

City of East Bethel

City Council Agenda

Regular Council Meeting – 7:30 p.m.

Date: September 19, 2012



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 Report**

Page 1 A. Sheriff's Report

7:40 PM **5.0 Public Forum**

7:55 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 6-9 A. Approve Bills

Page 10-22 B. Meeting Minutes, September 5, 2012, Regular Meeting

Page 23-30 C. Meeting Minutes, September 5, 2012, Work Meeting

Page 31 D. Approve Liquor Licenses for Smokey's Pub & Grill (formerly Coon Lake Tap & Grill dba: Purple Reign)

Page 32-33 E. Resolution 2012-56 Setting Public Hearing Date – Delinquent Accounts

F. Award Insurance Agent Services Contract

Page 34-35 G. Pay Estimate #1 to North Valley, Inc. for the Coon Lake Beach and Miscellaneous Overlay Projects

H. Acceptance of SCBA Compressor Bid

Page 36-37 I. Finishing Touch –Letter of Credit (LOC) #5465

New Business

7.0 Commission, Association and Task Force Reports

A. Economic Development Authority

8:00 PM B. Planning Commission

Page 38-44 1. Administrative Subdivision – Lot Line Adjustment for Charles Mossefin, Village Green Mobile Home Park

C. Park Commission

D. Road Commission

8.0 Department Reports

A. Community Development

B. Engineer

C. Attorney

D. Finance

E. Public Works

8:15 PM F. Fire Department

Page 45-48 1. Monthly Report

8:20 PM G. City Administrator
Page 49-53 1. Electronic Reader Board
Page 54-66 2. MnDOT Traffic Control Agreement

9.0 Other

8:40 PM A. Council Reports

8:50 PM B. Other

9:00 PM **10.0 Adjourn**



City of East Bethel City Council Agenda Information

Date:

September 19, 2012

Agenda Item Number:

Item 4.0 A

Agenda Item:

Monthly Sheriff's Report

Requested Action:

Information Only

Background Information:

Lt. Orlando will review the monthly statistics and report on activities for the month of August, 2012.

Fiscal Impact:

None

Recommendation(s):

Information Only

City Council Action

Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required: X



Payments for Council Approval September 19, 2012

Bills to be Approved for Payment	\$86,444.17
Electronic Payments	\$23,811.31
Payroll City Staff - September 14, 2012	\$28,011.51
Payroll City Council - September 15, 2012	\$1,636.07
Payroll Fire Department - September 15, 2012	\$8,992.48
Total to be Approved for Payment	\$148,895.54

City of East Bethel

September 19, 2012

Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
Arena Operations	Bldgs/Facilities Repair/Maint	082812	Wright-Hennepin Coop Electric	615	49851	21.32
Arena Operations	Professional Services Fees	49	Gibson's Management Company	615	49851	5,445.70
Arena Operations	Telephone	082812	CenturyLink	615	49851	113.38
Building Inspection	Electrical Permits	090112	Brian Nelson Inspection Svcs	101		614.25
Building Inspection	Motor Fuels	2100220	Lubricant Technologies, Inc.	101	42410	475.11
Building Inspection	Small Tools and Minor Equip	259199	Frankensigns Incorporated	101	42410	92.98
Building Inspection	Small Tools and Minor Equip	622409257001	Office Depot	101	42410	170.28
Central Services/Supplies	Cleaning Supplies	62145992001	Office Depot	101	48150	53.54
Central Services/Supplies	Information Systems	31233	Avenet, LLC	101	48150	450.00
Central Services/Supplies	Information Systems	216422	City of Roseville	101	48150	2,140.16
Central Services/Supplies	Office Equipment Rental	210579298	Loffler Companies, Inc.	101	48150	500.85
Central Services/Supplies	Office Supplies	622409458001	Office Depot	101	48150	18.39
Central Services/Supplies	Telephone	082812	CenturyLink	101	48150	237.98
City Administration	Office Supplies	622601112001	Office Depot	101	41320	12.45
Economic Development Authority	Professional Services Fees	91412	Teetzel, Jill	232	23200	190.00
Fire Department	Bldgs/Facilities Repair/Maint	082812	Wright-Hennepin Coop Electric	101	42210	5.32
Fire Department	Motor Fuels	2100219	Lubricant Technologies, Inc.	101	42210	393.03
Fire Department	Motor Fuels	2100220	Lubricant Technologies, Inc.	101	42210	755.83
Fire Department	Motor Vehicle Services (Lic d)	12531	Cedar Creek Automotive, Inc.	101	42210	459.28
Fire Department	Office Supplies	622601112001	Office Depot	101	42210	87.34
Fire Department	Professional Services Fees	071812	Michael Howe	101	42210	35.00
Fire Department	Repairs/Maint Machinery/Equip	146040	Clarey's Safety Equipment Inc.	101	42210	248.14
Fire Department	Safety Supplies	54782	Fire Safety USA, Inc.	101	42210	290.00
Fire Department	Telephone	082812	CenturyLink	101	42210	410.24
Fire Department	Travel Expenses	060812	Dan Meinen	231	42210	346.08
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	14868	GHP Enterprises, Inc.	101	41940	368.72
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	455408-08-31	Premium Waters, Inc.	101	41940	41.21
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	120738	Robert B. Hill Company	101	41940	19.24
Legal	Legal Fees	08 2012	Eckberg, Lammers, Briggs,	101	41610	7,832.59
Mayor/City Council	Dues and Subscriptions	168437	League of MN Cities	101	41110	9,530.00
Mayor/City Council	Professional Services Fees	12-348	North Suburban Access Corp	101	41110	120.00
Park Capital Projects	Bldgs/Facilities Repair/Maint	125600000	E.H. Renner & Sons, Inc.	407	40700	10,514.00
Park Capital Projects	Bldgs/Facilities Repair/Maint	9906219994	Grainger	407	40700	267.54
Park Capital Projects	Park/Landscaping Materials	8507525	TrueNorth Steel	407	40700	492.00
Park Maintenance	Bldg/Facility Repair Supplies	62447947	John Deere Landscapes	101	43201	24.53
Park Maintenance	Bldg/Facility Repair Supplies	62515405	John Deere Landscapes	101	43201	58.62
Park Maintenance	Clothing & Personal Equipment	470101788	Cintas Corporation #470	101	43201	48.03
Park Maintenance	Clothing & Personal Equipment	470121061	Cintas Corporation #470	101	43201	48.03
Park Maintenance	Clothing & Personal Equipment	470124248	Cintas Corporation #470	101	43201	48.03
Park Maintenance	Clothing & Personal Equipment	470127435	Cintas Corporation #470	101	43201	48.03
Park Maintenance	Equipment Parts	03 3070493	Isanti County Equipment	101	43201	127.64
Park Maintenance	Heating Fuels/Propane	104098	River Country Cooperative	101	43201	14.99
Park Maintenance	Motor Fuels	2100219	Lubricant Technologies, Inc.	101	43201	755.83
Park Maintenance	Motor Fuels	2100220	Lubricant Technologies, Inc.	101	43201	647.86
Park Maintenance	Other Equipment Rentals	57236	Jimmy's Johnnys, Inc.	101	43201	812.56
Park Maintenance	Professional Services Fees	91412	Teetzel, Jill	101	43220	45.00
Park Trails Capital Projects	Park/Landscaping Materials	15101	Bjorklund Companies, LLC	410	41000	684.44

City of East Bethel

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Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
Payroll	Union Dues	09 2012	MN Teamsters No. 320	101		602.00
Planning and Zoning	Professional Services Fees	564	Flat Rock Geographics, LLC	101	41910	410.06
Planning and Zoning	Professional Services Fees	91412	Teetzel, Jill	101	43220	155.00
Police	Professional Services Fees	47052	Gopher State One-Call	101	42110	13.05
Police	Professional Services Fees	08 2012	Gratitude Farms	101	42110	991.09
Recycling Operations	Other Advertising	79378	Catalyst Graphics, Inc.	226	43235	490.00
Recycling Operations	Other Equipment Rentals	57236	Jimmy's Johnnys, Inc.	226	43235	55.58
Recycling Operations	Professional Services Fees	09 2012	Cedar East Bethel Lions	226	43235	1,000.00
Sewer Operations	Bldgs/Facilities Repair/Maint	082812	Wright-Hennepin Coop Electric	602	49451	24.53
Sewer Operations	Chemicals and Chem Products	3379057 RI	Hawkins, Inc	602	49451	747.75
Sewer Operations	Chemicals and Chem Products	3379961 RI	Hawkins, Inc	602	49451	5.00
Sewer Operations	Professional Services Fees	81563	Utility Consultants, Inc.	602	49451	492.50
Street Capital Projects	Improvements Other Than Bldgs	02-596-15	Anoka County Hwy Dept	406	40600	26,010.49
Street Capital Projects	Street Maint Materials	8507525	TrueNorth Steel	406	40600	1,415.72
Street Maintenance	Bldg/Facility Repair Supplies	80301	Menards Cambridge	101	43220	236.08
Street Maintenance	Bldg/Facility Repair Supplies	6798	Quality Sales & Service, Inc.	101	43220	88.27
Street Maintenance	Bldgs/Facilities Repair/Maint	470101788	Cintas Corporation #470	101	43220	27.06
Street Maintenance	Bldgs/Facilities Repair/Maint	470121061	Cintas Corporation #470	101	43220	27.06
Street Maintenance	Bldgs/Facilities Repair/Maint	470124248	Cintas Corporation #470	101	43220	27.06
Street Maintenance	Bldgs/Facilities Repair/Maint	470127435	Cintas Corporation #470	101	43220	27.06
Street Maintenance	Bldgs/Facilities Repair/Maint	455408-08-31	Premium Waters, Inc.	101	43220	41.21
Street Maintenance	Bldgs/Facilities Repair/Maint	082812	Wright-Hennepin Coop Electric	101	43220	21.29
Street Maintenance	Clothing & Personal Equipment	470101788	Cintas Corporation #470	101	43220	47.44
Street Maintenance	Clothing & Personal Equipment	470121061	Cintas Corporation #470	101	43220	47.44
Street Maintenance	Clothing & Personal Equipment	470124248	Cintas Corporation #470	101	43220	47.44
Street Maintenance	Clothing & Personal Equipment	470127435	Cintas Corporation #470	101	43220	47.44
Street Maintenance	Equipment Parts	246640	S & S Industrial Supply	101	43220	6.99
Street Maintenance	Equipment Parts	01 1107049	Scharber & Sons	101	43220	83.51
Street Maintenance	Motor Fuels	2100219	Lubricant Technologies, Inc.	101	43220	1,874.46
Street Maintenance	Motor Fuels	2100220	Lubricant Technologies, Inc.	101	43220	280.74
Street Maintenance	Motor Vehicles Parts	10103926	Aspen Equipment	101	43220	82.68
Street Maintenance	Motor Vehicles Parts	668805	Boyer Ford Trucks	101	43220	28.07
Street Maintenance	Motor Vehicles Parts	FP147162	Crysteel Truck Equipment	101	43220	46.76
Street Maintenance	Motor Vehicles Parts	1390523	Force America, Inc.	101	43220	166.48
Street Maintenance	Motor Vehicles Parts	1539-167171	O'Reilly Auto Stores Inc.	101	43220	127.06
Street Maintenance	Motor Vehicles Parts	1539-168039	O'Reilly Auto Stores Inc.	101	43220	145.04
Street Maintenance	Motor Vehicles Parts	1539-169770	O'Reilly Auto Stores Inc.	101	43220	42.27
Street Maintenance	Office Supplies	621863711001	Office Depot	101	43220	34.27
Street Maintenance	Professional Services Fees	91412	Teetzel, Jill	101	43220	55.00
Street Maintenance	Repairs/Maint Machinery/Equip	213973	Lano Equipment, Inc.	101	43220	711.46
Street Maintenance	Shop Supplies	2507397	Dalco	101	43220	155.06
Street Maintenance	Shop Supplies	9906219986	Grainger	101	43220	268.21
Street Maintenance	Sign/Striping Repair Materials	TI-0250623	Newman Signs	101	43220	2,194.48
Street Maintenance	Sign/Striping Repair Materials	TI-0252493	Newman Signs	101	43220	(731.51)
Street Maintenance	Sign/Striping Repair Materials	TI-0252846	Newman Signs	101	43220	932.19
Street Maintenance	Street Maint Materials	124398	City of St. Paul	101	43220	216.19
Street Maintenance	Telephone	082812	CenturyLink	101	43220	68.63

City of East Bethel

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Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
Street Maintenance	Tires	206770	PTL Tire & Automotive Ctr	101	43220	21.44
Water Utility Operations	Bldgs/Facilities Repair/Maint	75329	Menards Cambridge	601	49401	196.89
Water Utility Operations	Bldgs/Facilities Repair/Maint	76134	Menards Cambridge	601	49401	87.16
Water Utility Operations	Bldgs/Facilities Repair/Maint	082812	Wright-Hennepin Coop Electric	601	49401	26.67
Water Utility Operations	Telephone	082812	CenturyLink	601	49401	110.81
						\$86,444.17
Electronic Payments						
Payroll	PERA					\$5,098.56
Payroll	Federal Withholding					\$5,310.92
Payroll	Medicare Withholding					\$1,621.34
Payroll	FICA Tax Withholding					\$5,814.39
Payroll	State Withholding					\$2,030.28
Payroll	MSRS					\$3,935.82
						\$23,811.31



City of East Bethel City Council Agenda Information

Date:

September 19, 2012

Agenda Item Number:

Item 6.0 A-I

Agenda Item:

Consent Agenda

Requested Action:

Consider approving Consent Agenda as presented

Background Information:

Item A

Bills/Claims

Item B

Meeting Minutes, September 5, 2012 Regular City Council

Meeting minutes from the June 6, 2012 Regular City Council Meeting are attached for your review and approval.

Item C

Meeting Minutes, September 5, 2012 Work Meeting

Meeting minutes from the September 5, 2012 Work Meeting are attached for your review and approval.

Item D

Approve Liquor Licenses for Smokey’s Pub & Grill (formerly Coon Lake Tap & Grill dba: Purple Reign)

The Liebel Raymond Group, Inc. has applied for an On Sale, Sunday and Off Sale liquor license for the bar known as Purple Reign at 552 Lincoln Drive NE. The applicants, if approved, have proposed to rename the establishment Smokey’s Pub & Grill.

All fees have been paid, background checks are being performed on all three owners of “Liebel Raymond Group, Inc.” by the Anoka County Sheriff’s Office and all forms have been submitted. An insurance binder has been submitted, but a certificate of insurance coverage will need to be submitted before the license can be granted.

The applicants are working with the health department and all other county and state departments to make sure the premise is in good working conditions.

Staff recommends approval of an On Sale, Sunday and Off Sale liquor license for Liebel Raymond Group, Inc. dba: Smokey’s Pub & Grill at 552 Lincoln Drive NE, East Bethel, MN

55092 with the conditions that the background checks are completed satisfactorily, and a certificate of insurance coverage is submitted to City Hall. The License period will be effective October 3, 2012 (contingent on all conditions being met) until the next renewal period, June 30, 2013.

Item E

Resolution 2012-56 Setting Public Hearing Date – Delinquent Accounts

Collection of unpaid bills through the property tax system is provided for in the East Bethel Code of Ordinances, Chapter 74, Sec. 74-126 (b) for unpaid utility bills, Chapter 30, Sec. 30-15 for unpaid emergency services and Chapter 26, Sec. 26-41 and 26-91 (c) for unpaid property clean up and nuisance abatement charges. The ordinance also provides an opportunity to delinquent customers for a public hearing before the final certification of delinquent amounts owed to their property taxes. Council must establish a certification cutoff date each year that will determine the appropriate certification amounts.

Resolution 2012-56 provides the delinquent accounts and amounts owed assuming a certification cutoff date of September 21, 2012. Notices of the public hearing will be sent on September 24, 2012 with a public hearing date of November 7, 2012. Amounts remaining unpaid by November 15, 2012 will be certified to the auditor in the Recipients County for collection on property taxes. Affected property owners have until October 19, 2012 to request to be heard before Council at the Public Hearing. Certification is frequently the only collection method available to the City to collect these unpaid amounts.

Item F

Award Insurance Agent Services Contract

The City's existing insurance agency agreement with Bearence Management Group expires at the end of 2012. The insurance agent services RFP was approved by Council at the June 20, 2012 meeting with direction to solicit quotes for this service. The deadline for responses was July 20, 2012. The RFP was posted on the City's website, the LMC website, and advertised in the Anoka County Union.

Insurance agent services are required as pursuant to statute; the City must have an agent to solicit quotes and actually place the policy. The LMC does not and has not offered these services. Four proposals were received from various firms. Staff has analyzed all of the proposals and is recommending approval of a contract to provide insurance agent services for the City with Bearence Management Group. One proposal for the three year contract cost was lower than Bearence Management Group, but their firm does not currently provide property/casualty insurance agent services to any Minnesota municipality. The other three firms that submitted proposals all have multiple Minnesota governmental clients and Bearence Management Group's proposal was the lowest cost for the three year period. Their proposal for the three year period is a total of \$19,500. Bearence Management Group has been the City's insurance agent for the past six years and has provided excellent service.

Staff recommends award of the insurance agent services to Bearence Management Group.

Item G

Pay Estimate #1 to North Valley, Inc. for the Coon Lake Beach and Miscellaneous Overlay Projects

This item includes Pay Estimate #1 to North Valley, Inc. for the Coon Lake Beach and Miscellaneous Overlay Projects. This pay estimate includes payment for bituminous pavement reclamation, drain tile installation and bituminous pavement in the Coon Lake Beach plat. Staff

recommends partial payment of \$287,011.69. A summary of the recommended payment is as follows:

Total Work Completed to Date	\$ 302,117.57
Less 5% Retainage	<u>\$ 15,105.88</u>
Total payment	\$ 287,011.69

Payment for this project will be financed from the streets capital fund. Funds are available and appropriate for this project. A copy of Pay Estimate #1 is attached.

Item H

Acceptance of SCBA Compressor Bid

The 2012 Fire Department Operating Budget, item 540, includes the purchase of a Self Contained Breathing Apparatus (SCBA) Compressor. Staff has obtained four bids to replace the existing 25 year old compressor. The SCBA Compressor is used to fill breathing air bottles of our Self Contained Breathing Apparatus. A SCBA Compressor is quite different from a shop air compressor and needs filters and carbon monoxide indicators and produces 6,000 psi for proper breathing air bottle filling.

The four bids are:

North Shore Compressor	\$ 11,585
Alex Air	\$ 17,946
Clarey's	\$ 16,573
Metro Fire	\$ 16,772

The budgeted amount for the replacement SCBA compressor is \$ 16,000.00

Staff recommends Council approve the purchase of the SCBA Compressor from North Shore Compressor, plus shipping of \$ 1,000.00, installation of \$ 750.00, and sales tax of \$881.00 for a total of \$ 14,216.00.

The new SCBA Compressor will bring us in compliance with OSHA noise protection and provide explosion control. The proposed Compressor is also compatible with our current equipment used for filling of our air bottles.

Item I

Finishing Touch –Letter of Credit (LOC) #5465

On October 20, 2010, a Landscape Plan Performance Agreement was executed between Gerald Shern and the City of East Bethel. The agreement states that all landscape plantings must be completed by June 15, 2011 and all landscaping work must be alive, showing good growth and that it is well established at the end of one full growing season after planted for the Finishing Touch site.

Letter of Credit #5465 in the amount of \$21,045.00 was submitted to ensure compliance with the terms of the agreement. City staff sent Mr. Shern a letter on September 23, 2011 indicating that the landscaping had not been completed and allowed Mr. Shern the option to extend the Letter of Credit for an additional year, expiring on October 1, 2012, to guarantee that landscape planting would be completed in 2012.

Staff has forwarded another letter to Mr. Shern advising that the landscaping needed to be completed prior to release of the letter of credit. If he failed to make the necessary

improvements, the City would contract with an outside vendor to make the necessary improvements.

As of September 14, 2012 the improvement items have not been completed.

A copy of the letters to Mr. Shern, dated September 23, 2011 and September 13, 2012, are attached for your reference.

Staff recommends that the letter of credit for the landscape work at Finishing Touch be allowed to expire only upon the successful completion of all work identified in the Landscape Plan Performance Agreement and that the outstanding escrow balance be paid in full. Staff further recommends that council authorize staff to draw down on Letter of Credit #5465 if the work is not completed and approved by September 21, 2012.

Fiscal Impact:

As noted above

Recommendation(s):

Recommend approval of the Consent Agenda as presented.

City Council Action

Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required:_____

EAST BETHEL CITY COUNCIL MEETING

September 5, 2012

The East Bethel City Council met on September 5, 2012 at 7:30 PM for their regular meeting at City Hall.

MEMBERS PRESENT: Bob DeRoche Richard Lawrence Heidi Moegerle
Steve Voss

MEMBERS EXCUSED: Bill Boyer

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

Call to Order **The September 5, 2012 City Council meeting was called to order by Mayor Lawrence at 7:30 PM.**

Adopt Agenda **Moegerle made a motion to adopt the September 5, 2012 City Council Agenda. Voss 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.

Mike Goetz, 21945 Washington Street NE, "I was in the process this spring of looking into building a pole barn but I have 1.25 acres. I was talking to Stephanie Hanson and Emmanuel the inspector. And I know they don't work here anymore. But, they gave me the okay to build, but I waited until fall for a better price. I talked to Nick Schmitz and he told me that is not going to happen now. I am looking to see why I need that three acres for a pole barn?"

Voss asked did you actually submit a building application last spring? Goetz, "No, I didn't talk to him. I talked to Stephanie Hanson and Emmanuel the building inspector and he gave me a pamphlet. And so I got prices for a pole barn and a garage and it was triple the price. And so I came back and asked them why? And I told them it is a three year warranty on the pole barn, it is maintenance free and it looks just as good if I get the two-tone and make it match the house. I don't have the shingles you have to replace every so often and the paint.

Lawrence, "Did you get a permit at that time?" Goetz, "I did not." Lawrence, "Do you have any documentation that shows they approved this?" Moegerle, "Do you live in an overlay district and you have the 1.25 acres?" Goetz, "I have 1.25 acres." Moegerle, "But you are not in a shoreland overlay district or any of that?" Goetz, "Not that I know." Moegerle, "Davis can you look into this or do you know about this?" Davis, "I think the code requirement says you have to have three acres to have a pole barn. Unless there is a variance given or a special consideration." Moegerle asked Goetz, "So, would you apply for a variance?" Goetz, "I was told it is \$400 for a variance and I don't get my money back. I don't know if it is worth it? I don't understand why you have to have three acres up here, compared to one acre. I understand the size wise would make sense because it is over you land. But, I don't understand the reason for having three acres. If I had three acres I could still put it just behind my house, not hidden. You are still going to see the pole barn."

DeRoche, "How many acres is that guy have behind Corner Express? He put up a house and a pole barn." Davis, "I think that was done before the zoning change." Voss said that is

probably a bigger lot because it is on a cul-de-sac. It is a pie shaped lot and I would guess it is three acres. Voss said it doesn't matter what staff says. It was a miscommunication. The ordinance says three acres and no one other than Council can change that.

Moegerle, "Yes, but you go through variance and there is notification to your neighbors and those kinds of things. We can't arbitrarily deny it." Voss said but even with that too, just so you understand (he asked the City Attorney to expound on this) there are guidelines on when we can grant a variance. Vierling, "The standard has changed to what we now call practical difficulty. A variance is the exception. There still has to be a reasonable basis for the Council of why they should deviate on your property from somebody else's that might be similarly situated. So you are right, there is no guarantee. It is an opportunity you have to make a pitch to the Council to see if they will vary or deviate from their guideline which is in their ordinance. Notwithstanding the change from undue hardship, from practicable difficulties, it is still the exception, not the rule. So there has to be really a good reason for them to deviate from that. In the past it has always been because there is some unique feature to the property that sets it aside from other properties in the area. I don't know if that applies or doesn't apply to your situation. But it is not simply walking in and saying "I want one" and then here it is. Only you can make that decision if you want to invest that time and money into it, it is your call."

Lawrence, "I think the guidelines are set up just because of lot size. We are trying to not allow pole barn structures on these small lots. For the reason that a pole barn is usually referred to as being used for something bigger than parking your car in it. I think that is how this came about that you had to have at least a three acre lot. If you were stick building it, I am sure you could do that without a problem."

Moegerle, "One question that might help is the size of the lots surrounding you. Part of this is, you don't want this crammed in, a shoe-horned property. If there are big pieces of property surrounding you, that might emulate some of that packed in sense of that." Goetz, "There is a little part of land (not for sale) next to me that you own between me and a neighbor. I heard you wouldn't sell it because you were going to build a road on it. But, there are houses behind it and no way to build a road." Moegerle, "I think you need to come in and see the city administrator about this." Voss said if that is the case it is a city right-of-way. Goetz, "Do you think you will still be doing something with that?" Davis, "I am not sure the city owns that property." Voss asked the city attorney if it is a right-of-way, the city doesn't even really own it right? Vierling, "The city controls the right-of-way. But, it owns it for the benefit of the public and they don't have the right to sell it." Davis, "The only way we can dispose of right-of-way is to vacate it. And then if we vacate it, it goes to the adjoining property owners." Voss said but by looking at that, it will not get you the three acres. It is not even close.

Moegerle, "I do think you should come in and sit down with Mr. Davis and go over some of these things. And then he can come back and give us some details of what you are looking at." Voss said well really, it is a staff decision of whether it is a variance or not. If it is a variance it will go to the Planning Commission for a public hearing and then here where we decide whether or not to grant the variance. Lawrence, "It is about a three month process." Voss said, and just so you know from what I remember in the past. The variances on pole buildings (we haven't had any for a long time) it has always been close to three acres. You are not even half of that. It is a tough sell. Goetz, "I talked to my neighbors about it and they said it would be fine. One of my neighbors has a pole building."

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

Consent
Agenda

Voss made a motion to approve the Consent Agenda including: A) Approve Bills; B) Meeting Minutes, August 15, 2012, Regular Meeting; C) Meeting Minutes, July 23, 2012, Special Meeting; D) Meeting Minutes, July 23, 2012, Work Meeting; E) Meeting Minutes, August 1, 2012 Work Meeting; F) Meeting Minutes, August 6, 2012, Special Meeting; G) Meeting Minutes, August 6, 2012, Work Meeting; H) Res. 2012-50 Proclaiming September 17-23, 2012 as Constitution Week; I) Res. 2012-51 Adopt-A-Park Rod and Norma Smith Park; J) Pay Estimate #15 S.R. Weidema for Phase 1, Project 1, Utility Improvements; K) Pay Estimate #6 Municipal Builders for Water Treatment Plant No. 1; L) Approve Hire of Cable Technician. DeRoche seconded; all in favor, motion carries.

2013 Budget
Discussion

Davis explained that budget work sessions were held in July and August 2012. The budget review was not completed during the work sessions and a work meeting was scheduled before tonight's meeting.

Prior to September 15, 2012 the City Council must adopt a preliminary budget and levy for 2013 to be provided to the Anoka County Auditor. The preliminary levy will be used to provide property taxpayers with parcel specific notices in November for pay 2013 taxes. The final 2013 Budget and levy are then adopted by City Council in December. The final levy adopted in December 2012 cannot be increased from the preliminary levy, but can be reduced.

Changes to the 2013 proposed budget are proposed as follows:

City Assessor Department

307-Professional Services

Approved:	\$151,700
Proposed:	\$150,000
Increase:	\$ 1,700

Reflects new agreement approved at the August 1, 2012 City Council meeting.

Transfers Out & Contingency

999-Contingency-On Call (Standby) Pay

Approved:	\$ 0
Proposed:	\$ 7,125
Increase:	\$ 7,125

Reflects 1 hour of pay per day for staff that are required to be on call or standby during the work week (includes FICA, Medicare & PERA expense).

To make provisions for these proposed and potential changes, which increase the General Fund budget \$8,825, General Fund budgeted expenditures would increase by .18%. A General Fund levy of \$4,223,907. The General Fund proposed levy is \$32,437 or .77% more than last year's levy.

To service existing debt, a market based debt levy of \$149,638 is required to meet the debt service requirements for the 2005A Public Safety Bonds issued for the fire station and the weather warning sirens and a tax capacity based debt levy of \$180,000 is required to meet the debt service requirements for the 2008A Sewer Revenue Bonds.

The total property tax levy amount proposed is \$4,553,545 or an increase of 1.26% over last year's levy.

Discussion during work sessions has included the following items that have not been included in the proposed 2013 budget:

City Council: Reimbursable allowance of \$800 for each council member and the mayor for computer/software purchase for electronic packets. Total cost \$4,000. Over a four year term we would realize a savings of \$14,000. This is based on the cost of \$3,600 a year to produce the packet.

Also not included was the Fireworks for Booster Day at a cost of \$2,500. If these two items are approved they would have to be added to the budget.

Staff is requesting review of the proposed 2013 budget and approval of preliminary budget for submission to the Anoka County Auditor.

Moegerle adopt the preliminary budget shown on page on page 62, with the addition of \$4,000 which is the reimbursable allowance of \$800 for each Council Member and the Mayor for computer/software purchase for electronic packets and specific omission of the fireworks in the amount of \$2,500 which should be allocated out of the EDA Budget. Voss seconded for discussion.

Voss said the \$4,000 for electronic packets, as I understand this basically it is so that you each have a tablet? Davis, "So that they can have a laptop or can purchase software if you have an existing laptop." Moegerle, "You don't just get the money. You have to submit a bill and then get reimbursed." Voss asked is that something that the three of you want to move forward with? It is important that you have that? Because it is also something that the Council Members then own, right? Davis, "Yes, the Council Members will own them, that is correct." Lawrence, "The reason we looked at electronic is the overall savings over the years. I think in three years there would be a \$14,000 savings." Voss said I understand that. If you are all in support of it, then my suggestion is since it is just a one-time thing. Why not make it part of the compensation that we already have? Because essentially what we are doing is increasing the compensation of Council Members by \$800.

Moegerle, "It is a reimbursed business expense." Voss said it is taxable income. Moegerle, "If you spend it on software so you can do your job as a Council Member, which seems to me that it is a business expense." Vierling, "I think you should check with CPA, I am sure you can expense it. Because you are still getting income. So, this is an income generating activity. Just as you can draw or expense your mileage coming to and from Council meetings." Voss said I understand that there is the potential for cost savings. But it is also personal equipment; obviously we are going to have to pay taxes on it. Vierling, "That will depend on the price and your pay that you generate from this activity. Whether or not it reaches the IRS threshold of something that needs to be expensed in the year."

Voss asked so what happens with software or hardware in three years' time and it has to be replaced? Is it something the Council continually provides an expense report for? Davis, "The policies we have looked at from other cities are this is a one-time expenditure for the Council Member for their term. Or the Mayor for their two year term. Per term. Technically, by the end of a four year term, the laptop will have a value of -0-." Moegerle, "But the savings will be considerable." Davis, "Yes the savings, it costs us about \$3,600 a year to do

packets. That is paper, labor, everything.” Voss said you are still going to have to put the packets together electronically, correct? Davis, “When we calculated time doing this, we calculated the time doing the copying and collating the packets, putting them together. We didn’t include the time working on the computer.”

Lawrence, “How are we handing the on-call now?” Davis, “We are currently only paying for the weekend. We probably need to cover those costs because we are requiring them to work without compensation.” Lawrence, “So when you are on-call, you are anticipating they are going to show up if they get a call. So whether they are working or not they are going to get paid? Is that what you are saying?” DeRoche, “If they don’t come in they don’t get paid.” Davis, “That is correct, it is part of the inconvenience thing. But, if we call them and they don’t come in, that would be a discipline thing. If they come in, then they get paid for the time they work.” Lawrence, “When they stay at home they get paid full-time?” Voss said one hour.

DeRoche, “My problem with the proposal is I think the \$2,500 needs to be in there for the fireworks.” Moegerle, “It can be through the EDA Budget which was what my motion was.” DeRoche, “I think it should go in through general fund because then for whatever reason the EDA decides no, then.” Moegerle, “Here is my rationale. Again, I don’t like giving money away without some responsibility. And so far we have given them the \$2,500 and I don’t know that there have been any requirements with regard to any attendance or those kinds of things. What I am saying is the Booster Day Committee and the EDA need to be working closer together. And that has already been discussed at the EDA meetings. You can say, “Okay Booster Day Committee here is the \$2,500 this is a value that Council or the community believes in. However, we need to have less unhappy vendors rather than what has been reported to us. Or we have some suggestions. Not that it is a quid pro quo, but at least we want to have some standards because many, many, many people think Booster Day is put on by the city. And in many respects that appearance is fostered by the fact, we have many employees who volunteer their time to be there. I think the City is right to have some expectations from the Booster Day Committee other than just handing them \$2,500 and saying, “Go get fireworks.”

DeRoche, “I don’t like that fact that the EDA, it is a control issue in my mind. If somebody gets an attitude, whether we are on here or not, and then it is “Well Booster Day Committee you are under our thumb now.” I don’t like that. I think the \$2,500 is well spent. I was there all night and I watched and talked to people from all over the place. This is pretty cheap advertising.” Voss said to Moegerle, you made a comment that, just to paraphrase it: “People think Booster Day is put on by the City.” I think that is one of the strong benefits of having Booster Day Committee do this is having the appearance that it is put on by the City. Because it is a City celebration. One day of the year we have this celebration. Voss said whether or not the EDA is micromanaging the Booster Day Committee is still the fact that it is still a civic celebration. And we are trying to preserve kind of one of the keys of Booster Day, the fireworks. If the fireworks go away, you just cut 30% of the people.

Moegerle, “I am conceding the \$2,500, and I will stick by that the EDA does that. But, because there is the perception that it is put on by the City, then the City should have some say about some things. The EDA has pointed out some ideas such as; we would like to have a food vendor over by the lawn tractor pull. Because there was no food over there, there was beer but no food. And there was an unhappy vendor because they couldn’t sell all the things they normally sell, and they could have been over there. There needs to be a closer relationship between the EDA (which is important for economic development/community

development where we are trying to get civic engagement) and as Council Member Voss has just said, this is the big deal for East Bethel. To make it the best, then I think it is a more collaborative effort spread over more people that want that civic engagement.

Voss said all you are doing is adding another layer of government on top of this. You are asking for EDA Commission to govern what the Booster Day Commission does. Can't you achieve the same goal by being the Council Liaison on the Booster Day Committee? If you want that input and control over what the committee does, why can't you just be a liaison on that committee? Moegerle, "Why doesn't the Booster Day liaison with the EDA?" Voss said why would they? Moegerle, "Because we are in the same boat together trying to develop the City." Voss said the Booster Day Committee is trying to put on a celebration and you are stating things should be done this way and that is micromanaging. Moegerle, "Why do we want to have a Booster Day Committee that is not answerable to anyone with the City and can do whatever they want? If Booster Day fails, who has egg on the face? That Committee? No, the City. And that is the problem." Voss said so you have a problem with what the Booster Day Committee has been doing all these years? Moegerle, "What I am saying is, if that happens, in that circumstance, it is the City that bears the egg on the face. So the point is that there should be input from the City and if we are putting \$2,500 into that which is 50% of the fireworks why can't the EDA have some input?" Voss said so in exchange for the contribution, rather than have this come out of general fund, you want the EDA to have the control over what the Booster Day Committee. Moegerle, "I am not saying control; I want them to work together." Voss said no, because if that money wasn't there would EDA be doing the same thing? Moegerle, "I am the president and I make that commitment that the \$2,500 would be there." Voss asked how can you make that commitment from EDA? Moegerle, "I would not oppose it, and I am opposed to it in general. I am retracting that opposition."

Lawrence amended the motion to include the fireworks from the general fund in the amount of \$2,500 because I feel it is important for the City to back up the Booster Day Committee. DeRoche seconded. Moegerle, "I don't accept the amendment. I know I don't have to, but I don't accept the amendment." Vierling, "The voting protocol is on the proposed amendment first and then whether or not that passes, we will go back to the main motion." **Moegerle, nay, DeRoche, Lawrence and Voss, aye, motion carries.**

Voss said one thing that wasn't included was the transfer out for contingency that staff requested in the write up. That is not in the budget right now, correct? Davis, "That contingency is in the budget." Voss asked and so is the assessor? Davis, "That is correct."

Vote is now on the main motion as amended. **Moegerle, nay; DeRoche, Lawrence and Voss, aye; motion carries.**

Resolution
2012-52 Set
Final Levy &
Budget Date

Davis explained that the legislature requires that on or before September 15, 2012, at the regularly scheduled meeting at which the City Council adopts a preliminary levy, the City Council must also announce the time and place of the City Council meeting at which the budget and final property tax levy will be discussed and adopted.

Resolution 2012-52 sets the date for Wednesday, December 5, 2012 at 7:30 p.m. at City Hall for discussion and adoption of the final budget and tax levy for 2013.

Staff recommends adoption of Resolution 2012-52 approving the date of Wednesday, December 5, 2012 at 7:30 p.m. at City Hall for discussion and adoption of the Final Budget

and Tax Levy for 2013. Further, that a copy of the adopted resolution be transmitted to the County Auditor.

Moegerle, "I have a point of clarification. We were talking during the work meeting about the \$200,000 on the infrastructure project. Are we going to get to that separately from all of this or how is that going to be dealt with?" Davis, "We can and now would be the time to entertain that before we go ahead and do this. We can pass this resolution. The other resolutions can be contingent on what we do as far as the numbers in there. I think we can go ahead and pass them and then amend them later. The dollar amounts would reflect any changes that we do for the budget discussions. If you want to move through these and approve these resolutions and then we can go back and finish up with the bond issue." Voss said my only question on the bond issue is and dealing with that amount is whether or not we take it out of the proposed levy or whether or not we increase the levy to cover those costs. Davis, "That is correct." Voss said so if we pass a levy it has to come out of that levy. Davis, "That is correct." Voss asked which resolution are we on? Davis, "We are on 2012-52.

Moegerle made a motion to adopt Resolution 2012-52 Setting the Date for Final Budget and Tax Levy Hearing for Wednesday, December 5, 2012 at 7:30 p.m. at City Hall. DeRoche seconded. Voss said I thought in the past we set that meeting earlier so we had time for residents to speak. Davis, "We do have another Council meeting in case anything needs to be taken care of." Voss said he was just thinking time wise, but we don't have long agendas anymore either. **All in favor, motion carries.**

Resolution
2012-53
Set the
Preliminary
Levy &
Budget 2013

Davis explained that Council, through its discussions at City Council meetings and work sessions in July and August, has directed that the preliminary property tax levy for 2013 be set such that funds are available to accomplish the goals and objectives Council has identified.

The proposed 2013 General Fund budget is \$8,825 more than the 2012 budget or an increase of .18%. A General Fund levy of \$4,223,907 is necessary. The General Fund proposed levy is \$32,437 or .77% more than last year's levy.

To service existing debt, a market based debt levy of \$149,638 is required to meet the debt service requirements for the 2005A Public Safety Bonds issued for the fire station and the weather warning sirens and a tax capacity based debt levy of \$180,000 is required to meet the debt service requirements for the 2008A Sewer Revenue Bonds.

The total property tax levy amount proposed is \$4,553,545 or an increase of 1.26% over last year's levy. Resolution 2012-53 provides for this property tax levy.

Staff recommends adoption of Resolution 2012-53 approving the preliminary property tax levy for 2013 at \$4,553,545 and setting the preliminary General Fund and Debt Service Budgets at \$4,804,723 and \$1,619,444 respectively. Further, that a copy of the approved resolution be transmitted to the County on or before September 15, 2012.

Voss made a motion to adopt Resolution 2012-53 Setting the Preliminary Levy and Budget for 2013 as presented with the additional expenditure of \$6,500 to cover two items we just added to the budget. Davis, "We can absorb that in the contingency." Voss said his motion is not to take it out of contingency, it is an additional expenditure. **Change to General Fund and Debt Service Budgets at \$4,811,223 and \$1,619,444 respectively.**

DeRoche seconded all in favor, motion carries.

Set
Preliminary
EDA Tax
Levy and
Budget

Davis explained The East Bethel City Council passed enabling Resolution No. 2008-83 establishing the East Bethel Economic Development Authority (EBEDA) on July 16, 2008. Resolution No. 2011-27 amending Resolution No. 2008-83 was approved on August 17, 2011 and limited the powers of the EBEDA to levy a tax within the City of East Bethel.

The EBEDA is a special taxing district and the City of East Bethel is authorized by Minnesota Statute 469.107 to levy a tax in any year for the benefit of the authority. The tax must not be more than 0.01813 percent of the taxable market value.

The maximum levy allowed for pay 2013 taxes is \$144,670 (East Bethel Taxable Market Value of \$797,957,993 X 0.01813%). The resolution presented for your approval provides for the maximum tax levy for pay 2013.

The tax levy must be submitted to Anoka County by September 17, 2012. Also attached is a proposed EBEDA budget for 2013 which was reviewed at the May 23, 2012 EBEDA meeting.

Staff recommends adoption of Resolution 2012-54 approving the preliminary EBEDA property tax levy and proposed budget for 2013 at \$144,670. Further, that a copy of the approved resolution be transmitted to the County on or before September 17, 2012.

Moegerle made a motion to adopt 2012-54 Approving the Preliminary EDA Tax Levy and Budget for 2013 at \$144,670. Further that a copy of the approved resolution be transmitted to the county on or before September 17, 2012. Voss seconded; all in favor, motion carries.

Consider
Resolution
2012-55
Consenting to
EBHRA
Resolution
2012-05
Adopting a
Tax Levy
Collectible in
2013

Davis explained that the East Bethel City Council passed enabling Resolution No. 2009-36 establishing the East Bethel Housing and Redevelopment Authority (EBHRA) on May 20, 2009. The EBHRA is a taxing authority independent from the City of East Bethel and is authorized by Minnesota Statute 469.033 to adopt a levy on all taxable property within its area of operation, which is the City of East Bethel, Minnesota.

At the Wednesday, August 15, 2012 EBHRA meeting, a resolution adopting no tax levy collectible in 2013 was approved. The EBHRA 2013 Budget was reviewed at the April 4, 2012 HRA meeting.

Staff recommends adoption of Resolution 2012-55 consenting to EBHRA Resolution 2012-05 approving the EBHRA Budget and Tax Levy for 2013.

Moegerle made a motion to adopt 2012-55 Consenting to EBHRA Resolution 2012-05 Adopting a Tax Levy Collectable in 2013 of no tax. Further that a copy of the approved resolution be transmitted to the county on or before September 17, 2012. DeRoche seconded; all in favor, motion carries.

2013 Projected
Bond Deficit
Payment

Davis, "There is the matter of how we are going to pay for the projected bond deficit for 2013. Which at this point we project to be \$91,000. In addition to that, if we don't meet the Met Council's SAC charges, there would be an additional cost of approximately \$110,000.

So our 2013 deficit for the sewer project would be \$201,000. The discussion now would be to determine and get recommendations on how we would propose to take care of that issue. As we previously mentioned, there is some contingencies in the budget that could be rolled over to take care of approximately \$86,000 of this amount. We do have funds in HRA that could be loaned to cover this amount. There is also a general fund balance of reserves that we have in excess of the required 35% capacity that we could use to cover the balance and meet these payments. Or we could do a bond levy and tax this amount. If we do the bond levy that would add approximately 5% to the budget costs because we are looking at about \$200,000.”

Voss asked about the penalty with Met Council. You have started discussions with them? Davis, “That is correct.” Voss asked when do you think you will have resolution or at least a good indication? Davis, “Not for a couple weeks still. If we are going to do a bond issue for this, it wouldn’t be in time to get it to the county.” Voss said so really all we need to decide tonight is whether we want to bond levy for the difference.” Davis, “That is correct.” Voss said the suggestion I had and I think it affects our dollar amount and whether or not we have to pay the penalty. What from a financial standpoint, since we have all these different options with all these different affects, it would be good to have pros and cons on all these different options. Voss said because whether it is \$90,000 or \$200,000 it has the same effect, so it doesn’t need to be resolved tonight. The question of whether we tax for it needs to be done tonight.

DeRoche, “The problem is, doing all the contingencies and is only a temporary fix. And when that is gone (in about a year), we are still going to have to face the problem. And this is something we have to start looking at now.”

Moegerle, “I agree. And, if we get this information later that there is some change with Met Council we can always reduce the tax levy if that is the way we decide to go. But I think we have big issues with 2015 and if we can project some certainty as to how those are going to go. And if we use up our fund balances and our rainy day fund now, we are going to hurt even more in 2015, which I am very concerned about.”

Lawrence, “This is the timeline issue with the sewer and water project. And we are supposed to have some ERUs or hookups. But because of the delay and the Met Council agreed to the delay and now we have been discussion this with Met Council. What do you think their viewpoint is on pushing this out for the next year?” Davis, “Well I hate to speculate. I am hoping they will look at it in favorable terms and push this back another year. I wish I could make that guarantee that they would do so. They are evaluating our proposal. I hope they will react favorably to it. But as to what their final decision will be, I am not too sure about that.” Voss asked is it a matter of the penalty or the interest of the penalty? Davis, “I think it is just a matter of them wanting to get their schedule too. These charges are what they use to repay their investment in the project.”

Moegerle, “I attended that meeting. The first suggestion that Mr. Pickart has to say was, Well go to the Governor and ask for some money.” So, maybe he has dealt with them more frequently and has a relationship with them. But I thought that was an appalling first position. I understand that first positions are not always the last positions. But, if the idea is basically to go beg for money from legislature, I am not optimistic. But, this is the first time I met him.” Davis, “My feeling is Met Council realizes they are in this as deep as we are. Hopefully they will realize that they need to assist us in making some accommodations in meeting some of our obligations. That is the point we are trying to negotiate with them to try to achieve some relief from some of these things or at least spread some of these thing out a

little further so it will be more affordable.”

DeRoche, “One of my questions has come up a few times. It said that because we choose to go with a smaller water plant we lost ERUs. As a city we would have had to pay for them anyway. So we didn’t really lose anything, it kind of got shifted. If we were committed to 45 ERUs we would have had to make those up anyways. In the 4.8 million that was saved it has to balance out somewhere.” Davis, “The SAC charges that would have been owed to Met Council would have been 40 x \$3,400. So that is somewhere around \$130,000.” DeRoche, “I brought that up, because I read something that was in the paper.” Davis, “What was conveyed to the paper was why the ERUs were reduced from 150, which would have been 75 per year that included the ERUs for the original water treatment plant. No matter how we look at it, it is not going away.” Moegerle, “I am really concerned about kicking this down the road. You hear so much about our children and grandchildren having to pay our debts. Especially with in 2015 more money is owed. If we use our contingency fund, we are hurting ourselves. And we are going to exuberate the problem that shows up on 2015.”

Moegerle made a motion to levy for the \$201,000 deficit for the 2013 bond payments that are due for the 2010 Bonds and the Met Council penalty. DeRoche seconded.

Lawrence, “Do we have to levy? If Met Council says we can push it out a year, we can delay this payment?” Davis, “We would still have a deficit of \$91,000 of that \$201,000. \$110 would be due to Met Council and the \$91,000 would be for the bond payments. If we don’t levy for it then we have to go back to some of our secondary sources or options such as general fund budget or HRA monies to meet those payments.” Moegerle, “We can always reduce the levy. This is just putting us in a safe position. So that on December 5th we can make a final commitment. But this protects us on that.”

Voss said I would wager that by passing a bond levy it reduces our ability to wager out of paying it. If we just made the commitment to levy for it. That is more of an observation than anything. Voss asked Davis, before the aspect of the changing of the ERU landscape, what was the projected deficit going to be this year? Was there a deficit? Davis, “The original had the amount of 75 ERUs. That was based over a two year period. The first two years had 75 ERUs each. The water treatment plant was changed. We went from 40 ERUs to 1. So that took us to 111 ERUs. So we lost 20 ERUs per year in that process.” Voss asked what does it cost per ERU? Davis, “The cost is \$3,400 per year.” Voss said if I have done my math right, we would have had a deficit of \$68,000 anyways. So the net effect, aside from the penalty is \$23,000 more of a deficit that what we would have projected.

Davis, “There are two portions of the deficit. The \$91,000, the difference of the bond payment we owe. We have approximately \$241,000 balance to carry over to pay for that. We are going to generate about \$360,000 in connection fees in 2013 for those properties in the sewer district. And that will leave the \$91,000 deficit to make the bond payment. The other portion is Met Council has set up a schedule that we have to meet every year and that is the \$110,000.” Voss said setting that aside, since the water treatment plant change, we have \$20,000 deficit more than we would have had. Pierce, “I don’t remember the schedule you are thinking of. But the delay in this project, we were anticipating special assessments coming in 2012. And many connections in 2012. So, we have shifted everything back a year. But, I don’t remember one of the cash flows when the project was put out.” Voss said putting numbers aside, am I correct that we were going to have some deficits for the first few years? Davis, “I think in Bob Schunicht’s projections there was a portion of this project where there were some deficits.” Voss said what I am trying to gauge is where that \$91,000

sits in comparison. Davis, "I think it is probably more, because as Rita said there is some special assessment income that we won't get until 2014"

DeRoche, "That is providing that those people that are in the sewer district, the few I have talked to, they are talking about leaving. Are they going to leave or not? Who knows, but then we could be in that much more of a shortfall next year. But, wasn't Met Council one of the big ones that said, "Give them another year to pay." And now we need another year." Davis, "I think we have a very strong argument in that case." Lawrence, "Whether they agree or not is the question." Voss said there was the anticipation that this was going to occur. And the first year was a smaller deficit; there was a period of time where we would have larger deficits. And if I remember discussions from a year and a half ago, the options were to levy for it or to find a way somehow within our funds a way to do it. Voss said to me the question is, do we levy a small amount this year. Or do we wait and see how it goes and then levy for it next year? To me that is the question. Moegerle, "I think we need to protect ourselves until we know what Met Council is going to do. Because we can never add more money back to the budget if we need it. We can always say, "We have worked something out and we don't need this levy."

Lawrence, "I think if we say okay to the levy, we will have to do it. Because Met Council is going to say, "Hey, you have the money now." The Met Council approved the year delay, the need to approve a year push back." Moegerle, "I respectfully disagree. When the see that we have the nerve to do what we have to, to get this paid up. And what this is ultimately going to do to the taxpayers of East Bethel. If the projections that we currently have for 2015 come true, they cannot allow that to happen. They cannot allow 2015 to happen when we have a net negative balance close to \$800,000. I think we need to say, "We are facing the music and you have to face the music too." Voss said along those lines then, I am not saying I support it, but what makes more sense if the bond for \$91,000. And then if we get stuck with the penalty, well we need to work it out with our contingencies and it will be a cost we all have to share. To me it puts us in a better position of dealing with Met Council.

DeRoche, "I don't think from the one conversation I sat in on, that Bryce cares one way or another." Voss said you just have to keep in mind that Met Council was a partner in all this. They have a vested interest in the success of everything the city is doing. DeRoche, "I personally think the numbers were escalated a little from what Met Council knew. Because if I remember right, the city had to submit this two or three times before the Met Council accepted it. Until it scored high enough. So at what point did it the city say we are going this high and Met Council said, "Let's do it." It was in the newsletters, that this thing was kicked back because there weren't enough numbers." Davis, "At this point, this could go above Bryce. It could go all the way to the sixteen members that sit on the board. We don't know."

Moegerle, "I went to that board meeting and spoke at public forum about this and that seemed to kick start Bryce's interest in talking about this. I think that this City Council needs to be more involved with the Met Council so that they appreciate the dire circumstances we could be in in 2015. If we take responsibility we encourage them to take responsibility." DeRoche, "And reality is, things are moving south of us. Be it gas prices, cheaper homes, who knows why. We have to assume things might not develop, just because we put infrastructure in, they may not come to East Bethel. And so we still have these bills to pay, so why wait until we are up against the wall to do it. Why not try to plan now and start working towards that. Because whether I am on the Council in two years or not doesn't matter. We should deal with it now."

Voss asked Pierce is there a benefit at all from a finance standpoint, with interest rates and bond rates, with bonding for this now rather than taking it out of contingency. We aren't talking about a lot of money. Pierce, "You know, we are earning so little interest on our funds right now." Voss asked but how much would we be paying on a bond? Pierce, "Met Council's interest rate is 3.6%." Voss said so using funds that are virtually making nothing as opposed to paying 3% for the cost of that money plus whatever fees we have to pay. Our contingency in our general fund is at 50%. If we were to take this out of the general fund, what percentage would that bring us to? Davis, "Probably low 40's." DeRoche, "And that would only be for one year?" Voss said yes, for only one year. Moegerle, "But that would reduce our opportunity to bring businesses to the city by doing this. We could use this money for incentives, tax credits, TIF districts and other opportunities." Voss asked don't we have money in our HRA that EDA could use for this? DeRoche, "This money is going to be used for helping people upgrade their non-compliant septic systems."

Davis, "We need to clarify if we are talking about doing a levy or a bond levy. If we do a bond levy it would be for a number of years. If we do a levy, it would just be for this year. If we are doing a bond levy, we have to pass a resolution." Voss asked the motion was bond levy? Moegerle, "No it was for a levy." Pierce, "We ended up with at the end of 2011 with \$2,250,000 in our fund balance. Our policy states that our fund balance should be 35% of our tax levy. If we reduced it by \$201,000 we would still be at 58% of next year's levy. It is different. Most auditors' look at budget."

Moegerle, "The other thing is we haven't passed the ordinance that requires people to hook-up. Do we know that we will have sixty-seven owners in the sewer district hook-up next year?" Davis, "We won't know until it happens. There could be one or two decides they are going to move somewhere else." DeRoche, "It is other people's money we are playing with. IF you don't start planning for now, it will be bang and we will be cleaning it up. I wasn't on the 2010 Council and I didn't pass this, but I am here now and I have to deal with it. We are going to be sitting up for the next two years trying to explain to people why things are the way they are." Pierce, "If we took last years and broke even, we would still be at 42% of next year's budget. State Auditor suggests between 35 and 50." Moegerle, "Here is the problem. If you start whittling away at that and then in 2015 when we have to come up with 1.2 million dollars." Lawrence, "Are you guaranteeing there will not be any growth whatsoever?" Moegerle, "I am not saying that. You have to plan for the worst case scenario. What I am saying is you might not be here but in 2014, but, Bob and I will be here looking at what are we going to do about the shortfall we saw in 2012? If we take that cushion away now, it will be that much harsher."

Voss said so what you are saying is you would rather tax the residents now even though we have such a large cash reserve, because you might need that cash reserve to augment something in the future that we are going to tax for. Why would you tax residents now for something you don't know is going to happen? Moegerle, "We have projections of that shortfall and if another Aggressive Hydraulics comes here and asks can you help us. And we have used up all that cash that otherwise could have helped them move to East Bethel. At this position today, we have to help ourselves and if we are not in that position in December and I hope we are out of it." Voss said to me, it has the appearance I have all this money in the bank, but yet I am going to borrow to pay for something. You have all this money sitting around. You are guessing on what the world is going to be in two years. What dire straits you say we are going to be in, in two years. Voss said you are describing that in a period of time we knew was going to be a deficit in the project and to take a knee jerk action that we have to go tax for it and not use the reserves that we have.

DeRoche, “The analogy that you used was we won’t even need the existing businesses to hook-up. We are going to have so much development.” Voss said he would like you to present those statements. DeRoche, “And all we heard was “If you don’t hook up, you don’t pay. We are banking on new businesses and all the ones that are here, those 67. We are trying to keep the existing businesses across the street.” Moegerle, “I think this is a safe medium step. This is not a guarantee from Met Council and we need to be able to provide alternatives to businesses that come to us. By December 5th we should be able to make a decision whether we need to keep that levy. But we need to have that as a possibility in our toolbox.” **DeRoche, Moegerle, aye; Lawrence, Voss, nay; motion fails.**

Voss made a motion to adjourn at 8:56 P.M. Lawrence seconded. Lawrence, Voss, aye; DeRoche, Moegerle, nay; motion fails.

Council
Reports –
DeRoche

DeRoche, “Contractors have been over working on the beach roads. A lot of people have been complaining about the inconvenience, but now they are happy campers. They are proposing next week as the finish. If you have anything of value on your boats on the lake, don’t leave it out there. There are people cruising the lake looking for things to steal.”

Council
Reports –
Moegerle

Moegerle, “The EDA met in a productive meeting last Wednesday. While we still haven’t been able to get everyone on board to work towards a vision other than we need business, we did come up with a list of businesses that we would like to attract to East Bethel. We are working on putting a packet together so we can make contract with developers as well as those businesses. There was a conference with Bryce Pickart and as I told you the first words out of the gate were “Go to legislature and ask for money to pay for budget shortfalls.” Then he said something surprising. The discussion was whether we could have that plant treat septage. He said the plant is a waste water collection system, or water reclamation plant, never the plan to treat bio solids, treat the water into drinking water quality and to re-inject into aquifers. However, the bio solids are going to be transported to Pigs Eye where they will be treated. So they are not interested in accepting septage in East Bethel. We had a meeting today, teleconference with Civic Plus and we have a much expedited schedule of getting photos of East Bethel. We need photos for the website. Please if you have photos send to us. Also will be doing a brief survey on our website about what websites you like within a week.

Council
Reports –
Voss

Voss said with your issue on waste water treatment plant. It is a waste water treatment plant. What comes out of septic tanks is solids, so it makes sense what they are saying. There was never going to be a digester there. Moegerle, “WWTP was all over the minutes of 2010. I never knew there wasn’t going to be a digester there.” Voss said I am just trying to clarify.

Adjourn

Voss made a motion to adjourn at 9:02 PM. Lawrence seconded; all in favor, motion carries.

Attest:

Wendy Warren
Deputy City Clerk

EAST BETHEL CITY COUNCIL WORK MEETING

September 5, 2012

The East Bethel City Council met on September 5, 2012 at 5:30 PM for a work meeting at City Hall.

MEMBERS PRESENT: Bob DeRoche Richard Lawrence Heidi Moegerle
Steve Voss

MEMBERS ABSENT: Bill Boyer

ALSO PRESENT: Jack Davis, City Administrator
Rita Pierce, Fiscal & Support Services Director
Nate Ayshford, Public Works Manager
Mark DuCharme, Fire Chief

Call to Order **The September 5, 2012 City Council work meeting was called to order by Mayor Lawrence at 5:30 PM.**

Adopt Agenda **Moegerle made a motion to adopt the September 5, 2012 City Council work meeting agenda. Voss seconded; all in favor, motion carries.**

2013
Proposed
Budget Davis explained that you have before you the budget that we have discussed that is in your budget workbook. We have previously reviewed about half your budget. The last part we looked at was the City Clerk budget.

Davis, "We will start on the Finance Department page 19." Moegerle, "This increase in salary represents what percent?" Davis, "It is 1.5%." Moegerle, "And that is across the board for everyone?" Davis, "That is correct." DeRoche "What about work comp insurance, PERA, cafeteria fund, how much does that go up?" Davis, "The same as the percentage of wages. In the finance department you see the increase in Medicare is \$100, deferred comp about \$30, \$400 in PERA, the cafeteria contribution remains the same and works comp insurance is \$40."

Davis, "The assessor's cost went up. We did seek RFPs for assessing services. We only got one RFP from Ken Tolzmann. We did check with Anoka County and they wanted based on parcel price was \$71,000. Council approved the \$51,700 contract with Ken Tolzmann. This is an additional \$1,700 to be added into the budget and it is noted in your write up for tonight."

Davis, "On page 23 Legal, these projections are running good and consistent; we do hope to realize a slight decrease next year." Moegerle, "Do we have any litigation outstanding where we are defendants? We just have enforcement actions?" Davis, "We don't have any court cases that we are defendants in. We have resolved GRE, OSI, and Lowell Friday, other than that there are no outstanding suits we are involved in." Moegerle, "When it comes to working on TIF Districts or Aggressive Hydraulics, where do the legal fees for that end up in the budget?" Davis, "Those legal fees get charged to this budget, but then we receive money back from them that goes to the general fund. Charged to the project owners." Moegerle, "Could be that some gets paid in 2012 and reimbursed in 2013?" Davis, "Yes."

Davis, "We still maintained a budget under Human Resources and kept approximately \$3,000 under professional services fees. Those are things we may need to consult on from

time to time. Resulting in various benefit or legal type of questions in regard to employees.” Moegerle, “In regard to the Safe Assure program, isn’t that something that Council Member Boyer brought up last year that might be available through the State? Might be some cost savings?” Davis, “I remember him making the comment. We have been handling the safety training in house through the Fire Chief, but we are going to contact Safe Assure to see if we can possibly get back in that group.”

Moegerle, “Under the City Planner budget, does the salary amount cover what we anticipate the new community development/city planner will be making?” Davis, “We checked and average salary is \$60,000-70,000 for a city planner and a community development director is making \$85,000-105,000.” DeRoche, “Plus benefits. I would wonder why someone making that type of salary would want to leave their current position.” Davis, “That is a good question. Might see it as a challenge. That is personal question I don’t have an answer for.” Moegerle, “Item 431, when is that vehicle scheduled to come on-line?” Davis, “We have no real schedule for it. When it is needed.” Moegerle, “I wondered if we knocked off \$250 here, everything helps.” Pierce, “The time of buying that vehicle has come and gone. The concern is when that vehicle is needed, getting it back into the budget.” Moegerle, “This was reduced from last year?” Davis, “Yes, \$1,500 from last year. We haven’t purchased a vehicle because we don’t need it now.” DeRoche, “I think that is something you have to keep in there. At some point you have to quit cutting everything out or what kind of service are you going to provide.” Davis, “At some point we are talking about someone that will be doing more community development director type of duties and then a vehicle will be needed.”

Davis, “On Page 30, a 3% reduction.” Moegerle, “Have we finally solved the issue with the heat and air with this building? Because at the LMC conference Honeywell was there and they said, “We will fix those things in exchange for the money you save on your utility bills.” So, it becomes a wash.” DeRoche, “I know we had the contractor here working over and over. If they are doing the job right, why did they have to keep coming back?” Davis, “We had them here for quite a while because they were finding all these additional problems. There were so many issues with this system. They were troubleshooting work on old system. There were problems with initial design and construction.” DeRoche, “The problems have gone on for a while. It is not just this last year.”

Davis, “On page 32 is the police budget. 0% increase. It is actually \$2,000 higher than last year, which is due to a clause in the contract for fuel adjustment prices. But there is no other increase because of the cut in hours an extra squad car wasn’t purchased.” Lawrence, “Have we had any comments about our coverage from the residents?” Davis, “We haven’t had any complaints about the coverage. And the crime statistics we received show some slight increases in some categories, but I don’t think they are related to the patrol hours we have. Most everybody is fairly complimentary of the sheriff’s service. They are very responsive of anything we ask them to do. One factor that is to our benefit that we contract with them directly. It does give us a lot more control over what services we get.” DeRoche, “Did we ever get a breakdown of the calls that are actually in East Bethel, or where our guys go to Ham Lake or Linwood or other cities. Because if the other cities cut their coverage, they are going to have to draw from us because we have the police, correct?” Davis, “According to Lt. Orlando that is not necessarily true. In any major call if there is a need, they are going to respond. The last two accidents that happened on 65 the majority of the cars were Ham Lake cars that responded.” Voss, “If it is an emergency, the closest car responds. If all the cities had a tremendous amount of coverage and there is an emergency, they are going.” Davis, “Ham Lake and East Bethel have the same amount of coverage. Oak Grove has more than they ever had, went up 4 hours. Linwood doesn’t have to contract for anything because they

are a township, but they do contract for 8 hours. Only the cities are required to contract for hours.”

Davis, “On page 39, fire department budget. That does reflect request for fire pension contribution by the city of \$17,500. And represents a 0%, dollar increase of \$2,000.” Moegerle, “What is the number for the contribution?” DuCharme, “127 is the municipal contribution for pension fund that the relief association is requesting.” Moegerle, “And when do we normally have that presented to us for approval. Or does that just get stuck in the budget and that is how it gets approved?” Davis, “Troy Lachinski was here at our first work session and made that presentation.” Moegerle, “Right, so he wanted us to pass it through the budget, not through a separate resolution?” DuCharme, “That is the way it has been done in the past.”

DeRoche, “One question I am asked is a call goes out and 6 people show up and you needed 3. What happens to the other 3 do they go home or do they sit around and get paid?” DuCharme, “They will be at the station. And there are usually things that they can get started like the report. And whatever other maintenance that goes on. With a paid on call fire department you can’t guarantee how many people are going to show up at a time. We run an average of about 9 people per call. It has been pretty steady for the past 5 years. I talked to Ham Lake yesterday and they average about twelve. The other issue is how long does that truck sit there and wait for them to show up. We sit and wait 30-45 seconds and then leave with the crew.” DeRoche, “If you have 9 show up and you need 3, do the other 6 sit around?” DuCharme, “No, a medical a full crew would be 5 people, so they take 2 to 5 people on board.” Moegerle, “On the narrative for 309, Information Systems, \$2,141, could you give us some background on what this is? That is what was budgeted in 2012 and we didn’t budget for it in 2013.” Warren, “I think we found that this wasn’t needed. So, we took this out of the budget.”

DeRoche, “What kind of equipment are we looking to replace for \$115,000?” DuCharme, “That is our annual contribution to the capital replacement fund. That \$600,000 comes out of that fund.” Lawrence “What is the next big ticket item coming up?” DuCharme, “I know the boat is on that schedule. We are not going to replace that boat. Probably something we need to take a look at.” DeRoche, “If the boat runs and motor runs, we need to look at that.” DuCharme, “2014 has the rescue boat in the plan. The boat came from the DNR 8 or 9 years ago and it doesn’t have a lot of hours on it. When time comes to do something with the boat it should be downsized.” Davis, “Even though something is on the equipment replacement schedule, if it is still operational, still serviceable, we will still squeeze some years out of it. But we still want to maintain a fund, so we can replace items when we need to.” Moegerle, “What is the balance in this fund?” Pierce, “On page 120 and 121 is the schedule for replacing equipment for all the years. Right now we have 1.8 million.” Moegerle, “And after we pay for the trucks that are coming?” Davis, “That is \$660,000 for the trucks.” Moegerle, “If we took 5 or 10% out across the board, would that really mess up our planning? Is that something we should talk to Ehlers about?” Pierce, “Some of these are fully funded like Planning and Building. But Fire isn’t. We try to make sure they are still in line. You could reduce it, but you don’t want to reduce it for very long.” Davis, “If you have to reduce it, do as a last resort thing to reduce, because once you reduce it, it is very hard to catch up again.” Lawrence, “If there was a need for something else in the Fire Department, could we transfer the money for that?” Pierce, “With Council approval? Sure. Even borrowing with Council approval is fine. With the exception of bond funds.”

Davis, “Building Inspection, we have a full time building official and inspector funded for 2013. Oak Grove is interested in contracting with East Bethel for services. That could

possibly produce revenue of \$40,000 to \$50,000 a year. Just because there isn't a lot of permits for new construction, there is a lot of work going on. Code enforcement and little projects." Moegerle, "What can we do with septic inspection pumping and compliance. What can we do with an ordinance to get reimbursed for this?" Davis, "I am sure there are examples out there of what we can do for this. We have about 4300 septic systems to monitor. That in and of itself takes up a lot of time. There are a number of things we can do to make sure they are in compliance. But that takes up a lot of staff time."

Moegerle, "We have had a discussion about getting reimbursed for runs for medical services or fires. How good are we at getting reimbursed?" DuCharme, "Currently we don't charge for medicals. I do believe the city of Nowthen charges. And I think they charge somewhere between \$55-75 a call. On the collection end, it is running in the 50-60% range. It is always the information you get. When we have a car wreck getting the information is the hardest part. The record management that county is going to put into place is going to make this easier. As of right now, everything is done manually. We are pretty current right now." DeRoche, "On the scene is not a place to do that for a medical or car crash." Moegerle, "Can you get us the ordinance that Nowthen uses to do that." Davis, "A lot of communities that do that actually use a third party to do the billing and collection." DuCharme, "Currently we do not charge for fire calls." Moegerle, "What is the policy behind that?" Voss, "We had a long discussion behind that. It took us 6 months to get through it. It came down to community values, this is what we have public service for, and we pay for. And for medicals we didn't want our residents to be discouraged to call for it. We knew if they knew they were going to get billed for it, it might limit them. Twenty dollars is enough to limit them to call for it." DuCharme, "The State of Minnesota may limit what we can charge for a medical call." Voss, "A lot of medical and fires are residents where accidents aren't." Lawrence, "Rule of thumb that Fridley uses was if there was smoke, it was covered." Moegerle, "I understand that and the policy. But, when we are looking at a \$200,000 shortfall for infrastructure they aren't going to use, residents might want to pay for this than for not using the other services."

Davis, "On page 45 the city engineer budget. It is proposed at \$48,000 and the same fee for this service for past five years. We have never exceeded that. This is one area that could possibly be reduced a couple thousand dollars. We only use what we pay for."

Davis, "On page 51 is Park Maintenance budget, under this proposal a 1% reduction for 2013" DeRoche, "Where did the \$16,700 come up for replacement equipment come from. Is this just a standard?" Davis, "That is based on what the projected equipment needs are." Moegerle, "Item 384, did we pump a different set of utilities this year? In here it says it is Booster East and West Parks." Davis, "We pump every three years." Ayshford, "They were pumped this year." Moegerle, "Is this as lean as you can make it?" Ayshford, "It is pretty lean, we always come in under budget." Davis, "Nate made a very important point there. Last year all departments came in under budget. Applaud staff for being a steward of what they are managing. Funds that come in under budget roll back into the general fund. Creates a cushion for us to take care of these other needs. Right now our margin is 50% and we are on target to not have any anticipated over runs in any budget." DeRoche, "I don't want to get in the habit that if you don't spend it we will just cut it, because there may be that need the next year." Davis, "I think if you had people that came up at the end of the year that had \$10,000 left in my budget and bought 1000 pens. We don't do that, if the money is not needed, we don't spend it." DeRoche, "Like it or not, there is only so much you can cut out of a budget." Moegerle, "Parks is a part of community development." Davis, "There are several parks that we could cut back on maintenance and let them be known as natural areas. If you want to get rid of it, it goes back to the developer or the

owner. We are looking at things to cut down on maintenance.”

Lawrence, “Do you always need a 4 x 4 pickup?” Ayshford, “The last two we bought were 2 x 2’s.” Lawrence, “In 2014 you have a 4 x 4 pickup budgeted.” Ayshford, “We are replacing one we have. In the winter sometimes we have to drive in the parks.” Davis, “It is listed under parks, but it is used for roads too. It is an all-purpose vehicle.” DeRoche, “The John Deere tractor, sweeps, tiller, disks, etc.” Ayshford, “The only thing we need is the loader portion of it. The one that runs the roadside mower. The ditch mower attachment.” DeRoche, “When we do these tractors do we check with the different dealers?” Ayshford, “A lot of them are on the state contracts so we can get the price right there.” DeRoche, “A lot of them have the name on them, but there are only a few people making them now. I don’t want to get into buying the name.” Ayshford, “John Deere has a local distributor in Isanti so we can get parts. That is helpful.”

Davis, “On page 57, street maintenance, this increased the most 3%. The increase was material prices. The cost of oil, it is important that we keep the maintenance of our streets the best we can. Once you get behind it is difficult to catch up.” DeRoche, “What did we ever do with the extra plow truck?” Ayshford, “We ran it last year and the year before.” Davis, “This is probably the last year we can run it without incurring a lot of costs for maintenance.” Ayshford, “It is in 2013 for replacement.”

Moegerle, “Where are the costs for clean up days? The dumpsters?” Davis, “The two dumpsters are not paid out of the grant.” Moegerle, “At the beach it was paid for by the Community Center, and then we started paying for it. They just got that grant?” DeRoche, “The grant got kicked back.” Moegerle, “Are we going to keep that, should we cycle that through the community rather than just Coon Lake Beach? Go to Village Green and Castle Towers?” Davis, “I don’t know if you took it to Village Green or Castle Towers if you would have enough people to support it there. It would be more of a garbage collection thing than recycling.” Moegerle, “It is the two dumpsters.” Davis, “It is always something we can look at. If the Community Center can afford it, then they should take care of it. The recycling we do down there that we can pay for out of the grant, should still be done down there.” Voss, “Part of the reason to have the second recycling day is to have it for those that can’t get to the first one.”

Davis, “Civic Events, page 60. In the previous budget we included fireworks for Booster Day. This budget has \$0 for fireworks. I know there had been discussion about reconsidering that.” DeRoche, “I think that is something that we have to have.” Voss, “Why did staff pull that out?” Davis, “It was reduced last year and then again this year.” Moegerle, “Here is my concern and how it was explained to me from staff. “Gee, here you are with fireworks for recreation and days past they didn’t get a raise.” That is one point of view.” DeRoche, “From a community standpoint, I was here most of the day and they were from all over the place and came up to do whatever and watch the fireworks. If that is the draw to get people up here. That is all East Bethel has is Booster Days.” Moegerle, “I am not in favor of putting it back. The EDA can do something. We still haven’t gotten a report from Booster Days. I know what I observed at Booster Days. It depends on what happens to Booster Days. It was largely seniors and after the parade most people left. The fireworks might be one way, but I think it is more important to get people there during the day.” DeRoche, “But if you don’t get people there at all. There were a lot of people there that night, between the dance and the fireworks.” Moegerle, “How many people were there from Coon Lake Beach?” DeRoche, “Quite a few?” Voss asked Warren, how did the committee make up for the cut in the budget this year? Davis, “The other \$2,500 came from the Booster Day funds.” Moegerle, “By having it supported by people that attended, that is

called civic engagement. Raise the funds. If you give people something they don't appreciate it as much as if they get it themselves." DeRoche, "\$2,500? We couldn't even get a billboard up for that much." Lawrence, "Leave it in the general budget and have the EDA help out with more if they need it." Voss, "I would like this maintained at the level we had it this past year and recognize this is our one civic celebration. Granted not everyone that goes to the parade is going to want to come back for the fireworks. It would affect the draw for the dance as well. There is a risk that Booster Days isn't going to be able to afford fireworks if we pull this contribution. This is money they get from soliciting our businesses and others. All it is doing is taking away from being able to do other things." Moegerle, "Then I think it should come from the EDA budget." Voss, "Fine, take it from EDA." Lawrence and DeRoche, "Leave it where it is at." Moegerle, "There were a lot of staff members at Booster Day." DeRoche, "It is for people in the city."

Davis, "Risk Management on page 62. Essentially a list of our insurance costs. They are going down 1%, which is remarkable in today's time."

Davis, "On page 65 Central services and supplies, which is supplies for city buildings and information services. This is projected to go up 4%. There are a couple things we might want to look at postponing in this budget such as the scanner for laser fiche. I don't know that we are going to have the personnel to devote to this to get it done. We would probably have to hire some people part time to do it." Moegerle, "One of the things they had at the LMC Conference was developmentally disabled people who are available to do that and love to do that. Are developers looking for this?" Davis, "I don't think for developers it makes a lot of difference at this time. It is just getting your records scanned where you can use them at this time. It is just getting the manpower to do it and then we would have to supervise them. I would rather wait another year to embark on this project."

Davis, "On page 67 transfers are listed. From general fund. Contingency, \$46,000 from last year sheriff budget and \$40,000 from this year." Lawrence, "Contingency money in reserve waiting." Davis, "Yes, unobligated."

Davis, "On page 71 Recycling budget, the recycling program is paid exclusively by county grant and any recycling we redeem. Biggest expense is what we pay the Lions Club and they do it much cheaper than what we could do paying City staff and they do a good job." DeRoche, "What type of hazardous material do we deal with?" Davis, "People have a tendency to drop things off at that building that are not cardboard, tin, etc. Part of it was things we did with those fuel tanks. The old tanks that were contaminated. We had those sealed. That is part of the cost for this year, also an eligible grant cost." Voss, "What do you mean by sealed." Ayshford explained the process. Voss asked do we have plans to remove those eventually? Ayshford, "There are concerns with what the soil is going to look like when we remove it." Voss, "It is better to remove them. It is 90% reimbursable to have them removed." Ayshford, "We had the soils sampled; there were no PCBs in the soil. But there were some fuels."

Davis, "On page 74, is the budget for HRA." Moegerle, "We still have \$800,000?" Davis, "Yes, we still have \$800,000+." Moegerle, "If the building official could come up with some ordinances about cleaning up the septic in the City through enforcement and grants and interfund loans, we do need to get on this." Davis, "We do have a significant amount of money in there to address those needs." Lawrence, "HRA, 331 travel expenses and mileage and meal reimbursements?" Davis, "That is in there just in case this should arise, \$100."

Davis, "On page 78, the SAFER Grant. This is the last year we will have the SAFER Grant, 2013. I think we can reapply for it, but chances of getting it are not good." DuCharme,

“There is no doubt the FEMA grant the fire service that we have been using are starting to dwindle down. Just got this information, Anoka County Fire Departments have started a Fire Academy and that was funded by the federal government. So we don’t have to pay for their initial training, (\$1,250) and that will run for four years. We had moved our annual training budget to the SAFER Grant. At some time we will have to fund that. There are other funding sources out there for training.” Lawrence, “What does that mean to the city, are we going to have to come up with more money to fund these things?” DuCharme, “One of the things that was more popular on the SAFER Grant was health reimbursement which was \$1,000 per firefighter per year. This is something that will come up. But, the biggest item will come up is training.” Lawrence, “I bumped into a gentleman from Bethel, and they were thrilled that they got equipment from East Bethel.”

Davis, “On page 81, EDA Budget. There was a reduction in that budget, based on fact that our property valuation declined. We are limited to a maximum of 2/100’s of property valuation. One of the things we had previously discussed in this budget was replacement of the reader board sign. It was tabled until we got to our budget discussions. That is still in this budget, \$57,000 in this budget. \$7,000 in donations and \$50,000 in this budget. We anticipate the cost on replacement to be between \$70,000 and \$80,000.” Voss, “In 2012, we had \$50,000 how is that going to work functionally if that is a proposed expense for 2012 and we are paying the other half for 2013. Are we going to transfer that into a fund for the sign?” Pierce, “The money is still in the EDA fund. The \$50,000 was never planned to pay for the entire reader board in the first place. It is still in EDA. We could amend the budget this year and put the entire amount in 2013.” Voss, “Should under that item be \$50, 000, so it has been transferred into that item? So these budget amounts accrue?” Pierce, “Yes.” Moegerle, “Where are the costs for the website coming from? Isn’t it the EDA?” Davis, “This budget was done before the website was done. It will come out of contingency.”

Davis, “On page 83-89 are the breakdown of bond costs. These are fixed and we have no control over these.”

Davis, “On page 87, Moegerle, “Can you explain this because it is negative \$421,000. We are in the hole for that and then \$250,000 and then \$72,000. On page 89, \$72,000 we have no earnings to pay for that?” Davis, “That is the bond payments. I think we have about \$241,000 in that account, the rest will be paid from ERU connections. We are proposing to generate \$375,000 from the 67 ERUs connections that we will have in the sewered area and then that will leave us a balance of \$91,000.” Moegerle, “What about the \$109,000 we owe to Met Council?” Davis, “That is not accommodated for in that deficit. We are still working on this.” Moegerle, “So we can’t guarantee that we won’t be forced to pay that. So we should budget to pay for it. So basically \$200,000 for revenue/GO Bond combos. How do you propose we are going to pay for this?” Davis, “We have a number of options. We could take the contingencies we discussed previously. We could take money from the general fund. We could bond for it. Could do a bond levy for it. We have HRA funds for it. And in the worst situation, we have funds in the street and equipment capital replacement fund that could pay for it. The other way we are going to pay for it is development. I do think we need to budget for it.” DeRoche, “It is not going to go away. So we need to get the money.” Moegerle, “I know in 2014 we have a serious shortfall that we need to plan for. I hate to take our contingencies. We have done so well with planning for capital equipment fund. Shouldn’t we do this with our bonds?” Davis, “I would recommend we continue this discussion at the Council meeting.”

Davis, “On page 91 capital projects funds; we have a \$50,000 budget but no specific projects

right now. This is major repairs to buildings.

Davis, "On page 93 MSA Street Funds, these projects have all been presented and approved by council in June."

Davis, "On page 95, Street Capital Projects that we intend to do. Only projects for 2013 are committed to with a transfer of \$425,000."

Davis, "On page 98, park acquisition and development fund. These funds are predicated on development fees. Next year we show no projects because we don't project any development fees." Moegerle, "Does this take into consideration the northwest corner of Hwy. 65 and Viking, or is this such an intangible?" Davis, "It is an intangible."

Davis, "On page 103, parks capital fund. This is a \$100,000 transfer for the projects that Council approved for 2013. Playground equipment at Whispering Aspen, replace roof at Community Center building at Whispering Aspen, and playground equipment at Whispering Oaks."

Davis, "On page 102, trails capital fund, \$5,000 transfer, however there is still a fairly substantial balance in that fund at this time. Moegerle, "Would that be used for the Cedar Creek Trails?" Davis, "That could be used for that."

Davis, "On page 107 enterprise funds; again we have difficulty matching revenue to cost with these."

Davis, "Final is Ice Arena Operations making headway in getting out of red. Next year project excess revenue over expenses."

Moegerle, "Has Ehlers looked at this and given us some idea on long term planning. Or are they going to come back and give us some ideas on long term planning on the bond payments?" Davis, "We have used Ehlers exclusively on the Aggressive Hydraulics project. We will be meeting with them to get recommendations on this."

Davis, "If you considered this budget if would be an increase of 2/10s of a percent of last year's budget. Total levy increase about 8/10 of 1%."

Adjourn

Moegerle made a motion to adjourn at 7:20 PM. Voss seconded; all in favor, motion carries.

Attest:

Wendy Warren
Deputy City Clerk



Minnesota Department of Public Safety
Alcohol and Gambling Enforcement Division (AGED)
 444 Cedar Street, Suite 222, St. Paul, MN 55101-5133
 Telephone 651-201-7507 Fax 651-297-5259 TTY 651-282-6555

Certification of an On Sale Liquor License, 3.2% Liquor license, or Sunday Liquor License

Cities and Counties: You are required by law to complete and sign this form to certify the issuance of the following liquor license types:

- 1) City issued on sale intoxicating and Sunday liquor licenses
- 2) City and County issued 3.2% on and off sale malt liquor licenses 10/6/12

Name of City or County Issuing Liquor License Anoka License Period From: ~~9/5/12~~ 10/6/12 To: 10/6/13

Circle One: New License License Transfer Wronk/TAP+Grill Suspension Revocation Cancel _____
(former licensee name) (Give dates)

License type: (circle all that apply) On Sale Intoxicating Sunday Liquor 3.2% On sale 3.2% Off Sale

Fee(s): On Sale License fee: \$ _____ Sunday License fee: \$ _____ 3.2% On Sale fee: \$ _____ 3.2% Off Sale fee: \$ _____

Licensee Name: Leibel Raymond Group Inc. DOB _____ Social Security # _____
(corporation, partnership, LLC, or Individual)

Business Trade Name Smoky's Pub & Grill Business Address 552 Lincoln Drive City East Bethel

Zip Code 55012 County Anoka Business Phone 651-216-4282 Home Phone 612-432-9542

Home Address _____ City White Bear Lake Licensee's MN Tax ID # 2712613
(To Apply call 651-296-6181)

Licensee's Federal Tax ID # 45-84722
(To apply call IRS 800-829-4933)

If above named licensee is a corporation, partnership, or LLC, complete the following for each partner/officer:

<u>Christopher Michael Leibel</u>	<u>11/1/71</u>	<u>111-111-1111</u>	<u>1 WBL MN 55110</u>
Partner/Officer Name (First Middle Last)	DOB	Social Security #	Home Address
<u>Jack Thorp Raymond</u>			<u>1 WBL MN 55110</u>
(Partner/Officer Name (First Middle Last)	DOB	Social Security #	Home Address
<u>Jeremy Huspek</u>			<u>1 Hugo MN 55038</u>
Partner/Officer Name (First Middle Last)	DOB	Social Security #	Home Address

Intoxicating liquor licensees must attach a certificate of Liquor Liability Insurance to this form. The insurance certificate must contain all of the following:

- 1) Show the exact licensee name (corporation, partnership, LLC, etc) and business address as shown on the license.
- 2) Cover completely the license period set by the local city or county licensing authority as shown on the license.

Circle One: (Yes No) During the past year has a summons been issued to the licensee under the Civil Liquor Liability Law?

Workers Compensation Insurance is also required by all licensees: Please complete the following:

Workers Compensation Insurance Company Name: Capital Specialty Insurance Policy # CS02172324-FT-01

I Certify that this license(s) has been approved in an official meeting by the governing body of the city or county.
 City Clerk or County Auditor Signature _____ Date _____
(title)

On Sale Intoxicating liquor licensees must also purchase a \$20 Retailer Buyers Card. To obtain the application for the Buyers Card, please call 651-201-7504, or visit our website at www.dps.state.mn.us.

**CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA**

RESOLUTION NO. 2012-56

**PRELIMINARY CERTIFICATION OF DELINQUENT ACCOUNTS TO THE COUNTY
AUDITOR FOR COLLECTION WITH 2013 PROPERTY TAXES**

WHEREAS, East Bethel Code of Ordinances, Chapter 74, Sec. 74-126 (b) provides for the collection of unpaid utility bills through the property tax system; and

WHEREAS, East Bethel Code of Ordinances, Chapter 30, Sec. 30-105 provides for the collection of unpaid emergency services through the property tax system in the county which the recipient of the services owns property; and

WHEREAS, City Council must establish a certification cutoff date each year that will determine the appropriate certification amounts for delinquent accounts; and

WHEREAS, the attached list reflects the delinquent accounts and the amounts owed with the certification cutoff date of September 21, 2012.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF EAST BETHEL, MINNESOTA THAT THE COUNCIL: That the following dates are set for delinquent accounts for 2010:

1. September 21, 2012 Certification cutoff date
2. November 7, 2012 Public Hearing date
3. November 15, 2012 Final Certification date

BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAST BETHEL: That the attached list of delinquent accounts and amounts is hereby adopted and made part of this resolution to be certified to the County for collection with property taxes for 2013.

Adopted this 19th day of September, 2012 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
 Past Due Amounts, Period Ending September 21, 2012

PRELIMINARY 2013 CERTIFICATION LIST

Utility Billing Accounts

Address	Name	Balance	Certification charge	Certification amount
1026 244th Ave NE	Kinsey	\$323.08	\$70.00	\$393.08
1050 243rd Ave	Tuon	\$1,143.88	\$70.00	\$1,213.88
1074 243rd Circle	Fleming	\$421.95	\$70.00	\$491.95
1095 243rd Cir	Jornlin (Cline)	\$1,017.53	\$70.00	\$1,087.53
1142 243rd Ln	Bender	\$2,072.69	\$70.00	\$2,142.69
1153 Pierce Path	Demarais	\$436.41	\$70.00	\$506.41
24140 Pierce St NE	Einck/Smith	\$926.74	\$70.00	\$996.74
24150 Whispering Cir	Bergstrom	\$1,235.48	\$70.00	\$1,305.48
24235 Fillmore Cir	BAC Tax Services	\$648.63	\$70.00	\$718.63
		<u>\$8,226.39</u>	<u>\$630.00</u>	<u>\$8,856.39</u>

Emergency Services Amounts

Address	Name	Balance	Certification charge	Certification amount
22816 Buchanan St East Bethel, MN 55011	Rynning	\$300.00	\$70.00	\$370.00
3551 Viking Blvd East Bethel, MN 55092	Schotl	\$300.00	\$70.00	\$370.00
20880 Okinawa St NE East Bethel, MN 55011	Law	\$300.00	\$70.00	\$370.00
3211 Viking Blvd East Bethel, MN 55092	Halverson	\$300.00	\$70.00	\$370.00
		<u>\$1,200.00</u>	<u>\$280.00</u>	<u>\$1,480.00</u>

**PAY ESTIMATE #1
CITY OF EAST BETHEL
Coon Lake Beach and Miscellaneous Overlay Projects**

September 7, 2012

Honorable Mayor & City Council
City of East Bethel
2241 - 221st Avenue N.E.
East Bethel, MN 55011-9631

RE: Coon Lake Beach and Miscellaneous Overlay Projects
Contractor: North Valley, Inc.
Contract Amount: \$736,889.72
Award Date: July 31, 2012

Dear Honorable Mayor and Council Members:

The following work has been completed on the above-referenced project by North Valley, Inc..

Base Bid - Coon Lake Beach

ITEM NO.	SPEC.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	CONTRACT UNIT PRICE	USED TO DATE	EXTENSION
1	2021.501	MOBILIZATION	1	LUMP SUM	\$21,111.23	0.50	\$ 10,555.62
2	2104.513	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)	545	LIN FT	\$4.17	625	\$ 2,606.25
3	2104.601	HAUL SALVAGED MATERIAL (EV)	200	CU YD	\$24.73	330	\$ 8,160.90
4	2105.525	TOPSOIL BORROW (LV)	500	CU YD	\$32.48		\$ -
5	2105.607	HAUL & DISPOSE EXCESS MATERIAL (EV)	130	CU YD	\$24.73		\$ -
6	2112.603	SUBGRADE PREPARATION	5,630	LIN FT	\$3.56	5,460	\$ 19,437.60
7	2211.501	AGGREGATE BASE CLASS 5	100	TON	\$26.84	55	\$ 1,476.20
8	2232.501	MILL BITUMINOUS SURFACE (2")	1,401	SQ YD	\$6.57	788	\$ 5,177.16
9	2331.604	BITUMINOUS PAVEMENT RECLAMATION	12,511	SQ YD	\$1.29	12,135	\$ 15,654.15
10	2357.502	BITUMINOUS MATERIAL FOR TACK COAT	3,022	GALLON	\$3.09	1,485	\$ 4,588.65
11	2360.501	TYPE SP 4.75 WEARING COURSE MIXTURE (2,B)	73	TON	\$86.93		\$ -
12	2360.501	TYPE SP 9.5 WEARING COURSE MIXTURE (2,B)	253	TON	\$78.92	38	\$ 2,998.96
13	2360.501	TYPE SP 9.5 WEARING COURSE MIXTURE (2,B) - DRIVEWAYS	211	TON	\$213.60	195	\$ 41,652.00
14	2360.501	TYPE SP 12.5 WEARING COURSE MIXTURE (2,B)	6,789	TON	\$60.83	2,912	\$ 177,136.96
15	2360.502	TYPE SP 12.5 NON WEARING COURSE MIXTURE (2,B)	380	TON	\$68.58		\$ -
16	2411.507	CONCRETE FLUME	2	EACH	\$1,055.56		\$ -
17	2501.511	15" CS PIPE CULVERT	40	LIN FT	\$33.56	40	\$ 1,342.40
18	2501.515	15" GS PIPE APRON	2	EACH	\$341.03	2	\$ 682.06
19	2506.522	ADJUST FRAME & RING CASTING	1	EACH	\$866.10	1	\$ 866.10
20	2511.501	RANDOM RIPRAP CLASS II	4	CU YD	\$303.14	4	\$ 1,212.56
21	2531.501	CONCRETE CURB & GUTTER DESIGN D412	20	LIN FT	\$37.89		\$ -
22	2531.507	4" CONCRETE DRIVEWAY PAVEMENT	532	SQ YD	\$51.42		\$ -
23	2535.501	BITUMINOUS CURB	1,035	LIN FT	\$6.33		\$ -
24	2563.601	TRAFFIC CONTROL	1	LUMP SUM	\$3,193.75	0.25	\$ 798.44
25	2573.502	SILT FENCE, TYPE MACHINE SLICED	500	LIN FT	\$2.17		\$ -
26	2575.502	SEED MIXTURE 270	288	POUND	\$4.33		\$ -
27	2575.511	MULCH MATERIAL TYPE 1	2	TON	\$324.79		\$ -
28	2575.523	EROSION CONTROL BLANKETS CATEGORY 6 (WOOD FIBER 3S)	63	SQ YD	\$6.50		\$ -
29	2575.532	FERTILIZER TYPE 1	600	POUND	\$1.08		\$ -
30	2575.560	HYDRAULIC SOIL STABILIZER TYPE 5	900	POUND	\$1.35		\$ -
31	2582.502	4" SOLID LINE WHITE - EPOXY	935	LIN FT	\$1.46		\$ -
32	2582.502	4" DOUBLE SOLID LINE YELLOW - EPOXY	420	LIN FT	\$2.99		\$ -

Total Base Bid - Coon Lake Beach **\$ 294,346.01**

Alternate Bid No. 1 - 187th Lane Overlay

ITEM NO.	SPEC.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	CONTRACT UNIT PRICE	USED TO DATE	EXTENSION
1	2021.501	MOBILIZATION	1	LUMP SUM	\$1,190.89		\$ -
2	2105.525	TOPSOIL BORROW (LV)	4	CU YD	\$54.13		\$ -
3	2232.501	MILL BITUMINOUS SURFACE (2")	583	SQ YD	\$4.72		\$ -
4	2357.502	BITUMINOUS MATERIAL FOR TACK COAT	117	GALLON	\$3.09		\$ -
5	2360.501	TYPE SP 12.5 WEARING COURSE MIXTURE (2,B)	282	TON	\$62.77		\$ -
6	2563.601	TRAFFIC CONTROL	1	LUMP SUM	\$433.05		\$ -

Total Alternate Bid No. 1 - 187th Lane Overlay **\$ -**

**PAY ESTIMATE #1
CITY OF EAST BETHEL
Coon Lake Beach and Miscellaneous Overlay Projects**

Alternate Bid No. 2 - 245th Avenue Reclaim and Paving

ITEM NO.	SPEC.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	CONTRACT UNIT PRICE	USED TO DATE	EXTENSION
1	2021.501	MOBILIZATION	1	LUMP SUM	\$1,461.96		\$ -
2	2104.513	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)	110	LIN FT	\$4.17		\$ -
3	2105.525	TOPSOIL BORROW (LV)	11	CU YD	\$54.15		\$ -
4	2112.603	SUBGRADE PREPARATION	320	LIN FT	\$9.83		\$ -
5	2232.501	MILL BITUMINOUS SURFACE (2")	26	SQ YD	\$21.66		\$ -
6	2331.604	BITUMINOUS PAVEMENT RECLAMATION	1,171	SQ YD	\$1.87		\$ -
7	2357.502	BITUMINOUS MATERIAL FOR TACK COAT	65	GALLON	\$3.09		\$ -
8	2360.501	TYPE SP 9.5 WEARING COURSE MIXTURE (2,B)	118	TON	\$75.08		\$ -
9	2360.502	TYPE SP 12.5 NON WEARING COURSE MIXTURE (2,B)	118	TON	\$72.82		\$ -
10	2563.601	TRAFFIC CONTROL	1	LUMP SUM	\$433.17		\$ -
Total Alternate Bid No. 2 - 245th Avenue Reclaim and Paving							\$ -

Alternate Bid No. 3 - Drainage Improvements

ITEM NO.	SPEC.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	CONTRACT UNIT PRICE	USED TO DATE	EXTENSION
1	2502.541	8" PERF PE PIPE DRAIN	945	LIN FT	\$12.09	100	\$ 1,209.00
2	2506.502	CONSTRUCT DRAINAGE STRUCTURE DESIGN 48 - 4020	4	EACH	\$2,187.52	3	\$ 6,562.56
Total Alternate Bid No. 3 - Drainage Improvements							\$ 7,771.56

Total Base Bid - Coon Lake Beach	\$ 294,346.01
Total Alternate Bid No. 1 - 187th Lane Overlay	\$ -
Total Alternate Bid No. 2 - 245th Avenue Reclaim and Paving	\$ -
Total Alternate Bid No. 3 - Drainage Improvements	<u>\$ 7,771.56</u>
Total Work Completed to Date	<u>\$ 302,117.57</u>
Less 5% Retainage:	<u>\$ 15,105.88</u>
WE RECOMMEND PAYMENT OF:	<u>\$ 287,011.69</u>

APPROVALS:

CONTRACTOR: NORTH VALLEY, INC.

Certification by Contractor: I certify that all items and amounts are correct for the work completed to date.

Signed: 

Title: Project Director Date 9/10/12

ENGINEER: HAKANSON ANDERSON

Certification by Engineer: We recommend payment for work and quantities as shown.

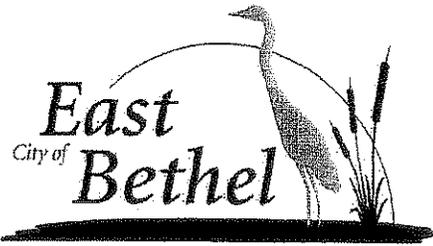
Signed: 

Title: City Engineer Date 9/10/12

OWNER: CITY OF EAST BETHEL

Signed: _____

Title: _____ Date _____



September 23, 2011

Gerald Shern
416 Crestwood Court SE
East Grand Forks, MN 56721

RE: Finishing Touch Landscape Letter of Credit #5465

Dear Mr. Shern:

October 20, 2010, a Site Plan Review Landscape Plan Performance Agreement was executed by you and the City of East Bethel. The agreement states that all landscape plantings must be completed by June 15, 2011 and all landscaping work must be alive, showing good growth and that it is well established at the end of one full growing season after planted. Letter of Credit #5465 in the amount of \$21,045.00 was submitted to ensure compliance with the terms of the agreement.

The agreement states that the Applicants, Cyndi Dooley and David Shern, will notify the City for an inspection once the landscaping is complete. Staff has not been notified so we conducted a site inspection on September 23, 2011. Staff verified that no landscaping has been completed on the property. At this time, there are two (2) options:

1. Extend the Letter of Credit for an additional year, expiring on October 1, 2012, to guarantee that landscape planting will be completed no later than June 15, 2012, or
2. The City of East Bethel can draw down on Letter of Credit #5465 no later than October 1, 2011, in which the city will then complete the landscaping in spring 2012.

Please contact staff so we can discuss the options. I can be reached at (763) 367-7855 or stephanie.hanson@ci.east-bethel.mn.us.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephanie L. Hanson", written over a horizontal line.

Stephanie L. Hanson
City Planner

Cc: Cyndi Dooley
David Shern
Bob Fossom, McVillage State Bank

September 13, 2012

Gerald Shern
416 Crestwood Court SE
East Grand Forks, MN 56721

RE: Finishing Touch Landscape Letter of Credit #5465

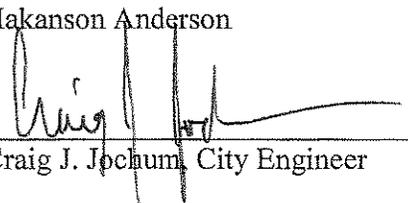
Dear Mr. Shern:

On October 20, 2010, a Landscape Plan Performance Agreement was executed by you and the City of East Bethel. The agreement states that all landscape plantings must be completed by June 15, 2011 and all landscaping work must be alive, showing good growth and that it is well established at the end of one full growing season after planted. Letter of Credit #5465 in the amount of \$21,045.00 was submitted to ensure compliance with the terms of the agreement. Per the letter from Stephanie Hanson dated September 23, 2011, you were allowed to extend the Letter of Credit until October 1, 2012.

The agreement states that the Applicants, Cyndi Dooley and David Shern, will notify the City for an inspection once the landscaping is complete. Staff has not been notified so we conducted a site inspection on September 12, 2012. Staff verified that no landscaping has been completed on the property. If the improvements are not completed and approved by September 21, 2012 the City of East Bethel will draw down on Letter of Credit #5465 no later than October 1, 2012, in which the City will then complete the landscaping in the spring of 2013. This item will be discussed at the September 19, 2012 City Council Meeting.

Also, on or before September 21, 2012, the outstanding escrows must be paid in full. If you have any questions please call me at 763-852-0485.

Sincerely,
Hakanson Anderson



Craig J. Jochum, City Engineer

cc: Jack Davis, City Administrator
Nate Ayshford, Public Works Manager
Joan D. Steffen-Baker, Administrative Assistant to Planning
Mark Vierling, City Attorney
Cyndi Dooley
David Shern
Bob Fossom, McVillage State Bank



City of East Bethel City Council Agenda Information

Date:

September 19, 2012

Agenda Item Number:

Item 7.0 B.1

Agenda Item:

Administrative Subdivision – Lot Line Adjustment for Village Green Mobile Home Park

Requested Action:

Consider an Administrative Subdivision for a Lot Line Adjustment in the R2 – Single Family and Townhome Residential District

Background Information:

Property Owner:

Thomas L. Sauter
T & G Land, Inc.
6651 141st Ave. NW
Ramsey, MN 55303
PIN 323323310002

Applicant:

Charles Mossefin
Village Green North, LLP
4175 Lovell Road
Lexington, MN 55014
PIN 323323340004

East Bethel City Code Chapter 66, Subdivisions, allows lot boundary line adjustments where the division is to permit the adding of a parcel of land to an abutting lot. Administrative subdivisions do not require a public hearing; therefore, City Council is the only review body for the land use request.

The parcel that Village Green is requesting an addition to is approximately 9.0 acres in size. They are requesting an adjustment of the northern property line by adding a portion of land (approx. 3.59 acres) from the south property line of the land owned by T & G Land, Inc. The additional property is shown on Attachment #3 as Parcel B. After the lot line adjustment Village Green’s parcel will then be approximately 12.59 acres in size.

The review comments from the City Attorney and City Engineer are included as Attachment #4 and Attachment #5.

The administrative subdivision meets the requirements set forth in city code and meets the policies adopted as part of the East Bethel Comprehensive Plan; therefore, staff suggests City Council consider approving the subdivision.

Attachments:

1. Location Map
2. City Application
3. Proposed Administrative Subdivision

- 4. City Attorney comments dated September 6, 2012
- 5. City Engineer comments dated September 13, 2012

Fiscal Impact:

None at this time

Recommendation:

City Staff is recommending approval of the Administrative Subdivision that would allow a lot line adjustment for the properties known as Village Green, PIN 32-33-23-34-0004, and T & G Land, Inc., PIN 32-33-23-31-0002. The parcel known as PIN 32-33-23-34-0004, East Bethel, will increase in size from 9.0 acres to 12.59 acres. The parcel known as PIN 32-33-23-31-0002, East Bethel, will decrease in size from 40.93 acres to 37.31 acres. The approval shall be contingent on the following:

- 1. Submit an ownership and encumbrance report identifying fee owners, lien holders and easements, prepared as to each existing lot of record. This information can be identified on the existing survey.
- 2. Certification from the surveyor must be submitted stating that all lot corners have been set.
- 3. New property description must be reviewed and approved by City Engineer prior to the signing of the parcel deeds.
- 4. Deeds and survey shall be recorded at the Office of the County Registrar of Titles no later than December 8, 2012. Failure to promptly record this transaction will void the administrative subdivision.
- 5. All review comments from the City Attorney shall be addressed to his satisfaction.
- 6. All review comments from the City Engineer shall be addressed to his satisfaction.

City Council Action

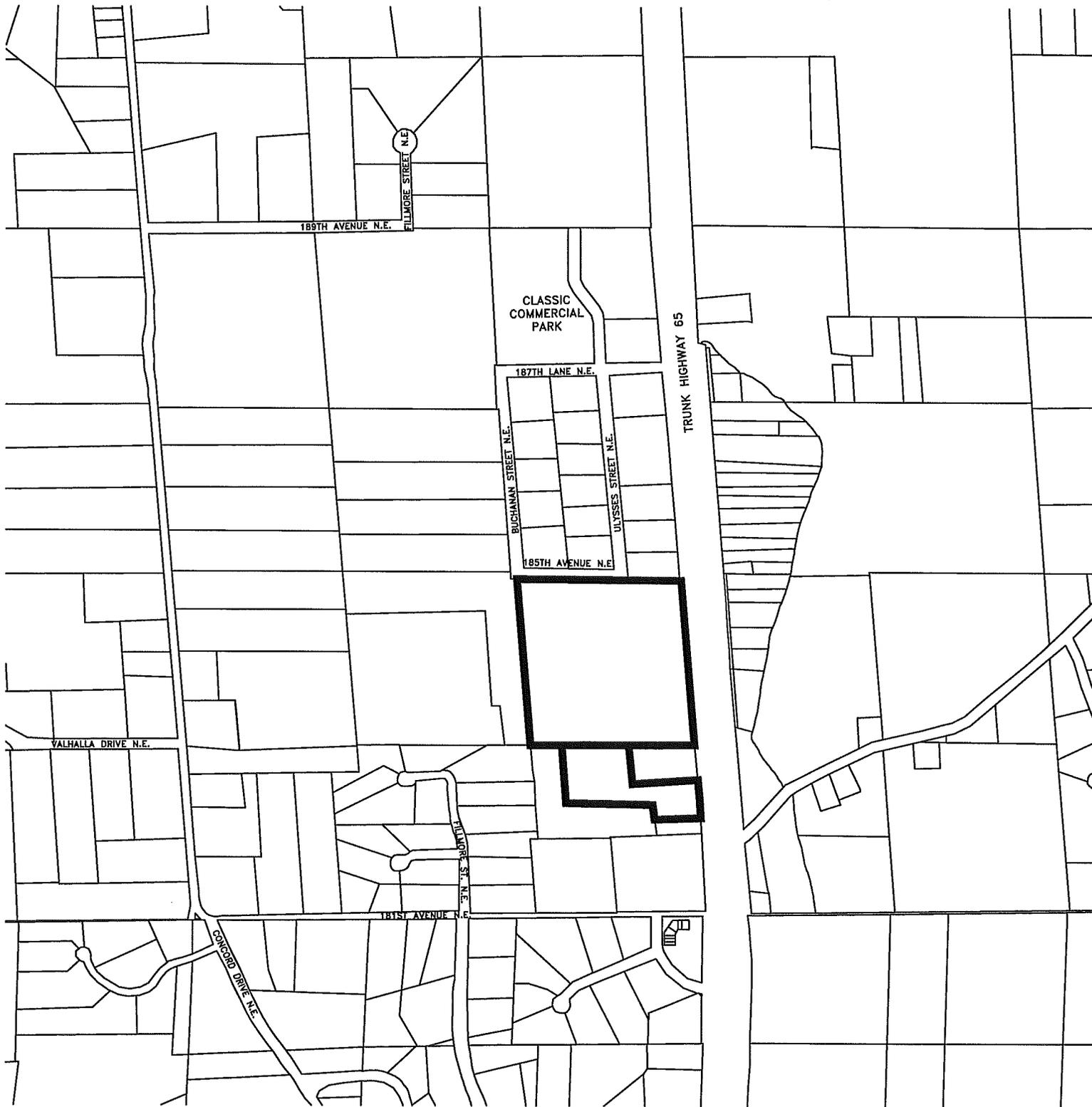
Motion by:_____

Second by:_____

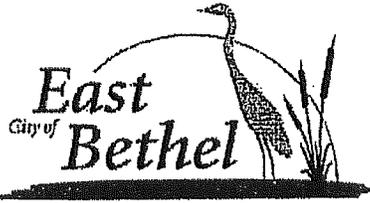
Vote Yes:_____

Vote No:_____

No Action Required:_____



LOCATION MAP ATTACHMENT 1



LAND USE APPLICATION

<i>OFFICE USE ONLY</i>	
Date Rec'd _____	
By _____	
Fee \$ _____	

Check appropriate box: VARIANCE CUP IUP FINAL PLAT

BUSINESS CONCEPT PLAN PRELIMINARY PLAN SITE PLAN REVIEW OTHER Admin. Subd. - Lot Line Adj.

Application shall include the following items and be submitted thirty (30) days prior to scheduled meeting date.

Application is hereby made for an administrative subdivision (provide narrative below describing proposed use). Property Owner has agreed to convey a portion of property it owns to Applicant. Property Owner and Applicant own adjacent parcels. The portion to be conveyed to Applicant will be excepted out of Property Owner's legal description and added to Applicant's legal description and made a part of the legal description for one of its existing PID Numbers.

Outlot A, T & G First Addition, Anoka County, MN

LOCATION: PID 32-33-23-31-0002 Legal: ~~Lot~~ _____ ~~Block~~ _____ ~~Subdivision~~ _____

PROPERTY ADDRESS: Unassigned PRESENT ZONING: NC Neighborhood Center

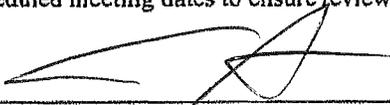
PROPERTY OWNER

CONTACT NAME T & G Land, Inc. PHONE 763-421-7919
 ADDRESS Attn: Tom Sauter FAX 763-421-0797
6651 - 141st Avenue N.W.
 CITY/STATE/ZIP Ramsey, MN 55303 E-MAIL tomsauter@gmail.com

APPLICANT

CONTACT NAME Village Green North, LLP PHONE 763-432-0076
 ADDRESS Attn: Charles Mossefin FAX 763-432-0182
4175 Lovell Road
 CITY/STATE/ZIP Lexington, MN 55014 E-MAIL mossefin@msn.com

I fully understand that I must meet with City Staff to review all submission requirements and conditions prior to official submission, and that all of the required information must be submitted at least thirty (30) days prior to the Planning/Zoning Commission and City Council scheduled meeting dates to ensure review by City Staff.



 Property Owner's Signature

Thomas C Sauter

 Printed Name

8-16-12

 Date

<i>OFFICE USE ONLY - DO NOT COMPLETE</i>			
	Received	Approved/Denied	Notes
Community Dev.			
Planning Commission			
City Council	<u>9/17/12</u>		
	60 Day	120 Day	

ATTACHMENT 2

ADMINISTRATIVE SUBDIVISION

~for~ Village Green North
 Manufactured Home Community
 18164 Hwy. 65 N.E.
 Cedar, MN. 55011

EXISTING LEGAL DESCRIPTION

Outlot A, T & G FIRST ADDITION, Anoka County, Minnesota.
 (Area = 40.93± Acres)

PROPOSED PARCEL DESCRIPTIONS

PROPOSED PARCEL A: ~RESIDUAL AREA~

Outlot A, T & G FIRST ADDITION, Anoka County, Minnesota. EXCEPT the following described parcel:

That part of Outlot A, T & G FIRST ADDITION, Anoka County, Minnesota described as commencing at the Southeast corner of said Outlot A; thence North 89 degrees 38 minutes 51 seconds West, assumed bearing, along the South line of said Outlot A a distance of 545.84 feet to the point of beginning; thence North 06 degrees 43 minutes 50 seconds West 147.94 feet; thence North 02 degrees 01 minutes 23 seconds West 65.15 feet; thence North 86 degrees 01 minutes 51 seconds West 675.23 feet to the West line of the Northeast Quarter of the Southwest Quarter of Section 32, Township 33, Range 23, Anoka County, Minnesota; thence South 04 degrees 34 minutes 09 seconds East along said West line 255.44 feet to said South line of Outlot A; thence South 89 degrees 38 minutes 51 seconds East along said South line 672.92 feet to the point of beginning.

(Area of Parcel A is 37.34± Acres)

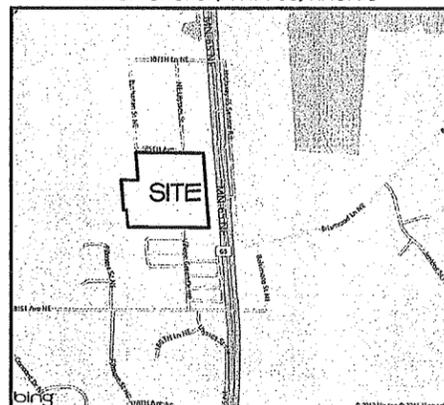
PROPOSED PARCEL B: ~STORAGE AND RECREATION AREA~

That part of Outlot A, T & G FIRST ADDITION, Anoka County, Minnesota described as commencing at the Southeast corner of said Outlot A; thence North 89 degrees 38 minutes 51 seconds West, assumed bearing, along the South line of said Outlot A a distance of 545.84 feet to the point of beginning; thence North 06 degrees 43 minutes 50 seconds West 147.94 feet; thence North 02 degrees 01 minutes 23 seconds West 65.15 feet; thence North 86 degrees 01 minutes 51 seconds West 675.23 feet to the West line of the Northeast Quarter of the Southwest Quarter of Section 32, Township 33, Range 23, Anoka County, Minnesota; thence South 04 degrees 34 minutes 09 seconds East along said West line 255.44 feet to said South line of Outlot A; thence South 89 degrees 38 minutes 51 seconds East along said South line 672.92 feet to the point of beginning.

(Area of Parcel B is 3.59± Acres)

VICINITY MAP

PART OF SEC. 32, TWP. 33, RNG. 23



ANOKA COUNTY, MINNESOTA
 (NO SCALE)

I hereby certify that this survey, plan or report was prepared by me or under my direct supervision and that I am a duly Registered Land Surveyor under the laws of the State of Minnesota.

Jason E. Rud
 JASON E. RUD

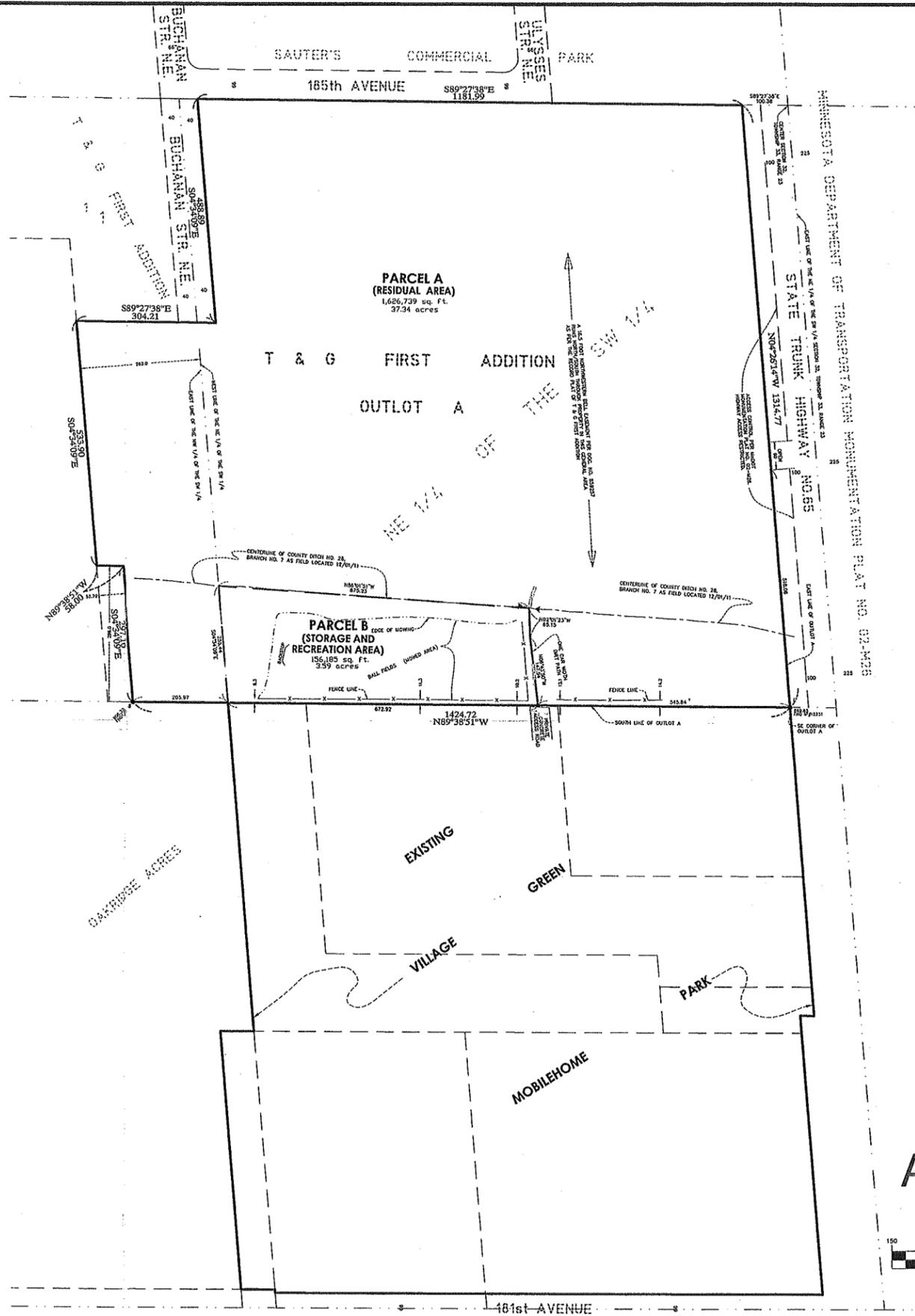
Date: 08/24/12 License No. 41578



E. G. RUD & SONS, INC.
 EST. 1977 Professional Land Surveyors
 6776 Lake Drive NE, Suite 110
 Lino Lakes, MN 55014
 Tel. (651) 361-8200 Fax (651) 361-8701

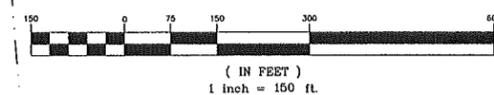
DRAWN BY: DWO	JOB NO: 11585BS	DATE: 08/24/12	
CHECK BY: JER	SCANNED <input type="checkbox"/>		
1	8/24/12	Administrative Subdivision	
2			
3			
NO.	DATE	DESCRIPTION	BY

S:\rud\CAD\11pro\11585\11585.dwg 8/24/2012 10:03:58 AM CDT



ATTACHMENT 3

GRAPHIC SCALE



NOTES

- Field survey was completed by E.G. Rud and Sons, Inc. on 12/01/11.
- Bearings shown are on an Anoka County Datum (Same as plot datum)
- This survey was prepared without the benefit of title work. Additional easements, restrictions and/or encumbrances may exist other than those shown hereon. Survey subject to revision upon receipt of a current title commitment or an attorney's title opinion.

LEGEND

- DENOTES IRON MONUMENT FOUND AS LABELED
- ◁ DENOTES STORM SEWER APRON
- DENOTES CHAIN LINK FENCE
- ▭ DENOTES CONCRETE SURFACE
- DENOTES 8± FOOT DIRT CAR PATH

11585 BS

Writer's Direct Dial:
(651) 351-2118

Writer's E-mail:
mvierling@eckberglammers.com

Stillwater Office:
1809 Northwestern Avenue
Stillwater, Minnesota 55082
(651) 439-2878
Fax (651) 439-2923

September 6, 2012

Hudson Office:
430 Second Street
Hudson, Wisconsin 54016
(715) 386-3733
Fax (715) 386-6456

Jack Davis
City Administrator
2241 - 221st Avenue NE
East Bethel, MN 55011

www.eckberglammers.com

Re: Application for Administrative Subdivision - *Village Green North LLP, dated 8/16/12*
Our File No.: 23746-23086

Dear Mr Davis:

Thank you for the opportunity to review this Application. We have reviewed the information submitted, gathered some additional information from the Applicant's counsel, and find that the request for administrative subdivision as applied for, is appropriate, subject to the following conditions that we would impose:

1. We assume that the Applicant will secure, as part of their due diligence in the matter, an Ownership and Encumbrance Report relative to the parcel in question, that being Parcel B as depicted upon the survey drawing of E.G. Rud dated 08/24/12. A copy of that should be supplied to the City.

2. The area that is now depicted as Parcel B shall be required to be merged into the parcel owned and adjacent to Parcel B by the Applicant, being Property ID: 32-33-23-34-0004. Tract B shall not be buildable in and of itself, but shall be assimilated into the adjacent parcel of the Applicant. The adjacent parcel and Parcel B will then be consisting of one indivisible parcel for purposes of future application to the city's zoning and subdivision codes. Similarly as that parcel is to be assimilated into the Applicant's adjacent parcel, Parcel B does not have, nor shall it be provided with separate road access to a public road, but shall be only accessed through the Applicant's existing parcel 32-33-23-34-0004.

3. The Applicant shall secure written commitment and/or written proof of the assimilation of Parcel B into their Parcel from Anoka County, and provide same to the City as part of this transaction.

4. The Deed of Conveyance will reflect that the merger of Parcel B into the Applicant's existing parcel is required as a condition of the City's approval.

We may have additional comments and suggestions after we obtain the Ownership Lien and Encumbrance Report relative to the affected parcel.

ATTACHMENT 4

September 13, 2012

Joan D. Steffen-Baker, Administrative Assistant to Planning
City of East Bethel
2241 - 221st Avenue N.E.
East Bethel, MN 55011-9631

RE: Village Green Administrative Subdivision

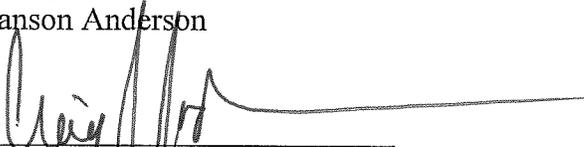
Dear Joan:

This letter is in regards to the above reference subdivision. This letter is an update to our September 6, 2012 letter. The following items need to be addressed:

1. Per Section 66-135(b)(2) of the City Code, label the name, address and telephone number of the legal owner and/or agent of each property.
2. Per Section 66-135(b)(6) of the City Code, provide any easements of record that may exist for each property.
3. Per Section 66-135(b)(7) of the City Code, show the wetland lines, if any exist on the property.
4. Per Section 66-135(b)(8) of the City Code, label encroachments, easements, or rights-of-way encumbering property, if any.
5. Per Section 66-135(b)(9) of the City Code, show existing buildings and structures within 100 feet of the boundaries of the subject parcel.
6. Per Section 66-135(b)(10) of the City Code, label the widths of the existing streets.
7. An 80 foot wide street, drainage and utility easement shall be provided on the west side of Parcel B.

If you have any questions regarding this review please call me at 763-852-0485.

Sincerely,
Hakanson Anderson



Craig J. Jochum, City Engineer

cc: Jack Davis, City Administrator
Nate Ayshford, Public Works Manager
Mark Vierling, City Attorney
Charles Mossefin, Applicant
Jason E. Rud, E.G. Rud & Sons, Inc.



City of East Bethel City Council Agenda Information

Date:

September 19, 2012

Agenda Item Number:

Item 8.0 F.1

Agenda Item:

Fire Department Monthly Reports

Requested Action:

Informational only

Background Information:

Fire Department Monthly Report.

To aid in your understanding, staff has included as Attachment #1 the Incident Type Codes it appears on the reports.

Fiscal Impact:

None

Recommendation(s):

Informational only.

City Council Action

Motion by: _____

Second by: _____

Vote Yes: _____

Vote No: _____

No Action Required: _____

INCIDENT TYPE CODES

- 100 Fire
- 200 Overpressure Rupture, Explosion, Overheat (No Ensuing Fire)
- 300 Rescue and Emergency Medical Service (EMS) Incidents
- 400 Hazardous Condition (No Fire)
- 500 Service Call
- 600 Good Intent Call
- 700 False Alarm and False Call
- 800 Severe Weather and Natural Disaster
- 900 Special Incident Type

**East Bethel Fire Department
Incident Call Report
August, 2012**

Incident Number	Incident Date	Alarm Time	Location	Incident Type
321	08/29/2012	09:02	915 207th AVE	321 EMS call
320	08/28/2012	17:05	24355 65 HWY NE	321 EMS call
319	08/28/2012	09:18	2717 183rd AVE NE	321 EMS call
318	08/28/2012	02:53	20254 Jackson ST NE	321 EMS call
317	08/27/2012	12:53	4515 224 AVE NE	321 EMS call
316	08/26/2012	19:00	23512 Gopher DR NE	321 EMS call
315	08/26/2012	07:44	18164 65 HWY NE	321 EMS call
314	08/25/2012	00:46	415 Cedar RD NE	321 EMS call
313	08/24/2012	19:40	22343 NE Sandy DR NE	321 EMS call
312	08/23/2012	09:50	21730 Tyler ST NE	321 EMS call
311	08/23/2012	07:02	22838 Palisade ST NE	321 EMS call
310	08/23/2012	01:18	19957 Polk ST NE	321 EMS call
309	08/22/2012	18:46	447 Dogwood RD	611 Dispatched and cancelled en route
308	08/22/2012	08:36	4645 Fawn Lake DR NE	321 EMS call
307	08/20/2012	14:53	Viking BLVD NE	150 Outside rubbish fire, other
305	08/20/2012	07:32	23640 Davenport ST NE	321 EMS call
306	08/20/2012	06:27	1723 207th AVE	321 EMS call
304	08/19/2012	17:14	3608 Edmar LN NE	321 EMS call
303	08/19/2012	02:51	18933 Jewell ST NE	611 Dispatched and cancelled en route
302	08/18/2012	15:07	20612 Austin ST NE	321 EMS call
301	08/18/2012	07:13	4910 S Tri Oak CIR	321 EMS call
300	08/18/2012	04:32	Viking BLVD	323 Motor vehicle/pedestrian accident
299	08/17/2012	19:11	21443 7th ST	321 EMS call
298	08/17/2012	03:05	4876 N Tri Oaks CIR NE	321 EMS call
297	08/16/2012	16:13	3831 189th AVE NE	412 Gas leak (natural gas or LPG)
296	08/15/2012	18:46	481 NE 206 AVE NE	321 EMS call
295	08/13/2012	13:54	23913 Fillmore ST NE	321 EMS call
293	08/11/2012	20:54	2979 NE 221st AVE NE	631 Authorized controlled burning
294	08/11/2012	20:40	65 HWY	631 Authorized controlled burning
292	08/11/2012	18:10	21844 East Bethel BLVD	631 Authorized controlled burning
291	08/11/2012	17:40	1728 NE 208th LN NE	321 EMS call
290	08/09/2012	16:56	24355 NE 65 HWY NE	321 EMS call
289	08/08/2012	21:41	506 193 LN NE	321 EMS call
288	08/07/2012	16:33	757 Lakeshore DR	321 EMS call
287	08/07/2012	14:20	22200 Washington ST NE	143 Grass fire
286	08/06/2012	19:12	1911 NE Viking BLVD NE	631 Authorized controlled burning
285	08/06/2012	16:00	65 HWY NE	322 Motor vehicle accident with injuries
284	08/06/2012	14:56	18164 hwy 65 HWY NE	311 Medical assist, assist EMS crew
283	08/04/2012	15:33	20350 Jewell ST NE	321 EMS call
282	08/04/2012	06:58	3624 Edmar LN NE	444 Power line down
281	08/03/2012	22:18	22421 Xylite ST NE	611 Dispatched and cancelled en route
280	08/03/2012	16:20	65 HWY NE	322 Motor vehicle accident with injuries
279	08/02/2012	08:13	24355 Highway 65 NW	321 EMS call

Total

43

City of East Bethel

Subject: Fire Inspector Report

August 1 – 31, 2012

City of East Bethel Fire Inspection List

Name	Address	Comments
Our Saviors Church	19001 Jackson St.	No Violations
A-Blast	21473 Johnson St.	2 nd Inspection: No Violations
Professional Exteriors Inc.	3158 Viking Blvd	Lock Box installed with keys, No Violations
Preferred Tool	3140 Viking Blvd	Emergency Light
Merrimac Construction	18651 Buchanan St	No Violations
Rodger's Rod & Custom	18689 Buchanan St	No Violations
East Bethel Theater	18635 Ulysses St	Emergency Light
Saarela Ins	1535 Viking Blvd	2 nd Inspection: No Violations
Ekvall Engineering	4720 Viking Blvd	No Violations
Central Trailer Sales	18861 Hwy 65	No Violations
Print Plus	18507 Hwy 65	2 nd Inspection: Fire extinguishers
Valder Vehicle	18805 Hwy 65	2 nd Inspection: No Violations and key in lock box
Lynn's Grocery & Gas	1425 Sims Rd	2 nd Inspection: No Violations
Freimuth Ent.	48641 Hwy 65	2 nd Inspection: No Violations
NACE Food Shelf	18511 Hwy 65	2 nd Inspection: No Violations
NOTE: First Inspections Unless Noted		

15 Businesses Inspected

Reported by: Mark Duchene
Fire Inspector



City of East Bethel City Council Agenda Information

Date:

September 19, 2012

Agenda Item Number:

Item 8.0 G.1

Agenda Item:

Electronic Reader Board

Requested Action:

Consider approving the solicitation of bids for an electronic reader board to be located at Viking Boulevard and Hwy. 65

Background Information:

At the June 6, 2012 City Council meeting, direction was given to staff to seek proposals for replacing the storm damaged City Billboard located at the intersection of Viking Boulevard and Hwy. 65. This item was presented to City Council on July 18, 2012 for consideration. At that time the request to bid this project was tabled until the 2013 City Budget discussions had been concluded. As there was no change in the proposed 2013 EDA budget, the source of funding for this project, in the preliminary budget deliberations this matter is proposed for reconsideration by Council.

The following bid requirements are proposed by staff as a format for base bids and alternate upgrades if the Council should determine the need for the sign:

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

- 8) An architectural rendering of the completed sign must be furnished as part of the bid. At a minimum the rendering must address exterior finishes of the support posts , decorative framing details of the main sign board or other finish details .
- 9) Other than the City name or logo, there is to be no other permanent signage on the board.

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

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

Alternate bid items would include:

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

The previous billboard was able to display four lines of 9” letters with 18 letters on each line. This proposal to Council is to bid this project with the award of any bid would subject to Council approval.

Attachment(s):

Reader Board Sign Examples

Fiscal Impact:

The estimated costs of an electronic reader board under the base bid amount range between \$60,000 and \$85,000. There is currently \$50,000 in the 2012 EDA budget and a preliminary approval of \$45,000 for 2013 EDA budget for a reader board sign. The East Bethel Seniors have provided a donation of \$5,000 toward the sign and the City has received \$2,800 as a damage claim payment, bringing the total available funds for the project to \$57,800 for 2012. If approval is granted by City Council to replace the existing sign with a new reader board that would be completed prior to December 2012, an intra-fund no interest loan could be extended from our HRA account to cover those costs of the sign above \$57,800. The loan could be repaid to the HRA from the 2013 EDA budget. If the sign is approved and not completed until 2013, there would be no need for the loan, as funds would be available to cover the cost of the project.

Recommendation(s):

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

City Council Action

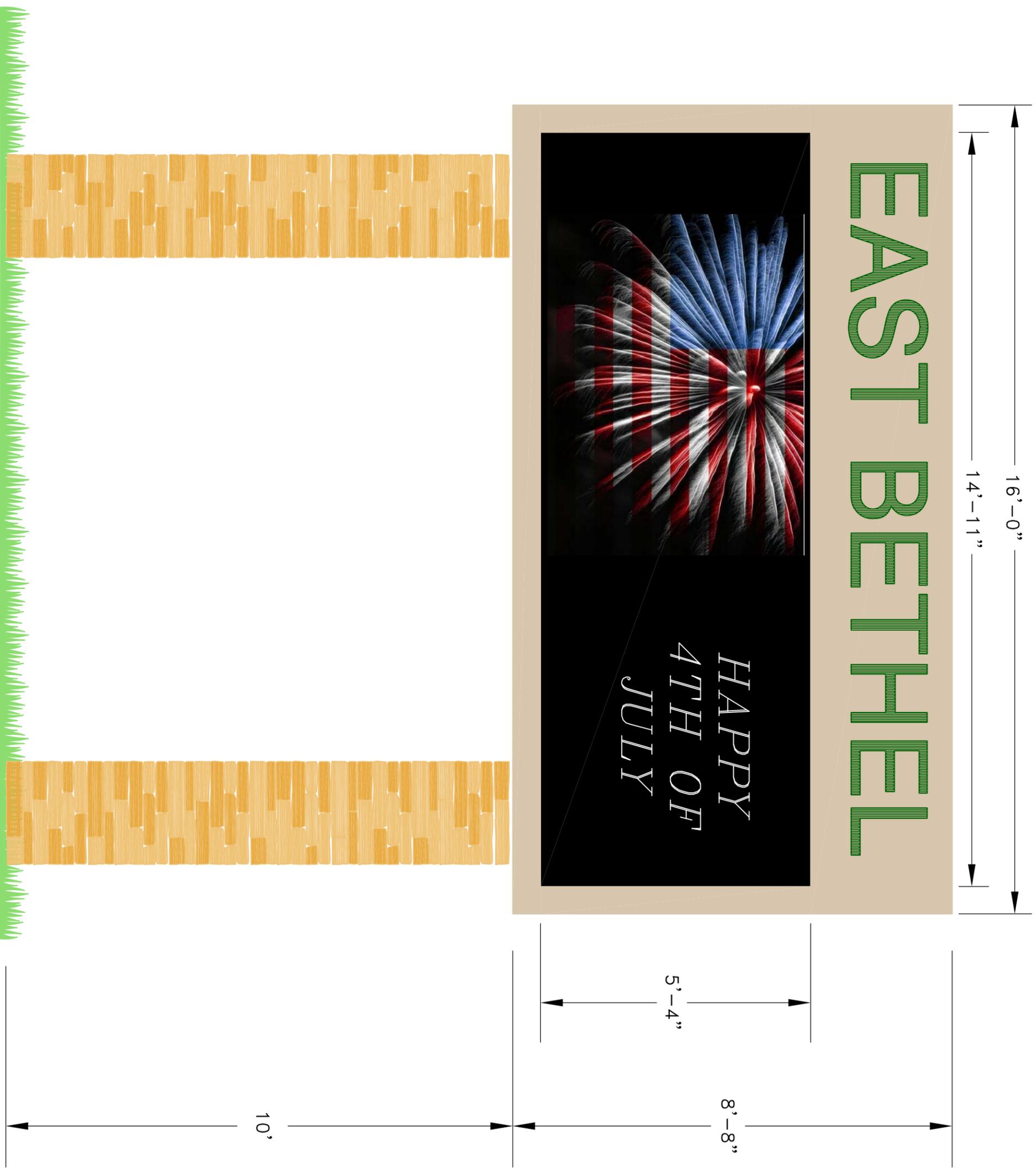
Motion by:_____

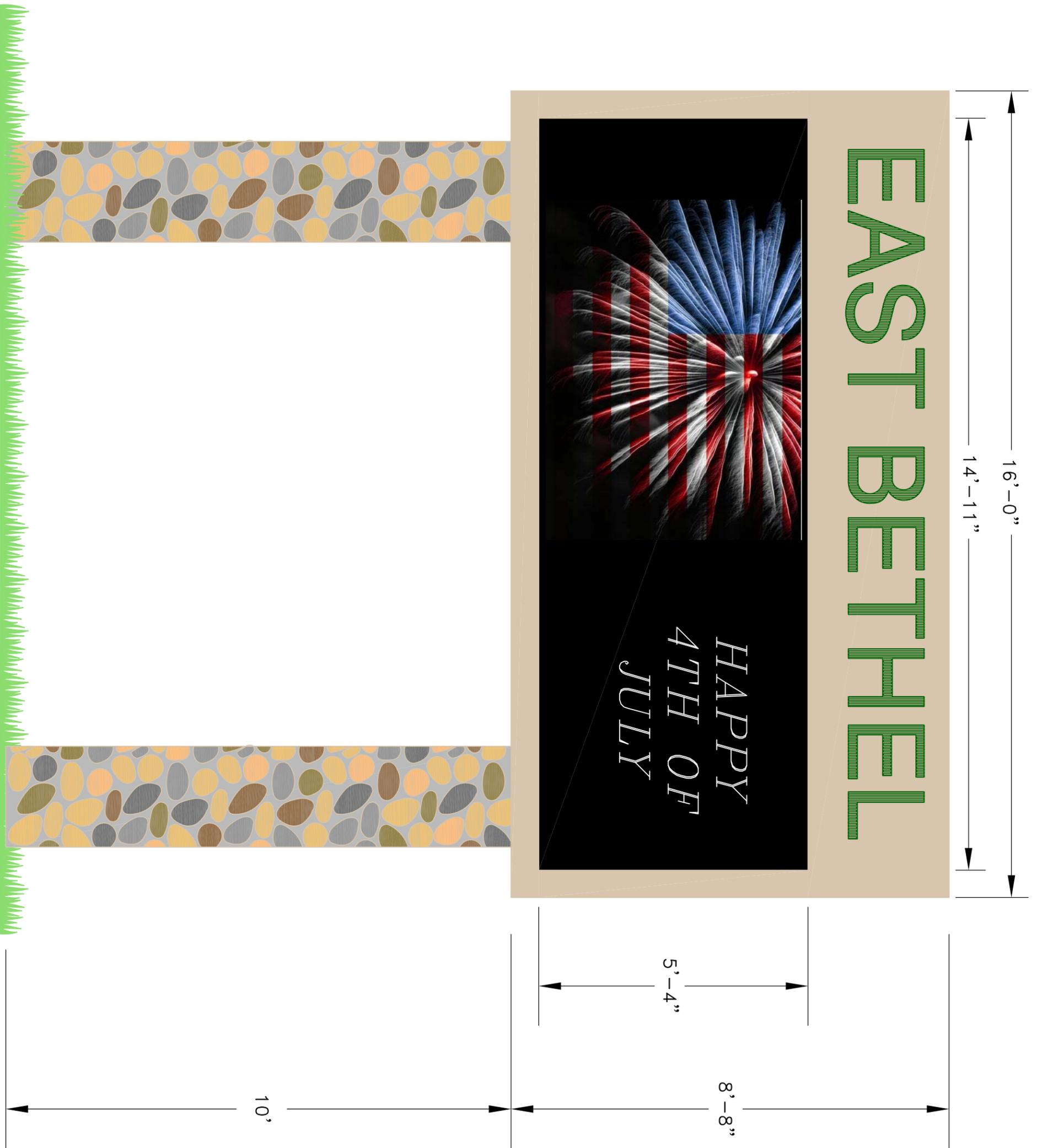
Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required:_____







City of East Bethel City Council Agenda Information

Date:

September 19, 2012

Agenda Item Number:

Item 8.0 G.2

Agenda Item:

MnDOT Traffic Control Signal Agreement

Requested Action:

Consider approving the MNDOT Traffic Control Signal Agreement for the intersection of 221st Ave. and Hwy. 65

Background Information:

As part of the Joint Powers Agreement (JPA) that the City approved on November 16, 2011 for the 221st Avenue and Hwy. 65 Signalization Project, the City is responsible for the installation of an adequate electrical power source to the service cabinet for the County Road 74/TH 65 traffic control signal system, maintenance of street lights and cost of electrical power for the street lights.

At the time of the JPA approval, a separate agreement was to be prepared by MnDOT to finalize the responsibilities between the City, the County, and MnDOT. Attached is the final agreement and Resolution 2012-57 approving the cost and maintenance responsibilities of the City.

This is a standard MnDOT agreement and is similar to the other agreements that the City has executed with MnDOT for the signals at Viking Boulevard, Sims Road and 237th Ave. on Hwy. 65.

Attachment(s):

1. MnDOT Traffic Control Signal Agreement No. 01242M
2. Resolution 2012-57 Authorizing the City of East Bethel to enter into the agreement and the Mayor and City Administrator to execute the agreement

Fiscal Impact:

The annual electrical cost for the signals and luminaires averages approximately \$3,000. This cost is included in City Roads Budget.

Recommendation(s):

Staff recommends approval of Agreement No. 01242M between the State of Minnesota, Department of Transportation, the County of Anoka and the City of East Bethel. Further staff recommends that Council adopt Resolution 2012-57 Authorizing the City of East Bethel to enter into the agreement and the Mayor and City Administrator to execute the agreement.

City Council Action

Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required:_____

MINNESOTA TRANSPORTATION DEPARTMENT

TRAFFIC CONTROL SIGNAL

AGREEMENT NO. 01242M

BETWEEN

THE STATE OF MINNESOTA, DEPARTMENT OF TRANSPORTATION

AND

THE COUNTY OF ANOKA

AND

THE CITY OF EAST BETHEL

TO

Provide Maintenance and Electrical Energy for the new Traffic Control Signal with Signal Pole Mounted Luminaires, Emergency Vehicle Pre-emption, Wireless Interconnect and Signing on Trunk Highway No. 65 at County Road No. 74 (221st Avenue), in the City of East Bethel, Anoka County, Minnesota.

S.P. 0208-147

S.A.P. 002-596-015

System I.D. 39357

Prepared by Metropolitan District Traffic Engineering

ESTIMATED AMOUNT RECEIVABLE

AMOUNT ENCUMBERED

NONE

None

Otherwise Covered

01242M

PARTIES

THIS AGREEMENT is entered into by the Minnesota Department of Transportation, (State), the County of Anoka (County), and the City of East Bethel, (City).

RECITALS

Minnesota Statutes Section 161.20 authorizes the Commissioner of Transportation to enter into agreements with any governmental authority for the purposes of constructing, maintaining and improving the Trunk Highway system.

The parties have determined that there is justification and it is in the public's best interest to install a new traffic control signal including signal pole mounted luminaires, signing and wireless interconnect (Traffic Control Signal), on Trunk Highway No. 65 at County Road No. 74 (221st Avenue).

The City requests and the County and the State agree to the installation of an Emergency Vehicle Pre-emption System (EVP System), as a part of the new Traffic Control Signal installation.

It is considered in the public's best interest for the State to provide a new traffic control cabinet and control equipment (State-furnished Materials). The County will purchase

the State-furnished Materials using a purchase order and will be billed using the County's TA98802 Account No. on file with the State Finance Department.

The City and State will participate in the maintenance and operation of the new Traffic Control Signal and EVP System.

CONTRACT

1. The State will prepare the necessary plan, specifications and proposal, (Preliminary Engineering) and also perform all necessary construction inspection, (Construction Engineering).

2. The County, with its own resources or by contract, will install a new Traffic Control Signal and EVP System on Trunk Highway No. 65 at County Road No. 74 (221st Avenue), pursuant to the plans and specifications for State Project No. 0208-147 and State Aid Project No. 002-596-015.

3. The City will be responsible for the cost and application to secure an adequate power supply to the service pad or pole. Upon completion of this project, the City will thereafter pay all monthly electrical service expenses necessary to operate the new Traffic Control Signal and EVP System.

4. Upon completion of this project, the responsibility for the new Traffic Control Signal is as follows: a) The City will, at its cost and expense, maintain the signal pole mounted luminaires and all their components, including re-lamping and replacement of the luminaire if necessary; (b) The County will, at its cost and expense: (1) replace the signal system L.E.D. indications; (2) clean the traffic control signal and the luminaire mast arm extensions; and (3) clean the controller and service cabinets; and b) The State will maintain the traffic signal cabinet and control equipment, repair knockdowns of the Traffic Control Signal, maintain the new wireless interconnect and perform all other traffic control signal and signal pole mounted luminaire circuit maintenance.

5. The EVP System will be installed, operated, maintained, or removed in accordance with the following conditions and requirements:

- a) All maintenance, operation and timing of the EVP System will be performed by the State.
- b) Emitter units may be installed only on authorized emergency vehicles, as defined in Minnesota Statutes Section 169.01, Subdivision 5. Authorized emergency

vehicles may use emitter units only when responding to an emergency. The City will provide the State's Metropolitan District Engineer or his designated representative a list of all vehicles with emitter units, upon request.

- c) Malfunction of the EVP System must be reported to the State immediately.
- d) In the event the EVP System or its components are, in the opinion of the State, being misused or the conditions set forth in Paragraph b above are violated, and such misuse or violation continues after the City receives written notice from the State, the State may remove the EVP System. Upon removal of the EVP System pursuant to this Paragraph, all of its parts and components become the property of the County.

6. All timing of the new Traffic Control Signal will be determined by the State, and no changes may be made except with the approval of the State.

7. Each party will be solely responsible for its own acts and omissions, and the results thereof, to the extent authorized by law. The State's liability is governed by the Minnesota Tort Claims Act, Minnesota Statutes Section 3.736. The County's and City's liability is governed by Minnesota Statutes Chapter 466. Each party will be solely responsible for its own employees for any Workers Compensation Claims.

8. By signing this agreement, each party authorizes the other party to enter upon its public right of way to maintain the new Traffic Control Signal and EVP System.

9. Any amendment to this Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original Agreement, or their successors in office.

10. If any party fails to enforce any provisions of this Agreement, that failure does not waive the provision or its right to enforce it.

11. This Agreement contains all negotiations and agreements between the parties. No other understanding regarding this Agreement, whether written or oral, may be used to bind either party.

12. Minnesota law governs this contract. Venue for all legal proceedings arising out of this Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

13. This Agreement is effective on the date the State obtains all required signatures under Minnesota Statutes 16C.05, Subdivision 2, and will remain in effect until terminated by written agreement of the parties.

14. The State's obligation to perform any work, or to let a Contract for the performance of the work, on the State Project referenced above, is subject to the availability of funding from the Minnesota Legislature or other funding source.

15. Authorized Agents

- a. The State's Authorized Agent for the purpose of the administration of this Agreement is Allan Espinoza, Metropolitan District Traffic Engineering, or his successor. His current address and phone number are 1500 County Road B2 West, Roseville, MN 55113, (651)234-7812.
- b. The County's Authorized Agent for the purpose of the administration of this Agreement is Doug Fischer, Anoka County Traffic Engineer, or his successor. His current address and phone number are 1440 Bunker Lake Blvd. NW, Andover, MN 55304, (763) 862-4213.

- c. The City's Authorized Agent for the purpose of the administration of this Agreement is Jack Davis, City of East Bethel Administrator or his successor. His current address and phone number are 2241 221st Avenue NE, East Bethel, MN 55011, (763) 367-7850.

IN TESTIMONY WHEREOF the parties have executed this Agreement by their authorized officers.

ANOKA COUNTY

Recommended for approval:

By: _____
Rhonda Sivarajah, Chair
County Board of Commissioners

Dated: _____

ATTEST

By: _____
Jerry Soma
County Administrator

Dated: _____

APPROVED BY

By: _____
Douglas W. Fischer, PE
County Highway Engineer

Dated: _____

APPROVED AS TO FORM

By: _____
Dan Klint
Assistant County Attorney

Dated: _____

CITY OF EAST BETHEL

By: _____

Mayor

Date: _____

By: _____

Title: _____

Date: _____

DEPARTMENT OF TRANSPORTATION

RECOMMENDED FOR APPROVAL:

Metropolitan District Engineer

DEPARTMENT OF TRANSPORTATION

By: _____
State Design Engineer

Date: _____

COMMISSIONER OF ADMINISTRATION

As delegated to Materials
Management Division

By: _____

Date: _____

As to form and execution:

By: _____
Contract Management

Date: _____

**CITY OF EAST BETHEL
EAST BETHEL, MINNESOTA**

RESOLUTION NO. 2012-57

**RESOLUTION AUTHORIZING THE CITY OF EAST BETHEL TO ENTER INTO
MNDOT AGREEMENT NO. 01242M WITH THE STATE OF MINNESOTA,
DEPARTMENT OF TRANSPORTATION**

NOW THEREFORE, BE IT RESOLVED, by the City Council of East Bethel that the City of East Bethel enter into MnDOT Agreement No. 01242M with the State of Minnesota, Department of Transportation for the following purposes:

To provide maintenance and electrical energy for the new Traffic Control Signal with Signal Pole Mounted Luminaries, Emergency Vehicle Pre-emption, Wireless Interconnect, and Signing on Truck Highway No. 65 at County Road No. 74 (221st Avenue) under State Project No. 0208-147 and State Aid Project No. 002-596-015, within the corporate city limits.

II IS FURTHER RESOLVED, that the Mayor and City Administrator of the City of East Bethel are authorized to execute the agreement and any amendments to the agreement.

Adopted by the City Council for the City of East Bethel, this 19th of September, 2012.

Richard Lawrence, Mayor

ATTEST:

Jack Davis, City Administrator



Development Program, Business Subsidy Policy and TIF Plan/Basics

September 19, 2012

Stacie Kvilvang – Ehlers

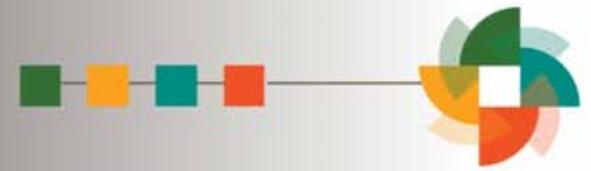


EHLERS
LEADERS IN PUBLIC FINANCE



- Development Program
- Business Subsidy Policy
- TIF Plan
- Development Agreement



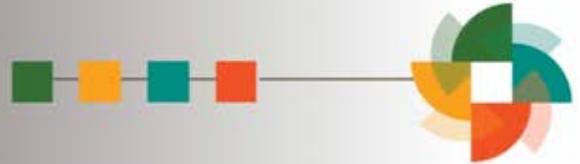


■ **What is a Development Program**

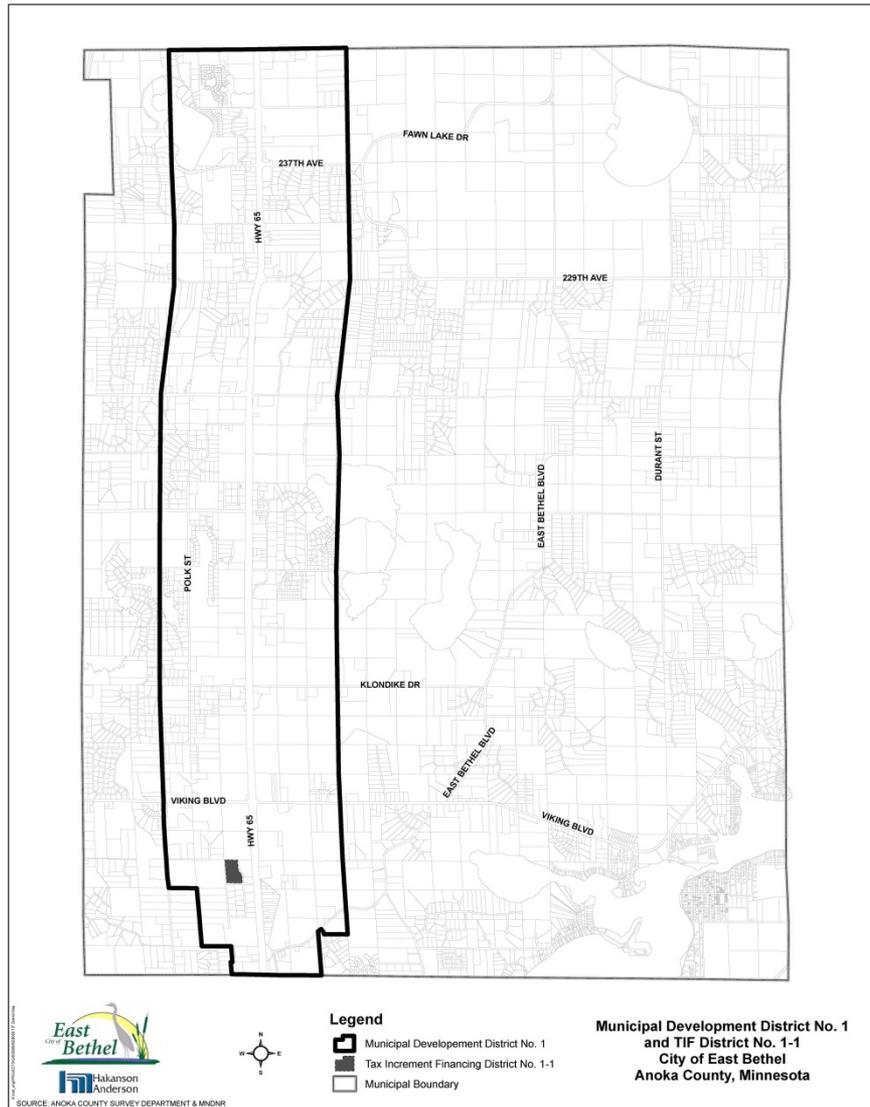
- ✓ Statutory document required to complete development projects within the community
 - Boundaries where city would promote development and redevelopment
 - TIF, abatement, EDA programs, etc.
- ✓ States the following:
 - Public purpose
 - Development/redevelopment objectives the City wants to accomplish
 - Funding of projects
 - Relocation requirements
- ✓ Define boundaries of where development activities can commence



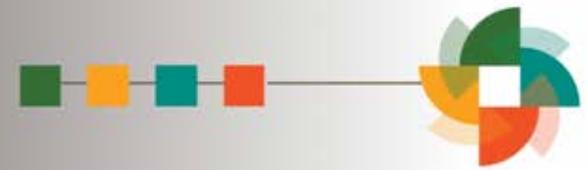
Proposed Boundaries



- **Predominately 3/4 mile on either side of Hwy 65 from 181st Avenue to 245th Avenue**



Business Subsidy Policy



- **Required by Statute for any assistance over \$150,000**
 - ✓ **Any form of assistance**
 - PAYGO or upfront TIF (cash or bonds)
 - Abatement
 - Fee reduction, etc.

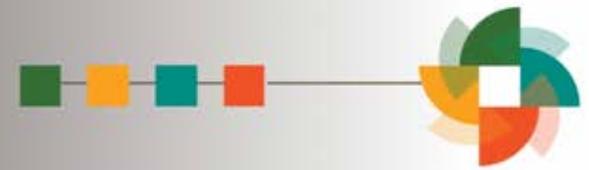
- **23 Exemptions**
 - ✓ **Greenfield development typically is never exempted**
 - ✓ **Housing is and typically redevelopment is**

- **Must have job creation goal and wage floor**
 - ✓ **Job goals**
 - Minimum requirement
 - ✓ Many communities set it at 1 as proposed in your policy
 - ✓ Can require more as part of the Development Agreement
 - Job requirement in policy is a **MINIMUM** #

 - ✓ **Wage floor (not inclusive of benefits)**
 - Wage floor may be stated as a specific dollar amount or as a formula that will generate a specific dollar amount
 - Proposed is 150% of minimum wage
 - ✓ **Currently minimum wage is \$7.25/hour so wage floor would be \$11/hour**
 - ✓ **Would equate to annual salary of \$22,900**



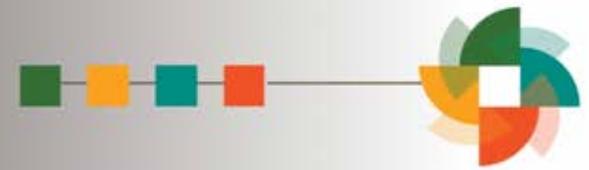
Business Subsidy Policy



- **Statement regarding payment of City costs**
 - ✓ **District creation and development agreement**
 - ✓ **Escrow request upon submission of application**
 - Typically \$10,000
 - Escrow so if more is needed, developer required to make the deposit

- **Just a policy**
 - ✓ **Can be updated/changed at any time**
 - To reflect desires of council over time
 - ✓ **Can deviate from your policy, but need to provide in approval resolution why**
 - If project does not meet job and/or wage goals

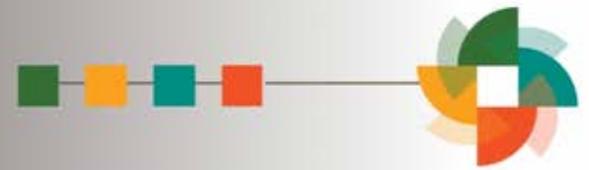




- States type of district and term
- Sets boundaries of TIF district
- Sets **MAXIMUM** budget
 - ✓ Provides categories for expenditures
 - ✓ Caps paygo notes and TIF bonds
- Describes project
- Outlines any property to be acquired by City
 - ✓ None in this district
- States fiscal impacts to City, County and School District
- Other miscellaneous statutory administrative items



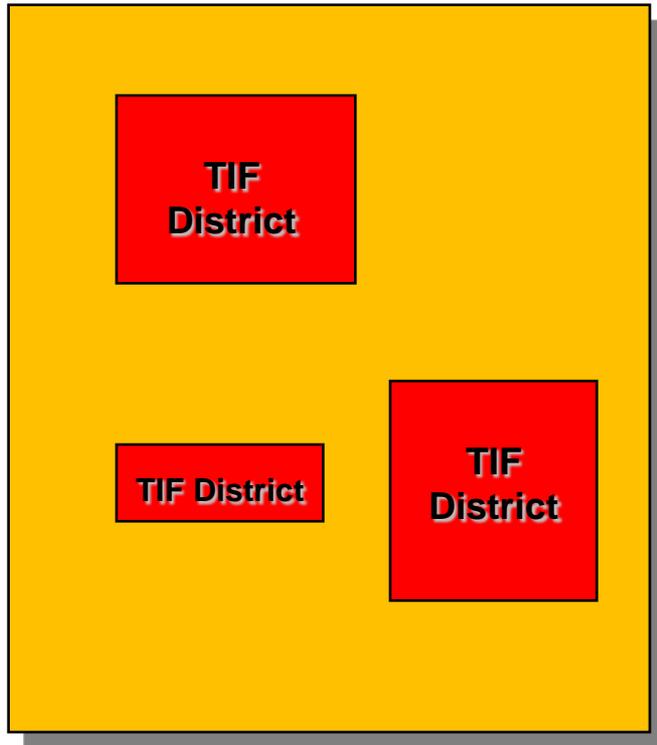
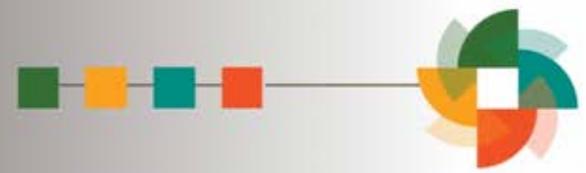
What is TIF?



The ability to capture and use most of the increased local property tax revenues from **new development** within a **defined geographic area** for a defined period of time without approval of the other taxing jurisdictions.



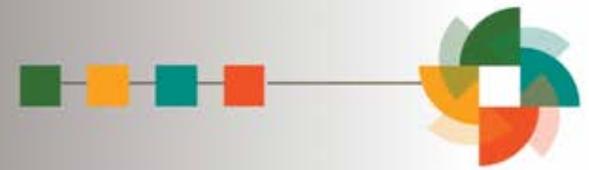
TIF District: Where increment is collected



- Defines parcels whose increased value will be captured
- Parcels do not have to be contiguous, but usually are
- Must meet criteria in State law for type of District being established

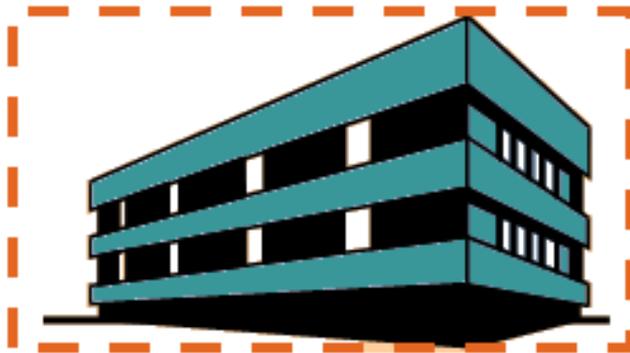


Building Blocks of TIF



TIF District “captures” increased value from new development

Development occurs = New Tax Capacity

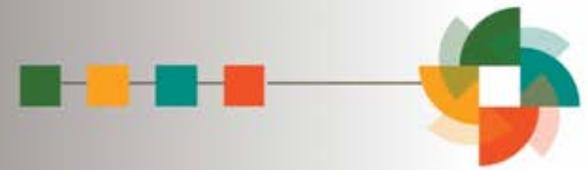


$$\text{TIF} = \text{Captured Tax Capacity} \times \text{Local Tax Rate}$$

Original Tax Capacity



Aggressive Hydraulics TIF



PROJECT INFORMATION (Project Tax Capacity)							
Area/Phase	New Use	Estimated Market Value Per Sq. Ft./Unit	Taxable Market Value Per Sq. Ft./Unit	Total Sq. Ft./Units	Total Taxable Market Value	Property Tax Class	Project Tax Capacity
	Manufacturing	50	50	60,000	3,000,000	C/I Pref.	59,250
TOTAL					3,000,000		59,250

TAX CALCULATIONS

New Use	Total Tax Capacity	Fiscal Disparities Tax Capacity	Local Tax Capacity	Local Property Taxes	Fiscal Disparities Taxes	State-wide Property Taxes	Market Value Taxes	Total Taxes	Taxes Per Sq. Ft./Unit
Manufacturing	59,250	23,065	36,185	44,320	32,740	30,277	3,105	110,442	1.84
TOTAL	59,250	23,065	36,185	44,320	32,740	30,277	3,105	110,442	

WHAT IS EXCLUDED FROM TIF?

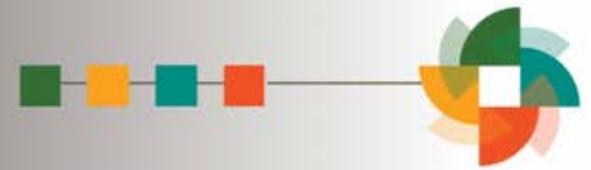
Total Property Taxes	110,442
less State-wide Taxes	(30,277)
less Fiscal Disp. Adj.	(32,740)
less Market Value Taxes	(3,105)
less Base Value Taxes	(442)
Annual Gross TIF	43,878



Developer receives
\$.36 on the dollar



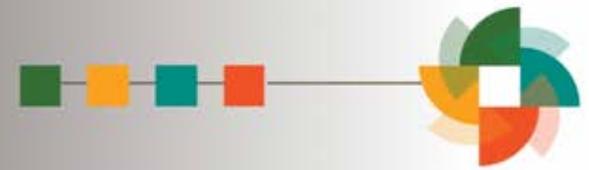
How Can TIF be Spent?



Must Be Costs Associated with New Development

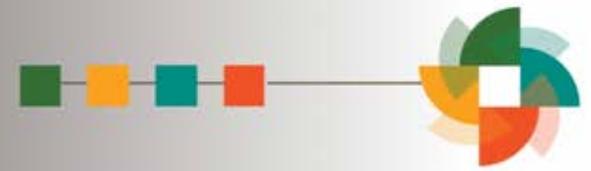
- ✓ Land Acquisition
- ✓ Demolition and Relocation
- ✓ Site improvements
- ✓ Utilities, Streets, Sidewalks
- ✓ Environmental Clean-up
- ✓ Parking
- ✓ Buildings (but only for housing or new economic development districts)





- **Providing TIF on pay-as-you-go basis**
 - ✓ \$225,000 at 5% interest
 - Interest rate is same as developer's financing rate
 - ✓ TIF note will be assigned to Village Bank
 - They are "fronting" the \$225,000 to the project
 - They receive 90% of TIF generated and note can be prepaid at any time
 - ✓ Term of district is 9 years
 - ✓ City receives 10% of TIF annually to pay administrative costs
 - District creation, business subsidy policy, development agreement, on-going administration of district
 - Approximately \$4,400 /year
 - Total estimated over term of approximately \$37,000 (future value)





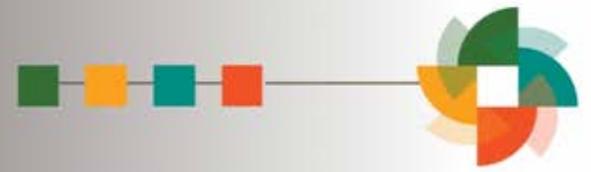
Main Deal Points

- **Must sign minimum assessment agreement**
 - ✓ \$3,000,000 (\$50 sq/ft)
 - ✓ Can't protest tax value below this while the TIF district and obligation is outstanding

- **Construction**
 - ✓ **Begin by December 31, 2012**
 - Finish by June 1, 2013



Questions





PUBLIC FORUM SIGN UP SHEET

September 19, 2012

The East Bethel City Council welcomes residents and property owners to the Public Forum. The purpose of the forum is to provide residents and property owners an opportunity to respectfully inform the Council of issues they are concerned about.

The following guidelines apply to the Public Forum:

1. A resident/property owner may address the Council on any matter not on the agenda during the Public Forum portion of the agenda.
2. A person desiring to speak must sign up prior to the time the Council reaches the Forum on the agenda.
3. The Mayor will invite speakers up to the podium/microphone.
4. Once the Mayor has recognized the speaker, the speaker should state his/her name, address, and phone number.
5. Each speaker should attempt to limit their presentation to 3 minutes.
6. If a group of persons wish to address the Council regarding the same issue, the group should elect a spokesperson to present the group's issue to the Council.
7. The Council will listen to the issue but will not engage in dialogue or a Q & A session. If a majority of the Council would like to address the issue in more detail, it can be added to the agenda or can be addressed during the regular agenda of a future meeting.

NAME	ADDRESS	PHONE NUMBER	TOPIC

