us. The reason they have to ask is because there is a bunch of paperwork they have to fill out. Every year we submit a huge report to the State Auditor, which includes all members. In 1987 it became five years vesting. The state statute determines the minimum and maximum. The state said says the minimum is five and twenty maximum. A fire fighter becomes valuable with five, six and seven years of service." Ronning, "Do you have the authority to choose what the vesting is?" Lachinski, "y\Yes. We wouldn't want to do that because we would lose a lot of people after five years. The City invests a lot of money in fire fighters in training. You pay for this person to go through training. Getting to the ten- year mark, it seems like it is easy to get to twenty then. The first five years is tough. There are 100 hours of training. We do have the ability to change it, but we wouldn't want to do that. We are requesting that you ratify these by-laws for us."

DeRoche made a motion to ratify the by-laws of the East Bethel Fire Relief Association as submitted with the changes incorporated and clarifications in state statute. Lawrence seconded, all in favor, motion carries.

Public Forum

Christine Howell of 22314 7th Street, "I think it needs to get said out loud because there are still people out there under the impression that if you don't hook up you don't pay. I will go over the figures that Mr. Davis gave me. If all businesses sign up like they were supposed to do by September, and nothing else changes, what are the residents going to be held accountable for?" Davis, "The funds for the project available will be $90,000 short. As far as the residents being accountable this year, that won't be figured on your taxes. Those monies will have to be transferred from the general fund or another account to make that up. Going forward into 2014 when we get into our budget, hopefully we will have some kind of projection of what we will see coming on the corner of County Road 22 and Hwy 65. We will have to make some other assumptions. But there will be some deficits that will have to be factored in there and Council will have to determine if they will levy or use existing funds to pay for this."

Howell, "I know it is not from anybody up here now. And, I can't believe that people are out there with that in their head. Now it gets me to development of business and stuff, but this water park issue? I am open to change, and you do whatever you have to do to get this debt off our back that isn't working out to well. We have had a lot of failed projects, or projects that didn't work out as planned. This water park is supposed to be privately funded. What if it ends up like the ice arena? If it goes under, will we not touch it?"

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Lawrence, "We own the ice arena. Just like any other business, like Fat Boys it would be sitting empty like that." Ronning, "No one can say no, if those end up on the agreement, we would be on the hook." Howell, "Is there language we could put in the agreement to keep that from happening?" Ronning, "We haven't seen any of it. So we can't say what it is or isn't." Lawrence, "I can't see anybody coming here, no business wants the City in their business." Moegerle, "That is why we are doing a feasibility study. We aren't talking Disneyland here. That is such a significant investment. It isn't like you can pick up a water park and move to Mankato. A light industrial business could do that. That is why it takes so long to get one of these things; they need to do some in-depth investigation. We do the feasible study. Up to private developer and builder to make it a success." DeRoche, "I am missing something. I didn't realize we are at the feasibility study now. I thought we were sending out for RFPs." Moegerle, "If we get that back and have a feasibility study." Ronning, "One of the things I swore to do was try to be upfront and tell everyone the truth. Whatever you have heard now doesn't change what I said."

Howell, "That is another thing. It doesn't appear we are all playing together as a team. It doesn't mean one is right and one is wrong. You were all elected for the values you campaigned with. You need to stick with those." Ronning, "It is not something that is on the table. But what you said about information. Everyone should know as much as there is, as soon as there is. Not three years later." Howell, "And you should get the same information from everyone. Not opinion wise, but dollar wise. When you ask a question, that number shouldn't change. You don't always get that same information." Lawrence, "I have gotten your email, but haven't had a chance to respond."

There were no more comments so the Public Forum was closed.

Consent Agenda

Ronning, "I pull items D and E." **Lawrence made a motion to approve A) Approve Bills; B) Approve Hire of Seasonal Maintenance Employees; C) 2013 Class 5 Project Bids; ~~D) March 20, 2013 City Council Work Meeting Minutes; E) April 3, 2013 City Council Regular Meeting Minutes.~~ And an addition of the bill for Connexus Energy in the amount of $638.48, to get electric to the reader board. Moegerle seconded; all in favor, motion carries.**

E) April 3, 2013 Minutes

Item E – Ronning, "April 3, 2013 Page 81 7 of 14 of the minutes from the last council meeting, I want to change where it says the vote was 4 to 1 because it didn't cost anything. I don't know why it was in there, there is no motion, no second, no who voted." DeRoche, "I voted no, since I didn't want it to go forward." Moegerle, "Those were the March 20th minutes and those were approved. They are in this packet."

D) March 20, 2013 Minutes

March 20, 2013 – Ronning, "Page 4 of 10 of the minutes, page 68 one of my comments, I spoke against this at the last meeting, I intend to do it now and I intend to do it again. If anyone besides me said no, and I would like to know who they are, and where the motion came from and who seconded, we have been taking roll call votes on this issue. It was a work meeting, so you can't take real action. You took a survey of the group. That is what was four to one." Moegerle, "It was the last sentence on the minutes." Ronning, "I voted no and so did DeRoche." Moegerle, "I disagree and I think those minutes were approved." Ronning, "We are behind on minutes. There was not support for this to any extreme." DeRoche, "I voted no every time." Moegerle, "Why don't we just table these until the next meeting?" Lawrence, "We can look this up on tape and correct the records." Moegerle, "We need to listen to the tape. What is your recollection?" Ronning, "It is the March 20th, meeting and it is referring to the March 6th meeting." DeRoche, "At that meeting staff was

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looking for direction to go ahead with the RFP."

Lawrence made a motion to table items D) March 20, 2013 City Council Work Meeting Minutes; E) April 3, 2013 City Council Regular Meeting Minutes until this is reviewed on the tapes by staff. Moegerle seconded; all in favor, motion carries.

EDA Minutes

Davis explained that the Economic Development Authority minutes are provided for your review and information.

DeRoche, "First question and I hate to beat a dead horse. The EDA did not decide or even care to go forward with the RFP for the water park. Why did it go before the City Council when that is not what the EDA wanted to do with it? Those comments were made by Mike Connor." Davis, "The EDA by not acting gave no direction. This is something that was discussed by staff and needing direction." DeRoche, "We task these commissions to do things and if it has to do with community development and I would hope that they would have the opportunity to get everything together and vote on it. To just circumvent that and move it up some of the people on the EDA feel like that is our job, why are we even here? Mike Conner is more than willing to talk about it, because I talked to him for more than an hour on Saturday. If they weren't going to bump it up, why did it go there?" Lawrence, "We are supposed to be discussing the minutes. I am wondering what your point is. Do you have anything to discuss on the minutes?" DeRoche, "I have questions on the minutes." Ronning, "The minutes are contradictory." DeRoche, "I can't okay the minutes, I wasn't' at the meeting. But, I can comment on what I was told by other people."

Lawrence, "Davis said this idea had moved around enough. Staff was working on it. It had come to the point where something needed to be done, that is why it was brought to Council." Moegerle, "It was put on the agenda for a discussion of a topic, not on it for a vote." DeRoche, "The meeting on the 20th is when a decision was made to go forward." Ronning, "I am confused, I thought the City Council gave the direction not the staff. The staff has talked about it long enough, that is what you said." Lawrence, "Staff was working on it, no matter what was happening at the EDA, it has to come before the Council." Ronning, "According to the minutes it was February 25 to our March 6 meeting. The one guy said he doesn't want to sit and talk about things when the idea is moot." Lawrence, "These are the minutes of the EDA and this is the discussion that came from it. What is the question you have on the minutes?" Ronning, "The work meeting on the 6th, work meeting, that these directions came from the EDA." Lawrence, "It was a discussion from the EDA on the topic." DeRoche, "You are getting upset here. You are raising up the level, we got to keep it down." Lawrence, "I am trying to figure out what your issue is. Is there an issue with the minutes?" Ronning, "I don't know if they are proper or not."

Moegerle, "The matter with the water park needs to be clarified. I think we need a chronology, with a list of the votes. Don't know if we need to go back two years or so. Let's settle it once and for all." Lawrence, "Not a bad thought, but let's wait a little bit. Let's get the minutes approved to the beginning of the meeting." DeRoche, "There isn't a quorum here from the EDA. That is why the information is brought up for discussion." Vierling, "This is for information only." DeRoche, "It wasn't what I had seen coming out of Council meetings. It was my understanding that the EDA had discussed and was moving forward, the water park. When the RFP came up at Council, I was given the impression the EDA was moving forward." Lawrence, "Staff was requesting direction from Council." DeRoche, "Davis has people pulling at him." Davis, "The EDA took no action on this. We are not a bunch of cowboys at staff and we needed direction on whether or not to proceed

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on this matter." DeRoche, "That brings me back to the EDA that is supposed to be spearheading economic development. If we aren't going to depend on what they are saying, and are just going to go over them then why even have them?" Davis, "We are still getting pressure to move forward." Davis, "In a staff position sometimes we are caught between two opposing forces and that is why we brought this forward."

Ronning, "This indicates the meeting on the 25th, lengthy on the water park and level of interest on this type of proposal. The EDA reviewed it as a potential recreation destination. They EDA did not take any action on this issue. At a special meeting on March 6, the City Council also discussed and directed staff to put together a Request for Proposals. We didn't come out of that meeting with any recommendation. Inconsistencies aren't going to put us on the hook for anything."

Davis, "I think all the talks about a water park are premature." Lawrence, "Until someone comes back with an RPF we won't see anything." Ronning, "Why is there inconsistency. On March 6, you took up a survey vote. What were the votes?" Lawrence, "I would have to look it up." Ronning, "The votes were no, no, no." Moegerle, "The vote was not that way. And they have been approved."

Ronning, "At a work meeting, how many votes are taken?" Moegerle, "It doesn't cost anything to get more information. Information is power. As far as going with a feasibility study, we have looked into that." Ronning, "We did say it we can't just talk about this. It was one for unofficially and four against." Moegerle, "We have had staffing problems. They are not online on the website."

Ronning, "What is the motion to follow up with that?" Ronning, "you made a motion to postpone." Lawrence, "That was before. This is just information."

Building Official's Report

Davis explained that included in your packet was the Building Department reports for March 2013 your review.

Total amounts billed for the Oak Grove Building Official and Inspections Services through the end of March are $22,698. Total fees for this service for 2013 from Oak Grove were projected to be $60,000.

Our cost for providing these services to Oak Grove through March 2013 has been $10,669. This includes 107 hours for Nick Schmitz, 107 hours for Joan Steffen-Baker and 1,800 miles of travel at $0.85/mile. Forty one per cent (41) of our time has been spent for Oak Grove Building Official and Inspection Services. Based on these costs through March, our projected costs for providing this service for 2013 is $42,924.

Permit fees received within the City of East Bethel in March 2013 were $12,799.74 and our year to date total for the City is $23,732.71. Our projected fee revenue for the Department for 2013 is $87,700 and we are on pace to collect $94,930.

Koller, "No comment." Lawrence, "No comment." Moegerle, "Good job, this relationship with Oak Grove is great. I realize it is a linear thing, past results don't predict future success." Ronning, "We don't hire staff to get paid in our community to work somewhere else do we?" Moegerle, "Yes, we do. Could someone provide background on this service?"

Davis, "Oak Grove asked us to provide them with Building Official services. They had

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previously contracted this service out and were very dissatisfied. We made a proposal that we would do this for them at a rate of 95% of their permit fees and 100% of their plan review fees. We did hire an additional person to do this; currently the revenues will exceed the cost of the salary of that person. Since this person only spends 41% of their time in Oak Grove, the rest of their time is spent in East Bethel. This is a revenue side of the equation." Ronning, "Would it be fair to say we have gotten a second person because we don't have the use of our first person?" Davis, "Yes. But, our first person is mostly in East Bethel."

DeRoche, "Last night when Nick was talking at the Town Hall meeting he mentioned we also do Bethel? When did we start this?" Davis, "Yes, we do Bethel. We started with them two or three years ago. For Bethel we did 9 or 10 inspections last year. We have been doing it for them since 2010. They lost their service and we agreed to help them out." Lawrence, "I wasn't aware of this either, but it doesn't surprise me that we do it for them." DeRoche, "I feel their pain, but we are in the midst for budget talks." Davis, "We bill them for the service." DeRoche, "I understand that. We have Nick full time with benefits. And now we have Steve and now we have Joan doing 107 hours of other things, maybe in the interim she could be working on the web page. We are paying for doing other peoples services. I haven't seen the figures that say this is what is going on here. We really don't have extra money to do anything else, unless we know if we are going to be making money at it." Davis, "We could generate an extra $40,000 or $50,000 over and above our cost. As we talk about budget and taxes, we need to get revenue that is non-tax dollars."

Ronning, "I am used to talking about total costs, where it could go is the $90,000 that is the City side." Davis, "For East Bethel to take in $94,000, we anticipated taking in $90,000. Things could slow down next month. Currently we on pace to be ahead." Ronning, "The package all in for the second person, do those two add up, with all expenses, with a profit at that point." Davis, "Today we billed for $22,000 for the services. The costs were just over $10,000." Ronning, "Do we need to have a second guy. It will be interesting to see how it turns out with more experience." Davis, "Before Nick was very busy. He is doing most of his work in East Bethel, doing code enforcement and permits and taking this side of it. Our load here is more than one person. If you look at the report you will see the various activities they are involved in. They have inspections, meetings, etc. it is a very involved position. We were even considering the inspector to cover our own needs. Oak Grove helped us justify the position." Ronning, "If that is the way it turns out, he would like to be able to say it is a plus." Moegerle, "This is something we did last year. It is clear it is making us money. Good job bringing that to us."

Utility Infrastructure Loan Funds for Municipal Water Area

Davis explained that the City's Municipal Utility project is substantially complete and there are several businesses that will be required to connect to the system. We understand that there is a substantial cost to these businesses owners for accessing the new utilities and over the past few months, the Economic Development Authority and City Council have been discussing ways to minimize that impact. The discussion has been to set up an Economic Development Loan Fund herein referred to as "The Utility Infrastructure Loan Program". This program would provide loan funds to eligible applicants to assist them in paying for their utility costs in the event other resources are not available, or they are only able to obtain partial funding or they could not qualify for a bank loan for this purpose. This could provide an alternative and a last gap option of financing to those businesses that would be affected by the mandatory utility connections.

The basic framework of the program would be as follows:

- The City HRA by resolution would loan the EDA $281,400 as seed money to create

the loan fund. The city would repay the HRA as loan repayments were collected. The inter-fund loan rate would be set at 4%.

- Businesses that met the requirements of the loan policy could finance up to 4 SAC and WAC assigned units, and pay for other costs and fees associated with hooking up to the municipal system. The loan would be for five years with no penalty for early payment.
- Businesses would be required to apply for the loan, meet loan policy requirements and pay an application fee of $200.00 and an escrow fee of $300.00. The application fee would cover the cost of staff time for processing the loan and discourage those that did not have a legitimate interest in the program. The loan would be approved by Council based on requirements of eligibility.
- The owner of record would need to execute an agreement and waiver wherein the amount of the loan shall be recorded and assessable to the property in the event of default according to the terms of the agreement and payment of all property taxes or any other fees owed to the City must be current.
- This program would not be available to the construction of single family homes.

This program has been discussed with EDA on numerous occasions and the Authority, at their meeting on February 25, 2012, voted to recommend that City Council consider adopting the Utility Infrastructure Loan Fund Program to include the necessary and appropriate details for the application and administration of the fund.

$281,400 inter-fund Loan from HRA to EDA with this amount repaid to the HRA upon expiration of the program which is scheduled to be December 31, 2013.

Staff is seeking Council's final input and approval regarding this proposed program.

Colleen Winter, "Based on the conversations in the previous City Council meetings one of the concerns that were raised was the language regarding the revolving loan fund. And we specifically addressed it as a Utility Infrastructure Loan Fund Program. It would be available for the fourteen businesses that have to hook up to the sewer and water system. We also talk about what the purpose is. Included in the packet is the project map. We also talk about the goals of the loan program. We also understand these businesses will also have other charges. We also talk about two different types of goals, we talk about City sewer and water access charges and the Met Council access charges, and also other costs and fees people will have that they would like to have lending for."

Winter, "We also don't want to compete with banks. I have had the opportunity to visit with both the local banks. We have had conversations with them and wherever possible, they will work with customers and help them with loans. If they cannot help their customers or they cannot fund the whole amount, that is where this program will come in. The banks see it as a win-win."

"The applicant eligibility, a concern was how do you make the determination of who would be eligible. It will be individual owners, partnerships, or corporations within the City of East Bethel and are Municipal 1 (those affected by the mandatory hook-ups) are the ones that would be supported. They must be in good standing. All applicants will have to submit an economic development application. They will have to pay a loan fund application fee of $200. Originally, it was a percentage and it was determined a fee would be better. That does just cover our staff time. The escrow is something that is set aside to cover attorney or other fees. Once the project has been completed any money in the escrow

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would be reimbursed. $38,000 would be the maximum amount funded and 4% is the standard inter-fund rate. The term of the loan is five years with no penalty for early payment. The applicant must execute an agreement. The utility infrastructure loan program is available through December 31, 2013. If they want to fund other types such as their lateral line, or decommissioning their septic system all work would need to conform to laws and be inspected. There is also a conflict of interest form. Anything that happens the city attorney would review this when it is in final stage."

Ronning, "Why isn't the HRA doing it themselves?" Winter, "They can't set up a loan program like this." Ronning, "The purpose of the HRA it is to address blighted areas that can't be redeveloped without assistance. Provide a sufficient supply of adequate safe and sanitary dwellings to persons of low or moderate income. The money is vested in the HRA. The League of MN Cities and State Statute supports it itself. There is no vehicle to get the money anywhere else." Winter, "They can loan the money to the fund." Vierling, "The EDA can make a loan, but they don't have the cash. The HRA can't have a loan fund, but they can loan money to other funds." Davis, "There is precedence in the City and it has been done twice in the past three years."

Moegerle, "I really appreciate this, because when this left the EDA, we said it is in the pervue of the Council to fill in the information. I appreciate you taking the initiative to do that. The HRA is primarily for residents. Where EDA is for business. I did notice the dollar amount is different, $281,000, instead of $251,000." Winter, "What we did is we took right now for City of East Bethel water charge is $2,000 and sewer is $3,600. You also have the charge from the Met Council a sewer only access charge for a total of $8,200. You have 27 ERUs that could take advantage of the program. That equals $221,400. In addition there are other fees associated with hooking up. Those costs include private lateral line, inspection fee, water inspection fee, meter cost, etc. They have the potential to use up to $5,000 to cover costs." Davis, "The theatre is included in the costs."

Moegerle, "This would be secured by a mortgage?" Vierling, "No probably not a mortgage." Moegerle, "How safe is this for us to do. What protections are in place?" Vierling, "We would use a 429 petition, where they could be assessed for payment. It isn't a lien on the property in the event on default, you would be on top of the list. You wouldn't be subordinate to a lien." Davis, "It is all internal. If business A is assigned one ERU, the money is all transferred internally. They don't see the money for fees. The other portion would require a copy of a bill to be paid."

Moegerle, "There is no transfer of money at hands. The money doesn't leave City Hall?" Vierling, "Yes, it is a lot like a real estate closing where you see the money transferred, but nothing leaves." Ronning, "This is a forgiveness of the fees then." Winter, "No, it isn't. If you can't get a bank loan, that is the first qualifier. Second you have to be current on fees and property taxes. With the banks, they may give someone $20,000 and then we have to come up with $10,000. It might be a partial financing."

DeRoche, "First off, I didn't care that we couldn't come up with something. It never came back to City Council. In the part under where the disbursements are coming back to the City. Why do they come back to the Community Development not Finance?" Winter, "We get all the numbers from the Finance Department. There are internal checks and balances." DeRoche, "I am looking more towards whatever money is loaned to the ERA needs to go back to the HRA. I want this money dedicated solely to this. There has been all this talk about helping the existing business. I understand the businesses on the west side are a

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mandatory hook up. I don't understand why Village Green isn't forced to hook up. I can't see why we don't run the water line there. The ordinance that was passed that the sewer line goes past your house, you have to hook up."

Davis, "Village Green didn't want to take the offer to hook up to water. Met Council owns and operates the existing system. Village Green said yes, we will let you hook up to the water. We didn't want the liability of decommission the system. Plus the property had no value to the City. In talking with Vierling, he asked if we could make them hook up. The answer appeared to be no. They weren't in the map of the sewer district. There were no services planned to extend to them. We were going to extend the service after the fact and charge them."

DeRoche, "Met Council is coming in it at the back door. They are going to come in and hook them up, when we had said we would hook you up. We are going to hook them up, and run a line. But now we won't get the water line hook up." Davis, "Anything south of 185th is not in the district." DeRoche, "The monies will all go back into the HRA?" Moegerle, "This is something the auditor would look at." Vierling, "The auditor would look at it each year and show you were the City is at."

Ronning, "The funds are obligated back to the HRA. Anything exceptional to that would be by City Council action by resolution only." Vierling, "Yes." Lawrence, "It looks like the program is good and should work."

Davis, "Pending the decision tonight, he has an appointment to talk to one of the businesses tomorrow." DeRoche, "Village Bank wasn't interested in doing anything because this wasn't that big of a loan. Now have they changed their position?" Winter, "We won't know until they have a conversation tomorrow. They were supportive of the City moving in the direction of a loan program." Moegerle, "Do you want a formal motion, or how would you like us to proceed?" Winter, "To approve the program, the document and what comes back to the City Council would a resolution to allow the loans."

Moegerle made a motion to approve the Interfund Loan Application Fund Program, including the application fees, and terms that have been provided in packet subject to attorney approval. Koller seconded.

DeRoche, "I would like to have the attorney approve it first." Vierling, "I don't see the policy changing from the program." Ronning, "Is there a potential for re-discussion when it comes back up?" Vierling, "The resolution that comes before you will be voted on." Ronning, "I would like to see the whole horse, before I buy it." Vierling, "This is of the approval the program." DeRoche, "The whole council isn't always involved in putting things together."

Roll Call: DeRoche, aye; Moegerle, aye; Lawrence; aye; Koller, aye; Ronning, aye; motion carries.

Fence for Water Treatment Plant

Davis explained that at the time of the bidding for Water Treatment Plant (WTP) alternate bids were received for a perimeter fence. The fence bid was suspended and Staff was directed by Council to review the possibility of obtaining grant funds for the perimeter fence. No grant funds are available for the perimeter fence through Homeland Security, Minnesota Department of Health, Anoka County or other sources.

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Given the isolated nature of this facility and the potential for vandalism of outside appurtenances, staff is requesting approval to solicit quotes for a perimeter fence. The perimeter fence layout is shown on Attachment 1. The estimated cost of the perimeter fence is $30,000.

Quotes received on the fence would be brought to council for consideration at a later date. The estimated cost of the perimeter fence is $30,000.

Staff is requesting approval to obtain quotes on a perimeter fence for Water Treatment Plant No. 1.

Moegerle made a motion to approve staff obtaining quotes on a perimeter fence for Water Treatment Plant No. 1. Lawrence seconded.

Moegerle, "There was discussion on the likelihood on the vandalism. Has there been any indication on vandalism? Has there been anything vandalized at this point?"

Davis, "The closest structure is about a ¼ mile down Viking. Not only from a vandalism and a water protection issue. We had an issue when we thought some fire hydrants were vandalized. We are exposing ourselves to some risk. It is a very nice structure. While $30,000 is a substantial amount, it provides protection."

Moegerle, "With the development in the area. It could become an attractive target." Davis, "Yes. It would be a nice easel for graffiti. If we could secure it would give us protection on well heads also." DeRoche, "I don't know why the big discussion. We voted for it when Steve Voss was on the City Council."

Koller, "I don't understand this, the property is owned by the Met Council." Lawrence, "This is water treatment, our property." Ronning, "It seems like a large area." Jochum, "It is like 1,200 linear feet. The back wash pond and a reclaim pond." Lawrence, "How high is this fence?" Jochum, "Six feet to eight feet." Moegerle, "What does homeland security recommend?" Davis, "This will stop a casual vandal." Lawrence, "Is there barbwire on it?" Jochum, "We would enclose the reclamation pond, and it could be brought to the north and slightly to the east to decrease the size." Ronning, "We are protecting our own stuff, why not." Moegerle, "This would be around the ponds. A shorter fence would still be around the ponds, correct?" Jochum, "Yes." **All in favor, motion carries.**

Castle Towers / Whispering Aspen Forecemain Update

Davis explained that as you are aware the City and the Metropolitan Council of Environmental Services (MCES) have entered into an agreement to construct a joint project from Viking Boulevard to 229th Avenue. The project consists of two pipes in a common trench. The City pipe will be used to convey sanitary sewer waste from the Castle Towers wastewater treatment plant to the MCES system at Viking Boulevard and the MCES pipe will convey treatment plant effluent to the two rapid infiltration basins. The forcemain that is required to complete the City connection from 229th Avenue to Castle Towers will be constructed as a City only project. Attachment 1 shows the proposed pipe routes and the location of the rapid infiltration basins.

MCES bid this project in November of 2012. The bids were higher than the engineers estimate and all bids were rejected. The MCES rebid the project on February 12, 2013. Four bids ranging from $8,423,076 to $9,454,255 were received. MCES concluded that the second bidder, S.M. Hentges and Sons, Inc., offered the lowest responsive bid of

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$8,588,125.92. This bid will be recommended for award to the MCES Council at their April 10, 2013 meeting. The City's share of the construction is $1,606,128.31.

The City forcemain project will consist of the construction of approximately 34,200 lineal feet of 6-inch, 8-inch and 10-inch forcemain and one lift station. Bids will be opened on May 9, 2013. Bids will be presented to the City Council at the May 15, 2013 meeting. A completion date of December 1, 2013 has been established in the contract documents. Provided for informational purposes only.

Lawrence, "Where the lift station will be?" Jochum, "it will be on Johnson Street, near Wargo Ponds, where it hits 241st. It will be on that corner." Ronning, "from my understanding of it we are stuck with this. We are half in and half out. No one out here knows what we are reading. Your retention from recycle is not very good. Can you explain what we are stuck with the Castle Towers mess? What are the costs versus not fixin?"

Jochum, "The plant is at the end of the life. The City will need to make improvements, estimated at $2,000,000 and $3,000,000 for operation for similar costs or less will see lower user fees and we also get credit for people who hook up on this system." Ronning, "what your saying is from a business stand point it costs less this way." Engineer, "yes, and we have the ability to hook others up a long the way." Ronning, "I am trying to help everyone understand. We are reading something." Lawrence, "I have toured that plant up there. It has undergone several band-aides. The shelf life is 40 years and we are well past the 40-year mark." Ronning, "the people that live up there believe there is leakage into the lake. That is second hand to me."

Res. 2013-17 Amending Fee Schedule to Adopt Water and Sewer Rates for East

Davis explained that water and sewer rates for the Municipal Utilities Project area. Aggressive Hydraulics is connected to the system and rates must be adopted to provide a funding source for operations and maintenance.

The proposed water and sewer rates were presented as part of the Feasibility Study for Phase 1 Project 1 Utility Infrastructure Improvements in September 2010. These rates are the projections of the consultants and are the only basis we have for setting an initial rate. Until such time that sufficient data is available for an analysis of our costs water for operating the system, Staff recommends the adoption of these rates.

Attachment #2 compares the proposed water and sewer rates to the cities of Andover, Blaine and Isanti.

As an example, a business that has an assignment of 1 ERU and an average monthly usage of 7,500 gallons of water would be charged the following amounts:

Monthly Water Costs	
Base Charge @ $5.00/ERU	5.00
Plant Charge @ $10.00/ERU	10.00
Usage Charge, 7,500 g. @ $3/1,000 g.	22.50
Total	$37.50

Monthly Sewer Charges*	
Base Charge @ $5.00/ERU	5.00
MCES User Charge @ $2/1,000 g.	12.50
City Usage Charge @ $2.75/1,000 g.	17.19
Total	$34.69

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*Based on 6,250 gals.

Provide water and sewer revenues for the Municipal Utilities Project area to provide a funding source for operations and maintenance from user fees.

Staff requests approval of Resolution 2013-17 Modifying the 2013 Fee Schedule. Fees will be effective immediately.

DeRoche, "I understand the criticalness of this, but I would like to table it. I did some research and looked at Lino Lakes, Forest Lake, Andover and Anoka. I think these rates are really high and they will look really high to others. I think we need to reevaluate our fees."

Moegerle, "The numbers on the page 125 are annual as opposed to monthly." Davis, "All the cities you mentioned do not have treatment plants. They have the benefit of line extensions. That is why are rates aren't comparable to them. Our rates will be higher than the other ones. We can set the fees for anything we want to do. Our electric bill for the water plant was $1,300 last month. This month will be higher. We are selling water to S.R. Wedema at $10.00 a gallon. We have to set some rates. They need to be examined in a year when we get some historical data and we can do that. This is a baseline we are recommending." DeRoche, "Once you put a levy or tax in, it stays. Once you set a rate, we will not lower the rate down. You get use to putting that money in the budget. Just like some cities used to use the LGA. I think we are too high. Especially if you are a water park. Most cities charge $1.00 a 1,000 gallons we are going to go $3.00 a 1,000 gallons." Davis, "We got Aggressive Hydraulics water usage from them from Blaine and I think it was on an average about 10,000 gallons a month. That is a relatively low usage. I don't think the water rates will determine if a business locates here."

DeRoche, "Do people forget the conversations that went on about the Whispering Aspen water charges, how there are only so many people, so if it takes us longer, we will still have to raise more money, we will raise the rates more. I remember those conversations." Davis, "Those are two totally different situations. We have more opportunities to raise the customer base." Davis, "In Whispering Aspen that amount is limited. I understand those rates are high. We wanted that system to pay for itself, but the rest of the City shouldn't subsidize it." DeRoche, "We are going to do that anyway. And what kind of customer base do we have in the sewer district." Davis, "We have the potential to grow that customer base." DeRoche, "I come from the philosophy where you charge a little and get a large customer base, versus charging a lot and getting a customer base. I wasn't born with a silver spoon in my mouth. I am very frugal. From a business standpoint, whatever."

Koller, "I agree with DeRoche, but we have to make the money to pay for the system. These fees aren't too out of line." Lawrence, "At first glance they look high. So I wasn't sure where we should be at to make our costs." Davis, "We aren't sure what our costs are until we have a basis for assessing that. If there is hesitation on these things, one thing we might want to look at adjusting is beyond a certain amount of ERUs there is not a charge. We won't know our true operation costs for at a least a year. I do agree at some level that when you charge fees you don't lower them. But, we do lower them, especially at this level. At this level we have adjusted our fee level many times. We look at them each year. There is still that opportunity. It would be recommended to do a rate study after a year. There is a limit to what we can charge. We may have to charge a little bit higher rate." Lawrence, "You bounced this off the City of Isanti?" Davis, "They have a stand-alone system like ours." Lawrence, "They had some issues with their system and had to raise

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their rates because of that." Davis, "They had some issues with a sewer system extension in 2007/2008 and they had to pay the bill. We have to make sure we compare that we are a stand-alone system, which have had theirs as extensions of collection lines." Lawrence, "They had continual problems with their system, they couldn't drink their water. They had to clean that problem up."

Ronning, "Andover and Blaine all go to Pigs Eye, and there has to be a charge for it somehow." Davis, "There is MCES charge of $2.00 per gallon. We are charging a base charge of $5.00 per ERU in addition for flow charges. They have the advantage of economies of scale. They got a break, and it is costing us more. These Met Council charges are going to be their charge to us for the flow. The sewer charges are what were predicted what would need to be charge in the study to help amortize the system. If you have a better number that can be used and justified, by all means let's consider it." Ronning, "What is rate to get these septic tanks guys. And draw revenue from them." Davis, "That proved to be not feasible." Moegerle, "It is water reclamation plant, and doesn't treat solids." Davis, "It would cost us $60 to 70 to dump."

Moegerle, "My thought is that the difference between Isanti is over $100 a year, that could account for problems solved through an assessment. There is a portion of our expenses that are clearly associated with business, and some with residents. This is associated with businesses. I don't want to get in the business of helping each other out. This is something that needs to be born by the businesses. Don't want to be too high, but don't want to be too low. Knowing this group how we are and frugal. If we make the motion to accept this and then review it in a year, we will tweak it.

Moegerle made a motion to approve the initial rates, water use and waste water for one year, this be revised and brought to the 2nd meeting in April 2014 reconsider and to discuss rates. Davis, "This will be reviewed as part of the fee schedule anyways."

Moegerle, "Are you going to have enough information by January? Davis, "We review our rates every January. We can even do it then." Koller, "I just looked up Cambridge and their water and sewer rates are slightly higher than the ones here. We are very close." Davis, "They are stand-alone systems also. From an Economic Development standpoint we will be competing with Cambridge and Isanti."

Koller seconded. DeRoche, nay; Koller, Lawrence, Moegerle and Ronning, aye; motion carries.

Fire Dept. Report

Davis explained that the Fire Chief has provided reports of Fire Department emergency calls, fire inspections, and emergency medical calls from March 2013.

Chief DuCharme, "There were 38 calls. We had a building fire that was a chimney fire. It was quite a job taking the chimney apart to get to the fire. One mutual aid for a fire in Oak Grove. Council had a question on addresses that are repeat calls, and he has listed that in the report. What I did was go from the first of year until now. You can see 18164 Hwy 65 has numerous numbers of calls. That is Village Green. That is not one residence and is a higher density area. Also Castle Towers, 24355 Hwy 65. At this time we were only in there twice. It has more than doubled in April. Also one call on Hwy 65. There was also a maternity call on Klondike. The infant is doing well."

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Staff Reports – City Administrator

Davis, "The Board of Equalization continuation meeting will be next Wednesday and the HRA meeting and prior to the May 1st we have the 2nd installment on the Fire Department Emergency Management."

Council Member Report – DeRoche

DeRoche, "I have gotten a couple e-mails on the water park. I have copies on a couple. I am not sure I want to discuss it this evening. We as a Council will have to sit down and decide if we are going to depend on the commissions. And not just a person that represents them all, and what is the whole commission thing? Information is done through meetings and people going out and have meetings and it comes before City Council and they wind up in nasty arguments because they don't have all the information. If you weren't involved in a meeting, you don't know what is going on. If I don't have all the information I am not going to just rubber stamp it. People have come to accept that fact that I am straight forward and upfront. At least you know where I am coming from. I hear things and it is a little frustrating. At some time we all have to get on the same page here. I understand the commitment when we all ran for this office. I am not quite sure what the answer is. If staff has information, everyone on the City Council has to know it. It can't be, whether it is a quick one-liner, there is a colored paper in the packet that has the staff report name on it. Community Development Report, Building Report, I am not going to follow staff around to micromanage what they are doing every day. Whether it is a blanket e-mail from Jack to find out what is going on, this is what we are looking at, what we are doing, we had these meetings, without getting too detailed because some of these things you can't get too detailed on. But, I just think that somewhere communication has to come together here. I know a lot of people look at this Council as politically in chaos. They look at the City as a joke because they can't get anything done at meetings, who is going to want to come here. Hopefully we merrily move along here and things will work."

Council Member Report – Koller

Koller, "Not a whole lot to say. You were all here yesterday when we had our friendly people here. I talked with him afterwards and he was correct, I screwed up. And I received several e-mails about that subject that all had the same opinion. I made a mistake on a vote, and I will try not to do that again. I was voted in to do what the people wanted and that is what I have to do."

Council Member Report – Moegerle

Moegerle, "We had the EDA meeting on Monday, it was the best meeting we have ever had from the standpoint that group is finally on the page of saying, "We have got to do anything we can and look at all options to go forward to make the City a success. It is important to have information about what our options are. It is a marathon and not a sprint. The idea that we need to hear from the residents. We are truly interested in what you have to say. What we don't hear we may not investigate and that may be the thing that could solve the problem. So please drop a line to Jack or Colleen or one of the City Council people. It will go forward and it will be considered. The EDA meeting was great in that regard. They are too are going to all electronic packets. If anyone on the EDA one wants a written copy, they will be charged $.25 per page just like any other resident."

"I attended the art crawl on Sunday April 7th. I went to the two residents that were participating. They were wildly pleased with the turnout. Discussing possibility of having on in the fall. I learned more information why art and Booster Day's might not be a good fit for them and how we could work something out to help them."

"Sandhill Crane group is working hard and is an important issue where they will be clearing some land owned by the DNR School Trust. We are waiting to hear more information with

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regard to issues on habitat. The DNR will put out their bid on May 1, 2013, with auction starting on June 1.Tomorrow is Tornado Day. We will have some sirens with that."

"I would like to follow up on some comments. I don't think anyone on this Council is getting special information at anytime. We all get the same information. Information is available if you call Jack or Colleen. I don't think there are special meetings going on where there is privileged information. I think that really needs to come to an end. Whole aspects of that there are not special pockets of information. I do understand there is a lot of fear about going forward, and just by accident recreating what happened in 2010. There are five people here who are dedicated to not allow that to happen. Ideas are not being reviewed objectively; water parks like this would be a private one as opposed to the ones that are paid for with public money. There is a big difference in that and those kinds of oversights create panic with people. All of us are frugal and will make this City a success. When it comes down to 2016 and we owe 1.5 million dollars and we don't have our 200 ERUs a year going on, what's our option? When I spoke with Senator Benson, she said do absolutely everything you can, turn over every rock, take advantage of every opportunity, and learn anything you can. If you need a bail out from the legislature or Met Council they will look at it with a dim view if we didn't."

"The EDA is very dedicated at doing that. Lux said she brought the water park development to a developer that she thinks is authoritative and he thought it made sense. Under circumstances that are carefully thought out and reviewed this could make some sense. I just want you to give every idea an objective chance to be successful."

Council Member Report – Ronning

Ronning, "As far as Council liaisons are any of us voting in our commissions? Because that is not to be done. When I look at the City web page, I pull up the commissions, the Road Commission, is comprised of seven voting members. The Planning Commission is comprised of seven voting members, and the Parks Commission is comprised of seven voting members. The HRA the purpose of the HRA is to such per League of Minnesota Cities and statutes. When he gets to the EDA, the purpose is to coordinate economic development and that seems to be stretching it for East Bethel. Chapter 6, V.A, amount of discretionary powers, in my opinion this crosses the line on what is my job and what is everyone else's job."

Ronning, "I hear there is a president of the EDA?" Davis, "Yes. The EDA is not a commission. It is an authority. They are two Council Members on there that are voting members. They cannot spend any money. Everything has to be approved by the City Council." Moegerle, "That is all documented in the Bylaws." Ronning, "If there is president, I don't know where that is authorized. There are board members, chair, vice-chair and secretary, elected for one year." Moegerle, "You are the president of the HRA." DeRoche, "No, I am the chair." Ronning, "What is the typical recommendation about a Council person interaction with a commission or authority?" Vierling, "Typical is hard to come by because a lot of cities have their own history of what they do. For commissions the role of the liaison is to make sure the discussion of the body get communicated back to the City Council. The commission might also want to know what the thoughts of the City Council are." Ronning, "Are we encouraged to lead?" Vierling, "The chair should usually not be a City Council person. That person leads the meeting." Ronning, "What I thought I saw in the Statute is that none of us will be officers unless our ordinances that describes it and explains it." Vierling, "That is correct. The EDA and HRA are statutory bodies that have functions and tasks. I have seen EDA and HRA made up exclusively of City Council." Ronning, "I don't know if we should be sitting in that capacity." Vierling, "That

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is a policy choice."

Mayor Report – Lawrence

Lawrence, "I have gotten two e-mails this week about the water park and I think a lot of people don't understand what that was really for. The water park is possible. But really what it has done is allowed us to get information to developers to encourage them to look at East Bethel. If we get a water park, that is great. I have asked people, are you opposed to a restaurant? That is what it is about; different items will all come together. These are the things that will help get by. I had one gentleman emailed me and we chatted on the phone, and he said don't do anything and we will pay the taxes as they go up. I don't think many are that way. After I explained the water park issue, he wasn't so against it, he know understands the process a little better. He did say we aren't decisive up here."

Lawrence, "We had a decisive decision in 2010. We need people like Bob to say it isn't a good idea; it helps everyone take notice of what is going on. That is how you balance, by some people saying no. Does that make for a dysfunctional City Council? This is what we call doing your job. I hope we don't have to stop. I want to do something with this water and sewer project. These things don't come lightly. Being on the EDA also it takes a lot of work and energy to bring something to the table that can be viable to send out for an RFP. Some things are just not possible."

Ronning, "Koller's comments tonight are very commendable. I have spoken with people from the early Councils that sat up here and asked one of them, why didn't you just say you made a mistake? The response was, "Never. I will never admit I made a mistake." And if somebody hears that you lose almost all respect for this person. Whether it is a mistake or not, I have never liked the taste of crow. I have eaten it more than once."

DeRoche, "On another note, I did drive by where they clear cut on Sims and it really looks terrible." Moegerle, "Let's not get any more clear cutting in East Bethel if possible."

Adjourn

Lawrence made a motion to adjourn at 10:45 p.m. Moegerle seconded; all in favor, motion carries unanimously.

Submitted by: Jill Anderson, Recording Secretary

Attest:

Wendy Warren
Deputy City Clerk

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EAST BETHEL CITY COUNCIL MEETING
May 1, 2013

The East Bethel City Council met on May 1, 2013 at 7:30 PM for their regular meeting at City Hall.

MEMBERS PRESENT:	Bob DeRoche	Ron Koller	Richard Lawrence
	Heidi Moegerle	Tom Ronning	

ALSO PRESENT: Jack Davis, City Administrator
Mark Vierling, City Attorney

Call to Order **The May 1, 2013 City Council meeting was called to order by Mayor Lawrence at 7:30 PM.**

Adopt Agenda **Moegerle made a motion to adopt the May 1, 2013 City Council Agenda. DeRoche seconded, all in favor, motion carries.**

Presentation – Sandhill Crane Natural Area Forestry Management Plan

Davis explained at Crane Natural Area (SCNA), the Minnesota Department of Natural Resources (DNR) Forestry Division presented a management plan for the State Trust Land located within the SCNA. The management plan included clear cutting the native oak stands located on three separate parcels and allowing natural oak regeneration supplemented with pine plantings.

As a collaborator on the Master Plan for the SCNA and signer for the Memorandum of Understanding along with the Minnesota DNR, the City of East Bethel feels that the DNR Forestry Division's management plan is not in line with the 2030 vision for the SCNA as a "remote area, relatively undisturbed by human activities". The quality and abundance of native plant communities located within the natural area and their proximity to the expanding metropolitan area provides a unique situation that should be considered before proceeding with the proposed management plan. Clear cutting the northwest parcel will be particularly detrimental to the adjacent housing developments located along the western border and those visitors who use the area as a way to enjoy a natural forest environment.

An additional meeting was proposed for the Integrated Management Committee (IMC) to discuss the detailed Forestry Management Plan but scheduling conflicts prevented the group from meeting at a date prior to our Council meeting of May 1, 2013. Since this is a facility that is located in the City and City owned property within the SCNA would be affected by potential logging access activities it was decided that matter should be presented for Council and citizen for comment and input prior to the auction of the timber on the State Trust Lands.

At this time I would like to present Mr. Bob Quade with the DNR who will present the management plan for the area.

Bob Quade, "I am a forester with the DNR, and I have been with the DNR for 33 years. I am the stand land forester for the Cambridge area, which takes care of this part of the state. I am, glad everyone made it here tonight, I want everyone to hear as much of this as they can. And, I welcome your thoughts. A little history, this is school trust land. It was given to the state when it was formed. It was given sections 36 and 16 throughout the state and the goal was to use that money to support the schools. These are trust lands, not DNR lands. The DNR manages these for the school trust."

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"They have given us as a fiduciary responsibility to maximize the long term economic return off these lands. The management plan we have set out there is good forest civil culture management in my opinion. (Quade showed pictures of the areas that he was talking about.) Currently what is out there is a mature Oak forest. With a few scattered White Oak amongst it. And, in the understory is Maple. Maple is a shade tolerant species, it grows up under less shade tolerant species. (He showed another map of the land he was talking about.) The plan is to harvest regenerate this. There are significant Oak Wilt pockets in here. (He showed areas that have died due to Oak Wilt and some rare features such as Eagles Nests.) Oak Wilt works like a slow moving fire. It starts somewhere and it slowly moves out 30-40 feet in a year. This was the original Oak Wilt pocket and this is the expansion of the Oak Wilt pocket.

"The ideal plan that is the most fiduciary would be to totally clear cut it and regenerate the pine. We are not proposing that. There are options for the trust, other means for the trust to mitigate those maximum fiduciary contributions and we are pursuing some of those. He showed where they would clear cut, leaving the north part uncut because there are still some decisions to be made about the ownership on that. Someone has gone in and under planted White Pine, Balsam and Spruce in another area that he showed and that is ideal as far as they are concerned for the long range plan. Once that Oak is cut, that will release those conifers that have been planted and they will be part of the next stand. What we want in the next stand is a mix of Oak, Pine, and forest. There is not only Oak Wilt, there is Gypsum Moth and pure Oak forests are a concern to us. There is a piece of Pine here that comes from bootleg SNA which is about 4-6 miles east of this site here. These soils can grow beautiful White Pine out there and that would be our goal."

"I know if you look at the plan they talked about putting out a fire out there. Keeping out the Pine and the conifer. Trying to regenerate that way. We are not as confident that is able to put that kind of fire on this ground to be able to regenerate in this area. We don't think that can happen and we believe that is contrary to the use of the obligation of the trust. The fiduciary obligation to burn that timber. Now there might be opportunities to compensate the trust that can be worked on. But right now we don't feel that consistent with the trusts fiduciary obligation."

"Access issues? Access is a concern. These are on roads that the timber has to be moved off someway. It has an out lot off it from the water infiltration basin. The best option to get to it would probably be through the shooting range, and we have an appointment to talk to them to see what options we might have there. We have not totally pursued the access in to there. He showed some areas that will not be cut now, but he explained that those trees will go down from a wind event or something. They are diseased. Our plans are to take them down and use the wood before that happens. He showed regeneration pictures. Quade showed an area that they cut 15 years ago. These forests are fire dependent resource, generated about 90 years ago. The Sandhill Crane are using open land. It will look different. If you want to see what this place is going towards, take a walk east towards the water infiltration area. If you do nothing out there, this is in a populated area that would take intense fire, or often fire that most prescribed burners would be hesitant to light. What you have out there now is Oak and then Maple, which is shade tolerant is waiting for the Oak to fall apart. And they will take over that stand. That is not a problem if you don't mind Maple. The best way if you want Oak out there is to get sunlight on those stumps. Cut those and let the light in and the more Oak you will have out there in the future. As Silver Culture Forestry land, this is the best plan. Another thing that is contrary to fiduciary contribution if reserving White Oak out there. There is not many, but out here it runs about 30 cords to the acre. That piece by the water

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infiltration basin runs about 19 cords per acre. We have lost about 11 cords to the acre on that site already. We have only lost 10-15% on the other lands. But, those pockets are continuing to grow and we will continue to lose that out there. The healthiest stand is the diverse stand. As things change with climate you want a diverse stand that can take over when something else gets taken out of play. We are seeing Oak Wilt, we saw it in Dutch Elm disease, you do not want monocultures out there. You want a diverse stand of both age and species. Right now we have an over mature forest across most of the Anoka sand plain. The only 40 year old Oak you are going to have 40 years from now is something you cut this year. If I drove all the way from Zimmerman to here to Cambridge, it is all mature Oak. As far as wildlife, generally species like regenerating forest. All things are good for some species at the expense of others. If you want deer and things that browse, you are looking at regenerating forest for those kinds of things. It will be at the determinate of other species."

Jeff Perry, Planning and Resources Manager for the Anoka County Parks and Recreation Department, "I want to acknowledge a couple other county officials in the audience this evening. John VonDelinde is the Anoka County Director of the Parks and Recreation Department. John has been the director since 1994 and heavily involved in the Sandhill Crane Natural Area Project over the past 19 years. Anoka County Commissioner Julie Braastad, thank you for coming commissioner and she represents East Bethel. I have been an active and privileged member to serve on the Interagency Committee for the Sandhill Crane Natural Area as well as the Citizens Advisory Committee for the Sandhill Crane Natural Area for the past 16 years. I can provide you with some background on how this came to fruition. In 1993 the former East Bethel Mayor was on a duck hunting trip with the former Commissioner of the DNR. They identified a small parcel on the southwest side of Deer Lake in which the DNR currently held ownership to and the City had expressed interest in picking up the parcel for preservation and a possible interpretive center. In 1994 the City ended up acquiring that property and an Interagency Management Committee was formed with technical DNR staff, City staff and County staff to take a closer look at all of the publicly owned land in the Sandhill Crane (which is now the Sandhill Crane Natural Area)."

"In 1995 and 1996 a Citizens Advisory Committee was formed and the initial Management Plan was completed. The initial Management Plan was completed with input from the City of East Bethel, Anoka County Officials, as well as the DNR. From 1997 to 2001 the MPCA was added to the management committee, they own the landfill. And, a Memorandum of Understanding was developed between the four agencies in 1999 and that guides the future management of the Sandhill Crane Natural Area. And lastly, a very comprehensive Master Plan was created that took a comprehensive look at all of the land resources, the wetlands, the wildlife, the whole ecology of the area. Some of the things over the past 15-20 years that have been implemented are a boundary sign and survey program, the entire boundary has been surveyed and signed, there has been numerous plant and animal surveys, invasive species control work. Anoka Conservation District did a program in 2006 and removed acres and acres of Buckthorn that was invading the understory. Conservation easements have been negotiated, local residents, Mr. Al Bonde and his mother negotiated with the state some conservation easements, they gave up rights to their property so it could be protected in perpetuity. There have been some off-highway enforcement issues that have been dealt with and some native prairie restorations that have occurred on County property as well as the pollution control agency former landfill cap as well."

"The significance of the Sandhill Crane Natural Area, it is four agency partnerships, the City, two agencies within the State and the County government have worked together with Citizen Advisory Committee to come up with a very solid conservation plan for the area. Citizen

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input, a ton of meetings with City Officials, County Officials, State Officials, residents in the area, open houses right here in the City Hall. We got all of that input and put it together in a Comprehensive Plan. There is not a plan like this across the state or even in the nation. This plan received two national awards. The first was from the National Recreational Park Association in 2000 in Chicago, Illinois. In 2002 in New Orleans the National Association of Counties issued an award to the Sandhill Natural Area as well. As a collaborative group, we are very proud of those awards. This ties into other significant resources in your City, the University of Minnesota Ecological Science Reserve to the north, Cedar Creek corridor to the west and on down to the Rum River which ties into the Mississippi River."

"From an ecological standpoint, this colored map indicates Minnesota County Biological Survey Quality Plant Communities. The color you see on this map indicates that it met certain criteria to become a high quality native plant community. There are two different types of Oak forest on the property that are of very high quality and there are also eight different wetland plant communities that are considered to be very unique and rare in the metropolitan area and the region. Some of the unique features are a wet meadow wetland community that ties into some upland oak forest, with a diverse understory. There is more to the forest than trees. There is a Blandings Turtle record, first record and the stately Sandhill Crane. In terms of ownership, the northwest corner is 60 acre landfill owned by the Minnesota Pollution Control Agency (MPCA), the Minnesota Department of Natural Resources Trust owns approximately 150 acres, Anoka County owns approximately 300 acres and the City of East Bethel owns approximately sixty acres."

"In 2010 an aerial photo was taken. The Sandhill Natural Area is approximately 570 acres, 200 acres is actually forest land, and we did some GIS figures and of those 200 acres, 10% has experienced some Oak mortality. Could be Oak Wilt, insects or drought stress. Outside of the forest land, there is about 60 acres of native prairie grassland. The PCA recently agreed to restore the landfill with native grass prairie which was excellent to provide that tall grass component on the upland area. And, Anoka County is also in the process in the north end of Deer Lake of restoring approximately 30 acres of native tall grass."

"From the perspective of the collaborative group, this forest management recommendation seems to be on a very fast track. I don't think it has taken into account the negative impacts on the residents, the outdoor recreation users, the hunters, the hikers. The native plant and animal communities very, very critical. We have done a very good job in indentifying that these plant communities are unique, important, special and we want to sustain them for the future. Overall, the area is very biologically diverse. There are very few cities in the metropolitan area that can claim this level of diversity. In fact, I can't name one that has more diversity. Secondly, clear cutting forest communities, on an adjacent Minnesota surveyed quality habitat, it just wasn't intended as part of the vision as part of the plan. And, again that plan was created by the residents of the City of East Bethel with other government officials. And, the clear cut plan is not consistent with the Memorandum of Understanding that was signed by the four agencies. In fact we took an excerpt out that addressed trust property specifically in the MOU and I will read it to you: "The DNR finds that the present income potential of the state property within the SCNA is minimum and that therefore it is reasonable at the present time to continue to manage the state property as contemplated in the plan and this revised MOU." Ronning, "Did you say what the date was on that last quote?" Perry, "1999. That is when the MOU was adopted." DeRoche, "Was there ever an ecological impact statement done before people decided to go in there and clear cut?" Quade, "No." DeRoche, "Is it not required?" Quade, "No."

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Chris Lord, District Manager from Anoka County Conservation District, "I have been there for 21 years. I have been involved in a lot of forestry resource projects such as the Oak Wilt treatment project on this site, Oak restoration and others. I learned of this just a few days ago to my shock. To me the notion that somehow the timber might be sold in a matter of weeks and yet at the same time being told, "We are looking into alternatives." Once it is sold, it is sold. I would like to see if nothing else, things slowed down a bit. I have handouts. Jeff did a great presentation. Legislative mandate, I respect what the DNR is charged with doing. What does that mean for a forest? Maximizing profit? We are assuming a timber harvest. I don't know if it doesn't mean leasing out hunting rights, selling a conservation easement, or what other options would actually maximize the financial revenue that is generated from this property. First thing I question is have those been looked at. Is this the best option, because once you strip the land of the trees no one is going to be too interested in purchasing a conservation easement or swapping it for other lands within that statute as well."

"Oak Wilt is established and will destroy the forest anyway. If you can look at a 90 year old tree that is 135 feet tall and consider it to be nothing more than a stalk of corn in a field that needs to be harvested before it tips over than that makes sense. To me it doesn't because I don't see this as just a crop. We get a lot more out of these woodlands than just a crop. But the notion is that Oak Wilt will decimate it. The Oak Wilt in that southwest corner, I was out there ten years ago and it was there than. It has now expanded to a total of five acres. So in the last ten years it has gone from two acres to five acres. I don't know how long it will take for Oak Wilt to decimate this property, but I think we have decades to worry about that argument. Furthermore, the County has a vibratory plow, so we could contain the Oak Wilt if that is a high priority."

"The other thing, is looking at the aerials we are pointing out Maples coming up as opportunist species wherever and Oak happened to die. They are also around a bunch of wetlands. Maples are wet species, Oaks are dry species so I don't know that I would interpret every Maple as an opportunist. On the east portion of this property in fact, all those Maples that were pointed out are around wet depressions. So, I don't even know that there is Oak Wilt over there. It is so isolated from the actual Oak Wilt infestations that it is completely protected from them. Also, Oak Wilt is natural, it has always been in Minnesota. It is a slow progressing thing. The reason it is a problem for us is when it is in developments where we go in the wrong time of year and accelerate it. That is where we see Oak Wilt as a huge issue nowadays. In a natural setting like this, I don't know why we are so afraid of it. Let it do its thing, let it cause some of these openings to occur. We have dry Zimmerman sands, our Maple trees do not out compete Oak trees in dry sand. When we sell trees every year, thousands of trees are sold throughout our district and we tell people plant the right tree in the right place and it will out compete with anything else. People want to buy the Red Maples and they want to buy the Cottonwoods and they want to plant it in the dry sands. I tell them to plant an Oak next to that and come back in five years and we will see which one outgrew which. Because the Oak is well adapted to those sites. I don't think Maple is going to take over this dry soil. I think we will have Oak regeneration."

"The income that these trees make? Only $20,000 to $40,000? That is how much we will get today for the timber and when I amortize that over 40 years I think I could personally come up with $1,500 a year to buy the timber rights and just say, "Back away." So, I think there could be very viable alternatives to this if we could slow the process down a bit. It sounds like the DNR is open to those and to something being put on the table because they do have a fiduciary responsibility to the trust. I also wonder who the trust is? Can we talk to the trust? Because a year ago the trust said, "DNR you are not doing a good enough job, you are not

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brining in enough money." So now they are doing their job and trying to bring in money. I would like to talk to the trust and find out if the know what this land is about. If they are applying pressure to the DNR to clear cut this land and sell timber, maybe we need to have an audience with them. Maybe we need to show them the value of this property. Get their chairperson out on this property."

"There is about 100 acres of good healthy Oak forest within the areas identified and I know there is a question about who owns what and who has a right to harvest it. According to my calculations, there is under eight acres of Oak Wilt. The Minnesota Environmental Rights Act states that if there are alternatives that will have less environmental impact, they must be pursued. There are state laws that are in conflict with one another, this is one that Minnesota Advocacy Groups and others utilize to insure that we are being good stewards of our natural resources. The trust language says one thing, this statute says another. This statute also says in economic consideration alone can't trump everything. Well, the trust language actually says, yes, if environmental and recreational needs are contrary to the fiduciary responsibilities go with the money. So to be fair to Mr. Quade, his charge is very different than ours, and he is doing his job here for the trust. And that is why I think maybe we need an audience with the trust."

"I wonder about archeological and historic resources. The property to the east of Deer Lake there is an identified archeological site. I don't know that this has ever been surveyed. If a developer came in here to develop these lands, he would have to do an archeological survey. If this was being done on frozen ground, maybe they could say they were not going to impact it. But, they are talking about summer harvest because they get better prices. Given it is on the shores of Deer Lake I would be surprised if we didn't find artifacts."

"Critical habitat, I think Jeff covered that very well. Bald Eagles nests are within the 300-660 foot zone of impact. The nesting, breeding and fledging period for Bald Eagles goes from December through August. If we have avoid activity during those months, it gets us down to September, October and November. Eagles have been known to nest there, don't know if they currently are. The statute even says if they are likely to come back and try to nest again, don't do it because you will scare them away."

"The investment that all these entities have made, I will mention one more. The Gombold land purchase on the south side of Deer Lake, there has been a big effort for this whole area to codify it into one management unit. And someone sweeping in and undermining that, without regard of the sentiment of all these people that have spent so much time, effort and money and staff resources is a little disheartening."

"Invasive species establishment, I read there isn't any buckthorn out there. If there isn't any out there it is because we spent a lot of time treating buckthorn out there. If you look at the map in there, all those little green dots were buckthorn. We GPS'd the area and got every single one of them. We treated them. There is still a seed source out there. If you open it up out there and it will come right back. I got to the most remote part of this property and it looked like a farmer planted them. There were nice rows and flush with berries. There is a buckthorn concern. Are we going to spend $60,000 fighting buckthorn in order to reap less than $60,000 today? That is bad government. Oak Wilt, this is poor project timing. What if they start an infestation? This is an area that he has allowed us to access the buckthorn and he was another good partner as a resident, so I am thinking about them as well."

"Public water wetlands, the wetlands surrounding this property are under DNR jurisdiction.

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To put in access roads I am assuming the City would say, "No, we don't want you driving across our property." And that Beaverbrook Gun Club might say, "No, we don't want you coming across our property." So, the only way they are going to access it is to go across the DNR wetlands. To impact those wetlands, they are protected wetlands. If you can't do it in the winter, because of the eagles, then you are building roads. Building big access roads. Now I don't know what forester is going to build a big access road for $20,000 to $40,000 in timber. I think it wipes out all of their profits and then some. I don't know if these details have been dealt with. If I was bidding on the timber rights and then found out I had to put in a big access road? I think this should be written out on any Requests for Proposals (RFP). So that anyone bidding that timber knows what they are getting into. And knowing what the real value is minus those expenses gives a better handle on what we would have to generate from other resources to compete with that bid. Because I think almost everyone in this room would prefer to see an alternative to the clear cutting of this forest. Also, what are the impacts on the City ordinances, floodplain ordinances, residential streets with those many trucks hauling. MPDES permits, any project that disturbs over an acre of soil is subject to this permitting from the MPCA. Erosion control, sediment control, plans, all of this costs money. Someone has to pay to have this developed, then implemented and then enforced. I dove into the MPDES permit and it would be disturbed soil, I don't know if you can harvest timber off of 100 acres without disturbing an acre of land in non-frozen soils."

"Wood products management, transport utilization of certain species, any trees with Oak Wilt if they can still be a problem has to be managed in a certain way. We had to have a special permit to transport the Buckthorn. If I were bidding on this project, I would want to know that upfront. All these add costs and reduce value of the timber."

"Actions I came up with were ensure the bid process includes all of these issues so they know exactly what they are dealing with. So they can do their due diligence and ask all these questions and find out which ones diminish the value of the timber for them and increase their expenses. Also, I would be happy to see a legislative cure. I think in the metro this application of the trust lands doesn't make as much sense. The uniqueness of its ecological integrity in the metropolitan area, all of these factors speak to that maybe this old law needs a little bit of fixing. We have people in the metro area right now that would be happy to fix it. We have our legislators here right now and it looks like we have their support. Also Minnesota Statute says the Commissioner of Natural Resources shall exchange permanent school fund land located in the school park or state recreation areas, scientific natural areas, managed by the Commissioners' old growth stands for other lands. So they are supposed to swap it if you manage it in a certain way. Well, I don't know if ours qualifies for any of this, but from what I have heard, I don't know why you would ever manage anything for old growth. We are always wanting to be cutting things down before they become old growth. I thought maybe old growth had a value. And I would hope that why would a 120 Oak stand be bad. Let's pursue designation as a scientific area, pursue alternative funding that provides comparable revenue to the School Trust Fund while preserving the ecosystem. And if we can come up with one, they must do it. There are other laws that say they must do it. If you can find one that is $1 more they must do it. In the 1938 photos I looked at, it was fully forested, so I don't know I think these stands are older, possibly. I don't know if they do core sampling. I don't know where they get their numbers from. Notion that because it is mature Oak we need to clear cut it, we don't need a 40 year old stand 40 years from now. But, they are managing a crop. I think there are ways to work with this. I am more than happy trying to work my tail off trying to accomplish this, if we can slow the process down."

Davis, "I would like to recognize two other people. They are our co-partners and co-owners.

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Hannah Texler, DNR and Joe Julick, MPCA."

Mayor Lawrence, "At this time we would like to recognize Michelle Benson, State Senator, thank you for coming tonight. And, Tom Hackbarth, State Representative, thank you for coming tonight. We are now going to open it up for comments from the residents."

Jerry Patrin, "I am an adjoining landowner, but I currently live at 15101 Riverside Avenue North, Marine on St. Croix. If I go back to when I first came out here, about 1950 there was a lot of scrub Oak about 15 feet high. There were cattle grazing in the property, we had to open and close the gates. My father purchased the property, we had 56 acres for hunting and then purchased another 80 acres. I have been hunting here since the 1950s. We have 14 people that hunt with us. Half of those are family members. We use the property for about two months out of the year, the rest of the time it sits. About two years ago I got a call from Anoka County and I gave them permission to access the property to clean out the buckthorn. I currently am in a three year war to clear out buckthorn on my property in Marine on St. Croix. It is quite invasive, it gets so thick the deer can't even go through it. I also own property in Pine County with a friend. We had select cutting done there twice. It can be done and not devastate the forest. In Burnett County there was a blow down and the cutters took everything, our select cutting has been helpful to the property. We have been planting trees for 15 years. It can be done much cleaner. I am concerned as a neighbor. The property we own is on the west and north shore of Deer Lake and it spreads over to Ned Lake and most is Oak. The Maples aren't waiting for the Oaks to die. There are a lot of Oaks dying, they are for the most part dead trees. There was an eagle's nest over there. If this gets cut, I as an adjoining property owner what happens. There has been a couple times that the City of East Bethel, and the County even earlier were trying to take the property through condemnation. Or public land. That makes it much more probable that someone is going to come along and try to take it. We don't plan on developing it. I heard about this a day ago, so I am not too prepared. I agree with Chris, this needs to be slowed down a bit.

Vicky Nass of 23340 Isetta Street, "I brought this book with me "Endangered Species", I only highlighted the ones that are known to be endangered, or threatened, or of special concern in Anoka County because of the work in Cedar Creek. These are the species that would be interfere with if you clear cut it. That is horrible, I have children and grandchildren that I want to see that in their lifetime. I am not a biologist. I am a forester. I don't have the education and can't speak as eloquently. All of my facts and figures come out of the information from the DNR. Nongame wildlife talks about the importance of snags. It shouldn't be cut up and hauled away. Most of my public heroes from Anoka County are in this room. Quote from Aldo Leopold, ""Examine each question in terms of what is ethically and aesthetically right, as well as what is economically expedient. A thing is right when it tends to preserve the integrity, stability, and beauty of the biotic community. It is wrong when it tends otherwise."

Hannah Texler, "I work for the Department of Natural Resources. I have been there for about 27 years and I am with the Department of Ecological and Water Resources. It might not be any surprise to you that there is diversity within the DNR. We have been in consultation with Bob and his supervisors for more than a year about his stands and the Sandhill Crane area because we have a great deal of concern about it. I have been involved in the interagency collaboration for about 20 years now, so I feel a great deal of attachment to it. I know it pretty well. Our division recognizes that we do have that obligation to the School Trust. We have inventoried the trust land to look what the fiduciary return on will be on these lands. We have been investigating a number of things. We are looking at ways to get that money in the

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trust. One of the things we have been looking at is our partners at the Pollution Control Agency, they manage a fund called the Natural Resource Damage Fund, it is very possible that we could get dollars from that fund to actually pay for the value of the timber, so the timber would not have to be cut and the School Trust would be compensated. That may take a little while though."

"Another possibility is our wildlife division is interested in establishing a Wildlife Management Area in this area. We are talking to property owners and if there is interest they might be interested in managing it. We have asked the DNR to delay the selling to timber so we can investigate these options. All the members of collaborative would like this delayed. We feel we might have not given this the attention it needed. We should have paid it a little closer attention, so we would like to spend the summer and see what invasive species is out there, take a closer look at the Oak Woodlands and come up with some alternatives and a management plan we are all happy with. There are different ways to manage forests. You can do selective patch cuts. There is oak regeneration out there. Those are reasons we would like to back off, take our time and slow down. Our history of collaboration is very unique. I have been doing this a long time with the DNR and this is one of by far, the most successful. There have been many victories and conservation accomplishments here. There has been a tremendous investment of staff time and resources of managing this land. People have talked about rare species here and one that hasn't been mentioned is the Red Shouldered Hawk. That is a bird that does require very large areas of mature forest canopy. You would not see them if you did a lot of clear cutting. If you cut the forest there will be wildlife, but different wildlife. Sandhill Cranes are found on open wetlands, it is not no wildlife, just different wildlife. One of the unique qualities here is the mix of wetlands and largely undeveloped lakes and forests. Having those three things together is what makes the habitats we have together here."

Lorraine Bonin of 1915 215th Avenue NE, "We have lived here a long time. We walk this every day. We have some dead trees down there. One I look at every time I go by, something is gnawing at it, animals want those things. My main concern is the area they are talking about doing something with later on. They need to clean it up. When I was young I used to walk around the lake. That area up there, there are basically four loops, 209th Lane, you can go to the south lane and it has gotten blocked off with fallen trees. And if you are going to manage something, maintain what is there, get rid of the junk that is there. Clean it up and make it attractive so people can enjoy it when they go in there."

Frank Howell, "What you see is no cars, no planes, no trains, no buses. There are eagles, it is a very nice area. And, I think we should leave it that way."

Dick Bartz, "My wife and I have been residents since 1993. We live off of 209th, when they say clear cut I am finding out that means everything, they are going to ruin he Maples and such. Several years ago when they put the Sandhill Crane Area in, we were at a lot of meetings. And we were told we could still use it for snowmobiles but they were going to prohibit the traffic of motorcycles and four wheelers. Since they have done that, they have increased the traffic of motorcycles, four wheelers and mud trucks. And eliminated the entire snowmobiling around there. When I contacted my local DNR agent, I was told the government screwed you again and I was told I could move. If you clear cut that it will turned into a racetrack. I called law enforcement and they can't do anything about it. The City put chains up, but they just go around it. When we first moved there it was gorgeous. If we clear it, it starts it into a better racetrack. I am applauding the people here that are trying to slow this down. I have had several Blanding Turtles in my yard. Maybe we could manage

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it and pick up the dead fall. Let's start managing it properly."

Mark Bouljon, "I live at Tri Oak Circle on Coon Lake which is some ways away from the affected area. We came out here because you could see the world as it was. Let's slow this down, if we are going to raise $20,000 or whatever so we can put it in the School fund, how do we justify this to our mothers and kids and others. How does the clear cut benefit anyone but the logger. I can't understand how any responsible forest manager can recommend this as a way of raising money. Then the talk of Oak Wilt in the back, have to do this because this percentage of Oak Wilt and trees are dying. I have concerns about Oak Wilt, my property has it and the trees are dying. Why the sudden interest in rushing to clear cut and siting Oak Wilt and rushing to clear cut. Wasn't the Oak Wilt there 10 years ago, what were we thinking about then? To sum it up, we are looking at trying to raise some money with a short term view. And trying not to spend money with a short term view. And it is about the money? I am not going to live long enough to see a reforested area amount to all of that. That is the nature of life. We have a resource in place. Some should be cut down. Some of the Oak Wilt should maybe be cut down. Some of the older trees should be cut down, but there is no value in clear cutting so someday we can have some more trees to clear cut. So let's stop and see what we are doing. Let's see if there is a way to do this and manage it with preservation as a goal. While the law requires us to manage the forest, does it require us to manage it in the short-term. If we have Oak Wilt problems and need to cut it, let's selectively cut and sell the timber. But for $20,000 or $60,000. You can't clear cut without taking out a whole lot of populations out that you don't understand. All I can hope is the Council will listen to the presentations that were made ahead of me, find the people from the School Trust and other parties that are involved in this and see if there isn't some way to get back to living within the compacts that are in place. If they need $60,000 let's do something to raise that. But let's not monkey around with something of the importance of this for this amount of money."

Gregory Russell, "I live in Wilmar Minnesota and I am the Regional Forest Manager for this part of the state for the DNR. The DNR does not own this land. The land was given to the state by the trust for generation of income for the schools. Long-term revenue generation. We have foregone income off of this land by letting these Oak Wilt pockets get started and progress to a point where we feel now we have to clear cut. We have agreed with and are part of the MOU. But, the MOU clearly states that they realize the fiduciary duty that the state has to the trust and that the land administrator (the DNR) has final say on management. The example that was pointed out about Pine County was accurate. Pine County did not have Oak Wilt. We want to stop this, we want to have a forest in the future so that everyone's kids and grandkids can see what we are seeing now. We want to be able to regenerate revenue off this land in the future as well, it is long term. We can forgo maximizing income right now, as long as we are maximizing long term income."

"Our forest health expert that did his PhD on Oak Wilt has recommended that we clear cutting out here is the best way to treat these stands. Allow them to sprout, kill the sprouts and allow us to plant. There may be some natural seeding, as soon as they root graph with that natural system, they will become infected and die. The Maple that is pointed up, that is waiting. They wait underneath in the shade for sunlight and then they take off. This is not something new, I have been discussing this with Hannah for a long time. With the legislative mandate last year that reaffirmed the constitution, the longer we wait the more costly it will be to fix this problem and get it back to the Oak Forest we want. We all agree we want to see an Oak Forest. Bob if proposing we mix in some White Pine to the stand, that doesn't' have to happen, but it will make it more vigorous stand. We have a statewide guideline which is 80

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year rotations. This will be beyond that, it is time, we have delayed and we are now suffering the consequence. To say all we are doing is generating $60,000 to $70,000 to the trust is very shortsighted. We want to regenerate the stand, bring it back in to production again for the next rotation so we can go in periodically and do our duty to the trust. We don't want to interfere with the Eagles nest, we work with Fish and Wildlife Service. We follow their regulations. We can get a permit to harvest in the winter. Bob has proposed a summer harvest, which is an option to get more revenue to the trust. We will work with the City to get into either of these stands. So that we are not doing damage to the roads. Winter time may be the preferred time. We don't have to put in an expensive logging road in the winter. We can mitigate with Fish and Wildlife for a permit."

"A lot of things that have been said, partial truths on what our intent is. The Maple will start to grow in the shade, the Oak will start to grow but will not make it. If you are seeing regenerating Oak in the areas that have Oak Wilt in them, they will not make it unless we open the canopy. If we do selective harvest, it will cause damage to the existing trees. What we are trying to do is sound forest management here. The comment that no self respecting forest manager would ever think of clear cutting is false. Our intent is to work with folks and this is not a fast track. We have been discussing this internally in our department for years. Our stands come up for review periodically. We have to sell this at public auction, it is a mandate. It may not sell, but we have to make that effort to give our best effort to the public trust. It will change the landscape, but if we start leaving a lot of trees out there, we might do more harm."

Lawrence, "I have seen clear cutting and I am not happy with it. You might as well put a big plow down and leave the brush. It is ugly, for a long time. After five years still nothing has happened, nothing has changed." Russell, "They were scrub trees when they came to this area. We have to look beyond our personal needs, to the future."

Roger Virta of 18921 University Avenue NE, "I am a concerned resident. This property is a genuine treasure. Something we need to do the best we can to protect. I think in terms of regeneration, think of buckthorn if you want it to spread, clear cut. I think that is a piece that hasn't been thought through. Second point is selective harvesting possibly causing further spread of Oak Wilt. I think that could be mitigated if you selective cut in the winter. Seems there is a clear consensus of the people I have heard that you shouldn't be doing this."

Mayor Lawrence closed the public hearing portion of the meeting.

DeRoche, "I am not for it. I teach for the DNR, and one of the things we push is preservation and conservation. One of the things we teach in the firearms safety class is you protect the habitat especially so that the animals have their natural progression. Is there an ecological statement done. I took classes that and was part of it. Our white pines on Coon Lake Beach are 140-160 years old. If I cut one down, I will never see it. If we cut down these Oaks, they are not going to come back in my time or my daughter's time and hopefully we still have something left by the time the next round comes up. This whole area, East Bethel is really unique, we have Allison Savannah, we have Cedar Creek, the Crane district, why can't people take if for what it is. Why can't people enjoy it for what it is? I have heard if you cut the Oak Wilt at the wrong time you can spread it. Is the DNR going to manage this and make sure whatever comes up is supposed to come up? I really have issues with it. I think the DNR is going to do what they want to do."

Koller, "I have property up north and there has been clear cutting. There are some areas that

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have been clear cut that I still can't walk through. This is a very select little area. This is not worth much to anyone but us. They talk about Oak Wilt and that is just part of nature. If you clear cut everything will be all the same age. I personally would like it not to be logged."

Moegerle, "I recently completed my certification as a master naturalist. I have worked on the Sandhill Crane Natural Area Group. My thought is we have had DNR management of this property for years. And it wasn't until the Governor said School Trust monies have to be recouped from these areas that this drastic management approach was suggested. And maybe it is that this has just now come to the top of the list. But, it certainly seems suspect to me that this was not the management technique that was in process for the previous five years, why is this the process suddenly now. It doesn't seem like a lot of money to be gained from this, seems like there are alternatives, I am opposed to it, and it doesn't seem justified.

Ronning, "The DNR website says it is best to take trees prior to April 1st to prevent Oak Wilt problem to avoid spreading Oak Wilt. Another site says Oak trees live 300+ years. I would like someone to comment, where, when, and how the funds would be distributed. What school district it would go to. White pine is threatened by blister rust. No tree is protected. That is part of how earth works. I really can't see killing off this stuff. It would be interesting to see how much money is anticipated, and how much is for us. Where and when."

Lawrence, "I have seen clear cutting, it is a cheap way to take lumber and leave a mess behind. They leave brush piles everywhere. We have sensitive nature areas here, we have the turtles for one. Can't run the tractor over turtles. This is one big flattened mess is all it will be. We have other wildlife that would be impacted. Other artifacts that would be affected. There is no report on what you are going to do and how you are going to do it. That concerns me. I have seen the DNR work and how you do it, one of my favorite hunting grounds there is going to be 100's of acres of wildlife gone. When you clear cut the deer will be gone. The habitat reasons alone, should be enough alone to warrant how are you going to handle this. This is truly a blindside on your part to us."

Ronning, "If this is auction off, will there be oversight of the activity?"

Quade, "When we re harvesting we will have permits in place. The products that come off are a variety of products. You have a business in your community that sells these products, this is product for industries and things. I understand the emotion about this site. We aren't looking at the emotion, we are looking at the science. We would supervise, we do have a plan to reforest. I want to address the timeframe. This went on our website over a year ago. In August I started requesting meetings for the agencies to get together. In December I started asking for the citizen agencies to get together. I have been interacting with the agency groups. I was not aware that I had to come to this group. There has been no intent to blindside you. This has been in the process for quite some time." DeRoche, "I am quite surprised that someone didn't approach the municipality and say, "This is going to go on in your City. We don't know if the other groups have told you this, but this is what our intentions are. Would you be interested in sitting in the meetings?" Because when things come up spur of the moment, I act on the information I have. How many other state trust lands are in sensitive areas?" Quade, "We are talking about 47 acres of harvest on a 500 acre parcel. 10%. This is small potatoes in the grand scheme of the state. You talk about the Environmental Impact Statement, that is a legal process. We never do that on a timber sale." DeRoche, "We are up here we represent the people in the City. This is going to impact the residents in the City." Bob, "I emphasis with you. That is why we have pared this down to a small part of the original plan. We took the two areas that have the least impact. We took the worst of the

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worst to do. We did try to mitigate some of the impact to your citizens. I am willing to stay and answer questions."

Ronning, "The one question that will affect everyone here is where will the money go?" Quade, "It goes in the School Fund, and the interest goes to the schools in the state. It is like an endowment."

Moegerle made a motion to take a five minute recess. DeRoche, seconded; all in favor, motion carries.

Public Forum

Lawrence opened the Public Forum for any comments or concerns that were not listed on the agenda. There were no comments so the Public Forum was closed.

Moegerle made a motion to move items 7.0 B ahead of the consent agenda. Lawrence seconded, all in favor, motion carries.

IUP/Home Business-912 207th Ave. NE – Cathryn Erickson

Winter explained that the applicant, Cathryn Erickson, is requesting an IUP to operate a home-based business named "Creative Threads." The business does contract embroidery on hat and garments, and also does fabric cutting for embroidery companies.

Business is conducted primarily by email and UPS so parking needs generated from the home occupation are small and shall be provided on-site, in the designated driveway.

The Planning Commission at their regularly scheduled meeting on Monday, April 22, 2013 recommended approval of Ms. Erickson's Interim Use Permit to operate a Home occupation in the R-1, Single Family Residential District, located at 912 207th Street NE, Hidden Haven Country Club Estates, Lot 3 Blk 5, PIN 34-33-23-32-0015, subject to the following conditions:

1. Home Occupation shall meet the specific home occupation standards set forth in the City Code Appendix A Section 10-18:
    a. No more than three (3) persons, at least one (1) of whom shall reside within the principal dwelling, shall be employed by the Home Occupation.
    b. No traffic shall be generated by any home occupation in a significantly greater volume than would normally be expected from a single-family residence.
    c. Any sign associated with the home occupation shall be in compliance with the East Bethel City Code, Chapter 54. Signs. Home occupation signage must be no larger than two (2) square feet (City Code Chapter 54-4.3).
    d. The home occupation shall not generate hazardous waste unless a plan for off-site disposal of the waste is approved.
    e. A home occupation at a dwelling with an on-site sewage treatment system shall only generate normal domestic household waste unless a plan for off-site disposal of the waste is approved.
    f. The home occupation shall not constitute, create, or increase a nuisance to the criteria and standards established in this ordinance.
    g. There shall be no outdoor display or storage of goods, equipment, or materials for the home occupation.
    h. Parking needs generated by the home occupation shall be provided on-site.
    i. The area set aside for the home occupation in the principal structure shall not exceed 50 percent of the gross living area of the principal structure and the area set aside for the home occupation in the attached or detached accessory structures

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or garages shall not exceed total principal structure space.

j. No structural alterations or enlargements shall be made for the sole purpose of conducting the home occupation.

k. There shall be no detriments to the residential character of the neighborhood due to the emission of noise, odor, smoke, dust, gas, heat, glare, vibration, electrical interference, traffic congestion, or any other nuisance resulting from the home occupation.

l. Violation of conditions and City Codes shall result in the revocation of the IUP.

2. *Additional Conditions:*
Erickson's shall work with the City's Building Department to come up with a solution to the noise coming from the roof vent that results from the venting of their equipment.

3. All conditions must be met no later than May 31, 2013. An IUP Agreement shall be signed and executed no later than May 31, 2013. Failure to execute the IUP Agreement will result in the null and void of the IUP.

DeRoche motion to approve the request of Cathryn. Erickson for an Interim Use Permit to operate a Home occupation in the R-1, Single Family Residential District, located at 912 207th Street NE, Hidden Haven Country Club Estates, Lot 3 Blk 5, PIN 34-33-23-32-0015, subject to the following conditions: 1) Home Occupation shall meet the specific home occupation standards set forth in the City Code Appendix A Section 10-18:a) a. No more than three (3) persons, at least one (1) of whom shall reside within the principal dwelling, shall be employed by the Home Occupation.; b) No traffic shall be generated by any home occupation in a significantly greater volume than would normally be expected from a single-family residence; c) Any sign associated with the home occupation shall be in compliance with the East Bethel City Code, Chapter 54. Signs. Home occupation signage must be no larger than two (2) square feet (City Code Chapter 54-4.3); d)The home occupation shall not generate hazardous waste unless a plan for off-site disposal of the waste is approved; e) A home occupation at a dwelling with an on-site sewage treatment system shall only generate normal domestic household waste unless a plan for off-site disposal of the waste is approved; f) The home occupation shall not constitute, create, or increase a nuisance to the criteria and standards established in this ordinance; g) There shall be no outdoor display or storage of goods, equipment, or materials for the home occupation; h) Parking needs generated by the home occupation shall be provided on-site; i) The area set aside for the home occupation in the principal structure shall not exceed 50 percent of the gross living area of the principal structure and the area set aside for the home occupation in the attached or detached accessory structures or garages shall not exceed total principal structure space; j) No structural alterations or enlargements shall be made for the sole purpose of conducting the home occupation; k) There shall be no detriments to the residential character of the neighborhood due to the emission of noise, odor, smoke, dust, gas, heat, glare, vibration, electrical interference, traffic congestion, or any other nuisance resulting from the home occupation; l) Violation of conditions and City Codes shall result in the revocation of the IUP; 2) Erickson's shall work with the City's Building Department to come up with a solution to the noise coming from the roof vent that results from the venting of their equipment; 3) All conditions must be met no later than May 31, 2013. An IUP Agreement shall be signed and executed no later than May 31, 2013. Failure to execute the IUP Agreement will result in the null and void of the IUP. Koller seconded.

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DeRoche, "The sound, noise, how often does that go on?" Ronning, "I also went out there. If you sat in a restaurant, it is ten times louder. If you sat in the laundry room doing laundry, it is comparable. A baby cries louder than this. It is something to consider." DeRoche, "I am looking at it from a neighbor's standpoint. I didn't see hours of operation in here. If the neighbors have a complaint, they will come back here." Winter, "There should be hours of operation in here, it should be amended to include that." Mr. Erickson, "We are trying to work with the neighbor and get it down which I believe we can do with the new filter we are going to be installing. The Planning Commission said they would limit our hours of operation to 6:00 am to 6:00 p.m. We don't start that early ever. That machine does not operate 100%of the time while we operate. We hope to mitigate that problem completely with the plans of what we are installing." DeRoche, "I don't think it is that loud, but you would be surprised about what people complain about."

Bob Banks of 903 207th Avenue NE, "I am not going deaf by the decibel level. But, this not a Mary Kay business. This is a R-1 residential area and I am sitting on my deck listening to this. Maybe the Erickson's are unfortunate that I live by them. I appreciate the Planning Commission limiting the hours. I can still hear it when I am sitting on my deck. I don't' want to sit on my deck and hear it. Sometimes they were going to 1:00 a.m. I like to sleep with my windows open. I am hoping the scrubber will help. I am willing to work with them." Moegerle, "Even if the sound is muffled, you are still going to have the drip, drip, drip." Banks, "I understand that and I think the hours will work out." Moegerle, "It sounds like everyone is working together." Winter, "We will make sure the hours are included as part of the IUP. **All in favor, motion carries.**

CUP for Truck and Trailer Parking/ Storing of Parts Indoors – 1542 221st Ave. NE – Paul Partyka

Winter explained that at the regularly held Planning Commission meeting on September 25, 2012, Paul Partyka, owner of PVS Auto LLC and Harlan Meyer of Bentley Realty appeared before the Planning Commission to discuss their interest in purchasing the former Lampert Lumber site. At that time they were interested in purchasing the property for speculative purposes but wanted to be able to use the existing buildings for interior storage for new and used auto parts. ***A copy of a letter dated September 12, 2012 is included in your packet describing their intended use***. The Planning Commission discussed their proposal and forwarded a recommendation on to City Council. On December 5, 2012, the following motion was made and approved by the City Council:

> *Voss made a motion that based on the use that has been presented by PVS Auto, the City Council recognizes it is consistent with the B-2 zoning, understanding that the primary use is office use with storage within the buildings at 1542 221st Avenue NE. Anything else will have to come back to Council for review, Moegerle seconded. DeRoche, "I will not approve any outside storage." All in favor, motion carries.*

Since that time their Business Plan has changed and based on discussions with City Staff it was determined that they would need to go through the process of obtaining a Conditional Use Permit. Their intent is to have an office there daily and sell new and used auto parts. All auto parts would be stored in existing buildings and would not be stored outside. This by itself is fine and a legal permitted use in the B-2 (Central Business) District as determined by Planning Commission and City Council action noted above. However in addition to having the auto parts business, PVS Auto LLC also owns a transportation company (VIP Transfer) and that business has grown substantially to where they now have a need to park their empty trucks and trailers overnight. They currently do not have any room at their facility in Blaine, MN. They have a fleet of 9 trucks and that would be the maximum trucks parked at 1542

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221st Ave. NE. Please find attached a survey, along with a map that shows the location of the truck and semi-trailer parking. The site is currently zoned B-2, Central Business District and the following are permitted Conditional Uses in the District:

SECTION 46. - CENTRAL BUSINESS (B-2) DISTRICT

1. Purpose. The central business (B-2) district is intended to provide for the general retail shopping of persons living in East Bethel and surrounding trade area. The applicable development regulations within the B-2 district encourage high density commercial development with or without drive-thru services.

4. Conditional uses.

A. Essential services—Utility substation.

B. Place of worship.

C. Schools.

D. Drive-thru services.

E. Licensed residential facility—Serving seven or more persons.

F. Daycare facility—Licensed.

G. Exterior storage associated with retail sales and services.

H. Hotel/motel.

I. Funeral home.

J. Crematorium.

K. Veterinary services.

L. Bed and breakfast inn.

M. Nursing home.

N. Recreation, commercial.

O. Other uses similar to those permitted in this section as determined by the city council.

The Conditional Use Permit is for the storage of operational trucks and semi-trailers that are used for VIP Transfer, a part of PVS Auto LLC.

Recommend approval of the Conditional Use Permit for PVS Auto LLC/Paul Partyka to park operational trucks and semi-trailers at 1542 221st Ave. NE, PID No. 08-33-23-12-0005. Subject to the following conditions:

1. Parking shall be limited to 9 operational trucks and semi-trailers that are part of VIP Transfer - PVS Auto, LLC
2. All parking/exterior storage shall not be allowed within the required setbacks, public right-of-way, private access easement, or within the required parking area.
3. Screening of the exterior storage shall be installed and maintained along all property lines. The screening shall not be less than five (5) feet in height and shall preclude vision through the barrier. All screening shall meet the regulations in Section 23.

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Screening Requirements [Regulations].

4. All equipment and materials within the storage area shall be arranged in a neat and orderly manner.

Moegerle made a motion to approve the request of Paul Partyka/PVS Auto LLC for a Conditional Use Permit to park operational trucks and semi-trailers at 1542 221st Ave. NE, PID No. 08-33-23-12-0005. Subject to the following conditions: 1) Parking shall be limited to 9 operational trucks and semi-trailers that are part of VIP Transfer - PVS Auto, LLC; 2) All parking/exterior storage shall not be allowed within the required setbacks, public right-of-way, private access easement, or within the required parking area; 3) Screening of the exterior storage shall be installed and maintained along all property lines. The screening shall not be less than five (5) feet in height and shall preclude vision through the barrier. All screening shall meet the regulations in Section 23. Screening Requirements [Regulations]; 4) All equipment and materials within the storage area shall be arranged in a neat and orderly manner. Ronning seconded.

Moegerle, "It is clear that this is parking. Why are we talking exterior storage when this is parking?" Winter, "It is exterior storage for vehicles that are at a different site. It is an accessory for that business, their overflow." Moegerle, "It is still parking. Do these trucks have signage on the side?" Lawrence, "Are you putting screening up?" Partyka, "Yes they do. There is screening already on the site. We can put additional screening on it if needed." DeRoche, "The concern I have is the same concern I had back then. It was a zoning interpretation at the time, it was clear cut in the ordinance that it could go on there. My concern was that there would be trucks coming somewhere down the road. If I recall at the meeting it was discussed, part of the reason for allowing it was it was going to be a storefront business. And now we have gone from storing auto parts inside to storing our trucks outside. What are the plans for that corner. Thought we were looking to do some long term development? Guess it is whatever is in the long term plans of the City." Lawrence, "Are you going to sell auto parts out of this location?" Partyka, "If we need to, we can open an office there, but we have another building in Blaine that is our main office. This office will be open, because some will come get parts out of here."

Ronning, "Amount of flexibility, how often will you anticipate, thought you said you have business in 48 states?" Paul, "I have one truck in Blaine right now. Probably on Saturday and Sunday have nine trucks that are going to be there. During the week, probably 50/50. 53 footers, full semis. Dry van, all covered." DeRoche, "This is a Conditional Use Permit, once this is issued, that permit stays with that property. If there are any thoughts to put in a storefront, they have to relinquish that CUP. Unless that business leaves, it stays with this property." Ronning, "That is an interesting point, I didn't know that." Winter, "But it has to be strictly as it reads, parking for nine trucks." Ronning, "What does it take to amend something like that, amend the zoning?" Vierling, "No, once it is in place even if you amend your zoning it would be there as a pre-existing non-conforming use and would be allowed, grandfathered in." Moegerle, "I still have a question why this isn't Section 22, parking off street vehicles." Winter, "Parking goes with what the business is. Parking is designed for who is working there, what the business is. That is why I thought we should go through the Conditional Use Permit. It is true the Conditional Use Permit stays with the land, but if it is not in operation for a certain period of time, than it does go away, does it not?" Vierling, "Yes it does. Abandoned for a period of time of o

Moegerle, "What does off street parking mean. I am looking at this and it says you can't have

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parking of tractor trailer on the street." DeRoche, "I think it is setting precedence. And we have a issue on the south side that we can't deal with." DeRoche, "Why can't we do a time limit on this Conditional Use Permit. We have been talking about running a forcemain to Castle Towers and getting businesses. Now we are piece-mealing a Conditional Use Permit?" Vierling, "You can time limit an IUP, but not a CUP." Davis, "If a CUP is granted and they sell to another developer, that doesn't mean just because there is a CUP it will be exercised if it is developed for another purpose." DeRoche, "I thought we were looking at rezoning this corner. I am looking for down the road." Davis, "Even if you grant a CUP, it won't affect or interfere with our future development plans?" Lawrence, "The land to the west of this, is it developable?" Davis, "It is such a narrow strip of land, it wouldn't even be used for a service road." Moegerle, "This is the property that you purchased as a speculative venture to sell out when it develops? What kind of time frame are you looking at being located at this site? Are there any other creative options for this site?"

Winter, "Conditional Use Permits are allowed. They are going to have a retail business down the road. They are going to make those buildings viable again. They have agreed to clean up this property. When we are talking about exterior storage you are not going to see those semis from the road. The maximum would be nine and we are saying where they need to go. It is very specific to where they would go and how many can be parked there." Moegerle, "And say the CUP is violated?" Winter, "Then like any other, we would have to deal with it." Moegerle, "We have two new Council Members, let's explain it to them." Vierling, "The document would have to be fairly specific to what the compliance requirements were on this site. If there is a claim that retail sales are being made on the site, the permit would have to spell out what is being done on the site. If the parking and storage is being leveraged against the retail, then they need to open a retail store so that they are in compliance." Moegerle, "Do we have time to come up with some language so they are in compliance? That might make some of us feel more comfortable." Winter, "What kind of language are you looking for? Because we have specified the maximum number, the location where they can go, we had them give a certificate of survey." Ronning, "I don't recall, was it part of the application, there was one building that was speculative?" Winter, "That was the discussion last year. There is one building they will be taking down." Vierling, "I am looking at the application. Point of clarification, it says received April 8th. There is a deadline of May 3, so you would have to June 6th to have a final decision." Winter, "Part is we are trying to help them because they are in the process of trying to buy this property." Moegerle, "With regard to purchase of this property, what kind of timeline are you looking at?" Harlan, "The seller has been after me for weeks." Lawrence, "Compliance seems to be in order." Koller, "Think those buildings have been empty long enough." **DeRoche, nay; Koller, Lawrence, Moegerle, and Ronning, aye; motion carries.**

Schedule Work Meeting – MIDS Update

Winter explained that over the past three months, the Planning Commission has met with John Bilotta (U of MN Extension) and Jay Michels (Emmons and Oliver Resources) to discuss Best Management Practices related to erosion control and storm water management. At this time the Planning Commission and Consultants are requesting a Work Meeting to provide City Council members an update to revise and adopt new ordinances for erosion control and storm water management. We now need to discuss next steps. We will review the recommended model ordinances being discussed, benefits, drivers, and decisions you and the planning commission will soon need to make.

Goals: To have the City of East Bethel consider and adopt new ordinances for erosion control and storm water management in 2013. The result will be consistent ordinances that will allow us to better address environmental concerns, and work with developers and

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individuals.

Please find attached the Community Assistance Package that the Planning Commission has been working from with the Consultants.

The date that works for them is June 10th, that is a Monday night at 6:00 p.m. The other communities are hearing this on Saturday morning.

Moegerle made a motion to set a work meeting for MIDS information on June 10th at 6:30 p.m. Lawrence seconded. Ronning, "If there is some way they can bring values as far as cost? That would make a big difference." Winter, "One of the things they had talked about is they have a calculator they can use. I think we do need to have that. Some communities have adopted some of the minimum impact design standards and they have looked at the costs of that." **All in favor, motion carries.**

Consent Agenda

Moegerle made a motion to approve the consent agenda pulling Item B and C, but I would like to address C first, because it impacts B. Then of course I want to pull H also. Ronning I also want to pull C. A) Approve Bills; ~~B) March 20, 2013 City Council Work Meeting Minutes~~; C) ~~April 3, 2013 City Council Regular Meeting Minutes~~; D) April 3, 2013, City Council Work Meeting Minutes; E) April 16, 2013 Town Hall Meeting Minutes; F) Res. 2013-18 Designating Ice Arena Floor Scrubber Surplus Property; G) Pay Estimate #21, S.R. Weidema, Phase 1, Project 1, Utility Project; ~~H) Accept Resignation of Fiscal and Support Services Director and Authorize Staff to Advertise Position;~~ I) Purchase Floor Scrubber for Ice Arena Lawrence seconded; all in favor, motion carries.

Moegerle, "I pulled C) April 3, 2013 City Council Regular Meeting Minutes primarily because looking at page 3 the discussion was, "DeRoche made a motion to approve Meeting Minutes March 20, 2013. Koller seconded. Moegerle, aye; DeRoche, Koller, Lawrence and Ronning, nay; motion carries. That is not right. Four people said no and the motion carried. I don't think we approved them and we have them again here. I think we need to straighten out if we approved these minutes and I don't think we can approve the April 3, 2013 minutes until we know if they were approved." DeRoche, "I don't think you said you were going to approve the one set because they were verbatim instead of summary. And we voted to approve them anyway." Moegerle, "This says four people voted against them and they are approved. But the only way we are going to know is if we go back and correct them."

Moegerle made a motion to table the March 20, 2013 City Council Work Meeting Minutes. Ronning seconded; all in favor, motion carries.

Moegerle made a motion to table the April 3, 2013 City Council Meeting Minutes. Ronning seconded; all in favor, motion carries.

Moegerle," Item H, the resignation of Rita Pierce, she has gotten us through all this financial stuff and provided us with financial anyway we wanted it. I hate to see us lose another department head. I know it is probably impolite to vote no on a resignation, but I wanted to say I hate to see her go." DeRoche, "To add to that, if we are going to advertise, we need to have someone come in and spend at least a month with Rita. They are going to have good experience in government finance." Davis, "The timeline of a month cannot be met. What we hope to do is possibly have someone on board by the middle of June. Rita has agreed to stay on a little past the 1st of July to help them. When Rita came on there was no one to show

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her the ropes. If we hire the right person and she shows them the basics, if they can't do it, we have hired the wrong person. Her intentions are to retire the 1st of July. Your recommendations are taken to the point." Ronning, "You are going to need some time to find out if they fit. What if they don't?" Moegerle, "That is why you have the 6 months." Ronning, "I am one of the two newer guys and Rita seems like one of the people that everyone relies on." Moegerle, "That is why we have the Wendy and Jack stays forever motions after this." Davis, "Rita has been extremely helpful to me and she will be missed. But, I hope she enjoys her retirement."

Lawrence made a monition to H) Accept Resignation of Fiscal and Support Services Director and Authorize Staff to Advertise Position. Koller seconded; all in favor, motion carries.

Amend EDA By-laws

Winter explained that at the regular Council meeting on March 6, 2013 a discussion took place regarding the EDA by-laws and changes including the change in meeting date and deletion of Sections 3.5 Adoption of Resolutions: 4.2 Treasurer's Bond; 4.3 Checks; 4.7 Employees; 4.8 Services; 4.9 Supplies, Purchasing, Facilities, and Services; and 4.10 Execution of Contracts. These relate to the authority to write checks, issue contracts, etc., when the Council has never given authority to the Authority those powers. This would eliminate the powers of the EDA and place the control solely with City Council which it does now, but it would eliminate any confusion by deleting these from the by-laws. This was sent to the City Attorney's office and reviewed and they said it was consistent.

Those changes have been incorporated and are included in the Final Version of the EDA By-laws attached.

DeRoche, "There were three concerns I had brought up and nothing has changed. I would go to table these and find out why they weren't changed. The EDA giving an annual report, versus monthly. President being able to call a meeting or vice-president. When it takes two for Council and the third thing being the compensation, where the Council liaison is not being compensated." Moegerle, "All of the EDA commissioners are being paid." DeRoche, "That is the caveat here. The only stipulation I would put here is if they are not Council Members then they get paid. But all Council Members that are on a commission are doing voluntarily. It doesn't fit with me unless we are going to pay all the liaisons." Moegerle, "How much of this is required by state statute?" Vierling, "The changes you are proposing are compliant with statute." Moegerle, "With regard to monthly report versus annual?" Vierling, "You can move it to a monthly report if you want to." DeRoche, "The rest of the commissions do this. We don't even get EDA minutes. They aren't even on the website." Moegerle, "We had a website committee meeting to address that very issue. Setting discussion of the priorities." DeRoche, "Seeing how the EDA is handling the money. Delegating it out." Lawrence, "Council has the final say on the money. Just like the other commissions."

DeRoche, "I come up with these because of things that have gone on in the past. The Council needs to know before it is on the agenda, what is going on in the EDA." Winter, "Are you asking for a report from staff?" DeRoche, "The EDA stuff comes up when it is a resolution before us that we need to make a decision on." Moegerle, "I thought we were getting the minutes with the packet." Winter, "Certainly the EDA minutes if I have them, you get them in the packet." Ronning, "How much do the minutes rely on the website?" Davis, "We just haven't had adequate staff to get those out." DeRoche, "That isn't even what the discussion was on the by-laws." Moegerle, "Have we addressed your issues on the

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reports?" DeRoche, "Sure if we get the minutes." Ronning, "Have you seen the EDA minutes?" Moegerle, "With our packet." Winter, "We can make those changes and bring it back." Moegerle, "I think the compensation is in there because of state statute." Vierling, "In terms of who can call a meeting and how, I have looked in state statues and I am not finding a statutory mandate on how that can get done. If you want it to be comparable to Council, you can do President and two members." DeRoche, "Prior to us the EDA did absolutely nothing." Moegerle, "This says the EDA has to have a seal." Davis, "That is statute, but we don't have anything we seal. We can come up with one." Moegerle, "Commissioners shall be paid in an amount to be determined by City Council. That is the state statute." Vierling, "I have other Councils where they sit as EDA and they don't pay themselves." Moegerle, "What does the statute say for the HRA?" DeRoche, "We don't get paid."

DeRoche made a motion to table the changes to the EDA By-Laws and reviewing terms of the state statute. Koller seconded; all in favor, motion carries.

Res. 2013-19 Authorizing EDA to Extend Loans to Qualifying Businesses and Property Owners Pursuant to the Utility Infrastructure Loan Fund Program

Winter explained that at the regular Council meeting on April 17, 2013 the City Council approved a Utility Infrastructure Loan program.

This resolution gives the EDA the authority to operate the Utility Infrastructure Loan Program under the approval of City Council. The Resolution was drafted by the City Attorney and the City Attorney has also reviewed all of the Loan policies and documentation.

Staff recommends Council approve Resolution 2013-19. Ronning, "Who drafted this?" Vierling, "We did."

Moegerle made a motion to adopt Res. 2013-19 Authorizing EDA to Extend Loans to Qualifying Businesses and Property Owners Pursuant to the Utility Infrastructure Loan Fund Program. Lawrence seconded; all in favor, motion carries.

Meeting Minutes

Davis explained that the Planning Commission meeting minutes from March 26, 2013 are included for your information and review.

Park Minutes

Davis explained that the Park Commission Meeting Minutes from April 10, 2013 are included for your information and review.

Road Minutes

Davis explained that the Road Commission Meeting Minutes from April 9, 2013 are included for your information and review.

Res. 2013-20 Amending Fee Schedule

Davis explained that when the 2013 fee schedule was adopted by City Council on February 6, 2013, it did not include charges for water meters or loan application fees.

Current City Ordinance requires customers to pay for their water meters. Staff is proposing that a fee of $10 would be added to the cost of a typical residential meter (5/8" x ¾") and a $25 fee for larger meters. The proposed fees are intended to cover the cost of ordering and stocking the meters.

At the April 17, 2013 City Council meeting the Economic Development Fund Loan Program was approved. A part of the loan program was to pay an application fee of $200.00 and an escrow fee of $300.00. The application fee would cover the cost of staff time for processing the loan and discourage those that did not have a legitimate interest in the program.

Staff requests approval of Resolution 2013-20 Amending the 2013 Fee Schedule and will be

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effective immediately.

Moegerle made a motion to adopt Resolution 2013-20 Amending the 2013 Fee Schedule. Lawrence seconded. DeRoche, "I am kind of wondering why this wasn't brought up back then. I thought the fees were too high back then and I think our fees are too high now." Davis, "Which ones Bob." DeRoche, "I think all the fees are, $3.00 a gallon. Heidi corrected that to $3.00 per 1,000 put the paper put that as $3.00 per gallon. Personally, I understand the thing has to be paid for, but if we are anything like the legislature, it is not going down." Davis, "We lowered the fees for cigarette license. We are not trying to collect this to pay the $35,000,000. These are fees that are paid by the users. We want to have an application fee so that it is a legitimate application. We don't' want people applying for the heck of it." **DeRoche, nay; Koller, Lawrence, Moegerle and Ronning, aye; motion carries.**

Recycle Saturday Drop-off Pickup

Davis explained that in addition to the City's basic recycling activities funded by the County, the City of East Bethel received an additional grant from the Anoka County SCORE Program in the amount of $10,000 to operate a monthly drop off service for tires, batteries, electronics and appliances at the City Recycle Center. This is a service that is offered on the last Saturday of every month from 9:00 AM to Noon. Funding for this activity has increased our recycling presence and service over and above our traditional Spring and Fall Recycling Day events.

The operation of this extra service has been temporarily conducted by members of the Lions Club under the existing agreement with the City to run the Recycle Center. This arrangement is not part of the agreement with the Lions Club to operate the weekly activities of the Recycling Center. This is an added duty that was intended to be funded by the additional 2013 funding of $10,000.

Operation of this program could be served by extension of the current agreement with the Lions Club or other civic or community organization with further compensation to cover their extra involvement or by using City personnel. Staff will be meeting with the Lions Club on May 8, 2013 to ascertain their interest in continuing the operation of the drop-off program. If the Lions are not interested in continuing their temporary operation of this activity, our next option would be to determine if there is another civic club or local organization that would be interested in operating the program or if utilization of City Staff would be a better choice.

Staff will provide alternatives for the operation of the program at the May 15, 2013 City Council meeting. Any provider of this service would have to meet the City's insurance requirements.

The funds for this program have been approved and a contract has been executed with Anoka County for this service. This is a grant and the City will be reimbursed based on the actual funds expended for this component of the program. It is estimated that the cost for the drop-off service will be $6,000 for the remainder of this year. This cost would include mailing advertisements and compensation to the organization or City for the operation of the service. This program will not involve the expenditure of any City levied funds. Only grant funds dedicated for this purpose would be used for the drop-off program. If City Staff were utilized overtime wages would be paid to those personnel working the program.

Staff recommends that the Saturday Recycle Drop-Off Program be operated by a civic or community organization or City Staff, that these interested entities be identified and presented for selection to Council by May 15, 2013 and that they be compensated for their

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time as a grant eligible cost.

Staff Report

Davis, "Recycle day was held last Saturday, it was a slower day. Attribute that to it was the first good weather day. The Reader Board is up and installed. Connexus is going to make final connections tomorrow. Our electrician will follow suit. Dascom will come here and get us trained early next week. We received 91 applications for the Maintenance Technician Position. We will conduct interviews next week and have a recommendation by to Council by May 15th." Moegerle, "We were given two hours of testimony today on the Sandhill Crane Management Plan, can you get something to us what the next step is for us as Council Members on getting something to change. Davis, "I will talk to Anoka County staff tomorrow. I think we will want to partner with them. Senator Benson did express interest in helping us."

Council Member Report - DeRoche

DeRoche, "It has been a long night, but fun. I thought public works did a bang up job with the last storm. They were pretty busy, Coon Lake Beach was like a war zone and there are still a few properties looking a little rough. The lake is open. I drove down through the sewer and water district, there sure isn't much down there. The sign looks good. Are they going to put fill in around the rock?" Davis, "We will do that." DeRoche, "No fatalities on 22, that is good It is busy at the fire station. My friend's house burned down. It was a faulty battery for a RC car."

Council Reports – Koller

Koller, "Like Bob said the fire department was busy. Friday they assisted Oak Grove in a grass fire. And Saturday there was a car crash. They were doing all the hose testing and got involved in a medical, then there was another car crash, then they had to assist Andover with a grass fire. Then the house fire and then they had a grass fire because someone was illegally burning. There is a statewide burning ban on now." DeRoche, "Except for recreational fires."

Council Reports- Moegerle

Moegerle, "Tomorrow is the first meeting of the Chamber of Commerce at Joey Erickson's office at 7:30 a.m. Yesterday we had a website meeting. That is a great group. We don't always agree, but we get a lot of work done. I am sure we will get some things from staff on this. We talked briefly about getting a high school employee or someone like that to help us. It is exciting to know the Reader Board is about to go up. And, most important, May 9th over in Shoreview the Met Council is having their Thrive 2040 Plan. They are going to talk about the money they take from everyone. We are ignored except when they saddle us with burdens. I hope to see some of you there. I am very excited at least two others are going to LMC meeting."

Council Reports – Ronning

Ronning, "The Planning Commission met a week ago Monday and they have been reviewing MIDS for a few months. They have put a lot of time into it. They had the CUP that came up tonight. They asked a lot of the same questions that Council did. Since January it has been my intention and I have expressed interest for the last number of years and I am going to volunteer to put a criteria together of the sewer and water project. A chronology." Davis, "I have a basic outline of that done."

Council Reports – Lawrence

Lawrence, "It has been a long exciting meeting about the planned clear cutting that is not a good idea and I had a lot of phone calls about it. I think we are moving forward to get the sewer project on the way.

Adjourn

Moegerle made a motion to adjourn at 11:14 PM. Lawrence seconded; all in favor, motion carries.

Attest:

Wendy Warren
Deputy City Clerk

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EAST BETHEL CITY COUNCIL MEETING

May 15, 2013

The East Bethel City Council met on May 15, 2013 at 7:30 PM for their regular meeting at City Hall.

MEMBERS PRESENT:	Bob DeRoche	Ron Koller	Richard Lawrence (7:33 PM)
	Heidi Moegerle	Tom Ronning	

ALSO PRESENT: Jack Davis, City Administrator
Mark Vierling, City Attorney
Craig Jochum, City Engineer

Call to Order

The May 15, 2013 City Council meeting was called to order by Acting Mayor Moegerle at 7:30 PM.

Adopt Agenda

DeRoche made a motion to adopt the May 15, 2013 City Council agenda with the addition of 8.0 G.6 Resolution 2010-60 Temporarily Setting Maximum Vacation Accumulation. Moegerle seconded; all in favor, motion carries.

Ehlers – Refinancing Bonds – Res. 2013-21 Providing for the Sale of $18,275,000 General Obligation Refunding Bonds, Series 2013A

Davis explained there is the potential for redeeming (refinancing) our Municipal Utility Project Bonds under provisions of the bond documents which allow us to redeem if there is a reduction in the federal subsidy payments flowing to the bonds. It was fairly common practice for this extraordinary redemption language to be inserted in the bond documents, as an extra precaution, when these bonds were issued in 2010.

At the direction of staff Ehlers has prepared some updated bond run analysis to provide us some hard numbers as to our potential savings. They are assuming current market rates in their calculations with the bonds proposed to be selling in June and closing in July. They will run their projections at both separate and individual issues. Ehlers is here tonight to present their findings and recommendations for the potential for refinancing our 2010A and 2010B Bonds and along with the City Attorney, will provide an assessment of the risk associated with this potential consideration. There is a potential savings of up to $3,000,000 with this refinancing issue. Staff recommends that Council consider the proposal as presented by Ehlers and consider approving the bond refinancing by approving Resolution 2013-21. At this time Stacy Kvilvang will make a presentation.

Stacie Kvilvang, Ehlers and Associates, "As the City Administrator has stated, we are looking at selling $18, 275,000 in G.O. Bonds for you. This is refinancing taxable bonds. This is a special authority that was given by the federal government. You are not alone, with many municipalities that looked at issuing these debts back then, they were a little skeptical that they would always keep the program around. So that is why that extra call provision was in the bonds you had. . I think the bigger opportunity that is here is that it gives an opportunity to restructure this debt. This debt is being repaid by utility connection fees that you get and other fees and so what we have done is pushed out the principal payment five years to give you some time for development to catch-up. Your first principal payments wouldn't be until 2018 first payments, it would be interest payments from here forward until that date. The other significant thing is your future value savings is over $3,000,000. In those first five years because of the restructuring, you are going to be savings of over $300,000 a year."

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"These are going to be issued as tax exempt and we are anticipating that these will be under 3%, probably about 2.8%. We are not extending the term on the bonds, so they will be finished up in 27 years. I did receive an opinion from Dorsey and Whitney you bond counsel, and the City Attorney. We concur with your City Attorney, he hit it on the head, you have these investors that bought these. And if you look at a typical investor portfolio they are buying them in $5,000 increments. So someone would have to have a significant amount of bonds to want to take it under litigation. There are significant costs associated with that. I can state from our perspective, our office did some of the first in the nation in Wisconsin. Wisconsin used the Build American Bonds more readily than we did in Minnesota. We have three closings to date with no issues that have risen as far as litigation and we have another 17 sales scheduled in our office for this type of financing. There are a couple other refundings we will be discussing with staff, a current refunding that was before you, but more importantly we are starting discussions on the 2010C bonds. Those are non-callable but we are going to look to see if there are any other options that we can look at to alleviate some of that heavy principal payment you are expecting in 2016 and 2017. If approved the sale will be June 19th and then closing July 10th.

DeRoche, "Any questions I had I asked Jack and the City Attorney and got my answers. To me this is almost a no-brainer for the situation we are in. Yes, there are risks, but there are a lot of risks in a lot of things you do. And, I think that when you weigh the risks of what we are going to get out of it, we are much better going with it."

Koller, "I think pushing it out four or five years, will really help us a lot. We need to get the businesses in here and right now we are really struck for time. So I would agree with this." Moegerle, "This doesn't push it out at all, right? It just pushes out the $1,500,000." Kvilvang, "It pushes out the principal payments that were going to be due in the early years. They won't be due in the first five years."

Lawrence, "On that push out, at first glance this is a pretty decent idea. Gives us some relief in the beginning. I think it is a possibility."

Moegerle, "Would you please describe what par plus accrued interest means?" Kvilvang, "It will be the par amount in the principal amount of bonds, plus the accrued interest from date of when the next payment is due to when you actually have the sale." Moegerle, "So what does that mean as far as what we get and actually end up paying in interest?" Kvilvang, "If you note on the page 1 there is a sources and uses statement. Basically what we are depositing of that $18,275,000 is goes to the refunding or construction fund is just about $18,100,000." Moegerle, "We had discussed this earlier with the entire group, which was that the call features didn't have a call for over 10 years. Is there a way to get an earlier call on this?" Kvilvang, "You have an eight year call on this. And that is the shortest call you are going to get without paying considerably more on refinancing."

Moegerle, "The Build America Bonds could only be used for sewer and water infrastructure. So, when we refinance this, can these only be used for sewer and water infrastructure or for anything?" Kvilvang, "Your existing funds, about $5,500,000 those already have specified projects which those can be used for." Moegerle, "And so, after we refinance, can we change our decision on that $5,500,000 and pay down the principal?" Kvilvang, "No. You have to make that decision to cancel all those projects and bring it to the table before the sale." Moegerle, "But it could be that we change our mind later. So, we can't change our mind later." Kvilvang, "Correct, because you have a call date eight years out." Moegerle, 'Well that is good to know."

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Moegerle, "With regard to bank qualification. On the pre-sale report because the City is issuing more than $10,000,000 in the calendar year the City will not be able to designate the bonds as bank qualified obligations. I realize that one of these loans is $11,000,000+ and another is $6,000,000+. Why can't we redo this into two groups so the $6,000,000+ which I think is the Build America Bond is a bank qualified bond so we can save more money by paying less interest?" Kvilvang, "There is always that debate. Bank qualification broadens your market for investors. It doesn't mean that you are going to pay more in interest because they aren't bank qualified. If you could always split it into two, such as $9,000,000 this year and $9,000,000 the next year then you would have an interest rate risk. Where are interest rates going to be 6 months from now, or a year from now if you are going to try to split it. We have seen rates going up and down." Moegerle, "Do you have any idea what kind of savings we could have if the one loan was done as a bank qualified loan?" Kvilvang, "I do not have that off the top of my head. We can run those if you want to see that analysis." Moegerle, "I think that would be interesting to know."

Moegerle, "The $127,000 is that Ehlers fee? Or what are the fees associated with Ehlers, bond counsel, etc." Kvilvang, "The fees above and beyond is one you have the underwriter discount, that is for their work on facilitating the purchase of the bonds and that is about $128,000. Cost of issuance is about $105,000 and that is our fee, bond counsel fee, rating fee and county fee and a few other miscellaneous fees." Moegerle, "So about 10% of our savings go to fees?" Davis, "It is about 7%." Moegerle, 'These are GO Bonds and revisiting 2010 there was discussion that these could be revenue bonds. My understanding is not then, not now could these ever be revenue bonds because there is no revenue, is that correct?" Kvilvang, "It would be difficult because then you would be looking at the revenues of the system to pay for it. And, is there enough revenue to have debt service coverage for the bond? Not as far as I know. But, with the GO you will get lower interest rates because they will know you will have that backing for them."

Ronning, "What interest rates costs did you use for the 2010A and B?" Kvilvang, "The existing rates on the 2010A and B which were sold prior to us, they ranged from 3% on low end to 7 ½ % on the high end. Those were taxable rates but knowing you were getting a rebate in the end. So, rate ranged right now on a tax exempt is running 1 to 3.2%. The average is 2.8%." DeRoche, "With that being said, I personally think we should go ahead with staff's recommendation."

Ronning, "What becomes the total cost for 2013, beginning to end?" Kvilvang, "For the 2013 the total cost is $18, 275,000." Ronning, "The bond value is $11,940,000, that $18,275,000 is the face value, not the total cost." Kvilvang, "That is the total cost." Ronning, "Maybe I misunderstand. The first column, is that the amount the bond sells for?" Kvilvang, "That is to pay off the current bond, cost of issuance, underwriters discount." Ronning, "We can't borrow $18,275,000 and only owe $18,275,000 there is no way. What is the cost after 20 years?" Kvilvang, "Total principal and interest cost is estimated to be about $27,500,000 million for both bonds combined." Ronning, "This is part of what happened with the last group, they looked at raw numbers, they didn't look at the real numbers. The purpose of this is to pay off the old stuff. If you are borrowing this much to pay off the old stuff." DeRoche, "This is $3,000,000 interest less than what we were paying before." Moegerle, "We are going to pay about $300,000 to save about $2,700,000." DeRoche, "And before they were looking at rebates, but they didn't look at the $14,500,000 in interest rates."

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Ronning, "How firm are these interest rates?" Kvilvang, "We are going out to the market and competitively bidding this. There is a rating and we look at your size. So there is a range 10 to 20 base points in there, of cushion in there. Then the bids come in and would be finalized. We anticipate they should be at the rates shown if not better." Ronning, "This is the cost they looked at in November of 2010. And, somehow the net interest was 3.5974%. All inclusive was 3.82% and somehow it went up to 7%. Is that possible for us?" Kvilvang, "No. Unless something significantly happens in the economy or we have another major disaster I don't anticipate that would happen. If something were to happen in the market prior to the sale, we would be back before you discussing delay of the sale." Lawrence, "How many days do we have to delay the sale before the sale?" Kvilvang, "We can pull the sale up to the day of the sale. We like to pull the sale the day before though because the underwriters are busy working on their bids." Moegerle, "How long would it take to work up what savings we might get through a bank qualifying?" Kvilvang , "I can go ahead and run those numbers and likely get them over to staff tomorrow." Moegerle, 'And that is refunding one now and one next year. One bond could be refunded at bank qualifying and we might even be able to save more." Kvilvang, "It might cost more to do." Moegerle, "I hate to leave a stone unturned. They were left unturned last time." Lawrence, "What is the difference? Is there an advantage to going bank qualified?" Kvilvang, "The differences between rates haven't varied that much lately. If it was several years ago, it would be a different story."

DeRoche made motion to adopt Resolution. 2013-21 Providing for the Sale of $18,275,000 General Obligation Refunding Bonds, Series 2013A. Koller seconded. Roll call was taken. DeRoche, aye; Koller, aye; Lawrence, aye; Ronning, aye; Moegerle, aye; motion carries.

Sheriff's Report

Lt. Orlando gave the April 2013 report as follows:

DWI Arrests: There were four DWI arrests in April. Two were the result of crashes. One was a single vehicle roll-over where the driver submitted to a blood test, results are pending. The second crash also involved a single vehicle that had struck a stop sign. This driver submitted to a breath test which indicated a BAC of .17.

Thefts: There were eight theft reports. There were three thefts from vehicles reported. One involved construction tools that were taken from an unlocked storage box on a truck. The second theft involved a purse being taken from a vehicle after the owner had put it into the car, went back into the house and came back out 30 minutes later to find it gone. The third involved license plates' being stolen off a vehicle as it was sitting in the driveway. These license plates were involved in a gas drive off in Princeton. A business had a work van broken into and a second work van had its tires and rims stolen. An exterior light on the business was also broken. There were no suspects in any of the above incidents.

Burglaries: There was one reported burglary at a vacant residence. The cover was found off the furnace and a cigarette burn was on the new carpeting.

Damage to Property: There were seven reports of damage to property. Three reports involved property that was damaged at the Village Green Trailer Park, all on separate days over a three week span of time, separate victims. One involved a window that was damaged, no entry made into the home. One involved tires being deflated on a vehicle. The last involved soda being poured onto a vehicle. Unknown suspects in these incidents. One report was an adult son who was damaging property in the home. The male was

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arrested. One report was for the business with the exterior light broken and the last report involved an assault situation where a vehicle and a front door were damaged.

Assaults: On April 28th at 03:28 a.m. deputies were called to a residence on a report of two males who had gained entry into a residence and were assaulting the adult son of the homeowner. Upon arriving in the area, three males were located who were "suspects" at coming into a house and getting in to a fight with the homeowner and his adult son. The homeowner and son stated that they had a BBQ earlier in the night and the son's fiancée had her sister over. Everyone had decided to spend the night, as they were drinking and they all went to sleep in different areas of the home. The suspect males had come to the residence to pick up the sister. Two males went into the home and got into a fight with the sister, while trying to get her to leave with them. That is when the fight between homeowner and one of the male suspects began. The male suspect was told to get out of the house at which point the fight was taken outside of the residence. Involved were the homeowner, his adult son, the three male suspects and one male that had fled the area prior to deputies arriving. There was a baseball bat as well as mace utilized. Two parties, one of the suspects and the homeowner's son, were transported to the hospital for their injuries. Damaged was the suspect's vehicle as well as the front door. The case is currently under review by the Criminal Investigation Division.

On April 13th Deputies were dispatched to a report of six people fighting at a residence, with a female who was unconscious. Upon arriving and sorting things out, two males were charged with 5th degree assault and disorderly conduct. The female was taken to the hospital due to a high blood alcohol level and having been found unconscious.

Possession of Stolen Property: On April 25th a deputy responded to a call of a suspicious vehicle that deputies had been looking for earlier in the day. The deputy located and stopped the vehicle. The male driver had a suspended driver's license and admitted that there was no insurance on the vehicle. While conducting an inventory search, the deputy located three different sets of license plates. One was used in a no-pay gas theft in Princeton that had been stolen from a vehicle in East Bethel. The deputy was able to get a photograph of the suspect in the no pay, which matched the driver of the vehicle. The male denied ever being in Princeton. The male was charged with possession of stolen property, driving after suspension, and no insurance violations.

Lt. Orlando, "Our Crime Prevention Coordinator works a couple days a week down in Minneapolis. I told her I was looking for trends in crimes for the past three years in East Bethel. So, I got these maps for 2010, 2011 and 2012 that have been given to you that show the different trends in crimes and the different areas that they happened. The trending crimes for 2010 were thefts from vehicles at boat landings, thefts of catalytic converters, theft of copper from homes and syphoning of gas from vehicles. The trending of crimes for 2011 were thefts from unlocked vehicles, thefts from garages and burglaries at vacant businesses. They are pretty spread out. And the trending of crimes for 2012 was a significant reduction in thefts from vehicles and property as opposed to two years prior."

DeRoche, "Residential burglary went up." Lt. Orlando, "In 2012? It did, but if you look at the homes that were actually burglarized it went down by one." Moegerle, "So our next year's contract will be really reduced, right?" Lt. Orlando, "Crime trends are down, which are good. We have had a fairly quiet winter. I expect to see a lot of activity in the coming month, which seems to go hand in hand with the warmer weather." DeRoche, "What do you see with the heroin trend these days?" Lt. Orlando, "We see a lot of overdoses. But we

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see a lot of saves because of Narcan." Lawrence, "Is that a new drug of choice?" Lt. Orlando, "Seems to be more popular than meth. Not to say meth has gone away. It is not restricted to one area. We see it all over." DeRoche, "How are we doing on accidents?" Lt. Orlando, "Good. It has leveled off. Been quiet."

Public Forum

Lawrence opened the Public Forum for any comments or concerns that were not listed on the agenda. There were no comments so the Public Forum was closed.

Consent Agenda

Lawrence made a motion to approve the Consent Agenda. Moegerle asked to pull Items B) April 3, 2012 City Council Regular Meeting Minutes; C) April 17, 2017 City Council Regular Meeting Minutes. Ronning also wants to pull Items B & C. DeRoche wants to pull Item G) Approve Hire of Maintenance Technician. **Items approved include: A) Approve Bills; ~~B) April 3, 2012 City Council Regular Meeting Minutes; C) April 17, 2017 City Council Regular Meeting Minutes;~~ D) April 17, 2013 Board of Appeals and Equalization; E) May 1, 2013 City Council Work Meeting Minutes; F) Res. 2013-22 Designating 1996 Single Axle Ford Plow Truck Surplus Property; ~~G) Approve Hire of Maintenance Technician;~~ H) Approval to Advertise for Website Intern; I) Purchase of Single Axle Plow Truck with Single Axle Equipment; J) Approve 1 to 4 Day Temporary On-Sale Liquor License for Alliance for Metropolitan Stability. DeRoche seconded; all in favor, motion carries.**

Moegerle, "I pulled Item B) April 3, 2013 City Council Regular Meeting Minutes because there are a couple of errors in that I think we can correct pretty easily. Page 2, second paragraph, 3rd line from bottom, ***search*** Minnesota. Same page, but ***due*** to some staffing issues. Most important one, page 5, Road Commission minutes, Lawrence, "The ***striping*** of road… Davis, "It will be ***striped***…Page 14 Tom's report, ***A*** week ago." Ronning, "Page 7 of 14 in the book it is 43. The second paragraph, about 2/3rds of the way down. A reminder that this was a work meeting and we don't vote at work meetings. Moegerle, "The vote was four to one to prepare the RFP because it didn't cost anything." Moegerle, '"I admit I said that. There was an indication that it was four to one." Ronning, "Here is a suggestion. Discussion was held and there was a consensus to prepare an RFP. That takes the vote out of there." Moegerle, "Why don't we change the word vote to consensus. Why don't we say, The consensus was four to one. Solve your problem for accuracy?" Ronning, "It is not just my problem, we don't take votes. I can do that." Moegerle, "Okay done, I can agree to that."

Moegerle made a motion to approve the April 3, 2013 City Council Regular Meeting Minutes with the changes as noted. Ronning seconded; all in favor, motion carries.

Moegerle, "I pulled Item C) April 17, 2013 City Council Regular Meeting Minutes for the purposes of tabling them. There are quite a few issues throughout. A lot are ones that wouldn't normally be mentioned here. But, I am looking at starting at page 4 of 18. Lachinski is talking he says they work for one month and quick. Should have been quit. We have conversations were Council Members are speaking to themselves or there are missing statements." Ronning, "On page 5 of 18, in retrospect, consensus doesn't take numbers." Moegerle, "But you actually did state that and we did just change that in the minutes." Ronning, "You change the whole thread don't you?" Moegerle, "I think you have to have a record of the change. In my opinion." Vierling, "The minutes that we are taking now will certainly reflect the changes you are making to the other minutes that you are talking about, yes." Moegerle, "But, the ones in the April 17th meeting where he is discussing the April 3rd meeting where we just discussed to make the change that we just

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made, we are getting multiple layers. That is why I think we should leave this one alone, just like when this comes up again, we leave this alone. Mission accomplished." Vierling, "If the statement is accurate, even if it is substantively wrong, if the recording the statement is correct, the minutes should be retained." Moegerle, "Then we shouldn't' have changed the April 3rd one. Because that is what I said." Vierling, "Always get to the question of degree." Ronning ,"At no time in the future will there ever be a reference to a vote during this time in the process at a work meeting." Vierling, "I think your point is well taken, that there are not votes taken at work meetings."

Moegerle made a motion to table the April 17, 2013 City Council Regular Meeting Minutes for these changes and others. Lawrence seconded; all in favor, motion carries.

DeRoche, "Item G) Approve Hire of Maintenance Technician. The reason I pulled this is we started out with 91 applications and whittled it down and for whatever reason, I am troubled we didn't hire an East Bethel resident. We seem to be hiring applicants out of Ham Lake. If we had an East Bethel resident that was qualified, if there a reason we don't hire East Bethel residents?" Davis, "No reason at all. There were twelve applicants from East Bethel, but none had previous public works experience. They had some peripheral experience and this gentleman had three years experience and comes highly recommended. We always select the most qualified applicant. Address is not a concern."

DeRoche made a motion to approve the hire of the Maintenance Technician. Moegerle seconded. DeRoche, "When is he starting?" Davis, "He is start Monday, May 20th." **All in favor, motion carries.**

Ronning, "Point of information, the grammar corrections on April 17th were not taken by our present minute taker they were taken by someone else. Don't put any un-credit where credit isn't due.

Economic Development Authority

Davis explained that the Economic Development Authority (EDA) minutes are provided for your review and information. DeRoche, "I have comments on March and Aprils EDA minutes." Moegerle, "Are these approved yet?" Davis, "The March minutes are, but not the April minutes." DeRoche, "I would like to see the EDA meetings online or cable. I think it is important for the meetings to be on there. After viewing both the March and April meetings and then looking at the minutes, I got the impression that the minutes were more summary than anything. Especially with the April meeting, there was a fifteen minute discussion about verbatim versus summary minutes and that was just a paragraph in the draft minutes. There are a lot of comments and context that was not in there. That is one of the reasons I have been pushing for the verbatim minutes. I personally would like to see the EDA meetings on cable. I think it is important for the residents to view those. There seems to be some lack of information or wrong information that is put out."

Ronning, "I agree. When I watch that, or if someone else watches it, the authority was jesting or making fun of the Council for votes taken. The Council doesn't set requisites like summary versus verbatim unless it is an independent group." Moegerle, "I don't understand what you are saying." Ronning, "You spent about 10 minutes discussing it and then say the Council can do what they want, we are going to summary minutes." Moegerle, "That was the gist of what was said, correct." Ronning, "With that in mind, I think we need to know what is going on as well." Moegerle, "I think Dan Butler had a point he made to each of the Council Members through e-mail and he was just restating this issue. I think at

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the time, Colleen was there, Jack was not there and there was a question. What I think has to happen is there needs to be an end of the sniping between the Council and the EDA. The Council controls all the dollars and everything the EDA does. It is clear and these minute have not been approved. He made a statement. I think it has been made clear that Council determines whether the EDA does summary or verbatim minutes. Dan was making a political statement. Subsequently it has been made clear to me that they don't have that authority, or do they?" Vierling, "Generally speaking each body can decide how they keep their minutes or records. However, the Council can dictate as a matter of policy across the board how the minutes are going to be kept." Moegerle, "I also understand the Planning Commission decided they wanted to have summary minutes as well." Ronning, "That was before it went away. As far as I know I don't think the Planning Commission has any issue with their minutes. Not at the last meeting." Moegerle, "I have heard continuing discussions about it. I think it would be better if we actually had an agenda item to address the issue of authorities, commissions, committees and the Council and the relationship and whether they can do verbatim or summary minutes and where the powers are. Because we are spending far too much of the Council's time throwing harpoons at the commissions and they do a lot of hard work, they have genuine concerns. This was a genuine concern that was expressed here and I think we should deal with it upfront once and for all instead of sniping."

Ronning, "I agree with a lot of that. The inference of the sniping between the Council and the EDA. If I am sniping I apologize, I shouldn't be doing that. If I am sniping it is reactive of what I saw from the EDA on April 15th." DeRoche, "The fact of the matter is it wasn't Mr. Butler, it was Council Members that brought it up and went on and on. The first 14:52 minute of the meeting. Just like the conversation with Julie Lux, that prompted this at the last Council meeting, and that didn't happen during the meeting like you said, it happened after the meeting standing right next to my microphone, and that has been part of the contention." Lawrence, "We are done, I am tired of hearing about it. This EDA stuff and all you do is pick on these people. You want to stifle them and micromanage them? Fine, that is not your job." Ronning, "Point of order, we have a group that is going to be administering up to $281,000 and they are not just casual acquaintances. They are accountable. Not an independent group to do whatever they want. No matter who gets angry with who, this stuff has to come to an end." Lawrence, "You are inaccurate, they can't do that. They cannot spend a dime without Council approval." Vierling, "Point of Order is procedural question and that was a substantive comment. The issue is debate going to go on regarding the issue or not. I will take the Mayors commentary as calling the question on the minutes and under the rules if there is a motion to continue debate and it is seconded and passed, you can override a call of the question."

DeRoche made a motion to continue the debate on the EDA Minutes. Ronning seconded. Koller, DeRoche and Ronning, aye; Lawrence and Moegerle, nay; motion carries.

DeRoche, "I was going to suggest in my Council report that there be a meeting between certain parties to distinguish what each of us does. The comment has been made that we beat them up and that is not true. I spoke with them and asked, "What do you think is going on between the Council and the EDA or the Council and the Planning Commission, etc. What is it going to take?" Lawrence, "What does this have to do with the minutes?" DeRoche, "Because the minutes don't reflect what is on the DVD." Lawrence, "What do you have for the minutes, you are off track here running around somewhere else." DeRoche, "The minutes should reflect what are on the DVD and they don't." Moegerle,

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"These minutes are not approved. When I said Julie Lux said that at the EDA meeting, I said at the EDA meeting, not during the meeting. She said what she said, that is where I saw here. Not a meeting at some hole in the wall." DeRoche, "We were discussing what I had to say. Whenever comments come from that end they are not gaveled or stopped. But when Tom or I say them they are. Maybe they should be dealt with."

Ronning, "This is some of what was said about summary minutes, let's take out the pabulum and leave the meat and potatoes. That is our prerogative, is it not? I talked to Stan about summary minutes and I think it is ridiculous to have verbatim." Moegerle, "You have made the point time and again that we don't have a court reporter. If we are going to do a court reporter, that is what we need. It gets ridiculous if we aren't going to every comma." Ronning, "Practice what you preach." Moegerle, "I just want to be clear on what we are supposed to be getting. I don't care if anything I say is repeated. How detailed do you want. It costs us money. We are losing getting information out to the residents by spending all this time on court reporter dialogue. If you want a court reporter, spend the money." Ronning, "I want people in this room to know that there are some things that are not appropriate in these commissions. And some of the things that were said in there, talk about sniping." Moegerle, "We need to get this resolved once and for all. I want to have a work meeting on the issue of commissions, authorities and committees and then have it on the regular agenda. That way so everyone is indicating during the work meeting how they are going to vote. We have had people in this group make indications and then staff has gone forward and work of staff has been wasted." Ronning, "Is it proper to have a meeting before a vote meeting without having the substance available?" Vierling, "You can have work meetings to take the time to flush out issues. Certainly no votes can be taken. But meetings to work to discuss to get all the facts on the floor can happen. It is not uncommon to conduct workshops on things that are going to take longer than a business meeting. So that people come prepared to vote at the regular meeting. They are not closed, they are open to the public." DeRoche, "We need enough time allocated so we can pull up some of these CDs so we can listen to the comments made." Moegerle, "I think that is a waste of time." Ronning, "Why are you defensive?" Moegerle, "I am not defensive. Let's formalize the policies and get on. Let's resolve the issues and policies and move on." DeRoche, "I have no problem doing that, except for it is the pot calling the kettle black. With the comments on these DVDs about circumventing the Council, I time stamped, I know what is on them. Moegerle, "Please provide me with a copy." DeRoche, "I have no problem doing that." "

Planning Minutes

Davis explained that the Planning Commission minutes are provided for your review and information. Moegerle, "I was glad to see they are moving forward on the MIDS. I think that is really great."

MSA Road Designations

Davis explained that the Minnesota Department of Transportation State Aid Office has revised the procedure for allocating funds to City's that qualify for Municipal State Aid (MSA). Currently 50% of the allocation is based on "Population" and the other 50% is based on "Need". The "Need" based criteria is being replaced be traffic volume. In order to maximize the funding received from MSA and considering other needs in the sewer district staff is recommending several revisions to the current MSA system. The table below summarizes the street segments that staff recommends to be added and revoked from the system. The streets recommended for addition and removal from the system is shown on Attachments 1 and 2.

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Street	Segment	Length (Miles)
Roads Added to the MSAS:		
Aberdeen Street	Briarwood Lane to 186th Avenue	0.54
186th Avenue	Aberdeen Street to Baltimore Street	0.21
Buchanan Street	Viking Boulevard to Klondike Drive	1.00
205th Avenue	TH 65 to Davenport Street	0.08
209th Avenue	TH 65 to Davenport Street	0.15
213th Avenue	TH 65 to Davenport Street	0.17
	Total Miles Added	**2.15**
Roads Revoked from the MSAS:		
Baltimore Street	Briarwood Lane to 0.09 miles south of 187th Lane	0.51
Davenport Street	Klondike Drive to 205th Avenue	0.66
197th Avenue	Polk Street to Buchanan Street	0.27
217th Avenue	East Bethel Boulevard to Durant Street	0.75
	Total Miles Revoked	**2.19**

Staff recommends that Council adopt Resolution 2013-23 Revoking Municipal State Aid Streets and Resolution 2013 -24 Establishing New Municipal State Aid Streets.

Moegerle made a motion to adopt 2013-23 Revoking Municipal State Aid Streets. Lawrence seconded. DeRoche, "This came up at the Road Commission last night. They are talking about a ghost road behind the businesses that goes up to Briarwood and switching it around to the front? Wasn't there discussion about developing behind the businesses?" So if we go and take the MSA designation off, what happens to that road?" Davis, "The thoughts are the proposed or ghost road will be developed at the developer's expense. And we can use this to bundle several sources of funds an improvement project there. To cover the road restoration cost there for sewer if it is done." DeRoche, "Is that Baltimore? What is the potential that they wouldn't come off of Briarwood anyways?" Davis, "There is potential to access that road from just north of 184th and there is access as you come off of 187th. We are shifting traffic there and if that property is developed it would be a developer cost anyway." DeRoche, "We have full easement on that road?" Davis, "We have an easement, part of the project would be land acquisition. " Ronning, "Looking at attachment 1, Aberdeen/Baltimore change. It appears that it takes the angle out and leaves the connection to Briarwood . " Davis, "That is the existing service road that services it now. I think everyone agrees at some point we are going to have to do a project down there." **All in favor, motion carries.**

Moegerle made a motion to adopt Resolution 2013-24 Establishing New Municipal State Aid Streets.. Lawrence seconded; all in favor, motion carries.

Building Official's Report

Davis explained that permit fees received within the City of East Bethel in April 2013 were $9,262 and our year to date total for the City is $32,995. Our projected fee revenue for the Department for 2013 is $87,700 and we are currently on pace to collect $99,084.

Total amounts billed for the Oak Grove Building Official and Inspections Services through the end of April are $38,916. Total fees for this service for 2013 from Oak Grove were projected to be $60,000. The fees we charge Oak Grove are based on a percentage of permit and plan review fees that are issued and conducted.

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Our cost for providing these services to Oak Grove through April 2013 has been $16,331. Based on these expenses through April, our costs for providing this service for the year of 2013 are projected to be $49,042.

We have conducted three inspections for the City of Bethel and will be billing them approximately $400 for this service. Our costs for this service were $238.00. The time spent for our inspection services for the City of Bethel has been 5 hours or 0.4 per cent of our time for 2013.

As was discussed and presented in the development of the 2013 Budget, the Building Inspector's position, previously held by Emanuel Sackey, was to be continued and was approved by City Council. This was decided before the agreement with Oak Grove and the retention of this position was necessary due to the demands of the work solely within the City of East Bethel. The agreement with Oak Grove enables us to maximize the use of our Building Official and Inspector's time, generate additional revenue for the City and still provide the complete service that is required for East Bethel residents.

DeRoche, "Amount of time, 151 hours for Nick, 68 hours for Steve and 128 hours for Joan, are we staffing our building department primarily to make money contracting with Oak Grove. It was my understanding that Nick Schmitz was going to do the building inspection stuff over there and Steve as going to do the building inspection stuff over here. Now it looks like all three are doing stuff over there." Davis, 'We had approved the building inspector position prior to the entering the agreement with Oak Grove. We were fortunate to be in a position to offer them this service and they were in a position where they required the service from us. This is a win, win situation for us. If it weren't for the contract with Oak Grove, we would still have the same expense for the city budget without the revenue from Oak Grove." DeRoche, "Have been on the finance committee for two years and at one point we were talking about only having a building official." Davis, "That was discussed and that was when Mr. Boyer was on there. But things have picked up and it is more than one person can handle and Council approved to continue the building inspector position for the 2013 budget. This was before we entered into anything with Oak Grove." DeRoche, "Do Nick and Steve go out at the same time to the same job?" Davis, "Nick goes to Oak Grove about four hours a week. He is the building official for Oak Grove. Steve does a lot of the inspections over there. Nobody has suffered from lack of service from us doing the inspections over there. There is no duplication of service." Lawrence, "The inspectors, are they both qualified to do all inspections?" Davis, "Yes they both have all their certifications." Ronning. "How are we charging Oak Grove?" Davis, "We charge them 95% of the permit fees and 100% of the plan review fees."

Res. 2013-25 Approval of Plans and Specifications and Solicitations for the Trunk Highway 65 Service Road

Jochum explained as requested staff has prepared plans and specifications for the Johnson Street Construction Project and Trunk Highway 65 Improvements. The project will include constructing Johnson Street from 215th Avenue to 221st Avenue and eliminating the access and median crossing at 219th Avenue and Trunk Highway 65. Selected plan sheets are included in Attachments 2-8. A complete set of plans and specifications are available at city hall for review.

The plans and specifications for this project were submitted to MnDOT for review and approval. All MnDOT comments have been addressed. The plan is currently in the process of receiving the required MnDOT signatures.

The total estimated project cost for the Johnson Street construction project and the Trunk

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Highway 65 Improvements is $1,500,000. This project will be financed with Cooperative Agreement Grant Funds and State Aid Construction Funds. Funds are available and appropriate for this project.

Staff recommends that Council approve Resolution 2013-25 which authorizes staff to solicit bids for this project. Bids will be tabulated and presented to the Council for consideration at the June 19, 2013 meeting.

Lawrence made a motion to adopt Resolution 2013-25 Approval of Plans and Specifications and Solicitations for the Trunk Highway 65 Service Road. Moegerle seconded. Ronning, "This that million and a half and we are splitting it? If this doesn't happen, what do we owe the state?" Jochum, "You decline the grant. The cost of the overhead, around $60,000." DeRoche, "I didn't agree to doing it to begin with, I would rather see that money go down on Klondike or something being that it is a matching grant." Davis, 'We have to close an intersection to qualify for this. This is also part of our service road plan. It is the only place we can use this money. There is some talk that this program may be going away, so if we don't leverage our funds now, we may lose them." DeRoche, "I think sometimes people get caught up in the matching grant and think the state is giving us money." Davis, "I am with you on that. This is our MSA funds, and if there was a place in the sewered area, that we could use it. It is in the area that we will be putting a lift station in on the forcemain." **Koller, Lawrence and Moegerle, aye; DeRoche and Ronning, nay; motion carries.**

Fire Dept. Report

Davis explained that the fire department reports are for your review and information. Chief DuCharme, "You have the monthly reports from April 2013. During that month responded to 56 calls and 23 were medical related. We responded to one address four times during the month of April and the patient was trying to tweak their medication and was very ill. We included the inspection report which includes eleven fire inspections during the month of April. Overall we also responded to four car accidents, but that was in April when there was still snow on the ground. And, there is a call that talks about special types of incidents, that was when we were doing hose testing. We had multiple grass fires and a house fire that day."

Moegerle, "The last two listed for April 29th we have the same address a gas leak, four hours apart." Chief DuCharme, "That did happened. It was a gas leak at a gas meter at a garage that was demo'd. I did check with the building department and they did have a demolition permit. The property owner had left and when I arrived I found the meter that was sticking out of the ground but since there was no one to talk to, we cleared the scene and left. When that individual came home, they called again and we did find a gas leak. But we tried to educate the homeowner that the gas company takes care of gas leaks."

Moegerle, "The special type of incident on April 27th?" Chief DuCharme, "That was hose testing." DeRoche, "How are we doing on grass fires?" Chief DuCharme, "We did have a one acre fire yesterday. Caused by a homeowner that was burning some construction debris in their yard. We were lucky enough to have the DNR near and the wind was in our favor. The DNR issued a ticket to the homeowner. The burning ban is on, it is extremely dry. Yesterday Anoka County sent out a warning to Fire Chiefs that it was extremely dry." DeRoche, "There is still a burning ban, but you can have recreational fires?" Chief DuCharme, "Yes, but recreational fires are three feet wide and not more than three feet high." Moegerle, "Are they ever prohibited?" Chief DuCharme, "Yes they are. The usual procedure with that is the City Administrator, myself and Mayor talk and the Mayor will

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declare that. Andover had a major fire and we were over there helping them out."

LMC Nomination and Resolution 2013-26

Davis explained that Wendy Warren has been working for the City since August 2002. In her years of service her name has become synonymous with East Bethel. She has given the City and its residents eleven years of dedicated and selfless service and is involved with many of the activities and functions of the City. If there were a word association game that used the phrase "City of East Bethel, Minnesota", Wendy Warren would be the answer.

In addition to Wendy's many civic duties she is responsible, as a volunteer, for the Kiddie Parade and Movie in the Park for Booster Day. Wendy is the past parade director for Booster Day and is still active in Booster Day planning activities. In addition to these contributions, Wendy, on her own time, plans, organizes and manages the East Bethel Pet Clinic Day for the City and is active in coordinating the senior center.

In conjunction with her basic job duties, Wendy is responsible for managing the City Elections, preparing the quarterly newsletter and has been the driving force for the development of the new City Website. If a citizen has an issue or there is a problem at City Hall, Wendy is usually the first choice for a solution.

Wendy is a most deserving candidate for the 2013 LMC Leadership Award for Appointed Officials and Council and Staff are proud to endorse Wendy for this honor.

Staff recommends adoption of Resolution 2013-26 and the nomination of Wendy Warren for the 2013 LMC Leadership Award for Appointed Officials.

DeRoche made a motion to adopt Resolution 2013-26 Nomination of Wendy Warren for the 2013 LMC Leadership Award for Appointed Officials. Moegerle seconded. Moegerle, "I have written a letter of nomination for the LMC and will be accepting letters that second that nomination to include in that packet. But, today I got a document that talked about leadership qualities of the ideal leader and these qualities all of which Wendy has in abundance, connectedness, humility, candor, patience, empathy, trustworthiness, openness, flexibility, vulnerability and valiance. So I think this is a great and overdue honor. **All in favor, motion carries.**

Res. 2013-27 Amending Fee Schedule Adding a Seasonal Solicitor Permit Fee

Davis explained that one of our residential garbage collection contractors, LePage, has requested permission from the City to perform a door to door survey to determine the interest for their service within East Bethel. This is their first year as a licensed residential waste hauler in the City. In order to legally comply with the City Code they would be required to obtain a Solicitor's License for a fee of $1,000 to perform this type of survey. This activity is regulated under Chapter 18, Article V of the City Code.

The intended rationale behind the amount of the fee was to discourage door to door residential sales. The fee for this activity and the general decline of door to door sales has been effective in curtailing this means of marketing. The City has received no complaints of door to door sales solicitations in the last two years.

LePage's request or that of any other licensed business within the City, for the door to door surveys could provide information that may result in improved, opportunities for new or potential cost savings for services for City residents. Due to this request, and coupled with an infrequent incidence of this type of solicitation, this circumstance may be a basis to consider offering a more limited solicitor's license. This is a practice that is common for our

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neighboring Cities and the fees that they charge for this license range from no charge to $75 for the license and up to $35 for the background check for a 30 day license (see attached fee comparisons) .

Should Council have an interest in adding a limited solicitor's license and amending the fee schedule, this action could be accomplished by approving the attached resolution. While there is no indication of the fee in the resolution, it is staff's opinion that the monthly fee projected on an annual basis should exceed the yearly fee of $1,000 for the solicitor's license. Based on this recommendation the minimum monthly fee is recommended to be $85 for the 30 day license, provided we continue the $1,000 annual fee.

We have no record of issuing a solicitors license or collecting a fee for this activity. Amending this fee would have no negative impact on the 2013 Budget.

Staff is seeking direction from Council on this matter in terms of consideration of a limited Solicitors License (with a specification of the term) and a fee for the license.

Moegerle made a motion to adopt Resolution 2013-27 Amending Fee Schedule Adding a Seasonal Solicitor Permit Fee. DeRoche seconded. Moegerle, "This does not apply to Girl Scouts?" Davis, "No, they are exempt." DeRoche, "They are just taking a survey? Why would we charge them for that?" Davis, "Because if we are following the ordinance, they are a solicitor." DeRoche, "If there are already a couple sanitary technicians and they are looking to see if there is a market for it. If they were peddling lawnmowers, or vacuum cleaners." Davis, "Door-to-door sales are a technique that has declined. We have never issued a permit, probably due to the fee. These don't happen that frequently. If you look at the attachment, our neighboring communities charge much less." DeRoche, "What is the staff cost is they are going door knocking?" Davis, "The only reason I said $85 is we don't want to get in a position where the monthly fee is cheaper than the annual fee." Lawrence, "We want to charge $85 for 30 days?" Davis, "That is if we keep $1,000 for the annual fee." Ronning, "Door-to-door solicitation, is that different than on the phone?" Davis, "We have no control over someone calling you on the phone." Moegerle, "I don't want people coming to my door, I don't' want them calling me either. I am fine with the rate." Koller, "I don't like phone soliciting, or door-to-door." **Koller, Lawrence, Moegerle and Ronning, aye; DeRoche, nay; motion carries.**

Midcontinent Lease Agreement

Davis explained that Midcontinent Communications, the City's cable provider, is requesting permission to relocate their existing control cabinet and generator, located on the southeast corner of the City Hall site to the southwest corner of our property (see attached site plan). They need to upgrade their OTN (Optical Transition Node) which is the fiber optic equipment that feeds the optical nodes in this area and provide protection for this equipment. The current location is exposed to potential snow plowing and traffic damage from 221st Avenue and the control cabinet at this location was struck by an automobile in 2008, causing extensive damage and disrupting service. The current location is also difficult to approach in wet weather conditions due to soft ground which can preclude vehicle access.

For these reasons Midcontinent Communications is requesting permission to relocate their facility to the southwest corner of the City Hall property to an area between the parking lot and the row of pine trees along 221st Avenue and Palisade Street. This new facility would be a precast, pebble aggregate finish, concrete building which would be more attractive than the existing exposed equipment, more secure and less exposed to weather and traffic

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damage.

Midcontinent has a similar facility at Forest Lake and pays the same lease payment as proposed in the lease agreement that is offered for East Bethel. The City currently receives no payment for use of the southeast corner of City Hall property. The proposed relocation of their equipment and subsequent lease would provide $1,800 in payment for 2013 and each subsequent year would increase the payment by 3 % over the ten year lease. Their proposal would not disrupt any Booster Day Activities and would require an outage of approximately six hours for the conversion.

Staff recommends the approval of the relocation of the Midcontinent control cabinet and generator from the southeast corner to the southwest corner of City Hall property as indicated on the attached site plan and the lease agreement as attached per approval of the City Attorney.

Moegerle made a motion to approve the relocation of the Midcontinent control cabinet and generator from the southeast corner to the southwest corner of City Hall property as indicated on the attached site plan and the lease agreement as attached per approval of the City Attorney. Lawrence seconded.

Moegerle, "How is Midcontinent going to notify the customers of the interruption of six hours in services. We have been there before and I don't want to be there again." Davis, "They haven't given us that information. We can require them to do this in a number of ways. We can put it on our website and on Channel 10. And have them put it on their website." Moegerle, "And include it with their monthly statement. We need to protect our residents with this. I don't know whether it is something we need to include in the contract." Vierling, "We can hold the contract until they comply with staff's request." DeRoche, "Will they be trenching? Burying the cable underground? Will they be cutting the tree roots? Will the trees die?" Davis, 'We haven't addressed that. We can add some stipulations to safeguard the trees in the area. We can make them responsible for the damage. We can make sure they stay as far from the trees as possible." DeRoche, "They will have to extend these wires and change the other ones. Like our concerns with GRE." Vierling, "You can require bonds." Davis, 'They will have to obtain a ROW permit with this." Vierling, "Staff will automatically require them to obtain a ROW permit with this." DeRoche, "I don't care if they do it, I just don't want them wrecking trees. Looking at how they are doing it, the trees add to City Hall being here." **All in favor, motion carries.**

Commissions & Authority Liaison Reimburse-ment

Davis explained that traditionally City Council members who are Commission liaisons or Authority or Committee members have not been compensated for their service on these types of boards. While Council has elected to compensate citizen members of these boards, they have not, in the past, received any payment for service in a Commission, Authority or Committee capacity over and above the their Council pay, as approved by City Code, Chapter 2, Article 2 , Sections 2-44 and 2-45.

Under State Statute 469.095 it is permissible to pay <u>all</u> EDA Authority members at a rate to be determined by City Council and such compensation would not be subject to Minn. Stat. 415.11, Governing Body Salaries. However, the same does not apply to Council Commission Liaisons and any compensation extended to them would have to be enacted by Ordinance and would be effective only after the next general election.

To date, no City Council Members have been paid for their services either as EDA

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members or Commission Liaisons. If all Council members received equal pay for these positions the minimum cost would be $1,840 per year and would include payments of $480 to EDA Council Commissioners (2), $400 to the HRA members (5) and $240 to the Fire, Planning, Parks and Roads Commission Liaisons. Should other committee or commission assignments such as the Finance or Website Committee be included in this plan the costs would increase by $20 per member multiplied by the number of meetings.

There has been some general discussion regarding compensating Council members for time and attendance for meetings other than regularly scheduled or called Council meetings. Staff is seeking direction from Council as to procedure in this matter.

Moegerle, "My view on this is that and has been for some time, that liaisons should be compensated for their time. In my household, it is expected that yes I will go to a Council meeting, an EDA meeting, a Planning meeting, but as each one piles up it becomes more responsibility. It does subtract from our lives. We recognized that it takes from our commission members lives. And certain things are covered by what we are compensated as Council Members. But to the extent that it is additional, I think that Council Members should be compensated for that. Even if it is the mileage to and from City Hall. I think that commission members and Council Members that are liaisons should be treated equally."

Koller, "I am against it. When I put my name on the ballot, it was to help the City as much as I can. I don't expect to get more and more money as I put more work out.. If I join more and more commissions to make more money, it shouldn't be that way." Moegerle, "There are some members of this Council that are liaisons on one committee and some that are on four committees, how is the same stipend fair. Otherwise you don't encourage people to go out and learn more and participating. There is a kind of a cooling effect if there isn't recognition of at least mileage." DeRoche, "I spoke out against this before. I asked to have this put on here. I am on four commissions. I at least spend three to four hours a day doing something related to the City. I agreed to do this, I don't see a need to be compensated for it. Council Members are being paid somewhat a month."

Moegerle, "By statute the EDA members shall be paid. That includes Richard and I. There was a big outcry when the by-laws reflected that the EDA members shall be paid. The City is required to compensate us because we are on the EDA. I want to levy the playing field. Maybe it is just the HRA. I am reaching out to say how do we make that fair? Or is the issue with the EDA members being compensated a moot point?" DeRoche, "I brought this up before, actually what it says is at an amount to be determined by City Council. If the Council decides there is no pay to go to the Council Members then so be it."

Moegerle asked the City Attorney, "Can the Council Members be paid less on the EDA than the committee members?" Vierling, "The Council is not required to set an equal compensation for committee members. If the Council determines that the Council Members of the EDA are compensated as part of their Council compensation that is valid. That is not uncommon that many EDAs have Council Members that do not get a separate compensation. Some do and some don't." Moegerle, "And so far our City has been silent on that as far as differentiating between Council and non-Council Members. So, would payment be due since it hasn't been addressed?" Vierling, "Theoretically, since it has not been addressed, I would consider it a non-compensated position." Moegerle, "But if they are an EDA members, they are EDA members and the statute says they shall be paid." Vierling, "You have to read the whole sentence. Shall be paid at a level determined by the

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City Council. And if the Council determined that they are not going to compensate I think within the qualification of that sentence they are allowed to do that."

Moegerle, "It is very clear that Parks and Roads do not get compensated the same as Planning and the EDA do not get compensated the same." DeRoche, "Didn't we discuss that and change that." Davis, "I think we have all kicked it around and agreed that it should be changed." DeRoche, "I think they should all be paid the same. My personal opinion, if you are a Council Member and on the EDA Authority, you don't serve on their separately and you get your Council pay. If you are a Council Member that is one of your commitments. If you aren't going to be on there because you aren't going to be paid, then so be it." Moegerle, "I agree with that, but when there is an inequity between Council Members, such as last year, one Council Member was on one committee. But the rest of the Council was carrying that person's load because of a choice. We should always have a mind towards equity." Koller, "I agree with Bob. We are paid to be on the Council and being on the committees and as a liaison that is part of it." Ronning, "If you are on one committee is it more or less? I am opposed to it. I am not here to make money."

Moegerle made a motion retroactive to January 1st all commission members (Planning, Road, Parks, EDA) be paid equally $20 per regularly scheduled meeting. Lawrence seconded. Ronning, "That includes if you were meeting outside of the area?" Moegerle, "No." **All in favor, motion carries.**

Recycle Saturday Drop-off

Davis explained that In addition to the City's basic recycling activities funded by the County, the City of East Bethel received an additional grant from the Anoka County SCORE Program in the amount of $10,000 to operate a monthly drop off service for tires, batteries, electronics and appliances at the City Recycle Center. This is a service that is offered on the last Saturday of every month from 9:00 AM to Noon. Funding for this activity has increased our recycling presence and service over and above our traditional Spring and Fall Recycling Day events.

The operation of this extra service has been temporarily managed by the Lions Club under the existing agreement with the City to run the Recycle Center. This arrangement is not part of the agreement with the Lions Club to operate the weekly activities of the Recycling Center. This is an added duty that was intended to be funded by the additional 2013 funding of $10,000.

Staff considered and examined the possibility of the City operating the service and is of the opinion that this choice could result in disruption of operations during the winter months if there was a snow event conflict. In addition, our costs for labor would exceed those allowable by the grant. After reviewing our options and the conditions of the grant agreement, the most cost effective and seamless means to provide this service would be through the Lions Club and the existing agreement that is currently in place with the City.

Staff met with the Lions Club on May 7, 2013 and the Lions Club agreed to operate the Saturday Drop-off Program. The Lions Club would be compensated within the terms of the new grant for this service and it is anticipated that the compensation would not exceed $1,800 for 2013. The Lions Club indicated that they may request additional assistance from other community organizations to assist them in the operation of the program. It was explained to them that this would be acceptable but any assistance outside the coverage of the Lion's insurance would require an additional policy with a minimum of $1.5 million in liability coverage, naming the City as an additional insured.

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The cost of operating the Saturday Drop-off Service would be a not exceed fee of $1,800 for the East Bethel Lions Club. Advertising and other City associated costs should not exceed $3,600. The grant amount for this program for 2013 is $10,000 and this amount is separate and over and above the base grant we receive to operate the Recycle Center and run the City Recycle Program. No City levied funds will be used for the operation of the Saturday Drop-off Program.

Staff recommends approval for the East Bethel Lions Club to operate the Saturday Recycle Drop-off Program at a cost not to exceed $1,800 for 2013.

Lawrence made a motion to approve the East Bethel Lions Club operating the Saturday Recycle Drop-off Program at a cost not to exceed $1,800 for 2013. Ronning seconded; all in favor, motion carries.

Resolution 2010-60 Temporarily Setting Maximum Vacation Accumulation

Moegerle, "Resolution 2010-60 Temporarily Setting Maximum Vacation Accumulation. Whereas, City Personnel Policies limit accumulated vacation accrued at 240 hours; and Whereas, it has been and will continue to be operationally necessary to have the City Administrator and Public Works Manager available during periods of significant activity related to utility improvements and public works activities; and Whereas, such operationally necessity during this period has and will continue to preclude use of accumulated vacation accrual to comply with Personnel Policy guidelines. Now therefore, be it resolved by the City Council of the City of East Bethel, Minnesota that: The City Administrator and Public Works Manager will be permitted to temporarily accumulate vacation in excess of the limitations noted in the City's Personnel Policy. Be it further resovled that the City Council of the City of East Bethel, Minnesota that: it is hereby confirmed that the maximum payout of accrued unused vacation shall be limited to 240 hours as provided for in the City's Personnel Policy. Any vacation hours in excess of 240 hours must be used by June 30, 2013 or it will be forfeited."

Moegerle, "I became aware that Jack has accrued vacation in excess of 240 hours and that makes sense in view of how complicated dealing with our infrastructure situation has been, GRE, on and on and on. And so I suggest we suspend the operation of this and agree to make this a subject to our attention. DeRoche, "This is something Jack has brought to my attention in the past Either we cut him out of it or tell him to take his seven weeks and be without him. When this was put in place, Doug Sell was in this position and this whole thing hasn't come into fruition like they thought it would. Personally I get e-mails from Jack at 4:30 a.m. and later in the evening. He works like crazy! To have him lose it would be a travesty. I just don't think he should. So whatever it is going to take to get it extended." Vierling, "If you want to suspend this and then discuss this so that he isn't in the position of forfeiture. So that you can deal with it before the end of the year." Moegerle, "Nate isn't in this position, is he?" Ronning, "Can you make a do a motion to suspend and some degree of remedy with it? Pay in lieu option." Moegerle, "I think that is something Jack needs to figure out what he wants to do."

Moegerle made a motion to suspend Resolution 2010-60 Temporarily Setting Maximum Vacation Accumulation indefinitely and to have it placed on first meeting in June for further discussion and resolution. Ronning, "I would like to amend the motion that if within the next six months the City Administrator decides it will be more difficult or whatever it amounts to, he be permitted some pay in lieu. DeRoche seconded the amendment. Lawrence and Moegerle, nay; DeRoche, Koller and

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Ronning, aye; motion carries. Vote on motion as amended. **All in favor, motion carries.** Lawrence, "I wanted to make it cleaner so we could take care of it all at the Council meeting." Moegerle, "I agree."

Staff Reports

Davis, "The Met Council Castle Towers forcemain project, they have decided to rebid the project again. We did open bids for our City only portion of project. The low bid came in at $2,400,000. This did include some alternatives. One is a partial gravity sewer replacement and upgrading the line size to 10 inches. Unless there are some real surprises with Met Councils we are looking at coming in below our breakeven point. This Friday there is a meeting of the Sandhill Crane players and the DNR to sort through some options and alternatives. Hopefully they will come up with some alternatives to modify their approach.

Council Member Report – DeRoche

DeRoche, "There has to be some kind of a meeting set up, a lot of comments that are made to the commissions have to stop. When we have a meeting the comments will be there. I got a hold of different people on the different commissions because I wanted to why or what their thoughts are. At some point the EDA, Planning and Council and staff have to get on the same page. It can't be where the same issues are beat to death time after time after time. I go to the Road Commission and the meeting is pretty quick and there is no talking about anybody. We need to sit down and hash it out. Public perception of what this Council does is pretty bad. Whatever goes on at the meeting it has to be that you are part of the commission, not the City Council. There is too much chance of influence. The DVDs don't lie. Also, Golf carts aren't legal on the streets. When you have five or six kids hanging on them it is only going to be a matter of time before someone falls off and someone gets hurt." Lawrence, "When a golf cart is modified to be an ATV, it is legal?" DeRoche, "Is it registered as an ATV in the State of Minnesota? There are Class I and II for ATVs. There was an accident at a Firearm Safety class so now any Firearm Safety classes have to have locks on the guns. The lakes are open, boats are out. Don't keep stuff on boats, it could get stolen."

Council Member Report – Koller

Koller, "I went to the Fire Department meeting. After the meeting they were doing practice on the tanker trucks, they are well trained. Four fire fighters just got certifications for Fire Fighter II. Eight got their Fire Hazard certification which was a very lengthy training. We have a very well qualified fire department."

Council Member Report – Moegerle

Moegerle, "I was over at the Anoka County offices. They have this neat Anoka County Community Resource Guide. I am very pleased to nominate Wendy for all the things she has done for the past two and a half years that I know of. We are well represented at LMC leadership nominations. Interestingly, I found out that Jack could be competing for the same award because they do carry over from year to year. We do have until a week from today to get in additional letters. With regard to Parks, they discussed the park and trail comp update. Anoka county will discuss park and trail update to their plan. MSP 2040 is having meetings every Thursday. The Booster Day Group is interested in having an additional access to Booster West. While I do think controversy and beating up on commissions must stop, we also have to realize each person has freedom of speech. The EDA is there to become an engine of ideas and often there is a lot of brainstorming of ideas. IF you don't attend and understand that dynamic, I hope you will attend and witness it."

Council Member Report – Ronning

Ronning, "I witnessed a statement that a commission is going to electronic packets and if you don't take the electronic packet they are going to charge 25 cents per page for the packet. Do commissions have the authority to do that? The golf course was open a few weeks ago. Booster Day meetings have been going on. The people that work to serve not

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our group, but the commissions, the fire department, none of them are in it for the money. There is a huge amount of dedication. The commission I liaison to, they put in a lot of work, a lot of time. I want to recognize the commissions, the fire departments, the CSOs, they do a heck of a job, thank you."

Council Member Report – Lawrence

Lawrence, "I am honored to nominate Wendy for this position. Hopefully she will win, I know she has worked extremely hard and has always been the go to for this position. Jack, I think you need to take some vacation, soon. You deserve it. I remember e-mailing you and making the comment, you are up too?" Ronning, "The remedy, the more you have, the harder it is to use. At some point, something will have to be worked out. It is not your fault you are not getting it. If there is a way to accommodate you, I am more than willing to help you."

Davis, "You mentioned something about wanting to have a work meeting, special meeting to discuss these issues. For this meeting the mayor or two council members need to call the meeting." DeRoche, "How about we let Jack know our schedules. I am pretty much open."

Adjourn

DeRoche made a motion to adjourn at 10:12 PM. Lawrence seconded; all in favor, motion carries.

Attest:

Wendy Warren
Deputy City Clerk

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LG240B Application to Conduct Excluded Bingo

No Fee

ORGANIZATION INFORMATION

Organization name: East Bethel Seniors, Inc.

Previous gambling permit number: XB-06892-001

Minnesota tax ID number, if any

Federal employer ID number (FEIN), if any

Type of nonprofit organization. Check one.

☐ Fraternal ☐ Religious ☐ Veterans ☑ Other nonprofit organization

Mailing address	City	State	Zip code	County
2241 221st Avenue NE	East Bethel	MN	55011	Anoka

Name of chief executive officer [CEO]	Daytime phone number	E-mail address
Ken Langmade	(763) 413-3409	cbmu52@aol.com

NONPROFIT STATUS

Attach a copy of ONE of the following for proof of nonprofit status.

☐ **Nonprofit Articles of Incorporation OR a current Certificate of Good Standing.**
Don't have a copy? This certificate must be obtained each year from:
Secretary of State, Business Services Div., 60 Empire Drive, Suite 100, St. Paul, MN 55103
Phone: 651-296-2803

☐ **IRS income tax exemption [501(c)] letter in your organization's name.**
Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS at 877-829-5500.

☑ **IRS - Affiliate of national, statewide, or international parent nonprofit organization [charter]**
If your organization falls under a parent organization, attach copies of **both** of the following:
a. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling, and
b. the charter or letter from your parent organization recognizing your organization as a subordinate.

EXCLUDED BINGO ACTIVITY

1. ☑ **No** ☐ **Yes** Has your organization held a bingo event in the current calendar year?
If yes, list the dates when bingo was conducted. _____

2. The proposed bingo event will be:
☑ one of four or fewer bingo events held this year. Dates Sat. July 20, 2013

OR

☐ conducted on up to 12 consecutive days in connection with a:
☐ county fair. Dates _____
☐ civic celebration. Dates _____
☐ Minnesota state fair. Dates _____

3. Person in charge of bingo event Ken Langmade Daytime phone 763-413-3409
4. Name of premises where bingo will be conducted East Bethel Senior/Comm. Center
5. Premises street address 2241 221st Avenue NE
6. City East Bethel If township, township name _____ County Anoka

Bingo hard cards and bingo number selection devices may be borrowed from another organization authorized to conduct bingo. Otherwise, bingo hard cards, bingo paper, and bingo number selection devices must be obtained from a distributor licensed by the Minnesota Gambling Control Board. To find a licensed distributor, go to ***www.gcb.state.mn.us*** and click on ***Distributors*** under the ***WHO'S WHO? LIST OF LICENSEES***, or call 651-639-4000.

Be sure to complete page 2

CHIEF EXECUTIVE OFFICER'S SIGNATURE

The information provided in this application is complete and accurate to the best of my knowledge.

Chief executive officer's signature _____ Date 5/16/13

Print name Ken Langmade

LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT

CITY APPROVAL
for a gambling premises
located within city limits

On behalf of the city, I approve this application for excluded bingo activity at the premises located within the city's jurisdiction.

Print city name _____

Signature of city personnel

_____

Title _____ Date _____

Local unit of government must sign

COUNTY APPROVAL
for a gambling premises
located in a township

On behalf of the county, I approve this application for excluded bingo activity at the premises located within the county's jurisdiction.

Print county name _____

Signature of county personnel

_____

Title _____ Date _____

TOWNSHIP - If required by the approving county.
On behalf of the township, I acknowledge that the organization is applying for excluded bingo activity within the township limits. [A township has no statutory authority to approve or deny an application, per Minnesota Statutes 349.166, Subd 2.]

Print township name _____

Signature of township officer _____

Title _____ Date _____

MAIL APPLICATION AND ATTACHMENT

Send the application and a copy of your proof of nonprofit status to:
Gambling Control Board
1711 West County Road B, Suite 300 South
Roseville, MN 55113

You will receive a document from the Gambling Control Board with your excluded permit number for the bingo activity. Your organization must keep its bingo records for 3-1/2 years.

Questions?
Call the Licensing Section of the Gambling Control Board at 651-639-4000.

This form will be made available in alternative format (i.e. large print, Braille) upon request.

Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process the application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to: Board members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.

1N-619

ARTICLES OF INCORPORATION

OF

EAST BETHEL SENIORS

We, the undersigned, being natural persons, of full age, for the purpose of forming a nonprofit corporation under Chapter 317A of the Minnesota Statutes, as amended, do hereby form a body corporate and adopt these Articles of Incorporation.

ARTICLE I

NAME

The name of this corporation is **EAST BETHEL SENIORS.**

ARTICLE II

PURPOSE

The primary purposes of this corporation are exclusively charitable, scientific, literary or educational within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or such other provisions of Minnesota or Federal Law as may from time to time be applicable, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under such Law. This corporation shall not be operated for profit but shall be operated exclusively for charitable purposes. The specific purposes of this corporation are to promote, organize and provide activities for senior citizens and facilities for conducting such activities.

ARTICLE III

POWERS

Notwithstanding any other provisions of these Articles of

COPY

226306

Incorporation, all of the work of this corporation shall be carried on, and all funds of this corporation, whether income or principal and whether acquired by gift or contribution or otherwise, shall be used and applied exclusively for charitable, scientific, literary or educational purposes directly or indirectly benefiting this corporation, in such manner that no part of the net earnings of this corporation will in any event inure to the benefit of any member that is not an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or any officer or director of this corporation or of any other corporation, organization, foundation, fund or institution, or any other individual. This corporation shall not engage, otherwise than as an insubstantial part of its total activities, in activities that in themselves are not in furtherance of one or more of the exempt purposes specified in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and regulations issued thereunder. No part of the assets, principal or net income of this corporation shall in any event be paid or contributed to any other corporation, organization, foundation, fund, institution or governmental body any substantial part of the activities of which consists of carrying on propaganda or otherwise attempting to influence legislation or which participates or intervenes in any political campaign on behalf of any candidate for public office, nor shall this corporation itself engage in such activities in any way, directly or indirectly, except to the extent, if any, permitted by the Internal Revenue Code of 1986, as amended, and regulations

issued thereunder. No member that is not an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or any officer or director of this corporation or other private individual shall be entitled to share in the distribution of the corporate assets on liquidation, dissolution or winding up of this corporation. Nothing contained in these Articles, however, shall be construed to prevent distribution of the properties of this corporation to another distributee, otherwise properly made in accordance with the provisions of these Articles and the purposes herein stated, solely by reason of the fact that one or more of the members, directors or officers of this corporation may be connected or associated with the distributee as shareholder, member, director, officer or in any other capacity.

ARTICLE IV

INUREMENT OF INCOME

This corporation does not and shall not afford pecuniary gain incidentally or otherwise to its members (other than a member that is a non-profit organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended) or any private individual.

ARTICLE V

DURATION

The duration of this corporation shall be perpetual.

ARTICLE VI

REGISTERED OFFICE

The registered office of this corporation shall be located at

the East Bethel City Hall, 2241 - 221st Avenue NE, East Bethel, Minnesota 55011.

ARTICLE VII

CAPITAL STOCK

This corporation shall have no capital stock but shall have one class of members whose voting and other rights and interests shall be equal. The conditions and qualifications for membership in this corporation shall be as provided for in the Bylaws of this corporation. Members of this corporation shall have no personal liability for corporate obligations.

ARTICLE VIII

DIRECTORS

Section 8.1. The management of this corporation shall be vested in a Board of Directors elected by the members.

Section 8.2. The Board of Directors shall initially consist of seven directors. Thereafter the Board of Directors shall consist of the number of directors provided in the Bylaws of this corporation. The initial Board of Directors shall continue in office until the first meeting of the members and thereafter until his or her successor is elected and qualifies or until he or she is removed from office as provided by law or in the Bylaws of this corporation.

Section 8.3. The terms of office of the directors, other than the members of the initial Board of Directors, shall be fixed by the Bylaws of this corporation.

ARTICLE IX

INCORPORATORS

The names and addresses of the incorporators of this corporation are:

Barbara R. Kunshier
19013 Rendova Street NE
East Bethel, MN 55092

Mollie A. Hogan
1831 - 221st Avenue NE
East Bethel, MN 55011

George J. Zachau
4456 Channel Lane NE
East Bethel, MN 55092

Evelyn M. bonde
3901 - 212th Avenue NE
East Bethel, MN 55011

Jack J. Leipzig
3775 - 253rd Avenue NE
Isanti, MN 55040

Virgil Nelson
6893 Madison St. NE
Fridley, MN 55432

IN WITNESS WHEREOF, we have hereunto executed these Articles of Incorporation this 1st day of March, 1996.

Barbara R. Kunshier
Barbara R. Kunshier - Incorporator

Mollie A. Hogan
Mollie A. Hogan - Incorporator

George J. Zachau
George J. Zachau - Incorporator

Evelyn M. Bonde
Evelyn M. Bonde - Incorporator

Jack J. Leipzig
Jack J. Leipzig - Incorporator

Virgil Nelson
Virgil Nelson - Incorporator

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
MAR 04 1996
Joan Anderson Growe
Secretary of State

COPY

NUMBER 440

JOAN ANDERSON GROWE
SECRETARY OF STATE
STATE OF MINNESOTA
180 STATE OFFICE BUILDING
100 CONSTITUTION AVE.
ST. PAUL, MINNESOTA 55155-1299

FOR FURTHER INFORMATION CALL:

Information Lines	612/296-2803
Elections	612/296-2805
Refunds	612/296-7976
UCC	612/296-2434

IN-619

FOR OFFICE USE ONLY

AA | AN | BK | BT | CU | DC | FC | FLP | LFC | LLC | LP | ~~NP~~ | PA | RLP | RN | SP | TM

☐ A ☐ C ☐ CN ☐ ND ☐ ID ☐ NH ☐ R ☐ RI ☐ RO ☐ HN ☐ TR ☐ AS

☐ AD ☐ CA ☐ CO ☐ D ☐ M ☒ OR ☐ RA ☐ RLP ☐ RQ ☐ T ☐ RD ☐ MA

☐ AM ☐ CL ☐ CS ☐ EL ☐ OT ☐ RD ☐ RN ☐ TMA ☐ WD ☐ AOC ☐ EX ☐ RV

☐ CD ☐ Legal Newspaper ☐ Auctioneer ☐ Annual Report 35

☐ Other: ☐ Tax

☐ Print Out ☐ Diskette ☐ Labels ☐ Tape ☐ Postage

UCC Filing: ☐ FS ☐ NS ☐ OS ☐ CONT ☐ ASSIGN ☐ AMEND ☐ PR ☐ TERM

Search - Initial Fee: ☐ FSS ☐ NS FSS ☐ TLS ☐ NS TLS

☐ Listing ☐ Photo Copy ☐ Certified Copy ☐ Certificate

☐ Additional Fee ☐ Surcharge ☐ Exp. Service ☐ DA

RE: EAST BETHEL SENIORS

TOTAL FEES	35
AMOUNT PAID	35
ADDITIONAL FEE DUE (PLEASE PUT RECEIPT NUMBER LOCATED AT TOP OF THIS FORM ON ALL YOUR REMITTANCES)	
REFUND ($1.00 OR LESS WILL NOT BE REFUNDED PURSUANT TO M.S. 16A. 49.)	
OFFICE REFERENCE NUMBER	DATE FILED 11/6/

Remitter

GERALD RANDALL
2140 FOURTH AVE NO
ANOKA MN 55303

SC-00065
Rev. 12/92

WHITE: Customer CANARY: Office Routing Copy Fiscal Operations BLUE: Fiscal Operations

REFUNDS FOR ANY AMOUNT OVER $1.00 WILL BE M
WITHIN A FEW WEEKS FROM THE DEPT. OF FINAN

NOTICE: Dishonored checks will be assessed a $20 service fee set by law.

THANK YOU FOR YOUR BUSINESS!

CERTIFICATE OF AMENDMENT OF
ARTICLES OF INCORPORATION OF
EAST BETHEL SENIORS

The undersigned, Clarence A. Anderson, the president of East Bethel Seniors, a corporation subject to the provisions of Chapter 317A, Minnesota Statutes, known as the Minnesota Nonprofit Corporation Act, certifies that a resolution as hereinafter set forth was adopted by a majority of the directors and by the members pursuant to Minn. Stat. §317A.133 , Subd. 2:

"Resolved that the following articles of incorporation of East Bethel Seniors be, and the same hereby are added as follows:

ARTICLE X

Upon the dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by the District Court of the county in which the registered office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE XI

The corporation shall not discriminate on the basis of race, color, national and ethnic origin in administration of its policies and programs.

I certify that I am authorized to execute this amendment, and I further certify that I understand that by signing this amendment, I am subject to the penalties of perjury as set forth in Minn. Stat. §609.48 as if I had signed this amendment under oath.

X Clarence A. Anderson
President

CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA

RESOLUTION NO. 2013-28

RESOLUTION ACKNOWLEDGING THE DONATION FROM ECKBERG, LAMMERS, BRIGGS, WOLFF & VIERLING, PLLP

WHEREAS, the City of East Bethel has received a donation of four Minnesota Twins Tickets valued at $192.00 from Eckberg, Lammers, Briggs, Wolff & Vierling, PLLP to be used towards the Family Fun Night scheduled for Friday, July 19, 2013.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF EAST BETHEL, MINNESOTA THAT: the City Council of the City of East Bethel acknowledges and accepts the Minnesota Twins Tickets valued at $192.00 from Eckberg, Lammers, Briggs, Wolff & Vierling, PLLP.

BE IT FURTHER RESOLVED THAT: the City Council of the City of East Bethel expresses its thanks and appreciation to Eckberg, Lammers, Briggs, Wolff & Vierling, PLLP for the Minnesota Twins Tickets for Family Fun Night.

Adopted this 5th day of June, 2013 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

_____
Richard Lawrence, Mayor

ATTEST:

_____
Jack Davis, City Administrator

Minnesota Department of Public Safety
Alcohol and Gambling Enforcement Division
444 Cedar Street, Suite 222, St. Paul, MN 55101
651-201-7500 Fax 651-297-5259 TTY 651-282-6555

APPLICATION AND PERMIT FOR A 1 DAY TEMPORARY CONSUMPTION AND DISPLAY PERMIT

(City or county may not issue more than 10 permits in any one year)

Name of organization	Date organized	Tax exempt number
Cedar East Bethel Lions	2/18/1977	2742385

Address	City	State	Zip Code
2736 225th Lane NE	East Bethel	Minnesota	55011

Name of person making application	Business phone	Home phone
Tim Hoffman	612-991-2625	763-434-8323

Date(s) of event: July 20, 2013

Type of organization: ☒ Club ☐ Charitable ☐ Religious ☐ Other non-profit

	Organization officer's name	City	State	Zip
X	Greg Ricke	St. Francis	Minnesota	55070

Add New Officer

Location where permit will be used. If an outdoor area, describe.
Booster West, 22266 Palisade Street NE, East Bethel, MN 55011. This is a park, we use a beer wagon. It is all self-contained.

APPROVAL

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL AND GAMBLING ENFORCEMENT

City/County

Date Approved

City Fee Amount

Permit Date

Date Fee Paid

Signature City Clerk or County Official

Approved Director Alcohol and Gambling Enforcement

NOTE: Submit this form to the city or county 30 days prior to event. Forward application signed by city and/or county to the address above. If the application is approved the Alcohol and Gambling Enforcement Division will return this application to be used as the permit for the event.

City of East Bethel Personnel Policies & Rules

Adopted July 21, 2004 by the East Bethel City Council

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SECTION 1 ~ BACKGROUND
Effective Date: 07/21/04

1.1 Purpose

This set of Personnel Policies and Rules, as adopted and approved by the City Council of the City of East Bethel, sets forth the parameters that will guide and direct managers and supervisors in their relationships with employees. This manual of policies and rules will provide city employees a set of operating rules, specific benefit information and a delineation of rights to which they may be entitled.

1.2 Declaration of Affirmative Action Policy

This is to affirm the City of East Bethel's policy of providing Equal Opportunity to all employees and applicants for employment in accordance with all applicable Equal Employment Opportunity/Affirmative Action laws, directives and regulations of Federal, State, and Local governing bodies or agencies thereof, specifically Minnesota Statutes 363.

The City of East Bethel will not discriminate against or harass any employee or applicant for employment because of race, color, creed, religion, national origin, sex, sexual or affectional orientation, disability, age, marital status, status with regard to public assistance, or familial status.

The City of East Bethel will take Affirmative Action to ensure that all employment practices are free of such discrimination. Such employment practices include, but are not limited to, the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, selection, layoff, disciplinary action, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

The City of East Bethel will commit the time and resources reasonably necessary, both financial and human, to achieve the goals of Equal Employment Opportunity and Affirmative Action.

The City of East Bethel will evaluate the performance of its management and supervisory personnel on the basis of their involvement in achieving these Affirmative Action objectives as well as other established criteria. Any employee of this City who does not comply with the Equal Employment Opportunity policies and procedures as set forth in this statement and plan may be subject to disciplinary action.

No part of this program is to be construed as a contract between the City of East Bethel and any individual employee. It does not describe in any way the terms and conditions of employment of City employees. Such terms and conditions are set forth in, and the employment relationship is governed by, applicable collective bargaining agreements, employment agreements, or the personnel rules of the City.

The City of East Bethel has appointed the City Administrator to manage the Equal Employment Opportunity/Affirmative Action program. The City Administrator’s

responsibilities will include monitoring all Equal Employment Opportunity activities and reporting the effectiveness of this Affirmative Action program, as required by Federal, State and Local agencies. The East Bethel City Administrator will receive and review reports on the progress of the program. If any employee or applicant for employment believes he/she has been discriminated against, please notify the City Administrator.

1.3 Adoption and Amendment

These rules were prepared and recommended by the City Administrator at the request of the City Council. The City of East Bethel reserves the right to unilaterally modify the personnel rules, policy and ordinance as may be necessary to ensure continued compliance with federal, state and local requirements and to meet the fiscal needs of the City of East Bethel.

1.4 Application - Positions

All employees (regular full and part-time), offices and positions in the municipal employ, now existing or hereafter created, will be subject to the provisions of these regulations except the following:

1. Elected officials (except as noted herein)
2. Members of boards and commissions (except as noted herein)
3. Volunteer members of the Fire Department (except as noted herein)
4. City Administrator (except as noted herein)
5. City Attorney
6. Persons engaged under contract to supply expert, professional, technical, or any other services
7. Other positions so designated by the City Council (except as noted herein)

1.5 At-Will Employment

All City employees are hired on an at-will basis.

1.6 Contractual Relationship

These rules and regulations are guidelines for the City and its employees regarding City employment. **They do not constitute an employment contract.**

The City reserves the right to change any personnel policy at any time at its discretion.

1.7 Labor Agreements

With respect to employees whose positions are included in a collective bargaining unit, provisions of the applicable collective bargaining agreements negotiated pursuant to the Minnesota Statutes Chapter 179A.01 to 179A.25, the Public Employment Labor Relations Act of the State of Minnesota, supersede these rules and regulations on any subject area covered by both the collective bargaining agreement and these rules and regulations. Pursuant to State Statute, the Mayor and the City Administrator/Clerk are the signatory to any collective bargaining agreement(s) applicable to employees covered.

1.8 Management Rights

The City, through the City Administrator, retains the full and unrestricted right to operate and manage all personnel, facilities, and equipment; to establish functions and programs; to set and amend budgets; to determine the utilization of technology; to establish and modify the organizational structure; to select, direct, and determine the number of personnel; to establish work schedules, and to perform any inherent managerial function not specifically limited by current collective bargaining agreements, these regulations, and City Council direction.

SECTION 2 ~ DEFINITIONS
Effective Date: 07/21/04

Unless otherwise indicated, the following words and terms have meanings indicated below:

Appointment: a regular assignment to a paid position in the City service.

Days: Calendar day; including Saturday, Sunday, and holidays unless otherwise specified.

Demotion: a change of an employee's status from a position in one job class to a position in another job class with fewer responsibilities and duties and may result in a lower salary range.

FLSA: Fair Labor Standards Act (FLSA) which is a federal law regarding minimum wage and overtime compensation, classifying positions as exempt or non-exempt.

a. **Exempt Employee:** employees specifically exempt from the overtime compensation provisions of applicable FLSA (Fair Labor Standards Act) legislation as defined and limited by administrative rules and regulations; these employees generally have as their primary duty management, administration, or work of a professional nature.
b. **Non-exempt:** employees who are entitled to a minimum wage and overtime compensation pursuant to applicable fair labor standards legislation (FLSA).

Position: a group of current duties and responsibilities requiring the full-time or part-time employment of one person.

Regular Full-Time: an employee in a classified position who works a 40-hour workweek and was hired for service duration in excess of 12 months and has successfully completed the probationary period.

Regular Part-Time: an employee in a classified position who works less than the 40-hour workweek and was hired for service duration in excess of six months and has successfully completed the probationary period.

Temporary Full-Time: an employee who works a 40-hour workweek whose employment is limited by duration of a specific project or task; temporary employees serve at the will of the City Administrator.

Temporary Part-Time: an employee who works less than the 40-hour workweek whose employment is limited by duration of the specific project or task; temporary employees serve at the will of the City Administrator.

Probationary Employee: an employee who is serving a probationary period in a position to or from which the employee was appointed, promoted, transferred, demoted, reclassified or reinstated.

Probationary Period: a six to twelve month working trial period.

Promotion: a change of an employee from a position of one job class to a position of another job class with more responsible duties and a higher salary range.

Reclassification: a change in classification of an individual position by raising it to a higher job class, reducing it to a lower job class, or moving it to another class at the same level on the basis of significant changes in kind, difficulty or responsibility of the work performed in such a position.

Veteran: a person defined as a veteran by Minnesota Statutes, Section 197.447.

Veteran's Preference: the preference granted to veterans by Minnesota Statutes, Chapter 43A.11 and Chapter 197.481.

Workday: normal workday is 8:00 AM to 4:00 PM. However, department heads and supervisors may change the normal workday to meet departmental workload and the needs of the City subject to the review and approval of the City Administrator.

Workweek: normal workweek is Monday through Friday. However, department heads and supervisors may change the normal workweek to meet departmental workload and the needs of the City subject to the review and approval of the City Administrator.

SECTION 3 ~ CONDUCT AND ETHICS
Effective Date: 07/21/2004; revised 11/06/2007; 03/04/2009; 05/05/2010

3.1 Respectful Workplace Policy

The City of East Bethel is committed to creating and maintaining a work environment free from all forms of harassment and discrimination. Harassment is a violation of Title VII of the Civil Rights Act of 1964 and Minnesota Human Rights Act.

The intent of this policy is to provide general guidelines about the conduct that is and is not appropriate in the workplace. The City acknowledges that this policy cannot possibly predict all situations that might arise, and also recognizes that some employees are exposed to disrespectful behavior, and even violence, by the very nature of their jobs.

This policy is intended to: (1) make all employees sensitive to the matter of harassment; (2) express the City's strong disapproval of unlawful harassment; (3) advise employees of their behavioral obligations; and (4) inform them of their rights.

1. Applicability

Maintaining a respectful work environment is a shared responsibility. This policy is applicable to all City personnel including regular and temporary employees, volunteers, firefighters, and City Council members.

2. Abusive Customer Behavior

While the City has a strong commitment to customer service, the City does not expect that employees accept verbal abuse from any customer. An employee may request that a supervisor intervene when a customer is abusive, or they may defuse the situation themselves, including ending the contact.

If there is a concern over the possibility of physical violence, a supervisor should be contacted immediately. When extreme conditions dictate, 911 may be called. Employees should leave the area immediately when violence is imminent unless their duties require them to remain. Employees must notify their supervisor about the incident as soon as possible.

3. Respectful Workplace Behavior

All employees are expected to express the shared values of respect, courtesy, civility, politeness, consideration, and tolerance toward their fellow employees in the workplace. Understanding and tolerating another's beliefs, an opinion, or way of life, even if they differ from your own, is the way we express these shared beliefs in our workplace.

4. Types of Disrespectful Behavior

The following types of behaviors cause a disruption in the workplace and are, in many instances unlawful:

Violent behavior includes the use of physical force, harassment, or intimidation.

Discriminatory behavior includes inappropriate remarks about or conduct related to a person's race, color, creed, religion, national origin, disability, sex, marital status, age, sexual orientation, or status with regard to public assistance.

Offensive behavior may include such actions as: rudeness, angry outbursts, inappropriate humor, vulgar obscenities, name calling, disrespectful language, or any other behavior regarding as offensive to a reasonable person. It is not possible to anticipate in this policy every example of offensive behavior. Accordingly, employees are encouraged to discuss with their fellow employees and supervisor what is regarded as offensive, taking into account the sensibilities of employees and the possibility of public reaction. Although the standard for how employees treat each other and the general public will be the same throughout the city, there may be differences between work groups about what is appropriate in other circumstances unique to a work group. If an employee is unsure whether a particular behavior is appropriate, the employee should request clarification from their supervisor~~, Assistant City Administrator/HR Director~~ or City Administrator.

Sexual harassment can consist of a wide range of unwanted and unwelcomed sexually directed behavior such as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

- Submitting to the conduct is made either explicitly or implicitly a term or condition of an individual's employment or public service; or
- Submitting to or rejecting the conduct is used as the basis for an employment decision such as promotion, assignment, demotion, discipline or discharge; or
- Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Sexual harassment includes, but is not limited to, the following:

- Unwelcome or unwanted sexual advances: This means stalking, patting, pinching, brushing up against, hugging, cornering, kissing, fondling or any other similar physical contact considered unacceptable by another individual.
- Verbal or written abuse, kidding, or comments that are sexually-oriented and considered unacceptable by another individual. This includes comments about an individual's body or appearance where such comments go beyond mere courtesy, telling "dirty jokes" or any other tasteless, sexually oriented comments, innuendos or actions that offend others.
- Requests or demands for sexual favors. This includes subtle or obvious expectations, pressures, or requests for any type of sexual favor, along with an implied or specific

promise of favorable treatment (or negative consequence) concerning one's current or future job.

5. Procedures for Reporting Harassment

Employees have the right to raise the issue of harassment and to file complaints with respect to such harassment without reprisal. Any action intended to intimidate, retaliate against, harass, or disadvantage any person because the person has reported or complained of harassment, or assisted or participated in any investigation or hearing, is considered reprisal. Retaliation against an employee who reports, objects to, or complains of harassment, including sexual conduct in the workplace will not be tolerated.

In order for a harassment issue to be addressed, it must be brought to the attention of management. In order for action to be taken, information must be forwarded to the appropriate level of management.

Employees who feel they have been victims of harassment or employees who are aware of such harassment should immediately report their concerns to any of the following: (1) supervisor; (2) department head; ~~(3) Assistant City Administrator/HR Director;~~ or (3~~4~~) City Administrator.

In addition to notifying one of these persons and stating the nature of the harassment, the employee is also urged to take the following steps:

1. Make it clear to the harasser that the conduct is unwelcome and document the conversation.

2. Document the occurrences of harassment.

3. Report complaints to Human Resources.

4. Document any further harassment or reprisals that occur after the complaint is made.

6. Investigation and Recommendation

Upon receiving any report alleging harassment, the ~~Assistant City Administrator/Human Resources Director and/or~~ City Administrator will conduct an investigation. Strict confidentiality is not possible in all cases of harassment as the accused has the right to answer charges made against him or her, particularly if discipline is a possible outcome. Reasonable efforts will be made to respect the privacy of the individuals involved to the extent possible.

An alleged victim may have a staff person of the same gender present during all contacts with the City Administrator. The alleged victim and any witnesses may be asked to put their reports in writing.

If the facts are found to support the allegations, the harasser will be subject to disciplinary action up to and possibly including immediate termination depending on the circumstances and severity of the harassment. The City will keep a complete record of the nature of the complaint, its investigation and its resolution.

Pending completion of the investigation, the designated personnel representative may take any appropriate action necessary to protect the alleged victim, other employees, or citizens.

Anyone who makes a false complaint of harassment or anyone who gives false information during a harassment investigation could also be subject to disciplinary action up to and including immediate termination.

The City may also discipline any individual who retaliates against a person who testifies, assists or participates in any manner in a sexual harassment investigation. Retaliation includes, but is not limited to, any form of intimidation, reprisal or harassment.

3.2 Drug and Alcohol Free Work Place

Employees are required to report to work on time and in appropriate mental and physical condition for work. No employee shall be under the influence of any drug or alcohol while the employee is working or while the employee is on the employer's premises or operating the employer's vehicle, machinery or equipment, except to the extent authorized by a valid medical prescription. Violations of this policy will result in disciplinary action, up to and including termination, and may have legal consequences.

1. Drug and Alcohol Testing

a. Purpose

This policy is to provide for the testing of employees and job applicants in conformance with the requirements of Minnesota Statutes Chapter 181.950 to 181.957.

b. Scope

This drug and alcohol testing policy applies to all employees of the City and to all job applicants who have received a contingent offer of employment by the City.

c. Definitions

For the purposes of the Policy, the following definitions will apply:

1. **Alcohol -** Ethyl alcohol.
2. **Confirmatory Test and Confirmatory Retest -** A drug or alcohol test that uses a method of analysis allowed under one of the programs listed in Minnesota Statute Chapter 181.953, Subd. 1.
3. **Conviction -** A finding of guilty (including a plea of nolo contenders') or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of state or federal criminal drug statutes.
4. Dilute Specimen – A urine specimen that has a creatinine of less than 20 g/dl and a specific gravity of 1.003 or less. Dilution is the process of reducing the concentration of drug or drug metabolites in the sample by adding fluid to the sample or by drinking large amounts of fluid to dilute the specimen.

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~~4.~~5. **Drug -** A controlled substance as defined in Minnesota Statute Chapter 152.01., Subd. 4. and/or if required by law, the federal Drug-Free Workplace Act of 1988.

~~5.~~6. **Drug and Alcohol Testing, Drug or Alcohol Testing, and Drug or Alcohol Test -** Analysis of a body component sample according to the standards established under one of the programs listed in Minnesota Statute Chapter 181.953,
Subd.1 for the purpose of measuring the presence or absence of drugs, alcohol, or their metabolites in the sample tested.

~~6.~~7. **Drug paraphernalia -** An item or items described in Minnesota Statute Chapter 152.01, Subd. 18.

~~7.~~8. **Employee –** A person defined as an employee of the City under the State of Minnesota Public Employment Labor Relations Act in Minnesota Statutes Chapter 179A.03, Subd. 14.

~~8.~~9. **Employer –** The City of East Bethel acting through its designees of the City Council.

~~9.~~10. **Initial Screening Test –** A drug or alcohol test which uses a method of analysis under one of the programs listed in Minnesota Statutes Chapter 181.953, Subd. 1. and which is capable of detecting the presumptive presence of a drug, drug metabolite, or alcohol in a sample.

~~10.~~11. **Job Applicant –** A person who applies to become an employee of the City, and includes a person who has received a job offer made contingent on the person passing a drug test.

~~11.~~12. **Premises -** All property and locations in which the City is operating or has established a presence.

~~12.~~13. **Positive Test Result -** A finding of the presence of drugs, alcohol, or their metabolites in the sample tested in levels at or above the threshold detection levels contained in the standards of one of the programs listed in Minnesota Statutes Chapter 181.953, Subd. 1. An alcohol test will be considered positive if the testee has an alcohol concentration level of at least .02 or a lesser level if it is accompanied by an odor of an alcoholic beverage or signs of physical impairment in violation of the City's Personnel Policy. A residue amount of alcohol will be considered a positive test result only if accompanied by a violation of the City's personnel policies.

~~13.~~14. **Reasonable Suspicion -** A basis for forming a belief based on specific facts and rational inferences drawn from those facts.

~~14.~~15. **Safety-sensitive position -** A job, including any supervisory or management position, in which an impairment caused by drug or alcohol usage would threaten the health or safety of any person.

~~15.~~16. **Under the influence –** Having the presence of a drug or alcohol at or above the level of a positive test result.

d. Circumstances under which testing may occur:

Any employee or job applicant of the City may be tested under the following circumstances:

1. **Job Applicant -** A job applicant may be requested or required to undergo drug testing after a job offer has been conditionally made and

before commencing employment in the position. Alcohol testing will not be a part of a post-offer pre-employment physical examination.

2. **Treatment Program Testing -** The City may test any employee referred by the City for chemical dependency treatment or evaluation at any time and without prior notice during the period of treatment or evaluation and for up to two (2) years following completion of any prescribed chemical dependency treatment or evaluation program in accordance with Minnesota Statutes Chapter 181.951, Subd.6.
3. **Reasonable Suspicion Testing -** No employee will be tested for drugs or alcohol under this policy without the person's consent. If, however, the City asks an employee to undergo a drug or alcohol test and the employee refuses, the employee may be subject to disciplinary action. The City may request or require an employee to undergo drug or alcohol testing if the employer has a reasonable suspicion that the employee:
    i. is under the influence of drugs or alcohol;
    ii. has violated the employer's written work rules prohibiting the use, possession, sale, or transfer of drugs or alcohol while the employee is on the employer's premises or operating the employer's vehicle, machinery, or equipment;
    iii. has sustained or caused another person to sustain a work related personal injury; or
    iv. has caused a work related accident or was operating or helping to operate machinery, equipment, or vehicle involved in a work related accident.

e. Criteria for Selecting Testing Laboratories

When an employee or job applicant is to undergo drug or alcohol testing, the testing laboratory shall be certified and accredited to meet the criteria in accordance with Minnesota Statutes Chapter 181.953, Subd. 1.

f. Refusal to Undergo Testing

1. **Job Applicants -** Job applicants may refuse to undergo drug testing. However, if a job applicant refuses to undergo drug testing requested or required by the employer, no such test shall be given and the job applicant shall be deemed to have withdrawn the application for consideration for employment.
2. **Employees -** Employees may refuse to undergo drug testing. However, if an employee refuses to undergo drug and alcohol testing carried out in conjunction with this Policy the employee may be subject to discipline including, but not limited to, discharge.

g. Tampering with the Urine or Blood Sample:

If an employee tampers with his or her own urine or blood sample, or in any way deliberately causes a sample to be invalid, the employee may be subject to discipline including, but not limited to, discharge.

h. First Failure to Pass Drug and Alcohol Testing

Without evidence of any other misconduct any employee who for the first time has a positive test result on a confirmatory test will not be subject to discipline, including but not limited to discharge unless:

1. The City has given the employee an opportunity to participate in, at the employee's own expense or pursuant to coverage under an employee benefit plan, either a drug or alcohol counseling or rehabilitation program, whichever is more appropriate, as determined by the City after consultation with a certified chemical use counselor or physician trained in the diagnosis and treatment of chemical dependency; and
2. The employee has either refused to participate in such a program or has failed to successfully complete the program within a reasonable time as evidenced by withdrawal or a positive test result on a confirmatory test after completion of the program.

i. Failure to Pass Drug and Alcohol Testing

1. ***Initial Screening Test (Employee)*** - The City will not discharge, discipline, discriminate against or require rehabilitation of an employee solely on the basis of a positive or dilute specimen Initial Screening Test that has not been verified by a Confirmatory Test. However, the City may temporarily suspend a tested Employee whose test results are positive or dilute specimen -or transfer the Employee to another position at the same rate of pay pending the outcome of a Confirmatory Test (and, if requested, a Confirmatory Retest) if the City believes it is necessary to protect the health or safety of the employee, co-workers or the public. An employee who is suspended without pay will be reinstated with back pay if the outcome of the Confirmatory Retest is not positive.

   Requests for such a Retest must be made in writing within five (5) days of the employee's receipt of notice of the test results. An employee who receives a positive or dilute specimen test result on a Confirmatory Test and does not request in writing a Confirmatory Retest within five (5) working days after notice of positive or dilute specimen Confirmatory Test results, may be subject to discipline including, but not limited to, discharge subject to the provisions of this policy.

2. ***Initial Screening Test*** **(Job Applicant) -** The City will not withdraw a conditional offer of employment on the basis of a positive test or dilute specimen result on a job applicant's Initial Screening Test. An Initial Screening Test must be verified by a Confirmatory Test (and a Confirmatory Retest, if requested) before a conditional offer of employment can be withdrawn. A job applicant who receives a positive or dilute specimen test result of a Confirmatory Test, fails or refuses a Confirmatory Retest, or does not request in writing a Confirmatory Retest within five (5) days after notice of a positive or dilute specimen test result of a positive test result of a Confirmatory Test, may be refused employment and will be notified of the reasons for such refusal.

3. ***Confirmatory Test*** - Discipline for a Confirmatory Test verifying a positive or dilute specimen test result on an Initial Screening Test may

include discharge of an employee; provided, however, that prior to discharge, the employee is given the opportunity to explain a positive or dilute specimen test result and request and pay for a Confirmatory Retest on the original sample. If the Confirmatory Retest is not positive or dilute specimen, no action will be taken against the employee. If the Confirmatory Retest is positive or dilute specimen, and if it is the first positive retest or dilute specimen result for the employee, the employee will not be terminated if the employee elects to participate, at the employee's own expense, in a drug or alcohol treatment or rehabilitation program, whichever is appropriate. An employee who either refuses to participate in the treatment or rehabilitation program or who fails to successfully complete the treatment or rehabilitation program (as evidenced by withdrawal of the program before its completion or by a positive or dilute specimen test result on a Confirmatory Test during or after completion of the program), may be subsequently discharged.

j. Rights of Employee or Job Applicant or Notice of Test Results

1. An employee or job applicant who receives a positive- test or dilute specimen result on a Confirmatory Test has the right to receive a copy of the test result report and, within three (3) working days of notice of the original positive or dilute specimen Confirmatory Test result, to submit information to the City in addition to any information already submitted to explain that result, or within five (5) working days to notify the City in writing of the employee's intention to obtain a Confirmatory Retest of the original sample at the employee's or job applicant's own expense.
2. If the Confirmatory Retest is conducted in accordance with rules established by the Commissioner of the Minnesota Department of Health by a qualified laboratory in accordance with Minnesota Statute Chapter 212.31, Subd. 4 E, and if it is not positive or dilute specimen, the City shall reimburse the employee or job applicant for the actual cost of the Confirmatory Retest in an amount not to exceed $100.00 and no adverse personnel action shall be taken against the employee or job applicant based on the original Confirmatory Test.

k. General Testing Procedures

All testing will be performed by a licensed laboratory that certifies its compliance with the requirements of Minnesota Statutes Chapter 181.953, as from time to time amended. When the City determines to test for drug or alcohol use on any of the grounds enumerated in Section 3.2, 1, d of this policy, the following procedures will apply:

1. Initial Screening Test

i. **Acknowledgment.** Before the Initial Screening Test, the employee or job applicant shall be informed of the City's testing policy and given a form on which the employee or job applicant can acknowledge being so informed. The form shall allow the employee or job applicant to indicate any medication (prescription, signed for, or over-the counter) that the individual is currently taking or has recently taken and other information relevant to the reliability of or explanation for a positive or dilute specimen test result. Medical information disclosed on the form shall not be used as the basis for any adverse personnel action.

ii. If the Initial Screening Test produces a negative result, written notice of such result will be given to the individual who took the test within three (3) working days after the City receives the test result report. The employee or applicant will also be notified that they have the right to request and receive a copy of the test report.
iii. The testing laboratory will perform a Confirmatory Test on all samples that produce a positive or dilute specimen test result on the Initial Screening Test.

2. ***Confirmatory Test***. If the Initial Screening Test produces a positive or dilute specimen test result, a second test (known as the Confirmatory Test) will be conducted by the laboratory. If the Confirmatory Test is not positive, the City will send written notice of this fact to the employee or job applicant within three (3) working days after receiving the result.

   If the Confirmatory Test produces a positive or dilute specimen test result, the City will take the following four steps:
   i. The City will send written notice of the positive or dilute specimen test result within three (3) working days after receiving it to the employee or job applicant.
   ii. The employee or job applicant will be informed of the right to receive a copy of the test result.
   iii. The employee or job applicant will be told of the right to explain the positive or dilute specimen result.
   iv. The employee or job applicant will be informed of the right to request a Confirmatory Retest of the original sample at the employee's or job applicant's expense. The employee or job applicant has five (5) working days in which to notify the City of this request in writing.

3. ***Confirmatory Retests*.** If an employee or job applicant chooses to request a Confirmatory Retest, the employee or job applicant has five (5) working days within which to notify the City of this request in writing. Within three (3) days of the receipt of such request, the City will notify the original testing laboratory that it is to conduct a Confirmatory Retest or transfer the sample to another certified laboratory for retesting. If the Confirmatory Retest does not confirm the original positive or dilute specimen test result, no adverse personnel action will be taken by the City. If the confirmatory Retest is positive or dilute specimen, the City may withdraw its conditional offer of employment to a job applicant or terminate an employee if such employee chooses not to participate in a chemical dependency treatment or evaluation program.

l. Data Privacy

Test result reports and other information acquired in the drug and alcohol testing process are private data on individuals as defined in Minnesota Statutes Chapter 13, and may not be disclosed to another employer or to a third party individual, governmental agency, or private organization without the written consent of the employee or applicant tested, unless otherwise permitted by law or required by court order.

m. Other Misconduct

Nothing in this Policy limits the right of the City to discipline or discharge an employee on grounds other than a positive test result in a Confirmatory Test. For example, possession but not consumption of a controlled substance, the sale of a controlled substance on City premises, or conviction under any criminal drug statute for a violation occurring in the workplace, may by themselves, be grounds for discipline or discharge. Any City employee may be subject to discipline up to and including termination for violation of this Policy or any rules adopted by the City with respect to the manufacture, use, sale, or transfer of drugs and alcohol.

n. Administrative Responsibility

1. The City Administrator shall be responsible for implementing this Policy.
2. Each Department Manager and Supervisor shall be responsible for informing their employees of this Policy.
3. Each employee of the City shall be notified of this Policy. Employees shall acknowledge in writing of their notification of this Policy.

2. Drug Free Workplace

The City recognizes the value of having a drug-free workplace and in conjunction with the Drug-Free Workplace Act of 1988 adopts the following policy:

a. The unlawful manufacturing, distribution, dispensation, possession or use of a controlled substance is prohibited in the workplace. For purposes of this section, the term a “controlled substance” is defined as a controlled substance which appears in Schedule I through V of Section 202 of the Controlled Substances Act (21 U.S.C. 812).
b. A violation of this drug-free policy constitutes just cause for disciplinary action, up to and including immediate suspension or termination, or both.
c. As a condition of employment, employees will abide by the terms and conditions of this drug-free policy and will notify their department head of any criminal drug statute conviction for which a violation occurs in the workplace within five calendar days after such conviction.
d. The City will notify the contracting agency within ten calendar days after receiving actual notice of an above conviction.
e. Within 30 days of receiving notice from an employee of a drug related workplace conviction, the City may require an employee to satisfactorily participate in a drug abuse assistance or an appropriate rehabilitation program.
f. The City will establish a drug-free awareness program to inform employees about:
    i. the dangers of drug abuse in the workplace;
    ii. the policy of maintaining a drug-free workplace;
    iii. the availability of drug counseling, rehabilitation and employee assistance programs;

iv. the penalties that may be imposed upon employees for drug abuse violations.

Each situation will be evaluated on a case-by-case basis depending upon the severity and circumstances.

The City will make a good faith effort to continue to maintain a drug-free workplace through implementation of this policy.

3. Reasonable Testing Suspicion
The City may request or require employees to undergo drug and alcohol testing on a random selection basis if they are employed in a safety-sensitive position including, but not limited to positions in a public safety or public works department, pursuant to Minnesota Statutes Chapter 181.951, Subd 4.

4. Random Testing
The City may request or require employees to undergo drug and alcohol testing on a random selection basis if they are employed in safety-sensitive positions including, but not limited to positions in a public safety or public works department, pursuant to Minnesota Statutes Chapter 181.951. Subd. 4.

3.3 Tobacco Use
Tobacco products (i.e. chewing tobacco, smoking, etc.) are prohibited in City buildings and vehicles. This applies to all City vehicles and all city owned public facilities to include but not limited to park shelters, athletic complexes and municipal buildings.

3.4 Gifts and Gratuities
An employee may not solicit any gift or gratuity from any other employee or member of the general public. In no instance may a gift or gratuity be solicited or even hinted. In no instance may any gift or gratuity be accepted by a City employee, even if the gift or gratuity was unsolicited.

There are very limited exceptions to what is considered a gift or gratuity. The exceptions include:

1. A plaque or similar memento recognizing an individual's services in a field of specialty or to a charitable cause.
2. A trinket or memento of insignificant value.
3. Informational materials of unexceptional value.
4. Food or beverage given at a reception, meal, or meeting away from your normal place of work by an organization before whom you are appearing to make a speech or answer questions as a part of a program. All other gifts of food or beverage are prohibited. Vendor contributions to a meeting of local officials for breakfasts, hospitality rooms, snacks, or refreshments are prohibited.
5. Usual or customary gift giving among employees during the holiday season, birthdays, retirements, weddings, baby showers, rolls, cookies, flowers, etc., provided by coworkers.
6. Gifts from a family member.

Good judgment is advised. When you are faced with a situation concerning the acceptance of an item, you should seek approval from your supervisor prior to its acceptance and, if not resolved with your supervisor, proceed up the departmental ladder. It is important that each of us maintain high standards of public service and remain within the letter and spirit of ethical behavior.

3.5 Membership on Advisory Commissions

City employees are, pursuant to this policy, ineligible for appointment or service on City of East Bethel Advisory Commissions. City employee participation in support of commissions is assigned by City Administrator.

3.6 Technology Use Policy

The City of East Bethel provides employees with technology to assist them with their job duties. The purpose of this policy is to define acceptable and unacceptable use of the City technology including, but not limited to computer systems, voicemail systems, electronic mail (e-mail), the Internet and other information systems. This policy applies to all employee use of City technology including use by employees located on City property and off of City property. The goal of this policy is to avoid inappropriate use of City technology and to maintain appropriate security to protect City data and technology.

1. **City Ownership/Right to Access**

   All City technology systems are the property of the City of East Bethel. This includes but is not limited to all hardware, software, programs, applications, templates, internal and external e-mail messages, facsimile (fax) messages, data, data files, and voicemail messages developed or stored on city-owned, leased, or rented technology systems. The City reserves the right to access, retrieve and read any data, messages or files stored on City technology and disclose any data, messages or files without prior employee consent. Employee use of City technology is not private. This includes but is not limited to use of internal and external e-mail and use of the Internet. Use of passwords does not make data, messages or files private. Passwords must be disclosed to supervisors upon request and may be bypassed by the City. By using City technology, employees consent to any monitoring of that technology that may take place.

2. **Responsibility**

   Department Heads and supervisors are responsible for the implementation of and adherence to this policy within their departments. All employees are responsible for reading and following directions from Information Technology staff regarding appropriate procedures and precautions to take in order to protect the City's network system.

3. **Software *Use in Accordance with License Agreements***

   Employees shall adhere to all software license agreements, with regard to duplication and use as directed by the software publisher. If there are any questions about the appropriate use of the software, you must contact the Deputy City Clerk/IT Coordinator or designee.

4. **Remote Connections and Special Applications**
   Applications for remote connections and special applications will be reviewed and approved at the discretion of the City Administrator and Deputy City Clerk /IT Coordinator. Formal requests should be in writing, with an in-depth explanation of need and the cost savings involved.

5. **Authorized Software**
   ALL software used on City computer and network systems must be approved and installed by the Deputy City Clerk/IT Coordinator or designee. Written requests for new and demonstration software packages will be reviewed and approved at the discretion of the Deputy City Clerk/IT Coordinator or designee. City employees are prohibited from downloading, acquiring, or installing their own software without prior consent and approval from the Deputy City Clerk/IT Coordinator or designee.

6. **Virus Protection**
   All files brought into the City, via diskette or electronic transmission will be scanned for viruses. This includes portable devices from all service personnel, vendors, clients, and other government agencies. E-mail attachments that are not document files (.doc, .pdf, .rtf, .txt, .csv, .xls) will not be opened. If there is any question about how to use the City's virus detection software or about appropriate use of copyrighted material, employees should contact the Deputy City Clerk/IT Coordinator or network administrator.

7. **Electronic Mail**
   Electronic mail should be considered non-private information and may be periodically reviewed and used for investigation by the ~~Assistant City Administrator/HR Director and/or~~ City Administrator coordinated through the Deputy City Clerk/IT Coordinator. The electronic mail system is not to be used to harass any other individual. Limited personal use of the City's email system by employees is allowed, provided it does not interfere with an employee's work and is consistent with all City policies. Use of the electronic mail system is considered to be acceptance and acknowledgment of this rule.

   An employee's personal email may be considered "public" data and may not be protected by privacy laws. Personal email may also be monitored without notice to the employee.

   The following policies pertain to emails of both business and personal content:

   - Use common sense and never transmit an email you would not want your supervisor or other employees to read.
   - Do not correspond by email on confidential communications (e.g., letters of reprimands, correspondence with attorneys, medical information).
   - Do not open email attachments or links from an unknown sender. Delete junk or "spam" email without opening it if possible.

8. **City Computer Data**
   All data stored on computer media owned, leased or rented by the City, is considered to be owned by the city, and non-private, including information stored on local drives. Data shall be subject to the City's records retention schedule and the Minnesota Data

Practices Act. Dissemination of data shall be consistent with the data's classification under the Minnesota Data Practices Act. This data is also subject to review and investigation at the discretion of the Deputy City Clerk/IT Coordinator and City Administrator.

Some general guidelines to consider are as follows:

- All City records and data must be stored on the City's network.
- E-mail that is not an official record of City business should be deleted as soon as possible and should not be retained for more than 120 days.
- City-related documents that an employee creates on a home computer should be moved to the City's network file as soon as practical.

The Deputy City Clerk/IT Coordinator should be contacted with questions regarding the City's records retention schedule. If you are unsure how to create an appropriate file structure for saving and storing electronic information, contact the Deputy City Clerk/IT Coordinator or designee.

9. Passwords

Supervisors are required to report immediately to Deputy City Clerk/IT Coordinator or designee when an employee resigns or is terminated. Employees are required to contact Deputy City Clerk/IT Coordinator or designee when they suspect their login ID has been compromised or when someone else has obtained their password.

Password protection of any document is prohibited unless authorized by department director and City Administrator. This applies to any document stored on any drive (local or network), which includes diskettes, CDs, DVDs, flash drives, or any other storage device owned by the City. Any document found with unauthorized password protection will be deleted.

10. Internet

City employees are encouraged to find ways to access information from other governmental agencies and related sites, but must realize that in some cases the time spent looking for something will take longer than the conventional method. Department Heads should be aware of the time spent by their employees, and employees should keep an accurate record of time spent and useful addresses for future use.

a. Auditing Internet Use

The City has the ability to document and investigate all sites viewed by user name and location. All employees must be aware that they will be monitored and any site viewed that is of a questionable nature may result in disciplinary action. This restriction includes browsing of entertainment sites or sites that are designed to attract an adult audience. Infractions of this nature will be dealt with to the fullest extent of the discipline policy.

b. File Downloads and Virus Protection

All files downloaded from the Internet must be of a business nature, and approved for download by the Deputy City Clerk/IT Coordinator or designee. File must be saved to the network server to ensure that a virus scan is automatically performed.

c. General Internet Restrictions
City staff accessing the Internet through City resources shall not:
- Mask their true identity. This includes, but is not limited to, sending mail anonymously.
- Use the system for any activity that is commercial in nature. Commercial activities include, but are not limited to, consulting, typing services, and developing software for sale.
- Post on electronic bulletin boards materials that violate existing laws or the City's Personnel Policies.
- Post on Internet services information that may be slanderous or defamatory in nature.
- Attempt to monitor or tamper with another user's electronic communications, or reading, copying, changing, or deleting another user's files or software without the explicit agreement of the owner.
- To access, upload, download, transmit, or distribute pornographic, obscene, abusive, or sexually explicit materials.
- To transmit or accept sexually explicit language or profanity.
- To violate any local, state, or federal law or engage in any type of illegal activity;
- To violate any applicable state, federal, or international copyright, trademark, or intellectual property laws and regulations without prior approval, including unauthorized downloading or exchanging of pirated or otherwise unlawful software;
- To engage in any form of gambling;
- To engage in any type of harassment or discrimination;
- To engage in any type of commercial enterprise unrelated to the specific purposes and needs of the City;
- To engage in any form of solicitation without the consent of the department director;
- To promote any political or private causes or other activities that are not related to the business purpose of the City; or
- To enter into financial or contractual obligations without prior approval.

11. Personal Use

The City recognizes that some personal use of City-owned computers has and will continue to occur. To prevent abuse of this privilege, personal use is limited to the following:

a. Employees must obtain department director or other designated staff approval for personal use in the office where the PC is located.

b. Personal use is permitted only before and after regular business hours and only when other City business is not to be performed on the systems. Personal use shall not preempt work use.

c. Limited use of the City's access to the Internet for personal reasons is allowable, provided it does not interfere with an employee's work and is consistent with all provisions in this policy. Employees are warned that their individual activities on the Internet may be monitored and reported.

d. Employees must use their own paper and portable devices (which must be scanned and approved for use by the Deputy City Clerk/IT Coordinator or designee. No personal files or data are to be stored on the City‘s file servers.

e. Only City employees are to use the City computers. Family members or friends are not allowed to use City equipment or technology resources. Use of another’s computer without authorization is prohibited.

f. Use of City computers, software and peripherals for the following is strictly prohibited at all times:
   - for profit or commercial activities;
   - for any other public office or employment which is incompatible with City employment responsibilities, as determined by the City Administrator,
   - for any political activity

g. Internet e-mail may be used for personal correspondence, as long as it does not interfere with the normal duties of the employee and is consistent with all provisions in this policy.
   - using the City Internet e-mail system to participate in any kind of broadcast mailing list is strictly prohibited.

12. Instant Messaging

The City does not provide employees with resources or tools to communicate by Instant Messaging. Employees are not allowed to use Instant Messaging as a mechanism for personal communication through the City’s computer network or when using City equipment. Employees are not allowed to download or install Instant Messaging software on their computer.

13. Notice of Computer Problems

Employees are responsible for notifying the Deputy City Clerk/IT Coordinator or designee about computer problems. Small problems may indicate a more serious network or computer system issue, so employees should err on the side of caution when deciding whether or not to raise a question or concern.

14. Violation of Policy

Violations of this policy shall be dealt with on an individual basis, consistent with the nature of the infraction. For all City employees, as defined in the City Personnel Policies, infractions will be dealt with through normal personnel procedures; up to and including termination. All other infractions will be responded to with appropriate legal action.

3.7 Dress Code Policy

The dress and appearance of City employees is a direct reflection on the quality and professionalism of our services. City employees meet with the public every day as part of the regular workday.

1. Policy Statement

It is the responsibility of all employees to be neat and clean and to dress in a manner

that is appropriate to their work environment. Employees should use good judgment in attire, personal hygiene and overall appearance. Please be considerate of co-workers, citizens and other guests. It is the responsibility of Department Heads to determine if an employee's appearance is inappropriate.

At all times, regardless of the style of clothing that is worn, clothing must be clean, neat and free of holes, tears, fraying, patches, signs of wear or excessive wrinkles or noticeable stains. Any clothing that, by fit or design, is revealing or provocative is not suitable for our business environment.

2. General

If one's attire is most appropriate for the gym, tennis court, beach or nightclub, it is not appropriate in a business environment. When in doubt about the appropriateness of any attire, leave it out of the work wardrobe. Use good judgment.

Examples

The following are some examples of acceptable clothing for employees who work in the office environment:

- Sweaters, vests, blazers, jackets, blouses, shirts with collars or buttons, knit tops, turtlenecks, business suit, skirt and blouse, business dress
- Docker-type, khaki, dress slacks/trousers or twill casual pants. Jeans, without holes, frays, etc., and knee-length dress/walking shorts
- Casual flat shoes, loafers, cloth tennis shoes, open-toed shoes, clean athletic shoes

For employees who work in a non-office environment. These employees may perform some physical labor, such as inspections. Acceptable clothing items include:

- All of the items mentioned above, except no open toed shoes
- T-shirts or sweatshirts without prominent slogans, advertising, or printing
- Like-new tennis/athletic shoes, unless prohibited by OSHA Rules

The following are some examples of unacceptable appearance for employees:

- Inattention to personal hygiene/cleanliness
- Shorts (except knee-length dress/walking shorts, which are acceptable), spandex, stretch pants, leggings or other form-fitting pants
- Tube tops, halter tops, tank tops, spaghetti straps, muscle shirts and T-shirts with slogans
- Athletic apparel including jogging suits and sweatpants
- Bib-overalls
- Sweat bands, caps, or hats worn indoors
- Any clothing with printed messages or graphic derogatory design
- Flip-flops, slippers or other unprofessional footwear including worn-out athletic shoes
- Mini-skirts

If health conditions exist which require an employee to wear an item listed as unacceptable, please consult with your Department Head.

3. Uniformed Personnel

Uniforms, which are provided to some city employees, are expected to be neat, fresh and clean when reporting for duty. Each department is responsible for seeing to it that employees follow regulations regarding uniforms, related accessories and equipment. Uniforms bearing a city identification patch should not be worn during off-duty hours.

4. **City Logo Clothing**
   Wearing City logo clothing when consuming alcohol is prohibited.

5. **Violation of Policy**
   The Department Head with the assistance of the Human Resources Director, if requested, will determine if appearance is inappropriate. If a Department Head determines that an employee's standard of appearance is inappropriate, it will be brought to the employee's attention privately. Failure to meet acceptable standards of appearance as determined by a Department Head may result in a warning or an employee being sent home to change clothing. Time spent driving home and returning to work is not compensated.

   Additional policy violations could result in disciplinary action; up to and including termination.

6. **Policy Amendments**
   The City reserves the right to amend and/or revise this policy, including employee accommodation on the basis of cultural or religious beliefs.

SECTION 4 ~ RECRUITMENT/EMPLOYMENT

Effective Date: 07/21/04; revised 06/06/2007; 11/07/2007

4.1 Position Opening Authorization

Department Heads will notify the City Administrator and make recommendations when a replacement vacancy exists in a department or when there is a desire to fill a newly created position. The City Administrator will review the request and recommendations and advise the department head on the proper course of action. The City Administrator, with advice and consent of the City Council, is the final authority in the filling of all positions.

4.2 Recruitment

The recruitment of applicants for employment with the City shall take place at the direction of the City Administrator.

4.3 Probationary Period

The probationary period begins immediately upon starting date and continues for six (6) to twelve (12) working months unless otherwise specified in union contract. Department Head must inform the City Administrator of employee's successful completion of the probationary period.

All newly hired or rehired employees will serve a six (6) to twelve (12) month probationary period. At any time during the probationary period newly hired, promoted, or rehired employees may be terminated, demoted, or reassigned at the sole discretion of the employer. No cause for discharge is necessary.

Time served in temporary positions is not considered part of the probationary period.

4.4 Dismissal During the Probationary Period

A Department Head may recommend to the City Administrator dismissal of a probationary employee at any time during probation for any reason. The employee must be notified of the termination date in writing from the City Administrator.

4.5 Benefits During Probationary Period

Sick and vacation leave will accrue during the initial probationary period. Sick and vacation leave may be used as earned under the same conditions as applicable to non-probationary employees.

4.6 Reference and Background Checks

All reference checks for current or terminated employees must be routed to the City Administrator or his/her designee.

4.7 Employment of Relatives

More than one family member may not be employed within any department where one family member or relative supervises or has the ability recommend hire, fire or promote another relative, or where there may be a conflict of interest or not in the best interest of the City as determined by the City Administrator.

4.8 Discipline

The City reserves the right to take any disciplinary action it deems appropriate under the circumstances.

4.9 Grievances

The City of East Bethel wishes to address employee grievances by providing standard procedures for their resolution.

Definition

Grievance: A grievance is defined as a dispute or disagreement regarding the interpretation or application of City policies.

The following actions are not grievable:

1. Performance evaluations;
2. Dismissals of employees during their probationary or training period (subject to Veteran's Preference Laws);
3. Demotions of employees who do not pass their promotional probation;
4. Pay increases or lack thereof;
5. Merit pay awards; and
6. Other actions that are inherent managerial rights.

This above list is not meant to be all inclusive or exhaustive.

Procedure

The following grievance procedure shall be followed by all employees except those covered by the terms of a collective bargaining agreement. In all cases, grievances must be filed by the employee adversely affected by the action of the City. Failure to follow the steps within the stated time limits may result in a denial of the grievance on procedural grounds. Time limits may be extended by mutual agreement of the City and the employee. Employees exercising their rights under this policy shall be free from retaliation, interference, discrimination or reprisal.

Step 1: The employee must present the grievance to the employee's immediate supervisor in writing within ten (10) working days after the date of the grievance or the employee's knowledge of its occurrence. All grievances must include the following:

1. Statement of grievance and relevant facts;
2. The specific provision of the Personnel Policy violated;
3. 3 The remedy sought; and
4. Must be signed by the employee who is aggrieved.

A photocopy of the grievance should be forwarded to the ~~Assistant City Administrator/Human Resources Director~~ City Administrator.

The immediate supervisor will attempt to resolve the matter and will provide a written response to the grievance within ten (10) working days after presentation of the grievance by the employee. If the supervisor does not respond to the grievance

within the specified time frame, the employee may elect to treat the grievance as denied and may immediately appeal the grievance to the next step.

In the event there is a supervisory level between the immediate supervisor and the department director, the Step 1 grievance should be addressed to both supervisors. Any grievance not appealed in writing to Step 2 by the employee within five (5) working days after the immediate supervisor's response will be considered resolved.

Step 2: If the grievance is not solved in Step 1, the employee may appeal the grievance in writing to the employee's department director, with a copy to the ~~Assistant City Administrator/Human Resources Director~~ City Administrator, within five (5) working days of receipt of the immediate supervisor's response in Step 1.

If appealed, the department director will meet with the employee and provide a written response to the grievance within ten (10) working days of receipt, with a copy to the ~~Assistant City Administrator/Human Resources Director~~ City Administrator. If the department director does not respond to the grievance within the specified time frame, the employee may elect to treat the grievance as denied and may immediately appeal the grievance to the next step.

Any grievance not appealed in writing to Step 3 by the employee with five (5) working days will be considered resolved.

Step 3: If the grievance is not solved in Step 2, the employee may appeal the grievance in writing to the City Administrator~~, with a copy to the Assistant City Administrator/Human Resources Director,~~ within five (5) working days of receipt of the department director's response in Step 2.

If appealed, the City Administrator will meet with the employee and provide a written response to the grievance within ten (10) working days of receipt~~, with a copy to the Assistant City Administrator/Human Resources Director~~. The written response of the City Administrator will constitute the City's final response to the employee's grievance.

4.10 Administrative Leave – With Pay Regular Employees

Any regular employee of the City placed on Administrative Leave – With Pay will be provided with compensation as would normally be afforded the individual in a working status or classification. Compensation will be predicated on a normal work week for the individual in this status.

A normal work week shall be the average number of hours compensated over the past six months. If the employee has been in the employ of the City for less than six months, the average shall be based on the average hours worked during the period of employment.

4.11 Administrative Leave – With Pay Non-Regular Employees

Any non-regular employee of the City placed on Administrative Leave – With Pay will be provided with compensation based on the following factors:

Average amount paid to the non-regular employee over the past six months divided by six months to determine the average monthly wage. The non-

regular employee will be compensated at the average monthly wage calculated above.

The impact on retirement benefit(s) for non-regular employees shall be determined by the time period the non-regular employee is absent from the position. Should a non-regular employee be absent in an Administrative Leave –With Pay status for less than six months and meets all other criteria during the time the non-regular employee is engaged in service to the City, there shall be no reduction in retirement benefit. Should a non-regular employee be absent in an Administrative Leave – With Pay status for more than six months, the City Administrator shall review the specific issues and make a recommendation to the City Council.

The impact on promotion and position retention for non-regular employees shall be determined by the time period the non-regular employee is absent from the position. Should a non-regular employee be absent in an Administrative Leave –With Pay status for less than six months and meets all other criteria during the time the non-regular employee is engaged in service to the City, there shall be no impact on the non-regular employees eligibility for promotion and rank retention. Should a non-regular employee be absent in an Administrative Leave – With Pay status for more than six months, the City Administrator shall review the specific issues and make a recommendation to the City Council.

SECTION 5 ~ EMPLOYEE COMPENSATION

Effective Date: 07/21/04; revised 11/05/2008

5.1 Compensation Plan

The City Administrator must develop and maintain a compensation plan so all positions substantially similar with respect to the type, difficulty, and responsibility of work are included in the same grade and that the same salary range may be applied to all positions in a grade.

The plan shall classify positions in accordance with federal and state laws for all positions. The City Administrator will present the compensation plan to the City Council for its approval. The effective date of the compensation plan shall be the date stated in the plan approved by the City Council.

5.2 Classification and Reclassification

When a new position is requested, the duties and responsibilities for that position are to be identified in a position description. The supervisor and/or department head are responsible for preparation and submission of the position description with the request for a new position. The City Administrator may recommend the new position to the City Council for approval.

When the duties of a position change substantially, the Department Head may request or the City Administrator may initiate a review of the duties of the position. Based on the results of the review, the City Administrator may recommend to reclassify the position to the City Council for approval.

5.3 Overtime/Compensatory Time

Pursuant to federal and state wage and hour laws, employees classified as fulltime and nonexempt under Fair Labor Standards Act (FLSA) who are authorized overtime work in excess of the regularly scheduled workweek or pay period will be compensated at a rate of one and one-half times their base rate of pay for hours worked in excess of their regular schedule. FLSA mandates that the City classify employees in regards to overtime/compensatory time as one of the following categories: FLSA Exempt Employee or FLSA Non-Exempt Employee.

1. FLSA Exempt Employee
   Exempt employees are not paid for overtime over 40 hours unless otherwise provided by collective bargaining or contract agreement. Exempt employees are generally employees who are classified as professional, administrative, executive and seasonal-recreation, under the FLSA exempt status.
2. FLSA Non-Exempt Employees
   Overtime or compensatory time must be paid at a rate of one and one-half times the non-exempt (this includes full-time, part-time and temporary employees) employee's regular rate of pay for each hour worked in a work week in excess of 40 hours per week.

5.4 Compensatory Time - Non-Exempt Employees

FLSA non-exempt employees have the option of selecting compensatory time at the rate of one and one half times their regular rate of pay in lieu of overtime, to a maximum of 40 hours of comp time accrual.

5.5 General Rules - Overtime/Compensatory Time

All overtime and comp time to be worked **must** be pre-approved by the City Administrator and/or his designee prior to working overtime or compensatory time. Failure to obtain prior approval of overtime and compensatory time may result in denial of the overtime or compensatory time request.

5.6 Temporary Assignments

From time to time employees may be asked to fill in temporarily at work in a higher classification. The assignment will be made by the Department Head with the prior approval of the City Administrator.

If a temporary assignment extends beyond 20 working days, additional compensation at the higher classification may be provided. The duration of a temporary assignment may not exceed six months, unless authorized by the City Administrator with consent of the City Council.

5.7 Direct Deposit

All City employees are required to participate in direct deposit. Direct deposit allows employees to have payroll checks electronically deposited directly into a checking or savings account. Employees with direct deposit will receive an earnings statement each pay day. See the Finance Department for program details.

SECTION 6 ~ GENERAL BENEFITS

Effective Date: 07/21/04; 03/17/10

6.1 Health Coverage - Cafeteria Benefits Plan

The City will provide a contribution for regular full-time employees. Benefits may be purchased by employee as made available through the Employer's Cafeteria Benefit Plan. A set dollar amount for benefits will be included in the compensation plan approved by City Council as a separate document. The City will review its contribution on an annual basis.

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

6.2 Dental Benefits

The City will provide a contribution for regular full-time employees. Benefits may be purchased by employee as made available through the Employer's Cafeteria Benefit Plan. The City will review its contribution on a regular basis.

6.3 Life Insurance

The City will provide a contribution towards life insurance for regular full-time employees. Benefits may be purchased by employee as made available through the Employer's Cafeteria Benefit Plan.

6.4 P.E.R.A.

Public Employees Retirement Account will be maintained for regular full and part-time employees or as regulations specify. For details see the PERA manual in the Finance Department or visit the web site www.mnpera.org.

6.5 Deferred Compensation Program

The City provides employees the opportunity to participate in a Deferred Compensation Plan. This voluntary plan allows employees to place a portion of their earnings into pretax deferred investment program. There are several programs offered by the City. The City will match deferred compensation contributions up to 3% of base pay not to exceed the statutory maximum of $2,000. Check with the Finance Department for more information.

6.6 Flexible Spending Program

The City may provide employees access to a Flexible Spending program for Dependent Care expenses and medical care expense reimbursements as part of the City's Cafeteria Plan. These documents will be prepared and provided to employees pursuant to plan requirements.

SECTION 7 ~ LEAVE BENEFITS

Effective Date: 07/21/04; revised 11/28/2007; 03/04/2009; 05/05/2010; 10/06/2010

7.1 Official City Holidays

New Year's Day	January 1
Martin Luther King Day	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4th
Labor Day	First Monday in September
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November
Friday after Thanksgiving	Friday after Thanksgiving
Christmas Eve Day	December 24
Christmas Day	December 25

When a holiday falls on a Saturday or Sunday, the preceding Friday or following Monday is a holiday for employees whose normal work schedule is Monday through Friday.

Non-union employees who work a holiday will be paid time and one-half employee's regular pay rate for all hours worked in addition to straight compensatory time off for the holiday.

Employees may observe a religious holiday on days which do not fall on Sunday or a legal holiday. Observance of such a religious holiday must be taken off without pay except where the employee has accumulated vacation and in that case such religious holidays may be charged against such leave accumulations at the option of the employee.

Employees who are in collective bargaining must check their agreements and follow contract language for holiday schedules.

In order to be paid for holiday leave, the benefit earning employee must be working or using vacation, sick or other approved paid leave on both the day before and after the holiday.

7.2 Vacation Leave - Regular Full-time Employees

1. Vacation Accrual
   Regular employees shall earn vacation leave as follows:

- During 1st year through the 5th year of service, 80 hours per year.
- During 6th year through the 10th year of service, 120 hours per year.
- Beginning with the 11th year and each year of service thereafter, 160 hours per year.

  In the best interest of the City, vacation leave in excess of the established amount specified in this section may be granted by the City Administrator.

Employees using earned vacation or sick leave shall be considered to be working for the purpose of accumulating additional vacation leave.

2. Accrual
   Vacation begins accumulating in accordance the schedule above with date of hire.

3. Usage
   Vacation leave may be used as earned except that the ~~City Administrator~~ employee's supervisor shall approve the time at which the vacation leave may be taken. Vacation shall be requested and approved in advance.

4. Vacation Accumulation
   Employees must have their vacation balance reduced to 240 hours, or less, by the last pay period in December of each calendar year. All non-union employees who have accrued over 240 hours of vacation time will have those hours converted into cash and deposited into their post employment health care saving account. The conversion will take place once a year on December 31.

7.3 Sick Leave - Regular Full-Time Employees

1. Sick Leave
Sick leave with pay shall be granted to probationary and regular full-time employees for each calendar month of full-time service or major fraction thereof. Sick leave shall accrue at the rate of eight hours per month until 640 hours have been accumulated.

Sick leave may be taken only to the extent that it is earned. Sick leave may be used for illness, injury, employee assistance program, or by necessity for medical or dental care. Sick leave may be used by the employee to care for the employee's spouse, dependents, children, or parents in case of illness or as otherwise approved by the City Administrator. The City Administrator may require a medical certificate as may be deemed necessary before approving the utilization of sick leave.

2. Sick Leave Request
Employees must notify their immediate supervisor on the first day of sick leave and each day of sick leave request before the start of his or her shift unless otherwise required by the supervisor. When possible, sick leave must be requested in advance.

3. Sick Leave Severance
   Severance pay in the amount of one-half the accumulated sick leave employees have to their credit at the time of resignation, retirement, or death shall be paid to employees who have been employed for at least one full year. If discharged for cause, severance pay shall not be allowed.

7.4 Official Record - Sick, Vacation, and Compensatory

The City's automated payroll system is the official record for sick, vacation and compensatory balances.

7.5 Workers' Compensation

An employee who is temporarily disabled from work by an injury or illness sustained in the performance of the employee's work with the City, may be eligible for Workers' Compensation payment and additional salary through the use of accrued sick leave. The total of the Workers' Compensation check and the accrued sick leave compensation may not exceed the employee's normal gross pay. For more information on Workers' Compensation contact your supervisor or the Financial Services Department.

7.6 Funeral Leave

In the event of death in the family of the employee, (spouse, parents, child, brother, sister, step-children, parents-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, the employee shall be granted up to three (3) days leave with paid time to make the necessary funeral arrangements and attend the funeral.

Grandparents and Grandparents-in-law, the employee shall be granted up to two (2) days of leave with paid time to make necessary funeral arrangements and to attend the funeral. Additional time may be granted due to unusual circumstances such as, but not limited to, excessive distance of travel, etc. This additional time will come out of the employee's vacation accruals or compensatory time bank if he/she wishes to be compensated for this additional time.

7.7 Military Leave for Training Purposes

Employees who are members of any reserve component of the military forces of the United States or National Guard, will be granted leave of absence without loss of status or pay not to exceed 15 working days per year when ordered to training or active service in accordance with Minnesota Statutes 47A as from time to time amended. The City must receive a copy of the orders from the proper authority directing the employee to report to duty. Military leaves of absence with or without pay shall be granted as provided in Minnesota Statutes for state duty and Federal Regulations for federal duty.

7.8 Jury Duty

Any regular or probationary full-time employee who is required to serve as a juror or who is under subpoena as a witness in court on City matters, will be granted leave with pay while serving in such capacity. The employee must provide the appropriate paperwork to the City prior to the leave being granted. The employee must give any fees received for such service with the exception of mileage to the City. Temporary employees will be given leave without pay and may retain all fees received.

7.9 Bone Marrow Donation Leave

A regular or probationary full-time or temporary employee who average 20 or more hours per week throughout the calendar year, who seek to undergo a medical procedure to donate bone marrow will be granted up to 40 hours of paid leave of absence. The City may require a verification by a physician for the purpose and length of each leave requested.

7.10 School Conference and Activities Leave

In compliance with MN Statutes 181.9412; regular employees may leave up to a total of 16 hours during any 12-month period to attend school conferences or school-related activities related to the employee's child, provided the activities cannot be scheduled during non-working hours. Parental leave must be requested in writing in advance and processed through the Department Head or Supervisor. An employee may request use of vacation or leave without pay to a maximum total of 16 hours during a 12-month period.

7.11 Leave of Absence

Leave of absence without compensation may be granted by the City Administrator for up to six calendar months to an employee for any reasonable purpose and extended by the City Administrator for any reasonable period. Employees must submit a written request for personal leave to the department head and, if approved, the Department Head must submit the request to the City Administrator. The City Administrator may extend the leave of absence if it is found to be in the best interest of the City.

7.12 Family Medical Leave Act - FMLA

Purpose

The Family and Medical Leave Act of 1993 (FMLA) is intended to balance the demands of the workplace with the personal and medical needs of families and to promote the stability and economic security of families. It is intended to provide protections for employees as well as employers by providing up to twelve (12) weeks of unpaid, job protected leave for the birth of a child, adoption, foster care and certain individual and family medical reasons.

Policy

This FMLA leave policy is intended to be a general summary of the law. FMLA leave is governed by federal or state regulations. Those regulations shall control if they conflict with this policy. Each situation will be evaluated on a case-by-case basis, consistent with applicable law. Where provisions of the City personnel policies, and/or contracts and agreements, are in conflict with FMLA, those regulations, which are most beneficial to the employee, shall apply.

The following is a summary of the Family Medical Leave Act and how it applies to employees of the City of East Bethel.

1. **Eligible Employees**

   Eligible employees are those who have:

   a. Been employed by the City of East Bethel for at least one year; and
   b. Have worked a minimum of 1,250 hours within the previous 12-month period.

2. **Basic Leave Entitlement**

   FMLA leave will be granted to an eligible employee for any of the following reasons:

   a. To care for their child (birth, placement for adoption, or foster care with the employee);

b. To care for their spouse, son, daughter, or parent who has a serious health condition; or
c. For a serious health condition that makes an employee unable to perform their job duties.

3. Serious Health Condition

A serious health condition is an illness or injury that involves:

a. An overnight stay in a hospital, hospice or residential medical care facility, and any period of incapacity or subsequent treatment in connection with such medical care; and
b. A period of incapacity of more than three (3) consecutive calendar days (including any subsequent treatment period of incapacity relating to the same condition) that also involves:
   - Treatment two or more times by a health-care provider or certain others (e.g., a nurse or physical therapist) under the supervision of or referral by a health-care provider; or
   - Treatment by a health-care provider at least once which results in a regimen of continuing treatment under the health-care provider's supervision.
c. Any period of incapacity due to pregnancy or for prenatal care.
d. A chronic condition which:
   - Requires periodic visits for treatment by a health-care provider or a person supervised by a health-care provider;
   - Continues over an extended period of time (including recurring episodes of a single underlying condition); and
   - May cause episodes of incapacity rather than a continuous period of incapacity (e.g., asthma, diabetes, epilepsy, etc.).
e. A period of incapacity which is permanent or long term due to a condition for which treatment may not be effective. A person must be under the continuing supervision of, but need not be receiving active treatment by, a health-care provider (e.g., Alzheimer's, a severe stroke, or the terminal stages of a disease).
f. Any period of absence to receive multiple treatments for restorative surgery after an injury or for a condition that would likely result in a period of incapacity of more than three consecutive calendar days in the absence of medical intervention (e.g., cancer chemotherapy, kidney dialysis, etc.).

4. Length of Leave

The length of FMLA leave is not to exceed twelve (12) weeks in any rolling twelve (12) month period with the exception of leave to care for family members injured while on active military duty which may extend up to 26 weeks (See 13. Military Family Leave Entitlements). FMLA leave shall be taken simultaneously with the Minnesota Parenting Leave and entitlement to FMLA leave for the birth or placement of a child can begin at any time, but expires twelve (12) months after the birth or placement of the child.

For the purposes of determining eligibility for subsequent leaves, the FMLA year is a rolling 12-month period that begins the first day of the employee’s leave.

5. **Notice**
   The employee must give the City at least 30 days advance notice if the leave is foreseeable. If leave must be taken in less than 30 days, the employee should give as much notice as is practicable.

6. **Medical Certification**
   Employees who request a FMLA leave must provide a medical certification completed by the attending physician or practitioner indicating the need for the leave. A "*Certificate of Health Care Provider*" form can be obtained from Human Resources. A "*Certificate of Health Care Provider*" is *not* required if the employee is placed on FMLA leave due to a workplace injury and is on workers' compensation.

   The certificate should be submitted within two weeks of notification of the FMLA leave or within 15 days of the first day of leave if the leave is unexpected. Subsequent certificates updating the employer of the status of the employee or the family member's serious health condition and the projected date of return to work may be required depending on the length of the absence.

   The certification must state the following:
   - The date the need for the leave started or is expected to start.
   - The probable duration of the condition.
   - The appropriate medical facts regarding the condition.
   - If the leave is for the employee's own serious health condition, the certification must state that the employee is unable to perform the essential functions of the position.
   - When the leave is requested for a spouse, child, or parent, the medical certificate must state that the employee is needed to care for the relative and the estimated amount of time that the employee will be needed to provide such care.
   - If the leave requests an intermittent work schedule, the medical certification must state that the reduced or intermittent schedule is medically necessary and for how long it may be necessary.
   - The City may require a second medical opinion at the City's expense with a City chosen health care provider. If the second opinion conflicts with the opinion provided by the employee, the City may request, at the City's expense, a third opinion from another City- selected health care provider. The third opinion will be considered final and binding.

7. **Workers Compensation**
   Employees may be required to use FMLA leave when the employee misses work due to an injury obtained while on duty. If this is required the employer will provide the employee written notification specifying that any absence will be counted against the employee's remaining FMLA time. The FMLA leave and workers compensation leave run concurrently.

8. **Use of Annual Leave and Sick Leave**
   The employee may choose to use accrued annual leave while on any FMLA leave, but will not be required to do so by the City. Those employees with accrued sick leave banks may choose to substitute sick leave in place of annual leave, or they may choose to supplement their leave with sick-leave hours after their annual leave has

been depleted. The use of annual leave and/or sick leave occurs simultaneously with FMLA leave and does not extend the length of FMLA leave.

9. Both Spouses Employed by City

When both spouses are employees of the City, each spouse may take up to 12 weeks of FMLA leave per leave year. The leaves may run simultaneously.

10. Continuation of Insurance and Payment of Premiums

An employee on FMLA leave may choose to continue existing health-care benefits (health and dental) and life insurance if they so desire. As required by law, these benefits will be maintained under the same conditions and at the same level of City contribution as before the employee goes on leave. If there are changes to the City's contribution levels and/or premium rates while the employee is on leave, those changes will take place as if the employee were still on the job. The employee will be required to continue payment of the employee portion of the health-care and/or other insurance coverage they choose to continue. The employee may choose not to retain health-care or other insurance coverage during FMLA leave. When the employee returns from leave, they will be reinstated on the same terms as prior to taking leave, without any qualifying period, physical examination, exclusion of pre-existing conditions or other requirement.

11. Premium Reimbursement

The employee will be required to reimburse the City for any premiums paid during the leave if the employee does not return to work, unless the employee cannot return to work due to the continuation of a serious health condition of the child, spouse, parent or employee, or due to other circumstances beyond the control of the employee.

12. Return to Work

An employee returning from leave should notify the supervisor of intent at least two work days prior to the anticipated return date. The employee will be required to submit a fitness for duty or return-to-work report, signed by the treating doctor, prior to returning to work if FMLA leave was for the employee’s own serious health condition.

The employee has the right to return to the same or equivalent position with equivalent benefits, pay and other terms and conditions of employment upon returning to work. However, an employee has no guaranteed right to reinstatement or other benefits if the employee would not have been continuously employed during the FMLA leave. For example, the employee will not be reinstated: 1) if the employee is laid off during the course of the FMLA leave, or 2) if the employee was hired for a specific term to work on a certain project and the term or project is over.

13. Extensions

Upon request and with the proper medical documentation the employee may extend FMLA leave through an unpaid leave of absence. This requires the approval of the Department Director and the City Administrator. In this instance, refer to the City's

Unpaid Leave of Absence policy. That policy will continue to apply in situations which are beyond those addressed by the FMLA.

14. Military Family Leave Entitlements

Eligible employees with a spouse, son, daughter, or parent on active duty or call to active duty status in the National Guard or Reserves in support of a contingency operation may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.

A FMLA Certificate of Qualifying Exigency for Military Family Leave will need to be completed. Please see Human Resources for additional information.

FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered service member during a single 12-month period. The employee must be a spouse, son, daughter, parent or "next of kin" to the service member. Next of Kin definition is nearest blood relative other than the covered service member's spouse, parent, son or daughter, in this order:

a. Blood relatives granted legal custody
b. Brothers and sisters
c. Aunts and uncles
d. First Cousins
e. Service member's designee (in writing).

A "covered service member" means a current member of the Armed Forces, including a member of the National Guard or Reserves, who has a serious injury or illness incurred in the line of duty on active duty that may render the service member medically unfit to perform his or her duties for which the service member is undergoing medical treatment, recuperation, or therapy; or is in outpatient status, or is on the temporary disability retired list.

During the single 12-month period, an eligible employee shall be entitled to a combined total leave of 26 workweeks for leave that falls under the general FMLA requirements and for leave under the service member family leave requirements.

An eligible employee may be entitled to take more than one period of 26 workweeks of leave if the leave is to care for different covered service members or to care for the same service member with a subsequent serious injury or illness. However, the eligible employee is limited to taking no more than 26 workweeks of leave in each "single 12-month period."

A husband and wife, who are eligible for FMLA leave and are employed by the City, are limited to a combined total of 26 workweeks of leave during the "single 12-month period."

Former members of the armed forces, including former members of the National Guard or Reserves, and members on permanent disability retired list do not qualify for the Military Family Leave entitlement of 26 weeks.

A FMLA Certificate for Military Family Leave will need to be completed. Please see Human Resources for additional information.
Please see Human Resources for additional details on these types of leave.

15. Effect on Benefit Accrual
Employees using paid leave will continue to accrue benefits. The employee will not accrue benefits such as annual leave while on unpaid FMLA leave. Step and vacation increases will be extended by the length of the leave.

16. Additional Information
Please see Human Resources for additional information.

7.13 Limitation of Grants of Leave without Compensation
Sick leave and vacation leave accruals will not accumulate during leave of absence without compensation; accrued amounts of both sick leave and vacation leave will remain on the record at the inception of the leave of absence and shall continue upon the return of the employee. If the leave extends for more than 30 days, health and dental coverage and life insurance premiums must be paid in full by the employee during such leave or the coverage will lapse. For leaves without compensation of 30 days or less, the City will continue its normal premium contribution or as policy allows.

7.14 Leave Extension Request
Failure on the part of the employee to request and receive authorization for an extension of leave within three working days of expiration of initial leave is considered as a resignation from employment.

7.15 Reinstatement From Leave of Absence
1. An employee returning from leave must notify the employee's supervisor at least two weeks prior to the anticipated return date.
2. Upon return from a leave of absence, the employee will be assigned to the previously held position or a position in a comparable class except as herein provided.
3. An employee may be returned to employment at any time prior to the expiration of the leave by the action of the City Administrator.
4. Employees returning from leave will retain all previously accrued benefits of employment and seniority.

7.16 Inclement Weather Leave
On days when severe weather occurs, the City of East Bethel offices, operations and facilities will remain open. When severe weather conditions prohibit an employee to report to work or an employee leaves work due to weather, the employee will use either vacation leave or unpaid leave for such absence unless otherwise determined by the City Administrator.

7.17 Voting Leave
Every employee who is eligible to vote in an election has the right to be absent from work for a reasonable time necessary to appear at the employee's polling place, cast a ballot, and return to work on the day of that election. Elections covered by this

section include a regularly scheduled state primary or general election, an election to fill a vacancy for a U.S. senator or representative, or an election to fill a vacancy for a state senator or representative. As with other leaves, employees need to specifically request time off to vote to avoid coverage issues.

SECTION 8 ~ LIGHT DUTY

Effective Date: 07/21/04

8.1 Purpose

The purpose of this policy is to establish guidelines for temporary assignment of work to temporarily disabled employees who are medically unable to perform their regular work duties. Light duty is evaluated by the City Administrator on a case-by-case basis. This policy does not guarantee assignment to light duty.

8.2 Policy

The City of East Bethel's "Light Duty Program" is for short-term, temporary disability-type purposes; assignment of light duty is at the discretion of the City Administrator. The City Administrator reserves the sole right to determine when and if light duty work will be assigned.

8.3 Procedure: Applying for Light Duty Work

When an employee is unable to perform the essential requirements of the employee's job due to a temporary disability, the employee will notify the City Administrator or Department Head in writing as to the nature and extent of the disability and the reason why the employee is unable to perform the essential functions, duties, and requirements of the position. This notice **must** be accompanied by a physician's report containing a diagnosis, current treatment, and any work restrictions related to the temporary disability including the expected time frame regarding return to work full time with no restrictions, meeting all essential requirements and functions of the City's position description along with a written request for light duty.

The City may require an independent evaluation conducted by a physician selected by the City to verify the diagnosis, current treatment, expected length of temporary disability, and work restrictions.

It is at the discretion of the City Administrator whether or not to assign light duty work to the employee. Although this policy is handled on a case-by-case basis, light duty is recommended to last no longer than six months.

The circumstances of each disabled employee performing light duty work will be reviewed regularly.

SECTION 9 ~ SEPARATION FROM EMPLOYMENT

Effective Date: 07/21/04

9.1 Resignations

1. *Employment in Good Standing*
   To leave employment in good standing employees must submit written resignation to the employer. Such written notices must indicate the effective date of resignation and must be submitted at least fourteen (14) calendar days before such effective date. Failure to comply with this procedure may be considered cause for denying future employment by the municipality and denial of benefits.

2. *Unauthorized Absences.*
   Unauthorized absence from work for a period of three working days may be considered as resignation without benefits.

9.2 Dismissal

The City retains the right to an immediate discharge of an employee for cause.

9.3 Lay-Offs

The City Administrator may lay off any employee whenever such action is made necessary by reason of shortage of work or funds, the abolition of a position, or because of changes in the organization. A full-time benefit earning employee who is laid off from employment shall be provided with a minimum of 14 days advance notice of such layoff or as provided for in Labor Agreement.

A laid off full-time benefit earning employee shall have the rights to recall to the same position from which the employee was laid off for up to six months (180 calendar days) following the layoff.

Part-time, seasonal, temporary, non-benefit earning employees may be separated from employment at any time, without advance notice and shall have no recall rights.

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9.4 Health Care Savings Plan

City of East Bethel employees are eligible to participate in the Minnesota Post Employment Health Care Savings Plan (HCSP) established under Minnesota Statutes, section 352.98 (Minn. Supp. 2001) and as outlined in the Minnesota State Retirements System's Trust and Plan Documents. All funds collected by the employer on the behalf of the employee will be deposited into the employee's post employment health care savings plan account.

All non-union employees eligible for the severance payment outlined in Section 7.3 3. Sick Leave Severance will contribute 100% of sick leave severance to the Post Employment Health Care Savings Plan. In addition, upon termination, all non-union employees with over one year of employment with the City of East Bethel will contribute 50% of their accumulated vacation leave severance payout to the Post Employment Health Care Savings Plan.

SECTION 10 ~ RECORDS AND REPORTS

Effective Date: 07/21/04

10.1 Personnel File

The official personnel file for each regular employee is in the Administration office with the exception of data regarding benefits, which is maintained in Finance. The employee's personnel file contents are proprietary to the City and the employee may not exercise his/her right to review their file more often than once every six months unless new information has been added to the file.

10.2 Position Descriptions

The City Administrator, with assistance of Department Heads shall establish and maintain a job description for each position. Administration will maintain the official copy of each current job description for regular positions.

10.3 Performance Reports

Department Heads and Supervisors shall conduct performance evaluations with regular employees on an annual basis. Evaluations may be conducted more frequently if an employee's performance is unsatisfactory, there are changes to the position or as determined by the supervisor. Performance evaluations should be discussed with the employee before being submitted to the City Administrator. Performance evaluations shall be retained in the employee's personnel file.

SECTION 11 ~ EXPENSE REIMBURSEMENT

Effective Date: 07/21/04

11.1 Clothing/Foot Protection

1. Eligible Employees
   All full and part time regular and seasonal employees in the work area of government buildings divisions and employees engaged in building inspection and engineering inspection/survey; golf course maintenance personnel as well as all others so designated.

2. Procedure
   Full-time employees will be reimbursed an allowance of $100 per calendar year for purchase of work clothing, protective clothing, safety jackets or vests, steel toed boots/shoes; uniform or rental of such work clothes for use on the job for the City of East Bethel. The employer will reimburse part-time and/or seasonal employees an allowance of $50 per calendar year for the above listed purchases.

   The City reserves its right to ensure allowance is used for appropriate work attire. Receipts and description of purchase/rental required prior to reimbursement.

   Employees who choose to be reimbursed by the City for the optional clothing and/or footwear described above must submit to his/her supervisor a clothing/foot protection reimbursement form and proof of purchase. The supervisor will then submit this documentation to the City Administrator or his/her designee for final approval.

11.2 Mileage

Personal vehicle use for authorized trips, meetings, work, etc., will be reimbursed at the rate consistent with IRS regulations. Mileage reimbursement requests must be in writing and approved by the City Administrator. Use of personal vehicle for work purposes must be pre-approved by the City Administrator or his/her designee.

11.3 Travel

Reimbursements of travel expenses are intended to refund actual costs incurred by City employees and officials while traveling as authorized representatives of the City of East Bethel. To qualify for travel reimbursement, trips must have the prior approval of the City Administrator and be recognized as part of the adopted annual budget. Requests for travel advances intended to defray costs incurred while on a trip and prior to submission of an expense report shall be submitted to the City Administrator for approval at least three weeks in advance of the trip. Travel advances shall be limited to 90 percent of the estimated expenses for lodging, meals, and other related travel expenses. Costs of transportation and registration shall be advanced in full.

1. Expense Claim
   A properly verified, itemized expense claim shall be submitted to the City Administrator for approval within five business days following the date of return from an authorized trip. Expense claims shall be accompanied by receipts for:
   a. Transportation costs to and from the destination via coach, tourist, or economy class transportation.
   b. Lodging costs not to exceed a reasonable single-occupancy rate as determined by the City Administrator.
   c. Conference or meeting registration fees.
   d. Any unusual items for which advance approval has been obtained from the City Administrator.

2. Mode of Transportation
   The mode of transportation must be approved by the City Administrator prior to any authorized trip. Personal automobile use for authorized trips will be reimbursed at a rate consistent with IRS regulations, or an amount equal to air travel tourist class, whichever is lesser.

3. Reimbursement for Meals
   Reimbursement for meals while on authorized travel will be for actual expenditures not to exceed $35.00 per day.

4. Other
   Employees and officials of the City shall be reimbursed for individual or actual meal cost unless meal cost is part of function. See current pay plan for maximum allowable amount.

SECTION 12 ~ TUITION REIMBURSEMENT

Effective Date: 07/21/2004; revised 07/02/2008

12.1 Eligibility

Regular full time employees, upon successful completion of their probationary period, may be reimbursed for full tuition only for courses taken at the post high school level. Part time and seasonal employees are not eligible for tuition reimbursement.

12.2 Qualifications

To qualify for reimbursement, the following criteria must be satisfied:

1. Employees interested in pursuing advanced education must submit a Tuition Advance Request application to their supervisor by May 1 in the year prior to the classes for appropriate budgeting consideration.
2. The class must be taken from accredited institutions of higher learning or vocational-technical schools.
3. Course work must be work related as determined by the City Administrator.
4. Prior approval of the City Administrator must be obtained before enrollment or registration for course is permitted and eligible for reimbursement.
5. Course must be satisfactorily completed with a minimum grade of "C".
6. Courses taken on a "pass/fail" basis are not eligible under this program.

12.3 Reimbursement Limitations

1. Reimbursement under this program to eligible employees is 1/3 the tuition cost of a college course not to exceed $2,000 per calendar year.
2. Reimbursement is limited to the cost of the course (registration, tuition, etc.) from all sources.
3. All tuition reimbursement will be subject to applicable IRS regulations.
4. Employees participating in Tuition Reimbursement do so on a voluntary basis. Travel to and from classes, time spent in class and studying, and mileage are not compensable or reimbursable.
5. The Tuition Reimbursement program is mutually beneficial to the City and the employee. Employees who receive tuition reimbursement and who do not complete at least two (2) years of employment with the City after such reimbursement, will be required to repay the reimbursement on a pro-rated basis for the two (2) years. The two (2) year commitment will be adjusted from the date the tuition reimbursement is issued.

   The pro-ration schedule for repayment will be as follows:

   a. Up to 1 year, full repayment
   b. 1 – 2 years, 50% repayment
   c. After 2 years, no repayment required.

12.4 Forms

Tuition Reimbursement forms are available from the Human Resources Director. A photocopy of the completed Tuition Reimbursement form will be placed in the employee's personnel file.

12.5 Program Continuation

The City reserves the right to discontinue the program at any time, with or without notice.

SECTION 13 ~ MOTOR VEHICLE OPERATING

Effective Date: 07/21/04

13.1 Purpose

The purpose of this policy is to identify the conditions and terms under which city vehicles may be operated by City employees.

13.2 Standards

Employees, including Fire Fighters, must maintain less than four (4) points on their evaluations to operate City owned vehicles and equipment. If there are four or more points assigned to any employee or fire fighter, that employee may not operate City owned equipment or vehicles until the point total is less than four.

Each employee and firefighter has the responsibility to inform his/her supervisor of citations.

13.3 Definitions

The following definitions shall apply to this policy.

Minor Citation means any moving traffic citation receives unless it is qualified as a Major Conviction as defined below. This category does not include cases involving motor vehicle equipment, load or size violations; improper or failure to display proper licensure; failure to display or sign registration card; or failure to have in possession a valid driver's license.

At-Fault Accident means any accident where the driver has been identified as having caused the accident or negligently contributed to it occurrence.

Major Conviction means an citation that involves driving while intoxicated or under the influence of drugs or alcohol; failure to stop and report an accident; homicide, manslaughter or assault arising out of operation of a motor vehicle; driving while license is suspended or revoked; reckless driving; possession of open alcoholic beverage container; or speed contest, drag racing or attempting to elude a law enforcement officer.

Incident means a Minor Citation, At-Fault accident or Major Conviction as identified above.

13.4 Citation Categories and Points

The time period considered for violations and points is generally three years. However, major convictions such as DUI may be counted for a period of five years.

CITATION CATEGORIES	Points	Review
Minor, no accident involved	1	3 Years
At fault accident	2	5 Years
Others not included above	2	3 Years
Major (within 3 years)	6	3 Years

Major (within 5 years)	3	5 Years
ADDITIONAL POINTS	**Points**	**Review**
Two incidents within most recent 18 months	1	1.5 Years
Three or more incidents within most recent 18 months	2	1.5 Years

CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA

RESOLUTION NO. 2013-29

Approving Compensation for Commission Members

WHEREAS, Citizen members of the Economic Development Authority and the Planning Commission receive $20 per regular monthly meetings; and

WHEREAS, Citizen members of Roads and Parks Commissions receive $10 per regular monthly meetings**;**

NOW THEREFORE, BE IT RESOLVED, by the City Council of East Bethel that all citizen members of Economic Development Authority and the Airport(East Bethel member only), Parks, Planning and Roads Commissions be compensated equally at the rate of $20 per regular monthly meeting

Adopted by the City Council for the City of East Bethel, this 5th of June, 2013.

_____
Richard Lawrence, Mayor

ATTEST:

_____
Jack Davis, City Administrator

CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA

RESOLUTION NO. 2013-30

RESOLUTION ALLOWING ACCUMULATED LEAVE TO BE TRANSFERRED FOR THE CITY ADMINISTRATOR TO THE CITIES HEALTH SAVINGS PLAN

WHEREAS, City Personnel Policies limit accumulated vacation accrued at 240 hours; and

WHEREAS, it has been and will continue to be operationally necessary to have the City Administrator available during periods of significant activity related to utility improvements and other activities; and

WHEREAS, such operationally necessity during this period has and will continue to preclude use of accumulated vacation accrual to comply with Personnel Policy guidelines;

WHEREAS, the City Administrator has accumulated 301 hours of vacation in excess of Personnel Policy guidelines as of May 30, 2013 and will be required to forfeit these hours as of June 30, 2013 per Resolution 2010-60;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAST BETHEL, MINNESOTA THAT: The City Administrator will be permitted to transfer the value of the accumulated vacation in excess of the limitations noted in the City's Personnel Policy as permitted in Resolution 2010-60 to the Cities Health Savings Plan.

BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAST BETHEL, MINNESOTA THAT: it is hereby confirmed that the maximum payout of accrued unused vacation shall be limited to 240 hours as provided for in the City's Personnel Policy.

Adopted this 5th day of June, 2013 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

_____

Richard Lawrence, Mayor

ATTEST:

_____

Jack Davis, City Administrator

PAY ESTIMATE #4
CITY OF EAST BETHEL
Jackson Street Reconstruction Project

May 28, 2013

Honorable Mayor & City Council
City of East Bethel
2241 - 221st Avenue N.E.
East Bethel, MN 55011-9631

RE: Jackson Street Reconstruction Project
Contractor: Rum River Contracting Co.
Contract Amount: $1,188,238.40
Award Date: August 15, 2012

Dear Honorable Mayor and Council Members:

The following work has been completed on the above-referenced project by Rum River Contracting Co.

ITEM NO.	ITEM DESCRIPTION	UNIT	CONTRACT UNIT PRICE	CONTRACT AMOUNT	USED TO DATE	EXTENSION
1	MOBILIZATION	LUMP SUM	$50,000.00	$ 50,000.00	1	$ 50,000.00
2	CLEARING	ACRE	$3,900.00	$ 4,485.00	2.80	$ 10,920.00
3	GRUBBING	ACRE	$1,000.00	$ 1,150.00	2.80	$ 2,800.00
4	REMOVE CURB AND GUTTER	LIN FT	$4.00	$ 592.00	313	$ 1,252.00
5	REMOVE PIPE CULVERTS	LIN FT	$5.00	$ 2,635.00	467	$ 2,335.00
6	REMOVE CONCRETE GUTTER	LIN FT	$4.00	$ 288.00	72	$ 288.00
7	REMOVE BITUMINOUS PAVEMENT	SQ YD	$2.50	$ 2,992.50	1,554	$ 3,885.00
8	REMOVE CONCRETE DRIVEWAY PAVEMENT	SQ YD	$4.00	$ 188.00	50	$ 200.00
9	REMOVE CATCH BASIN	EACH	$237.50	$ 475.00	2	$ 475.00
10	REMOVE SIGN	EACH	$25.00	$ 600.00	24	$ 600.00
11	SAWING CONCRETE PAVEMENT (FULL DEPTH)	LIN FT	$4.00	$ 220.00	55	$ 220.00
12	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)	LIN FT	$3.00	$ 1,575.00	635	$ 1,905.00
13	SALVAGE FENCE	LIN FT	$2.00	$ 2,640.00		$ -
14	REMOVE MISCELLANEOUS STRUCTURES	LUMP SUM	$500.00	$ 500.00	1	$ 500.00
15	COMMON EXCAVATION, EV	CU YD	$4.95	$ 41,386.95	8,361	$ 41,386.95
16	MUCK EXCAVATION, EV	CU YD	$6.90	$ 24,909.00	4,060	$ 28,014.00
17	GRANULAR BORROW, LV	CU YD	$9.10	$ 114,350.60	12,589	$ 114,559.90
18	TOPSOIL BORROW, LV	CU YD	$0.01	$ 5.00		$ -
19	SALVAGED TOPSOIL FROM STOCKPILE, CV	CU YD	$4.30	$ 12,749.50	2,954	$ 12,702.20
20	GEOTEXTILE FABRIC TYPE IV	SQ YD	$2.00	$ 290.00	80	$ 160.00
21	GEOTEXTILE FABRIC TYPE VI	SQ YD	$3.60	$ 8,460.00		$ -
22	HAUL AND STOCKPILE EXCESS MATERIAL, LV	CU YD	$7.00	$ 14,000.00	670	$ 4,690.00
23	AGGREGATE BASE CLASS 5	TON	$15.35	$ 22,487.75	2,328	$ 35,734.80
24	MILL BITUMINOUS SURFACE (2")	SQ YD	$10.00	$ 530.00	62	$ 620.00
25	BITUMINOUS PAVEMENT RECLAMATION	SQ YD	$1.05	$ 25,830.00	24,600	$ 25,830.00
26	HAUL BITUMINOUS PAVEMENT RECLAMATION, CV	CU YD	$6.20	$ 20,894.00	4,888	$ 30,305.60
27	TYPE MV 3 WEARING COURSE MIXTURE (B)	TON	$64.00	$ 252,992.00	4,127	$ 264,128.00
28	TYPE MV 3 NON WEARING COURSE MIXTURE (B)	TON	$60.00	$ 235,200.00	3,832	$ 229,920.00
29	BITUMINOUS MATERIAL FOR TACK COAT	GAL	$2.00	$ 3,240.00	1,750	$ 3,500.00
30	MODULAR BLOCK RETAINING WALL	SQ YD	$169.00	$ 8,450.00		$ -
31	15" CS PIPE CULVERT	LIN FT	$32.25	$ 2,322.00	192	$ 6,192.00
32	15" RC PIPE APRON	EACH	$467.30	$ 3,738.40	8	$ 3,738.40
33	18" RC PIPE APRON	EACH	$492.00	$ 984.00	2	$ 984.00
34	24" RC PIPE APRON	EACH	$539.30	$ 539.30	2	$ 1,078.60
35	15" CS SAFETY APRON	EACH	$327.00	$ 1,308.00	10	$ 3,270.00
36	INSTALL CULVERT MARKER	EACH	$50.00	$ 550.00	11	$ 550.00
37	TRASH GUARD FOR 15" PIPE APRON	EACH	$311.00	$ 2,488.00	8	$ 2,488.00
38	TRASH GUARD FOR 18" PIPE APRON	EACH	$333.00	$ 666.00	2	$ 666.00

PAY ESTIMATE #4
CITY OF EAST BETHEL
Jackson Street Reconstruction Project

ITEM NO.	ITEM DESCRIPTION	UNIT	CONTRACT UNIT PRICE	CONTRACT AMOUNT	USED TO DATE	EXTENSION
39	TRASH GUARD FOR 24" PIPE APRON	EACH	$633.00	$ 633.00	2	$ 1,266.00
40	15" RC PIPE SEWER DESIGN 3006, CL V	LIN FT	$28.50	$ 57,114.00	2,053	$ 58,510.50
41	18" RC PIPE SEWER DESIGN 3006, CL V	LIN FT	$30.50	$ 2,562.00	86	$ 2,623.00
42	24" RC PIPE SEWER DESIGN 3006, CL III	LIN FT	$34.50	$ 3,933.00	103	$ 3,553.50
43	CONSTRUCT DRAINAGE STRUCTURE DESIGN 48 - 4020	LIN FT	$200.05	$ 39,589.90	158.7	$ 31,747.94
44	CONSTRUCT DRAINAGE STRUCTURE DESIGN 54 - 4020	LIN FT	$280.00	$ 2,072.00		$ -
45	CONSTRUCT DRAINAGE STRUCTURE DESIGN H	LIN FT	$279.00	$ 781.20	2.5	$ 697.50
46	CASTING ASSEMBLIES TYPE 1	EACH	$627.05	$ 16,303.30	22	$ 13,795.10
47	CASTING ASSEMBLIES TYPE 2	EACH	$669.00	$ 669.00	1	$ 669.00
48	CASTING ASSEMBLIES TYPE 3	EACH	$728.00	$ 1,456.00		$ -
49	RANDOM RIPRAP CLASS II	CU YD	$105.00	$ 1,785.00	31	$ 3,255.00
50	RANDOM RIPRAP CLASS III	CU YD	$105.00	$ 4,725.00	32	$ 3,360.00
51	CONCRETE CURB & GUTTER DESIGN B618	LIN FT	$8.50	$ 102,000.00	11,898	$ 101,133.00
52	6" CONCRETE DRIVEWAY PAVEMENT	SQ YD	$40.00	$ 12,000.00		$ -
53	BITUMINOUS CURB	LIN FT	$5.00	$ 500.00	21	$ 105.00
54	MAIL BOX SUPPORT	EACH	$125.00	$ 4,000.00	35	$ 4,375.00
55	TRAFFIC CONTROL	LUMP SUM	$15,000.00	$ 15,000.00	0.75	$ 11,250.00
56	SIGN PANELS TYPE C	SQ FT	$31.00	$ 11,005.00	355.0	$ 11,005.00
57	CONIFEROUS TREE 6' HT B&B	TREE	$225.00	$ 1,800.00		$ -
58	PERENNIAL PLUGS	PLANT	$8.50	$ 7,990.00		$ -
59	TREE PRUNING	HOUR	$150.00	$ 3,000.00		$ -
60	BALE BARRIER	LIN FT	$5.00	$ 300.00	30	$ 150.00
61	SILT FENCE, TYPE MACHINE SLICED	LIN FT	$1.10	$ 13,277.00	11,333	$ 12,466.30
62	STORM DRAIN INLET PROTECTION	EACH	$90.00	$ 2,880.00	29	$ 2,610.00
63	TEMPORARY ROCK CONSTRUCTION ENTRANCE	EACH	$500.00	$ 1,000.00		$ -
64	EROSION CONTROL BLANKETS CATEGORY 2	SQ YD	$3.00	$ 210.00	773	$ 2,319.00
65	EROSION CONTROL BLANKETS CATEGORY 5	SQ YD	$3.00	$ 840.00		$ -
66	TURF ESTABLISHMENT	ACRE	$1,000.00	$ 7,300.00	8.9	$ 8,900.00
67	4" SOLID LINE WHITE - EPOXY	LIN FT	$0.20	$ 3,144.00		$ -
68	4" BROKEN LINE YELLOW - EPOXY	LIN FT	$0.20	$ 106.00		$ -
69	4" DOUBLE SOLID LINE YELLOW - EPOXY	LIN FT	$0.40	$ 2,112.00		$ -
70	4" SOLID LINE YELLOW - EPOXY	LIN FT	$0.20	$ 528.00		$ -
71	24" STOP LINE WHITE - EPOXY	LIN FT	$6.00	$ 912.00		$ -

TOTAL WORK COMPLETED TO DATE	**$ 1,159,689.29**
LESS 3% RETAINAGE:	**$ 34,790.68**
LESS PAY ESTIMATE #1:	**$ 335,926.97**
LESS PAY ESTIMATE #2:	**$ 470,850.97**
LESS PAY ESTIMATE #3:	**$ 63,109.61**
WE RECOMMEND PAYMENT OF:	**$ 255,011.06**

PAY ESTIMATE #4
CITY OF EAST BETHEL
Jackson Street Reconstruction Project

APPROVALS:

CONTRACTOR: RUM RIVER CONTRACTING CO.

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

Signed: _____

Title: PRES Date 5-30-13

ENGINEER: HAKANSON ANDERSON

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

Signed: _____

Title: City Engineer Date 5/30/13

OWNER: CITY OF EAST BETHEL

Signed: _____

Title: _____ Date _____

BOLTON & MENK, INC.
Consulting Engineers & Surveyors
2638 Shadow Lane, Suite 200 • Chaska, MN 55318-1172
Phone (952) 448-8838 • Fax (952) 448-8805
www.bolton-menk.com

May 29, 2013

City of East Bethel
Attn: Mr. Jack Davis
2241 221st Avenue NE
East Bethel, MN 55011

RE: Phase I, Project 1 Utility Improvements
& East Bethel Gravity Interceptor & Discharge

Honorable Mayor and City Council Members:

Enclosed is Pay Estimate No. 22 from S.R. Weidema for work completed on the above referenced project from April 21, 2013 through May 17, 2013.

The work associated with this estimate includes Viking Boulevard muck excavation and backfill, utility testing water used for testing the city watermain and MCES forcemain, as well as field office and mobilization associated with the utility project.

As of this estimate, the muck excavation and backfill on Viking is 100% complete.

The City costs associated with this estimate include the city watermain portion of utility testing water, as well as field office, and mobilization that are part of the original utility project. None of the costs associated with the Viking reconstruction work are included in the City apportionment.

We have reviewed the estimate, verified the quantities and recommend payment in the amount of $92,959.40 to S.R. Weidema.

The total amount due above is apportioned as follows:

MCES:	$ 32,092.28
County:	$ 35,604.14
City:	
Sewer:	$ 11,356.57
Water:	$ 13,906.41
City Total:	$ 25,262.98
Total Due:	***$ 92.959.40***

Respectfully Submitted,

John K. Swanson
BOLTON & MENK, INC.

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CONTRACTOR'S PAY REQUEST **East Bethel Gravity Interceptor & Discharge & Utility Infrastructure Project** **CITY OF EAST BETHEL, MN** **PROJECT NO. C12.100028** **Pay Estimate No. 22**	**DISTRIBUTION:** CONTRACTOR (1) OWNER (1) ENGINEER (1) BONDING CO. (1)
TOTAL AMOUNT BID	$11,686,468.20
CHANGE ORDER NO. 1 (REVISED)	$324,949.43
CHANGE ORDER NO. 2	$43,536.10
CHANGE ORDER NO. 3	-$9,078.08
CHANGE ORDER NO. 4	$18,823.65
CHANGE ORDER NO. 5	$0.00
CHANGE ORDER NO. 6	-$137,342.33
CHANGE ORDER NO. 7	$2,414,658.18
CHANGE ORDER NO. 8	$54,245.25
CHANGE ORDER NO. 9	$193,092.02
CHANGE ORDER NO. 10	-$43,419.21
EXTRA WORK	$12,610.25
TOTAL AMOUNT BID PLUS APPROVED CHANGE ORDERS	$14,558,543.46
MCES STORED MATERIALS TO DATE	$1,294,983.05
EAST BETHEL STORED MATERIALS TO DATE	$948,118.25
TOTAL, STORED MATERIALS TO DATE	**$2,243,101.30**
DEDUCTION FOR MCES STORED MATERIALS USED IN WORK COMPLETED	$1,272,584.87
DEDUCTION FOR EAST BETHEL STORED MATERIALS USED IN WORK COMPLETED	$921,848.57
TOTAL DEDUCTION FOR STORED MATERIALS USED IN WORK COMPLETED	**$2,194,433.44**
TOTAL DUE MCES STORED MATERIALS TO DATE	$22,398.18
TOTAL DUE EAST BETHEL STORED MATERIALS TO DATE	$26,269.68
TOTAL DUE, STORED MATERIALS TO DATE	**$48,667.86**
TOTAL, MCES COMPLETED WORK TO DATE	$7,212,283.38
TOTAL, EAST BETHEL COMPLETED WORK TO DATE	$4,404,653.88
TOTAL, COUNTY COMPLETED WORK TO DATE	$1,990,683.82
TOTAL, COMPLETED WORK TO DATE	**$13,607,621.08**
TOTAL, COMPLETED MCES WORK & STORED MATERIALS	$7,234,681.56
TOTAL, COMPLETED EAST BETHEL WORK & STORED MATERIALS	$4,430,923.56
TOTAL, COUNTY COMPLETED WORK TO DATE	$1,990,683.82
TOTAL, COMPLETED WORK & STORED MATERIALS	**$13,656,288.94**
MCES RETAINED PERCENTAGE (5%)	$361,734.08
EAST BETHEL RETAINED PERCENTAGE (5%)	$221,546.18
COUNTY RETAINED PERCENTAGE (5%)	$99,534.19
TOTAL RETAINED PERCENTAGE (5%)	**$682,814.45**

TOTAL EARNED LESS RETAINAGE MCES TO DATE	$6,872,947.48
TOTAL EARNED LESS RETAINAGE EAST BETHEL TO DATE	$4,209,377.38
TOTAL EARNED LESS RETAINAGE COUNTY TO DATE	$1,891,149.63
TOTAL EARNED LESS RETAINAGE TO DATE	**$12,973,474.49**
TOTAL, MCES AMOUNT PAID ON PREVIOUS ESTIMATES	$6,840,855.20
TOTAL EAST BETHEL AMOUNT PAID ON PREVIOUS ESTIMATES	$4,184,114.40
TOTAL COUNTY AMOUNT PAID ON PREVIOUS ESTIMATES	$1,855,545.49
TOTAL AMOUNT PAID ON PREVIOUS ESTIMATES	**$12,880,515.09**
MCES THIS ESTIMATE	$32,092.28
EAST BETHEL THIS ESTIMATE	$25,262.98
COUNTY THIS ESTIMATE	$35,604.14
PAY CONTRACTOR AS ESTIMATE NO. 22	**$92,959.40**

Certificate for Partial Payment

I hereby certify that, to the best of my knowledge and belief, all items quantities and prices of work and material shown on this Estimate are correct and that all work has been performed in full accordance with the terms and conditions of the Contract for this project between the Owner and the undersigned Contractor, and as amended by any authorized changes, and that the foregoing is a true and correct statement of the contract amount for the period covered by this Estimate.

Contractor: S.R. Weidema, Inc.
17600 113th Avenue North
Maple Grove, MN 55369

By _____
Name Title

Date _____

CHECKED AND APPROVED AS TO QUANTITIES AND AMOUNT:
ENGINEER: BOLTON & MENK, INC., 2638 SHADOW LANE SUITE 200 CHASKA, MN 55318

By _____, PROJECT ENGINEER

Date _____

APPROVED FOR PAYMENT:
OWNER:

By _____
Name Title Date

And _____
Name Title Date

Partial Pay Estimate No.: 22

East Bethel Gravity Interceptor & Discharge & Utility Infrastructure Project

CITY OF EAST BETHEL, MN

PROJECT NO. C12.100028

METROPOLITAN COUNCIL ENVIRONMENTAL SERVICES Project No. 801602

WORK COMPLETED THROUGH MAY 17, 2013

ITEM NO.		ITEM	UNIT PRICE	AS BID ESTIMATED QUANTITY		AS BID ESTIMATED AMOUNT	AS BID - CITY ESTIMATED QUANTITY		AS BID - CITY ESTIMATED AMOUNT	AS BID - MCES ESTIMATED QUANTITY		AS BID - MCES ESTIMATED AMOUNT
1	01500	MOBILIZATION	$255,000.00	1	LUMP SUM	$255,000.00	0.39	LUMP SUM	$99,129.29	0.61	LUMP SUM	$155,870.71
2	01350	MAINTAIN DITCH FLOW	$4,200.00	4	EACH	$16,800.00	2.50	EACH	$10,500.00	1.50	EACH	$6,300.00
3	01350	MAINTAIN CREEK FLOW	$8,300.00	1	EACH	$8,300.00	0.33	EACH	$2,739.00	0.67	EACH	$5,561.00
4	01350	UTILITY TESTING WATER	$13.00	5000	KGAL	$65,000.00	1,500.00	KGAL	$19,500.00	3,500.00	KGAL	$45,500.00
5	01350	PRE-CONSTRUCTION SURVEY / VIDEO TAPING	$650.00	16	UNIT	$10,400.00	14.00	UNIT	$9,100.00	2.00	UNIT	$1,300.00
6	01510	FIELD OFFICE	$15,000.00	1	LUMP SUM	$15,000.00	0.39	LUMP SUM	$5,831.13	0.61	LUMP SUM	$9,168.87
7	01550	TEMPORARY TRENCH RESTORATION	$1.00	18250	SY	$18,250.00	13,299.33	SY	$13,299.33	4,950.67	SY	$4,950.67
8	01550	TEMPORARY SWAMP ACCESS	$32.30	4700	LF	$151,810.00	1,933.33	LF	$62,446.67	2,766.67	LF	$89,363.33
9	01555	TRAFFIC CONTROL	$25,000.00	1	LUMP SUM	$25,000.00	0.39	LUMP SUM	$9,718.56	0.61	LUMP SUM	$15,281.44
10	01555	JERSEY BARRIERS	$17.75	2850	LF	$50,587.50	2,690.00	LF	$47,747.50	160.00	LF	$2,840.00
11	01410	PERMIT BOND ALLOWANCE	$7,500.00	1	ALLOWANCE	$7,500.00	0.39	ALLOWANCE	$2,915.57	0.61	ALLOWANCE	$4,584.43
12	02220	REMOVE BITUMINOUS PAVEMENT	$1.16	22660	SY	$26,285.60	13,264.67	SY	$15,387.01	9,395.33	SY	$10,898.59
13	02220	REMOVE BITUMINOUS DRIVEWAY PAVEMENT	$3.85	650	SY	$2,502.50	518.67	SY	$1,996.87	131.33	SY	$505.63
14	02220	REMOVE CONCRETE DRIVEWAY PAVEMENT	$0.50	2560	SF	$1,280.00	2,152.33	SF	$1,076.17	407.67	SF	$203.83
15	02220	REMOVE CONCRETE CURB & GUTTER	$2.15	1440	LF	$3,096.00	1,059.67	LF	$2,278.28	380.33	LF	$817.72
16	02220	REMOVE STORM SEWER - 18" RCP	$8.50	100	LF	$850.00	56.33	LF	$478.83	43.67	LF	$371.17
17	02220	REMOVE STORM SEWER - 21" RCP	$8.60	25	LF	$215.00	9.00	LF	$77.40	16.00	LF	$137.60
18	02220	REMOVE STORM SEWER - 48" RCP	$11.35	55	LF	$624.25	55.00	LF	$624.25		LF	
19	02220	REMOVE CULVERT - 48" CMP	$10.15	40	LF	$406.00		LF		40.00	LF	$406.00
20	02220	REMOVE STORM SEWER STRUCTURE	$360.00	4	EACH	$1,440.00	3.00	EACH	$1,080.00	1.00	EACH	$360.00
21	02218	SALVAGE AND REINSTALL STORM SEWER - 12" PVC	$28.00	20	LF	$560.00		LF		20.00	LF	$560.00
22	02219	SALVAGE AND REINSTALL STORM SEWER - 18" RCP	$28.00	20	LF	$560.00	20.00	LF	$560.00		LF	
23	02220	SALVAGE AND REINSTALL STORM SEWER - 36" RCP	$29.00	75	LF	$2,175.00	25.00	LF	$725.00	50.00	LF	$1,450.00
24	02220	SALVAGE AND REINSTALL STORM SEWER - 48" RCP	$36.00	45	LF	$1,620.00	30.67	LF	$1,104.00	14.33	LF	$516.00
25	02220	SALVAGE AND REINSTALL THEATER MARQUEE	$48,500.00	1	EACH	$48,500.00		EACH		1.00	EACH	$48,500.00
26	02220	SALVAGE AND REINSTALL LANDSCAPING	$35,000.00	1	ALLOWANCE	$35,000.00	0.85	ALLOWANCE	$29,750.00	0.15	ALLOWANCE	$5,250.00
27	02220	PRIVATE UTILITY REMOVAL, RELOCATION, TEMP SUPPORT	$225,000.00	1	ALLOWANCE	$225,000.00		ALLOWANCE		1.00	ALLOWANCE	$225,000.00
28	02230	CLEARING & GRUBBING	$68.00	190	EACH	$12,920.00	80.00	EACH	$5,440.00	110.00	EACH	$7,480.00
29	02230	CLEARING & GRUBBING	$2,700.00	1.9	ACRE	$5,130.00	1.40	ACRE	$3,780.00	0.50	ACRE	$1,350.00
30	02955	REPAIR EXISTING DRAIN TILE	$13.00	300	LF	$3,900.00	200.00	LF	$2,600.00	100.00	LF	$1,300.00
31	02960	2" FEATHER MILL	$4.50	910	SY	$4,095.00	910.00	SY	$4,095.00		SY	
32	02530	48" DIAMETER MANHOLE	$371.25	602	LF	$223,492.50	378.30	LF	$140,443.88	223.70	LF	$83,048.63
33	02530	60" DIAMETER MANHOLE	$605.00	137	LF	$82,885.00	8.30	LF	$5,021.50	128.70	LF	$77,863.50
34	02530	72" DIAMETER MANHOLE	$800.00	8	LF	$6,400.00	8.00	LF	$6,400.00		LF	
35	02530	84" DIAMETER MANHOLE	$1,535.00	64	LF	$98,240.00		LF		64.00	LF	$98,240.00
36	02530	96" DIAMETER MANHOLE	$2,365.00	8	LF	$18,920.00		LF		8.00	LF	$18,920.00
37	02530	108" DIAMETER MANHOLE	$2,370.00	10	LF	$23,700.00		LF		10.00	LF	$23,700.00
38	02530	120" DIAMETER MANHOLE	$2,500.00	20	LF	$50,000.00		LF		20.00	LF	$50,000.00
39	02530	48" DIAMETER MANHOLE BOUYANCY COLLAR	$436.00	22	EACH	$9,592.00	22.00	EACH	$9,592.00		EACH	
40	02530	60" DIAMETER MANHOLE BOUYANCY COLLAR	$1,235.00	9	EACH	$11,115.00		EACH		9.00	EACH	$11,115.00
41	02530	72" DIAMETER MANHOLE BOUYANCY COLLAR	$1,520.00	1	EACH	$1,520.00	1.00	EACH	$1,520.00		EACH	
42	02530	8" OUTSIDE DROP	$220.00	17.82	LF	$3,920.40	17.82	LF	$3,920.40		LF	
43	02530	8" PVC SDR 35 SEWER PIPE (10-15 FEET)	$38.00	1130	LF	$42,940.00	1,130.00	LF	$42,940.00		LF	
44	02530	8" PVC SDR 35 SEWER PIPE (15-20 FEET)	$38.00	100	LF	$3,800.00	100.00	LF	$3,800.00		LF	
45	02530	8" PVC SDR 26 SEWER PIPE (10-15 FEET)	$50.00	260	LF	$13,000.00	260.00	LF	$13,000.00		LF	
46	02530	8" PVC SDR 26 SEWER PIPE (15-20 FEET)	$50.00	1965	LF	$98,250.00	1,965.00	LF	$98,250.00		LF	
47	02530	8" PVC SDR 26 SEWER PIPE (20-25 FEET)	$50.00	835	LF	$41,750.00	835.00	LF	$41,750.00		LF	
48	02530	10" PVC SDR 26 SEWER PIPE (15-20 FEET)	$55.00	20	LF	$1,100.00	20.00	LF	$1,100.00		LF	
49	02530	12" PVC SDR 26 SEWER PIPE (0-10 FEET)	$58.00	65	LF	$3,770.00	65.00	LF	$3,770.00		LF	
50	02530	12" PVC SDR 26 SEWER PIPE (15-20 FEET)	$58.00	610	LF	$35,380.00	610.00	LF	$35,380.00		LF	
51	02530	15" PVC SDR 35 SEWER PIPE (10-15 FEET)	$58.00	945	LF	$54,810.00	945.00	LF	$54,810.00		LF	
52	02530	15" PVC SDR 35 SEWER PIPE (15-20 FEET)	$58.00	405	LF	$23,490.00	405.00	LF	$23,490.00		LF	
53	02530	15" PVC SDR 26 SEWER PIPE (10-15 FEET)	$58.00	85	LF	$4,930.00	85.00	LF	$4,930.00		LF	
54	02530	15" PVC SDR 26 SEWER PIPE (15-20 FEET)	$58.00	65	LF	$3,770.00	65.00	LF	$3,770.00		LF	
55	02530	15" PVC SDR 26 SEWER PIPE (20-25 FEET)	$58.00	17	LF	$986.00	17.00	LF	$986.00		LF	
56	02530	24" PVC PS 46/ CCFRPM SN 46 (10-15 FEET)	$75.00	560	LF	$42,000.00		LF		560.00	LF	$42,000.00
57	02530	24" PVC PS 115/ CCFRPM SN 72 (10-15 FEET)	$85.00	2420	LF	$205,700.00		LF		2,420.00	LF	$205,700.00
58	02530	24" PVC PS 115/ CCFRPM SN 72 (15-20 FEET)	$85.00	1035	LF	$87,975.00		LF		1,035.00	LF	$87,975.00
59	02530	24" PVC PS 115/ CCFRPM SN 100 (20-25 FEET)	$90.00	10	LF	$900.00	10.00	LF	$900.00		LF	
60	02530	24" PVC PS 115/ CCFRPM SN 100 (25-30 FEET)	$90.00	25	LF	$2,250.00		LF		25.00	LF	$2,250.00
61	02530	24" PVC PS 115/ CCFRPM SN 100 (30-35 FEET)	$90.00	28	LF	$2,520.00	28.00	LF	$2,520.00		LF	
62	02530	36" PVC PS 115/ CCFRPM SN 72 (15-20 FEET)	$185.00	44	LF	$8,140.00	44.00	LF	$8,140.00		LF	
63	02530	42" PVC PS 46/ CCFRPM SN 46 (15-20 FEET)	$210.00	566	LF	$118,860.00		LF		566.00	LF	$118,860.00
64	02530	42" PVC PS 46/ CCFRPM SN 46 (20-25 FEET)	$200.00	320	LF	$64,000.00		LF		320.00	LF	$64,000.00
65	02530	42" PVC PS 115/ CCFRPM SN 72 (15-20 FEET)	$205.00	502	LF	$102,910.00		LF		502.00	LF	$102,910.00
66	02530	42" PVC PS 115/ CCFRPM SN 72 (20-25 FEET)	$205.00	285	LF	$58,425.00		LF		285.00	LF	$58,425.00
67	02530	42" PVC PS 115/ CCFRPM SN 72 (25-30 FEET)	$205.00	855	LF	$175,275.00		LF		855.00	LF	$175,275.00
68	02530	42" PVC PS 115/ CCFRPM SN 72 (30-35 FEET)	$205.00	155	LF	$31,775.00		LF		155.00	LF	$31,775.00
69	02530	42" PVC PS 115/ CCFRPM SN 100 (30-35 FEET)	$225.00	466	LF	$104,850.00		LF		466.00	LF	$104,850.00
70	02530	48" PVC PS 115/ CCFRPM SN 72 (30-35 FEET)	$225.00	25	LF	$5,625.00		LF		25.00	LF	$5,625.00
71	02530	60" PVC PS 115/ CCFRPM SN 72 (30-35 FEET)	$500.00	1192	LF	$596,000.00		LF		1,192.00	LF	$596,000.00
72	02445	GRAVITY SEWER BORING - 12" CARRIER PIPE	$218.00	95	LF	$20,710.00	95.00	LF	$20,710.00		LF	
73	02445	GRAVITY SEWER BORING - 15" CARRIER PIPE	$325.00	95	LF	$30,875.00	95.00	LF	$30,875.00		LF	
74	02445	GRAVITY SEWER BORING - 24" CARRIER PIPE	$455.00	290	LF	$131,950.00	290.00	LF	$131,950.00		LF	
75	02445	GRAVITY SEWER BORING - 36" CARRIER PIPE	$775.00	355	LF	$275,125.00	355.00	LF	$275,125.00		LF	
76	02445	GRAVITY SEWER BORING - 42" CARRIER PIPE	$830.00	325	LF	$269,750.00		LF		325.00	LF	$269,750.00
77	02445	SET UP BORING PIT (10-15 FEET)	$14,350.00	2	EACH	$28,700.00	2.00	EACH	$28,700.00		EACH	
78	02445	SET UP BORING PIT (20-25 FEET)	$22,000.00	1	EACH	$22,000.00	1.00	EACH	$22,000.00		EACH	
79	02445	SET UP BORING PIT (25-30 FEET)	$33,600.00	1	EACH	$33,600.00		EACH		1.00	EACH	$33,600.00
80	02445	SET UP BORING PIT (30-35 FEET)	$40,000.00	1	EACH	$40,000.00	1.00	EACH	$40,000.00		EACH	
81	02530	6" PVC SDR 26 SERVCE PIPE	$19.00	730	LF	$13,870.00	730.00	LF	$13,870.00		LF	
82	02530	6" PVC SDR 26 SERVICE RISER	$13.30	105	LF	$1,396.50	105.00	LF	$1,396.50		LF	
83	02530	8" X 6" PVC SDR 26 WYE	$145.00	17	EACH	$2,465.00	17.00	EACH	$2,465.00		EACH	
84	02240	DEWATERING (0-10 FEET)	$35.00	800	LF	$28,000.00		LF		800.00	LF	$28,000.00
85	02240	DEWATERING (10-15 FEET)	$45.00	5300	LF	$238,500.00	3,076.00	LF	$138,420.00	2,224.00	LF	$100,080.00
86	02240	DEWATERING (15-20 FEET)	$50.00	4600	LF	$230,000.00	2,991.00	LF	$149,550.00	1,609.00	LF	$80,450.00
87	02240	DEWATERING (20-25 FEET)	$65.00	1950	LF	$126,750.00	1,225.00	LF	$79,625.00	725.00	LF	$47,125.00
88	02240	DEWATERING (25-30 FEET)	$65.00	1010	LF	$65,650.00		LF		1,010.00	LF	$65,650.00
89	02240	DEWATERING (30-35 FEET)	$70.00	2010	LF	$140,700.00	160.00	LF	$11,200.00	1,850.00	LF	$129,500.00
90	02530	PIPE SUBGRADE EXCAVATION (EV) - TYPE A BEDDING	$7.35	850	CY	$6,247.50	270.00	CY	$1,984.50	580.00	CY	$4,263.00
91	02530	PIPE SUBGRADE EXCAVATION (EV) - TYPE B1 BEDDING	$8.60	7700	CY	$66,220.00	3,332.00	CY	$28,655.20	4,368.00	CY	$37,564.80
92	02530	PIPE SUBGRADE EXCAVATION (EV) - TYPE B2 BEDDING	$10.00	1400	CY	$14,000.00		CY		1,400.00	CY	$14,000.00
93	02530	AGGREGATE BEDDING - TYPE A BEDDING	$24.00	2000	TON	$48,000.00	640.00	TON	$15,360.00	1,360.00	TON	$32,640.00
94	02530	AGGREGATE BEDDING - TYPE B1 BEDDING	$28.00	18000	TON	$504,000.00	7,731.00	TON	$216,468.00	10,269.00	TON	$287,532.00
95	02530	AGGREGATE BEDDING - TYPE B2 BEDDING	$29.00	3300	TON	$95,700.00		TON		3,300.00	TON	$95,700.00
96	20341	GEOTEXTILE FABRIC - TYPE B1 BEDDING	$1.00	16000	SY	$16,000.00	7,064.00	SY	$7,064.00	8,936.00	SY	$8,936.00
97	02341	GEOTEXTILE FABRIC - TYPE B2 BEDDING	$1.00	1950	SY	$1,950.00		SY		1,950.00	SY	$1,950.00
98	02530	EXPLORATION EXCAVATIONS	$7,300.00	20	EACH	$146,000.00		EACH		20.00	EACH	$146,000.00
99	01150	TEMORARY ACCESS DRIVEWAY - BANK	$3.35	1700	SY	$5,695.00	1,133.00	SY	$3,795.55	567.00	SY	$1,899.45
100	02320	POND BERM RESTORATION	$7,600.00	1	LUMP SUM	$7,600.00		LUMP SUM		1.00	LUMP SUM	$7,600.00
101	02530	SANITARY SEWER STANDARD CASTING	$280.00	13	EACH	$3,640.00	12.00	EACH	$3,360.00	1.00	EACH	$280.00
102	02530	WATER TIGHT CASTING	$1,470.00	32	EACH	$47,040.00	12.00	EACH	$17,640.00	20.00	EACH	$29,400.00
103	02530	CHIMNEY SEAL	$252.00	13	EACH	$3,276.00	12.00	EACH	$3,024.00	1.00	EACH	$252.00
104	02530	MANHOLE MARKER SIGN	$57.00	31	EACH	$1,767.00	12.00	EACH	$684.00	19.00	EACH	$1,083.00
105	02705	ADJUST CASTING	$300.00	13	EACH	$3,900.00	12.00	EACH	$3,600.00	1.00	EACH	$300.00
106	02310	MANHOLE ACCESS GRADING (CV)	$12.25	600	CY	$7,350.00		CY		600.00	CY	$7,350.00
107	02310	MANHOLE ACCESS SUBGRADE EXCAVATION (EV)	$9.00	3950	CY	$35,550.00		CY		3,950.00	CY	$35,550.00
108	02310	MANHOLE ACCESS GEOTEXTILE FABRIC	$1.60	6800	SY	$10,880.00		SY		6,800.00	SY	$10,880.00
109	02310	MANHOLE ACCESS COMMON EXCAVATION (P)	$2.00	1750	CY	$3,500.00		CY		1,750.00	CY	$3,500.00
110	02310	MANHOLE ACCESS GRANULAR SUB BASE	$7.00	7900	TON	$55,300.00		TON		7,900.00	TON	$55,300.00
111	02730	MANHOLE ACCESS AGGREGATE SURFACE	$13.20	4300	TON	$56,760.00		TON		4,300.00	TON	$56,760.00
112	02535	6" PVC C905 DR 14 DISCHARGE PIPING	$31.00	270	LF	$8,370.00		LF		270.00	LF	$8,370.00
113	02535	16" PVC C905 DR 14 DISCHARGE PIPING	$58.00	4060	LF	$235,480.00		LF		4,060.00	LF	$235,480.00
114	02535	21.6" OD HDPE DR 7 DIPS DISCHARGE PIPING	$110.00	2873	LF	$316,030.00		LF		2,873.00	LF	$316,030.00
115	02535	6" GATE VALVE	$1,100.00	10	EACH	$11,000.00		EACH		10.00	EACH	$11,000.00
116	02445	DISCHARGE PIPE BORING - 16" CARRIER PIPE	$328.00	95	LF	$31,160.00		LF		95.00	LF	$31,160.00
117	02445	SET UP BORING PIT (10-15 FEET)	$16,850.00	1	EACH	$16,850.00		EACH		1.00	EACH	$16,850.00
118	02240	DEWATERING (10-15 FEET)	$1.00	370	LF	$370.00		LF		370.00	LF	$370.00
119	02535	MAINTENANCE MANHOLE	$3,100.00	47.5	LF	$147,250.00		LF		47.50	LF	$147,250.00
120	02535	AIR / VACUUM RELEASE MANHOLE	$25,365.00	3	EACH	$76,095.00		EACH		3.00	EACH	$76,095.00
121	02530	72" DIAMETER MANHOLE BOUYANCY COLLAR	$1,520.00	3	EACH	$4,560.00		EACH		3.00	EACH	$4,560.00
122	02530	108" DIAMETER MANHOLE BOUYANCY COLLAR	$2,575.00	3	EACH	$7,725.00		EACH		3.00	EACH	$7,725.00
123	02535	MANHOLE MARKER SIGN	$60.00	4	EACH	$240.00		EACH		4.00	EACH	$240.00
124	02535	4" INSULATION	$3.70	350	SF	$1,295.00		SF		350.00	SF	$1,295.00
125	02535	TEMPORARY HYDRANT ASSEMBLY	$3,160.00	2	EACH	$6,320.00		EACH		2.00	EACH	$6,320.00
126	02510	HYDRANT EXTENSION	$500.00	6	LF	$3,000.00		LF		6.00	LF	$3,000.00
127	02510	VALVE BOX EXTENSION	$75.00	6	LF	$450.00		LF		6.00	LF	$450.00
128	02530	CHIMNEY SEAL	$265.00	2	EACH	$530.00		EACH		2.00	EACH	$530.00

ITEM NO.	PREVIOUS ESTIMATE ESTIMATED QUANTITY		PREVIOUS ESTIMATE ESTIMATED AMOUNT	PREVIOUS ESTIMATE - CITY ESTIMATED QUANTITY		PREVIOUS ESTIMATE - CITY ESTIMATED AMOUNT	PREVIOUS ESTIMATE - MCES ESTIMATED QUANTITY		PREVIOUS ESTIMATE - MCES ESTIMATED AMOUNT	PREVIOUS ESTIMATE - COUNTY ESTIMATED QUANTITY		PREVIOUS ESTIMATE - COUNTY ESTIMATED AMOUNT
1	0.93	LUMP SUM	$237,150.00	0.36	LUMP SUM	$92,190.24	0.57	LUMP SUM	$144,959.76		LUMP SUM	
2	3.00	EACH	$12,600.00	2.00	EACH	$8,400.00	1.00	EACH	$4,200.00		EACH	
3	1.00	EACH	$8,300.00	0.33	EACH	$2,766.67	0.67	EACH	$5,533.33		EACH	
4	140.41	KGAL	$1,825.33	103.46	KGAL	$1,344.98	36.95	KGAL	$480.35		KGAL	
5	16.00	UNIT	$10,400.00	14.00	UNIT	$9,100.00	2.00	UNIT	$1,300.00		UNIT	
6	1.60	LUMP SUM	$23,992.50	0.62	LUMP SUM	$9,326.90	0.98	LUMP SUM	$14,665.60		LUMP SUM	
7	9,193.00	SY	$9,193.00	6,795.33	SY	$6,795.33	2,397.67	SY	$2,397.67		SY	
8	3,632.00	LF	$117,313.60	1,399.33	LF	$45,198.47	2,232.67	LF	$72,115.13		LF	
9	1.00	LUMP SUM	$25,000.00	0.39	LUMP SUM	$9,718.56	0.61	LUMP SUM	$15,281.44		LUMP SUM	
10	3,221.00	LF	$57,172.75	1,252.14	LF	$22,225.47	1,968.86	LF	$34,947.28		LF	
11	0.05	ALLOWANCE	$400.00	0.02	ALLOWANCE	$156.00	0.03	ALLOWANCE	$244.00		ALLOWANCE	
12	22,592.00	SY	$26,206.72	12,931.33	SY	$15,000.35	9,660.67	SY	$11,206.37		SY	
13	472.50	SY	$1,819.12	359.67	SY	$1,384.72	112.83	SY	$434.41		SY	
14	1,602.00	SF	$801.00	1,289.00	SF	$644.50	313.00	SF	$156.50		SF	
15	1,369.50	LF	$2,944.42	1,002.67	LF	$2,155.73	366.83	LF	$788.69		LF	
16	86.00	LF	$731.00	46.67	LF	$396.67	39.33	LF	$334.33		LF	
17	37.00	LF	$318.20	23.00	LF	$197.80	14.00	LF	$120.40		LF	
18	64.00	LF	$726.40	64.00	LF	$726.40		LF			LF	
19	42.00	LF	$426.30		LF		42.00	LF	$426.30		LF	
20	4.00	EACH	$1,440.00	2.67	EACH	$960.00	1.33	EACH	$480.00		EACH	
21	14.00	LF	$392.00		LF		14.00	LF	$392.00		LF	
22	8.00	LF	$224.00	8.00	LF	$224.00		LF			LF	
23	40.00	LF	$1,160.00	8.00	LF	$232.00	32.00	LF	$928.00		LF	
24		LF			LF			LF			LF	
25	1.00	EACH	$48,500.00		EACH		1.00	EACH	$48,500.00		EACH	
26	0.80	ALLOWANCE	$28,095.31	0.40	ALLOWANCE	$13,918.12	0.41	ALLOWANCE	$14,177.19		ALLOWANCE	
27	0.61	ALLOWANCE	$136,737.40	0.11	ALLOWANCE	$25,561.33	0.49	ALLOWANCE	$111,176.06		ALLOWANCE	
28	358.00	EACH	$24,344.00	161.00	EACH	$10,948.00	197.00	EACH	$13,396.00		EACH	
29	5.63	ACRE	$15,201.00	3.14	ACRE	$8,487.00	2.49	ACRE	$6,714.00		ACRE	
30		LF			LF			LF			LF	
31	900.00	SY	$4,050.00	900.00	SY	$4,050.00		SY			SY	
32	575.83	LF	$213,776.89	389.64	LF	$144,653.85	186.19	LF	$69,123.04		LF	
33	151.06	LF	$91,391.30	9.36	LF	$5,662.80	141.70	LF	$85,728.50		LF	
34	12.70	LF	$10,160.00	12.70	LF	$10,160.00		LF			LF	
35	87.86	LF	$134,865.10		LF		87.86	LF	$134,865.10		LF	
36	11.25	LF	$26,606.25		LF		11.25	LF	$26,606.25		LF	
37	12.70	LF	$30,099.00		LF		12.70	LF	$30,099.00		LF	
38	24.85	LF	$62,125.00		LF		24.85	LF	$62,125.00		LF	
39	23.00	EACH	$10,028.00	23.00	EACH	$10,028.00		EACH			EACH	
40	10.00	EACH	$12,350.00		EACH		10.00	EACH	$12,350.00		EACH	
41	1.00	EACH	$1,520.00	1.00	EACH	$1,520.00		EACH			EACH	
42	20.25	LF	$4,455.00	20.25	LF	$4,455.00		LF			LF	
43	1,325.00	LF	$50,350.00	1,325.00	LF	$50,350.00		LF			LF	
44	295.00	LF	$11,210.00	295.00	LF	$11,210.00		LF			LF	
45		LF			LF			LF			LF	
46	1,654.00	LF	$82,700.00	1,654.00	LF	$82,700.00		LF			LF	
47	820.00	LF	$41,000.00	820.00	LF	$41,000.00		LF			LF	
48	60.00	LF	$3,300.00	60.00	LF	$3,300.00		LF			LF	
49	36.00	LF	$2,088.00	36.00	LF	$2,088.00		LF			LF	
50	682.00	LF	$39,556.00	682.00	LF	$39,556.00		LF			LF	
51	879.00	LF	$50,982.00	879.00	LF	$50,982.00		LF			LF	
52	454.00	LF	$26,332.00	454.00	LF	$26,332.00		LF			LF	
53	79.00	LF	$4,582.00	79.00	LF	$4,582.00		LF			LF	
54	67.00	LF	$3,886.00	67.00	LF	$3,886.00		LF			LF	
55	25.00	LF	$1,450.00	25.00	LF	$1,450.00		LF			LF	
56	559.00	LF	$41,925.00		LF		559.00	LF	$41,925.00		LF	
57	2,463.00	LF	$209,355.00		LF		2,463.00	LF	$209,355.00		LF	
58	1,035.00	LF	$87,975.00		LF		1,035.00	LF	$87,975.00		LF	
59	8.00	LF	$720.00	8.00	LF	$720.00		LF			LF	
60	25.00	LF	$2,250.00		LF		25.00	LF	$2,250.00		LF	
61	20.00	LF	$1,800.00	20.00	LF	$1,800.00		LF			LF	
62	44.00	LF	$8,140.00	44.00	LF	$8,140.00		LF			LF	
63	565.50	LF	$118,755.00		LF		565.50	LF	$118,755.00		LF	
64	320.00	LF	$64,000.00		LF		320.00	LF	$64,000.00		LF	
65	383.00	LF	$78,515.00		LF		383.00	LF	$78,515.00		LF	
66	280.00	LF	$57,400.00		LF		280.00	LF	$57,400.00		LF	
67	853.50	LF	$174,967.50		LF		853.50	LF	$174,967.50		LF	
68	155.00	LF	$31,775.00		LF		155.00	LF	$31,775.00		LF	
69	466.00	LF	$104,850.00		LF		466.00	LF	$104,850.00		LF	
70	25.00	LF	$5,625.00		LF		25.00	LF	$5,625.00		LF	
71	1,190.00	LF	$595,000.00		LF		1,190.00	LF	$595,000.00		LF	
72		LF			LF			LF			LF	
73	94.00	LF	$30,550.00	94.00	LF	$30,550.00		LF			LF	
74	298.50	LF	$135,817.50	298.50	LF	$135,817.50		LF			LF	
75	351.00	LF	$272,025.00	351.00	LF	$272,025.00		LF			LF	
76	325.00	LF	$269,750.00		LF		325.00	LF	$269,750.00		LF	
77	1.00	EACH	$14,350.00	1.00	EACH	$14,350.00		EACH			EACH	
78	1.00	EACH	$22,000.00	1.00	EACH	$22,000.00		EACH			EACH	
79	1.00	EACH	$33,600.00		EACH		1.00	EACH	$33,600.00		EACH	
80	1.00	EACH	$40,000.00	1.00	EACH	$40,000.00		EACH			EACH	
81	625.50	LF	$11,884.50	625.50	LF	$11,884.50		LF			LF	
82	120.00	LF	$1,596.00	120.00	LF	$1,596.00		LF			LF	
83	19.00	EACH	$2,755.00	19.00	EACH	$2,755.00		EACH			EACH	
84	80.00	LF	$2,800.00	80.00	LF	$2,800.00		LF			LF	
85	8,400.00	LF	$378,000.00	2,594.00	LF	$116,730.00	5,806.00	LF	$261,270.00		LF	
86	5,253.50	LF	$262,675.00	3,250.00	LF	$162,500.00	2,003.50	LF	$100,175.00		LF	
87	1,942.50	LF	$126,262.50	1,186.00	LF	$77,090.00	756.50	LF	$49,172.50		LF	
88	1,224.00	LF	$79,560.00	197.00	LF	$12,805.00	1,027.00	LF	$66,755.00		LF	
89	1,868.50	LF	$130,795.00	32.50	LF	$2,275.00	1,836.00	LF	$128,520.00		LF	
90	1,992.24	CY	$14,642.96	1,092.98	CY	$8,033.40	899.26	CY	$6,609.56		CY	
91	6,536.70	CY	$56,215.62		CY		6,536.70	CY	$56,215.62		CY	
92	619.00	CY	$6,190.00		CY		619.00	CY	$6,190.00		CY	
93	3,300.80	TON	$79,219.20	684.87	TON	$16,436.88	2,615.93	TON	$62,782.32		TON	
94	9,140.50	TON	$255,934.00	101.38	TON	$2,838.64	9,039.12	TON	$253,095.36		TON	
95	1,263.49	TON	$36,641.21		TON		1,263.49	TON	$36,641.21		TON	
96	15,102.00	SY	$15,102.00		SY		15,102.00	SY	$15,102.00		SY	
97	2,484.00	SY	$2,484.00		SY		2,484.00	SY	$2,484.00		SY	
98	4.05	EACH	$29,580.70		EACH		4.05	EACH	$29,580.70		EACH	
99	1,683.00	SY	$5,638.05	1,122.00	SY	$3,758.70	561.00	SY	$1,879.35		SY	
100	1.00	LUMP SUM	$7,600.00		LUMP SUM		1.00	LUMP SUM	$7,600.00		LUMP SUM	
101	12.00	EACH	$3,360.00	11.00	EACH	$3,080.00	1.00	EACH	$280.00		EACH	
102	32.00	EACH	$47,040.00	11.00	EACH	$16,170.00	21.00	EACH	$30,870.00		EACH	
103	13.00	EACH	$3,276.00	12.00	EACH	$3,024.00	1.00	EACH	$252.00		EACH	
104	30.00	EACH	$1,710.00	11.00	EACH	$627.00	19.00	EACH	$1,083.00		EACH	
105	11.00	EACH	$3,300.00	10.00	EACH	$3,000.00	1.00	EACH	$300.00		EACH	
106		CY			CY			CY			CY	
107		CY			CY			CY			CY	
108	649.00	SY	$1,038.40		SY		649.00	SY	$1,038.40		SY	
109	325.00	CY	$650.00		CY		325.00	CY	$650.00		CY	
110		TON			TON			TON			TON	
111		TON			TON			TON			TON	
112	257.00	LF	$7,967.00		LF		257.00	LF	$7,967.00		LF	
113	3,644.50	LF	$211,381.00		LF		3,644.50	LF	$211,381.00		LF	
114	3,278.00	LF	$360,580.00		LF		3,278.00	LF	$360,580.00		LF	
115	8.00	EACH	$8,800.00		EACH		8.00	EACH	$8,800.00		EACH	
116		LF			LF			LF			LF	
117		EACH			EACH			EACH			EACH	
118		LF			LF			LF			LF	
119	46.27	LF	$143,437.00		LF		46.27	LF	$143,437.00		LF	
120	2.00	EACH	$50,730.00		EACH		2.00	EACH	$50,730.00		EACH	
121	2.00	EACH	$3,040.00		EACH		2.00	EACH	$3,040.00		EACH	
122	3.00	EACH	$7,725.00		EACH		3.00	EACH	$7,725.00		EACH	
123	5.00	EACH	$300.00		EACH		5.00	EACH	$300.00		EACH	
124	128.00	SF	$473.60		SF		128.00	SF	$473.60		SF	
125	2.00	EACH	$6,320.00		EACH		2.00	EACH	$6,320.00		EACH	
126		LF			LF			LF			LF	
127		LF			LF			LF			LF	
128	1.00	EACH	$265.00		EACH		1.00	EACH	$265.00		EACH	

ITEM NO.	CURRENT ESTIMATE ESTIMATED QUANTITY		CURRENT ESTIMATE ESTIMATED AMOUNT	CURRENT ESTIMATE - CITY ESTIMATED QUANTITY		CURRENT ESTIMATE - CITY ESTIMATED AMOUNT	CURRENT ESTIMATE - MCES ESTIMATED QUANTITY		CURRENT ESTIMATE - MCES ESTIMATED AMOUNT	CURRENT ESTIMATE - COUNTY ESTIMATED QUANTITY		CURRENT ESTIMATE - COUNTY ESTIMATED AMOUNT
1	0.01	LUMP SUM	$1,275.00	0.00	LUMP SUM	$495.65	0.00	LUMP SUM	$779.35		LUMP SUM	
2		EACH			EACH			EACH			EACH	
3		EACH			EACH			EACH			EACH	
4	2,038.72	KGAL	$26,503.32	1,977.56	KGAL	$25,708.22	61.16	KGAL	$795.10		KGAL	
5		UNIT			UNIT			UNIT			UNIT	
6	0.07	LUMP SUM	$1,000.00	0.03	LUMP SUM	$388.74	0.04	LUMP SUM	$611.26		LUMP SUM	
7		SY			SY			SY			SY	
8		LF			LF			LF			LF	
9		LUMP SUM			LUMP SUM			LUMP SUM			LUMP SUM	
10		LF			LF			LF			LF	
11		ALLOWANCE			ALLOWANCE			ALLOWANCE			ALLOWANCE	
12		SY			SY			SY			SY	
13		SY			SY			SY			SY	
14		SF			SF			SF			SF	
15		LF			LF			LF			LF	
16		LF			LF			LF			LF	
17		LF			LF			LF			LF	
18		LF			LF			LF			LF	
19		LF			LF			LF			LF	
20		EACH			EACH			EACH			EACH	
21		LF			LF			LF			LF	
22		LF			LF			LF			LF	
23		LF			LF			LF			LF	
24		LF			LF			LF			LF	
25		EACH			EACH			EACH			EACH	
26		ALLOWANCE			ALLOWANCE			ALLOWANCE			ALLOWANCE	
27		ALLOWANCE			ALLOWANCE			ALLOWANCE			ALLOWANCE	
28		EACH			EACH			EACH			EACH	
29		ACRE			ACRE			ACRE			ACRE	
30		LF			LF			LF			LF	
31		SY			SY			SY			SY	
32		LF			LF			LF			LF	
33		LF			LF			LF			LF	
34		LF			LF			LF			LF	
35		LF			LF			LF			LF	
36		LF			LF			LF			LF	
37		LF			LF			LF			LF	
38		LF			LF			LF			LF	
39		EACH			EACH			EACH			EACH	
40		EACH			EACH			EACH			EACH	
41		EACH			EACH			EACH			EACH	
42		LF			LF			LF			LF	
43		LF			LF			LF			LF	
44		LF			LF			LF			LF	
45		LF			LF			LF			LF	
46		LF			LF			LF			LF	
47		LF			LF			LF			LF	
48		LF			LF			LF			LF	
49		LF			LF			LF			LF	
50		LF			LF			LF			LF	
51		LF			LF			LF			LF	
52		LF			LF			LF			LF	
53		LF			LF			LF			LF	
54		LF			LF			LF			LF	
55		LF			LF			LF			LF	
56		LF			LF			LF			LF	
57		LF			LF			LF			LF	
58		LF			LF			LF			LF	
59		LF			LF			LF			LF	
60		LF			LF			LF			LF	
61		LF			LF			LF			LF	
62		LF			LF			LF			LF	
63		LF			LF			LF			LF	
64		LF			LF			LF			LF	
65		LF			LF			LF			LF	
66		LF			LF			LF			LF	
67		LF			LF			LF			LF	
68		LF			LF			LF			LF	
69		LF			LF			LF			LF	
70		LF			LF			LF			LF	
71		LF			LF			LF			LF	
72		LF			LF			LF			LF	
73		LF			LF			LF			LF	
74		LF			LF			LF			LF	
75		LF			LF			LF			LF	
76		LF			LF			LF			LF	
77		EACH			EACH			EACH			EACH	
78		EACH			EACH			EACH			EACH	
79		EACH			EACH			EACH			EACH	
80		EACH			EACH			EACH			EACH	
81		LF			LF			LF			LF	
82		LF			LF			LF			LF	
83		EACH			EACH			EACH			EACH	
84		LF			LF			LF			LF	
85		LF			LF			LF			LF	
86		LF			LF			LF			LF	
87		LF			LF			LF			LF	
88		LF			LF			LF			LF	
89		LF			LF			LF			LF	
90		CY			CY			CY			CY	
91		CY			CY			CY			CY	
92		CY			CY			CY			CY	
93		TON			TON			TON			TON	
94		TON			TON			TON			TON	
95		TON			TON			TON			TON	
96		SY			SY			SY			SY	
97		SY			SY			SY			SY	
98		EACH			EACH			EACH			EACH	
99		SY			SY			SY			SY	
100		LUMP SUM			LUMP SUM			LUMP SUM			LUMP SUM	
101		EACH			EACH			EACH			EACH	
102		EACH			EACH			EACH			EACH	
103		EACH			EACH			EACH			EACH	
104		EACH			EACH			EACH			EACH	
105		EACH			EACH			EACH			EACH	
106		CY			CY			CY			CY	
107		CY			CY			CY			CY	
108		SY			SY			SY			SY	
109		CY			CY			CY			CY	
110		TON			TON			TON			TON	
111	206.00	TON	$2,719.20		TON		206.00	TON	$2,719.20		TON	
112		LF			LF			LF			LF	
113		LF			LF			LF			LF	
114		LF			LF			LF			LF	
115		EACH			EACH			EACH			EACH	
116		LF			LF			LF			LF	
117		EACH			EACH			EACH			EACH	
118		LF			LF			LF			LF	
119		LF			LF			LF			LF	
120		EACH			EACH			EACH			EACH	
121		EACH			EACH			EACH			EACH	
122		EACH			EACH			EACH			EACH	
123		EACH			EACH			EACH			EACH	
124		SF			SF			SF			SF	
125		EACH			EACH			EACH			EACH	
126		LF			LF			LF			LF	
127		LF			LF			LF			LF	
128		EACH			EACH			EACH			EACH	

ITEM NO.	COMPLETED TO DATE ESTIMATED QUANTITY		COMPLETED TO DATE ESTIMATED AMOUNT	COMPLETED TO DATE - CITY ESTIMATED QUANTITY		COMPLETED TO DATE - CITY ESTIMATED AMOUNT	COMPLETED TO DATE - MCES ESTIMATED QUANTITY		COMPLETED TO DATE - MCES ESTIMATED AMOUNT	COMPLETED TO DATE - COUNTY ESTIMATED QUANTITY		COMPLETED TO DATE - COUNTY ESTIMATED AMOUNT
1	0.94	LUMP SUM	$238,425.00	0.36	LUMP SUM	$92,685.89	0.57	LUMP SUM	$145,739.11		LUMP SUM	
2	3.00	EACH	$12,600.00	2.00	EACH	$8,400.00	1.00	EACH	$4,200.00		EACH	
3	1.00	EACH	$8,300.00	0.33	EACH	$2,766.67	0.67	EACH	$5,533.33		EACH	
4	2,179.13	KGAL	$28,328.65	2,081.02	KGAL	$27,053.20	98.11	KGAL	$1,275.45		KGAL	
5	16.00	UNIT	$10,400.00	14.00	UNIT	$9,100.00	2.00	UNIT	$1,300.00		UNIT	
6	1.67	LUMP SUM	$24,992.50	0.65	LUMP SUM	$9,715.64	1.02	LUMP SUM	$15,276.86		LUMP SUM	
7	9,193.00	SY	$9,193.00	6,795.33	SY	$6,795.33	2,397.67	SY	$2,397.67		SY	
8	3,632.00	LF	$117,313.60	1,399.33	LF	$45,198.47	2,232.67	LF	$72,115.13		LF	
9	1.00	LUMP SUM	$25,000.00	0.39	LUMP SUM	$9,718.56	0.61	LUMP SUM	$15,281.44		LUMP SUM	
10	3,221.00	LF	$57,172.75	1,252.14	LF	$22,225.47	1,968.86	LF	$34,947.28		LF	
11	0.05	ALLOWANCE	$400.00	0.02	ALLOWANCE	$156.00	0.03	ALLOWANCE	$244.00		ALLOWANCE	
12	22,592.00	SY	$26,206.72	12,931.33	SY	$15,000.35	9,660.67	SY	$11,206.37		SY	
13	472.50	SY	$1,819.12	359.67	SY	$1,384.72	112.83	SY	$434.41		SY	
14	1,602.00	SF	$801.00	1,289.00	SF	$644.50	313.00	SF	$156.50		SF	
15	1,369.50	LF	$2,944.42	1,002.67	LF	$2,155.73	366.83	LF	$788.69		LF	
16	86.00	LF	$731.00	46.67	LF	$396.67	39.33	LF	$334.33		LF	
17	37.00	LF	$318.20	23.00	LF	$197.80	14.00	LF	$120.40		LF	
18	64.00	LF	$726.40	64.00	LF	$726.40		LF			LF	
19	42.00	LF	$426.30		LF		42.00	LF	$426.30		LF	
20	4.00	EACH	$1,440.00	2.67	EACH	$960.00	1.33	EACH	$480.00		EACH	
21	14.00	LF	$392.00		LF		14.00	LF	$392.00		LF	
22	8.00	LF	$224.00	8.00	LF	$224.00		LF			LF	
23	40.00	LF	$1,160.00	8.00	LF	$232.00	32.00	LF	$928.00		LF	
24		LF			LF			LF			LF	
25	1.00	EACH	$48,500.00		EACH		1.00	EACH	$48,500.00		EACH	
26	0.80	ALLOWANCE	$28,095.31	0.40	ALLOWANCE	$13,918.12	0.41	ALLOWANCE	$14,177.19		ALLOWANCE	
27	0.61	ALLOWANCE	$136,737.40	0.11	ALLOWANCE	$25,561.33	0.49	ALLOWANCE	$111,176.06		ALLOWANCE	
28	358.00	EACH	$24,344.00	161.00	EACH	$10,948.00	197.00	EACH	$13,396.00		EACH	
29	5.63	ACRE	$15,201.00	3.14	ACRE	$8,487.00	2.49	ACRE	$6,714.00		ACRE	
30		LF			LF			LF			LF	
31	900.00	SY	$4,050.00	900.00	SY	$4,050.00		SY			SY	
32	575.83	LF	$213,776.89	389.64	LF	$144,653.85	186.19	LF	$69,123.04		LF	
33	151.06	LF	$91,391.30	9.36	LF	$5,662.80	141.70	LF	$85,728.50		LF	
34	12.70	LF	$10,160.00	12.70	LF	$10,160.00		LF			LF	
35	87.86	LF	$134,865.10		LF		87.86	LF	$134,865.10		LF	
36	11.25	LF	$26,606.25		LF		11.25	LF	$26,606.25		LF	
37	12.70	LF	$30,099.00		LF		12.70	LF	$30,099.00		LF	
38	24.85	LF	$62,125.00		LF		24.85	LF	$62,125.00		LF	
39	23.00	EACH	$10,028.00	23.00	EACH	$10,028.00		EACH			EACH	
40	10.00	EACH	$12,350.00		EACH		10.00	EACH	$12,350.00		EACH	
41	1.00	EACH	$1,520.00	1.00	EACH	$1,520.00		EACH			EACH	
42	20.25	LF	$4,455.00	20.25	LF	$4,455.00		LF			LF	
43	1,325.00	LF	$50,350.00	1,325.00	LF	$50,350.00		LF			LF	
44	295.00	LF	$11,210.00	295.00	LF	$11,210.00		LF			LF	
45		LF			LF			LF			LF	
46	1,654.00	LF	$82,700.00	1,654.00	LF	$82,700.00		LF			LF	
47	820.00	LF	$41,000.00	820.00	LF	$41,000.00		LF			LF	
48	60.00	LF	$3,300.00	60.00	LF	$3,300.00		LF			LF	
49	36.00	LF	$2,088.00	36.00	LF	$2,088.00		LF			LF	
50	682.00	LF	$39,556.00	682.00	LF	$39,556.00		LF			LF	
51	879.00	LF	$50,982.00	879.00	LF	$50,982.00		LF			LF	
52	454.00	LF	$26,332.00	454.00	LF	$26,332.00		LF			LF	
53	79.00	LF	$4,582.00	79.00	LF	$4,582.00		LF			LF	
54	67.00	LF	$3,886.00	67.00	LF	$3,886.00		LF			LF	
55	25.00	LF	$1,450.00	25.00	LF	$1,450.00		LF			LF	
56	559.00	LF	$41,925.00		LF		559.00	LF	$41,925.00		LF	
57	2,463.00	LF	$209,355.00		LF		2,463.00	LF	$209,355.00		LF	
58	1,035.00	LF	$87,975.00		LF		1,035.00	LF	$87,975.00		LF	
59	8.00	LF	$720.00	8.00	LF	$720.00		LF			LF	
60	25.00	LF	$2,250.00		LF		25.00	LF	$2,250.00		LF	
61	20.00	LF	$1,800.00	20.00	LF	$1,800.00		LF			LF	
62	44.00	LF	$8,140.00	44.00	LF	$8,140.00		LF			LF	
63	565.50	LF	$118,755.00		LF		565.50	LF	$118,755.00		LF	
64	320.00	LF	$64,000.00		LF		320.00	LF	$64,000.00		LF	
65	383.00	LF	$78,515.00		LF		383.00	LF	$78,515.00		LF	
66	280.00	LF	$57,400.00		LF		280.00	LF	$57,400.00		LF	
67	853.50	LF	$174,967.50		LF		853.50	LF	$174,967.50		LF	
68	155.00	LF	$31,775.00		LF		155.00	LF	$31,775.00		LF	
69	466.00	LF	$104,850.00		LF		466.00	LF	$104,850.00		LF	
70	25.00	LF	$5,625.00		LF		25.00	LF	$5,625.00		LF	
71	1,190.00	LF	$595,000.00		LF		1,190.00	LF	$595,000.00		LF	
72		LF			LF			LF			LF	
73	94.00	LF	$30,550.00	94.00	LF	$30,550.00		LF			LF	
74	298.50	LF	$135,817.50	298.50	LF	$135,817.50		LF			LF	
75	351.00	LF	$272,025.00	351.00	LF	$272,025.00		LF			LF	
76	325.00	LF	$269,750.00		LF		325.00	LF	$269,750.00		LF	
77	1.00	EACH	$14,350.00	1.00	EACH	$14,350.00		EACH			EACH	
78	1.00	EACH	$22,000.00	1.00	EACH	$22,000.00		EACH			EACH	
79	1.00	EACH	$33,600.00		EACH		1.00	EACH	$33,600.00		EACH	
80	1.00	EACH	$40,000.00	1.00	EACH	$40,000.00		EACH			EACH	
81	625.50	LF	$11,884.50	625.50	LF	$11,884.50		LF			LF	
82	120.00	LF	$1,596.00	120.00	LF	$1,596.00		LF			LF	
83	19.00	EACH	$2,755.00	19.00	EACH	$2,755.00		EACH			EACH	
84	80.00	LF	$2,800.00	80.00	LF	$2,800.00		LF			LF	
85	8,400.00	LF	$378,000.00	2,594.00	LF	$116,730.00	5,806.00	LF	$261,270.00		LF	
86	5,253.50	LF	$262,675.00	3,250.00	LF	$162,500.00	2,003.50	LF	$100,175.00		LF	
87	1,942.50	LF	$126,262.50	1,186.00	LF	$77,090.00	756.50	LF	$49,172.50		LF	
88	1,224.00	LF	$79,560.00	197.00	LF	$12,805.00	1,027.00	LF	$66,755.00		LF	
89	1,868.50	LF	$130,795.00	32.50	LF	$2,275.00	1,836.00	LF	$128,520.00		LF	
90	1,992.24	CY	$14,642.96	1,092.98	CY	$8,033.40	899.26	CY	$6,609.56		CY	
91	6,536.70	CY	$56,215.62		CY		6,536.70	CY	$56,215.62		CY	
92	619.00	CY	$6,190.00		CY		619.00	CY	$6,190.00		CY	
93	3,300.80	TON	$79,219.20	684.87	TON	$16,436.88	2,615.93	TON	$62,782.32		TON	
94	9,140.50	TON	$255,934.00	101.38	TON	$2,838.64	9,039.12	TON	$253,095.36		TON	
95	1,263.49	TON	$36,641.21		TON		1,263.49	TON	$36,641.21		TON	
96	15,102.00	SY	$15,102.00		SY		15,102.00	SY	$15,102.00		SY	
97	2,484.00	SY	$2,484.00		SY		2,484.00	SY	$2,484.00		SY	
98	4.05	EACH	$29,580.70		EACH		4.05	EACH	$29,580.70		EACH	
99	1,683.00	SY	$5,638.05	1,122.00	SY	$3,758.70	561.00	SY	$1,879.35		SY	
100	1.00	LUMP SUM	$7,600.00		LUMP SUM		1.00	LUMP SUM	$7,600.00		LUMP SUM	
101	12.00	EACH	$3,360.00	11.00	EACH	$3,080.00	1.00	EACH	$280.00		EACH	
102	32.00	EACH	$47,040.00	11.00	EACH	$16,170.00	21.00	EACH	$30,870.00		EACH	
103	13.00	EACH	$3,276.00	12.00	EACH	$3,024.00	1.00	EACH	$252.00		EACH	
104	30.00	EACH	$1,710.00	11.00	EACH	$627.00	19.00	EACH	$1,083.00		EACH	
105	11.00	EACH	$3,300.00	10.00	EACH	$3,000.00	1.00	EACH	$300.00		EACH	
106		CY			CY			CY			CY	
107		CY			CY			CY			CY	
108	649.00	SY	$1,038.40		SY		649.00	SY	$1,038.40		SY	
109	325.00	CY	$650.00		CY		325.00	CY	$650.00		CY	
110		TON			TON			TON			TON	
111	206.00	TON	$2,719.20		TON		206.00	TON	$2,719.20		TON	
112	257.00	LF	$7,967.00		LF		257.00	LF	$7,967.00		LF	
113	3,644.50	LF	$211,381.00		LF		3,644.50	LF	$211,381.00		LF	
114	3,278.00	LF	$360,580.00		LF		3,278.00	LF	$360,580.00		LF	
115	8.00	EACH	$8,800.00		EACH		8.00	EACH	$8,800.00		EACH	
116		LF			LF			LF			LF	
117		EACH			EACH			EACH			EACH	
118		LF			LF			LF			LF	
119	46.27	LF	$143,437.00		LF		46.27	LF	$143,437.00		LF	
120	2.00	EACH	$50,730.00		EACH		2.00	EACH	$50,730.00		EACH	
121	2.00	EACH	$3,040.00		EACH		2.00	EACH	$3,040.00		EACH	
122	3.00	EACH	$7,725.00		EACH		3.00	EACH	$7,725.00		EACH	
123	5.00	EACH	$300.00		EACH		5.00	EACH	$300.00		EACH	
124	128.00	SF	$473.60		SF		128.00	SF	$473.60		SF	
125	2.00	EACH	$6,320.00		EACH		2.00	EACH	$6,320.00		EACH	
126		LF			LF			LF			LF	
127		LF			LF			LF			LF	
128	1.00	EACH	$265.00		EACH		1.00	EACH	$265.00		EACH	

Partial Pay Estimate No.: ***22***

East Bethel Gravity Interceptor & Discharge & Utility Infrastructure Project

CITY OF EAST BETHEL, MN

PROJECT NO. C12.100028

METROPOLITAN COUNCIL ENVIRONMENTAL SERVICES Project No. 801602

WORK COMPLETED THROUGH MAY 17, 2013

ITEM NO.		ITEM	UNIT PRICE	AS BID ESTIMATED QUANTITY		AS BID ESTIMATED AMOUNT	AS BID - CITY ESTIMATED QUANTITY		AS BID - CITY ESTIMATED AMOUNT	AS BID - MCES ESTIMATED QUANTITY		AS BID - MCES ESTIMATED AMOUNT
129	02535	FORCEMAIN FITTINGS	$6.00	4300	POUND	$25,800.00		POUND		4,300.00	POUND	$25,800.00
130	02705	ADJUST CASTING	$300.00	6	EACH	$1,800.00		EACH		6.00	EACH	$1,800.00
131	02705	ADJUST VALVE BOX	$236.00	10	EACH	$2,360.00		EACH		10.00	EACH	$2,360.00
132	02510	HYDRANT & VALVE SUPPORT & FITING BLOCKING IN POOR SOILS	$41.00	30	LF	$1,230.00		LF		30.00	LF	$1,230.00
133	02510	8" PVC C900 DR 25 WATERMAIN	$27.00	2360	LF	$63,720.00	2,360.00	LF	$63,720.00		LF	
134	02510	12" PVC C900 DR 18 WATERMAIN	$37.00	810	LF	$29,970.00	810.00	LF	$29,970.00		LF	
135	02510	16" PVC C905 DR 21 WATERMAIN	$44.00	3840	LF	$168,960.00	3,840.00	LF	$168,960.00		LF	
136	02510	24" PVC C905 DR 21 WATERMAIN	$75.00	1350	LF	$101,250.00	1,350.00	LF	$101,250.00		LF	
137	02510	19.5" O.D. HDPE DR 11 DIPS WATERMAIN	$75.00	790	LF	$59,250.00	790.00	LF	$59,250.00		LF	
138	02510	32" O.D. HDPE DR 11 DIPS WATERMAIN	$150.00	4040	LF	$606,000.00	4,040.00	LF	$606,000.00		LF	
139	02445	WATERMAIN BORING - 16" CARRIER PIPE	$326.00	380	LF	$123,880.00	380.00	LF	$123,880.00		LF	
140	02445	WATERMAIN BORING - 24" CARRIER PIPE	$437.00	430	LF	$187,910.00	430.00	LF	$187,910.00		LF	
141	02445	SET UP BORING PIT (0-10 FEET)	$10,400.00	2	EACH	$20,800.00	2.00	EACH	$20,800.00		EACH	
142	02445	SET UP BORING PIT (10-15 FEET)	$15,400.00	2	EACH	$30,800.00	2.00	EACH	$30,800.00		EACH	
143	02510	4" PVC C900 DR 25 WATER SERVICE	$15.00	190	LF	$2,850.00	190.00	LF	$2,850.00		LF	
144	02510	4" PVC C900 DR 18 WATER SERVICE	$15.00	490	LF	$7,350.00	490.00	LF	$7,350.00		LF	
145	02510	6" PVC C900 DR 18 WATER SERVICE	$22.00	90	LF	$1,980.00	90.00	LF	$1,980.00		LF	
146	02510	6" PVC C900 DR 25 WATER SERVICE	$18.00	130	LF	$2,340.00	130.00	LF	$2,340.00		LF	
147	02510	6" PVC C900 DR 18 HYDRANT LEAD	$22.00	200	LF	$4,400.00	200.00	LF	$4,400.00		LF	
148	02510	6" PVC C900 DR 25 HYDRANT LEAD	$22.00	70	LF	$1,540.00	70.00	LF	$1,540.00		LF	
149	02510	4" GATE VALVE	$1,000.00	17	EACH	$17,000.00	17.00	EACH	$17,000.00		EACH	
150	02510	6" GATE VALVE	$1,100.00	26	EACH	$28,600.00	26.00	EACH	$28,600.00		EACH	
151	02510	8" GATE VALVE	$1,520.00	10	EACH	$15,200.00	10.00	EACH	$15,200.00		EACH	
152	02510	12" GATE VALVE	$2,625.00	2	EACH	$5,250.00	2.00	EACH	$5,250.00		EACH	
153	02510	16" BUTTERFLY VALVE	$3,000.00	12	EACH	$36,000.00	12.00	EACH	$36,000.00		EACH	
154	02510	24" BUTTERFLY VALVE	$5,660.00	8	EACH	$45,280.00	8.00	EACH	$45,280.00		EACH	
155	02510	HYDRANT	$3,320.00	21	EACH	$69,720.00	21.00	EACH	$69,720.00		EACH	
156	02510	HYDRANT EXTENSION	$500.00	11	LF	$5,500.00	11.00	LF	$5,500.00		LF	
157	02510	VALVE BOX EXTENSION	$75.00	11	LF	$825.00	11.00	LF	$825.00		LF	
158	02705	ADJUST VALVE BOX	$250.00	74	EACH	$18,500.00	74.00	EACH	$18,500.00		EACH	
159	02510	GATE VALVE MARKER SIGN	$60.00	15	EACH	$900.00	15.00	EACH	$900.00		EACH	
160	02510	WATERMAIN FITTINGS	$9.00	16500	POUND	$148,500.00	16,500.00	POUND	$148,500.00		POUND	
161	02510	4" INSULATION	$3.70	1500	SF	$5,550.00	1,500.00	SF	$5,550.00		SF	
162	02510	HYDRANT & VALVE SUPPORT & FITING BLOCKING IN POOR SOILS	$41.00	180	LF	$7,380.00	180.00	LF	$7,380.00		LF	
163	02320	TRENCH CONSOLIDATION REPLACEMENT MATERIAL	$4.00	60000	TON	$240,000.00	24,350.00	TON	$97,400.00	35,650.00	TON	$142,600.00
164	02330	COMMON EXCAVATION (P)	$6.35	7000	CY	$44,450.00	4,323.33	CY	$27,453.17	2,676.67	CY	$16,996.83
165	02330	SUBGRADE EXCAVATION (EV)	$9.00	400	CY	$3,600.00	235.00	CY	$2,115.00	165.00	CY	$1,485.00
166	02330	SUBGRADE EXCAVATION REPLACMENT MATERIAL	$6.25	800	TON	$5,000.00	471.00	TON	$2,943.75	329.00	TON	$2,056.25
167	02335	SUBGRADE PREPARATION	$0.70	24370	SY	$17,059.00	14,513.00	SY	$10,159.10	9,857.00	SY	$6,899.90
168	02720	AGGREGATE BASE CLASS 5 - STREETS & PARKING LOT	$12.50	8750	TON	$109,375.00	5,212.00	TON	$65,150.00	3,538.00	TON	$44,225.00
169	02720	AGGREGATE BASE CLASS 5 - DRIVEWAYS	$16.00	275	TON	$4,400.00	228.59	TON	$3,657.37	46.41	TON	$742.63
170	02730	AGGREGATE SURFACE CLASS 5 - DRIVEWAY	$16.00	60	TON	$960.00	60.00	TON	$960.00		TON	
171	02740	2" TYPE LV3 NON WEARING COURSE MIXTURE B - STREETS	$55.80	2180	TON	$121,644.00	1,587.00	TON	$88,554.60	593.00	TON	$33,089.40
172	02740	2" TYPE LV3 NON WEARING COURSE MIXTURE B - P-LOT	$56.00	520	TON	$29,120.00		TON		520.00	TON	$29,120.00
173	02740	2" TYPE LV4 WEARING COURSE MIXTURE B - STREETS	$6.80	21250	SY	$144,500.00	16,120.33	SY	$109,618.27	5,129.67	SY	$34,881.73
174	02740	1 1/2" TYPE LV4 WEARING COURSE MIXTURE B - P-LOT	$5.30	4450	SY	$23,585.00		SY		4,450.00	SY	$23,585.00
175	02740	2" TYPE LV4 WEARING COURSE MIXTURE B - DRIVEWAY	$14.50	640	SY	$9,280.00	510.67	SY	$7,404.67	129.33	SY	$1,875.33
176	02740	2" OVERLAY	$7.00	2380	SY	$16,660.00	2,380.00	SY	$16,660.00		SY	
177	02740	BITUMINOUS TRAIL	$188.00	10	SY	$1,880.00	10.00	SY	$1,880.00		SY	
178	02740	BITUMINOUS PATCH	$52.50	200	SY	$10,500.00	200.00	SY	$10,500.00		SY	
179	02740	BITUMINOUS CURB	$1.65	7520	LF	$12,408.00	5,619.33	LF	$9,271.90	1,900.67	LF	$3,136.10
180	02770	6" CONCRETE DRIVEWAY	$5.20	1620	SF	$8,424.00	1,334.00	SF	$6,936.80	286.00	SF	$1,487.20
181	02770	B612 CONCRETE CURB AND GUTTER	$16.50	600	LF	$9,900.00	489.33	LF	$8,074.00	110.67	LF	$1,826.00
182	02770	B618 CONCRETE CURB AND GUTTER	$12.50	950	LF	$11,875.00	633.33	LF	$7,916.67	316.67	LF	$3,958.33
183	02770	CONCRETE VALLEY GUTTER	$30.00	120	LF	$3,600.00	80.00	LF	$2,400.00	40.00	LF	$1,200.00
184	02760	4" WHITE STRIPE - PAINT - TEMPORARY	$0.35	3250	LF	$1,137.50		LF		3,250.00	LF	$1,137.50
185	02760	4" WHITE STRIPE - PAINT - PERMANENT	$0.35	3250	LF	$1,137.50		LF		3,250.00	LF	$1,137.50
186	02610	48" RCP CL III CULVERT	$118.00	37	LF	$4,366.00		LF		37.00	LF	$4,366.00
187	02610	48" RCP CL III CULVERT FLARED END	$6,525.00	2	EACH	$13,050.00		EACH		2.00	EACH	$13,050.00
188	02630	STORM SEWER STRUCTURE DESIGN H	$225.00	14	LF	$3,150.00	6.47	LF	$1,455.00	7.53	LF	$1,695.00
189	02630	72" STORM SEWER STRUCTURE	$560.00	12	LF	$6,720.00	12.00	LF	$6,720.00		LF	
190	02630	18" RCP CL V STORM SEWER	$34.00	88	LF	$2,992.00	48.67	LF	$1,654.67	39.33	LF	$1,337.33
191	02630	21" RCP CL V STORM SEWER	$39.00	21	LF	$819.00	7.00	LF	$273.00	14.00	LF	$546.00
192	02630	48" RCP CL III STORM SEWER	$113.00	50	LF	$5,650.00	50.00	LF	$5,650.00		LF	
193	02630	18" RCP CL V STORM SEWER FLARED END	$805.00	1	EACH	$805.00	1.00	EACH	$805.00		EACH	
194	02630	21" RCP CL V STORM SEWER FLARED END	$900.00	1	EACH	$900.00	1.00	EACH	$900.00		EACH	
195	02630	48" RCP CL III STORM SEWER FLARED END	$1,800.00	2	EACH	$3,600.00	2.00	EACH	$3,600.00		EACH	
196	02630	CATCH BASIN CASTING ASSEMBLY	$562.00	10	EACH	$5,620.00	6.67	EACH	$3,746.67	3.33	EACH	$1,873.33
197	02705	ADJUST CASTING	$300.00	10	EACH	$3,000.00	6.00	EACH	$1,800.00	4.00	EACH	$1,200.00
198	02377	RIPRAP CLASS III	$100.00	105	CY	$10,500.00	51.67	CY	$5,166.67	53.33	CY	$5,333.33
199	02370	SILT FENCE	$1.80	16500	LF	$29,700.00	8,082.83	LF	$14,549.10	8,417.17	LF	$15,150.90
200	02370	BIOROLL DITCH CHECK	$2.75	1150	LF	$3,162.50	230.00	LF	$632.50	920.00	LF	$2,530.00
201	02370	SILT CURTAIN	$13.00	900	LF	$11,700.00	166.67	LF	$2,166.67	733.33	LF	$9,533.33
202	02370	INLET PROTECTION	$205.00	15	EACH	$3,075.00	11.67	EACH	$2,391.67	3.33	EACH	$683.33
203	02370	ROCK CONSTRUCTION ENTRANCE	$1,100.00	6	EACH	$6,600.00	3.00	EACH	$3,300.00	3.00	EACH	$3,300.00
204	02370	CABLE CONCRETE	$9.00	4900	SF	$44,100.00	2,152.83	SF	$19,375.50	2,747.17	SF	$24,724.50
205	02920	EROSION CONTROL BLANKET CAT 3	$1.25	550	SY	$687.50	402.67	SY	$503.33	147.33	SY	$184.17
206	02920	SEED AND MULCH - SEED MIX 240	$550.00	14.9	ACRE	$8,195.00	4.90	ACRE	$2,695.00	10.00	ACRE	$5,500.00
207	02920	SEED AND MULCH - SEED MIX 260	$640.00	2.4	ACRE	$1,536.00	2.00	ACRE	$1,280.00	0.40	ACRE	$256.00
208	02920	WETLAND SEED - SEED MIX 325	$1,775.00	28.9	ACRE	$51,297.50	14.00	ACRE	$24,850.00	14.90	ACRE	$26,447.50
209	02920	SOD FARM SEED	$700.00	3.8	ACRE	$2,660.00	1.90	ACRE	$1,330.00	1.90	ACRE	$1,330.00
210	02920	SOD	$2.50	9050	SY	$22,625.00	7,393.33	SY	$18,483.33	1,656.67	SY	$4,141.67
211	02310	TOPSOIL BORROW	$13.75	1425	TON	$19,593.75	1,126.67	TON	$15,491.67	298.33	TON	$4,102.08
212	02930	2" B&B RIVER BIRCH	$250.00	38	EACH	$9,500.00		EACH		38.00	EACH	$9,500.00
213	02930	2" B&BSWAMP WHITE OAK	$240.00	37	EACH	$8,880.00		EACH		37.00	EACH	$8,880.00
214	02930	# 5 CONTAINER RED OSIER DOGWOOD	$40.00	37	EACH	$1,480.00		EACH		37.00	EACH	$1,480.00
215	02930	#5 CONTAINER AMERICAN CRANBERRY BUSH	$45.00	37	EACH	$1,665.00		EACH		37.00	EACH	$1,665.00
216	02530	GRAVITY SEWER PILING (9 5/8") DRIVEN - TYPE C BEDDING			LF			LF			LF	
217	02530	GRAVITY SEWER PILING (9 5/8") DELIVERED - TYPE C BEDDING			LF			LF			LF	
218	02530	GRAVITY SEWER PILING CONCRETE- PILE CAP, GRADE BEAM, MH BASE			CY			CY			CY	
219	02530	GRAVITY SEWER PILING STEEL- PILE CAP, GRADE BEAM, MH BASE			POUND			POUND			POUND	
220	02531	TEST PILE (9 5/8")			LF			LF			LF	
221	02530	GRAVITY SEWER PILING (12 3/4") DRIVEN - TYPE C BEDDING	$39.02	9860	LF	$384,737.20		LF		9,860.00	LF	$384,737.20
222	02530	GRAVITY SEWER PILING (12 3/4") DELIVERED - TYPE C BEDDING	$39.53	10060	LF	$397,671.80		LF		10,060.00	LF	$397,671.80
223	02530	GRAVITY SEWER PILING CONCRETE- PILE CAP, GRADE BEAM, MH BASE	$496.92	1185	CY	$588,850.20		CY		1,185.00	CY	$588,850.20
224	02530	GRAVITY SEWER PILING STEEL- PILE CAP, GRADE BEAM, MH BASE	$1.00	150255	POUND	$150,255.00		POUND		150,255.00	POUND	$150,255.00
225	02531	TEST PILE (12 3/4")	$132.60	200	LF	$26,520.00		LF		200.00	LF	$26,520.00
226		CO 1 - FUEL COSTS	$160,606.66	1	EACH	$160,606.66	1.00	EACH	$160,606.66		EACH	
227		CO 1 - 114 - 21.6" O.D. HDPE DR7	$13.80	2873	LF	$39,647.40	2,873.00	LF	$39,647.40		LF	
228		CO 1 - 137 - 19.5" O.D. HDPE DR 11	$7.63	790	LF	$6,027.70	790.00	LF	$6,027.70		LF	
229		CO 1 - 138 - 32" O.D. HDPE DR 11	$16.69	4040	LF	$67,427.60	4,040.00	LF	$67,427.60		LF	
230		CO 1 - 101 - Sanitary Sewer Casting	$16.18	13	EACH	$210.34	13.00	EACH	$210.34		EACH	
231		CO 1 - 102 - Watertight Casting	$90.84	32	EACH	$2,906.88	32.00	EACH	$2,906.88		EACH	
232		CO 1 - 196 - Catch Basin Casting	$26.13	10	EACH	$261.30	10.00	EACH	$261.30		EACH	
233		CO 1 - 223 - Gravity Sewer Piling Concrete	$15.03	1185	CY	$17,810.55	1,185.00	CY	$17,810.55		CY	
234		CO 1 - 224 - Gravity Sewer Piling Steel	$0.20	150255	POUND	$30,051.00	150,255.00	POUND	$30,051.00		POUND	
235	2770	CO 2 - B618 CONCRETE CURB AND GUTTER - COST SPLITS (11.75 LF)	$6.61	8470	LF	$55,986.70	6,252.67	LF	$41,330.13	2,217.33	LF	$14,656.57
236	2770	CO 2 - B618 CONCRETE CURB AND GUTTER - CITY PORTION (11.75 LF)	$5.14	8470	LF	$43,535.80	8,470.00	LF	$43,535.80		LF	
237	2740	CO 2 - 2" TYPE LV3 NON WEARING COURSE MIXTURE B - STREETS	$55.80	-283	TON	-$15,791.40	-206.02	TON	-$11,495.85	-76.98	TON	-$4,295.55
238	2740	CO 2 - 2" TYPE LV4 WEARING COURSE MIXTURE B - STREETS	$6.80	-2340	SY	-$15,912.00	-1,775.13	SY	-$12,070.91	-564.87	SY	-$3,841.09
239	2740	CO 2 - BITUMINOUS CURB	$1.65	-7520	LF	-$12,408.00	-5,619.33	LF	-$9,271.90	-1,900.67	LF	-$3,136.10
240	2770	CO 2 - B618 CONCRETE CURB AND GUTTER	$12.50	-950	LF	-$11,875.00	-633.33	LF	-$7,916.67	-316.67	LF	-$3,958.33
241		EXTRA WORK - MH 500 & 501 Inverts	$1,012.00	1	LS	$1,012.00	1.00	LS	$1,012.00		LS	
242		EXTRA WORK - Modify Storm Structures on Ulysses & Buchannon	$1,480.00	1	LS	$1,480.00	1.00	LS	$1,480.00		LS	
243		CO 3 - Reduce MH 1 Height	$3,100.00	-1.5	LF	-$4,650.00		LF		-1.50	LF	-$4,650.00
244		CO 3 - Eliminate AR 2	$25,365.00	-1	EACH	-$25,365.00		EACH		-1.00	EACH	-$25,365.00
245		CO 3 - Eliminate 72" Bouyancy Collar	$1,520.00	-1	EACH	-$1,520.00		EACH		-1.00	EACH	-$1,520.00
246		CO 3 - MCES Buy MH Parts / Equip. not Used on Proj.	$17,420.92	1	LS	$17,420.92		LS		1.00	LS	$17,420.92
247		CO 3 - Install Cost for Purchased Parts Included in MH1 Hgt.	$3,286.00	1	LS	$3,286.00		LS		1.00	LS	$3,286.00
248		CO 3 - Reinstall Top Sections MH1	$1,750.00	1	LS	$1,750.00		LS		1.00	LS	$1,750.00
249		EXTRA WORK - 187th Interceptor Sewer Boring Cellular Grout in Casing	$2,562.00	1	LS	$2,562.00		LS		1.00	LS	$2,562.00
250		CO 6 - 24" Time & Materials Work	$47,276.55	1	LS	$47,276.55		LS		1.00	LS	$47,276.55
251		CO 6 - 42" Time & Materials Work	$117,723.21	1	LS	$117,723.21		LS		1.00	LS	$117,723.21
252		CO 6 - Extra Soil Handling Claim	$30,166.00	1	LS	$30,166.00		LS		1.00	LS	$30,166.00
253		CO 6 - Extra Dewatering Claim for 187th Ave tunnel	$37,550.14	1	LS	$37,550.14		LS		1.00	LS	$37,550.14
254		CO 6 - Additional Cost of Discharge Pipe Claim	$27,318.00	1	LS	$27,318.00		LS		1.00	LS	$27,318.00
255		CO 6 - 221 - 12.75" Piling Driven	$39.02	-3584	LF	-$139,847.68		LF		-3,584.00	LF	-$139,847.68
256		CO 6 - 223 - Piling Concrete	$496.92	-429	CY	-$213,178.68		CY		-429.00	CY	-$213,178.68

ITEM NO.	PREVIOUS ESTIMATE ESTIMATED QUANTITY		PREVIOUS ESTIMATE ESTIMATED AMOUNT	PREVIOUS ESTIMATE - CITY ESTIMATED QUANTITY		PREVIOUS ESTIMATE - CITY ESTIMATED AMOUNT	PREVIOUS ESTIMATE - MCES ESTIMATED QUANTITY		PREVIOUS ESTIMATE - MCES ESTIMATED AMOUNT	PREVIOUS ESTIMATE - COUNTY ESTIMATED QUANTITY		PREVIOUS ESTIMATE - COUNTY ESTIMATED AMOUNT
129	3,732.00	POUND	$22,392.00		POUND		3,732.00	POUND	$22,392.00		POUND	
130	1.00	EACH	$300.00		EACH		1.00	EACH	$300.00		EACH	
131	6.00	EACH	$1,416.00		EACH		6.00	EACH	$1,416.00		EACH	
132	20.00	LF	$820.00		LF		20.00	LF	$820.00		LF	
133	2,299.00	LF	$62,073.00	2,299.00	LF	$62,073.00		LF			LF	
134	849.00	LF	$31,413.00	849.00	LF	$31,413.00		LF			LF	
135	3,331.50	LF	$146,586.00	3,331.50	LF	$146,586.00		LF			LF	
136	1,412.50	LF	$105,937.50	1,412.50	LF	$105,937.50		LF			LF	
137	1,313.00	LF	$98,475.00	1,313.00	LF	$98,475.00		LF			LF	
138	3,939.50	LF	$590,925.00	3,939.50	LF	$590,925.00		LF			LF	
139	288.00	LF	$93,888.00	288.00	LF	$93,888.00		LF			LF	
140	430.00	LF	$187,910.00	430.00	LF	$187,910.00		LF			LF	
141	1.00	EACH	$10,400.00	1.00	EACH	$10,400.00		EACH			EACH	
142	2.00	EACH	$30,800.00	2.00	EACH	$30,800.00		EACH			EACH	
143	174.00	LF	$2,610.00	174.00	LF	$2,610.00		LF			LF	
144	406.00	LF	$6,090.00	406.00	LF	$6,090.00		LF			LF	
145	105.00	LF	$2,310.00	105.00	LF	$2,310.00		LF			LF	
146	119.00	LF	$2,142.00	119.00	LF	$2,142.00		LF			LF	
147	179.50	LF	$3,949.00	179.50	LF	$3,949.00		LF			LF	
148	80.00	LF	$1,760.00	80.00	LF	$1,760.00		LF			LF	
149	18.00	EACH	$18,000.00	18.00	EACH	$18,000.00		EACH			EACH	
150	27.00	EACH	$29,700.00	27.00	EACH	$29,700.00		EACH			EACH	
151	10.00	EACH	$15,200.00	10.00	EACH	$15,200.00		EACH			EACH	
152	2.00	EACH	$5,250.00	2.00	EACH	$5,250.00		EACH			EACH	
153	12.00	EACH	$36,000.00	12.00	EACH	$36,000.00		EACH			EACH	
154	8.00	EACH	$45,280.00	8.00	EACH	$45,280.00		EACH			EACH	
155	21.00	EACH	$69,720.00	21.00	EACH	$69,720.00		EACH			EACH	
156	19.50	LF	$9,750.00	19.50	LF	$9,750.00		LF			LF	
157	19.50	LF	$1,462.50	19.50	LF	$1,462.50		LF			LF	
158	29.00	EACH	$7,250.00	29.00	EACH	$7,250.00		EACH			EACH	
159	24.00	EACH	$1,440.00	24.00	EACH	$1,440.00		EACH			EACH	
160	19,330.00	POUND	$173,970.00	19,330.00	POUND	$173,970.00		POUND			POUND	
161	257.00	SF	$950.90	257.00	SF	$950.90		SF			SF	
162	117.00	LF	$4,797.00	117.00	LF	$4,797.00		LF			LF	
163	1,534.60	TON	$6,138.40	1,534.60	TON	$6,138.40		TON			TON	
164	7,000.00	CY	$44,450.00	4,323.33	CY	$27,453.17	2,676.67	CY	$16,996.83		CY	
165	507.99	CY	$4,571.91	338.66	CY	$3,047.94	169.33	CY	$1,523.97		CY	
166		TON			TON			TON			TON	
167	24,118.00	SY	$16,882.60	13,954.33	SY	$9,768.03	10,163.67	SY	$7,114.57		SY	
168	7,915.86	TON	$98,948.25	4,553.00	TON	$56,912.50	3,362.86	TON	$42,035.75		TON	
169	214.32	TON	$3,429.12	169.49	TON	$2,711.84	44.83	TON	$717.28		TON	
170	40.14	TON	$642.24	40.14	TON	$642.24		TON			TON	
171	2,031.82	TON	$113,375.55	1,454.88	TON	$81,182.30	576.94	TON	$32,193.25		TON	
172	552.52	TON	$30,941.12		TON		552.52	TON	$30,941.12		TON	
173	16,559.30	SY	$112,603.24	11,687.23	SY	$79,473.19	4,872.07	SY	$33,130.05		SY	
174	4,444.00	SY	$23,553.20		SY		4,444.00	SY	$23,553.20		SY	
175	656.88	SY	$9,524.76	519.48	SY	$7,532.51	137.40	SY	$1,992.25		SY	
176	2,385.80	SY	$16,700.60	2,385.80	SY	$16,700.60		SY			SY	
177		SY			SY			SY			SY	
178		SY			SY			SY			SY	
179		LF			LF			LF			LF	
180	2,438.50	SF	$12,680.20	2,130.00	SF	$11,076.00	308.50	SF	$1,604.20		SF	
181	487.50	LF	$8,043.75	405.67	LF	$6,693.50	81.83	LF	$1,350.25		LF	
182		LF			LF			LF			LF	
183	97.50	LF	$2,925.00	65.00	LF	$1,950.00	32.50	LF	$975.00		LF	
184		LF			LF			LF			LF	
185	3,113.00	LF	$1,089.55		LF		3,113.00	LF	$1,089.55		LF	
186	38.00	LF	$4,484.00		LF		38.00	LF	$4,484.00		LF	
187	2.00	EACH	$13,050.00		EACH		2.00	EACH	$13,050.00		EACH	
188	14.25	LF	$3,206.25	6.72	LF	$1,511.25	7.53	LF	$1,695.00		LF	
189	11.84	LF	$6,630.40	11.84	LF	$6,630.40		LF			LF	
190	88.00	LF	$2,992.00	48.67	LF	$1,654.67	39.33	LF	$1,337.33		LF	
191	21.00	LF	$819.00	7.00	LF	$273.00	14.00	LF	$546.00		LF	
192	40.00	LF	$4,520.00	40.00	LF	$4,520.00		LF			LF	
193	1.00	EACH	$805.00	1.00	EACH	$805.00		EACH			EACH	
194	1.00	EACH	$900.00	1.00	EACH	$900.00		EACH			EACH	
195	2.00	EACH	$3,600.00	2.00	EACH	$3,600.00		EACH			EACH	
196	6.00	EACH	$3,372.00	4.00	EACH	$2,248.00	2.00	EACH	$1,124.00		EACH	
197	10.00	EACH	$3,000.00	6.67	EACH	$2,000.00	3.33	EACH	$1,000.00		EACH	
198	194.50	CY	$19,450.00	141.17	CY	$14,116.67	53.33	CY	$5,333.33		CY	
199	12,518.00	LF	$22,532.40	5,482.33	LF	$9,868.20	7,035.67	LF	$12,664.20		LF	
200	572.00	LF	$1,573.00	75.00	LF	$206.25	497.00	LF	$1,366.75		LF	
201	60.00	LF	$780.00	20.00	LF	$260.00	40.00	LF	$520.00		LF	
202	6.00	EACH	$1,230.00	4.00	EACH	$820.00	2.00	EACH	$410.00		EACH	
203	3.00	EACH	$3,300.00	1.50	EACH	$1,650.00	1.50	EACH	$1,650.00		EACH	
204	3,309.00	SF	$29,781.00	1,307.83	SF	$11,770.50	2,001.17	SF	$18,010.50		SF	
205	7,779.00	SY	$9,723.75	1,813.00	SY	$2,266.25	5,966.00	SY	$7,457.50		SY	
206	7.04	ACRE	$3,874.53	1.27	ACRE	$699.31	5.77	ACRE	$3,175.22		ACRE	
207	1.84	ACRE	$1,175.83	1.18	ACRE	$755.64	0.66	ACRE	$420.19		ACRE	
208	1.30	ACRE	$2,307.50	0.90	ACRE	$1,597.50	0.40	ACRE	$710.00		ACRE	
209		ACRE			ACRE			ACRE			ACRE	
210	6,218.67	SY	$15,546.67	4,525.95	SY	$11,314.87	1,692.72	SY	$4,231.81		SY	
211	3,763.30	TON	$51,745.37	1,843.87	TON	$25,353.17	1,919.43	TON	$26,392.21		TON	
212		EACH			EACH			EACH			EACH	
213		EACH			EACH			EACH			EACH	
214		EACH			EACH			EACH			EACH	
215		EACH			EACH			EACH			EACH	
216		LF			LF			LF			LF	
217		LF			LF			LF			LF	
218		CY			CY			CY			CY	
219		POUND			POUND			POUND			POUND	
220		LF			LF			LF			LF	
221		LF			LF			LF			LF	
222	10,060.00	LF	$397,671.80		LF		10,060.00	LF	$397,671.80		LF	
223		CY			CY			CY			CY	
224		POUND			POUND			POUND			POUND	
225		LF			LF			LF			LF	
226	1.00	EACH	$160,606.66	1.00	EACH	$160,606.66		EACH			EACH	
227	3,278.00	LF	$45,236.40	3,278.00	LF	$45,236.40		LF			LF	
228	1,313.00	LF	$10,018.19	1,313.00	LF	$10,018.19		LF			LF	
229	3,939.50	LF	$65,750.26	3,939.50	LF	$65,750.26		LF			LF	
230	12.00	EACH	$194.16	12.00	EACH	$194.16		EACH			EACH	
231	32.00	EACH	$2,906.88	26.00	EACH	$2,361.84	6.00	EACH	$545.04		EACH	
232	6.00	EACH	$156.78	6.00	EACH	$156.78		EACH			EACH	
233		CY			CY			CY			CY	
234		POUND			POUND			POUND			POUND	
235	8,463.00	LF	$55,940.43	6,242.67	LF	$41,264.03	2,220.33	LF	$14,676.40		LF	
236	8,463.00	LF	$43,499.82	8,463.00	LF	$43,499.82		LF			LF	
237		TON			TON			TON			TON	
238		SY			SY			SY			SY	
239		LF			LF			LF			LF	
240		LF			LF			LF			LF	
241	1.00	LS	$1,012.00	1.00	LS	$1,012.00		LS			LS	
242	1.00	LS	$1,480.00	1.00	LS	$1,480.00		LS			LS	
243		LF			LF			LF			LF	
244		EACH			EACH			EACH			EACH	
245		EACH			EACH			EACH			EACH	
246		LS			LS			LS			LS	
247	1.00	LS	$3,286.00		LS		1.00	LS	$3,286.00		LS	
248	1.00	LS	$1,750.00		LS		1.00	LS	$1,750.00		LS	
249	1.00	LS	$2,562.00		LS		1.00	LS	$2,562.00		LS	
250	1.00	LS	$47,276.55		LS		1.00	LS	$47,276.55		LS	
251	1.00	LS	$117,723.21		LS		1.00	LS	$117,723.21		LS	
252	1.00	LS	$30,166.00		LS		1.00	LS	$30,166.00		LS	
253	1.00	LS	$37,550.14		LS		1.00	LS	$37,550.14		LS	
254	1.00	LS	$27,318.00		LS		1.00	LS	$27,318.00		LS	
255		LF			LF			LF			LF	
256		CY			CY			CY			CY	

ITEM NO.	CURRENT ESTIMATE ESTIMATED QUANTITY		CURRENT ESTIMATE ESTIMATED AMOUNT	CURRENT ESTIMATE - CITY ESTIMATED QUANTITY		CURRENT ESTIMATE - CITY ESTIMATED AMOUNT	CURRENT ESTIMATE - MCES ESTIMATED QUANTITY		CURRENT ESTIMATE - MCES ESTIMATED AMOUNT	CURRENT ESTIMATE - COUNTY ESTIMATED QUANTITY		CURRENT ESTIMATE - COUNTY ESTIMATED AMOUNT
129		POUND			POUND			POUND			POUND	
130		EACH			EACH			EACH			EACH	
131		EACH			EACH			EACH			EACH	
132		LF			LF			LF			LF	
133		LF			LF			LF			LF	
134		LF			LF			LF			LF	
135		LF			LF			LF			LF	
136		LF			LF			LF			LF	
137		LF			LF			LF			LF	
138		LF			LF			LF			LF	
139		LF			LF			LF			LF	
140		LF			LF			LF			LF	
141		EACH			EACH			EACH			EACH	
142		EACH			EACH			EACH			EACH	
143		LF			LF			LF			LF	
144		LF			LF			LF			LF	
145		LF			LF			LF			LF	
146		LF			LF			LF			LF	
147		LF			LF			LF			LF	
148		LF			LF			LF			LF	
149		EACH			EACH			EACH			EACH	
150		EACH			EACH			EACH			EACH	
151		EACH			EACH			EACH			EACH	
152		EACH			EACH			EACH			EACH	
153		EACH			EACH			EACH			EACH	
154		EACH			EACH			EACH			EACH	
155		EACH			EACH			EACH			EACH	
156		LF			LF			LF			LF	
157		LF			LF			LF			LF	
158		EACH			EACH			EACH			EACH	
159		EACH			EACH			EACH			EACH	
160		POUND			POUND			POUND			POUND	
161		SF			SF			SF			SF	
162		LF			LF			LF			LF	
163		TON			TON			TON			TON	
164		CY			CY			CY			CY	
165		CY			CY			CY			CY	
166		TON			TON			TON			TON	
167		SY			SY			SY			SY	
168		TON			TON			TON			TON	
169		TON			TON			TON			TON	
170		TON			TON			TON			TON	
171		TON			TON			TON			TON	
172		TON			TON			TON			TON	
173		SY			SY			SY			SY	
174		SY			SY			SY			SY	
175		SY			SY			SY			SY	
176		SY			SY			SY			SY	
177		SY			SY			SY			SY	
178		SY			SY			SY			SY	
179		LF			LF			LF			LF	
180		SF			SF			SF			SF	
181		LF			LF			LF			LF	
182		LF			LF			LF			LF	
183		LF			LF			LF			LF	
184		LF			LF			LF			LF	
185		LF			LF			LF			LF	
186		LF			LF			LF			LF	
187		EACH			EACH			EACH			EACH	
188		LF			LF			LF			LF	
189		LF			LF			LF			LF	
190		LF			LF			LF			LF	
191		LF			LF			LF			LF	
192		LF			LF			LF			LF	
193		EACH			EACH			EACH			EACH	
194		EACH			EACH			EACH			EACH	
195		EACH			EACH			EACH			EACH	
196		EACH			EACH			EACH			EACH	
197		EACH			EACH			EACH			EACH	
198		CY			CY			CY			CY	
199		LF			LF			LF			LF	
200		LF			LF			LF			LF	
201		LF			LF			LF			LF	
202		EACH			EACH			EACH			EACH	
203		EACH			EACH			EACH			EACH	
204		SF			SF			SF			SF	
205		SY			SY			SY			SY	
206		ACRE			ACRE			ACRE			ACRE	
207		ACRE			ACRE			ACRE			ACRE	
208		ACRE			ACRE			ACRE			ACRE	
209		ACRE			ACRE			ACRE			ACRE	
210		SY			SY			SY			SY	
211		TON			TON			TON			TON	
212		EACH			EACH			EACH			EACH	
213		EACH			EACH			EACH			EACH	
214		EACH			EACH			EACH			EACH	
215		EACH			EACH			EACH			EACH	
216		LF			LF			LF			LF	
217		LF			LF			LF			LF	
218		CY			CY			CY			CY	
219		POUND			POUND			POUND			POUND	
220		LF			LF			LF			LF	
221		LF			LF			LF			LF	
222		LF			LF			LF			LF	
223		CY			CY			CY			CY	
224		POUND			POUND			POUND			POUND	
225		LF			LF			LF			LF	
226		EACH			EACH			EACH			EACH	
227		LF			LF			LF			LF	
228		LF			LF			LF			LF	
229		LF			LF			LF			LF	
230		EACH			EACH			EACH			EACH	
231		EACH			EACH			EACH			EACH	
232		EACH			EACH			EACH			EACH	
233		CY			CY			CY			CY	
234		POUND			POUND			POUND			POUND	
235		LF			LF			LF			LF	
236		LF			LF			LF			LF	
237		TON			TON			TON			TON	
238		SY			SY			SY			SY	
239		LF			LF			LF			LF	
240		LF			LF			LF			LF	
241		LS			LS			LS			LS	
242		LS			LS			LS			LS	
243		LF			LF			LF			LF	
244		EACH			EACH			EACH			EACH	
245		EACH			EACH			EACH			EACH	
246		LS			LS			LS			LS	
247		LS			LS			LS			LS	
248		LS			LS			LS			LS	
249		LS			LS			LS			LS	
250		LS			LS			LS			LS	
251		LS			LS			LS			LS	
252		LS			LS			LS			LS	
253		LS			LS			LS			LS	
254		LS			LS			LS			LS	
255		LF			LF			LF			LF	
256		CY			CY			CY			CY	

ITEM NO.	COMPLETED TO DATE ESTIMATED QUANTITY		COMPLETED TO DATE ESTIMATED AMOUNT	COMPLETED TO DATE - CITY ESTIMATED QUANTITY		COMPLETED TO DATE - CITY ESTIMATED AMOUNT	COMPLETED TO DATE - MCES ESTIMATED QUANTITY		COMPLETED TO DATE - MCES ESTIMATED AMOUNT	COMPLETED TO DATE - COUNTY ESTIMATED QUANTITY		COMPLETED TO DATE - COUNTY ESTIMATED AMOUNT
129	3,732.00	POUND	$22,392.00		POUND		3,732.00	POUND	$22,392.00		POUND	
130	1.00	EACH	$300.00		EACH		1.00	EACH	$300.00		EACH	
131	6.00	EACH	$1,416.00		EACH		6.00	EACH	$1,416.00		EACH	
132	20.00	LF	$820.00		LF		20.00	LF	$820.00		LF	
133	2,299.00	LF	$62,073.00	2,299.00	LF	$62,073.00		LF			LF	
134	849.00	LF	$31,413.00	849.00	LF	$31,413.00		LF			LF	
135	3,331.50	LF	$146,586.00	3,331.50	LF	$146,586.00		LF			LF	
136	1,412.50	LF	$105,937.50	1,412.50	LF	$105,937.50		LF			LF	
137	1,313.00	LF	$98,475.00	1,313.00	LF	$98,475.00		LF			LF	
138	3,939.50	LF	$590,925.00	3,939.50	LF	$590,925.00		LF			LF	
139	288.00	LF	$93,888.00	288.00	LF	$93,888.00		LF			LF	
140	430.00	LF	$187,910.00	430.00	LF	$187,910.00		LF			LF	
141	1.00	EACH	$10,400.00	1.00	EACH	$10,400.00		EACH			EACH	
142	2.00	EACH	$30,800.00	2.00	EACH	$30,800.00		EACH			EACH	
143	174.00	LF	$2,610.00	174.00	LF	$2,610.00		LF			LF	
144	406.00	LF	$6,090.00	406.00	LF	$6,090.00		LF			LF	
145	105.00	LF	$2,310.00	105.00	LF	$2,310.00		LF			LF	
146	119.00	LF	$2,142.00	119.00	LF	$2,142.00		LF			LF	
147	179.50	LF	$3,949.00	179.50	LF	$3,949.00		LF			LF	
148	80.00	LF	$1,760.00	80.00	LF	$1,760.00		LF			LF	
149	18.00	EACH	$18,000.00	18.00	EACH	$18,000.00		EACH			EACH	
150	27.00	EACH	$29,700.00	27.00	EACH	$29,700.00		EACH			EACH	
151	10.00	EACH	$15,200.00	10.00	EACH	$15,200.00		EACH			EACH	
152	2.00	EACH	$5,250.00	2.00	EACH	$5,250.00		EACH			EACH	
153	12.00	EACH	$36,000.00	12.00	EACH	$36,000.00		EACH			EACH	
154	8.00	EACH	$45,280.00	8.00	EACH	$45,280.00		EACH			EACH	
155	21.00	EACH	$69,720.00	21.00	EACH	$69,720.00		EACH			EACH	
156	19.50	LF	$9,750.00	19.50	LF	$9,750.00		LF			LF	
157	19.50	LF	$1,462.50	19.50	LF	$1,462.50		LF			LF	
158	29.00	EACH	$7,250.00	29.00	EACH	$7,250.00		EACH			EACH	
159	24.00	EACH	$1,440.00	24.00	EACH	$1,440.00		EACH			EACH	
160	19,330.00	POUND	$173,970.00	19,330.00	POUND	$173,970.00		POUND			POUND	
161	257.00	SF	$950.90	257.00	SF	$950.90		SF			SF	
162	117.00	LF	$4,797.00	117.00	LF	$4,797.00		LF			LF	
163	1,534.60	TON	$6,138.40	1,534.60	TON	$6,138.40		TON			TON	
164	7,000.00	CY	$44,450.00	4,323.33	CY	$27,453.17	2,676.67	CY	$16,996.83		CY	
165	507.99	CY	$4,571.91	338.66	CY	$3,047.94	169.33	CY	$1,523.97		CY	
166		TON			TON			TON			TON	
167	24,118.00	SY	$16,882.60	13,954.33	SY	$9,768.03	10,163.67	SY	$7,114.57		SY	
168	7,915.86	TON	$98,948.25	4,553.00	TON	$56,912.50	3,362.86	TON	$42,035.75		TON	
169	214.32	TON	$3,429.12	169.49	TON	$2,711.84	44.83	TON	$717.28		TON	
170	40.14	TON	$642.24	40.14	TON	$642.24		TON			TON	
171	2,031.82	TON	$113,375.55	1,454.88	TON	$81,182.30	576.94	TON	$32,193.25		TON	
172	552.52	TON	$30,941.12		TON		552.52	TON	$30,941.12		TON	
173	16,559.30	SY	$112,603.24	11,687.23	SY	$79,473.19	4,872.07	SY	$33,130.05		SY	
174	4,444.00	SY	$23,553.20		SY		4,444.00	SY	$23,553.20		SY	
175	656.88	SY	$9,524.76	519.48	SY	$7,532.51	137.40	SY	$1,992.25		SY	
176	2,385.80	SY	$16,700.60	2,385.80	SY	$16,700.60		SY			SY	
177		SY			SY			SY			SY	
178		SY			SY			SY			SY	
179		LF			LF			LF			LF	
180	2,438.50	SF	$12,680.20	2,130.00	SF	$11,076.00	308.50	SF	$1,604.20		SF	
181	487.50	LF	$8,043.75	405.67	LF	$6,693.50	81.83	LF	$1,350.25		LF	
182		LF			LF			LF			LF	
183	97.50	LF	$2,925.00	65.00	LF	$1,950.00	32.50	LF	$975.00		LF	
184		LF			LF			LF			LF	
185	3,113.00	LF	$1,089.55		LF		3,113.00	LF	$1,089.55		LF	
186	38.00	LF	$4,484.00		LF		38.00	LF	$4,484.00		LF	
187	2.00	EACH	$13,050.00		EACH		2.00	EACH	$13,050.00		EACH	
188	14.25	LF	$3,206.25	6.72	LF	$1,511.25	7.53	LF	$1,695.00		LF	
189	11.84	LF	$6,630.40	11.84	LF	$6,630.40		LF			LF	
190	88.00	LF	$2,992.00	48.67	LF	$1,654.67	39.33	LF	$1,337.33		LF	
191	21.00	LF	$819.00	7.00	LF	$273.00	14.00	LF	$546.00		LF	
192	40.00	LF	$4,520.00	40.00	LF	$4,520.00		LF			LF	
193	1.00	EACH	$805.00	1.00	EACH	$805.00		EACH			EACH	
194	1.00	EACH	$900.00	1.00	EACH	$900.00		EACH			EACH	
195	2.00	EACH	$3,600.00	2.00	EACH	$3,600.00		EACH			EACH	
196	6.00	EACH	$3,372.00	4.00	EACH	$2,248.00	2.00	EACH	$1,124.00		EACH	
197	10.00	EACH	$3,000.00	6.67	EACH	$2,000.00	3.33	EACH	$1,000.00		EACH	
198	194.50	CY	$19,450.00	141.17	CY	$14,116.67	53.33	CY	$5,333.33		CY	
199	12,518.00	LF	$22,532.40	5,482.33	LF	$9,868.20	7,035.67	LF	$12,664.20		LF	
200	572.00	LF	$1,573.00	75.00	LF	$206.25	497.00	LF	$1,366.75		LF	
201	60.00	LF	$780.00	20.00	LF	$260.00	40.00	LF	$520.00		LF	
202	6.00	EACH	$1,230.00	4.00	EACH	$820.00	2.00	EACH	$410.00		EACH	
203	3.00	EACH	$3,300.00	1.50	EACH	$1,650.00	1.50	EACH	$1,650.00		EACH	
204	3,309.00	SF	$29,781.00	1,307.83	SF	$11,770.50	2,001.17	SF	$18,010.50		SF	
205	7,779.00	SY	$9,723.75	1,813.00	SY	$2,266.25	5,966.00	SY	$7,457.50		SY	
206	7.04	ACRE	$3,874.53	1.27	ACRE	$699.31	5.77	ACRE	$3,175.22		ACRE	
207	1.84	ACRE	$1,175.83	1.18	ACRE	$755.64	0.66	ACRE	$420.19		ACRE	
208	1.30	ACRE	$2,307.50	0.90	ACRE	$1,597.50	0.40	ACRE	$710.00		ACRE	
209		ACRE			ACRE			ACRE			ACRE	
210	6,218.67	SY	$15,546.67	4,525.95	SY	$11,314.87	1,692.72	SY	$4,231.81		SY	
211	3,763.30	TON	$51,745.37	1,843.87	TON	$25,353.17	1,919.43	TON	$26,392.21		TON	
212		EACH			EACH			EACH			EACH	
213		EACH			EACH			EACH			EACH	
214		EACH			EACH			EACH			EACH	
215		EACH			EACH			EACH			EACH	
216		LF			LF			LF			LF	
217		LF			LF			LF			LF	
218		CY			CY			CY			CY	
219		POUND			POUND			POUND			POUND	
220		LF			LF			LF			LF	
221		LF			LF			LF			LF	
222	10,060.00	LF	$397,671.80		LF		10,060.00	LF	$397,671.80		LF	
223		CY			CY			CY			CY	
224		POUND			POUND			POUND			POUND	
225		LF			LF			LF			LF	
226	1.00	EACH	$160,606.66	1.00	EACH	$160,606.66		EACH			EACH	
227	3,278.00	LF	$45,236.40	3,278.00	LF	$45,236.40		LF			LF	
228	1,313.00	LF	$10,018.19	1,313.00	LF	$10,018.19		LF			LF	
229	3,939.50	LF	$65,750.26	3,939.50	LF	$65,750.26		LF			LF	
230	12.00	EACH	$194.16	12.00	EACH	$194.16		EACH			EACH	
231	32.00	EACH	$2,906.88	26.00	EACH	$2,361.84	6.00	EACH	$545.04		EACH	
232	6.00	EACH	$156.78	6.00	EACH	$156.78		EACH			EACH	
233		CY			CY			CY			CY	
234		POUND			POUND			POUND			POUND	
235	8,463.00	LF	$55,940.43	6,242.67	LF	$41,264.03	2,220.33	LF	$14,676.40		LF	
236	8,463.00	LF	$43,499.82	8,463.00	LF	$43,499.82		LF			LF	
237		TON			TON			TON			TON	
238		SY			SY			SY			SY	
239		LF			LF			LF			LF	
240		LF			LF			LF			LF	
241	1.00	LS	$1,012.00	1.00	LS	$1,012.00		LS			LS	
242	1.00	LS	$1,480.00	1.00	LS	$1,480.00		LS			LS	
243		LF			LF			LF			LF	
244		EACH			EACH			EACH			EACH	
245		EACH			EACH			EACH			EACH	
246		LS			LS			LS			LS	
247	1.00	LS	$3,286.00		LS		1.00	LS	$3,286.00		LS	
248	1.00	LS	$1,750.00		LS		1.00	LS	$1,750.00		LS	
249	1.00	LS	$2,562.00		LS		1.00	LS	$2,562.00		LS	
250	1.00	LS	$47,276.55		LS		1.00	LS	$47,276.55		LS	
251	1.00	LS	$117,723.21		LS		1.00	LS	$117,723.21		LS	
252	1.00	LS	$30,166.00		LS		1.00	LS	$30,166.00		LS	
253	1.00	LS	$37,550.14		LS		1.00	LS	$37,550.14		LS	
254	1.00	LS	$27,318.00		LS		1.00	LS	$27,318.00		LS	
255		LF			LF			LF			LF	
256		CY			CY			CY			CY	

Partial Pay Estimate No.: *22*

East Bethel Gravity Interceptor & Discharge & Utility Infrastructure Project

CITY OF EAST BETHEL, MN

PROJECT NO. C12.100028

METROPOLITAN COUNCIL ENVIRONMENTAL SERVICES Project No. 801602

WORK COMPLETED THROUGH MAY 17, 2013

ITEM NO.	ITEM	UNIT PRICE	AS BID ESTIMATED QUANTITY	AS BID ESTIMATED AMOUNT	AS BID - CITY ESTIMATED QUANTITY	AS BID - CITY ESTIMATED AMOUNT	AS BID - MCES ESTIMATED QUANTITY	AS BID - MCES ESTIMATED AMOUNT	PREVIOUS ESTIMATE ESTIMATED QUANTITY	PREVIOUS ESTIMATE ESTIMATED AMOUNT	PREVIOUS ESTIMATE - CITY ESTIMATED QUANTITY	PREVIOUS ESTIMATE - CITY ESTIMATED AMOUNT	PREVIOUS ESTIMATE - MCES ESTIMATED QUANTITY	PREVIOUS ESTIMATE - MCES ESTIMATED AMOUNT	PREVIOUS ESTIMATE - COUNTY ESTIMATED QUANTITY	PREVIOUS ESTIMATE - COUNTY ESTIMATED AMOUNT
257	CO 6 - 224 - Piling Steel	$1.00	-31585	LBS	-$31,585.00	LBS	-31,585.00	LBS	$31,585.00	LBS		LBS		LBS		LBS
258	CO 6 - 223 - Gravity Sewer Piling Concrete Delay Claim Added Cost	$15.00	-429	CY	-$6,447.87	-429.00	CY	-$6,447.87	CY	CY		CY		CY		CY
259	CO 6 - 224 - Gravity Sewer Piling Steel Delay Claim Added Cost	$0.20	-31585	LBS	-$6,317.00	-31,585.00	LBS	-$6,317.00	LBS	LBS		LBS		LBS		LBS
260	EXTRA WORK - Relocate Jersey Barriers at Theater Parking Lot	$3,048.00	1	LS	$3,048.00	LS	1.00	LS	$3,048.00	1.00	LS	$3,048.00	1.00	LS	$3,048.00	LS
261	EXTRA WORK - Repair Snow Plow Damaged Concrete Curb	$3,432.00	1	LS	$3,432.00	1.00	LS	$3,432.00	LS	1.00	LS	$3,432.00	1.00	LS	$3,432.00	LS
262	EXTRA WORK - 187th Lane Low Point Leveling Course	$7.00	153.75	SY	$1,076.25	153.75	SY	$1,076.25	SY	153.75	SY	$1,076.25	153.75	SY	$1,076.25	SY
263	CO 4 - 32 - 48" Diameter MH	$371.25	22.76	LF	$8,449.65	22.76	LF	$8,449.65	LF		LF		LF		LF	LF
264	CO 4 - 42 - 8" Outside Drop	$220.00	6.9	LF	$1,518.00	6.90	LF	$1,518.00	LF		LF		LF		LF	LF
265	CO 4 - 50 - 12" PVC SDR 26 Sewer Pipe	$58.00	72	LF	$4,176.00	72.00	LF	$4,176.00	LF		LF		LF		LF	LF
266	CO 4 - 87 - Dewatering	$65.00	72	LF	$4,680.00	72.00	LF	$4,680.00	LF		LF		LF		LF	LF
267	CO 5 - Completion Date Extension		1	LS		0.50	LS		0.50	LS		LS		LS		LS
268	CO 7 - Muck Excavation and Backfill	$3,268,590.00	1	LS	$3,268,590.00	LS	0.44	LS	$1,443,822.00	0.98	LS	$3,203,218.20	LS	0.43	LS	$1,414,945.56
269	CO 7 - 16" Discharge Pipe in Casing (Open Cut)	$254.37	95	LF	$24,165.15	LF	95.00	LF	$24,165.15	72.00	LF	$18,314.64	LF	72.00	LF	$18,314.64
270	CO 7 - 12" Sanitary Sewer in Casing (Open Cut)	$173.93	95	LF	$16,523.35	95.00	LF	$16,523.35	LF	72.00	LF	$12,522.96	72.00	LF	$12,522.96	LF
271	CO 7 - 16" Watermain in Casing (Open Cut)	$256.62	95	LF	$24,378.90	95.00	LF	$24,378.90	LF	72.00	LF	$18,476.64	72.00	LF	$18,476.64	LF
272	CO 7 - Remove and Lower Watermain	$8.75	350	LF	$3,062.50	LF	350.00	LF	$3,062.50	150.00	LF	$1,312.50	LF	150.00	LF	$1,312.50
273	CO 7 - Modify MH 119	$2,248.00	1	EACH	$2,248.00	EACH	1.00	EACH	$2,248.00	1.00	EACH	$2,248.00	1.00	EACH	$2,248.00	EACH
274	CO 7 - 221 - 12 3/4" Pile Driven	$39.02	-6276	LF	-$244,889.52	LF	-6,276.00	LF	-$244,889.52		LF		LF		LF	LF
275	CO 7 - 224 - Piling Steel	$1.20	-118670	LBS	-$142,404.00	-98,891.67	LBS	-$118,670.00	-19,778.33	LBS	$23,734.00	LBS		LBS		LBS
276	CO 7 - 223 - Piling Concrete	$511.95	-756	CY	-$387,034.20	-733.81	CY	-$375,671.52	-22.19	CY	$11,362.68	CY		CY		CY
277	CO 7 - 225 - Test Pile	$132.60	-200	LF	-$26,520.00	LF	-200.00	LF	-$26,520.00		LF		LF		LF	LF
278	CO 7 - 12" Sanitary Sewer Carrier Pipe in Boring	$218.00	-95	LF	-$20,710.00	-95.00	LF	-$20,710.00	LF		LF		LF		LF	LF
279	CO 7 - Setup Boring Pit (12" Sanitary Boring)	$14,350.00	-1	EACH	-$14,350.00	-1.00	EACH	-$14,350.00	EACH		EACH		EACH		EACH	EACH
280	CO 7 - 16" Discharge Carrier Pipe Boring	$328.00	-95	LF	-$31,160.00	LF	-95.00	LF	-$31,160.00		LF		LF		LF	LF
281	CO 7 - Setup Boring Pit (16" Discharge Boring)	$16,850.00	-1	EACH	-$16,850.00	EACH	-1.00	EACH	-$16,850.00		EACH		EACH		EACH	EACH
282	CO 7 - 16" Watermain Carrier Pipe Boring	$326.00	-92	LF	-$29,992.00	-92.00	LF	-$29,992.00	LF		LF		LF		LF	LF
283	CO 7 - Setup Boring Pit (16" Watermain Boring)	$10,400.00	-1	EACH	-$10,400.00	-1.00	EACH	-$10,400.00	EACH		EACH		EACH		EACH	EACH
284	CO 9 - Clear & Grub	$68.00	13	EACH	$884.00	EACH		EACH	EACH	13.00	EACH	$884.00	EACH		EACH	EACH
285	CO 9 - Remove 15" CMP Culvert	$8.54	32	LF	$273.28	LF		LF	LF	32.00	LF	$273.28	LF		LF	LF
286	CO 9 - Remove 30" RCP Culvert	$10.68	116	LF	$1,238.88	LF		LF	LF	116.00	LF	$1,238.88	LF		LF	LF
287	CO 9 - Remove Bituminous Pavement	$8.86	10669	SY	$94,527.34	SY		SY	SY	10,669.00	SY	$94,527.34	SY		SY	SY
288	CO 9 - Remove Conduit	$1,407.77	1	EACH	$1,407.77	EACH		EACH	EACH	1.00	EACH	$1,407.77	EACH		EACH	EACH
289	CO 9 - Haul Salvaged Material	$400.00	1	LS	$400.00	LS		LS	LS		LS		LS	1.00	LS	$400.00
290	CO 9 - Common Excavation	$6.35	4515	CY	$28,670.25	CY		CY	CY	4,515.00	CY	$28,670.25	CY		CY	CY
291	CO 9 - Traffic Control	$29,134.00	1	LS	$29,134.00	LS		LS	LS	0.98	LS	$28,551.32	LS		LS	LS
292	CO 9 - 15" CS Pipe Culvert	$25.37	32	LF	$811.84	LF		LF	LF	32.00	LF	$811.84	LF		LF	LF
293	CO 9 - 30" RC Pipe Culvert	$57.05	116	LF	$6,617.80	LF		LF	LF	112.00	LF	$6,389.60	LF		LF	LF
294	CO 9 - 15" CS Pipe Apron	$167.96	2	EACH	$335.92	EACH		EACH	EACH	2.00	EACH	$335.92	EACH		EACH	EACH
295	CO 9 - 30" RC Pipe Apron	$921.47	2	EACH	$1,842.94	EACH		EACH	EACH	2.00	EACH	$1,842.94	EACH		EACH	EACH
296	CO 9 - Silt Fence Machine Sliced	$1.80	2500	LF	$4,500.00	LF		LF	LF		LF		LF		LF	LF
297	CO 9 - Culvert Protection	$2.00	54	SY	$108.00	SY		SY	SY		SY		SY		SY	SY
298	CO 9 - Biolfloll Ditch Check	$2.75	12	LF	$33.00	LF		LF	LF		LF		LF		LF	LF
299	CO 9 - Wetland Seed - Seed Mix 325	$1,775.00	5	ACRE	$8,875.00	ACRE		ACRE	ACRE		ACRE		ACRE		ACRE	ACRE
300	CO 9 - Rock Construction Entrance	$1,100.00	2	EACH	$2,200.00	EACH		EACH	EACH		EACH		EACH		EACH	EACH
301	CO 9 - Rapid Stabilization Method 3	$360.00	31.2	MGAL	$11,232.00	MGAL		MGAL	MGAL		MGAL		MGAL		MGAL	MGAL
302	CO 10 - Municipal Builders, Inc. Final Invoice	$10,826.04	1	LS	$10,826.04	LS	1.00	LS	$10,826.04	1.00	LS	$10,826.04	LS	1.00	LS	$10,826.04
303	CO 8 - Viking Turning Lane	$54,245.25	1	LS	$54,245.25	1.00	LS	$54,245.25	LS		LS		LS		LS	LS
304	CO 10 - Delete Change Order 8	-$54,245.25	1	LS	-$54,245.25	LS		LS	LS		LS		LS		LS	LS
305																
	TOTAL AMOUNT:			$14,558,543.46		$4,450,488.49		$8,144,440.20		$13,509,769.08		$4,378,061.27		$7,178,502.03		$1,140,712,078.18

ITEM NO.	ITEM	CURRENT ESTIMATE ESTIMATED QUANTITY	CURRENT ESTIMATE ESTIMATED AMOUNT	CURRENT ESTIMATE - CITY ESTIMATED QUANTITY	CURRENT ESTIMATE - CITY ESTIMATED AMOUNT	CURRENT ESTIMATE - MCES ESTIMATED QUANTITY	CURRENT ESTIMATE - MCES ESTIMATED AMOUNT	CURRENT ESTIMATE - COUNTY ESTIMATED QUANTITY	CURRENT ESTIMATE - COUNTY ESTIMATED AMOUNT	COMPLETED TO DATE ESTIMATED QUANTITY	COMPLETED TO DATE ESTIMATED AMOUNT	COMPLETED TO DATE - CITY ESTIMATED QUANTITY	COMPLETED TO DATE - CITY ESTIMATED AMOUNT	COMPLETED TO DATE - MCES ESTIMATED QUANTITY	COMPLETED TO DATE - MCES ESTIMATED AMOUNT	COMPLETED TO DATE - COUNTY ESTIMATED QUANTITY	COMPLETED TO DATE - COUNTY ESTIMATED AMOUNT
257	CO 6 - 224 - Piling Steel	LBS		LBS		LBS		LBS		LBS		LBS		LBS		LBS	
258	CO 6 - 223 - Gravity Sewer Piling Concrete Delay Claim Added Cost	CY		CY		CY		CY		CY		CY		CY		CY	
259	CO 6 - 224 - Gravity Sewer Piling Steel Delay Claim Added Cost	LBS		LBS		LBS		LBS		LBS		LBS		LBS		LBS	
260	EXTRA WORK - Relocate Jersey Barriers at Theater Parking Lot	LS		LS		LS		LS		1.00	LS	$3,048.00	LS	1.00	$3,048.00	LS	
261	EXTRA WORK - Repair Snow Plow Damaged Concrete Curb	LS		LS		LS		LS		1.00	LS	$3,432.00	1.00	LS	$3,432.00	LS	
262	EXTRA WORK - 187th Lane Low Point Leveling Course	SY		SY		SY		SY		153.75	SY	$1,076.25	153.75	SY	$1,076.25	SY	
263	CO 4 - 32 - 48" Diameter MH	LF		LF		LF		LF		LF		LF		LF		LF	
264	CO 4 - 42 - 8" Outside Drop	LF		LF		LF		LF		LF		LF		LF		LF	
265	CO 4 - 50 - 12" PVC SDR 26 Sewer Pipe	LF		LF		LF		LF		LF		LF		LF		LF	
266	CO 4 - 87 - Dewatering	LF		LF		LF		LF		LF		LF		LF		LF	
267	CO 5 - Completion Date Extension	LS		LS		LS		LS		LS		LS		LS		LS	
268	CO 7 - Muck Excavation and Backfill	LS	$65,371.80	LS	$1,788,272.64	0.02	LS	$36,495.36	0.01	LS	$28,876.44	0.01	LS	$3,268,590.00		LS	
269	CO 7 - 16" Discharge Pipe in Casing (Open Cut)	LF		LF		LF		LF		LF		LF		$18,314.64		LF	
270	CO 7 - 12" Sanitary Sewer in Casing (Open Cut)	LF		LF		LF		LF		LF		LF		$12,522.96		LF	
271	CO 7 - 16" Watermain in Casing (Open Cut)	LF		LF		LF		LF		LF		LF		$18,476.64		LF	
272	CO 7 - Remove and Lower Watermain	LF		LF		LF		LF		LF		LF		$1,312.50		LF	
273	CO 7 - Modify MH 119	EACH		EACH		EACH		EACH		EACH		EACH		$2,248.00		EACH	
274	CO 7 - 221 - 12 3/4" Pile Driven	LF		LF		LF		LF		LF		LF				LF	
275	CO 7 - 224 - Piling Steel	LBS		LBS		LBS		LBS		LBS		LBS				LBS	
276	CO 7 - 223 - Piling Concrete	CY		CY		CY		CY		CY		CY				CY	
277	CO 7 - 225 - Test Pile	LF		LF		LF		LF		LF		LF				LF	
278	CO 7 - 12" Sanitary Sewer Carrier Pipe in Boring	LF		LF		LF		LF		LF		LF				LF	
279	CO 7 - Setup Boring Pit (12" Sanitary Boring)	EACH		EACH		EACH		EACH		EACH		EACH				EACH	
280	CO 7 - 16" Discharge Carrier Pipe Boring	LF		LF		LF		LF		LF		LF				LF	
281	CO 7 - Setup Boring Pit (16" Discharge Boring)	EACH		EACH		EACH		EACH		EACH		EACH				EACH	
282	CO 7 - 16" Watermain Carrier Pipe Boring	LF		LF		LF		LF		LF		LF				LF	
283	CO 7 - Setup Boring Pit (16" Watermain Boring)	EACH		EACH		EACH		EACH		EACH		EACH				EACH	
284	CO 9 - Clear & Grub	EACH		EACH		EACH		EACH		EACH		EACH		$884.00		EACH	
285	CO 9 - Remove 15" CMP Culvert	LF		LF		LF		LF		LF		LF		$273.28		LF	
286	CO 9 - Remove 30" RCP Culvert	LF		LF		LF		LF		LF		LF		$1,238.88		LF	
287	CO 9 - Remove Bituminous Pavement	SY		SY		SY		SY		SY		SY		$94,527.34		SY	
288	CO 9 - Remove Conduit	EACH		EACH		EACH		EACH		EACH		EACH		$1,407.77		EACH	
289	CO 9 - Haul Salvaged Material	LS		LS		LS		LS	$400.00	LS		LS		$400.00		LS	
290	CO 9 - Common Excavation	CY		CY		CY		CY		CY		CY		$28,670.25		CY	
291	CO 9 - Traffic Control	LS	$582.68	LS		LS		0.02	LS	$582.68	1.00	LS	$29,134.00			LS	
292	CO 9 - 15" CS Pipe Culvert	LF		LF		LF		LF		32.00	LF	$811.84				LF	
293	CO 9 - 30" RC Pipe Culvert	LF		LF		LF		LF		112.00	LF	$6,389.60				LF	
294	CO 9 - 15" CS Pipe Apron	EACH		EACH		EACH		EACH		2.00	EACH	$335.92				EACH	
295	CO 9 - 30" RC Pipe Apron	EACH		EACH		EACH		EACH		2.00	EACH	$1,842.94				EACH	
296	CO 9 - Silt Fence Machine Sliced	LF		LF		LF		LF		LF		LF				LF	
297	CO 9 - Culvert Protection	SY		SY		SY		SY		SY		SY				SY	
298	CO 9 - Biolfloll Ditch Check	LF		LF		LF		LF		LF		LF				LF	
299	CO 9 - Wetland Seed - Seed Mix 325	ACRE		ACRE		ACRE		ACRE		ACRE		ACRE				ACRE	
300	CO 9 - Rock Construction Entrance	EACH		EACH		EACH		EACH		EACH		EACH				EACH	
301	CO 9 - Rapid Stabilization Method 3	MGAL		MGAL		MGAL		MGAL		MGAL		MGAL				MGAL	
302	CO 10 - Municipal Builders, Inc. Final Invoice	LS		LS		LS		LS		1.00	LS	$10,826.04				LS	
303	CO 8 - Viking Turning Lane	LS		LS		LS		LS		LS		LS				LS	
304	CO 10 - Delete Change Order 8	LS		LS		LS		LS		LS		LS				LS	
305																	
	TOTAL AMOUNT:		$97,852.00		$26,592.61		$33,781.35		$37,478.04		**$13,607,621.08**		**$4,404,653.88**		**$7,212,283.38**		**$1,990,683.82**

CITY BOND SPLIT CALCULATIONS

SECTION	SUBTOTALS	SEWER	WATER	DESCRIPTION	CHECK TOTALS
MOBILIZATION	$233,815.23	$105,107.91	$128,707.32	Apportioned	
REMOVALS	$84,886.61	$38,159.42	$46,727.19	Apportioned	
DISCHARGE PIPING	$0.00	$0.00	$0.00	Apportioned	
STREET & STORM SEWER	$349,541.20	$157,130.68	$192,410.53	Apportioned	
EROSION CONTROL & RESTORATION	$66,561.68	$29,921.74	$36,639.94	Apportioned	
OPTION 1 PILING	$0.00	$0.00	$0.00	Apportioned	
OPTION 2 PILING	$0.00	$0.00	$0.00	Apportioned	
CHANGE ORDERS	$407,087.98	$203,543.99	$203,543.99	50%	
STORED MATERIALS	$ 26,269.68	$ -	$ 26,269.68	By Type	
	$ -				
SANITARY SEWER	$1,466,722.27	$1,466,722.27			
WATERMAIN	$1,796,038.90		$1,796,038.90		$26,269.68
					$4,404,653.88
TOTALS		**$2,000,586.01**	**$2,430,337.55**		**$4,430,923.56**
Total - Retainage		$1,900,556.71	$2,308,820.67		$4,209,377.38
PREVIOUS ESTIMATE 1		$69,994.94	$50,473.59		$120,468.53
PREVIOUS ESTIMATE 2		$286,687.28	$276,737.92		$563,425.20
PREVIOUS ESTIMATE 3		$44,077.24	$84,713.16		$128,790.40
PREVIOUS ESTIMATE 4		$191,282.62	$235,041.58		$426,324.20
PREVIOUS ESTIMATE 5		$313,878.85	$148,606.65		$462,485.49
PREVIOUS ESTIMATE 6		$181,701.39	$102,733.31		$284,434.70
PREVIOUS ESTIMATE 7		$66,939.64	$49,857.34		$116,796.99
PREVIOUS ESTIMATE 8		$305,900.74	$0.00		$305,900.74
PREVIOUS ESTIMATE 9		$1,385.27	$10,042.23		$11,427.50
PREVIOUS ESTIMATE 10		$52,826.63	$136,304.28		$189,130.91
PREVIOUS ESTIMATE 11		$68,744.47	$671,388.44		$740,132.90
PREVIOUS ESTIMATE 12		$210,686.86	$170,005.16		$380,692.02
PREVIOUS ESTIMATE 13		$1,113.60	$99,315.77		$100,429.38
PREVIOUS ESTIMATE 14		$21,933.72	$54,886.92		$76,820.64
PREVIOUS ESTIMATE 15		$49,773.93	$59,307.56		$109,081.49
PREVIOUS ESTIMATE 16		$630.94	$654.24		$1,285.18
PREVIOUS ESTIMATE 17		$0.00	$0.00		$0.00
PREVIOUS ESTIMATE 18		$5,042.56	$5,228.74		$10,271.30
PREVIOUS ESTIMATE 19		$181.31	$188.00		$369.31
PREVIOUS ESTIMATE 20		$11,839.89	$132,539.13		$144,379.01
PREVIOUS ESTIMATE 21		$4,578.28	$6,890.23		$11,468.51
THIS ESTIMATE		**$11,356.57**	**$13,906.41**		**$25,262.98**
		Sewer Total	Water Total		Check Total

STORED MATERIALS

East Bethel Gravity Interceptor & Discharge & Utility Infrastructure Project
CITY OF EAST BETHEL, MN
PROJECT NO. C12.100028
PAY ESTIMATE NO. 22

		MCES		CITY		MCES		CITY		CURRENT	MCES	CITY
	Invoice	TOTAL STORED MATERIALS		TOTAL STORED MATERIALS		MATERIALS USED IN PROJECT		MATERIALS USED IN PROJECT		STORED MATERIALS	STORED MATERIALS	STORED MATERIALS
SUMMARY OF STORED MATERIALS:	Unit Price	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	ON HAND	ON HAND	ON HAND
PAYMENT FOR APPROVED MATERIALS STORED ON SITE:												
8" PVC SEWER PIPE SDR 35	$ 2.84		$ -	1232 LF	$ 3,498.88		$ -	1232 LF	$ 3,498.88	$ -	$ -	$ -
8" PVC SEWER PIPE SDR 26	$ 3.79		$ -	2940 LF	$ 11,142.60		$ -	2940 LF	$ 11,142.60	$ -	$ -	$ -
12" PVC SEWER PIPE SDR 26	$ 8.74		$ -	672 LF	$ 5,873.28		$ -	672 LF	$ 5,873.28	$ -	$ -	$ -
15" PVC SEWER PIPE SDR 26	$ 12.92		$ -	168 LF	$ 2,170.56		$ -	168 LF	$ 2,170.56	$ -	$ -	$ -
15" PVC SEWER PIPE SDR 35	$ 9.53		$ -	1428 LF	$ 13,608.84		$ -	1428 LF	$ 13,608.84	$ -	$ -	$ -
24" PVC SEWER PIPE SDR 26	$ 34.77	3500 LF	$ 121,695.00	322 LF	$ 11,195.94	3471 LF	$ 120,686.67	322 LF	$ 11,195.94	$ 1,008.33	$ 1,008.33	$ -
24" PVC SEWER PIPE PS46	$ 25.22	560 LF	$ 14,123.20		$ -	560 LF	$ 14,123.20		$ -	$ -	$ -	$ -
6" PVC SEWER PIPE SDR 26	$ 2.42		$ -	854 LF	$ 2,066.68		$ -	854 LF	$ 2,066.68	$ -	$ -	$ -
60" SN72/PN25 GRAVITY SEWER PIPE WFWC	$ 255.00	1187.65 LF	$ 302,850.75		$ -	1187.65 LF	$ 302,850.75		$ -	$ -	$ -	$ -
24" PVC C905 DR 21 WM	$ 49.02		$ -	1780 LF	$ 87,255.60		$ -	1780 LF	$ 87,255.60	$ -	$ -	$ -
12" PVC C900 DR 18 WM	$ 13.17		$ -	820 LF	$ 10,799.40		$ -	820 LF	$ 10,799.40	$ -	$ -	$ -
8" PVC C900 DR 25 WM	$ 4.45		$ -	2400 LF	$ 10,680.00		$ -	2400 LF	$ 10,680.00	$ -	$ -	$ -
16" PVC C905 PIPE DR 21 WM	$ 19.61		$ -	4220 LF	$ 82,754.20		$ -	3691.5 LF	$ 72,390.32	$ 10,363.89	$ -	$ 10,363.89
4" GATE VALVE	$ 411.05		$ -	17 EA	$ 6,987.85		$ -	17 EA	$ 6,987.85	$ -	$ -	$ -
6" GATE VALVE	$ 524.88		$ -	23 EA	$ 12,072.24		$ -	23 EA	$ 12,072.24	$ -	$ -	$ -
8" GATE VALVE	$ 835.46		$ -	10 EA	$ 8,354.60		$ -	10 EA	$ 8,354.60	$ -	$ -	$ -
HYDRANT	$ 2,544.46		$ -	23 EA	$ 58,522.58		$ -	23 EA	$ 58,522.58	$ -	$ -	$ -
16" PVC C905 DR 14 DISCHARGE PIPING	$ 44.46	4060 LF	$ 180,507.60		$ -	3716.5 LF	$ 165,235.59		$ -	$ 15,272.01	$ 15,272.01	$ -
42" / 72 SN 25 PN GRAVITY SEWER PIPE WFWC	$ 113.00	2123.2 LF	$ 239,921.60		$ -	2123.2 LF	$ 239,921.60		$ -	$ -	$ -	$ -
48" / 72 SN 25 PN GRAVITY SEWER PIPE WFWC	$ 136.00	20.15 LF	$ 2,740.40		$ -	20.15 LF	$ 2,740.40		$ -	$ -	$ -	$ -
42" / 100 SN 25 PN GRAVITY SEWER PIPE WFWC	$ 125.00	481.8 LF	$ 60,225.00		$ -	481.8 LF	$ 60,225.00		$ -	$ -	$ -	$ -
42" / 46 SN 25 PN GRAVITY SEWER PIPE WFWC	$ 100.00	882.7 LF	$ 88,270.00		$ -	882.7 LF	$ 88,270.00		$ -	$ -	$ -	$ -
36" / 72 SN 25 PN GRAVITY SEWER PIPE WFWC	$ 96.00		$ -	400.5 LF	$ 38,448.00		$ -	400.5 LF	$ 38,448.00	$ -	$ -	$ -
21.6" OD HDPE DR 7 DIPS DISCHARGE PIPING	$ 84.97	3350 LF	$ 284,649.50		$ -	3278 LF	$ 278,531.66		$ -	$ 6,117.84	$ 6,117.84	$ -
19.5" OD HDPE DR 11 DIPS WATERMAIN	$ 46.75		$ -	1350 LF	$ 63,112.50		$ -	1313 LF	$ 61,382.75	$ 1,729.75	$ -	$ 1,729.75
32" OD HDPE DR 11 DIPS WATERMAIN	$ 128.29		$ -	4050 LF	$ 519,574.50		$ -	3939.5 LF	$ 505,398.46	$ 14,176.05	$ -	$ 14,176.05
			$ -		$ -		$ -		$ -	$ -	$ -	$ -
	TOTAL:		**$ 1,294,983.05**		**$ 948,118.25**		**$ 1,272,584.87**		**$ 921,848.57**	**$ 48,667.86**	**$ 22,398.18**	**$ 26,269.68**
					$ 2,243,101.30				**$ 2,194,433.44**			**$ 48,667.86**

CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA

RESOLUTION NO. 2013-31

RESOLUTION ACCEPTING WORK

WHEREAS, pursuant to a written contract signed with the City, S.R. Weidema of Maple Grove, Minnesota has satisfactorily completed the Viking Boulevard Turn Lane Construction Project, in accordance with such contract,

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF EAST BETHEL, MINNESOTA THAT:

The work completed under said contract is hereby accepted and approved, and that the City Administrator and Mayor are authorized to issue a proper order for the final payment on such contract, taking the Contractor's receipt in full.

Adopted this 5th day of June, 2013 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

_____

Richard Lawrence, Mayor

ATTEST:

_____

Jack Davis, City Administrator

FINAL PAYMENT
CITY OF EAST BETHEL
Viking Boulevard Turn Lane Construction

May 28, 2013

Honorable Mayor & City Council
City of East Bethel
2241 - 221st Avenue N.E.
East Bethel, MN 55011-9631

RE: Viking Boulevard Turn Lane Construction
Contractor: S.R. Weidema
Contract Amount: $54,245.25

Dear Honorable Mayor and Council Members:

The following work has been completed on the above-referenced project by S.R. Weidema

ITEM NO.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	CONTRACT UNIT PRICE	CONTRACT AMOUNT	USED TO DATE	EXTENSION
1	MUCK EXCAVATION (EV)	3,250	CU YD	$7.67	$ 24,927.50	3,250	$ 24,927.50
2	GRANULAR BACKFILL (CV)	3,250	CU YD	$8.73	$ 28,372.50	3,250	$ 28,372.50
3	SEEDING	0.11	ACRE	$1,775.00	$ 195.25		$ -
4	PERMITS	1	LUMP SUM	$750.00	$ 750.00	1	$ 750.00

TOTAL WORK COMPLETED TO DATE	**$ 54,050.00**
LESS PAY ESTIMATE #1	**$ 51,347.50**
WE RECOMMEND FINAL PAYMENT OF:	**$ 2,702.50**

Please verify the amount of previous payments, and the receipt of the following items prior to making payment.
1. Certificate of claims payment (lien waiver).
2. Affidavit of payment of state taxes (MN State Tax Form IC 134).

APPROVALS:

CONTRACTOR: S.R. WEIDEMA

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

Signed:_____

Title:_____ Date_____

ENGINEER: HAKANSON ANDERSON

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

Signed: Craig J. [illegible]

Title: City Engineer Date 5/29/13

OWNER: CITY OF EAST BETHEL

Signed:_____

Title:_____ Date_____

MEMORANDUM OF Agreement (MOA)

Between

City of East Bethel

and

Minnesota Teamsters Public and Law Enforcement Employees' Union, Local #320

The City of East Bethel and Minnesota Teamsters Public and Law Enforcement Employee's Union, Local agree on the following amendment to the 2010 – 2012 labor agreement.

Specialty Pay

The City of East Bethel has determined that employees who possess a Water Supply System Operator Class C Certificate and a Wastewater Operator Class B Certificate shall receive additional compensation at the rate of one dollar and fifty cents ($1.50) per hour in Specialty Pay when assigned to the Whispering Aspen Water Supply System and/or Castle Towers Wastewater Treatment Facility.

This rate will not be used in the calculations of overtime payments.

Employees meeting the licensure requirements and assigned to the above noted locations will be compensated up to two (2) hours per work day, not to exceed ten (10) hours per work week at the rate noted above for actual hours worked at the facilities.

This MOA shall be effective on the date of signing by all parties.

This MOA shall be in effect until December 31, 2012, or until a successor Agreement is reached, whichever is later.

CITY OF EAST BETHEL

Mayor

City Administrator

Date 3/3/10

MINNESOTA TEAMSTERS LOCAL #320

Business Agent

Union Steward

Date 2-23-10

Memorandum of Agreement (MOA)

Between

City of East Bethel

And

Minnesota Public Employees Association

The City of East Bethel and the Minnesota Public Employees Association agree on the following amendment to the to the 2012 Labor Agreement that is currently the existing contract for all City union employees or any subsequent contract extensions, renewals or new agreements:

Specialty Pay

The City of East Bethel, upon recommendation by the City Administrator, has determined that Jeremiah Haller, a City employee who possesses a Water Supply System Operator Class C Certificate and a Waste Water Operator Class B Certificate, shall receive additional payment at the rate of $0.50 per hour due to these required certifications and this MOA will replace the existing agreement dated March 3, 2010. This agreement shall not be retroactive and will be effective upon the approval of both parties to the agreement for the remainder of the year 2013. In addition this rate will increase in steps of $0.25 per hour for 2014 and 2015 and an extra hour per week of on call time will be included in the compensation for the period of this agreement.

New employees who possess or existing employees who obtain their Water Supply System Operator Class D Certificate for shall receive an additional $0.25 hour to their base hourly wage.

New employees who possess or existing employees who obtain their Water Supply System Operator Class C Certificate shall receive an additional $0.50 per hour to their base hourly wage.

The City reserves the right to limit the number of employees who can obtain a Water Supply System Operator's or Sewer Collection System Certificates of any class. Upon approval of the City, an employee may take the required courses and examinations for these certificates and will be eligible for reimbursement for their costs upon the successful completion and submittal of passing grade for the certificate.

This MOA shall be effective through December 31, 2015, or until a successor agreement is reached, whichever is later.

City of East Bethel	**Minnesota Public Employees Association**
_____	_____
Mayor	Business Agent
_____	_____
City Administrator	Union Steward
Date_____	Date_____

		Range Minimum	Range Maximum	Actual Low	Actual High
Average Annual	Water/Sewer Operator	$40,237.65	$52,850.85	$48,588.09	$51,708.01
Average Hourly		$19.35	$25.41	$23.36	$24.86
Average Annual	Maintenace I/Laborer	$34,718.43	$45,598.80	$40,460.78	$44,488.31
Average Hourly	Parks	$16.69	$21.92	$19.45	$21.39
Average Annual	PW Maintenace Worker	$40,481.12	$51,950.47	$46,770.26	$51,226.78
Average Hourly	(includes East Bethel)	$19.46	$24.98	$22.49	$24.63
Average Annual	Parks/Pw Maintenace	$41,017.73	$53,134.79	$48,754.60	$53,152.61
Average Hourly		$19.72	$25.55	$23.44	$25.55
Average Annual	PW Streets Maintenance	$40,384.11	$53,001.40	$47,034.80	$51,995.43
Average Hourly	Worker/Operator	$19.42	$25.48	$22.61	$25.00
Average Annual	East Bethel	$40,081.60	$48,880.00	$45,947.20	$48,880.00
Average Hourly	Public Works Mainten Wrker	$19.27	$23.50	$22.09	$23.50

City of East Bethel
City Council
Agenda Information

* *

Date:
June 5, 2013

* *

Agenda Item Number:
Item 7.0 A 1

* *

Agenda Item:
Revised EDA By-laws

* *

Requested Action:
Final Approval

* *

Background Information:
The EDA, at their May 20, 2013 meeting voted to recommend that City Council approve the following changes to the EDA By-laws so that they are consistent with other Boards and Commissions in the City of East Bethel.

Specifically the following sections have been eliminated – Sections 4.2, 4.3, 4.8, 4.9, 4.10 – all of which had to do with financial transactions. The EDA does not operate financially independent of the City Council and so these sections were eliminated.

Section 3.3 - Calling of Special meetings. The language was changed so that it was consistent with what the City Council requires to call a Special meeting.

Section 4.4 – Added language that states that the EDA will make monthly reports to the City Council.

Section 4.12 – Compensation was not changed as that is being addressed separately by the City Council

Attachment(s):

1. EDA By-laws

* *

Fiscal Impact:
NA

* *

Recommendation(s):
Staff recommends approval of the revised EDA by-laws.

* *

City Council Action

Motion by: _____ Second by: _____

_____

_____

_____

Vote Yes: _____ Vote No: _____

No Action Required: _____

BY-LAWS OF THE
EAST BETHEL ECONOMIC DEVELOPMENT AUTHORITY
Dated: May 20, 2013

1. The Authority

Section 1.1 Name of the Authority. The name of the Authority shall be the East Bethel Economic Development Authority (hereinafter, the "Authority"), and its governing body shall be called the Board of Commissioners (hereinafter, the "Board").

Section 1.2 Office. The principal office of the Authority shall be the East Bethel City Hall.

Section 1.3 Seal. The Authority shall have an official seal.

Section 1.4 Purpose. The purpose of the East Bethel Economic Development Authority is to coordinate and administer economic development and redevelopment plans and programs within the scope of MN Statutes 469.090 et. seq. for the City of East Bethel.

2. Organization

Section 2.1a Officers. The officers of the Authority shall consist of a President, Vice President, a Secretary, a Treasurer, and an Assistant Treasurer. The President, Vice President and Treasurer shall be members of the Board and shall be elected annually, and no Commissioner may serve as President and Vice President at the same time.

Section 2.1b Ad hoc (non-voting) Members. Ad-hoc members from the East Bethel business and residential communities may be appointed to the Board by the City Council in a special capacity from time to time.

Section 2.1c Members. The Board shall consist of seven (7) voting members to include two (2) City Council and five (5) members from the business and residential communities.

Section 2.2 President. The President shall preside at all Board meetings, and be appointed by the Board.

Section 2.3 Vice President. The Vice President shall preside at any Board meeting and exercise all powers and perform all responsibilities of the President in the absence of the President, and shall be appointed by the Board.

Section 2.4 Treasurer. The Treasurer shall be the Executive Director of the Board. The Treasurer shall receive and be responsible for Authority money, shall disburse Authority money by check only, keep an account of all Authority receipts and disbursements and the nature and purpose relating thereto. Shall file the Authority's financial statements with its Secretary at least once a year as set by the Authority and be responsible for the acts of the Assistant Treasurer.

Section 2.5 Assistant Treasurer. The Assistant Treasurer shall have all the powers and duties of the Treasurer if the Treasurer is absent or disabled. The Assistant Treasurer shall be the Fiscal and Support Services Director of the City of East Bethel (the "City").

Section 2.6 Terms. Those commissioners appointed shall be appointed for terms of one, two, three, four, and five years respectively, and two members for six years. Thereafter, all commissioners shall be appointed for six-year terms.

Section 2.6 Secretary. The Secretary shall be appointed by the Board to keep minutes of regular meetings of the Board.

Section 2.7 Executive Director. The Executive Director shall be the City Administrator of the City and shall be appointed executive officer of the Authority and shall have such additional responsibilities as the Board may from time to time and by resolution prescribe. The City of East Bethel (or the Executive Director) shall maintain all records of the authority in accordance with applicable law and provide City Council with copies of those minutes.

3. Procedures of the Board of Commissioners

Section 3.1 Annual Meeting. The annual meeting of the Board shall be held the second regular City Council meeting date at 7:00 p.m. of the month of January in each year.

Section 3.2 Regular Meetings. The Board shall hold regular meetings the third Monday of each month and at such other time as the Board may determine and set.

Section 3.3 Special Meetings. Special meetings may be called by any three board members. Written notice shall be given by the President and/or Board members to the Executive Director stating the time, place and purpose of the meeting. Notice of a special meeting shall be given by the Executive Director to each member of the Board by mailing a copy or causing a copy of such notice to be delivered to Board Members at least three days prior to the date and time stated in the notice.

The Executive Director shall post notice of any special meeting in the principal office of the Authority no less than three (3) days prior to such special meeting.

Section 3.4 Quorum. A quorum of the seven (7)-member Board shall consist of four Commissioners. A quorum shall be required for the Authority to conduct business. A meeting may not be called to order and must be adjourned if, at any time, a quorum is not present for a meeting.

Section 3.5 Adoption of Resolutions. Resolutions of the Board shall be adopted if approved by a simple majority.

Section 3.6 Rules of Order. The meeting of the Board shall be governed by modified Robert's Rules of Order.

4. Miscellaneous

Section 4.1 Fiscal Year. The fiscal year of the Authority shall be the calendar year.

Section 4.4 Report to City. In addition to annual report to the City Council, the Authority shall provide City Council with monthly reports of its activities and accomplishments.

Section 4.6 Budget to City. The Authority shall annually send its budget to the City Council which budget included a written estimate of the amount of money needed by the Authority from the City in order for the Authority to conduct business during the upcoming fiscal year.

Section 4.7 ~~Employees. The Authority may employ technical experts and agents and other employees as it may require and determine their duties, qualifications and compensation.~~

Section 4.11 Amendment of By-Laws. These By-Laws may be proposed to be amended by the Board by majority vote of all the Commissioners Amendments are to be effective only upon approval of the majority of City Council.

Section 4.12 Compensation. A commissioner, including the president, shall be paid for attending each regular or special meeting of the East Bethel Economic Development Authority in an amount to be determined by City Council.

Amended this 20th day of May, 2013 by the Economic Development Authority of the City of East Bethel.

EAST BETHEL ECONOMIC DEVELOPMENT AUTHORITY

_____

Heidi Moegerle, President

ATTEST:

_____

Jack Davis, Executive Director

City of East Bethel
City Council
Agenda Information

* * * *

EAST BETHEL ROAD COMMISSION MEETING
May 14, 2013

The East Bethel Road Commission met on May 14, 2013 at 6:30 P.M at the East Bethel City Hall for their regular monthly meeting.

MEMBERS PRESENT: Kathy Paavola Tim Harrington Lori Pierson-Kolodzienski Deny Murphy Roger Virta Al Thunberg Jeff Jensen

MEMBERS EXCUSED:

ALSO PRESENT: Nate Ayshford, Public Works Manager
Bob DeRoche, City Council Member

Adopt Agenda **Pierson-Kolodzienski motioned to adopt the agenda as submitted. Thunberg seconded; all in favor, motion carries.**

Approve – April 9, 2013 Meeting Minutes

Virta had one change on page 5 of 7, last paragraph, Section starting with Virta hadn't heard that one, fourth sentence, should be at Booster Day's. DeRoche said the idea came after Booster Day's, because of the large amount of responses. Richard says it has been going on for a couple of years, but it has only been since Booster Day's.

Virta had one other change page 7 of 7, last paragraph, Virta said that the ordinance passed the hook up. Probably would have been Virta said the ordinance passed that would hook up businesses. DeRoche said the way the ordinance reads it is a mandatory hook up by December 31, 2013, if they want to fall into the loan program. Virta said just add businesses to that sentence.

Pierson-Kolodzienski said page 6 residential developments a lot of lots are being scarfed up because they are so cheap. She doesn't remember saying that, but she probably did. Virta said do you want to delete that. Pierson-Kolodzienski said it doesn't matter. Ayshford said why are they being scarfed up? Pierson-Kolodzienski said because they are cheap.

Paavola said on page 5 of 7, bottom paragraph, the analogy that it isn't going to cost us more than a postage, word should be, stamp.

Jensen motioned to approve the March 12, 2013 minutes with changes. Paavola seconded; all in v, motion carries.

Roads Financial Information

Ayshford said when we thought we were done plowing at the last meeting, but we burned up more fuel and some salt with the additional snows in April. We are getting into the busy time with road patching and street sweeping. If you have any questions, we can pull some of it out of there. Most of them are in pretty good shape, except line 307. That item is 500% and it has to do with personnel issue. Virta said generally your sense is we are in pretty good shape financially. Ayshford said we are doing pretty well in most of the categories. No surprises other than plowing snow all spring.

DeRoche said if there are any suggestions, now is the time because we are doing budget talks.

Virta said this section is just a review process and likened it to another set of eyes on the budget.

Lincoln Drive Speed Designation

In 2010 the City of East Bethel adopted a resolution that designated numerous city streets as being part of a Rural Residential District and therefore provided a speed limit posting of 35 mph. To be considered a Rural Residential District, the road must contain businesses, homes or other access points at intervals of less than 300 feet regardless of which side of the road they are on.

The other type of designation used on city streets in developed residential areas is an Urban District. To qualify as an Urban District, the road must contain businesses, homes or other access points at intervals less than 100 feet and will be posted with a speed limit of 30 mph.

Currently Lincoln Drive is not posted and is one of the main entry points into the Coon Lake Beach Neighborhood. Residents have expressed concern about the lack of a speed limit designation and requested that the road be posted. Staff has reviewed the criteria for the two types of designations and feels that the Urban District designation is appropriate at this location and it should be posted at 30 mph.

Lincoln Drive is the main road that comes into the Coon Lake Beach neighborhood. We are looking at getting it declared an Urban District. Some of our City streets have Rural Residential designation which is 35 mph some are Urban District at 30 mph. 30 mph is the lowest speed limit we can legally post. Murphy said if it qualifies and the residents are requesting it, there is no reason to deny it. Coming from Xylite, we had it posted, but no one enforced it.

DeRoche said he knows who requested it. They go racing around on their ATVs, and don’t follow the stop signs. If you have been down to the beach, you can’t race through the area. There are too many kids, and horses. If they could monitor the stop signs especially on Forrest and Lincoln from 4:00 p.m. – 5:00 p.m. in the afternoon that would help.

DeRoche said there are other issues coming up in the Beach other than the 30 mph. He would like to see more residents having a concern, a survey conducted at the store or something like that.

Murphy said how many residents asked for this, do we know? Ayshford said no we don't know how many. He said even if we don't have a deputy down there, it isn't enforceable if it is not posted. Paavola said 30 mph is the limit for enforcing

Jensen said if you complain about a stop sign, you have people not stopping then you could enforce that. That would take care of the problem. Putting up the sign, it gives options, just like a stop sign gives a little bit of power. DeRoche said Lincoln is posted as a no passing zone, if someone is going slow you can't pass them. Sometimes people do go slowly because they know you want to go around them.

Thunberg doesn't see the harm in putting up a sign. Ayshford said the portion before that will be rebuilt this summer and signed per MSA requirements. It will be no parking, etc. Paavola said around that curve is pretty dangerous. It is just posted at Lexington and the T there is nothing further up. There is nothing after that curve. At 4:30 – 5:00 p.m., they are just blowing by the signs. Ayshford said we could talk to our Sherriff's Department Liaison about that. DeRoche said it is so obvious, where are you going to sit. Thunberg said if they sit there once a month it would improve the situation. For the minimal cost, it is worth it. DeRoche said you have to remember it is Coon Lake Beach; it is a different area of the City.

Virta said we have that designation of Urban District. It looks at only the road designation. Ayshford said the designation has to do with the driveways and access points on the road and is set according to the State Statute. Virta said Lincoln Drive does meet the criteria. Ayshford said when you get into the neighborhood area then it is enforceable, which is about 100 feet before the stop sign.

DeRoche said then you are telling people they can drive 30 mph. It is tight quarters and you are giving them authorization to drive fast. Ayshford said this is the lowest speed we can go, unless we designate it an alley. Virta said it is minimal expense.

Jensen motioned to recommend the Lincoln Drive be designated an Urban District designation and be posted at 30 mph.

DeRoche said what is going to prevent people from saying it is 30 mph and driving that fast. Jensen said he highly doubts any responsible driver is going to kick it in and go faster when they see a sign. DeRoche said it gives them an excuse to go faster. Jensen said what is the cop going to stop them for if they are going 29. DeRoche said going too fast for conditions, all the roads going laterally are posted at 15 mph. Now you put up a 30 mph, people are going to say they raised the speed limit and they will go faster. Jensen said if you post a road at 40 mph and they are comfortable going 70 mph, they would go that. He said a responsible driver in that area would go slower, even if it were posted at 30 mph.

MSA

The Minnesota Department of Transportation State Aid Office has revised the procedure for allocating funds to City's that qualify for Municipal State Aid (MSA) Funds. Currently 50% of the allocation is based on "Population" and the other 50% is based on "Need". The "Need" based criteria is being replaced by traffic volume. In order to maximize the funding received from MSA and considering other needs in the sewer district staff is recommending several revisions to the current MSA system. The table below summarizes the street segments that staff recommends to be added and revoked from the system. The streets recommended for addition and removal from the system is shown on Attachments 1 and 2.

Street	Segment	Length (Miles)
Roads Added to the MSAS:		
Aberdeen Street	Briarwood Lane to 186th Avenue	0.54
186th Avenue	Aberdeen Street to Baltimore Street	0.21
Buchanan Street	Viking Boulevard to Klondike Drive	1.00
205th Avenue	TH 65 to Davenport Street	0.08
209th Avenue	TH 65 to Davenport Street	0.15
213th Avenue	TH 65 to Davenport Street	0.17
	Total Miles Added	**2.15**
Roads Revoked from the MSAS:		
Baltimore Street	Briarwood Lane to 0.09 miles south of 187th Lane	0.51
Davenport Street	Klondike Drive to 205th Avenue	0.66
197th Avenue	Polk Street to Buchanan Street	0.27
217th Avenue	East Bethel Boulevard to Durant Street	0.75
	Total Miles Revoked	**2.19**

Recommendation(s):
Staff recommends that Commission adopt Resolution 2013 – XX Revoking Municipal State Aid Streets and Resolution 2013 – XX Establishing New Municipal State Aid Streets.

Ayshford said we need to transfer designations to where we have need and we have traffic counts, in order to maximize our needs.

Ayshford said attachment number 1. The one on the very bottom, the one that is currently in place is the dotted line. We put it up to the service road up front. The road in the back, they did some engineering on that. Once we receive monies for a road we can't turn it back, otherwise we will have to repay the funds to the State. The next stretch up, from Klondike to the Ice Arena, that could be developer driven. We added two chunks off of Hwy 65 that would have traffic and connects to an existing MSA road. On East Bethel Boulevard where it would connect to Durant Street, that would give ¾ of a mile to put in the other area of the City.

Thunberg said Buchanan Street doesn't exist right now. Ayshford said the very north ¼ mile does, but it is a gravel road.

Ayshford said we have a couple other spots. Virta said he liked the map thing you used last time. Ayshford said the old service road project will remain as MSA. Another one up here on the north side of the town. We want to keep this one in place this could be possible access point to the commercial park.

Jensen said the service road from 221st the guy didn't go for it on the other side of the road (east side). DeRoche said it is up for consideration tomorrow night. Ayshford said there was quite a bit of engineering on the westside. Jensen said now we can't un-designated that chunk, since there was engineering done.

DeRoche said the Baltimore Street area they are looking at developing the 80 acres. Ayshford said if we don't use any money on the old service road, down the road sometime we could flip it back over if we haven't expended money on it. We will get money for it, because we have a traffic count, as long as we don't spend any money on it. We can un-designated it and put it somewhere else.

Jensen said you are talking spending money. Ayshford said yes, engineering and reconstruction costs. Anything we have to submit to the state for reimbursement.

DeRoche said that part should sit until the discussions with the businesses on the east side. There are two stubs over there. There have been meetings over there on it, but he hasn't gotten any information on it. Jensen said it depends on what development they want to do there. Ayshford said if we leave it where it is, we wouldn't get any funding for it. Jensen said you might as well get the traffic counts, so you can get the money for it. Virta said we are switching these around so they will have higher traffic counts so that will get us more money for MSA roads. DeRoche said where is the traffic count coming from? Ayshford said we would have zero for that street with the dotted line. We won't get any funding for that on the traffic portion. So that will affect other road projects if that MSA funding goes down. Murphy said DOT is forcing our hand, do it this way, or lose the funds. Ayshford said this came from cities in the metro that have higher traffic counts that have been lobbying to get this changed from what he understands. Virta said do any of the roads that we are removing impact the schedules. Ayshford said no they aren't on the schedule, but it will if we lose money, then we will lose our piece of the pie. Thereby affecting projects.

Thunberg motioned to adopt Resolution 2013 – XX Revoking Municipal State Aid Streets and Resolution 2013 – XX Establishing New Municipal State Aid Streets as outlined with intention of not spending money on any of the streets and moving it back at sometime to the streets that it was removed from. Jensen seconded; all in favor, motion carries unanimously.

Council Report and Other Business

Staff and the Roads Commission will discuss current issues facing the City Council with the City Council liaison, Councilmember Bob DeRoche.

Virta asked DeRoche what his thoughts are on the roads. DeRoche said not really knowing between EDA, staff, City Council and Planning everyone has to get on the same page. Everyone is going in different directions.

He personally has a problem with that frontage road on the west side. It is coming up tomorrow night. He would have liked to see that money go into Klondike. The Roads Commission didn't want it and that will be part of discussion tomorrow night, it may not make it. Thunberg said where it is with land acquisition. Ayshford said it is all ready to roll and is close to being ready for bid.

DeRoche said there is not a lot of coordination. What is it going to take to do the businesses? The loan program was offered to the businesses on the west side. Ayshford said they had a meeting with the businesses on the west side to discuss what they will have to do to hook up.

DeRoche said he would encourage anyone in the City to watch the EDA meeting, especially the last two minutes. He won't go into a lot of detail, he is just here as a liaison. People need to see what is going on. People were told if you don't hook up you don't pay. The fees are twice as high as everyone else. He hopes it works. There is an upside, our financial firm Elhers and Associates will be at tomorrow night's City Council meeting. Refinancing the bonds is on the agenda. We can drop down the interest and will be able to save $3 million on the bonds, and make the payments lower. The document explaining it is quite the document; it is a lot of numbers.

DeRoche said is it going to work, sure? Reality is we need 600 connections. Thunberg asked you mean connections or ERUs? DeRoche said we need 6,500 ERUs over the life of the project. Thunberg asked how quickly? DeRoche said in twenty years.

DeRoche said Aggressive Hydraulics is going to be moving in. Pierson-Kolodzienski said they are moving in steel. The building is quite a piece of work. It is very beautiful.

Ayshford said the sewer line passed inspection, so it is up and running. Thunberg asked what businesses are hooked up to it? Ayshford said the City's Water Treatment plant and Aggressive Hydraulics are hooked up to it. Thunberg asked would the theater, and gas station and bank be hooked up to it? Ayshford said there are twelve businesses and those are included.

Pierson-Kolodzienski said Kristen called in to find out about the sewer and water permit, how do you get it. We are used to emailing a city such as Hugo they order one and it was $65. This was the first sewer and water permit for the City and they didn't know how to do it. Ayshford said this is the first commercial permit; the City has had residential permits for a while. Part of the process last night was getting it all organized. Virta said who does that? Ayshford said the building inspection department. Ayshford said his department does the meters and the finance department handles the building so we have

been working on coordinating all the departments into a streamlined process.

DeRoche said there was a snag in getting the line up to Castle Towers. There were two bids and they are suing each other – Wedema and Hentges. Hentges got the bid because his wife is the business owner and due to a woman owning the business. Hopefully that will be figured out soon. We need to have a bid for our part. From what he talked to Jack, you guys have to make a decision, if we have to rebid it maybe we can't afford it. He said the irony is when Hentges didn't get the project on Viking Boulevard because they didn't have enough minorities so Wedema got the contract.

Ayshford said it sounds like they are going to rebid again. The bid opening for the cities portion was today and it came in as expected.

Harrington asked if there is any truth to the trailer court hooking up on 181st? DeRoche said the ordinance that was passed for the sewer and water system said you have to hook up if it runs past. The trailer court wasn't included in the original project according to Statute 429. We can run water down there and the cost would be like $329,000. It is such a mess, we say they are residential they say they are a business. There are 120 trailers in there and to be at the end of the line, it would keep the water circulating and we would have gotten connection charges.

Ayshford said any home or trailer on the north side that is not already hooked up we will get the SAC charges for. DeRoche said as of April 3, 2013 any new home would be charged a connection charge.

PVS auto did get a conditional use permit for 221st and Hwy 65. So that land is used.

Ayshford said the new billboard is up and functioning. Pierson-Kolodzienski said it looks really nice. DeRoche said it looks pretty classy. Ayshford said it is pretty nice and they can show pictures and video if the need arises. They don't want to make it too distracting for drivers. The final landscaping still needs to be done around the base.

Jensen asked for what sort of water they have for the trailer park? Ayshford said it is a private well shared by all the trailers. It would be easy to tie into.

Virta asked if there was any recourse on that with the trailer court? DeRoche said if we run a water line down there they will have to hook up.

Virta said we aren't getting credit for the hook ups. How come? Ayshford said because they existed before the ordinance change. DeRoche said it is to Met Council's advantage because their fees go up 5% per year. He said when he sits down with someone he will refer them to sections of the minutes and put it all together for them. There is a lot to it.

Virta any other developments or that development area. He knows we have County Road 22 all torn up. There was an arrangement for a turn lane for that property. DeRoche said they have paid for that and there is talk about putting something there. There is always a lot of talk. It would be nice to see something go in.

DeRoche said he would like to see the two stubs that were put in on the east side used.

Virta said that one street you were talking about is on the east side. That is a big area down there that they were talking about developing as a residential environment. DeRoche said for a developer to put in housing it is x amount per square foot and if the cost per square foot is more than in another area they won't do it. The question is do you put in houses and then put in stores, or do you put in stores and then housing?

DeRoche said Hwy 65 is going to have to be some amount of housing for the amount of ERUS we need. To go off of Hwy 65 it is $1 million per mile to hook people up. Aggressive Hydraulics came is at 16 ERUs.

Ayshford said it could be developer driven. What role does the City play? A lot of these developers will do it themselves, if they can make money.

DeRoche said the feasibility study came in for the water park and the cost is $18,000, which won't happen. He understands the water park is going to be developer driven. But developers are going to come in and want something from the City. They are going to want roads and utilities.

Virta asked if there was any word from the DNR for the clear cutting. DeRoche said there was a meeting two days ago. They aren't going to do anything until fall. The MPCA is part of that group; they may have some money and might pull $30,000 out of it. The night that they had the meeting here it was pretty interesting.

Virta clarified the Sand Hill Crane area and the DNR's notion that they have to generate money, so they are going to clear cut the oaks and they will generate $20,000 – $60,000 that is the context for this. So that is the context for that. We had a meeting Anoka County and the DNR were here. Anoka County Environmental personnel were against it. The residents were against it. The only ones that were for it were the DNR. DeRoche said the history is the Federal Government set out trust lands to generate monies for schools. He asked the question on how many other sensitive areas are you clear cutting the trees of? They said there aren't any. It was pointed out the area is home to the red shoulder hawk, the bald eagle, blanding turtle, sand hill cranes and deer. The guy from the DNR is retiring in a couple of months. Paavola said thinks it is ridiculous. She made a call to City hall. DNR is supposed to help things like that and they are going to do something so stupid. She could see if it was blighted but that is not the case. Pierson-Kolodzienski they are the DNR and they can do what they want.

DeRoche asked them if they normally speak to the affected area residents. They said they don't talk to people, we just do it. To do this project they would have to use City roads and property. This will have to be negotiated if they are going to clear-cut the land.

Representatives Tom Hackbarth and Michelle Benson were trying to get some exemption in the metro area at the legislature. This area is 80 acres of forest. It is valuable in the metro. We also found out that the money is suppose to go to the school trust. But only ¼ of the monies go to the school trust. Paavola said they aren't out for anyone but themselves. Virta said now that they got the spotlight shined on them it will help. Hopefully our state legislators will get a change. The DNR is hiding behind this notion that they were generating money for the school trust. Paavola said it is greed. Virta said the amount of money for the timber rights is $20,000-$60,000. DeRoche said that has been refined to $30,000. Virta said what they are throwing in there to make it more palatable is

there is oak wilt in area. If they clear-cut it, it will make the oak wilt spread more. Anoka County spent a lot of money clearing buckthorn out of there. But there is still buckthorn there. If they clear-cut it you will see the buckthorn explode. There is something odd about it.

DeRoche said last year the legislature questioned on the funds for the trust funds. Ayshford said they are being pressured by the legislature to clear cut the lands to receive the funds.

Murphy said if they do the selective cutting that is the best solution. He is familiar with the area with the infiltration pond, you can't move in there. If you step off that four-wheeler trailer there is nowhere to go. He hunted in there last year, and they need to do something with it. He only saw two deer tracks.

DeRoche said on Sims where they clear-cut it looks terrible. The newspaper had pictures of where they clear-cut in Oak Grove last year, which is located where County Road 59 comes into County Road 13. 181st, if you take a left right there, it goes back in a quarter of mile, about 100 feet of there. They did it last fall. Virta said he challenged the guy to ask if they did anything like this before. He told him he has. We will need to keep any eye on it.

Ayshford said there is other DNR staff that did speak against it at the meeting. A lot of the area hasn't been disturbed. DeRoche said they were people from the DNR on both sides of the issues.

Virta said you have to stay involved, and participate.

DeRoche said once it is done, it is done.

Paavola said we talked about Dogwood. We have a couple of the members that area going to be working together along with the DNR. She doesn't foresee any problems. They are going to see what it will cost us. So they were going to get the suggestions and we will redo that with concrete at Dogwood. Other than that, we are just going to muddle along. We have a couple more weeks for the kitchen and stuff to be done. We are waiting for the make up air unit to be done. All of the kitchen equipment is here.

DeRoche said people are upset with a dock being on Forrest. They come over the beach and nobody pays any mind to it. Paavola said the dock is on the landing. The bars dock is to the left. It was installed in the middle so no one can use it for a landing. DeRoche said he has watched people like Miller Marine drop things in there. Paavola said Dogwood was the designated one, and it is so steep and the road washes. We will fix that. We will leave the dock at Forrest this year. The dock will not be put in next year. They won't be able to use Forrest.

Ayshford said there are two boat landings in the Beach. We have gotten away from maintaining them with gravel because it keeps washing out. Who owns it? Who is going to pay for it? It is a gray area. Paavola said Coon Lake Beach Community owns to the center of the road. We have been maintaining the lakeshore, so we are the responsible ones so we will maintain it.

DeRoche said they are trying to pass the MIDS, storm water and all this other crap, so you won't be able to do anything anymore. Ayshford said MIDS is the Minimal Impact Design Standards, which will help keep storm water green compliant.

Paavola said any of the actions are any worse than what have been on the end of Birch. She is not the one to talk to about that. Her husband had to go to court four times on that. His blood pressure was so high. DeRoche said Birch or Aspen. Paavola said Aspen. We have to do something. Ayshford said is it a public or private landing. Paavola said it is a private landing. She said we have a sixteen-foot boat, and we go around the lake to put that in. People get upset if they want to put in a jet ski. When the bylaws were drawn, we have to have two places for people to put in their boats. DeRoche said when there are invasive species, etc; people don't inspect their vehicles and boats when they get out of the lake. Ayshford said does it require a permit for the DNR. Paavola said she doesn't know. They are going to be getting a hold of the DNR and Anoka Conservation District. They pretty much leave that, the District, they send us to the DNR for that sort of thing.

Virta asked if we are going to do a road tour this year. Ayshford said in July.

DeRoche said feel free to come to the Council meeting.

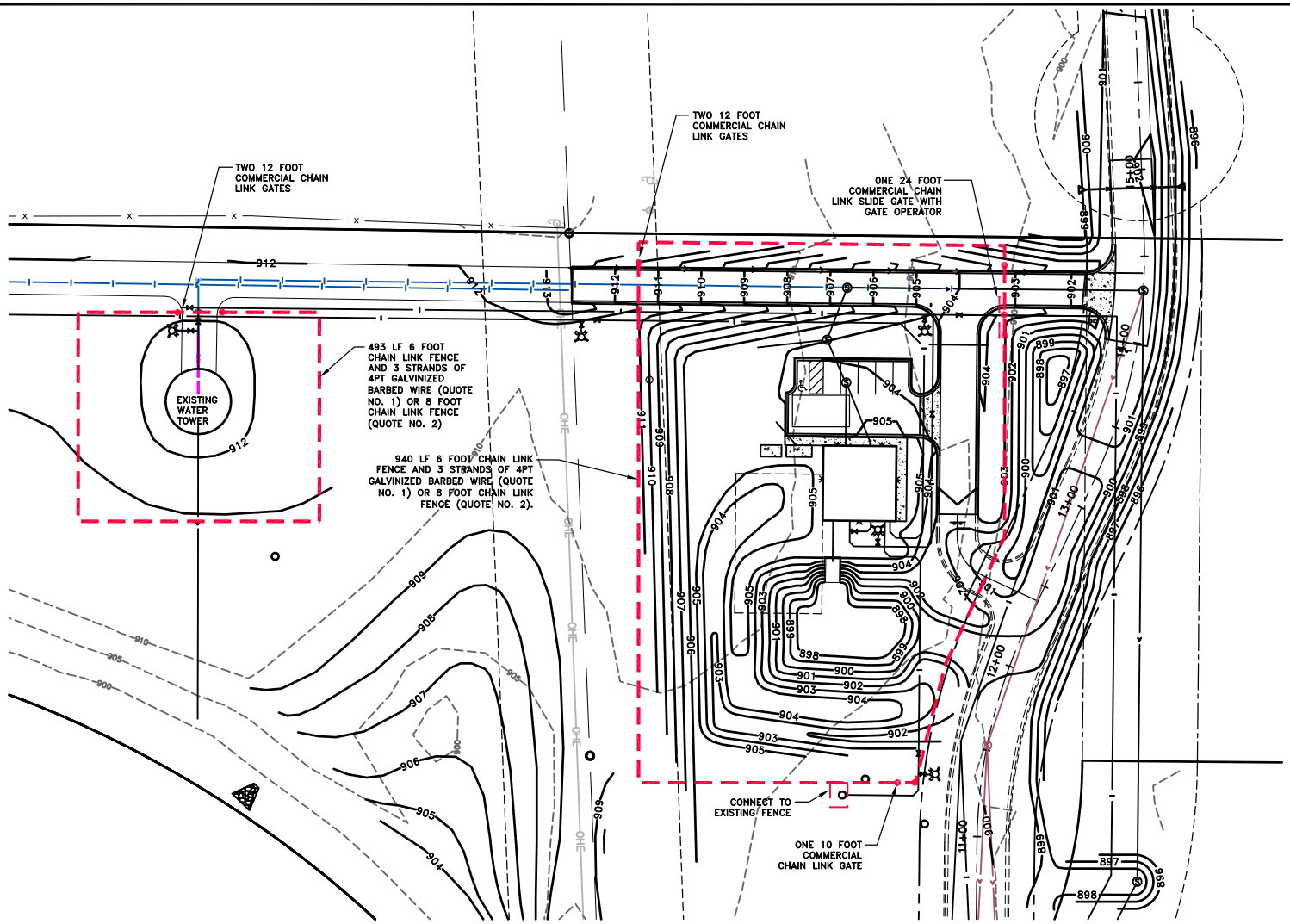
Adjourn **Pierson-Kolodzienski motioned for adjournment. Paavola seconded; all in favor, motion carries. Meeting adjourned at 7:45 p.m.**

Respectfully submitted,
Jill Anderson
Recording Secretary

City of East Bethel
City Council
Agenda Information

* * * *

Attachments:
Perimeter Fence Layout
* * * *



N

30 0 30 60
SCALE IN FEET

DATE	REVISION

I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am a duly Licensed Professional Engineer under the laws of the State of Minnesota.

CRAIG J. JOCHUM, P.E.

Date 5/21/13 Lic. No. 23461

DESIGNED BY: TAE
DRAWN BY: TAE
CHECKED BY: CJJ

Hakanson Anderson
Civil Engineers and Land Surveyors
3601 Thurston Ave., Anoka, Minnesota 55303
763-427-5860 FAX 763-427-0520
www.hakanson-anderson.com

EAST BETHEL
WATER TREATMENT PLANT NO. 1

CHAIN LINK FENCE PLAN

CITY OF EAST BETHEL, MINNESOTA

SHEET 1 OF 1 SHEETS

EB504

May 20, 2013 – 9:04am
K:\Cad_eng\PROJECTS\MUNICIPAL\EB504\dwg\EB504-SITE.dwg

City of East Bethel
City Council
Agenda Information

* * * *

_____

_____

_____

Vote Yes:_____ Vote No:_____

No Action Required:_____

Return to:
Eckberg Law Firm
Attn: Mark J. Vierling
1809 Northwestern Avenue
Stillwater, MN 55082

PUBLIC DRAINAGE AND UTILITY EASEMENT AND AGREEMENT

PERMANENT
PUBLIC DRAINAGE AND MUNICIPAL UTILITY
EASEMENT AND AGREEMENT

THIS INDENTURE, made this _____ day of _____, 2013, by and between Richard l. Atkins and Karen C. Atkins, husband and wife; and Donald C. Atkins, a single person, Douglas N. Atkins, a single person and Marjory C Egan a single person, party of the first part; and the **CITY OF EAST BETHEL**, Anoka County, Minnesota, parties of the second part.

WITNESSETH:

WHEREAS, the above-named party of the first part is the owner in fee simple of the real estate being located in the City of East Bethel, County of Anoka and State of Minnesota, being described as follows:

See Attached Exhibit A

That for and in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, the party of the first part has this day bargained and sold, and by these presents do bargain, sell and transfer unto the **CITY OF EAST BETHEL** its successors and assigns the following:

(1) A perpetual easement for, street right of way, municipal water and sanitary sewer easements, public stormwater drainage easements and permanent slope easements with the right to enter upon the real estate hereinafter described at any time that the **CITY OF EAST BETHEL** may see fit, and construct, maintain and repair any streets, ponds, lines, equipment, materials, slopes or other items

for public roadways drainage and municipal utility purposes, for the purpose of maintaining, repairing or replacing the said public facilities, roadways, water, sanitary sewer, storm sewer drainage and other municipal utilities over, across, through and under the lands hereinafter described, together with the right to excavate and refill ditches and/or trenches for the location of said public roadways, utilities, drainage and related facilities, and the further right to remove trees, bushes, undergrowth, and other obstructions interfering in the location, construction and maintenance of said public drainage and utilities.

That said public roadway, drainage and utility easements to be located in the City of East Bethel, County of Anoka, State of Minnesota, and are legally described as follows, to-wit:

See Attached Exhibit B

TO HAVE AND TO HOLD, said perpetual easements unto the City of East Bethel, its successors and assigns, forever; and

(2) A temporary construction easement, such right-of-way to be the right to enter upon the real estate hereinafter described and grade and excavate land for the purpose of constructing street and public rights of way and other municipal utilities (water, sanitary sewer and storm sewer) , and the further right to remove bushes, trees, undergrowth, and other obstructions interfering in the location and construction of said public roadway and public utilities.

That said easement and right-of-way located in the County of Anoka, State of Minnesota, is described as follows, to-wit:

SEE ATTACHED EXHIBIT B

TO HAVE AND TO HOLD, said temporary easement and right-of-way unto the City of East Bethel, Anoka County, Minnesota, its successors and assigns, until December 31, 2014, at which time said easement shall expire.

It is understood and agreed that the party of the second part will restore said land to as good or better a condition as it was prior to the time of any excavation for street, roadway, municipal water, sanitary sewer and storm sewer utilities or any other purpose, however the party of the second part will not be required to restore any fencing that it is necessary to remove or becomes damaged during the process of any excavation.

It is further understood and agreed that the party of the second part will forthwith re-seed all areas, where necessary, on said lands from which it is necessary to remove or damage the turf thereon, during the process of any excavation.

The parties of the first part do hereby covenant with the **CITY OF EAST BETHEL**, that they are lawfully seized and possessed of the real estate above described.

IN WITNESS WHEREOF, the said parties have caused this instrument to be executed the day and year first above written.

_____
Richard L. Atkins

_____
Karen C. Atkins

_____
Donald G. Atkins

_____
Douglas N. Atkins

_____
Marjory C. Egan

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

On this _____ day of _____, 2013, before me, a Notary Public, within and for said County and State, personally appeared Richard L. Atkins and, Karen C. Atkins husband and wife, to me personally known, who acknowledged and executed said instrument as their free act and deed.

_____
Notary Public

Official Seal/Stamp of Notary Public

STATE OF MINNESOTA)
) ss.
COUNTY OF ANOKA)

On this _____ day of _____, 2013, before me, a Notary Public, within and for said County and State, personally appeared Donald G. Atkins, a single person to me personally known, who acknowledged and executed said instrument as their free act and deed.

_____
Notary Public

Official Seal/Stamp of Notary Public

STATE OF MINNESOTA)
) ss.
COUNTY OF ANOKA)

On this _____ day of _____, 2013, before me, a Notary Public, within and for said County and State, Douglas N. Atkins a single person, personally appeared to me personally known, who acknowledged and executed said instrument as their free act and deed.

_____
Notary Public

Official Seal/Stamp of Notary Public

STATE OF MINNESOTA)
) ss.
COUNTY OF ANOKA)

On this _____ day of _____, 2013, before me, a Notary Public, within and for said County and State, Marjory C. Egan a single person personally appeared to me personally known, who acknowledged and executed said instrument as their free act and deed.

_____
Notary Public

Official Seal Stamp of Notary Public

PARTY OF THE SECOND PART:

CITY OF EAST BETHEL

_____

By: Richard Lawrence
Its: Mayor

_____

By: Jack Davis
Its: Administrator

STATE OF MINNESOTA)
) ss.
COUNTY OF ANOKA)

On this _____ day of _____, 2013, before me, a Notary Public, in and for said County and State, appeared Richard Lawrence and Jack Davis, to me personally known, who being by me first duly sworn, did say that they are respectively the Mayor and Administrator of the City of East Bethel, who executed the foregoing document by authority of the City Council of the City of East Bethel, and said Mayor and Administrator acknowledge said instrument to be the free act and deed of said City of East Bethel.

_____

Notary Public

Official Seal/Stamp of Notary Public

THIS INSTRUMENT DRAFTED BY:
MARK J. VIERLING
Eckberg, Lammers. Briggs Wolff & Vierling P.L.L.P
1809 Northwestern Ave.
Stillwater, MN 55082

EXHIBIT A

LAND OWNED BY: Richard L. Atkins and Karen C. Atkins as joint tenants and Donald G. Atkins, Douglas N. Atkins and Marjory C Egan as Tenants in common

PID# 08-33-23-21-0001 and 08-33-23-22-0001

The North Half of the Northwest Quarter (N ½ of NW ¼) of Section Eight (8), Township Thirty-three (33), Range Twenty-three (23), Anoka County, Minnesota, excepting therefrom the following:

Northeast Quarter of Northeast Quarter of Northwest Quarter (NE ¼ of NE ¼ of NW ¼) of Section Eight (8), Township Thirty-three (33), Range Twenty-three (23);

AND EXCEPT:

Northwest Quarter of Northeast Quarter of Northwest Quarter (NW ¼ of NE ¼ of NW ¼) of Section Eight (8), Township Thirty-three (33), Range Twenty-three (23);

AND EXCEPT:

Southwest Quarter of Northwest Quarter of Northwest Quarter (SW ¼ of NW ¼ of NW ¼) of Section Eight (8), Township Thirty-three (33), Range Twenty-three (23), and the West 180 feet of the Southeast Quarter of Northwest Quarter of Northwest Quarter (SE ¼ of NW ¼ of NW ¼) of Section Eight (8), Township Thirty-three (33), Range Twenty-three (23);

AND EXCEPT

The North 16 rods of the West 10 rods of the Northwest Quarter of Northwest Quarter (NW ¼ of NW ¼) of Section Eight (8), Township Thirty-three (33), Range Twenty-three (23);

AND EXCEPT part taken for highway purposes:

EXHIBIT B

LEGAL DESCRIPTION FOR EASEMENTS GRANTED

Permanent Easement: "Parcel 3 and Parcel 4 also depicted as "Johnson Street N. E." Parcel 4 S.E.(Slope Easement), Parcel 3 P.E and 4 P.E.(Permanent Easement). as contained within City of East Bethel Road Right of Way Plat No. 2 ; according to the recorded plat thereof, Anoka County, Minnesota

Temporary Easement: Parcel 4 T.E., Parcel 3 T.E. as contained within City of East Bethel Road Right of Way Plat No. 2, according to the recorded plat thereof, Anoka County, Minnesota

CITY OF EAST BETHEL ROAD RIGHT-OF-WAY PLAT NO. 2

CITY OF EAST BETHEL
COUNTY OF ANOKA
SECTION 8, T. 33, R. 23

SCALE: 1 inch = 100 feet

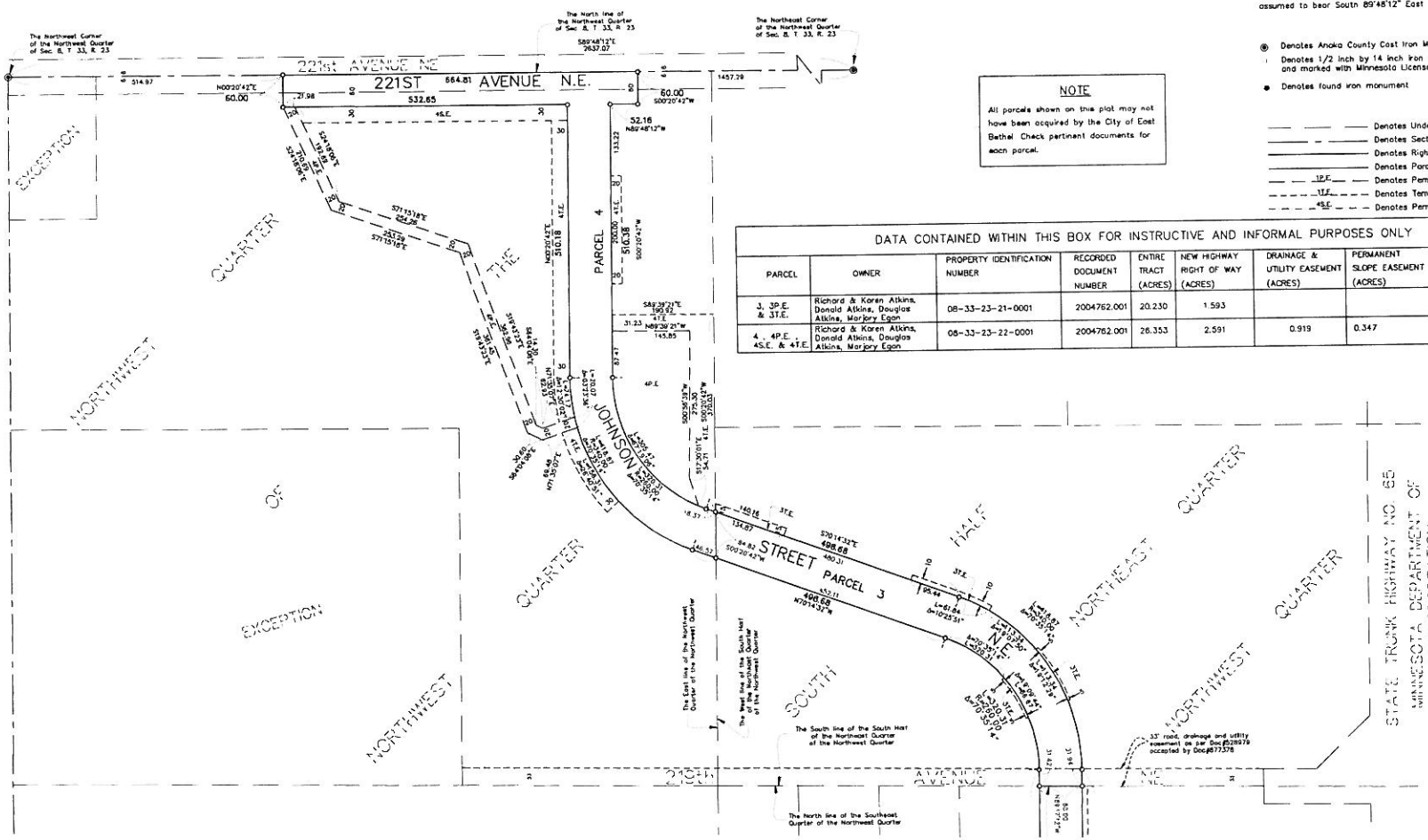
For the purposes of this plat the North line of the Northeast Quarter of Section 8, Township 33, Range 23 is assumed to bear South 89°48'12" East

- Denotes Anoka County Cast Iron Monument
- Denotes 1/2 inch by 14 inch iron monument set and marked with Minnesota License No. 18420.
- Denotes found iron monument

- Denotes Underlying Property Lines
- Denotes Section Line
- Denotes Right-of-Way Boundary
- Denotes Parcel Boundary
- Denotes Permanent Easement
- Denotes Temporary Easement
- Denotes Permanent Slope Easement

NOTE

All parcels shown on this plat may not have been acquired by the City of East Bethel. Check pertinent documents for each parcel.



DATA CONTAINED WITHIN THIS BOX FOR INSTRUCTIVE AND INFORMAL PURPOSES ONLY

PARCEL	OWNER	PROPERTY IDENTIFICATION NUMBER	RECORDED DOCUMENT NUMBER	ENTIRE TRACT (ACRES)	NEW HIGHWAY RIGHT OF WAY (ACRES)	DRAINAGE & UTILITY EASEMENT (ACRES)	PERMANENT SLOPE EASEMENT (ACRES)	TEMPORARY EASEMENT (ACRES)	TEMP. EASE EXPIRES ON DATE	BALANCE OF TRACT REMAINING (ACRES)
3, 3P.E. & 3T.E.	Richard & Karen Atkins, Donald Atkins, Douglas Atkins, Marjory Egan	08-33-23-21-0001	2004762.001	20.230	1.593			0.107	12/31/2014	18.637
4, 4P.E., 4S.E. & 4T.E.	Richard & Karen Atkins, Donald Atkins, Douglas Atkins, Marjory Egan	08-33-23-22-0001	2004762.001	26.353	2.591	0.919	0.347	1.328	12/31/2014	23.762

MATCH LINE
(SEE SHEET 1 OF 2 SHEETS)

Hakanson Anderson

Return to:
Eckberg Law Firm
Attn: Mark J. Vierling
1809 Northwestern Avenue
Stillwater, MN 55082

PUBLIC DRAINAGE AND UTILITY EASEMENT AND AGREEMENT

PERMANENT
PUBLIC DRAINAGE AND MUNICIPAL UTILITY
EASEMENT AND AGREEMENT

THIS INDENTURE, made this _____ day of _____, 2013, by and between the Genevieve Sylvester Family Limited Partnership, a Minnesota Limited Partnership, party of the first part; and the **CITY OF EAST BETHEL**, Anoka County, Minnesota, party of the second part.

WITNESSETH:

WHEREAS, the above-named party of the first part is the owner in fee simple of the real estate being located in the City of East Bethel, County of Anoka and State of Minnesota, being described as follows:

See Attached Exhibit A

That for and in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, the party of the first part has this day bargained and sold, and by these presents do bargain, sell and transfer unto the **CITY OF EAST BETHEL** its successors and assigns the following:

(1) A perpetual easement for, street right of way, municipal water and sanitary sewer easements, public stormwater drainage easements and permanent slope easements with the right to enter upon the real estate hereinafter described at any time that the **CITY OF EAST BETHEL** may see fit, and construct, maintain and repair any streets, ponds, lines, equipment, materials, slopes or other items

for public roadways drainage and municipal utility purposes, for the purpose of maintaining, repairing or replacing the said public facilities, roadways, water, sanitary sewer, storm sewer drainage and other municipal utilities over, across, through and under the lands hereinafter described, together with the right to excavate and refill ditches and/or trenches for the location of said public roadways, utilities, drainage and related facilities, and the further right to remove trees, bushes, undergrowth, and other obstructions interfering in the location, construction and maintenance of said public drainage and utilities.

That said public roadway, drainage and utility easements to be located in the City of East Bethel, County of Anoka, State of Minnesota, and are legally described as follows, to-wit:

See Attached Exhibit B

TO HAVE AND TO HOLD, said perpetual easements unto the City of East Bethel, its successors and assigns, forever; and

(2) A temporary construction easement, such right-of-way to be the right to enter upon the real estate hereinafter described and grade and excavate land for the purpose of constructing street and public rights of way and other municipal utilities (water, sanitary sewer and storm sewer), and the further right to remove bushes, trees, undergrowth, and other obstructions interfering in the location and construction of said public roadway and public utilities.

That said easement and right-of-way located in the County of Anoka, State of Minnesota, is described as follows, to-wit:

SEE ATTACHED EXHIBIT B

TO HAVE AND TO HOLD, said temporary easement and right-of-way unto the City of East Bethel, Anoka County, Minnesota, its successors and assigns, until December 31, 2014, at which time said easement shall expire.

It is understood and agreed that the party of the second part will restore said land to as good or better a condition as it was prior to the time of any excavation for street, roadway, municipal water, sanitary sewer and storm sewer utilities or any other purpose, however the party of the second part will not be required to restore any fencing that it is necessary to remove or becomes damaged during the process of any excavation.

It is further understood and agreed that the party of the second part will forthwith re-seed all areas, where necessary, on said lands from which it is necessary to remove or damage the turf thereon, during the process of any excavation.

The parties of the first part do hereby covenant with the **CITY OF EAST BETHEL**, that they are lawfully seized and possessed of the real estate above described.

IN WITNESS WHEREOF, the said parties have caused this instrument to be executed the day and year first above written.

The Genevieve Sylvester Family Limited Partnership, a Minnesota Limited Partnership

_____

By:_____

Its:_____

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

On this _____ day of _____, 2013, before me, a Notary Public within and for said County personally appeared _____, to me personally known, who being each by me duly sworn did say that s/he is the _____ of the **Genevieve Sylvester Family Limited Partnership, a Minnesota Limited Partnership,** the entity named in the foregoing instrument, and that said instrument was signed in behalf of said the Genevieve Sylvester Family Limited Partnership, a Minnesota Limited Partnership, by authority of the Limited partnership and said _____ acknowledged said instrument to be the free act and deed of said Genevieve Sylvester Family Limited Partnership, a Minnesota Limited Partnership,.

_____
Notary Public

Official Seal/Stamp of Notary Public

PARTY OF THE SECOND PART:

CITY OF EAST BETHEL

_____

By: Richard Lawrence
Its: Mayor

_____

By: Jack Davis
Its: Administrator

STATE OF MINNESOTA)
) ss.
COUNTY OF ANOKA)

On this _____ day of _____, 2013, before me, a Notary Public, in and for said County and State, appeared Richard Lawrence and Jack Davis, to me personally known, who being by me first duly sworn, did say that they are respectively the Mayor and Administrator of the City of East Bethel, who executed the foregoing document by authority of the City Council of the City of East Bethel, and said Mayor and Administrator acknowledge said instrument to be the free act and deed of said City of East Bethel.

_____

Notary Public

Official Seal/Stamp of Notary Public

THIS INSTRUMENT DRAFTED BY:
MARK J. VIERLING
Eckberg, Lammers. Briggs Wolff & Vierling P.L.L.P
1809 Northwestern Ave.
Stillwater, MN 55082

EXHIBIT A

LAND OWNED BY: The Genevieve Sylvester Family Limited Partnership, a Minnesota Limited Partnership

PID# 08-33-23-31-0001

Described:

"The Northeast Quarter of the Southwest Quarter of Section 8, Township 33 Range 23, Anoka , Minnesota".

EXHIBIT B

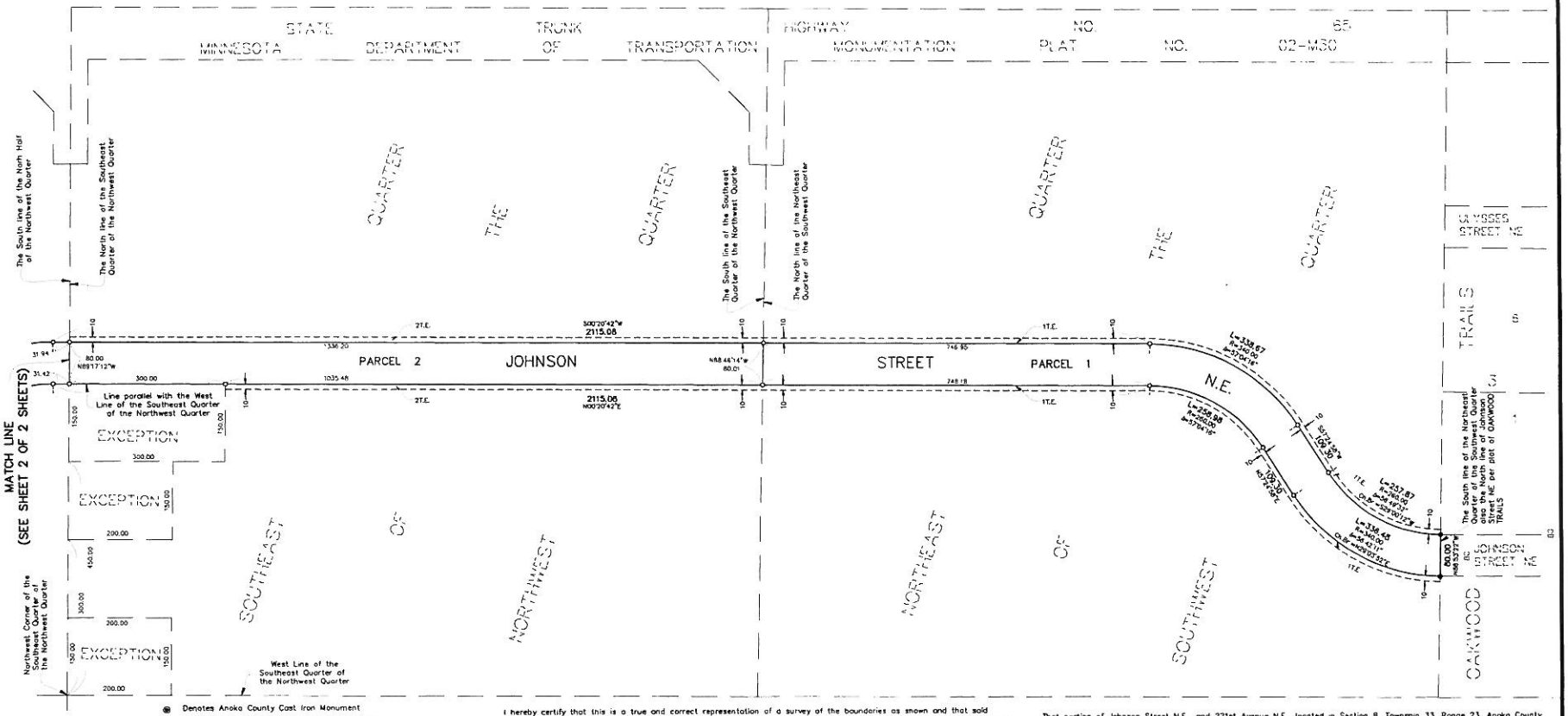
LEGAL DESCRIPTION FOR EASEMENTS GRANTED

Permanent Easement: "Parcel 1 also depicted as "Johnson Street N. E." as contained within City of East Bethel Road Right of Way Plat No. 2, according to the recorded plat thereof, Anoka County, Minnesota"

Area of Temporary Easement: Parcel 1 T.E.as contained within City of East Bethel Road Right of Way Plat No. 2, according to the recorded plat thereof, Anoka County, Minnesota"

CITY OF EAST BETHEL ROAD RIGHT-OF-WAY PLAT NO. 2

CITY OF EAST BETHEL
COUNTY OF ANOKA
SECTION 8, T. 33, R. 23



Denotes Anoka County Cast Iron Monument

Denotes 1/2 inch by 14 inch iron monument set and marked with Minnesota License No. 18420.

Denotes found iron monument

Denotes Underlying Property Lines

Denotes Section Line

Denotes Right-of-Way Boundary

Denotes Parcel Boundary

Denotes Permanent Easement

Denotes Temporary Easement

100 0 100 200
SCALE IN FEET
SCALE: 1 inch = 100 feet

For the purposes of this plat the North line of the Northwest Quarter of Section 8, Township 33, Range 23 is assumed to bear South 89°48'12" East

I hereby certify that this is a true and correct representation of a survey of the boundaries as shown and that said survey was made under my direct supervision; that all distances are correctly shown in feet and decimals of a foot, that the monuments for the guidance of future surveys have been correctly placed in the ground as shown. the Right-Of-Way boundary lines are designated on the plat and it was prepared pursuant to Chapter 505.1793, Minnesota Statutes.

Dated the _____ day of _____, 2013.

Charles R. Christopherson, Professional Land Surveyor
Minnesota License No. 18420

That portion of Johnson Street N.E., and 221st Avenue N.E., located in Section 8, Township 33, Range 23, Anoka County, Minnesota, as shown on this plat effected by the City of East Bethel is certified to be the official plat of that portion of said street within said section pursuant to Minnesota Statutes Chapter 505.1793 The foregoing plat was accepted and approved by the City Council of East Bethel, Minnesota, at a regular meeting thereof held this _____ day of _____, 2013.

CITY OF EAST BETHEL, MINNESOTA

Mayor

City Clerk

ANOKA COUNTY SURVEYOR
This plat of CITY OF EAST BETHEL ROAD RIGHT-OF-WAY PLAT NO 2 was checked and approved by me this _____ day of _____, 2013.

Larry D. Haum, Anoka County Surveyor

Hakanson Anderson

DATA CONTAINED WITHIN THIS BOX FOR INSTRUCTIVE AND INFORMAL PURPOSES ONLY

PARCEL	OWNER	PROPERTY IDENTIFICATION NUMBER	RECORDED DOCUMENT NUMBER	ENTIRE TRACT (ACRES)	NEW HIGHWAY RIGHT OF WAY (ACRES)	DRAINAGE & UTILITY EASEMENT (ACRES)	TEMPORARY EASEMENT (ACRES)	TEMP. EASE EXPIRES ON DATE	BALANCE OF TRACT REMAINING (ACRES)
1, 1T.E.	Genevieve Sylvester Family Limited Partnership	08-33-23-31-0001	2015058.001	39.812	2.668		0.667	12/31/2014	37.144
2, 2T.E.	Raymond & Bernard Sylvester	08-33-23-24-0001	421676	38.068	2.453		0.544	12/31/2014	35.615

NOTE

All parcels shown on this plat may not have been acquired by the City of East Bethel. Check pertinent documents for each parcel

Return to:
Eckberg Law Firm
Attn: Mark J. Vierling
1809 Northwestern Avenue
Stillwater, MN 55082

PUBLIC DRAINAGE AND UTILITY EASEMENT AND AGREEMENT

PERMANENT
PUBLIC DRAINAGE AND MUNICIPAL UTILITY
EASEMENT AND AGREEMENT

THIS INDENTURE, made this _____ day of _____, 2013, by and between Raymond Sylvester, a single person and Bernard Sylvester, a single person, parties of the first part; and the **CITY OF EAST BETHEL**, Anoka County, Minnesota, party of the second part.

WITNESSETH:

WHEREAS, the above-named parties of the first part are the owners in fee simple of the real estate being located in the City of East Bethel, County of Anoka and State of Minnesota, being described as follows:

See Attached Exhibit A

That for and in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties of the first part have this day bargained and sold, and by these presents do bargain, sell and transfer unto the **CITY OF EAST BETHEL** its successors and assigns the following:

(1) A perpetual easement for, street right of way, municipal water and sanitary sewer easements, public stormwater drainage easements and permanent slope easements with the right to enter upon the real estate hereinafter described at any time that the **CITY OF EAST BETHEL** may see fit, and construct, maintain and repair any streets, ponds, lines, equipment, materials, slopes or other items for public roadways drainage and municipal utility purposes, for the purpose of

maintaining, repairing or replacing the said public facilities, roadways, water, sanitary sewer, storm sewer drainage and other municipal utilities over, across, through and under the lands hereinafter described, together with the right to excavate and refill ditches and/or trenches for the location of said public roadways, utilities, drainage and related facilities, and the further right to remove trees, bushes, undergrowth, and other obstructions interfering in the location, construction and maintenance of said public drainage and utilities.

That said public roadway, drainage and utility easements to be located in the City of East Bethel, County of Anoka, State of Minnesota, and are legally described as follows, to-wit:

See Attached Exhibit B

TO HAVE AND TO HOLD, said perpetual easements unto the City of East Bethel, its successors and assigns, forever; and

(2) A temporary construction easement, such right-of-way to be the right to enter upon the real estate hereinafter described and grade and excavate land for the purpose of constructing street and public rights of way and other municipal utilities (water, sanitary sewer and storm sewer), and the further right to remove bushes, trees, undergrowth, and other obstructions interfering in the location and construction of said public roadway and public utilities.

That said easement and right-of-way located in the County of Anoka, State of Minnesota, is described as follows, to-wit:

SEE ATTACHED EXHIBIT B

TO HAVE AND TO HOLD, said temporary easement and right-of-way unto the City of

East Bethel, Anoka County, Minnesota, its successors and assigns, until December 31, 2014, at which time said easement shall expire.

It is understood and agreed that the party of the second part will restore said land to as good or better a condition as it was prior to the time of any excavation for street, roadway, municipal water, sanitary sewer and storm sewer utilities or any other purpose, however the party of the second part will not be required to restore any fencing that it is necessary to remove or becomes damaged during the process of any excavation.

It is further understood and agreed that the party of the second part will forthwith re-seed all areas, where necessary, on said lands from which it is necessary to remove or damage the turf thereon, during the process of any excavation.

The parties of the first part do hereby covenant with the **CITY OF EAST BETHEL**, that they are lawfully seized and possessed of the real estate above described.

IN WITNESS WHEREOF, the said parties have caused this instrument to be executed the day and year first above written.

_____

Bernard Sylvester

_____

Raymond Sylvester

STATE OF MINNESOTA)
) ss.
COUNTY OF ANOKA)

On this _____ day of _____, 2013, before me, a Notary Public, within and for said County and State, Bernard Sylvester a single person personally appeared to me personally known, who acknowledged and executed said instrument as their free act and deed.

_____
Notary Public

Official Seal/Stamp of Notary Public

STATE OF MINNESOTA)
) ss.
COUNTY OF ANOKA)

On this _____ day of _____, 2013, before me, a Notary Public, within and for said County and State, Raymond Sylvester a single person personally appeared to me personally known, who acknowledged and executed said instrument as their free act and deed.

_____
Notary Public

Official Seal/Stamp of Notary Public

PARTY OF THE SECOND PART:

CITY OF EAST BETHEL

_____

By: Richard Lawrence
Its: Mayor

_____

By: Jack Davis
Its: Administrator

STATE OF MINNESOTA)
) ss.
COUNTY OF ANOKA)

On this _____ day of _____, 2013, before me, a Notary Public, in and for said County and State, appeared Richard Lawrence and Jack Davis, to me personally known, who being by me first duly sworn, did say that they are respectively the Mayor and Administrator of the City of East Bethel, who executed the foregoing document by authority of the City Council of the City of East Bethel, and said Mayor and Administrator acknowledge said instrument to be the free act and deed of said City of East Bethel.

_____

Notary Public

Official Seal/Stamp of Notary Public

THIS INSTRUMENT DRAFTED BY:
MARK J. VIERLING
Eckberg, Lammers. Briggs Wolff & Vierling P.L.L.P
1809 Northwestern Ave.
Stillwater, MN 55082

EXHIBIT A

LAND OWNED BY: Raymond Sylvester and Bernard Sylvester
PID# 08-33-23-24-0001

Described: "The Southeast Quarter of the Northwest Quarter of Section 8, Township 33, Range 23, Anoka County, Minnesota, except therefrom the following three tracts:
Tract One:
That part of the Southeast Quarter of the Northwest Quarter of Section 8, Township 33, Range 23, Anoka County, Minnesota, described as follows: Beginning at the Northwest corner of the SE 1/4 of the NW ¼ of said Section and proceeding South on the West line of said SE ¼ of said NW ¼, a distance of 200 feet; proceeding thence East and parallel to the North line of said SE ¼ of said NW ¼ a distance of 150 feet; proceeding thence North and parallel with the West line of said SE ¼ of said NW ¼ to that point of intersection with the North line of said SE ¼ of said NW ¼; proceeding thence West along the North line of said SE ¼ of said NW ¼ to the point of beginning.
Tract Two:
That part of the Southeast Quarter of the Northwest Quarter of Section 8, Township 33, Range 23, Anoka County, Minnesota, described as follows: Commencing at the Northwest corner of said SE ¼ of the NW 1/4; thence East along the North line thereof a distance of 300 feet to the actual point of beginning of the tract of land to be hereby described; thence continuing East along the North line thereof a distance of 150 feet; thence South parallel with the West line thereof a distance of 200 feet; thence West parallel with the North line thereof a distance of 150 feet; thence North parallel with the West line thereof a distance of 200 feet to the actual point of beginning.
Tract Three:
That part of the Southeast Quarter of the Northwest Quarter of Section 8, Township 33, Range 23, Anoka County, Minnesota, described as follows: Commencing at the Northwest corner of said SE ¼ of the NW ¼; thence East along the North line thereof a distance of 450 feet to the actual point of beginning of the tract of land to the hereby described; thence continuing East along the North line thereof a distance of 150 feet; thence South parallel with the West line thereof a distance of 300 feet; thence West parallel with the North line thereof a distance of 150 feet; thence North parallel with the West line thereof a distance of 300 feet to the actual point of beginning. "

"

EXHIBIT B

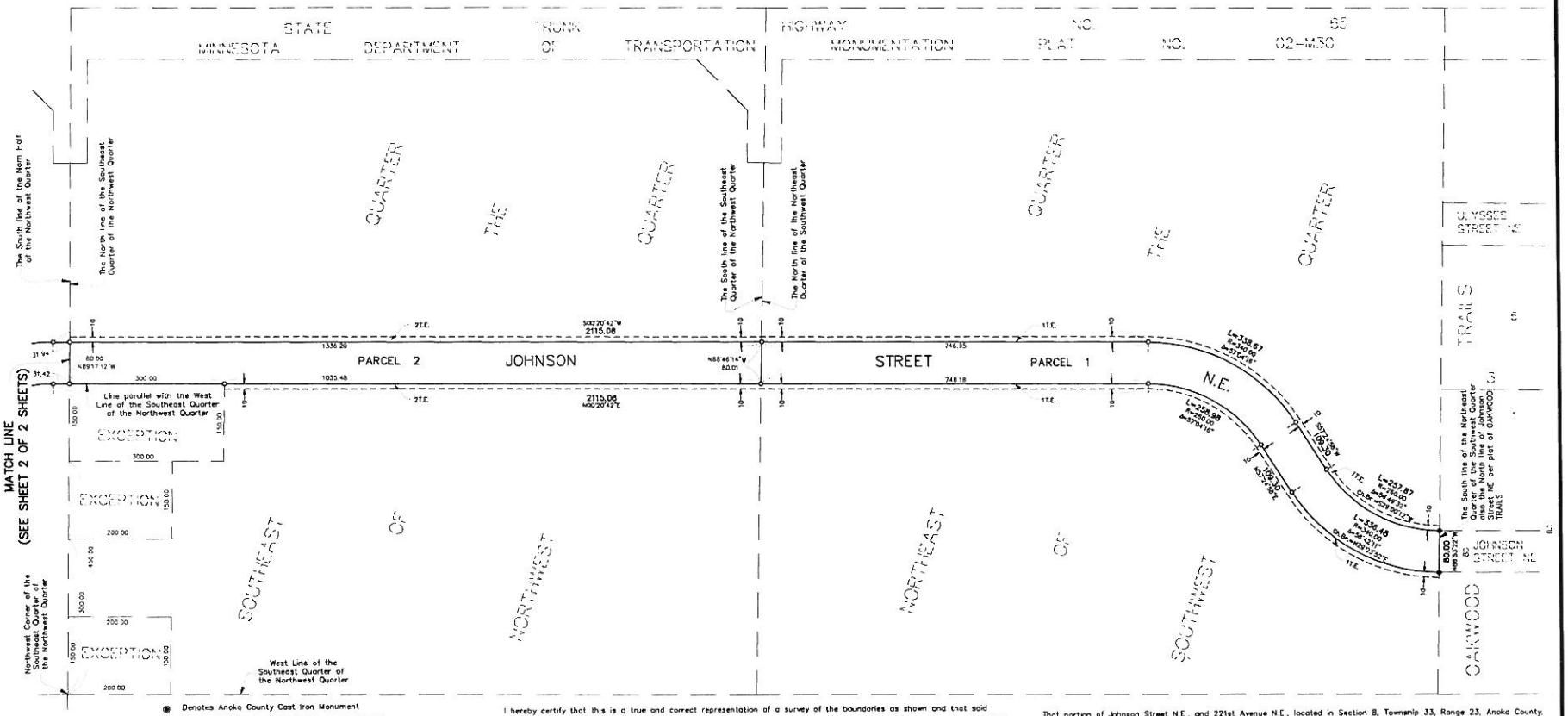
LEGAL DESCRIPTION FOR EASEMENTS GRANTED

Permanent Easement: "Parcel 2 also depicted as "Johnson Street N. E." as contained within City of East Bethel Road Right of Way Plat No. 2, according to the plat thereof, Anoka County, Minnesota"

Temporary Easement: Parcel 2 T.E. "as contained within City of East Bethel Road Right of Way Plat No. 2., according to the recorded plat thereof, Anoka, County Minnesota"

CITY OF EAST BETHEL ROAD RIGHT-OF-WAY PLAT NO. 2

CITY OF EAST BETHEL
COUNTY OF ANOKA
SECTION 8, T. 33, R. 23



SCALE: 1 inch = 100 feet

For the purposes of this plat the North line of the Northwest Quarter of Section 8, Township 33, Range 23 is assumed to bear South 89°48'12" East

- Denotes Anoka County Cast Iron Monument
- Denotes 1/2 inch by 14 inch iron monument set and marked with Minnesota License No. 18420.
- Denotes found iron monument
- Denotes Underlying Property Lines
- Denotes Section Line
- Denotes Right-of-Way Boundary
- Denotes Parcel Boundary
- Denotes Permanent Easement
- Denotes Temporary Easement

I hereby certify that this is a true and correct representation of a survey of the boundaries as shown and that said survey was made under my direct supervision, that all distances are correctly shown in feet and decimals of a foot; that the monuments for the guidance of future surveys have been correctly placed in the ground as shown: the Right-Of-Way boundary lines are designated on the plat and it was prepared pursuant to Chapter 505.1793, Minnesota Statutes.

Dated the _____ day of _____, 2013

Charles R. Christopherson, Professional Land Surveyor
Minnesota License No 18420

That portion of Johnson Street N.E., and 221st Avenue N.E., located in Section 8, Township 33, Range 23, Anoka County, Minnesota, as shown on this plat effected by the City of East Bethel is certified to be the official plat of that portion of said street within said section pursuant to Minnesota Statutes Chapter 505.1793. The foregoing plat was accepted and approved by the City Council of East Bethel, Minnesota, at a regular meeting thereof held this _____ day of _____, 2013.

CITY OF EAST BETHEL, MINNESOTA

Mayor

City Clerk

ANOKA COUNTY SURVEYOR
This plat of CITY OF EAST BETHEL ROAD RIGHT-OF-WAY PLAT NO. 2 was checked and approved by me this _____ day of _____, 2013.

Larry D. Haium, Anoka County Surveyor

DATA CONTAINED WITHIN THIS BOX FOR INSTRUCTIVE AND INFORMAL PURPOSES ONLY

PARCEL	OWNER	PROPERTY IDENTIFICATION NUMBER	RECORDED DOCUMENT NUMBER	ENTIRE TRACT (ACRES)	NEW HIGHWAY RIGHT OF WAY (ACRES)	DRAINAGE & UTILITY EASEMENT (ACRES)	TEMPORARY EASEMENT (ACRES)	TEMP. EASE EXPIRES ON DATE	BALANCE OF TRACT REMAINING (ACRES)
1, 1T.E.	Genevieve Sylvester Family Limited Partnership	08-33-23-31-0001	2015058.001	39.812	2.668		0.667	12/31/2014	37.144
2, 2T.E.	Raymond & Bernard Sylvester	08-33-23-24-0001	421676	38.068	2.453		0.544	12/31/2014	35.615

NOTE

All parcels shown on this plat may not have been acquired by the City of East Bethel. Check pertinent documents for each parcel.

Hakanson Anderson

Parcel Number	Owners	PID	Total Offer
1	Richard & Karen Atkins, Donald Atkins, Douglas Atkins, Marjory Egan	08-33-23-21-0001	**$94,359.60**
2	Richard & Karen Atkins, Donald Atkins, Douglas Atkins, Marjory Egan	08-33-23-22-0001	
3	Genevieve Sylvester Family Limited Partnership	08-33-23-31-0001	**$42,739.20**
4	Raymond & Bernard Sylvester	08-33-23-24-0001	**$46,490.36**
		Total	**$183,589.16**

ATTACHMENT 4

City of East Bethel
City Council
Agenda Information

* *

Date:
June 5, 2013

* *

Agenda Item Number:
Item 8.0 D.1

* *

Agenda Item:
Resolution 2013-32 Accepting Annual Financial Statements and Auditor's Annual Report

* *

Requested Action:
Consider adopting Resolution 2013-32 Accepting the 2012 Annual Financial Report and Annual Auditor's Report

* *

Background Information:
The 2012 Annual Financial Report (AFR) has been prepared, audited and is presented for your review and approval.

Resolution 2013-32 formally accepts and adopts the 2012 Annual Financial Report and directs the submission of the Annual Financial Report to the State Auditor.

* *

Fiscal Impact:
None

* *

Recommendation(s):
Staff recommends adoption of Resolution 2013-32 Accepting the 2012 Annual Financial Report for operations and activities of the City of East Bethel for fiscal year 2012 and direction to submit the report to the state Auditor.

* *

City Council Action

Motion by:_____ Second by:_____

_____

_____

_____

Vote Yes:_____ Vote No:_____

No Action Required:_____

CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA

RESOLUTION NO. 2013-32

RESOLUTION ACCEPTING AND ADOPTING THE 2012 CITY OF EAST BETHEL ANNUAL FINANCIAL REPORT (AFR)

WHEREAS, City staff has prepared the 2012 Annual Financial Report of the City; and

WHEREAS, the City's auditing firm, Abdo, Eick & Meyers LLP, has completed its review of the financial report; and

WHEREAS, the audit opinion finds that the financial report presents fairly, in all material respects, the financial position of the City as of December 31, 2012.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF EAST BETHEL, MINNESOTA THAT: the City Council hereby accepts and adopts the 2012 Annual Financial Report and directs its submission to the State Auditor.

Adopted this 5th day of June, 2013 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

_____

Richard Lawrence, Mayor

ATTEST:

_____

Jack Davis, City Administrator

City of East Bethel
City Council
Agenda Information

* *

Date:
June 5, 2013

* *

Agenda Item Number:
Item 8.0 G.1

* *

Agenda Item:
Labor Agreement Minnesota Public Employees Association

* *

Sponsor: City Administrator

Requested Action:
Consider approving the 2013 labor agreement between the City of East Bethel and Minnesota Public Employees Association

* *

Background Information:
The Minnesota Public Employees Association local union group has accepted the City offer as directed by Council on February 6, 2013. We have received confirmation from the Minnesota Public Employees Association that this agreement is acceptable and has been ratified.

This agreement is for year 2013 only. The delays in the approval of this agreement were due to a change in representation for the unit from the Teamsters to the Minnesota Public Employees Association. Negotiations will begin on a proposed three year agreement upon approval of this contract.

The following are the items of amendment to the current 2010-2012 labor agreement:

<u>Wages and Salaries</u>
A 1.5% wage increase will be in effect for 2013 as approved and budgeted by City Council.

<u>Cafeteria Contributions</u>
The City and employees share in the cost of increases and decreases for insurance benefits that affect the amount contributed to the cafeteria plan. For 2012, the amount paid by the City towards the plan was $919.33 per month. For 2013 only, the City proposed and the Union accepted a cafeteria contribution of $902.11 that represents <u>a decrease of $17.22</u> per month per employee from the 2012 contribution.

<u>Compensatory Time</u>
Compensatory time was increased from 40 hours to 50 hours. This offering is revenue neutral for those employees that do not take comp time or accrue the maximum comp hours. For those that take the comp time, the City actually saves the dollar amount for the overtime differential.

Boot Allowance

The safety boot allowance would be increased to $150.00 annually. Any unused portion can be accumulated and carried over into the next year but the accumulated balance must be used in a two year period. The City would record and maintain a record of the balances available to the employee. This allowance can only be used for safety boot purchases and any balances in an employee's account at the time of his/her departure from City employment regardless of the reason would revert back to the City.

On Call

The on-call employee will receive an additional hour per day, Monday thru Friday for the week the employee is on-call. Saturday and Sunday on-call compensation will remain the same, one hour straight time and one hour at time and half with any time over two hours being compensated at the time and half rate. As a condition to this proposal, on-call employees will be required to respond to any call initiated by the City during the on-call period within 15 minutes of a placed call by the Public Works Manager or the City Administrator. Should the employee fail to respond to the call, he/she would be subject to a progressive disciplinary action as described in the current labor agreement, Article XII Discipline. Should the employee fail to respond within the specified time, the City would call the next senior member on the on-call list. In the event of an emergency, the Public Works Manager or the City Administrator would be exempt from adherence to waiting for the 15 minute response time and immediately call the next employee in order of seniority should the on-call employee be unavailable to answer the call ;

Approval of the one year contract will allow the following:

- Provide the City and the Union ample time to bargain and negotiate a longer term labor agreement to commence in 2014; and
- Address on-call issues that have required attention since 2009.

Attachment(s):

Memorandum of Agreement for 2013

* * * *

Memorandum of Agreement (MOA)

Between

City of East Bethel

And

Minnesota Public Employees Association

The City of East Bethel and the Minnesota Public Employees Association agree on the following amendment to the to the 2012 Labor Agreement that is currently the existing contract for all City union employees and is entitled " Labor Agreement between the City of East Bethel and Minnesota Teamsters Public and Law Enforcement Employees Union Local #320 Representing General Employees January 1, 2010 to December 31, 2012".

The amendment to this contract will cover the period between January 1, 2013 to December 31, 2013 and include the following:

1.) 1.5% salary increase effective the date of the approval of the Contract by City Council and retroactive to January 1, 2013;

2.) The on-call employee will receive an additional hour per day, Monday thru Friday for the week the employee is on-call. Saturday and Sunday on-call compensation will remain the same, one hour straight time and one hour at time and half with any time over two hours being compensated at the time and half rate. As a condition to this proposal, on-call employees will be required to respond to any call initiated by the City during the on-call period within 15 minutes of a placed call by the Public Works Manager or the City Administrator. Should the employee fail to respond to the call, he/she would be subject to a progressive disciplinary action as described in the current labor agreement, Article XII Discipline. Should the employee fail to respond within the specified time, the City would call the next senior member on the on-call list. In the event of an emergency, the Public Works Manager or the City Administrator will be exempt from adherence to the 15 minute response requirement and could immediately call the next employee in order of seniority should the on-call be unavailable to answer the call ;

3.) The safety boot allowance would be increased to $150.00 annually. Any unused portion can be accumulated and carried over into the next year but the accumulated balance must be used in a two year period. The City would record and maintain a record of the balances available to the employee. This allowance can only be used for safety boot purchases and any balances in an employee's account at the time of his/her departure from City employment regardless of the reason would revert back to the City.

4.) Cafeteria Plan 2013 City Monthly Contribution would be reduced to $902.12 based on a health insurance premium decrease of 7.95% and a dental insurance premium increase 3.49%. LMC Salary Survey average cafeteria contribution $857.74 for health & dental or 3.86% less than East Bethel Contribution for health & dental.

5.) Comp time accumulation will increase from 40 to 50 hours

City of East Bethel	**Minnesota Public Employees Association**
_____	_____
Mayor	Business Agent
_____	_____
City Administrator	Union Steward
Date_____	Date_____

City of East Bethel
City Council
Agenda Information

* *

Date:
June 5, 2013

* *

Agenda Item Number:
Item 8.0 G.2

* *

Agenda Item:
Anoka County Highway Department (AHCD) Joint Powers Agreement (JPA) for Turn Lane Work on CR 22

* *

Sponsor: City Administrator

Requested Action:
Consider approving the JPA with the AHCD for an turn lane paving on CR 22 (Viking Boulevard)

* *

Background Information:
City Council approved a contract with East Bethel Properties, LLC (EBP,LLC) in the amount of $54,050.00 for the widening a section of CR 22 for the purpose of constructing a future turn lane on February 20, 2013. This work was completed and EBP,LLC reimbursed the City on April 18, 2013 for 95% of the contract, or $51,347.50, as per the contract agreement. The balance, $2,702.50 will be invoiced upon approval of Item O on the June 5, 2013 Council Consent Agenda. EBP, LLC is current on their obligations as specified in the contract that was approved on February 20, 2013.

EBP, LLC is now requesting that the section of CR 22 widened for the turn lane be included in the ACHD's paving contract for the CR 22 Reconstruction Project. The ACHD will not contract with third parties for these services but will allow the City to participate in additions to the work, just as we did with the widening project for the turn lane.

Attached is the proposed JPA for inclusion of the paving of the turn lane as an addition to the County project. As in the previous project, the City would pay the ACHD for the work and EBP, LLC would reimburse the City share of the costs for the amounts billed by the ACHD. There would be no costs to the city and per the contract agreement, should EBP, LLC default, the City's expenses would be assessed to EBP, LLC's property taxes.

City participation and partnership in this request will accomplish the following;

- Continue the City's commitment to enhance economic development and work with developers to support and advance viable projects;
- Provide the means to complete the turn lane project in the least disruptive and most cost effective manner; and
- Expedite the development of property in the Municipal Utilities Service Area.

* *

Attachments:
JPA Agreement
Estimated Construction Costs for the Project
Turn Lane Plans
EBP LLC Contract

Fiscal Impact:
Any costs to the City for this project would be reimbursed by East Bethel Properties LLC. It is estimated that the costs for this work will not exceed $32,400 and that East Bethel Properties, LLC will reimburse the city for all costs associated with this work within 30 days of invoice. East Bethel Properties LLC would also be required to execute an assessment agreement and waiver wherein the reimbursable amount shall be recorded and assessable to the property in the event of default according to the terms of the agreement.

* * * *

Anoka County Contract No. 2012-0597B

AMENDMENT NO. 2
TO JOINT POWERS AGREEMENT
FOR THE RECONSTRUCTION OF
COUNTY STATE AID HIGHWAY 22 (VIKING BOULEVARD NE) FROM 900 FEET EAST OF UNIVERSITY AVENUE TO TRUNK HIGHWAY 65 IN THE CITY OF EAST BETHEL, MN
COUNTY PROJECT NO. SAP 002-622-32

THIS AMENDMENT is made and entered into this _____ day of _____, 2013, the date of the signature of the parties notwithstanding, by and between the County of Anoka, a political subdivision of the State of Minnesota, 2100 Third Avenue, Anoka, Minnesota 55303, hereinafter referred to as the "County," and the City of East Bethel, 2241 221st Avenue NE, East Bethel, MN 55011, hereinafter referred to as the "City".

WITNESSETH:

WHEREAS, it is mutually agreed upon that the County and the City wish to amend its Joint Powers Agreement for the reconstruction of CSAH 22 (Viking Boulevard NE) from 900 ft east of University Avenue to Trunk Highway (TH) 65, hereinafter referred to as the “Project”; and,

WHEREAS, Section XII. ENTIRE AGREEMENT REQUIREMENT OF A WRITING of said Agreement provides that any alterations, variations or modifications of the provisions of this Agreement shall be valid only when they have been reduced to writing and duly signed by the parties.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter stated or contained in the Agreement, the parties do hereby agree as follows:

1. **The parties agree to the following additions to the “Section III, Costs” section of Joint Powers Agreement 2012-0597:**

   The City has agreed to an estimated contribution of $30,000 for additional roadway work beyond the muck excavation and backfill operations. This work includes Granular Backfill, Select Granular, Aggregate, and Bituminous paving for a right turn lane west of TH 65, on the north side of CSAH 22 that was requested by the City.

   The City participation in construction engineering will be at a rate of eight percent (8%) of their designated construction share of $30,000. The estimated cost to

the City for construction engineering is $2,400. In summary, the total estimated City share of this project is $32,400 (includes construction and construction engineering costs). This is an estimated construction cost, and the City will be billed for 95% of this amount after execution of this Joint Powers Agreement.

The City shall also make payment to the County if it is determined that County staff will prepare the construction plan for the right turn lane addition. The County shall track personnel hours and bill accordingly.

Upon final completion of this work, the City's construction cost will be based on actual construction costs. If necessary, adjustments to the initial ninety five percent (95%) charged to the City will be made in the form of credit or additional charges to the City's share. Also, the remaining five percent (5%) of the City's portion of the construction costs shall be paid.

2. This Amendment is hereby made a part of and shall be amended to the Agreement of the parties.

3. All other terms and conditions of the original Agreement and Amendments shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have signed this Amendment on the dates written below.

COUNTY OF ANOKA

By: _____
Rhonda Sivarajah, Chair
County Board of Commissioners

Dated: _____

CITY OF EAST BETHEL

By: _____
Richard Lawrence
Mayor

Dated: _____

ATTEST

By: _____
Jerry Soma
County Administrator

Dated: _____

By: _____
Jack Davis
City Administrator

Dated: _____

RECOMMENDED FOR APPROVAL

By: _____
Douglas W. Fischer, P.E.
County Engineer

Dated: _____

By: _____
Craig Jochum, P.E.
City Engineer

Dated: _____

APPROVED AS TO FORM

By: _____
Dan Klint
Assistant County Attorney

Dated: _____

By: _____

City Attorney

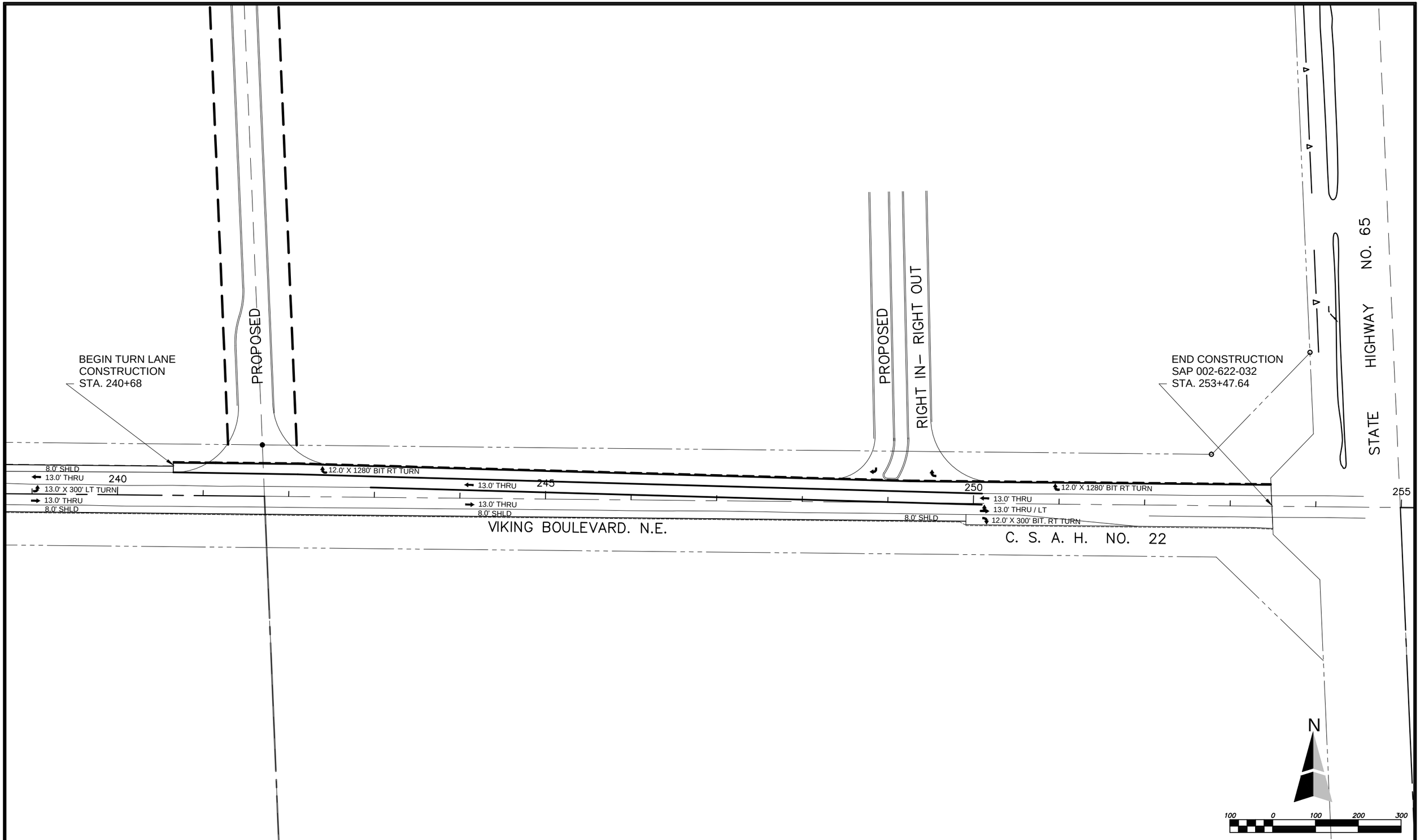
Dated: _____

	QUANTITY	UNIT	UNIT COST	TOTAL
BITUMINOUS	365	TON	$ 65.00	$ 23,725.00
AGGREGATE	80	CY	$ 24.85	$ 1,988.00
SELECT GRANULAR	155	CY	$ 7.25	$ 1,123.75
GRANULAR BACKFILL	155	CY	$ 7.25	$ 1,123.75
			PROJECT TOTAL	**$ 27,960.50**

ROUGH ESTIMATE ASSUMPTIONS

TURN LANE LENGTH*	1200'	
TURN LANE WIDTH	12'	(8' CURRENT SHUOLDER)
ADDITIONAL WIDENING	4'	
BITUMINOUS DEPTH	6"	(3" CURRENT SHOULDER)
AGGREGATE DEPTH	5.5"	
SELECT GRANULAR DEPTH	12"	

* THE PROPOSED SITE PLAN SHOWS TWO LEFT ENTRANCES, ONE THAT HAS FULL ACCESS, ONE THAT HAS RT IN / RT OUT - THE 1200' TURN LANE COVERS BOTH TURN LANES



NO.	DATE	BY	DESCRIPTION

REVISIONS

N

CAMPION ENGINEERING SERVICES, INC.

● Civil Engineering ● Land Planning

1800 Pioneer Creek Center,
P.O. Box 249
Maple Plain, MN 55359
Phone: 763–479–5172
Fax: 763–479–4242
E–Mail: mcampion@camploneng.com

I hereby certify that this plan, specification or report has been prepared by me or under my direct supervision and that I am a duly licensed Professional Engineer under the laws of the State of Minnesota.

Martin P. Campion –Lic. # 19901 Date:

COUNTY MARKET

JEFF KEARNEY

RIGHT TURN LANE
PLAN VIEW
STA 240+68 - 253+47.64

SHEET NO. 1 OF 2 SHEETS

PROJECT NO: 13-011

DATE: 05/14/2013

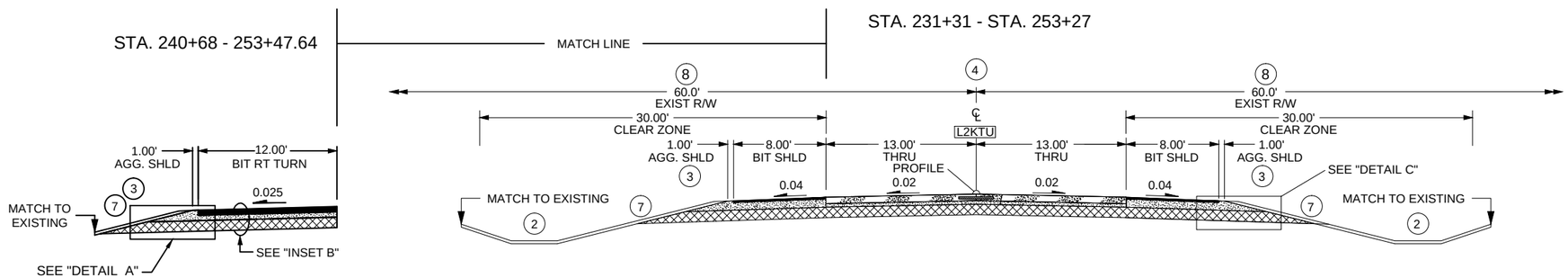
C.S.A.H. 22

RECONSTRUCT - MAINLINE ROADWAY

STA. 240+68 - 253+47.64

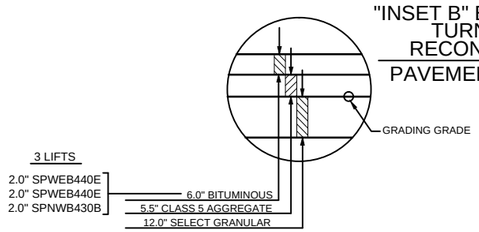
MATCH LINE

STA. 231+31 - STA. 253+27



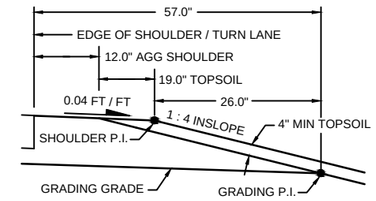
"INSET B" BITUMINOUS TURN LANE RECONSTRUCT

PAVEMENT DESIGN



"DETAIL A"

SHOULDER / GRADING P.I.
RECONSTRUCT SEGMENT



SPECIFIC NOTES:

1. SUITABLE GRADING MATERIAL
2. DITCH WIDTH VARIES (2.0' MINIMUM) 4.0" SLOPE DRESSING MINIMUM
3. AGGREGATE SHOULDERING, CLASS 5 MNDOT SPEC. 2221
4. PROPOSED CENTERLINE IS IN THE SAME LOCATION AS THE EXISTING CENTERLINE.
5. 12.0" SUBGRADE EXCAVATION - PAID FOR AS ITEM 2105.501 SUBGRADE EXCAVATION. EXCAVATION AREA NOT INCLUDED FOR FILL SECTIONS. BACKFILL WITH SELECT GRANULAR MATERIAL.
7. MAINTAIN 1 : 4 SLOPE WITHIN CLEAR ZONE AND A 1 : 3 SLOPE MINIMUM OUTSIDE CLEAR ZONE UNLESS OTHERWISE INDICATED IN PLAN
8. 60' OF RIGHT OF WAY FOR THE MAJORITY OF THE PROJECT. SEE SEE CONSTRUCTION PLAN AND CROSS SECTIONS FOR EXACT RIGHT OF WAY LOCATION.

GENERAL NOTES:

- ALL CROSS SLOPES ARE EXPRESSED IN FT / FT
- UNLESS OTHERWISE SPECIFIED, THE GRADING GRADE CROSS SLOPES SHALL BE THE SAME AS THE FINISHED SURFACE OF THE MAINLINE.
- CONCRETE LANE WIDTH DIMENSIONS ARE MEASURED FROM JOINT TO JOINT
- BITUMINOUS AND AGGREGATE DIMENSIONS ARE MEASURED ACROSS SURFACE WIDTH

N

100 0 100 200 300

NO.	DATE	BY	DESCRIPTION

REVISIONS

CAMPION ENGINEERING SERVICES, INC.

● Civil Engineering ● Land Planning

1800 Pioneer Creek Center,
P.O. Box 249
Maple Plain, MN 55359
Phone: 763-479-5172
Fax: 763-479-4242
E-Mail: mcampion@campioneng.com

I hereby certify that this plan, specification or report has been prepared by me or under my direct supervision and that I am a duly licensed Professional Engineer under the laws of the State of Minnesota.

Martin P. Campion -Lic. # 19901 Date:

COUNTY MARKET

JEFF KEARNEY

DETAILS

SHEET NO. 2 OF 2 SHEETS

PROJECT NO: 13-011

DATE: 05/14/2013

CONTRACT NO. 2

Re: SE1/4 OF NW1/4 SEC 29 TWP 33 R 23 EX THAT PRT DESC AS FOL: BEG AT PT OF INTER OF W LINE OF T H NO 65 & N LINE OF CEDAR RD (NKA CSAH NO 22) SD PT BEING 49.5 FT W OF E LINE OF SD 1/4 1/4 & 33 FT N OF S LINE OF SD 1/4 1/4 TH N ALG W LINE OF SD T H NO 65 300 – Hereafter known as "Property A"

A discussion has taken place between the City of East Bethel, a municipal corporation under the laws of the State of Minnesota (the "City"), and East Bethel Properties, LLC (hereafter referred to as the "Developer") regarding Property A and the desire of East Bethel Properties, LLC to participate in improvements to their property at the same time and under the umbrella of the City of East Bethel specifically for the following:

ARTICLE 1 – WORK

The City has amended their agreement with Anoka County Highway Department for additional work and has agreed to an estimated contribution of $30,000 for additional roadway work beyond the muck excavation and backfill operations. This work includes Granular Backfill, Select Granular, Aggregate, and Bituminous paving for a right turn lane west of TH 65, on the north side of CSAH 22 that was requested by the City.

The City participation in construction engineering will be at a rate of eight percent (8%) of their designated construction share of $30,000. The estimated cost to the City for construction engineering is $2,400. In summary, the total estimated City share of this project is $32,400 (includes construction and construction engineering costs). This is an estimated construction cost, and the City will be billed for 95% of this amount after execution of a Joint Powers Agreement (**Joint Powers Agreement 2012-0597)** herein attached and included as part of this agreement.

The City shall also make payment to the County if it is determined that County staff will prepare the construction plan for the right turn lane addition. The County shall track personnel hours and bill accordingly.

Upon final completion of this work, the City's construction cost will be based on actual construction costs. If necessary, adjustments to the initial ninety five percent (95%) charged to the City will be made in the form of credit or additional charges to the City's share. Also, the remaining five percent (5%) of the City's portion of the construction costs shall be paid.

ARTICLE II – Payment

It is the Developer's responsibility to pay for 100% of the costs associated with JPA 2012-0597. The City shall bill the Developer at the time the project is completed and payment will be due to the City within 30 days of receipt by the Developer.

ARTICLE III – Failure to Comply with terms of this Contract

The Developer must execute an assessment agreement and waiver wherein the amount as outlined in JPA 2012shall be recorded and assessable to the property in the event of default according to the terms of the agreement.

This Agreement will be effective on _____ (which is the Effective Date of the Agreement).

OWNER:	DEVELOPER:
City of East Bethel	East Bethel Properties, LLC
By: _____	By: _____
Title: _____	Title: _____
[CORPORATE SEAL]	[CORPORATE SEAL]
Attest: _____	Attest: _____
Title: _____	Title: _____
Address for giving notices:	Address for giving notices:
City of East Bethel	_____
2241 221st Avenue NE	_____
East Bethel, MN 55011	_____

City of East Bethel
City Council
Agenda Information

* *

Date:
June 5, 2013

* *

Agenda Item Number:
Item 8.0 G.3

* *

Agenda Item:
City Hall Maintenance and Improvement Project

* *

Sponsor: City Administrator

Requested Action:
Consider approving the proposed improved access, security and maintenance improvements for City Hall

* *

Background Information:
The common areas of City Hall, Council Chambers, hall ways, foyer, lobby and conference rooms were painted in 2007. These are high use and traffic zones and are in need of drywall repair and repainting. In addition, there is a blackboard in the Booster West Conference that is outdated, is difficult to clean and is recommended to be replaced by a white board.

It is also proposed that a new service counter and a sliding window be installed in the wall on and adjacent to rear door to the City Hall offices. This would provide an improved and controlled entrance for those persons who are seeking building permits or doing business with the Building Department. Our current access to the Building Department is the door to the rear of City Hall offices and the window would eliminate the need for those seeking services to have to enter through the back of City Hall offices to find the appropriate person to address their needs.

* *

Attachments:
Site Plan
Bid Summary

Fiscal Impact:
The costs for these improvements including tax are $12,078.66 and would be funded from the Building Capital Improvement Fund. There are amounts in this fund to cover this activity.

* *

Recommendation(s):
This project would address the following issues:

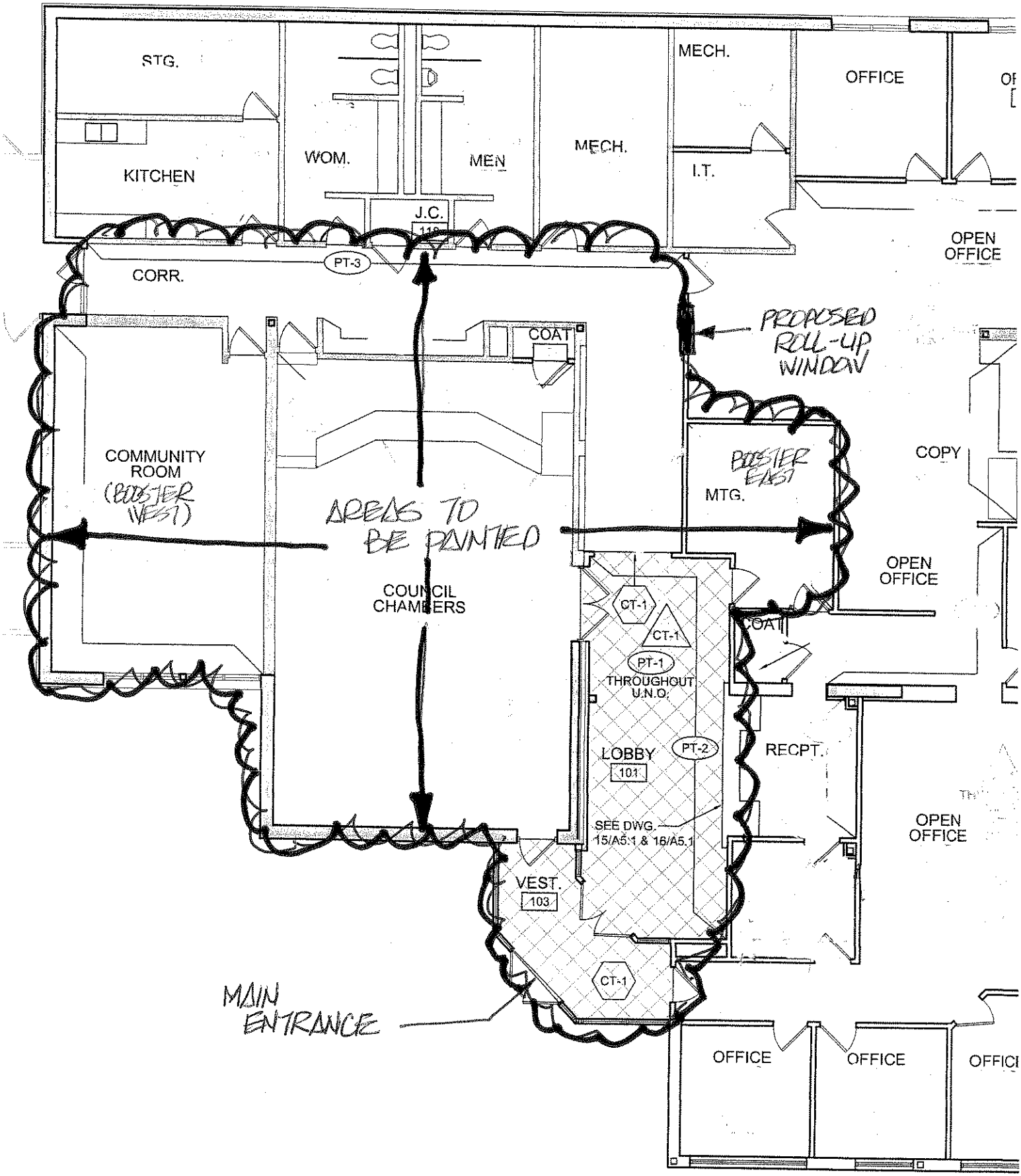
- Improved customer service with immediate access to a Department Official who would be stationed on the office side of the window
- Improved security for City Hall offices and the Audio-Visual Room
- Common Areas of City Hall would be approved in appearance

Staff recommends Council consider the approval of the painting of the common areas of City Hall, replacement of the blackboard in the Booster West Conference Room and the installation of a new service counter and a sliding window to service the Building Department at a cost not to exceed $12,078.66.

* * * *

City of East Bethel - City Hall Improvements

Painting				
Contractor	**Contractor Location**	**Description**	**Price**	**Accept**
Smith Brothers	Ham Lake, MN	City Hall Painting		
		Small Conference Room	335.00	
		Main Hallway	1,185.00	
		Back Conference Room	455.00	
		Council Chambers	760.00	
		Total	2,735.00	
		Includes prep, drywall repair, and 2 coat paint		
Finishing Touch Painters, Inc	Andover, MN	City Hall Painting	1,986.00	
		2 coats of paint	3,376.00	
		Did not break down separate rooms		
Wasche Commercial Finishes, Inc.	East Bethel, MN	City Hall Painting - 2 coats of paint or more as needed	2,990.00	
		Bid Alternate		
		repaint all existing hollow metal frames	1,200.00	
		Touch up metal frames	400.00	
		Touch up stain wood doors	400.00	
		Total	2,000.00	
Buillding Improvements				
Contractor	**Contractor Location**	**Description**	**Price**	
DCC, Inc.	Oak Grove, MN	New Service Counter with sliding window	7,631.00	
RAK Construction, Inc	East Bethel, MN	New Service Counter with sliding window	10,206.00	
DCC, Inc	Oak Grove, MN	handicap accessible restrooms, kitchen includes Booster East window	27,466.50	
RAK Construction, Inc	East Bethel, MN	handicap accessible restrooms, kitchen	29,669.00	
DCC, Inc	Oak Grove, MN	ADA upgrades - Main entrance and Senior Center	21,144.20	
RAK Construction, Inc	East Bethel, MN	ADA upgrades - Main entrance and Senior Center	12,536.00	
DCC, Inc.	Oak Grove, MN	Booster East window	475.00	
Rak Construction, Inc	East Bethel, MN	Booster East window	1,081.00	


STG.
KITCHEN
WOM.
MEN
J.C.
MECH.
MECH.
I.T.
OFFICE
OPEN OFFICE
CORR.
PT-3
COAT
PROPOSED ROLL-UP WINDOW
COMMUNITY ROOM (BOOSTER WEST)
AREAS TO BE PAINTED
COUNCIL CHAMBERS
BOOSTER EAST
MTG.
COPY
OPEN OFFICE
CT-1
CT-1
COAT
PT-1
THROUGHOUT U.N.O.
LOBBY
101
PT-2
RECPT.
SEE DWG. 15/A5.1 & 16/A5.1
OPEN OFFICE
VEST.
103
CT-1
MAIN ENTRANCE
OFFICE
OFFICE

City of East Bethel
City Council
Agenda Information

* *

Date:
June 5, 2013

* *

Agenda Item Number:
Item 9.0 D

* *

Agenda Item:
Closed Session- Attorney-client Privilege

* *

Requested Action:
Call a closed session under Minn. Stat. § 13D.05, subd. 3(b). to discuss threatened or pending litigation

* *

Background Information:

* *

Fiscal Impact:

* *

Recommendation(s):

* *

City Council Action

Motion by:_____ Second by:_____

_____

_____

_____

Vote Yes:_____ Vote No:_____

No Action Required:_____