

City of East Bethel

City Council Agenda

Regular Council Meeting – 7:30 p.m.

Date: March 21, 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**

7:34 PM **4.0 Reports**

Page 1-3 A. Sheriff's Report

7:44 PM **5.0 Public Forum**

8:00 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 7-10 A. Approve Bills

Page 11-22 B. Meeting Minutes, March 7, 2012, Regular Meeting

Page 23-26 C. Approve Purchase of Server for City Hall

Page 27-30 D. Resolution 2012-21 Reestablishing Precincts and Polling Places

Page 31 E. 2012 Class V Projects

New Business

7.0 Commission, Association and Task Force Reports

A. Economic Development Authority

8:05 PM B. Planning Commission

Page 32-45 1. Meeting Minutes, February 28, 2012

8:07 PM C. Park Commission

Page 46-51 1. Meeting Minutes, February 8, 2012

8:09 PM D. Road Commission

Page 52-57 1. 2012 JPA Projects

8.0 Department Reports

8:15 PM A. Community Development

Page 58-70 1. Tree Preservation Ordinance Review

8:30 PM B. Engineer

Page 71-76 1. Castle Towers WWTF

C. Attorney

D. Finance

E. Public Works

8:45 PM F. Fire Department

Page 77-80 1. Monthly Report

8:50 PM G. City Administrator

Page 81-96 1. Resolution 2012-17 Authorizing Issuance and Sale of General Obligation Bonds 2012A for the Refunding of the 2005A GO Public Safety Bonds

9:05 PM **9.0 Other**
 A. Council Reports
9:15 PM B. Other

9:20 PM **10.0 Adjourn**



City of East Bethel City Council Agenda Information

Date:

March 21, 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 February, 2012.

Fiscal Impact:

None

Recommendation(s):

Information Only

City Council Action

Motion by: _____

Second by: _____

Vote Yes: _____

Vote No: _____

No Action Required: X

CITY OF EAST BETHEL – FEBRUARY 2012

ITEM	FEBRUARY	JANUARY	YTD 2012	FEBRUARY YTD 2011
Radio Calls	351	313	664	671
Incident Reports	315	298	613	548
Burglaries	4	1	5	3
Thefts	19	11	30	27
Crim.Sex Cond.	0	0	0	1
Assault	1	1	2	2
Dam to Prop.	6	6	12	7
Harr. Comm.	3	1	4	7
Felony Arrests	4	2	6	3
Gross Mis.	0	1	1	1
Misd. Arrests	8	10	18	7
DUI Arrests	6	5	11	6
Domestic Arr.	5	2	7	5
Warrant Arr.	9	8	17	6
Traffic Arr.	67	87	154	107

**CITY OF EAST BETHEL – FEBRUARY 2012
COMMUNITY SERVICE OFFICERS**

ITEM	FEBRUARY	JANUARY	YTD 2012	FEBRUARY YTD 2011
Radio Calls	11	13	24	21
Incident Reports	14	16	30	18
Accident Assist	2	2	4	7
Veh. Lock Out	1	5	6	6
Extra Patrol	38	51	89	48
House Check	0	0	0	6
Bus. Check	3	3	6	41
Animal Compl.	4	3	7	7
Traffic Assist	6	5	11	6
Aids: Agency	50	37	87	118
Aids: Public	13	11	24	62
Paper Service	7	2	9	10
Inspections	0	0	0	0
Ordinance Viol.	1	1	2	0



Payments for Council Approval March 21, 2012

Bills to be Approved for Payment	\$450,824.10
Electronic Payroll Payments	\$24,171.26
Payroll Fire Dept - March 15, 2012	\$8,049.20
Payroll City Council - March 15, 2012	\$1,461.07
Payroll City Staff - March 15, 2012	\$30,888.75
Total to be Approved for Payment	\$515,394.38

City of East Bethel

March 21, 2012

Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
Jackson MSA Street Project	Architect/Engineering Fees	29025	Hakanson Anderson Assoc. Inc.	402	40326	6,537.05
2005A Public Safety Bonds	Fiscal Agent s Fees	3068377	US Bank	301	30100	402.50
2005B 207th Serv Rd SA Bonds	Fiscal Agent s Fees	3068378	US Bank	303	30300	402.50
2008A GO SEWER REV BONDS	Fiscal Agent s Fees	3070029	US Bank	308	30800	425.00
215-221st East 65 Service Rd	Architect/Engineering Fees	29017	Hakanson Anderson Assoc. Inc.	402	43125	398.40
Arena Operations	Bldgs/Facilities Repair/Maint	022712	Wright-Hennepin Coop Electric	615	49851	21.32
Arena Operations	Professional Services Fees	43	Gibson's Management Company	615	49851	7,988.20
Arena Operations	Telephone	030112	CenturyLink	615	49851	111.40
Building Inspection	Motor Fuels	2017102	Lubricant Technologies, Inc.	101	42410	288.21
Central Services/Supplies	Information Systems	215845	City of Roseville	101	48150	2,140.16
Central Services/Supplies	Information Systems	03 2012	Midcontinent Communications	101	48150	1,278.00
Central Services/Supplies	Office Supplies	50822950	Hewlett-Packard Company	101	48150	895.84
Central Services/Supplies	Office Supplies	50677377	Hewlett-Packard Company	101	48150	203.59
Central Services/Supplies	Office Supplies	599354714001	Office Depot	101	48150	46.34
Central Services/Supplies	Telephone	030112	CenturyLink	101	48150	232.65
Engineering	Architect/Engineering Fees	29012	Hakanson Anderson Assoc. Inc.	101	43110	325.49
Engineering	Architect/Engineering Fees	29017	Hakanson Anderson Assoc. Inc.	101	43110	1,161.56
Fire Department	Bldgs/Facilities Repair/Maint	022712	Wright-Hennepin Coop Electric	101	42210	5.32
Fire Department	Motor Fuels	2017101	Lubricant Technologies, Inc.	101	42210	383.50
Fire Department	Motor Fuels	2017102	Lubricant Technologies, Inc.	101	42210	458.48
Fire Department	Personnel/Labor Relations	396853	LexisNexis Occ Health Solution	101	42210	200.00
Fire Department	Personnel/Labor Relations	472612	LexisNexis Occ Health Solution	101	42210	104.20
Fire Department	Telephone	030112	CenturyLink	101	42210	404.49
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	14810	GHP Enterprises, Inc.	101	41940	368.72
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	455408-02-12	Premium Waters, Inc.	101	41940	27.69
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	119520	Robert B. Hill Company	101	41940	19.24
Legal	Legal Fees	02 2012	Eckberg, Lammers, Briggs,	101	41610	6,377.39
Legal	Legal Fees	118018	Eckberg, Lammers, Briggs,	101	41610	2,622.82
MSA Street Construction	Architect/Engineering Fees	29010	Hakanson Anderson Assoc. Inc.	402	40200	628.75
Park Maintenance	Clothing & Personal Equipment	470789524	Cintas Corporation #470	101	43201	48.03
Park Maintenance	Commissions and Boards	022612	Dan Kretchmar	101	43201	80.00
Park Maintenance	Motor Fuels	2017101	Lubricant Technologies, Inc.	101	43201	737.50
Park Maintenance	Motor Fuels	2017102	Lubricant Technologies, Inc.	101	43201	392.98
Payroll	Insurance Premiums	03 2012	Fort Dearborn Life Insurance	101		1,143.19
Payroll	Union Dues	03 2012	MN Teamsters No. 320	101		593.35
Planning and Zoning	Architect/Engineering Fees	29021	Hakanson Anderson Assoc. Inc.	816		2,675.43
Planning and Zoning	Office Supplies	599354714001	Office Depot	101	41910	45.66
Planning and Zoning	Professional Services Fees	460	Flat Rock Geographics, LLC	101	41910	729.00
Police	Professional Services Fees	216405	Anoka County Treasury Dept	101	42110	249,788.00
Police	Professional Services Fees	02 2012	Gratitude Farms	101	42110	547.03
Recycling Operations	Professional Services Fees	03 2012	Cedar East Bethel Lions	226	43235	1,000.00
Sewer Operations	Auto/Misc Licensing Fees/Taxes	4400096332	MN Pollution Control Agency	602	49451	1,450.00
Sewer Operations	Bldg/Facility Repair Supplies	8580	Menards Cambridge	602	49451	391.99
Sewer Operations	Bldgs/Facilities Repair/Maint	022712	Wright-Hennepin Coop Electric	602	49451	24.53
Sewer Operations	Professional Services Fees	80341	Utility Consultants, Inc.	602	49451	437.00
Sewer Operations	Small Tools and Minor Equip	9761666719	Grainger	602	49451	273.42
Sewer Utility Capital Projects	Architect/Engineering Fees	29016	Hakanson Anderson Assoc. Inc.	434	49455	1,002.98
Sewer Utility Capital Projects	Legal Fees	118018	Eckberg, Lammers, Briggs,	434		1,046.76
Sewer Utility Capital Projects	Legal Fees	118018	Eckberg, Lammers, Briggs,	434	49455	334.62
Street Maintenance	Bldgs/Facilities Repair/Maint	470789524	Cintas Corporation #470	101	43220	26.49
Street Maintenance	Bldgs/Facilities Repair/Maint	455408-02-12	Premium Waters, Inc.	101	43220	27.69
Street Maintenance	Bldgs/Facilities Repair/Maint	022712	Wright-Hennepin Coop Electric	101	43220	21.29

City of East Bethel

March 21, 2012

Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
Street Maintenance	Clothing & Personal Equipment	470789524	Cintas Corporation #470	101	43220	47.45
Street Maintenance	Equipment Parts	22806	East Central Diesel & Equip	101	43220	46.06
Street Maintenance	Equipment Parts	1539-126949	O'Reilly Auto Stores Inc.	101	43220	41.45
Street Maintenance	Equipment Parts	1539-127861	O'Reilly Auto Stores Inc.	101	43220	10.41
Street Maintenance	Equipment Parts	1539-127878	O'Reilly Auto Stores Inc.	101	43220	10.74
Street Maintenance	Equipment Parts	1539-128033	O'Reilly Auto Stores Inc.	101	43220	(10.41)
Street Maintenance	Equipment Parts	5185	Plow World, Inc.	101	43220	352.47
Street Maintenance	General Operating Supplies	349226	Ham Lake Hardware	101	43220	2.53
Street Maintenance	Heavy Machinery	K0510401	Ziegler Rental	701	43220	126,529.31
Street Maintenance	Lubricants and Additives	1539-129949	O'Reilly Auto Stores Inc.	101	43220	80.15
Street Maintenance	Lubricants and Additives	1539-129970	O'Reilly Auto Stores Inc.	101	43220	80.15
Street Maintenance	Motor Fuels	2017101	Lubricant Technologies, Inc.	101	43220	1,829.01
Street Maintenance	Motor Fuels	2017102	Lubricant Technologies, Inc.	101	43220	170.29
Street Maintenance	Motor Vehicles Parts	1539-128699	O'Reilly Auto Stores Inc.	101	43220	22.40
Street Maintenance	Motor Vehicles Parts	1539-129510	O'Reilly Auto Stores Inc.	101	43220	58.70
Street Maintenance	Motor Vehicles Parts	1539-129948	O'Reilly Auto Stores Inc.	101	43220	104.42
Street Maintenance	Motor Vehicles Parts	1539-465490	O'Reilly Auto Stores Inc.	101	43220	0.81
Street Maintenance	Repairs/Maint Machinery/Equip	22781	East Central Diesel & Equip	101	43220	308.97
Street Maintenance	Small Tools and Minor Equip	83561	Metro Products, Inc.	101	43220	177.38
Street Maintenance	Telephone	030112	CenturyLink	101	43220	68.22
Sylvester Subdivision	Legal Fees	118018	Eckberg, Lammers, Briggs,	933		102.00
Water Utility Capital Projects	Architect/Engineering Fees	29016	Hakanson Anderson Assoc. Inc.	433	49405	1,002.98
Water Utility Capital Projects	Architect/Engineering Fees	29023	Hakanson Anderson Assoc. Inc.	433	49405	15,647.49
Water Utility Capital Projects	Architect/Engineering Fees	29024	Hakanson Anderson Assoc. Inc.	433	49405	4,649.09
Water Utility Capital Projects	Architect/Engineering Fees	6879/6901	Northern Technologies, Inc	433	49405	1,375.00
Water Utility Capital Projects	Legal Fees	118018	Eckberg, Lammers, Briggs,	433	49405	334.62
Water Utility Operations	Bldgs/Facilities Repair/Maint	022712	Wright-Hennepin Coop Electric	601	49401	26.67
Water Utility Operations	Chemicals and Chem Products	603914	USA BlueBook	601	49401	104.37
Water Utility Operations	Telephone	030112	CenturyLink	601	49401	108.62
	Surcharge Remittance	2012	MN Dept of Health	601		267.00
						\$450,824.10

City of East Bethel

March 21, 2012

Payment Summary

	Electronic Payments	
Payroll	PERA	\$5,465.81
Payroll	Federal Withholding	\$5,067.75
Payroll	Medicare Withholding	\$1,661.94
Payroll	FICA Tax Withholding	\$5,960.05
Payroll	State Withholding	\$2,022.84
Payroll	MSRS	\$3,992.87
		\$24,171.26



City of East Bethel City Council Agenda Information

Date:

March 21, 2012

Agenda Item Number:

Item 6.0 A-E

Agenda Item:

Consent Agenda

Requested Action:

Consider approving Consent Agenda as presented

Background Information:

Item A

Bills/Claims

Item B

Meeting Minutes, March 7, 2012 Regular City Council

Meeting minutes from the March 7, 2012 Regular City Council Meeting are attached for your review and approval.

Item C

Approve Purchase of New Server for City Hall

The Server (which was purchased in 2006) at City Hall has run out of necessary space for our IT data. The City of Roseville has obtained a quote for a new server, Windows license, backup tape drive and tapes. Funding in the amount of \$7,932.99 + taxes and shipping is available in the Equipment Replacement Fund.

Staff is requesting Council approve the purchase of a new server, including windows license, backup tape drive and tapes, with funding from the Equipment Replacement Fund, in the amount not to exceed \$7,932.99 + tax and shipping.

Item D

Resolution 2012-21 Reestablishing Precincts and Polling Places

Redistricting is the process of redrawing the boundaries of election districts, done in the United States after the completion of the decennial Census. City governments must redistrict or reestablish all precincts after state redistricting. Reestablishing precincts is a routine process of verifying that existing precinct boundaries meet legal requirements and then reconfirming those boundaries.

All precincts in the state, must be established or reestablished by April 3, 2012. These established precinct boundaries become effective on the date of the 2012 primary (M.S. 204B.14, subd. 3).

The polling place is the location which voters come to cast their ballots on Election Day. Every precinct must have a designated polling place No changes may be made to the polling place designation less than 90 days before the next election (Primary is August 14, 2012), except in case of an emergency.

Staff requests Council adopts Resolution 2012-21 Reestablishing Precincts and Polling Places. Precinct 1 is East Bethel Senior/Community Center, 2241 221st Avenue NE, East Bethel, MN; Precinct 2 is Our Saviour’s Lutheran Church, 19001 Jackson Street NE, East Bethel, MN and Precinct 3 is East Bethel Fire Station #1, 2751 Viking Blvd. NE, East Bethel, MN. This resolution is reestablishing the precincts and polling places, staff is not recommending any changes be made at this time.

Item E

Class V Project Bids

The 2011 projects completed the 6 year Class V resurfacing plan that included a rotation of all the gravel roads within the city. It is recommended that the City begin a new 6 year cycle to address the need for maintenance on its gravel roads beginning with the roads that were completed in 2006.

At their March 13, 2012 meeting, the Road Commission and staff recommended approval of the following roads for Class V placement in 2012:

- 1.) 241st Ave and London St 5,200’
- 2.) Durant St 1,975’
- 3.) 217th Ave 2,475’
- 4.) 218th Ave 2,825’
- 5.) Terrace Rd (Circle) 2,600’

\$35,000 has been budgeted in 2012 Street Maintenance Budget for gravel road maintenance. The estimated cost for the resurfacing the streets listed above is \$34,240 for tax, material and delivery. The City conducts the grading, compaction and finishing of this material. Prior to the placement of any new Class V material, staff will reclaim the shoulders and reshape the existing road surface.

It is estimated that 3,200 tons of Class V material along with delivery will cost approximately \$10.70/ton. Attached is a map that lists the streets proposed for resurfacing.

The Road Commission recommends bidding Class V material for resurfacing 241st Ave, Durant St, 217th Ave, 218th Ave, and Terrace Road.

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:_____

where we would actually charge a fee to the rest of the Twin Cities area for proving the aquifer here in Anoka County.

Kathy Tingelstad with Intergovernmental Relations at Anoka County explained that just about all of the twenty-one communities in Anoka County and the school districts have passed resolutions supporting fiscal disparities. There was an article in the paper that said the Mall of America is flourishing in a weak economy. They have over \$1,000,000 in annual sales and their revenues were up 9% from the year before. Part of the reason they are doing so well is they have the airport next to them and good roads, things we don't have in the northern part of the metro area. When the airport was built, and they were trying to figure out where it would be located, it was understood communities closer to it would have an advantage for commercial/industrial business growth. Former Charles Weaver had the foresight to put a program into place to which helps to equalize the metro area. Metro area has a disparity of 3 to 1. Without this program it would be 10 to 1.

One of the handouts you received is a letter we sent to a local legislator explaining how the program works in terms of a typical \$200,000 home in East Bethel. How it gets paid out is to the City, County and School District. In East Bethel it was \$132 on \$200,000 home. School District it was \$120. County it was \$36. If program were eliminated, for this home the property taxes would have to be raised about \$288 to cover the fiscal disparities payouts.

Program was set up for the funding would go to the local government to make up for the lack of commercial/industrial property taxes. To protect natural resources. There is a three minute YouTube presentation put together by Anoka County that gives a basic overview of what the program is.

We collected all those resolutions that were passed; we took them down to the legislature. There was a study that was done and presented it to the House and Senate Tax Committees in the middle of February. The legislature is where they would go with it and it looks like there will be no action on fiscal disparities this year. This is good for our whole message; don't make any changes this year. It is an integral part of the property tax system. We understand that the legislature is doing some property tax reform, but we want to make sure they look at this appropriately because if they make changes to this, we need to know all the unintended consequences before any decisions are made. We will continue to keep you updated. East Bethel over the past ten years, dollar impact is \$600,000 a year. Know for many of the communities that would be hard to replace.

Westerberg explained in closing, wants to point out that this program is unique. Around the country you won't find anything like this. There are twenty-three cities and townships in Anoka County. Twenty of them are recipients and receive money from the program. Three are payers, Blaine, Fridley and Columbus Township pay in. Want to make some tweaks to the system and thinks the number one tweak you are going to see is they are going to want to put some inflation adjustments on it, to allow for inflation. Some tweaks might be okay. One he is kind of in favor of is adding an accountability factor to it. Great program helps us offset a lot of our costs, like social programs. But should we be doing something to help commercial development with some of these dollars? Because that is how you take a City of Blaine, who was a receiver and now they are a contributor. Help our cities become more independent. Critically important to evaluate how the money is being spent. Imperative to do everything we can to keep fiscal disparities.

Springsted, Inc. proceed with the presentation of potential refunding of the 2005A G.O. Public Safety Bonds.

At the conclusion of the presentation, staff will be direction from City Council regarding adoption of Resolution 2012-17, A Resolution Authorizing and Directing the Sale and Issuance of G.O. Public Safety Refunding Bonds 2012 Series A.

Kathy Aho, President of Springsted, Inc. explained that since she was here last believe you received a report, which had information about the proposed transactions and she has a little bit of more information and some review of those recommendations.

Since there are some new Council Members since the last transaction, thought we should go over who the primary participants are in a bond issuance and what the general steps are. Primary participant is the City. In any transaction you identify the need, or the opportunity. Establish policy directives.

What we do is help you develop a finance plan, prepare the issue for market, and assist with closing and post-issuance compliance.

The Bond Counsel, a legal firm is the last word on legal authority and tax-exemption. Final is the underwriter, and they have been selected in your case through a competitive process. They buy the bonds; make money by purchasing them and reselling them to an investor. Set through a bid process.

How an issue goes to market. City decides whether it wants to proceed or not. Springsted then works with staff to prepare an official statement. This has information on your community. On your market value and fiscal disparities. It will have information about your operations. It will have information about debt, population, wealth. It will contain your financial statement. That information will be available to investors. Part of that information will be a notice of the sale. We will put out a notice that the sale is going to occur. That would appear on several national online sites and on national publications. In between that point of time when the financial statement has been issued and the notice of sale has been issued, we would meet with staff and the rating agency to secure a bond rating.

On the date of sale itself, in the morning we will receive bids in our office in the morning. We check them for compliance. Due refunding analysis on the most favorable bid. Then we would bring those results to review. After an award, our office works with staff and the purchasing underwriter so the purchase is closed. The documentation is completed and funds are deposited with an escrow agent. The issue we are looking at is 2005A Public Safety Bonds, public obligation bonds. They mature starting now through 2026. Interest range is up to 4.3%. They are callable in April, 2014. At that point you can pay those bonds off in their entirety. They are supported 100% by property taxes. They can be refunded by a "crossover refunding bond".

We have prepared the final numbers. The interest rates didn't change at all. What happens with these transactions is when we were here before we had a feasibility, indication to us if there is a potential for a savings in the transaction. When we get closer to the sale, we go ahead and verify with the providers what the costs would be. Projected present value savings, did make a change in cost of issuance. Percent of net value savings. This transaction is at 8%.

One of the questions that was identified for us was an interest in talking about the timing. Advantages are debt service savings. They would start with the 2013 levy for collection in 2014. Interest rates are at a historically low level. Disadvantages are issues can only be advance refunded and a crossover funding once on a tax exempt basis. If the market was right and you wanted to come back and do additional refunding on these bonds, you would have to wait until the call date on the bonds. The other disadvantage is we are projecting a rate of 1.79% and going to reinvest to 2014 and the rates are really low. So you are going to accrue what you call negative arbitrage. We are estimating that at \$34,000. Question is do you do it now or wait until later. Savings in a refunding is only generated in callable bonds. Time itself is your friend.

DeRoche asked, "What is negative arbitrage?" Aho explained arbitrage itself refers to a difference in interest rates. Negative arbitrage implies that you have a cost at one level and you are borrowing money at 1.79% so you will be paying that out. You are holding that money for a while, but the most you can invest that for is .1% so there is an additional cost to you. You have to cover the 1.79% but you are only earning .1%. It is a real cost, and it is estimated at this time to be \$34,000. The way it is covered is within the size of the bond transaction. The total cost you are paying now, compared to what you would be paying later, that is the savings.

DeRoche wonders why do this now? What is the advantage? Aho explained that between now and 2014 time is helping you, burning off that negative arbitrage. If you shorten the time, you are going to have less negative arbitrage. After 2014 now your bonds are callable and you are going to start paying down principal. So you will have less principal to save money on and less time to save it. Between now and February 2014 is the best time to do it. Primary answer is where do you think interest rates are going to go. If they stay the same, you will be \$34,000 ahead. Every month that goes by, you would be saving about \$1,600. If the interest rates went up .1% you would pay \$10,000 in interest cost. In this case a moment of .1% could happen at any time. We will let you determine what the risk is of waiting versus taking what you have today. What do you think the interest rates will be doing between now and February 2014? DeRoche explained unfortunately it is not his money; it is everybody on the other side of this desks money. And if it is a crap shoot, does he like to gamble with other people's money, not really. Boyer explained unfortunately, it is really are you willing to bet \$10,000 to win \$1,600.

Moegerle explained but the feds have said they are not going to raise the rates until 2014, she thinks this is way premature. Heard they are going to give the new president eight months before they raise the rates, so we have time. DeRoche wonders what we are really saving, is it crucial that we do it at this point. Should we wait and see. We don't need to wait two years, but he is not sure of the urgency, here for information. Aho explained that between now and February 2014 time in and of itself is working to your benefit. You should do this when you are comfortable in doing it. We would call this a good refunding. If you hit the call date and at some future date the interest rates were lower yet, even though you expended some of the time and paid down some of the principal, you would have similar results. If she could tell you where interest rates are going, she would tell you when to sell the bonds. DeRoche's other concern is this is a one time deal. Aho explained that it is until the next call date which is 2021 for the bonds maturing in 2022 and later.

DeRoche asked for an explanation of crossover refunding Aho explained that crossover refunding was developed to make certain refunding transactions more efficient. That is the one we have selected here. There are callable bonds that mature in 2013/2014 do not generate

any savings for you, so we don't refund those. By doing a crossover refunding, up until 2014 the City will continue making the payments on the existing bond issue. The escrow account is going to pay on the new bond issue. Because the interest rate on the new bond issue is going to be so much lower than the old bond issue, we have reduced the negative arbitrage considerably. Savings aren't realized until the call date. Levy at that point is when you see the reduction.

Boyer explained while he appreciates the concern about what the fed does, in the greater scheme of theme of things it doesn't matter what the fed does. Money is like water, it will flow to the lowest point, or in this case the highest point, where it receives the biggest return. Whether it continues, don't think anyone up here is qualified to predict, otherwise we would be bond traders and not sitting here. To him it is kind of hard to say he doesn't want to save \$125,000. Moegerle explained but we are going to spend \$40,000 to save \$132,000. That is like you loaning her \$40 and in thirteen years you are going to get \$131 back. Your first payment isn't going to be for two years and you aren't going to get your \$40 for another four years. It takes six years to get back your investment cost. The total we are going to save at most is \$13,000 a year in interest savings, which is approximately \$3 per household on average. That is slightly more than a cup of coffee we are going to be saving per household a year in interest. If we were saving \$141,000 tomorrow and every year after, she would be with you. The return just isn't significant enough and she doesn't see the rush to do this.

Boyer said to quote his wife, "Three bucks is three bucks." Moegerle asked, "Where has she gone wrong in that rationale. She is here to hear what others have to say." Boyer said, "There is no guarantee that you are going to save the money six months from now. The entire opportunity might disappear depending on what happens in the market. You are betting \$10,000 to win \$1,600. Does make sense to save \$130,000." DeRoche said, "It is easy to put things in short term. This thing isn't short term." Lawrence asked, "About the term crossover bonds, is that because we have two bonds running at the same time? And one is maturing in two years?" Aho explained the crossover term refers to you are paying on the bonds at the same time and then on the sale date you crossover and begin paying on the new bonds. That is what the terminology is referring to. There are other ways this could be structured to have the savings the total term of the debt. Way we do that is to defer principal.

Lawrence made a motion to adopt Resolution 2012-17 Authorizing Issuance and Sale of General Obligation Bonds 2012A for the Refunding of the 2005A GO Public Safety Bonds. Boyer seconded. DeRoche asked, "Have we price compared with other places, how do we do that. We do that for other services, have we done that for this service?" Davis explained that Springsted is the current City bond counsel. Just like the City has a City Attorney and City Engineer. Generally cities rely on the current bond counsel. There are other firms that do this, but not a large number of them. This is kind of a specialized activity. To do price comparison is pretty difficult. He did send out some information regarding costs in your update, but sometimes this is not apples to apples comparison. It is a matter of professional services, difficult to do cost comparisons. **DeRoche, nay; Boyer, aye; Lawrence, aye; Moegerle, nay; motion fails.** Lawrence directed staff to review this and see what the issue is.

Public Forum Lawrence opened the Public Forum for any comments or concerns that were not listed on the agenda

Rachel Ward explained she is representing Congresswomen Michele Bachmann's office. She wanted to give a brief update on what their office does and what is going on in Washington,

D.C. with the Congresswomen. We have offices in Woodbury and Waite Park, Minnesota. We help our constituents with federal agencies, such as: social security, veteran's benefits, immigration, foreclosure cases. Services in conjunction with our Washington, D.C. office are Washington, D.C. Tours and flag requests. If there is a special event going on, special retirement, don't hesitate to contact us. Also, we do outreach events, let us know about it (such as a new building going up) and we will come out.

Legislatively, in Congress we are not expecting too much to happen. Might be funding for surface transportation reauthorization. That would be directed to MnDOT and then they would work with counties and cities on where to send that. Also the Congresswomen will be looking at Regulatory Issues. If there are regulations that you know about that the City is dealing with that is coming from the federal government or if you know of a business owner that is dealing with something, we want to know about. We also want you to know that the Congresswomen is taking her committee assignment to national security very seriously.

Kevin Tauer, Chief Financial Officer (CFO) of Lambert Yards, we own the property on the corner of 221st Avenue and Highway 65 NE about seven acres. We bought the property in 2004 and ran it as a lumber yard and closed it in September of 2007. We have been trying to sell the property since June of last year with no success, placed it with Counselor Realty. The have run into a problem with the zoning (some of course is the economy and the market). Have had interest in the property but because it is zoned B-2 and the interest has been from industrial, there is a mismatch. We have had storage facilities, a landscaping company, and a large contractor who wants to use it as a base for his business. We talk to the City and they tell us this is not industrial now, this is B-2, strip malls and such. We have been struggling with this and the City Planner suggested he bring this to the Council. The price has been dropped significantly. We ask Council to support or at least consider a Comp Plan amendment for the land use for our property.

Lawrence explained that we are right in the middle of a sewer and water project and you land is not directly involved in that at this time, but it could be accessible to this property very quickly. Also there will be a stoplight at this intersection soon. We are trying to run a forcemain right in front of your property line, to go up to Castle Towers. Davis commented that this will be an agenda item on the next council meeting. Moegerle explained that with that forcemain being there the highest and best use of that property may be one that would require more water and sewer connections. A win, win for both your sale of the property as well as our needs for getting customers for the sewer and water project. Davis explained the whole complexion of that intersection will change in the short term. Tauer commented that if Council were to agree with him on the land use change, it would still have to go to Met Council. Davis agreed. It also requires a 4/5 vote of the Council. Tauer explained that he respectfully disagrees that by putting sewer and water in there it will quicken the pace to see the kind of business he needs to buy the property. He hasn't had anyone come forward and ask if it has sewer and water and when would this be completed. Davis explained that conceptually there would be no water up there for quite a while. Hook up to sewer with a pump station would exist in late 2013. Would have to be a fairly large business. Moegerle explained that on the other hand, we are real interested in working with our residents and businesses. Things can change.

Lowell Friday of 18215 Greenbrook Drive NE, his Interim Use Permit (IUP) is coming up for either extension or renewal. Information he has says May 5th, but he understands it is the 18th. He has way less horses, 27. He has a recent vet check, all checked out okay. The IUP was renewed last year for a year. Would like the same thing, basically what he is looking for. Vierling explained that the process is to file an application with the City and then go through

the public hearing process. They can't give you any preliminary comment on this; they have to have the hearing. Davis explained this needs to be done during regular business hours so you can pay the fee with it.

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

Consent
Agenda

Moegerle made motion to approve the Consent Agenda as amended including: A) Approve Bills; B) Meeting Minutes, February 15, 2012, Regular Meeting; C) Approve 2:00 AM License for Route 65 Pub & Grub; D) Approve Advertisement and Hire for Two Seasonal Public Works Employees; E) Approve Galveston-Houston Buying Consortium Contract; F) Approve Pay Estimate #10, S.R. Weidema, Phase 1, Project 1, Utility Improvements. DeRoche seconded; all in favor, motion carries.

Tobacco Free
Park Policy

Davis explained that staff has been contacted by the Tobacco-Free Youth Recreation Program with information about helping the City of East Bethel establish a tobacco-free policy for its parks during youth activities. The Park Commission expressed an interest in drafting a policy that would prohibit tobacco use in City parks in areas where youth would be present and during youth activities. These areas would include playgrounds, athletic fields, concession stands, bathrooms, and during any youth sporting events or other functions. Under the proposed draft of the policy, smoking would still be allowed in other areas of the parks.

If implemented, the policy would rely on volunteer compliance and be supported by free informational signs in the parks, public outreach through the City newsletter and support from youth athletic organizations. Anyone using tobacco products in prohibited areas would be asked to either refrain from using those products or remove themselves from the area.

The attached Policy Makers Guide provides information that the Park Commission and many other City and County officials have used to help support and implement this program. Also included is a list of neighboring communities in the metro area with tobacco-free policies and a few example policies from other communities.

The Park Commission recommends adoption of the attached tobacco-free park policy.

Moegerle made a motion to table the Tobacco-Free Park Policy. DeRoche seconded. Boyer commented on enforcement of this policy. Who would enforce this? Moegerle explained that this is bullying non-smokers. You are governing; parents should be governing this, not government. DeRoche explained that he understands other cities may do this, but he doesn't know if it is his place to tell someone where they can and can't smoke when they are paying taxes, but yet they are putting down the junk food. And there is a bunch of other things going on in the parks. He doesn't smoke, but he doesn't care if someone else does. Being a coach for as many years as he was, he never had an issue with a parent doing this. Dealing with enforcement, is it a good idea for someone to be running around out there that doesn't represent the City telling someone that they can't smoke, you can't do this or that, when they aren't authorized to do that.

DeRoche would think that any parent if you went up to them and asked to put it out because there are kids around would do it. Moegerle would much rather see zero tolerance for littering. She appreciates that cigarettes are not good for the environment and if you throw them in the dirt it is not a good thing. If littering is the issue, have a littering ordinance. Boyer wants to point out we have fought vandalism in the parks for years and years and years and

haven't been able to stop that. Certainly costs a lot more money than picking up cigarette butts. Realize it is not the entire issue here. Lawrence had talked to people he ran across that were smokers or non-smokers or chewers. He asked them about having this policy. They all agreed that it was a good idea that youth are being impacted by people that smoke around them. If it keeps the youth from smoking, it is a good idea. DeRoche doesn't understand how someone smoking in the park is going to make kids want to smoke. He would think it would stem from the home. Lawrence explained that all this ordinance says if someone is at a softball function there is no smoking in the stands. DeRoche commented that you ask them to put it out. Boyer explained that this is like legislating common sense. You all know how successful we are at that, why we have a book of ordinances.

All in favor, motion carries.

Res. 2012-18
Revoking
Municipal
State Aid
Streets and
Res. 2012-19
Establishing
Municipal
State Aid
Streets

Jochum explained that as directed by Council, staff is submitting an application to the MnDOT State Aid office to add several street segments to the Municipal State Aid System that are south of Coon Lake as shown on Attachment 6. In order to add these street segments to the system, a number of existing streets have to be removed from the system. The table below summarizes the street segments that staff recommends to be added and revoked from the system. The streets recommended for removal from the system are shown on Attachments 3 through 5.

Street	Segment	Length (Miles)
Roads Added to the MSAS:		
Longfellow Drive	Laurel Road to Lexington Avenue	0.34
Laurel Road	Longfellow Drive to Lakeshore Drive	0.53
Lakeshore Drive	Lincoln Drive to Laurel Road	0.80
Lincoln Drive	Lakeshore Drive to Laurel Road	0.56
Johnson Street	Sims Road to 221 st Avenue	1.13
Total Miles Added		3.36
Roads Revoked from the MSAS:		
Ulysses Street	181 st Avenue to 187 th Lane	0.80
Ulysses Street	229 th Avenue to 233 rd Avenue	0.51
233 rd Avenue	Ulysses Street to Trunk Highway 65	0.14
Sims Road	Trunk Highway 65 to Davenport Street	0.17
Buchanan Street	213 th Avenue to 221 st Avenue	0.99
Baltimore Street	237 th Avenue to 241 st Avenue	0.51
Total Miles Revoked		3.12
Current Excess Mileage		0.26
Net Mileage Revoked		3.38

Staff recommends that Council adopt Resolution 2012-18 Revoking Municipal State Aid Streets and Resolution 2012-19 Establishing New Municipal State Aid Streets

Boyer made a motion to adopt Resolution 2012-18 Revoking Municipal State Aid Streets. Moegerle seconded. DeRoche commented what happens to these roads when we take them off the lists. They become City streets and we take care of them. Jochum explained you can't rebuild them or build them with state aid money. **All in favor, motion carries.**

Boyer made a motion to adopt Resolution 2012-19 Establishing New Municipal State Aid Streets. DeRoche seconded; all in favor, motion carries.

Res. 2012-20
Establishing
Parking
Restrictions on
County Road
74

Jochum said as you are aware, Anoka County plans to upgrade the intersection of County Road 74 and Trunk Highway 65. Both the east and west legs of the intersection will also be upgraded. The County has applied for and received Federal Funds for this improvement. The State requires that parking be restricted along this segment as part of the plan approval process. The County’s policy is to require that the municipality in which the roadway is located submit a No Parking Resolution. The attached No Parking Resolution will restrict parking in the area as described on the resolution.

Staff recommends that Council adopt Resolution 2012-20 as required by the County and the State for final approval of the plans for the upgrade of the County Road 74 and Trunk Highway 65 intersection.

Moegerle made a motion to adopt Resolution 2012-20 Establishing Parking Restrictions on County Road 74. Boyer seconded. Vierling commented this is no parking anytime, correct. Moegerle, correct. DeRoche wondered is this permanent or just during construction. Jochum said this is permanent. DeRoche asked what about during Booster Days. Jochum said this is to Sandy Drive. DeRoche wondered why the City has to do this. Jochum explained so the City can patrol it. DeRoche commented that if a resident has a function and wants their friends to park on the road, what happens. Davis explained they would have to get permission to park there anyways. Part of the requirements for this process, for the project. Jochum explained Anoka County is not requiring this, the state is. If the road was wide enough for parking, you wouldn’t need the resolution. **DeRoche, nay; Boyer, Lawrence, Moegerle, aye; motion carries.**

Change Order
#1, Municipal
Builders, Inc.,
Water
Treatment
Plant #1

Jochum explained that City staff, City consultants and the General Contractor and Subcontractors for the Water Treatment Plant met to discuss the design submittals and operations of the Water Treatment Plant, Municipal Wells and Water Tower. The purpose of the meeting was to ensure that the design submittals were complete, review any potential overlap of equipment and controls and to discuss potential cost savings. Change Order No. 1 includes the proposed additions and deletions from the contract. The net change order cost is a \$10,423 decrease in the contract amount. A summary of the changes are as follows:

A. Contract Additions:

1. System pressure relief valve	\$5,580.00
2. Door switch alarm system for the Water Tower	\$2,055.00
3. Mezzanine handrail	\$3,898.00
4. Delete overhead door and install masonry knockout	<u>\$1,394.00</u>
Total Added	\$12,927.00

B. Contract Deletions:

1. Revisions to building HVAC System	\$18,470.00
2. Miscellaneous metal removal	\$1,280.00
3. Eliminate VFD for the reclaim pump	\$2,100.00
4. Eliminate level transducers for the wells	<u>\$1,500.00</u>
Total Deduct	\$23,350.00

Net Change

\$10,423.00 Deduction

The main power supply to the Water Treatment Plant and the final sewer and water hook-ups cannot be completed until S.R. Weidema completes the utilities from Viking Boulevard to the Water Treatment Plant. S.R. Weidema has until July 1, 2012 to complete this work. For this reason and to provide additional time to schedule subcontractors, Municipal Builders has requested that the substantial completion date be revised from August 18, 2012 to October 13, 2012 and the final completion date be revised from September 1, 2012 to November 1, 2012. The Change Order also provides for the requested extension of the contract completion dates.

Staff recommends Council approve Change Order No. 1 to Municipal Builders, Inc., which decreases the contract amount \$10,423 and revises the contract completion dates as discussed above.

Boyer made motion to approve Change Order No. 1 to Municipal Builders, Inc, decreasing the contract amount \$10,423 and revising the contract completion date. Lawrence seconded.

DeRoche commented about the HVAC system, the deletions, he is wondering why this wasn't included on the original plans. Jochum explained that right now the mechanical has a boiler designed and they want to go with forced air. He feels it is a good idea to put in forced air. DeRoche is all for saving money, as long as it saves us money and doesn't cost us money in maintenance. Jochum explained he looked into both, and he think this system will be easier to maintain. Most HVAC systems can be maintained by any provider, but a lot of providers cannot maintain the boiler system. Moegerle, did the boiler system have an in floor heating system. Jochum explained that no, it did not. Jochum explained the building is 40 x 44, basically a big house. He is comfortable with it; maybe this should have been the kind of system we went with in the beginning. It is a generous deduct. Moegerle wondered about the proposed fencing. Have we got any information on that? Davis explained that DuCharme is still in the process of checking with Homeland Security. He didn't say we could get it, but he seemed to be encouraged that we could secure some of that funding. Our experience at City Hall with the boiler system is it would be much cheaper to maintain a forced air system. And you don't have to have the annual state inspection. **All in favor, motion carries.**

Ord. 35,
Second Series,
Amending
Chapter 18,
Article IV,
Regulating the
Sale of
Tobacco

Davis explained this proposed Ordinance amendment would amend Sections 18-180 and 18-181 of the Code of Ordinances of the City of East Bethel as submitted in the attachments and remain consistent with Council directives as to the administration of penalties and fines under the ordinance.

Staff recommends City Council consider the approval of the amendments to Chapter 18, Article IV, Section 18-180 and 18-181 of the City Code as presented in the attachments.

DeRoche motion to adopt Ord. 35, Second Series, Amending Chapter 18, Article IV, Regulating the Sale of Tobacco. Moegerle seconded. Moegerle explained that she asked for this one to come first. One of the issues is we as a City do not have a hearing ordinance. In our tobacco ordinance we talk about our hearing, appeals, hearing officer, can we address that. There are a few types that need to be corrected. But one of the ways that the tobacco

ordinance differs from the alcohol ordinance is that it only talks about three violations in two years. Alcohol talks about four violations in two years. Historically is that an issue? Boyer explained that historically we have had way more tobacco violations than alcohol. Moegerle commented so should we add another violation, and do this correctly. Boyer commented that you probably remember the old Tom Thumb and they had their tobacco license suspended for three months. Moegerle explained it doesn't provide for what happens after third violation. Do we want to table this and provide for that? Boyer wonders do we want to table both of the ordinances then. Boyer explained, call me old fashioned, but he felt three alcohol violations are more serious than three tobacco violations. The volume of it is one difference. DeRoche commented that we should just make the changes and adopt this. Moegerle commented there are some other typos. **All in favor, motion carries.**

Ord. 34,
Second Series,
Amending
Chapter 6,
Alcoholic
Beverages

Davis explained that per Council direction, staff was instructed to review Section 6-93 of the above ordinance, and recommend changes to Council that would provide additional clarification and discretion in the administration of penalties and fines under the ordinance.

This proposed Ordinance amendment would amend Section 6-93 of the Code of Ordinances of the City of East Bethel as submitted in the attachments and remain consistent with Council directives. At this time, there remain several items in the ordinance that need clarification. The primary area of concern involves the keeping the Responsible Beverage Service training consistent throughout the proposed changes and considering any changes to Section 6-94. The amendments to this ordinance should also be crafted to reflect the amendments to Tobacco Ordinance as there are similar parallels between the two.

Staff recommends City Council discuss the proposed amendments to Chapter 6, Article IV, Section 6-93 of the City Code and other changes as presented in the draft attachments.

Moegerle explained that this ordinance doesn't have part of how the hearing goes, like it does in the tobacco. Do we think they should be parallel? Boyer thinks they should be parallel and he thinks there should be at least three penalties. Moegerle explained and the Responsible Beverage Training is before for the first violation and then for the second, third and fourth it is after and she doesn't know what the incentive is. To remediate the situation. Boyer thinks it was more of a reminder. Moegerle if talking about making them parallel, the red line is sort of in proportion. Vierling explained that there are a couple things in this draft that trouble him. 6-93A is deleted. Moegerle explained that was an oversight. Vierling explained that he is fine with structure of steps of violations. Genesis of his concern was that we were pursuing clerks for two violations and at least this draft has it down to one. Moegerle explained we changed first violation to permissive instead of mandatory and second as well. Boyer commented that one thing that troubles him in re-reading this, we don't outline when we would revoke their license. Would like to see that outlined at what point we would do that. What if we have a chronic offender? Vierling suggest you have that at any step.

DeRoche made a motion to table Ordinance 34, Second Series, Amending Chapter 6, Alcoholic Beverages. Moegerle seconded; all in favor, motion carries.

Council
Reports –

DeRoche explained that we hosted the Local Government Officials meeting. Alexandria House gave a presentation. MnDOT talked about doing MnPASS lanes. There were several questions. He went to Linwood with the City Administrator and had a meeting. There is an article in the Forest Lake Times about it. Appreciate that the Public Works Department came

out and cleaned the streets at Coon Lake Beach, got a lot of ice up. They did a nice job.

Council
Reports -

Boyer explained it is supposed to be 55 degrees and sunny on Saturday and Sunday. Heard a lot of people talking about taking bikes out. Be careful.

Council
Reports -

Moegerle explained in the past three weeks had two meetings with Great River Energy. Precursor to meeting with Linwood. Appreciate that DeRoche stood in for her. Understand that meeting went well, we are making progress. At the last Council meeting, the Building Official indicated we would be getting some tables on code enforcement issues, with corrections. By e-mail. Can we get that information on building permits? DeRoche agreed, we were supposed to get three or four things he was going to write up something quick. Tables and graphs. Moegerle explained talking about Coon Lake Beach; someone was putting up a lost pet sign on a stop sign, not a good use of the stop sign. Also, had a meeting with Ady Voltedge. Talked about the stakeholders and positive information about their view of the future. Got another meeting with them on Monday.

Council
Reports -

Lawrence been hustling and bustling with a lot of things around the City. Granted an extension with S.R. Weidema for water and sewer. Was in their contract and were entitled to that extension because of the warm weather. Going well, they are moving right along. Local Government Official meeting, the City Administrator did a good presentation. And there was good food at Hidden Haven.

Adjourn

Boyer made a motion to adjourn at 9:20PM. DeRoche seconded; all in favor, motion carries.

Attest:

Wendy Warren
Deputy City Clerk



ONLINE PRICE QUOTATION

Quote Number: 7440201

Quote Name: EastBethelServer

Today's Date : 3/7/2012 2:15:35 PM

Quote Created Date : 3/7/2012 2:15:03 PM

Created By: aaron.seeley@ci.roseville.mn.us

Contract: MN - STATE OF MINNESOTA (WSCA/NASPO) (441940)

Product availability and product discontinuation are subject to change without notice. The prices in this quotation are valid for 30 days from quote date above. Please include the quote number and contract from this quote on the corresponding purchase order.

Use the File - Print option to print this form for your future reference.

Items/description	Part no	Unit price	Qty	Ext price
-Smart Buy-HP Storage LTO-5 Ultrium 3000 SAS External Tape Drive	Base	\$2,939.00	1	\$2,939.00
EH958SB		\$2,939.00		
HP Smart Buy LTO-5 Ultrium 3000 SAS External Tape Drive	EH958SB			
Recording technology				
LTO-5 Ultrium technology				
Capacity				
3TB compressed capacity				
Sustained transfer rate				
1TB/hr. compressed rate				
Buffer size				
256MB buffer				
Interface				
6 Gb/sec SAS host interface				
Form factor				
5.25 inch half-height				
WORM capability				
Supports WORM				
Encryption Capability				
AES 256-bit encryption				
HP SC44Ge HBA	416096-B21	\$137.97	1	\$137.97
		\$137.97		
HP Storage 1U SAS Rack-Mount Kit	AE459B	\$359.20	1	\$359.20
		\$359.20		
HP ProLiant DL380 G7 Server	Base	\$3,234.63	1	\$3,234.63
		\$3,234.63		
HP ProLiant DL380 G7 Server	583914-B21			
Quad-Core Intel® Xeon® Processor E5606 (2.13GHz, 4M L3 Cache, 80 Watts)	633442-L21			
HP 6GB PC3-10600E 3x2GB 2Rank Memory	500670-6GB			
Storage controller				
HP P410/ZM SAS Array Controller				
HP 300GB 6G Hot Plug 2.5 SAS Dual Port 10,000 rpm Enterprise Hard Drive	507127-B21			
HP 300GB 6G Hot Plug 2.5 SAS Dual Port 10,000 rpm Enterprise Hard Drive	507127-B21			
HP 300GB 6G Hot Plug 2.5 SAS Dual Port 10,000 rpm Enterprise Hard Drive	507127-B21			
HP 300GB 6G Hot Plug 2.5 SAS Dual Port 10,000 rpm Enterprise Hard Drive	507127-B21			

HP 512MB P-Series BBWC (requires a HP SA P410 or P411 Controller)	462967-B21
HP Slim 12.7mm SATA DVD Optical Drive	481041-B21
Network card (2) Embedded HP NC382i Dual Port Multifunction Gigabit Server Adapters	
2 HP 750W Common Slot Gold Hot Plug Power Supplies	512327-2PS
Server management Integrated Lights Out 3 (iLO 3) Management	
Warranty HP Standard Limited Warranty - 3 Years Parts and on-site Labor, Next Business Day	

Subtotal: \$6,670.80

The terms and conditions of the MN - STATE OF MINNESOTA (WSCA/NASPO) will apply to any order placed as a result of this inquiry, no other terms or conditions shall apply.

To access the HP Public Sector Online Store where this quote was created, go to:
<http://gem.compaq.com/gemstore/entry.asp?SiteID=13158>

* HP is not liable for pricing errors. If you place an order for a product that was incorrectly priced, we will cancel your order and credit you for any charges. In the event that we inadvertently ship an order based on a pricing error, we will issue a revised invoice to you for the correct price and contact you to obtain your authorization for the additional charge, or assist you with return of the product. If the pricing error results in an overcharge to you, HP will credit your account for the amount overcharged.

* This quotation may contain open market products which are sold in accordance with HP's Standard Terms and Conditions. HP makes no representation regarding the TAA status for open market products. Third party items that may be included in this quote are covered under the terms of the manufacturer warranty, not the HP warranty.

* Please contact HP Public Sector Sales with any questions or for additional information:

K12 Education:	800-888-3224	Higher Education:	877-480-4433
State Local Govt:	888-202-4682	Federal Govt:	800-727-5472
Fax:	800-825-2329	Returns:	800-888-3224

* For detailed warranty information, please go to www.hp.com/go/specificwarrantyinfo. Sales taxes added where applicable. Freight is FOB Destination.



800.808.4239

Thank You

Your quote has been submitted successfully.
 A copy has been sent to: orders@ci.roseville.mn.us

Quote Details

Quote Number: 1B7JB21
Ordered By: Terre Heiser
Quote Placed: March 07, 2012
Billed From: CDW Government Inc., 230 N. Milwaukee Ave., Vernon Hills, IL - 60061 (800) 594-4239

Thank you for your online quote request. Prior to converting this quote to an order, please contact your account manager for configuration, pricing, and contract verification. Should you choose to convert this quote to an order without verification, you may be contacted by your account manager to confirm the details of your order.

Shipping Address	Shipping Method	Billing Address
City of East Bethel Attn To: Wendy Warren 2241 221st Avenue NE East Bethel, MN - 55011	Carrier UPS Ground (2 - 3 day)	Attn To:City Of Roseville 2660 Civic Center Dr Roseville, MN - 55113-1815

Quote Reference	
Quote Description: LTO 5 tapes for East Bethel	Notes to Account Manager:
Cost Center Code:	

Product	CDW Part #	Availability	Qty	Unit Price	Extended Price
 Imation LTO Ultrium Universal Cleaning Cartridge LTO1, LTO2,LTO3,LTO4,LTO5	390145	In Stock	1	\$51.46	\$51.46
 HP LTO5 Ultrium x 1 - 1.5 TB - storage media	2050378	In Stock	6	\$60.38	\$362.28
				Sub-total	\$413.74
				Shipping	\$0.00
				Sales Tax	\$28.45
				Grand Total	\$442.19

ATTENTION NEW FEDERAL CUSTOMERS:
 If tax appears on your order, it will be deleted when the order is processed.
 No tax will be charged.

This page was printed on 3/7/2012 6:57:57 AM.

Below is the quote you requested. Please let me know if you have any questions.
Thank you,
Garrett



Pricing Proposal

Quotation #:	5282314
Description:	Microsoft
Created On:	Mar-07-2012
Valid Until:	Mar-31-2012

MN CITY OF EAST BETHEL

Aaron Seeley

2241 221ST AVE NE
ATTN: ACCOUNTS PAYABLE
OAK GROVE, MN 55011
United States
Phone: 7634349569
Fax:
Email: aaron.seeley@ci.roseville.mn.us

All Prices are in US Dollar(USD)

Product	Qty	Your Price	Total
1 Microsoft Windows Server Standard Edition - License & software assurance - 1 server - Select, Select Plus - Single Language Microsoft - Part#: P73-00205	1	\$820.00	\$820.00
Total:			\$820.00

Additional Comments

Please note that a valid Select Plus contract is required for this purchase
All SA will run through the term of your Select Plus contract

MN State Contract#24099

Please email all quote requests to QuotesMN@SHI.com

Please email all order requests to OrdersMN@SHI.com OR fax 732-564-8280

Retrieve your quote:

<https://www.shidirect.com/Quotes/Quoteinfo.aspx>

The Products offered under this proposal are subject to the [SHI Return Policy](#), unless there is an existing agreement between SHI and the Customer.

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

RESOLUTION 2012-21

RESOLUTION REESTABLISHING PRECINCTS AND POLLING PLACES

WHEREAS, the legislature of the State of Minnesota has been redistricted; and

WHEREAS, the voting precincts in the City must be reestablished after the legislature has been redistricted;

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of East Bethel,, Anoka County, State of Minnesota that:

1. The City three voting precincts remain as established on April 17, 2002 by Resolution 2002-15 and effective with the August 14, 2012 State Primary Election, and
2. That the boundaries of the precincts are hereby established pursuant to Minnesota Statute 204B.14, subdivision 3c, and
3. That the polling places of the precincts are hereby established pursuant to Minnesota Statute 204B.16, and
4. That such boundaries and polling places shall remain as follows:

Precinct 1 at East Bethel Senior/Community Center, 2241 221st Avenue NE: That part of the city lying north of County Road 74 (221st Ave. NE, Luan Drive NE, 213th Ave. NE, 217th Ave. NE);

Precinct 2 at Our Saviour's Lutheran Church, 19001 Jackson Street NE: That part of the city lying south of County Road 74 (221st Ave. NE) and west of Hwy. 65; and that part of the city lying south of County Road 22 (Viking Blvd NE) from Hwy. 65 to Thielen Blvd. NE and east of the public access on Thielen Blvd. NE from Viking Blvd. NE to the northern shore of Coon Lake and following the western shore line of Coon Lake to the southern boundary of the city;

Precinct 3 at East Bethel Fire Station #1, 2751 Viking Blvd. NE: The part of the city lying south of County Road 74 (221st Ave. NE, Luan Drive NE, 213th Ave. NE, 217th Ave. NE) and east of Hwy. 65 to Thielen Blvd. NE and east of the public access on Thielen Blvd. NE from Viking Blvd. NE to the northern shore of Coon Lake and following the western shore line of Coon Lake to the southern boundary of the city.

Attached to this resolution is a map showing said precincts and the location of each polling place.

Adopted this the 21st day of March, 2012 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

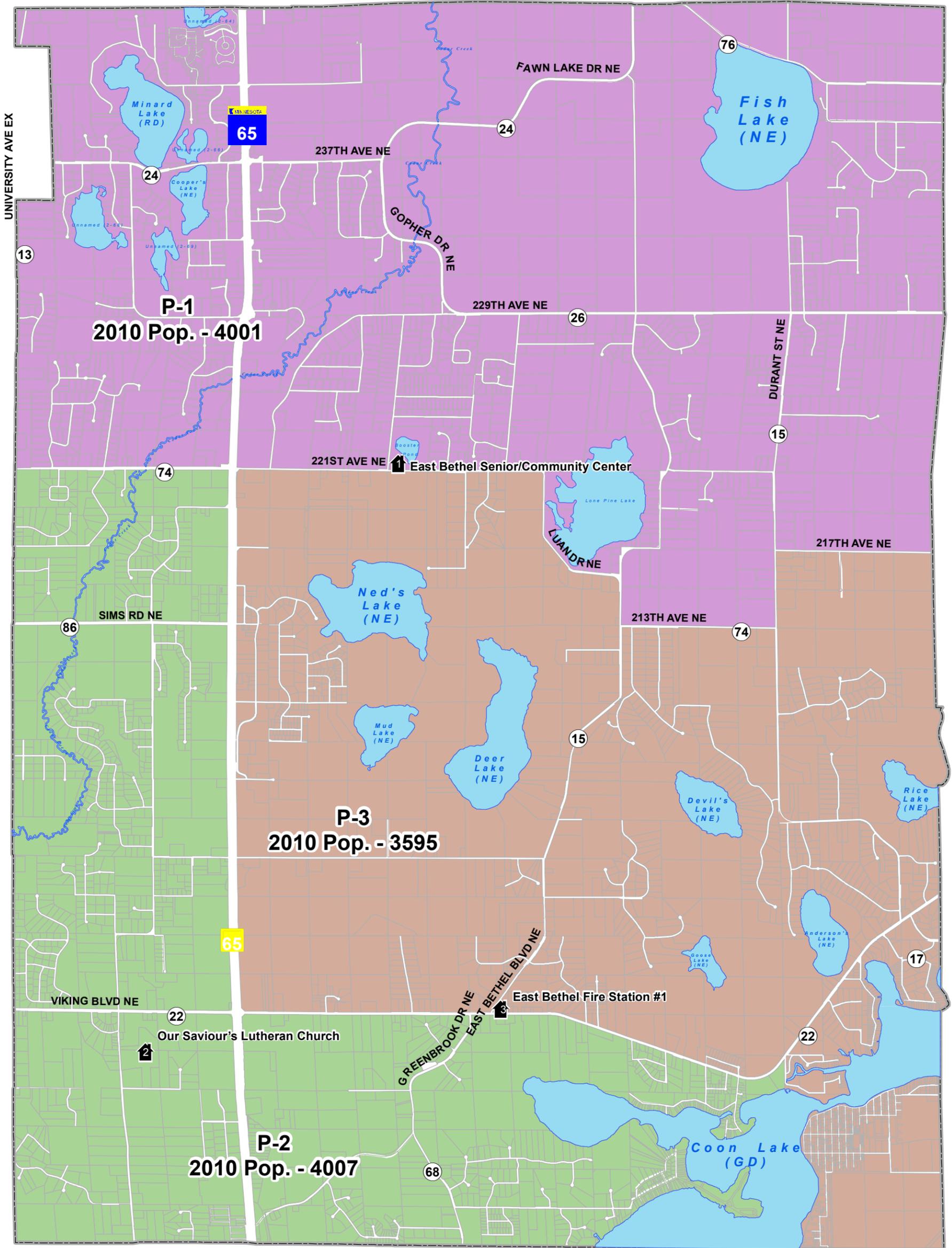
Richard Lawrence, Mayor

ATTEST:

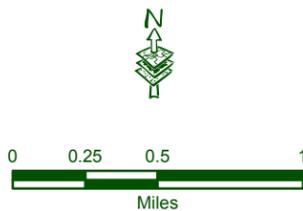
Jack Davis, City Administrator



PRECINCTS AND POLLING LOCATIONS CITY OF EAST BETHEL



- | | | |
|------------------|--|------------------|
| Precincts | | Polling Location |
| | | Parcel/Lot |
| | | City Limits |
| | | Water |



Sources:
Anoka County
East Bethel Planning Department
East Bethel GIS

RESOLUTION 2002-15

RESOLUTION ESTABLISHING PRECINCTS AND POLLING PLACES.

Whereas, the legislature of the State of Minnesota has been redistricted; and

Whereas, the voting precincts in the City must be reestablished after the legislature has been redistricted;

Now therefore, be it resolved by the City Council of the City of East Bethel, Anoka County, State of Minnesota to re-affirm the existing three voting precincts.

1. The City be divided into three voting precincts effective with the September 10, 2002 State Primary Election, and
2. That the boundaries of the precincts are hereby established pursuant to Minnesota Statute 204B.14, subdivision 3c, and
3. That the polling places of the precincts are hereby established pursuant to Minnesota Statute 204B.16, and
4. That such boundaries and polling places shall be as follows:

Precinct 1 at East Bethel Community/Senior Center:

That part of the city lying north of County Road 74 (221st Ave NE, Luan Drive NE, 213th Ave NE, 217th Ave NE)

Precinct 2 at Our Saviour's Lutheran Church:

That part of the city lying south of County Road 74 (221st Ave NE) and west of Hwy 65; and that part of the city lying south of County Road 22 (Viking Blvd NE) and west of the public access on Thielen Blvd. NE from Viking Blvd NE to the northern shore of Coon Lake and following the western shore line of Coon Lake to the southern boundary of the city.

Precinct 3 East Bethel Fire Station:

That part of the city lying south of County Road 74 (221st Ave NE, Luan Drive NE, 213th Ave NE, 217th Ave NE) and east of Hwy 65 and north of County Road 22 (Viking Blvd. NE) from Hwy 65 to Thielen Blvd NE and east of the public access on Thielen Blvd. NE from Viking Blvd. NE to the northern shore of Coon Lake and following the western shore line of Coon Lake to the southern boundary of the city.

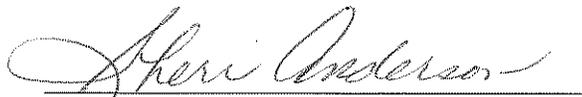
Attached to this resolution is a map showing said precincts and the location of each polling place.

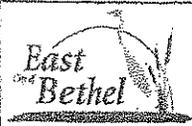
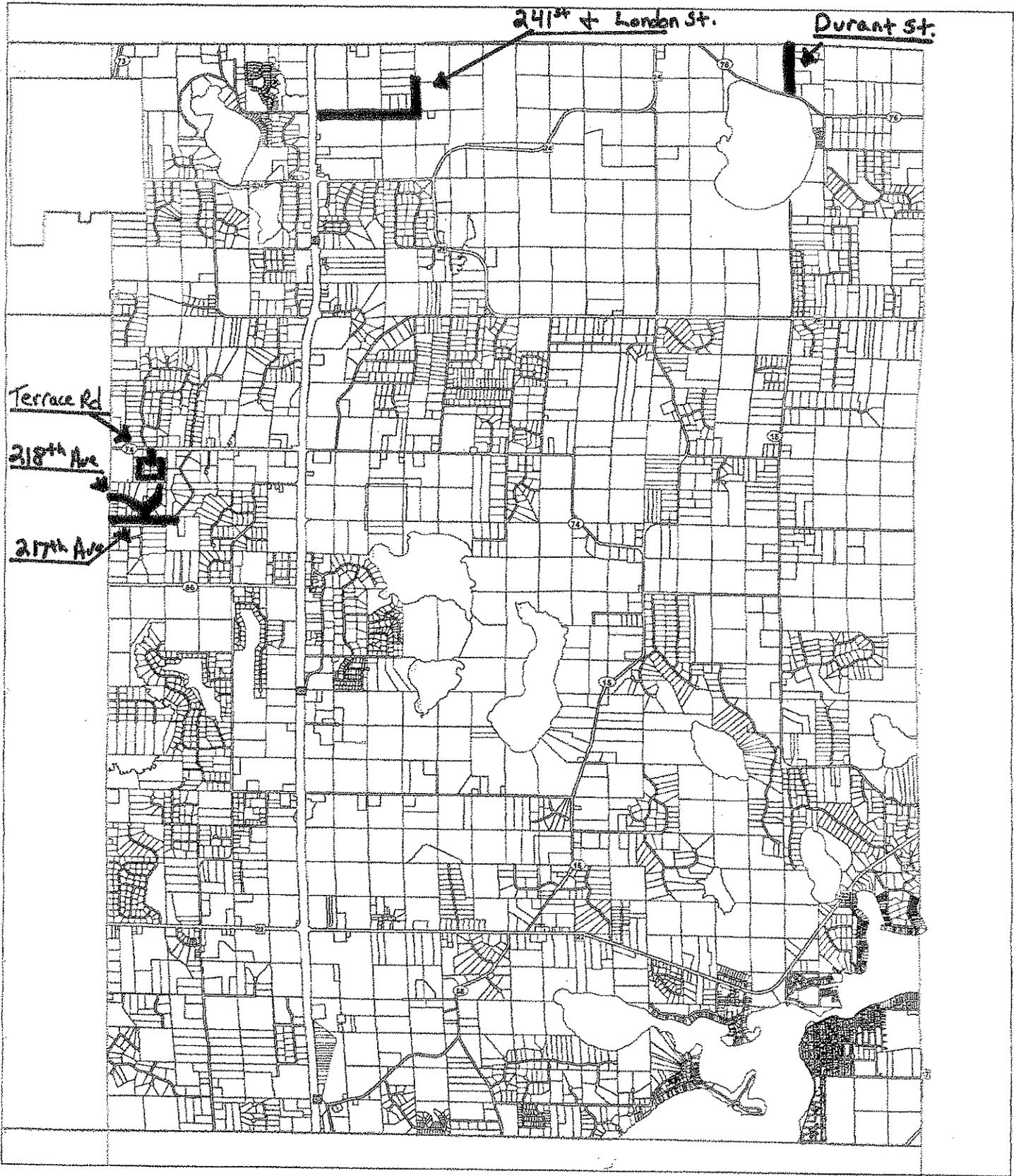
Adopted by the City Council this 17th day of April, 2002.

CITY OF EAST BETHEL

ATTEST:


Mike Jungbauer, Mayor


Sherri Anderson, City Clerk



2012 CLASS IV RESURFACING



SOURCE: ANCHORAGE COUNTY SURVEY DEPARTMENT, 1982; CITY OF EAST BETHEL & UNDR



City of East Bethel City Council Agenda Information

Date:

March 21, 2012

Agenda Item Number:

Item 7.0 B.1

Agenda Item:

Planning Commission Meeting Minutes for February 28, 2012

Requested Action:

Information Only

Background Information:

Information Only. These minutes are in draft form. They have not been approved by the Planning Commission.

Fiscal Impact:

None

Recommendation(s):

Information Only

City Council Action

Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required: X

EAST BETHEL PLANNING COMMISSION MEETING

February 28, 2012

The East Bethel Planning Commission met on February 28, 2012 at 7:00 P.M for their regular meeting at City Hall.

MEMBERS PRESENT: Brian Mundle, Jr. Eldon Holmes Tanner Balfany
Lorraine Bonin Glenn Terry Lou Cornicelli

MEMBERS ABSENT: Joe Pelawa

ALSO PRESENT: Stephanie Hanson, City Planner
Jack Davis, City Administrator

Adopt Agenda Chairperson Mundle called the February 28, 2012 meeting to order at 7:03 P.M.

Mundle motioned to adopt the February 28, 2012 agenda. Balfany seconded; all in favor, motion carries.

Commission Appointment and Oath of Office

Joe Pelawa still needs to be sworn in. He was not at the meeting.

East Bethel Municipal Utilities Project

Project Service Area: the project area includes the west side of Hwy. 65, between 185th Avenue and Viking Boulevard, and west along Viking Boulevard from Hwy. 65 to the Connexus substation, located approximately ½ mile west of Hwy. 65.

Project Utilities

- 1.) 13,000' of waterline ranging in size from 8" to 24" with 30 fire hydrants;
- 2.) 6,800' of City trunk and lateral sewer ranging in size from 12" to 36";
- 3.) 8,000' of MCES interceptor sewer ranging in size from 24" to 48";
- 4.) One water treatment plant with a treatment capacity of up to 1,200 gallons/minute;
- 5.) Two wells with a production capacity of 1600 gpm
- 6.) One 500,000 gallon water storage tower; and
- 7.) One 500,000 gpd waste water treatment plant designed to be expandable to 5,000,000 gpd.

Costs and Cost Allocations

<u>Project</u>	<u>East Bethel Cost</u>	<u>MCES Cost</u>
Waterline & Appurtenances	\$3,702,000*	
Water Tower	\$1,328,000	
Wells	\$ 457,000	
Lateral and Trunk Sewer	\$2,305,000*	
Interceptor Sewer	\$2,200,000*	\$2,900,000**

Water Treatment Plant***	\$2,111,000*
Waste Water Treatment Plant	\$13,000,000**, ****
Easements	\$ 660,000

* Estimated Cost

** MCES costs will be recaptured through SAC and user charges

***The original bid and associated costs for the water treatment plant was \$6,376,000

**** Does not include costs for force main installation and RIB's (this will be bid as a separate project)

Estimated Total City Water Cost \$ 7,598,000

Estimated Total City Sewer Cost \$ 5,165,000

Savings from the redesign and rebid of the water treatment plant in the amount of \$4,350,000 will enable the City to pursue additional capital projects to add connections to the system. These additional projects could include connection to the Castle Towers facility, Hwy. 65 East Side Businesses between 183 Ave. and 187th Lane and/or other connections as funds permit.

Project Schedule

This project was originally scheduled for completion by July 31, 2012. Due to claims for abnormal weather conditions, a change order extending the project was presented to MCES and City Council. Both the Council and MCES were advised by legal counsel that it would difficult to deny denial of the extension claim by the contractor.

The City Council approved the change order for a time extension by granting a date of December 1, 2012 for completion of the water service and June 30, 2013 for final completion of the project. If the water service is not completed by December 30, 2012, then the contractor is liable for the provision of temporary water service to permit the operation of the system. There will no additional cost to the City for the water service as a result of the delay.

The delay will have potential implications as to the collection of assessment revenues. Assessments originally anticipated for 2013 will probably not be collected until 2014. Our legal counsel has advised the City that is a delay that cannot be considered damage by the contractor and is therefore not pursuable through legal action.

Financing

The estimated City share of the Municipal Utility Project, \$12,763,000, will be financed with a combination of bonds which were issued December 15, 2010.

These bonds are as follows:

Recovery Zone Economic Development Bonds (RZED-“A” Bonds)

\$11,465,000

Build America Bonds (BAB-“B” Bonds)

\$6,100,000

Revenue Bond (“C” Bond)

\$1,260,000

Total Issuance

\$18,825,000*

*The discrepancy between the amount of the bond issuance and the projected cost of the project is due to the change in the cost of the water treatment facility and the remaining project contingency funds. The bonds were issued prior to the redesign and rebid of this portion of the project.

To date we have made 2010A, B & C bond interest payments of \$744,147.38 on 8/1/2011 and \$592,683.75 on 2/1/2012 for a total of \$1,336,831.13. We received \$299,437.12 for the 8/1/2011 interest payment rebate and \$238,489.74 for the 2/1/2012 interest payment rebate for a total of \$537,926.86. Interest, offset by credits, paid so far is \$798,904.27. The principal on the bonds is back loaded and won't begin until 2016.

The revenue to make the payments on these bonds (\$708,000 for 2013-2015) will be dependent on the timing and the number of connections we can make to the system and to a lesser degree the user charges that will be generated by the new customers.

For each connection to the system the customer will be charged a \$3,400 MCES SAC fee and a City SAC and WAC fee of \$5,600. In addition, each customer will be assessed a fee for their share of the lateral and trunk sewer including any street restoration. This cost will be determined and assessed by the level of service provided. For the purposes of preparing the project cash flow analysis by both Bolton & Menk and Landform, \$8,000 was used as a projection for the assessment. The total of the MCES and City charges plus the assessment projection provides the amount of \$17,000 per equivalent connection that has been used for previous cash flow models.

Bond Payment/Cash Flow Projections, presented in Projection 1 & 2 in your packet, present two scenarios:

- 1.) Projection 1 assumes revenue will be generated in 2013 with 55 City SAC and WAC fees. This projection produces a net deficit of \$394,356 at the end of 2016 and assumes the following:
 - a.) There will be no reissuing of the 2010 C bonds and the first half of the balloon payment will be made in 2016; and
 - b.) There is no additional assessment income calculated over and above the \$72,300 for street restoration assessments. In all likelihood, additional income will be derived from lateral sewer benefit assessment, however, at this time, that amount is unknown and was not included in the computations.
- 2.) Projection 2 assumes revenue would not be generated until 2014 due to delays on the project. This projection produces a net deficit of \$1,514,356 at the end of 2016 and assumes the following:
 - a.) There will be no reissuing of the 2010 C bonds and the first half of the balloon payment will be made in 2016; and
 - b.) There is no additional assessment income calculated over and above the \$72,300 for street restoration assessments. In all likelihood, additional income will be derived from lateral sewer benefit assessment, however, at this time, that amount is unknown and was not included in the computations

The most important variable in projecting cash flows for the project is the number of connections and that can be secured annually through the 20 year project period. Any change in this number, positive or negative, will be the driver of our abilities to amortize our bond indebtedness. These numbers, while unknown, present the major challenge to this project. Various schedules have been prepared that present many different scenarios. Based on Projection 1 and 2, we need 600 SAC connections by the end of 2016 to have a break even cash flow, assuming the 2010 "C" bonds are not refinanced. To date and depending on assessment policies, we have 50 SAC connections in the assessed area of the project.

Summary of Costs to the City

From 2013 through 2015, bond payments will be \$708,388 annually. Beginning in 2016 and through 2017 annual bond payments could increase to \$1,493,388. This amount for these and subsequent years will be dependent on the rebonding of the 2010 "C" bonds.

Beginning June 30, 2013 and through the period listed as schedule "D" in the Cooperative Construction Agreement, the City will be required to make annual payments to the MCES for "accelerated and incremental" costs for the interceptor sewer system with an initial payment of \$34,517 in 2013 and increasing to \$202,129 in 2030 and remaining at this level through 2040. These payments are to amortize the City's portion of the interceptor sewer costs. Payments over the period will total \$3,700,511.

MCES SAC charges begin at \$3,300 in 2012 and increase at a 3% annual rate to \$5,620 in 2030.

Should flows to the MCES waste water treatment facility be less than the SAC equivalent projections, a surcharge, to be determined, will be imposed upon the users of the system. This surcharge is projected to be in the \$1.50/1,000 gal. range.

Operation and maintenance cost have as yet to be determined. These will be dependent on the number of customers and additional project connections to the system. They could, in the initial years of the project, exceed the City's portion of user charges if the customer base does not expand at projected rates of connections needed to support the system.

Conclusion

This information is intended only to emphasize the challenge that confronts the City of East Bethel. It will take a concerted and collaborative effort between the City Council, the EDA, Planning and Zoning Commission and the residents of the City to do all that is required to make this project a success and not a burden on the East Bethel taxpayers.

Jack Davis explained to the group the estimated costs for the water cost \$7,598,000 and the cost for the estimated sewer cost \$5,165,000. Davis explains the savings cannot be taken off what the City owes, so the whole amount must be spent on projects that relate to water and sewer. The City is currently looking at three possibilities connecting to Castle Towers facility, Hwy 65 East Side

Businesses between 183rd and 187th Lane and/or other connections as funds permit. The first would cost about \$4 million. The second project would cost about \$1.2 million. There are currently two stubs allocated to the east side of Hwy 65. Another possibility is extending a service line to Our Saviors Lutheran Church for some senior housing and also the church. The cost for this would be about \$250,000. All three of them would be a positive addition to the system. All of them would add ERUs, but the City would only get credit for new ERUs. If a total build out was done up in that Castle Tower area, it would also about 150 ERUs.

The project schedule was scheduled to be completed at July 31, 2012. There have been some delays, and the contractor is blaming it on abnormal weather. A change order was submitted to City Council, and legal counsel advised that it would be very hard to defend the denial of a claim for an extension of time. We felt it best to grant the extension with conditions. The wanted until June 30, 2013. The condition was the water had to be ready by December 1, 2012. They also needed to have sewer done by that date. The delay shouldn't hurt the economic development efforts. Met Council said they would pump and haul before the waste water plant is finished. The plant will not be completed until the summer of 2013. The biggest impact will be the revenue collections. That will have some implications on the bond payments based on the estimated number of connections. These projections don't take into account any assessment revenue and we don't know what it will be at this time, but it should be a fairly significant amount. There are also other variables, such as connections. They are being proactive with the EDA and trying to hasten the project up.

Bonin asked why are we paying for the City of Bethel to hook up? Davis said they would pay their own costs and would just have to pay to hook up to our connection. We would have to figure out a cost sharing plan for our line to be shared. Balfany said it is about \$4.0 million.

Bonin asked if the Soderquist area wants to hook up to this. Davis said they are interested in hooking up. Davis said the city had a preliminary discussion with the City of Ham Lake and as long as they don't have to alter their comp plan, this is a possibility. This plan has been tentatively approved at Met Council and the City of Ham Lake.

Davis said the bonds can't be reduced. Terry asked why the city can't pay back that amount. Davis explained that the bonds issued are a recovery bond and a Build America bond. They are part of the federal government issued bonds so they are tax exempt. Because of those exemptions they have to be spent on a project. They have to be spent on capitalized projects that are related to water and sewer. If the monies are not spent on a project the tax exemption would be removed.

Bonin stated that the east side businesses were never part of the plan. Davis explained that the only businesses that are included in the project are the ones on the west side of the highway. The trailer park was not included on the plan. Right now we are saddled with 12 customers that have the equivalent of 50 ERUs. By 2016 we need 600 ERUs. Balfany said on the bright side, we have a \$4.0 budget to help create those ERUs. It would be the cheapest to do the east

side of Hwy 65.

Davis said they had a couple of meetings with the trailer park. We are trying to interest them into using the city water. We need a certain amount of turn over in the water. If we can get them as a customer, that is a 150 connections. That would be significant to the water system. Balfany said he would recommend the least amount of cost to get the most benefit. Davis said if we don't connect Castle Towers, we will still have to do renovations of the plant that will cost over \$2.0 million. As a long term investment, that may be the best plan. As far as the east side of Hwy 65 there are two stubs so if a business wanted to connect, the city could look at options.

Davis explained that the SAC charges increase 3% annually. If we don't generate enough flow, based on their estimated ERUs, the sewer treatment plant will have to tack on a fee. We still haven't determined our operations and maintenance costs. He wanted to present this information to everyone so everyone knows what we need to make it work. He believes it can work, but we need everyone working together to make it a success. Bonin said it might be a struggle but we can make it work. Davis said if we all work together we can make this thing happen. Holmes asked if the payment to Met Council, is it locked in? Davis said it is locked in.

Balfany asked do we have support with the EDA and the Council? Is everyone on board to get this going? Davis said everyone is on board and people have different ideas on it now. More people are coming together to form a consensus. The quicker we get to that point the better we have success on making this project successful. As everyone is aware, this has been a very contentious and confrontational project. The EDA is doing some work and the Council is behind it. The Planning Commission will be very active on this also. Davis said he is looking forward to working with everyone to make this a success. Balfany said he is hoping that this gets done and he thinks it is important. Holmes said he thinks it will work also. Davis said no matter how we may feel about the project, we have it now, we have to work together to make it successful.

Mundle asked with the new marketing plan, is there anything being done to attract customers? Davis said their will be recommendations to make the marketing and promotions. As far as something specific for that area, that is the area we really are focusing on. There have been discussions on the City Centre. There will be information provided to make the area really attractive for growth. Mundle asked if there is any speculation on the City Centre project and when it will move forward? Davis said the City Centre is a concept right now and we need to meet with some landowners that are interested in developing their property. The plan that we have is a nice drawing, but he is not really sure it relates to our situation. There will be some recommendations that come out of the marketing study in regards to this also. Holmes asked what has been presented to the businesses on the east side of 65? Davis advised there was one meeting about 6 or 8 months ago, they were cautiously optimistic about it, but one business was opposed. In August they had a second meeting. He is getting calls once or a month on connecting and the business owners have some questions on how they would be assessed.

Planning Update**Ady Voltedge – Marketing and Branding Plan**

Hanson stated that the project kick-off stakeholder meeting on February 1, 2012 was a success! 41 of the 70 invitees attended the meeting. The overall response to the meeting was very positive – people like to see that the city is looking towards the future and are supportive of the marketing plan.

The online survey is in full swing and getting a great response rate. The survey is available through February 29. As of Friday there were 550 people who completed the survey. Balfany said 600 was our benchmark. Hanson said yes. Balfany asked if the consultants could do it with less than 600? Hanson said the consultant thought if there were three hundred it would be a good response.

The project is on schedule and here is a glance of the schedule:

February 28, 2012 – Conference call with Ady Voltedge and staff to share the Retail Market Analysis and one-on-one interview results.

March 13, 2012 – Conference call with Ady Voltedge and staff to discuss the preliminary results of the community survey.

April 2, 2012 – Work Group and Stakeholder's Meeting with Ady Voltedge and stakeholders. Once Hanson knows a time and location, she will let Planning Commission know about.

Mid-May – Ady Voltedge will present the complete marketing plan.

Hanson said once she knows a time and location of the up coming meetings, she will let Planning Commission know about.

Minimal Impact Design Standards (MIDS) Pilot Community

Hanson explained that East Bethel has been chosen to be a MIDS Pilot Community. What does this mean for the city?

The St. Croix MIDS Pilot Community Project was established to help St. Croix Basin communities meet state water quality regulatory requirements and provide a real testing ground for the application of the new MIDS performance goals.

Two cities were chosen, East Bethel and Chisago Lakes Trio.

The Pilot Community Project involves regional and focused community assistance in the form of education, training, review and consultation services, and tools and resources such as model ordinances. Education and training includes NEMO – Nonpoint source Education for Municipal Officials programming and Stormwater U – technical training for staff.

Two communities, East Bethel and Chisago Lakes Trio, were chosen to receive free education, training, and consulting services to update plans, codes, and procedures to protect the local water resources and ultimately the St. Croix River. Staff will receive the project schedule within the next 30 days and will move forward from there. Hanson will provide the schedule to the Planning when she receives it.

The completed project will result in the city's adoption of Low Impact Development (LID) standards – an approach to storm water management that mimics a site's natural hydrology where storm water is managed on site where the raindrop falls, storm water ordinance, conservation design standards, and updates to the city water management plan, engineering standards manual, parks/open space plan, and ecological corridor map.

This is a project that staff will be working on this spring and summer. Once the consultants are done with the project, then the Planning Commission will need to update the ordinances. It may involve some public hearings.

Bonin asked if we would be able to change things in the comp plan next year. Hanson said yes, Met Council typically only wants one comp plan change per year. Hanson said the consultants are also taking a look at the comp plan.

Hanson stated the City of East Bethel is in two watershed districts – Sunrise and the Upper Rum. The Sunrise is in the St. Croix Watershed. The standards that they are creating will also affect the Upper Rum River Watershed. The standards that are to be developed will be applied to the whole city, not just the Sunrise River Watershed.. Cornicelli wanted to know how many cities applied to be a pilot community. Hanson was unsure.

Mundle wanted to know how the city marketing plan would be implemented. Hanson said the consultants will put together the marketing plan. If City Council adopts the plan then staff will implement it.

Internet Distribution Sales Discussion

Hanson explained that at the January 24, 2012 Planning Commission meeting, Mr. DiMuzio and Mr. Valder of Valder Vehicles made a presentation discussing open sales lot. After much discussion, Planning Commission recommended staff to propose a zoning text amendment that would allow for open sales lots with regulations.

City Council discussed this same matter at their regular scheduled meeting on February 1 and again on February 15. It is the consensus of City Council, City Attorney, and Staff that the proposed business can be defined as "Internet

Distribution Sales”. The City Attorney drafted a definition for “Internet Distribution Sales” and Staff and the City Attorney have developed draft language to regulate the use. The draft language was provided to City Council at the February 15 meeting. City Council directed staff to proceed with the zoning text amendment.

The proposed changes are as follows:

Attachment #1 is the proposed definition to be added to Section 01. General Provisions of Administration:

Internet Distribution Sales: A business predicated on sales through internet communication elements of which consist of the following: ninety-five (95) percent of all sales are initiated and secured through internet communication between buyer and seller with minimal or no need for on-business-site negotiation between buyer and seller; the business has no pre-sale acquired inventory; all sales are substantially completed before the product is delivered to the business site for delivery to the customer; there is little or no need for business site signage with the exception of basic identification signage; there is also no need for on-site advertising signage; there is minimal need for product storage on site with the exception of product awaiting customer pickup; there is limited need for outside storage and no product being stored on site will require storage beyond forty-five (45) days; and no product repair is conducted indoors.

Attachment #2 is the proposed language to be added to the permitted interim uses in Section 47. Highway Commercial (B3) District.

Attachment #3 is the proposed changes to Section 10. General Development Regulations:

19. Internet Distribution Sales

- A. An interim use permit is required and is limited to no more than two (2) years in duration, upon initiation or renewal.
 - 1) Ninety-five (95) percent of all sales shall be initiated and secured through Internet communication between buyer and seller with minimal on site negotiations.
 - 2) Exterior storage area for motor vehicles is limited to 4,000 square feet. Exterior storage of vehicles is limited to no more than twenty (20) vehicles.
 - 3) Exterior storage of inoperable vehicles, equipment, parts, or materials used in the conduct of the business is prohibited. On site storage of damaged vehicles is prohibited.
 - 4) Minor vehicle maintenance is permitted as an accessory use as to vehicles awaiting sale and delivery only, within a structure. All

vehicles awaiting maintenance must be stored inside the principal structure.

- 5) No pre-sale inventory shall be stored on site
- 6) The sales area shall not take up or interfere with access to any required parking spaces.
- 7) Sales area shall be surfaced with concrete or bituminous and shall meet required parking setbacks. Sales must not occur in the right-of-way.
- 8) All necessary state and city licenses shall be obtained prior to operation.
- 9) Business owner must submit vehicle sales records as requested by city staff within fourteen (14) days of request.
- 10) All signs associated with the use shall be in compliance with the East Bethel Sign Ordinance.

Staff requests Planning Commission discuss the proposed changes and provide staff with comments and suggestions.

Also, staff requests Planning Commission provide staff with direction to hold a public hearing at the March 27, 2012 Planning Commission meeting for the proposed changes to the zoning code.

Mundle asked if the regulations affect just that area? Hanson said this would affect the entire B3 zoning district. B3 is mostly limited to the south end of the city. Holmes said he read it quite a few times, it sounds like we are signaling out just for this one company. Holmes asked what if someone else wants to do an Internet Business? The regulations wouldn't allow them to. He said that number 5 and 10 in the proposed regulations contradict each other. The regulations look like they are drafted for this one company. Terry said that it does say limited. Holmes said he doesn't get the whole thing. He thinks it should be for all businesses, not just this one business. Bonin said it is obvious the impetuous is for a used car sales lot. Balfany said that the title should be retitled to internet car sales. Holmes said all car businesses are on the internet now. Balfany said we didn't want another car lot but the gentlemen will search for the specific car a customer wants and bring it back to their site for the transaction.

Holmes asked what if someone wants to have an EBAY store?

Terry said if someone would do something like an EBAY item, their items would be stored inside. Bonin said she thinks the ordinance should be specific for this business. Holmes said then it should say it is an internet automotive sale only. It could be parts and cars, but you need to define what the use is. Hanson said that could be taken care of with reworking the definition. Balfany said we need to find a way to segregate this from other businesses. Cornicelli said if you change the title to automotive it clears a lot of things up. He drove by the site, you can tell that it is cleaned up and you can't tell they are selling vehicles there. Balfany

stated that we asked if they have been doing any transactions at the site and they stated no. He said he is seeing different vehicles there.

Terry asked about number 10? Hanson said our sign code regulates blow up gorillas, flags, banners, and streamers, they are not allowed, so there is no need to have it specifically listed as part of the regulations. Stating that the sign code regulations must be met covers those items. Hanson said number 5 can be removed.

Bonin said they will have cars on site, someone may not want the car after it was purchased and bring it back to them. Balfany explained that Valder stated at the last meeting that if it sits in inventory too long, they would move it to an auction. Hanson explained that outdoor storage only allows 20 vehicles and the vehicles can only be on the site for 45 days. Hanson explained that her and Davis had meetings with Valder and DiMuzio so they are aware of proposed language to allow a maximum of 20 vehicles and 4,000 square feet storage area.

Holmes asked if there has been anything talked about handicap parking for this lot? Hanson said that will be addressed when they come in for an interim use permit, they will need to submit a site plan as part of the application. Holmes said everything is so generalized, but the conditions specific. Bonin asked if we could make a motion to allow them to operate without making this change in the City Code? Hanson said no because it is not an allowed use in the zoning district. Balfany asked if we have the right definition and description of the business? Hanson said the City Attorney has been involved with the proposed language. Holmes said when you get so specific it can come back and bite you. He doesn't want that to happen to the city. Bonin asked if we have already decided what our requirements are and are they willing to comply? Hanson stated that Valder is aware of the proposed regulations.

Hanson said that staff would monitor the business. Bonin said if the business is not doing what they are supposed to do; staff will need to confront them. Holmes said if the business does not comply with the regulations then the IUP could be denied when they reapply for it.

Cornicelli said #1 of the proposed language should say *At Least 95%*. He asked what does minimal need? Minimal should be changed to without. Bonin said they would have people on site to look at the cars. Cornicelli also stated you can drop that whole line and stop it at seller.

Balfany said the customer sales traffic should be online and once there is interest they will negotiate in the office on site. Holmes said you are assuming all the vehicles will be in good running order.

Balfany said that #3 looks good to him. Holmes asked what if someone wanted to come in and do internet sales on salvaged vehicles? Bonin stated that exterior storage is limited to twenty vehicles. Holmes asked what is being considered on # 4, what type of minor work? Hanson said that minor motor vehicle repair defined in the zoning code. Cornicelli asked if they have a bay to do work. Hanson said they have a single bay. Balfany said he has seen people come to the business and offer oil changes in the business parking lot. They are responsible

for hauling the oil away.

Holmes asked in that part in our ordinance does it address painting or auto body work? Hanson is unsure of the exact definition, if painting and bodywork is considered minor or major repairs. Holmes said there are minor things that can be done to a car, that are under paint and body. Hanson will look how it is defined. Holmes said that it could be just stated as part of the regulations that no paint/bodywork will be done on the property.

Cornicelli said he wasn't sure what is meant by *sales area* in #6. Bonin said if they had a car that people didn't want; it would be stored in the exterior storage area. Balfany suggested we reword it to read *exterior storage* and not *sales area*.

Holmes asked if the City of East Bethel makes it mandatory to have the City licenses displayed? Hanson said she wasn't sure of this requirement. Holmes said many communities require that it must be displayed and if it is not displayed, the business is shut down. Balfany said his insurance license needs to be displayed. Hanson said she would look at it and make sure it is in code that any and all businesses must have licenses on display. Balfany said this could be tacked on to #8. Hanson said the only businesses in the City that need a license, besides liquor, are automobile dealerships.

Holmes asked why we are requesting vehicle sales records? Mundle said so we can check to make sure 95% of sales are done on the internet. Holmes asked why we care on how many cars are sold? Balfany said the language should be changed to something like *buying track records*. Hanson said this will give staff the authority to request records to show what and how the cars are being sold. Cornicelli clarified that business owners must submit records of sales type to the City. Balfany said for this type of business there has to be a specific report that is submitted to the state. Holmes said this is only if the City staff requests them.

Cornicelli said vehicles must not be stored in the right of way. Vehicle storage area shall be surfaced with, as opposed to stating sales area. Sales area is inside the building. Balfany said that would be the same language that can be put in six.

Hanson said once the zoning text amendment is approved by City Council, then Mr. Valder can apply for an IUP. Balfany asked when we open up the zoning code for a zoning text amendment and we do a comprehensive plan amendment in August, will this business be operating illegally? Hanson said no and explained that the zoning text amendment affects the types of uses allowed in the B3 zoning district that are regulated in the zoning code. The comprehensive plan is specific to land uses. Hanson said the zoning text amendment public hearing will be at the March Planning Commission meeting and to City Council the first meeting in April. Mr. Valder could then apply for an IUP so Planning Commission may have a public hearing for him in April. Mr. Valder is well aware that the soonest an IUP could be approved is in May.

Mundle motion to make the changes discussed and move forward with a public hearing on March 27, 2012. Holmes seconded, all in favor, motion carries.

Hanson said in the mean time, she will make the changes and get them out to the Commission to take a look at and to let her know if there are comments or questions.

Approve January 24, 2012 Planning Commission Meeting Minutes

Bonin said she would like Hanson to contact Pelawa to inquire if he still wants to be a part of Planning Commission. If not we should look at recruiting a different member.

Terry said page 8 third paragraph beginning with second sentence he would like to change to *zoning text amendment be tailored to exclude some of the items they stated they are not* utilizing such as flags, car lifts, etc.

Mundle page 4 second paragraph. Mundle asked *what is the status of the license you are applying for?*

Terry page 5, third from bottom of the *he and Jordan*, not him and Jordan.

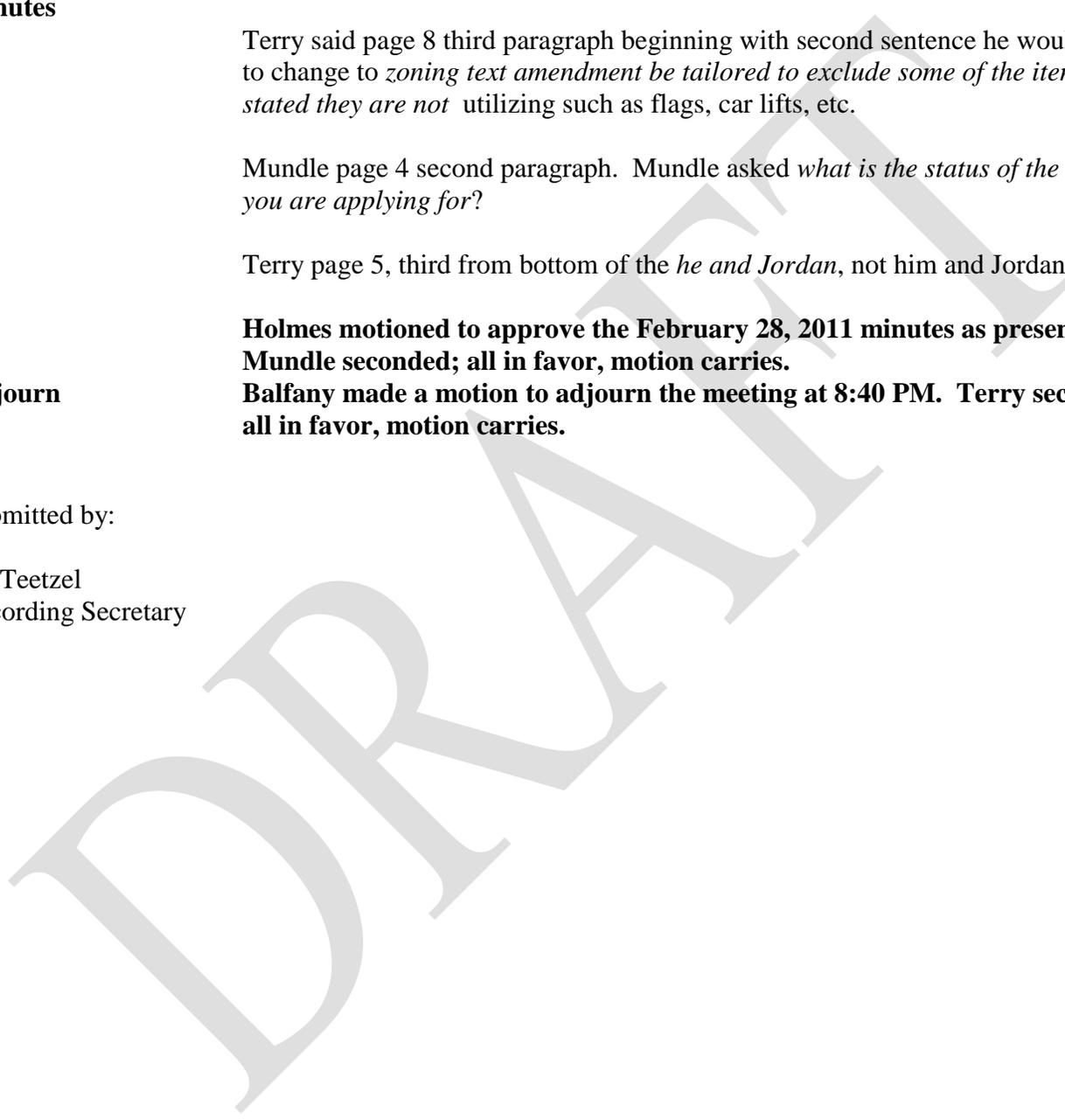
Holmes motioned to approve the February 28, 2011 minutes as presented. Mundle seconded; all in favor, motion carries.

Adjourn

Balfany made a motion to adjourn the meeting at 8:40 PM. Terry seconded; all in favor, motion carries.

Submitted by:

Jill Teetzel
Recording Secretary





City of East Bethel City Council Agenda Information

Date:

March 21, 2012

Agenda Item Number:

Item 7.0 C.1

Agenda Item:

Park Commission Meeting Minutes for February 8, 2012

Requested Action:

Information Only

Background Information:

Information Only. These minutes have been approved by the Park Commission.

Fiscal Impact:

None

Recommendation(s):

Information Only

City Council Action

Motion by: _____

Second by: _____

Vote Yes: _____

Vote No: _____

No Action Required: X

EAST BETHEL PARK COMMISSION MEETING
February 8, 2012

The East Bethel Parks Commission met on February 8, 2012 at 7:00 P.M at the East Bethel City Hall for their regular monthly meeting.

MEMBERS PRESENT: Kenneth Langmade Bonnie Harvey Tim Hoffman Denise Lachinski
Stacy Voelker Sue Jefferson

MEMBERS EXCUSED:

ALSO PRESENT: Nate Ayshford, Public Works Manager
Robert DeRoche, Council Member

Oath of Office I, Stacy Voelker, do solemnly swear or affirm that I will support the Constitution of the United States of America and the State of Minnesota, and faithfully discharge the duties as a member of the City of East Bethel Park Commission in the County of Anoka and the State of Minnesota to the best of my ability. So help me God.

Adopt Agenda **Hoffman motioned to adopt the agenda as submitted. Jefferson seconded; all in favor, motion carries.**

Approve – January 11, 2012 Meeting Minutes **Hoffman made a motion to approve the January 11, 2012 minutes as submitted. Lachinski seconded; all in favor, motion carries unanimously.**

Parks Financial Information – Parks Capital Funds Summary Ayshford stated not a lot has happened so far this year in January. The balances of the funds are as follows: Park Acquisition and Development Fund \$26,000, Park Capital Fund \$15,000 and Park Trails Development Fun \$141,000.

Hoffman asked if we would be getting any transfers from the General Fund. Ayshford stated yes, it will be the same as last year. He also explained at one of the next meetings the Commission will go over the capital purchasing for the rest of the year.

Hoffman motioned to accept the financial reports as presented. Jefferson seconded; all in favor, motion carries unanimously.

Tobacco Free Parks Program Staff has been contacted by the Tobacco-Free Youth Recreation Program with information about helping the City of East Bethel establish a tobacco-free policy for its parks during youth activities. The Park Commission had directed staff to draw up a draft policy that would prohibit tobacco use in City parks in areas where youth would be present and during youth activities.

If implemented, the policy would rely on volunteer compliance and be supported by free informational signs in the parks, public outreach through the City newsletter and support from youth athletic organizations.

Attached is a draft Tobacco-Free Policy for East Bethel.

Ayshford explained that Derek Larson from the Tobacco-Free Youth Recreation Program is here to answer questions.

Larson stated that he thought the City was looking at doing it during youth activities and youth areas. He read the proposed policy, and it doesn't really address only youth activities. He also stated his group will provide signage and help with enforcement of the policy. He did show the Commission the signs they provide.

Harvey wondered if the shelters would be addressed. Ayshford said the shelters aren't addressed in the policy. Harvey said any park that has a shelter people can smoke in the shelters.

Lachinski asked Larson how you would go about doing enforcement, what that would entail. Larson said when cities enforce a policy; the main enforcement is through signage. They also draft materials or provide promotional campaigns. He has also seen cities print statements like "we now have tobacco free parks" on water bottles.

Harvey said will it include all the parks in the cities. Ayshford said yes, and typically in other cities, they hang the signs on the back of the back stop and by the playground areas. Hoffman said by definition it would be every park in the City. Harvey said Maynard Peterson park doesn't have any playground equipment, other than the skateboard area.

Ayshford stated that some cities state no tobacco use in the parks at any time, but that didn't seem the route the Commission wanted to go. Larson said 19 cities have adopted ordinances for enforcement purposes.

Voelker asked how this would be addressed with the associations. Harvey said it was brought up to them. Lachinski said most city parks throughout the state are tobacco free. She doesn't think it would be too tough to implement.

Hoffman asked what we need to do with this. Ayshford asked if there were any changes the commission would like to make and if they were in favor of moving forward with the policy, make a recommendation to the City Council.

Lachinski asked if the signs are only the blue color. Larson said yes. Lachinski wanted to know if we needed to use the City colors. Ayshford said they signs would be ok to put up in the parks.

Jefferson made the motion to recommend implementation of revised tobacco-free park policy to City Council. Hoffman seconded; all in favor, motion carries unanimously.

DeRoche wanted to know the legal ramifications on implementing this policy. He has never seen any problem with people smoking at youth activities and he used to coach. He has seen other cities trying this and there have been legal challenges. Lachinski said most athletic groups have it as a policy that there is no smoking around the kids. Hoffman said the policy states that enforcement is through voluntary compliance. This is a policy, not an ordinance. DeRoche said that is what Commissions are for. He likes to be able to answer questions on everything he does. There is something you need to think of down the road. Lachinski said the majority of Anoka County Parks are tobacco free. Ayshford said all Anoka County Parks are tobacco free and most of the cities in Anoka County have a policy. A few that aren't include Linwood, Oak Grove and East Bethel.

School House Update To date \$2,850.00 has been donated for the renovation of the school house. Staff would like recommendations for prioritizing which repairs to proceed with.

Attached is an estimate for five windows that could be installed in the Booster East school house. Staff and volunteers are in contact with representatives from a window supplier to determine if there are any discounts/grants/donations available to help with this project. To date we are still waiting for a response. Staff has also received quotes for doors and roofing materials.

Further progress will require skilled volunteers to help with the installation of the building materials. The attachment is from Menards. Butler was working with the manager from the Menards in Cambridge. The price was reduced. At the last Commission meeting, the building was designated as a meeting room/classroom or historical school room.

Langmade said he is going to ask if any of the seniors if they would be willing to donate time or money towards this project. He will have an idea after their meeting next Thursday. Hoffman said the doors and roofing estimates did you get any. Ayshford said the exterior door estimate is about \$100.00 per door. Lachinski said she does have a door. Jefferson said what is authentic. Lachinski said authentic school houses she believes had windows in them.

Ayshford will move forward with purchasing the window and Lachinski will contact the Fire Department for volunteers.

Park Survey The Park Commission has expressed a need for gathering resident input on park and trail use and what future use and development may be desired. Attached is the final draft of the survey. Staff has been given direction to proceed with including the survey in the spring newsletter as well as posting an online version on the City's webpage. The newsletter should be available in March and staff has chosen a tentative deadline of April 27, 2012 for completing and returning the surveys. Results should be available for the May Park Commission meeting.

Harvey was wondering if this will be just online or go in the newsletter. Ayshford said it will go in the newsletter and online. Langmade said it will also be online. He knows the senior group must have gotten a number of the marketing and branding surveys that are

going now. They are passing it out to anyone that hasn't gotten one.

Ayshford said there is computer here in the office that can be used here at City Hall. Voelker asked if the computer can be used during the Senior meetings. Ayshford said right now it is only available during business hours.

Ayshford asked if the April 27 date is ok. Hoffman wondered when the spring newsletter would go out. Ayshford said it should go out early March. Results should be back by the May Commission meeting.

**Council Report
and Other
Business**

Ayshford said they have received a few requests for the adopt-a-park program. For the spring newsletter he would like to put in a article about the program. He said at the April meeting we can decide which recommended groups would align with each park. In the case where there is more than one group, decide how to assign the parks. Ayshford said there haven't been any applications yet, just inquiries. Ayshford said at the April Commission meeting we will take a look at assigning parks.

DeRoche said we are moving ahead with the Economic Development stuff. The whole thing about hiring the consultant is to look at what the City has to offer, what are the good things, what are the bad things, and the survey is going out to anyone that resides, or works with East Bethel. To date over 240 surveys have been submitted. Ayshford said he is going to drop off the information at some different places.

DeRoche asked if there were any rumors anyone needs dispelled.

DeRoche had brought up the Beyond the Yellow Ribbon idea. He was told there are people working on it by city hall staff. He hasn't heard about it or how it is going. He said Forest Lake or Columbus have it implemented. He doesn't recall there is anything honoring vets in the area. He said Wendy Warren said Langmade were looking into the program.

Langmade said he talked to the VFW headquarters for the State. The man sent information to Langmade and he provided it to Wendy to look over. He gave it to Wendy about a week or so ago. He has told her that he would work with DeRoche and Wendy on it.

Langmade said he knows the VFW and the Mayor of Spring Lake Park have a good program going. Langmade said he used to work with the military families in Arden Hills. Many of those families have been transferred to other states. He doesn't know what is going on with the military families.

DeRoche said Kathy Dunaway was very active in getting it started in Forest Lake. He isn't going to let the ball get dropped on this thing. He has time during the daytime to get answers. He thinks it is something the City really needs to do. He explained the program is multifaceted and it does a lot of things, like working with the police department, it helps with education and housing.

Jefferson asked if this is part of the agenda for tonight. DeRoche said it is part of the Council report. Jefferson said this is the first she's heard of this and asked how the program will relate to the Parks Commission. DeRoche said an idea might be to create a fountain in the Parks, where we can sell bricks and honor veterans. Harvey said so this is a heads up sharing thing.

DeRoche said he will find out where the notebook is. Lachinski said so we are hoping to get this program started. DeRoche said every city has to be independent from other cities. Voelker wanted to know where the funding for the memorial would come from. DeRoche said it would be from fundraisers. Harvey said it could be a boy scout project too. We could do a flag with bricks around it in one of the parks.

Langmade said the program comes from volunteer work. If a family needed carpenter work, transportation, electrical work, it would be volunteers from the City to help the veterans in the City of East Bethel. This is just something that we were looking into. It is a program that he is hoping the City of East Bethel will start. DeRoche said there are lots of people that couldn't serve or didn't serve who would like to help out veterans.

Langmade said he turned all the information over to Wendy. Langmade said he is a World War II vet, and he was sent to Washington DC to see the memorial. Hoffman said this is far more than just a memorial and will involve much more than just the Park Commission. DeRoche said there are many facets to this. Langmade said this information is new to the Commission, so they are not aware of this program.

Lachinski submitted an application to the Twins for a baseball clinic at Booster Park and is hoping to hear a response soon. She is also seeking volunteers for Booster Days. She needs volunteers for the parade, set up and for all the general activities. The Lions do a lot, which she really appreciates. We need volunteers to make Booster Days happen.

Adjourn **Harvey motioned to adjourn the February 8, 2012 meeting at 7:55 p.m. Jefferson seconded; all in favor, motion carries unanimously.**

Submitted by Recording Secretary:

Jill Teetzel



City of East Bethel City Council Agenda Information

Date:

March 21, 2012

Agenda Item Number:

Item 7.0 D.1

Agenda Item:

2012 Joint Powers Agreement (JPA) Street Maintenance Projects

Requested Action:

Consider approving bids for the JPA 2012 Street Projects

Background Information:

The following projects were recommended to bid as part of the 2012 JPA Street Maintenance program. These projects have been identified in the 2012-2016 Street Capital Improvement Plan (CIP).

1. Seal coat Hupp St and 239th, Erskine, Kissel St, 234th LN, 231st LN, 233rd Ave, and 224th Ave.
2. Crack-seal 100,000 LF as part of the annual street maintenance program. Crack sealing will be performed prior to any seal coating applications.
3. 60,000 LF of striping to be determined.

Bidding these items did not obligate the City to accept the bid. The bid for individual items can be rejected or amended as to quantities to accommodate the project budget.

The estimated budget for seal coating, crack sealing and striping the above listed streets was \$212,400. These projects will be funded from the Street Capital Fund as identified in the 2012-2016 Capital Improvement Plan and the 2012 Street Maintenance Budget.

The awarded bids were as follows:

Trap rock, 50,000 SY @ \$0.82/SY	\$41,000.00
CRS-2 Oil, 14,000 Gals @ \$2.25/Gal	\$31,500.00
Crack Sealing, 100,000' @ \$0.56/LF	\$56,000.00
Striping, 60,000' @ \$0.052/LF	\$ 3,157.68
Contingency (5%)	\$ 6,582.88
Tax (6.875%)	\$ 9,503.98
Administrative Cost (1%)	<u>\$ 1,477.45</u>
Total Project Cost	\$149,221.99

The total project bid cost is less than the estimated cost by \$63,178. Staff and the Road Commission recommend using these funds, \$63,178 which were approved in the 2012 Street Capital Plan, for additional street capital improvements, including the planned overlay projects for Coon Lake Beach and Whispering Aspen or 2013 projects which could be advanced to this year.

Attached is the bid sheet for this project and the bid sheet for the 2011 JPA projects.

Attachments

- Attachment #1 JPA Project Map
- Attachment # 2 Bid Sheet 2012
- Attachment # 3 Bid Sheet 2011
- Attachment # 4 Letter of Concurrence

Fiscal Impact:

As noted above

Recommendation(s):

Staff and the Road Commission have reviewed the bids and recommend acceptance of the 2012 JPA Street Maintenance Agreement bids and authorization to submit a letter of concurrence to the City of Coon Rapids indicating our participation in these projects in the amount of \$149,960.71.

City Council Action

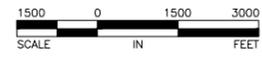
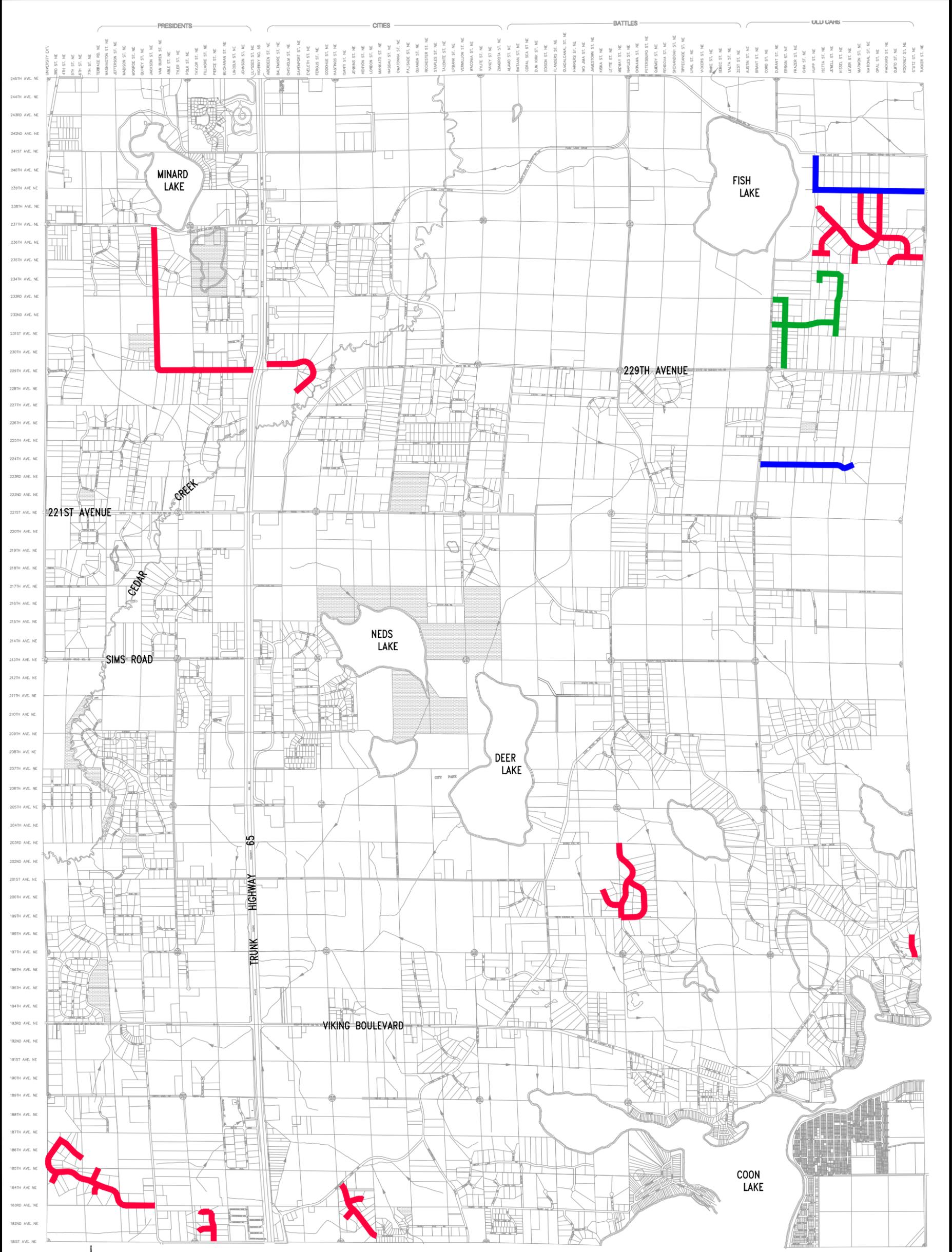
Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required:_____



- LEGEND**
-  CRACK SEAL AND SEAL COAT
 -  CRACK SEAL ONLY
 -  SEAL COAT ONLY

2012 CITY OF EAST BETHEL JPA STREET PROJECTS

CITY OF COON RAPIDS - BID TABULATION
2012 STREET MAINTENANCE PROGRAM - PROJECT 12-5
SEALCOATING, TRAFFIC MARKINGS, STREET SWEEPING & CRACK FILLING

BID OPENING: MARCH 2, 2012, 10:00 A.M.

ALLIED BLACKTOP	PEARSON BROS	ASTECH CORP	AAA STRIPING SERVICE	TRAFFIC MARKING SERVICE	HIGHWAY TECHNOLOGIES	AMERICAN PAVEMENT SOLUTIONS
-----------------	--------------	-------------	----------------------	-------------------------	----------------------	-----------------------------

NO.	DESCRIPTION	UNIT	QTY	ALLIED BLACKTOP		PEARSON BROS		ASTECH CORP		AAA STRIPING SERVICE		TRAFFIC MARKING SERVICE		HIGHWAY TECHNOLOGIES		AMERICAN PAVEMENT SOLUTIONS		
				UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	
BID SCHEDULE NO. 1 - SEAL COAT																		
1	AGGREGATE																	
	DRESSER TRAP ROCK (BASE BID) FURNISH / INSTALL FA-2 AGGREGATE	SY	962436	0.82	789,197.52	0.70	673,705.20	0.89	856,568.04									
	GRANITE (ALTERNATE) FURNISH / INSTALL FA-2 AGGREGATE	SY	962436	0.68	654,456.48	0.63	606,334.68	0.76	731,451.36									
2	SEAL COAT OIL																	
	FURNISH / INSTALL CRS-2 SEAL COAT OIL	GAL	218499	2.25	491,622.75	2.69	587,762.31	2.29	500,362.71									
	FURNISH / INSTALL CRS-2P (POLYMER MOD)	GAL	59741	2.65	158,313.65	2.99	178,625.59	2.69	160,703.29									
	TOTAL SEAL COAT OIL				649,936.40		766,387.90		661,066.00									
	TOTAL BID SCHEDULE NO. 1 (BASE BID)				1,439,133.92		1,440,093.10		1,517,634.04									
	TOTAL BID SCHEDULE NO. 1 (ALTERNATE)				1,304,392.88		1,372,722.58		1,392,517.36									
BID SCHEDULE NO. 2 - TRAFFIC MARKINGS																		
1	FURNISH / INSTALL STREET MARKINGS	GAL	5358					17.84	95,586.72	20.52	109,946.16	25.59	137,111.22					
2	FURNISH / INSTALL STREET SYMBOLS	GAL	725					100.00	72,500.00	104.00	75,400.00	109.10	79,097.50					
	TOTAL BID SCHEDULE NO. 2								168,086.72		185,346.16		216,208.72					
BID SCHEDULE NO. 3 - STREET SWEEPING																		
1	PROVIDE SPRING SWEEPING	HR	300	76.50	22,950.00	75.00	22,500.00											
2	PROVIDE FALL SWEEPING	HR	380	76.50	29,070.00	73.00	27,740.00											
	TOTAL BID SCHEDULE NO. 3				52,020.00		50,240.00											
BID SCHEDULE NO. 4 - CRACK SEALING																		
1	FURNISH / INSTALL CRACK SEALING	LF	222801	0.64	142,592.64			0.82	182,696.82								0.56	124,768.56
SUMMARY OF BIDS																		
	TOTAL SEALCOATING (BASE BID)				1,439,133.92		1,440,093.10		1,517,634.04									
	TOTAL SEALCOATING (ALTERNATE)				1,304,392.88		1,372,722.58		1,392,517.36									
	TOTAL TRAFFIC MARKINGS								168,086.72		185,346.16		216,208.72					
	TOTAL STREET SWEEPING				52,020.00		50,240.00											
	TOTAL CRACK SEALING				142,592.64			182,696.82										124,768.56



March 22, 2012

Mr. Steve Gatlin
Director of Public Services
City of Coon Rapids
11155 Robinson Drive
Coon Rapids, MN 55433-3761

RE: JPA Letter of Concurrence in Award of Bids

Dear Mr. Gatlin:

At the regular City Council meeting on March 21, 2012, the City Council directed that a letter be drafted indicating approval to participate in the JPA Street Maintenance Project agreement for 2012. The City of East Bethel will participate in the Agreement at the bid rates for the following minimum quantities for the 2012 Street Maintenance Materials Project 12-5 bid which was received and opened by your office on March 2, 2012.

- 1.) Seal Coating.....50,000 SY
- 2.) Crack Sealing.....100,000 LF
- 3.) Striping..... 60,000 LF

Thank you for your assistance and we look forward to working with you and the consortium.

Sincerely,

Jack Davis
City Administrator



City of East Bethel City Council Agenda Information

Date:

March 21, 2012

Agenda Item Number:

8.0 A.1

Agenda Item:

Tree Preservation Ordinance

Requested Action:

Discussion of Proposed Amendments to Tree Preservation Ordinance

Background Information:

The existing East Bethel Code regulates tree preservation within all new subdivisions but lacks regulations for the mass removal of trees on non-developing parcels.

Over the past few years, there have been instances of significant tree clearance and clear cutting. Currently the City of East Bethel Code regulates tree removal as part of the subdivision process (Chapter 66, Article VIII) but there are no regulations for the mass removal of trees in preparation for future development on non-developing properties. Also the current ordinance is vague as to when a tree preservation plan is to be submitted and is not specific as to tree replacement calculations, tree replacement schedule, tree warranty and mitigation measures.

In response to this situation, staff has prepared amendments to the existing Tree Preservation Ordinance (Chapter 66, Article VIII) and recommends regulations for tree removal on non-developing parcels and addresses the deficiencies in the existing ordinance. The proposed changes will also add measures to improve the enforcement of the ordinance.

The draft proposal was prepared in consultation with the City Attorney and was based on an ordinance from the City of Woodbury. Should this proposal move forward and be approved at a later date, the ordinance would be moved from Chapter 66, Subdivision, to Chapter 26, Environment. Attachment #1 includes the proposed changes in an underlined format.

Attachment:

Proposed Amendments to Tree Preservation Ordinance

Fiscal Impact:

Recommendation:

Staff requests City Council to discuss the proposed changes and provide staff with direction in regards to amending the tree preservation ordinance to include regulations for tree removal on non-developing lands.

City Council Action

Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required:_____

ORDINANCE NUMBER XX
TREE PRESERVATION

1. Purpose

The purpose of this division is to identify trees that are to be saved when development or land disturbing activity is occurring in wooded areas. It is the city's intent to protect, preserve, and enhance the natural environment of East Bethel and to encourage a resourceful and prudent approach to the development of wooded areas. In the interest of achieving these objectives, the city has established tree preservation regulations to promote the following:

- A. Protection and preservation of the environment and natural beauty of the city.
- B. Assurance of orderly development within wooded areas to minimize tree and habitat loss.
- C. Evaluation of the impacts to trees and wooded areas resulting from development.
- D. Establishment of minimum standards for tree preservation and the mitigation of environmental impacts resulting from tree removal.

2. Definitions

Unless specifically defined below, words or phrases used in this division shall be interpreted so as to give them the same meaning as they have in common usage and to give this chapter its most reasonable application. For the purpose of this division, the words "must" and "shall" are mandatory and not permissive.

City is the City of East Bethel.

Comprehensive plan means the City of East Bethel comprehensive plan.

Coniferous/Evergreen tree is a wood plant, which, at maturity, is at least twelve (12) feet or more in height, having foliage on the outermost portion of the branches year-round. Tamaracks are included as a coniferous tree species.

Construction activity is any disturbance to the land that results in a change in the topography, existing soil cover (both vegetative and nonvegetative), or the existing soil topography that may result in accelerated stormwater runoff, leading to soil erosion and movement of sediment into surface waters or drainage systems. Examples of construction activity may include clearing, grading, filling, excavating, building construction and landscaping.

Construction damage is any action such as filling, scraping, trenching, or compacting the soil around trees or wounding trees in such a manner that it may result in the eventual death of the tree.

Critical root zone (CRZ) is an imaginary circle surrounding the tree trunk with a radius distance of one (1) foot per one (1) inch of tree diameter (e.g., a twenty (20)-inch diameter tree has a critical root zone with a radius of twenty (20) feet.

Deciduous tree is a woody plant which, at maturity, is at least fifteen (15) feet or more in height, having a defined crown, and which sheds leaves annually.

Density is the number of dwelling units per net acre of land.

Diameter means the diameter of a tree measured at the diameter breast height (four and one-half (4.5) feet from the uphill side of the existing ground level).

Drip line is the farthest distance away from the trunk of a tree that rain or dew will fall directly to the ground from the leaves or the branches of the tree.

Financial guarantee means a financial security consistent with this chapter, posted with the city with the approval of a final plat, guaranteeing compliance with the approved final plat, construction plans, and conditions of approval set forth by the city.

Hardwood deciduous tree includes Birch, Black Cherry, Hickory, Ironwood, Hard Maples, Oak, and Walnut. These species are subject to the replacement requirements of section 27-40, and section 27-41.

Land disturbance means any area in which movement of the earth, alteration in topography, soil compaction, disruption of vegetation, change in soil chemistry, or any other change in the natural character of the land occurs as a result of the site preparation, grading, building construction, or any other construction activity.

Landscaping means plantings such as trees, grass and shrubs.

Lot means a portion of a subdivision or other parcel of land intended for building development or for transfer of ownership under a single legal description and single tax parcel identification number.

Nuisance tree is:

- (1) Any living or standing tree or part thereof infected to any degree with a shade tree disease or shade tree pest.
- (2) Any logs, stumps, branches, firewood, or other part of dead or dying tree(s) infected with a shade tree disease or shade tree pest unless properly treated under the direction of the city forester-tree inspector.
- (3) Any standing dead trees or limbs which may threaten human health or property.

Owner means any individual, firm, association, partnership, corporation, trust, or any other legal entity having proprietary interest in the land.

Shade tree disease is Dutch Elm Disease (*Ophiostoma ulmi* or *Ophiostoma novo-ulmi*), Oak Wilt (*Ceratocystis fagacearum*), or any other tree disease of epidemic nature.

Shade tree pest is Emerald Ash Borer (*Agrilus plannipenis*), European Elm Bark Beetle (*Scolytus multistriatus*), Native Elm Bark Beetle (*Hylurgopinus rufipes*), or any other shade tree pest with potential to cause widespread damage.

Significant tree. See *Tree*.

Significant tree stand. See *Tree*.

Specimen tree. See *Tree*.

Tree.

- (1) *Common tree* includes Ash, Aspen, Basswood, Box Elder, Catalpa, Cottonwood, Elm, Hackberry, Locust, Poplar, Silver Maple, Willow, and any other tree species not defined as a hardwood deciduous tree or a coniferous/evergreen tree.
- (2) *Coniferous tree.* A woody plant which, at maturity, is at least twelve (12) feet or more in height, having foliage on the outermost portion of the branches year-round.
- (3) *Deciduous tree.* A woody plant which at maturity is at least fifteen (15) feet or more in height, having a defined crown, and which sheds leaves annually. Hardwood deciduous trees include Birch, Black Cherry, Hickory, Iron, Hard Maples, Oak, and Walnut.
- (4) *Significant tree.* A healthy tree measuring a minimum of six (6) caliper inches in diameter for deciduous trees, eight (8) inches in diameter for coniferous trees, or twelve (12) caliper inches in diameter for common trees, as defined herein.
- (5) *Significant tree stand.* A grouping or cluster of coniferous and/or deciduous trees with contiguous crown cover occupying 500 or more square feet of property which are comprised of deciduous trees between four (4) and twelve (12) caliper inches or larger in diameter, or coniferous trees between four (4) and twelve (12) feet or higher in height.
- (6) *Specimen tree.* A healthy hardwood tree measuring equal to or greater than thirty (30) caliper inches in diameter and/or a coniferous tree measuring fifty (50) feet or greater in height.

Tree preservation plan is a plan prepared by a certified forester or landscape architect which clearly shows which trees on a site are to be preserved, and what measures will be taken to preserve them. The plan will also include calculations to determine the number of replacement trees required.

Vegetation, native, means the pre-settlement group of plant species native to the local region that were not introduced as a result of settlement or subsequent human activity.

Zoning administrator means the person duly appointed by city council as the individual charged with the responsibility of administering and enforcing this chapter.

3. Tree protection standards for developing properties

(a) Tree preservation plan. A tree preservation plan shall be submitted to and approved by the city, and implemented in accordance therewith in connection with any of the following:

- (1) New development in any zoning district.
- (2) New building construction in any zoning district.
- (3) Expansion of any existing commercial, industrial or institutional building or impervious surface by ten (10) percent or greater, where an approved tree preservation plan is not on file with the city.
- (4) Removal of more than twenty-five (25) percent of the diameter inches of the significant trees on any parcel.

The tree preservation plan shall reflect the developer's best effort to determine the most feasible and practical layout of buildings, parking lots, driveways, streets, storage and other physical features, so that that the fewest significant trees are destroyed or damaged.

(b) Tree preservation plan requirements. All applicants shall submit a tree preservation plan prepared in accordance with the provisions of this subdivision. The tree preservation plan shall be a separate plan sheet(s) that includes the following information:

- (1) The name(s), telephone number(s), and address(es) of the person(s) responsible for tree preservation during the course of the development project.
- (2) A tree inventory, indicating the size, species, general health, and location of all existing significant trees located within the area to be developed or within the parcel of record. All significant trees must be tagged in the field for reference on the tree preservation plan. These significant trees should be identified on the plan sheet in both graphic and tabular form.
- (3) Trees that were planted as part of a commercial business such as a tree farm or nursery do not need to be inventoried on an individual tree basis. A general description of the trees and an outer boundary of the planted area must be provided. The burden of proof shall be on the applicant to provide evidence to support the finding that the trees were planted as part of a commercial business.

- (4) A listing of the total diameter inches of healthy significant trees inventoried in subsection (3.b) above. Dead, diseased, or dying trees do not need to be included in the totals.
 - (5) A listing of the total diameter inches of healthy significant trees removed, total diameter inches of healthy hardwood deciduous trees removed, total diameter inches of healthy coniferous/evergreen trees removed, and total diameter inches of common trees removed.
 - (6) Outer boundary of all contiguous wooded areas, with a general description of trees not meeting the significant tree size threshold.
 - (7) Locations of the proposed buildings, structures, or impervious surfaces.
 - (8) Delineation of all areas to be graded and limits of land disturbance.
 - (9) Identification of all significant trees proposed to be removed within the construction area. These significant trees should be identified in both graphic and tabular form.
 - (10) Measures to protect significant trees.
 - (11) Size, species, number and location of all replacement trees proposed to be planted on the property in accordance with the tree replacement schedule.
 - (12) Signature of the person(s) preparing the plan.
- (c) *Submission requirements.* The tree preservation plan shall be submitted with any preliminary subdivision plan or site plan as required by the subdivision regulations of this Code; incorporated as a part of any landscape plan as required by the zoning regulations of this Code; or incorporated as part of a land disturbance plan and an application for any land disturbance permit as required by this Code. All tree preservation plans must be certified by a forester or landscape architect retained by the applicant.
- (d) *Implementation.* All sites shall be staked, as depicted in the approved tree preservation plan, and the required tree protection fencing shall be installed before land disturbance is to commence. The city shall inspect the construction site prior to the beginning of the land disturbance to ensure that protective fencing and other protective measures are in place. No encroachment, land disturbance, trenching, filling, compaction, or change in soil chemistry shall occur within the fenced areas protecting the critical root zone of the trees to be saved.
- (e) *Allowable tree removal.* Up to twenty-five (25) percent of the diameter inches of significant trees on any parcel of land being developed may be removed without replacement requirements. Replacement according to the tree replacement schedule is

required when removal exceeds more than twenty-five (25) percent of the total significant tree diameter inches.

The following types of trees do not need to be included as part of the tally of tree removals:

- (1) Dead, diseased, or dying trees;
- (2) Trees that are transplanted from the site to another appropriate area within the city;
- (3) Trees that were planted as part of a commercial business such as a tree farm or nursery; or
- (4) Trees that were planted by the current property owner. In making such determination, the city shall consider consistency of the age of the trees, any patterns in the location of the trees, historical aerial photography, and evidence of intentional planting such as invoices, formal planting plans, or cost sharing agreements.

(f) Mitigation.

- (1) In any development where the allowable tree removal is exceeded, the applicant shall mitigate the tree loss by either:
 - a. Planting replacement trees in appropriate areas within the development in accordance with the tree replacement schedule;
 - b. Planting replacement trees on city property under the direction of the public works manager or a designee; or
 - c. Paying to the city a cash mitigation, based on the diameter inches of required replacement in accordance with the tree replacement schedule. The fee per diameter inch of required replacement is set forth in the city's fee schedule. The payment shall be deposited into an account designated specifically for tree planting.
- (2) The form of mitigation to be provided by the applicant shall be determined by the city.
- (3) The planting of trees for mitigation on residential projects shall be in addition to any other landscape requirements of the city.
- (4) All trees, except ornamental trees, planted as landscaping on commercial projects may be counted towards tree replacement requirements.

(g) Tree replacement calculations. Twenty-five (25) percent of the total diameter inches of significant trees on the site may be removed without replacement. The allowable twenty-

five (25) percent removal is first credited to the common trees removed, then the conifers, and lastly the hardwood species.

The following calculation procedure must be used to determine tree replacement requirements:

- (1) Tally the total number of diameter inches of significant trees on the site.
- (2) Calculate twenty-five (25) percent of the total diameter inches of significant trees on the site. This is the allowable tree removal limit, or the number of inches that can be removed without replacement.
- (3) Tally the total diameter inches of common trees that will be removed, and subtract this number from the allowable tree removal limit.
- (4) If there are any allowable inches left, tally the total diameter inches of coniferous/evergreen tree species that will be removed, and subtract this number from the remaining allowable inches.
- (5) If there are any allowable inches left, tally the total diameter inches of hardwood deciduous tree species that will be removed, and subtract this number from the remaining allowable inches.

If at any point in the above calculation procedure the number of inches to be removed exceeds the twenty-five (25) percent allowable removal limit, the remaining inches of removal above the allowable limit must be replaced according to the tree replacement schedule in Subsection 3.h.

(h) *Tree replacement schedule.* Tree removals over the allowable tree removal limit on the parcel shall be replaced according to the following schedule:

- (1) Common tree species shall be replaced with new trees, at a rate of one-eighth ($\frac{1}{8}$) the diameter inches removed. Replacement trees must be a minimum of one (1) inch in diameter.
- (2) Coniferous/evergreen species shall be replaced with new trees, either coniferous or deciduous, at a rate of one-fourth ($\frac{1}{4}$) the diameter inches removed. Replacement trees must be a minimum of one (1) inch in diameter. Since coniferous species are often sold by height rather than diameter inch, the following conversion formula can be used:

Height of replacement coniferous tree/2 = Diameter inches of credit.

- (3) Hardwood deciduous tree species shall be replaced with new hardwood deciduous trees at a rate of one-half ($\frac{1}{2}$) the diameter inches removed. Replacement trees must be a minimum of one (1) inch in diameter.

- (i) *Species requirement.* The city must approve all species used for tree replacement. Ornamental trees are not acceptable for use as replacement trees. Where ten or more replacement trees are required, not more than thirty (30) percent of the replacement trees shall be of the same species of tree.
- (j) *Warranty requirement.* Any replacement tree which is not alive or healthy, as determined by the city, or which subsequently dies due to construction activity within two (2) years after the date of project closure shall be removed by the applicant and replaced with a new healthy tree meeting the same minimum size requirements within eight (8) months of removal.
- (k) *Required protective measures.* The tree preservation plan shall identify and require the following measures to be utilized to protect significant trees:
- (1) Installation of snow fencing or polyethylene laminate safety netting placed at the drip line or at the perimeter of the critical root zone, whichever is greater, of significant trees, specimen trees, and significant woodlands to be preserved. No grade change, construction activity, or storage of materials shall occur within this fenced area.
 - (2) Pruning of oak trees shall not take place from April 1 through July 15. If wounding of oak trees occurs, a nontoxic tree wound dressing must be applied immediately. Excavators shall have a nontoxic tree wound dressing with them on the development site.
 - (3) Prevention of change in soil chemistry due to concrete washout and leakage or spillage of toxic materials, such as fuels or paints.
 - (4) Removal of any nuisance trees located in areas to be preserved.
- (l) *Additional protective measures.* The following tree protection measures are suggested to protect significant trees that are intended to be preserved according to the submitted tree preservation plan, and may be required by the city:
- (1) Installation of retaining walls or tree wells to preserve trees.
 - (2) Placement of utilities in common trenches outside of the drip line of significant trees, or use of tunneled installation.
 - (3) Use of tree root aeration, fertilization, and/or irrigation systems.
 - (4) Therapeutic pruning.
- (m) *Compliance with the plan.* The applicant shall implement the tree preservation plan prior to and during any construction. The tree protection measures shall remain in place until all land disturbance and construction activity is terminated or until a request to remove the tree protection measures is made to, and approved by, the city.

- (1) No significant trees shall be removed until a tree preservation plan is approved and except in accordance with the approved tree preservation plan as approved by the city. If a significant tree(s) intended to be preserved is removed or damaged to the point that city staff believes the tree will not survive, a cash mitigation, calculated per diameter inch of the removed/damaged tree in the amount set forth in the city fee schedule, shall be remitted to the city.
- (2) The city shall have the right to inspect the development and/or building site in order to determine compliance with the approved tree preservation plan. The city shall determine whether compliance with the tree preservation plan has been met.

(o) Specimen trees. Removal of any specimen tree shall require a special permit in addition to the other requirements in section

4. Tree protection standards for non-developing properties

- (a) There are no restrictions or permit requirements for removal of dead, diseased, or dying trees.
- (b) Landowners not developing their property may remove up to twenty-five (25) percent of the trees on their property, based on wooded area as of the date of the approval of this chapter, provided fourteen (14) days prior notice is given to the city.
- (c) If more than twenty-five (25) percent of the trees on the property are to be removed for forest management purposes, the landowner must notify the city fourteen (14) days before the removals are to take place and supply the city with an approved forest management plan developed and approved by the department of natural resources' regional forester.
- (d) If a forest management plan is not prepared, a permit for the removals must be obtained from the city. The permit application must include a tree inventory, certified by a forester or landscape architect, which includes size, species, and location of all existing significant trees located on the property.
- (e) Upon receipt of a completed tree removal permit application, and compliance with this division, the city will issue a permit within fourteen (14) days for removal of trees.
- (f) If, within a ten (10)-year time period of receiving a tree removal permit the property is developed, the developer will be responsible for replacing the trees that were previously removed in accordance with Section 3.g, tree replacement calculations, and Section 3.h, tree replacement schedule.

5. Unauthorized tree removal on undeveloped parcels

- (a) The city may record a notice of tree replacement requirements against a non-developing property if any of the following situations occur:
- (1) A landowner removes more than twenty-five (25) percent of the trees on their property (on an aerial basis) without supplying the city with an approved forest management plan developed and approved by the department of natural resources' regional forester; or
 - (2) A landowner removes more than twenty-five (25) percent of the trees on their property (on an aerial basis) without supplying the city with a tree inventory before the removals take place.
- (b) The calculation for potential future tree replacement requirement will be made on the area of trees removed. Baseline tree cover will be calculated from the April 2011 aerial photos provided by Anoka County.
- (c) Tree replacement for trees removed as outlined in Subsection 3.h above will be calculated by applying a formula of two (2) inches of replacement for every one hundred (100) square feet of trees removed.
- (d) If, within ten (10) years of the date of the removal the property is developed, a fee equivalent to the tree replacement fee in effect at the time of development will be required to be paid to the city, or the appropriate amount of tree replacement must be planted as part of the development plan.
- (e) If more than ten (10) years have passed from the date of removals, no fee or tree replacement will be required.

Platted residential lots

- (a) Owners of platted residential lots may remove up to one hundred (100) percent of the trees on the lot without replacement, with the exception of specimen trees.
- (b) Before a specimen tree is removed, an owner must obtain a permit from the city.

Existing developed commercial properties

- (a) Trees that are removed that were part of an approved landscaping plan must be replaced in accordance with the original landscaping plan, unless city approval is obtained for an alternative landscaping scheme.
- (b) Trees that are removed that were part of a designated tree preservation area must be replaced in accordance with the tree replacement requirements outlined in Section 3.h. The twenty-five (25) percent allowable tree removal limit does not apply to these situations.

Exceptions

(a) Notwithstanding the city's desire to accomplish the tree preservation goals outlined in Subsection 1, there may be instances where these goals are in conflict with other city objectives. These conflicts are most likely to occur on small, heavily wooded lots. At the discretion of the city council, exceptions may be granted if all of the following conditions exist:

- (1) The subject parcel is two (2) acres in size or less;
- (2) Strict adherence to the requirements of the tree ordinance would prevent reasonable development that is consistent with the comprehensive plan and desirable to the city on the lot; and
- (3) The exception requested is the minimum needed to accomplish the desired development.



City of East Bethel City Council Agenda Information

Date:

March 21, 2012

Agenda Item Number:

Item 8.0 B.1

Agenda Item:

Castle Towers Waste Water Treatment Facility

Requested Action:

Select Design Alternative for the Castle Towers Waste Water Treatment Facility

Background Information:

The City currently owns and operates a Waste Water Treatment Facility (WWTF) on the north end of the City as shown on Attachment 1. The WWTF currently processes waste from Whispering Aspen and the Castle Towers mobile home park. The main components of the WWTF are shown on Attachment 2 and include:

1. Lift Station from Whispering Aspens
2. Lift Station from Castle Towers
3. Treatment Tank
4. Treatment Building
5. Sludge Drying Beds
6. Sludge Holding Bunker
7. Polishing Pond
8. Sand Filter Beds
9. Chlorination/Dechlorination Chamber
10. Chemical Building

The WWTF is near the end of its useful life. Staff is requesting Council direction regarding the future alternative for the WWTF replacement.

Two viable alternatives have been identified to replace the Castle Towers WWTP. Alternative 1 includes reconstructing the WWTP at its current location and Alternative 2 includes pumping the waste to the Metropolitan Council of Environmental Services (MCES) facility through a forcemain. The forcemain alternative is shown on Attachment 3. The forcemain alignment is based on the MCES final alignment layout. The MCES is ready to move this project forward to final design. The City will need to let MCES know if they will participate in their project by March 23, 2012. Both these Alternatives have been presented to Council in detail at past meetings. The following is a summary of the two Alternatives.

Alternative 1 – Reconstruction of the WWTP

This alternative includes the reconstruction of the major WWTP components shown below except the sand filters and polishing pond reconstruction. The estimated costs of these improvements and the estimated required replacement dates are as follows:

<u>Component</u>	<u>Year 2013</u>	<u>Year 2013-2018</u>	<u>Beyond Year 2030</u>
Lift Station Pumps		\$68,400	
Treatment Tank and Equipment Replacement	\$1,242,500		
Treatment Building Reconstruction	\$180,000		
Polishing Pond Solids Disposal	\$125,000		
Sludge Drying Bed Reconstruction	\$65,000		
Chemical Building Reconstruction		\$70,000	
Polishing Pond Reconstruction			\$130,000
Sand Filter Reconstruction			\$25,000
Plant Demolition		\$125,000	
Totals	\$1,612,500	\$263,400	\$155,000

The above referenced improvements would upgrade the Castle Towers Facility as a stand-alone treatment plant and extend the life of the facility for a projected 30-40 year time frame. This alternative should serve the Whispering Aspen development and the Castle Towers Mobile Home Park until sewer is extended to this point of the City.

Alternative 2 – Construction of a Forcemain

This alternative would consist of constructing a forcemain along Trunk Highway 65 to convey the wastewater to the proposed MCES facility. The current East Bethel/MCES joint municipal infrastructure project includes the construction of an effluent forcemain from the proposed MCES Wastewater Recycling Facility to a rapid infiltration basin located just south of 229th Avenue. This would leave approximately 2.2 miles of forcemain construction north of the MCES facilities to connect to the Whispering Aspen and Castle Towers area. The proposed forcemain alignment is shown on Attachment 3.

If this option was implemented by the City, the Castle Tower's WWTP would be decommissioned. This option would also provide the north end of the City with MCES sewer service. City staff has met with and received approval from MCES regarding connection of this facility to the new MCES Wastewater Recycling Facility. City staff also received assurance from MCES that if the City chooses to do so, MCES would expand the scope of their project to include the 4.4 miles of additional forcemain from 229th Avenue to Viking Boulevard. The City

would need to pay their share of the construction, easement, and overhead costs.

The City would need to initiate a second project that would include the construction of the forcemain from 229th Avenue to Whispering Aspen. This would include the construction of a new lift station on 241st Avenue. The cost breakdown for this alternative is as follows:

1. Joint Project with MCES (Viking to 229th Avenue)

City Construction Costs	\$ 1,521,556
Shared MCES Construction Costs @ 25%	\$ 232,500
Shared MCES Construction Costs @ 30%	\$ 122,932
City Permanent Easement Costs (16.6% of Total)	<u>\$ 150,600</u>
Subtotal	\$ 2,027,588

2. City Only Project (229th Avenue to Whispering Aspen)

Construction Costs	\$ 1,391,873
Permanent Easement	\$ 215,400
Temporary Easement	<u>\$ 19,120</u>
Subtotal	\$ 1,626,393

Total Construction and Easement Costs \$ 3,653,981

Overhead and Contingency (15%) \$ 548,097
Total \$ 4,202,078

Cost Analysis:

The City is currently obligated to serve the Castle Towers Mobile Home Park and the Whispering Aspen development with sewer service. At full build out the Whispering Aspen development and the Castle Towers Mobile Home Park require a capacity of approximately 90,000 gallons per day (GPD) which is equivalent to 328 ERU's.

Within the discussion of the Options below, when it refers to "new service areas" it is meant that areas outside the Castle Tower Mobile Home Park and Whispering Aspen development would be serviced with municipal sewer.

The following general assumptions were used for the cost analysis:

- Bond Rate – 4%
- Bond Payment Period – 20 years
- Alternative 1 – O & M costs per 1,000 gallons = \$3.00
- Alternative 2 – O & M costs per 1,000 gallons = \$0.50
- MCES Access Charge – \$3,450 per ERU
- MCES User Charge – \$2.25 per 1,000 gallons
- City Access Charge Per ERU – Based on a positive fund balance by the year 2042
- City User Charge – \$6.30 to \$8.08 per 1,000 gallons 8 (same as current charges)
- All available ERU's will be allocated by the year 2042

All of the cost analysis accounts for anticipated revenue from user fees, connection charges, and proposed assessments. The cost analysis also accounts for expenses including operation and maintenance, capital improvements, and MCES connection charges. This system also has

several existing sources of revenue and expenses that have been accounted for in the cost analysis. The existing revenue includes an assessment to the Castle Towers Mobile Home Park in the amount of \$265,500. The assessment schedule is shown on Attachment 4.

The existing expenses include \$11,220 that was levied in 2010 for this system and a revenue bond of \$2,065,725 that is summarized on Attachment 5. The revenue bond was used to purchase the existing plant. A total of 4 options for the two different alternatives are presented below.

ALTERNATIVE 1

Alternative 1 – Option 1

This option includes the reconstruction of the existing plant with no assessments to the existing users. This option assumes that the plant will be reconstructed to its current design capacity. The current plant capacity is permitted for 105,000 GPD therefore, there is an excess of approximately 15,000 GPD or 55 Equivalent Residential Units (ERU) that were allocated to new service areas. A total of 383 ERU's are available with this option. The capital cost for this option is estimated at \$1,875,900. The detailed financial analysis for this option is included as Attachment 7. **The estimated ERU charge for this options is \$14,100.**

Alternative 1 – Option 2

This option is the same as Option 1 with the exception that the City would assess the existing users. The capital cost for this option is estimated at \$1,875,900. The detailed financial analysis for this option is included on as Attachment 8. **The estimated ERU charge for this options is \$6,600.**

ALTERNATIVE 2

A total of 1,080 ERU's were allocated for all Alternative 2 options. The MCES will not charge their \$3,450 connection fee for users that currently exist in the Whispering Aspen Development and the Castle Tower Mobile Home Park.

In accordance with the Construction Cooperation and Cost Sharing Agreement between the City and Metropolitan Council, The City has committed to 12,000 sewer access charge units (SAC) between the years of 2012 and 2040. Exhibit D of the Agreement which outlines the City's commitment per year is included as Attachment 6. Any new connection to the forcemain system would count towards the City's SAC obligations with the MCES.

Alternative 2 – Option 3

This option would include the construction of the forcemain as described above with no assessments to the existing users and the forcemain would be constructed within existing City and MCES purchased easement. The capital costs for this option is \$4,202,078. The detailed financial analysis for this option is included as Attachment 9. **The estimated ERU charge for this option is \$7,800.**

Alternative 2 – Option 4

This option is the same as Option 3 with the exception that the existing users would be assessed. The capital costs for this option is \$4,202,078. The detailed financial analysis for this option is included as Attachment 10. **The estimated ERU charge for this option is \$6,200.**

Financial Summary of Options

	Capital Cost	Assess Existing Users	Total ERU's Available	ERU's Used by Existing Users	Remaining ERU	Estimated ERU Charge
Option 1	\$1,875,900	No	383	167	216	\$14,100
Option 2	\$1,875,900	Yes	383	167	216	\$6,600
Option 3	\$4,202,078	No	1080	167	913	\$7,800
Option 4	\$4,202,078	Yes	1080	167	913	\$6,200

Summary of Option Advantages and Disadvantages

	Advantages	Disadvantages
Option 1	<ul style="list-style-type: none"> · Complete Control of System · Lowest Capital Cost · No Additional Easement Costs 	<ul style="list-style-type: none"> · Highest Estimated ERU Charge · Connections Do Not Satisfy MCES Commitment · Licensed Operator Required · Least Potential for Expansion · Significant Operation and Maintenance Costs
Option 2	<ul style="list-style-type: none"> · Complete Control of System · Lowest Capital Cost · No Additional Easement Costs 	<ul style="list-style-type: none"> · Connections Do Not Satisfy MCES Commitment · Licensed Operator Required · Least Potential for Expansion · Significant Operation and Maintenance Costs
Option 3	<ul style="list-style-type: none"> · Licensed Operator Not Required · Highest Potential for Expansion · Connections Do Satisfy MCES Commitment · The City Could Sell the WWTP Property · Minor Operation and Maintenance Costs 	<ul style="list-style-type: none"> · Highest Capital Cost · Periodic Locates Required for Forcemain
Option 4	<ul style="list-style-type: none"> · Lowest Estimated ERU Charge · Highest Potential for Expansion · Licensed Operator Not Required · Connections Do Satisfy MCES Commitment · The City Could Sell the WWTP Property · Minor Operation and Maintenance Costs 	<ul style="list-style-type: none"> · Highest Capital Cost · Periodic Locates Required for Forcemain

Attachment(s):

1. Location Map
2. WWTF Layout
3. Forcemain Alternative Layout
4. Castle Towers Assessment Schedule
5. Current Revenue Bond Summary
6. MCES Connection Commitment
7. Detail Cost Analysis Option 1
8. Detail Cost Analysis Option 2
9. Detail Cost Analysis Option 3
10. Detail Cost Analysis Option 4

Fiscal Impact:

The capital cost for Alternative 1 is estimated to be \$1,875,900. Over the next 30 years the O&M costs for Alternative 1 is estimated to be \$2,800,000.

The capital cost for Alternative 2 is estimated to be \$4,202,078. Over the next 30 years the O&M costs for Alternative 2 is estimated to be \$700,000.

One other factor that needs to be considered is the replacement costs of the systems at the end of the design life. The replacement cost for Alternative 2 will be much less than the replacements cost for Alternative 1. This may not be a factor if municipal utilities have been constructed to the north end of the City before the end of the design life of the facilities.

The City currently has approximately \$5.0 million in bond proceeds that have not been allocated. Both Alternative 1 and Alternative 2 are eligible for these funds.

Recommendation(s):

The City needs to notify MCES by March 23, 2012 if they plan to participate in a joint project. Staff is requesting direction regarding notification to MCES.

City Council Action

Motion by:_____

Second by:_____

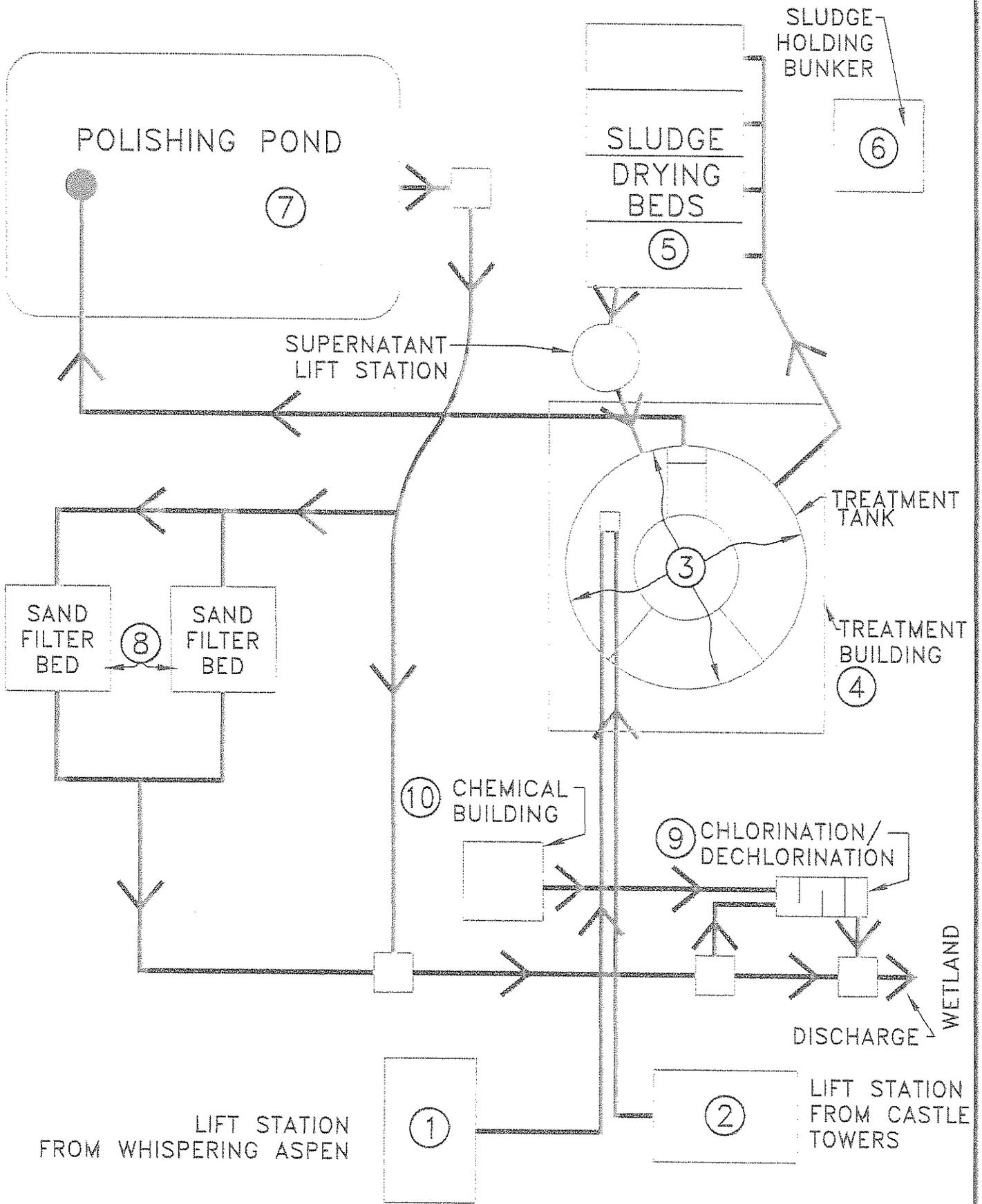
Vote Yes:_____

Vote No:_____

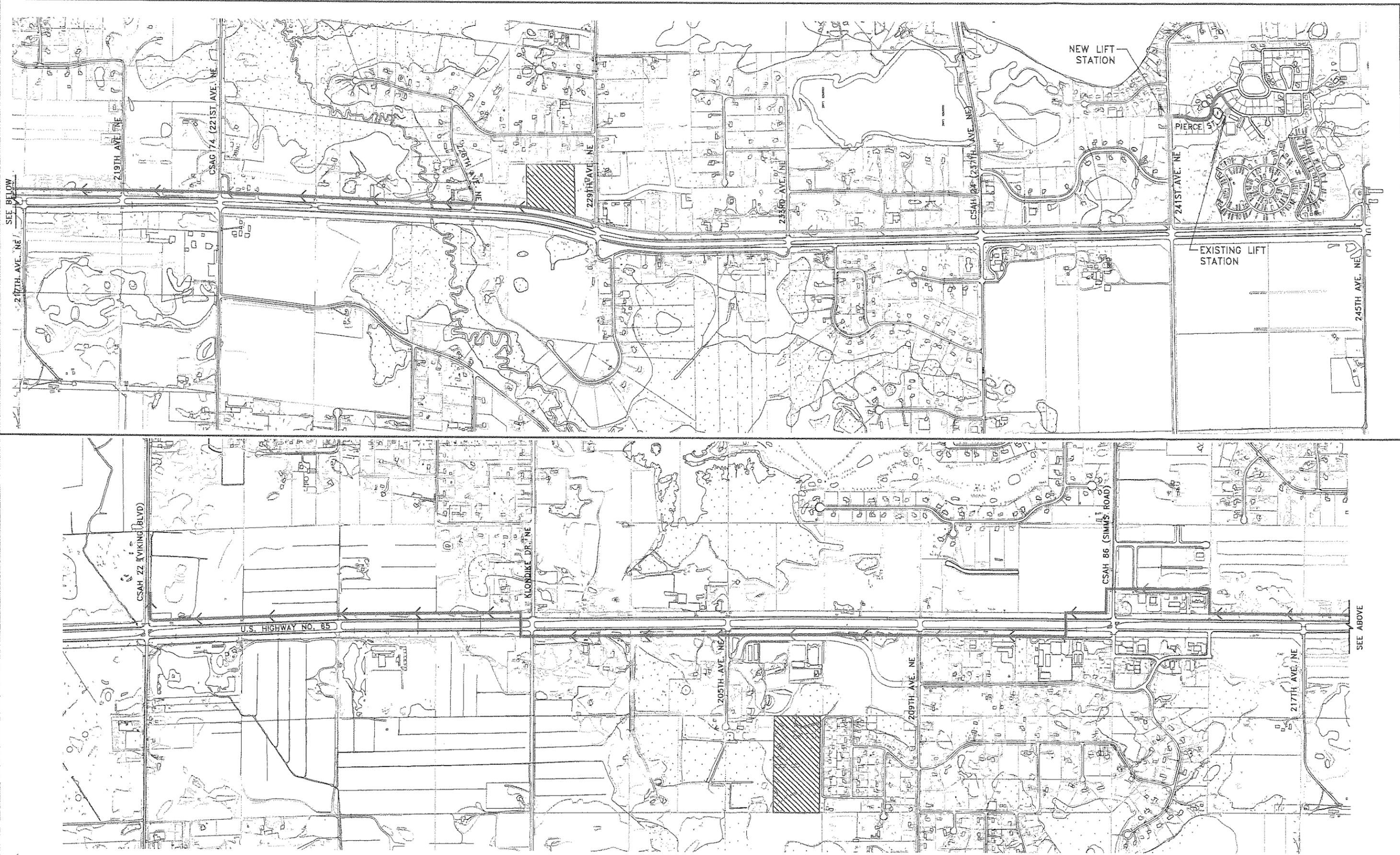
No Action Required:_____



LOCATION MAP ATTACHMENT 1

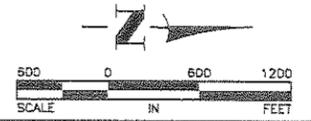


① COMPONENT NUMBER



SEE BELOW

SEE ABOVE



- GRAVITY
- FORCEMAIN - JOINT
- FORCEMAIN - CITY ONLY
- LIFT STATION
- PROPOSED MCES RAPID INFILTRATION BASIN

**ATTACHMENT 3
ALTERNATIVE 2
FORCEMAIN ALIGNMENT**

Year	Principal Payment	Interest Payment	Total Payment
2011	\$10,000	\$9,000	\$19,000
2012	\$10,000	\$8,500	\$18,500
2013	\$10,000	\$8,000	\$18,000
2014	\$10,000	\$7,500	\$17,500
2015	\$10,000	\$7,000	\$17,000
2016	\$10,000	\$6,500	\$16,500
2017	\$10,000	\$6,000	\$16,000
2018	\$10,000	\$5,500	\$15,500
2019	\$10,000	\$5,000	\$15,000
2020	\$10,000	\$4,500	\$14,500
2021	\$10,000	\$4,000	\$14,000
2022	\$10,000	\$3,500	\$13,500
2023	\$10,000	\$3,000	\$13,000
2024	\$10,000	\$2,500	\$12,500
2025	\$10,000	\$2,000	\$12,000
2026	\$10,000	\$1,500	\$11,500
2027	\$10,000	\$1,000	\$11,000
2028	\$10,000	\$500	\$10,500
Totals	\$180,000	\$85,500	\$265,500

ATTACHMENT 4
CASTLE TOWERS
SPECIAL ASSESSMENT
PAYMENT SCHEDULE

Payment Date	Principal Payment	Interest Payment	Total Payment
2/1/2011	\$115,000	\$30,380	
8/1/2011		\$28,655	\$174,035
2/1/2012	\$120,000	\$28,655	
8/1/2012		\$26,855	\$175,510
2/1/2013	\$145,000	\$26,855	
8/1/2013		\$24,499	\$196,354
2/1/2014	\$150,000	\$24,499	
8/1/2014		\$22,061	\$196,560
2/1/2015	\$155,000	\$22,061	
8/1/2015		\$19,543	\$196,604
2/1/2016	\$135,000	\$19,543	
8/1/2016		\$17,180	\$171,723
2/1/2017	\$140,000	\$17,180	
8/1/2017		\$14,380	\$171,560
2/1/2018	\$155,000	\$14,380	
8/1/2018		\$11,280	\$180,660
2/1/2019	\$170,000	\$11,280	
8/1/2019		\$7,880	\$189,160
2/1/2020	\$175,000	\$7,880	
8/1/2020		\$4,380	\$187,260
2/1/2021	\$125,000	\$4,380	
8/1/2021		\$1,880	\$131,260
2/1/2022	\$10,000	\$1,880	
8/1/2022		\$1,645	\$13,525
2/1/2023	\$10,000	\$1,645	
8/1/2023		\$1,410	\$13,055
2/1/2024	\$10,000	\$1,410	
8/1/2024		\$1,175	\$12,585
2/1/2025	\$10,000	\$1,175	
8/1/2025		\$940	\$12,115
2/1/2026	\$10,000	\$940	
8/1/2026		\$705	\$11,645
2/1/2027	\$10,000	\$705	
8/1/2027		\$470	\$11,175
2/1/2028	\$10,000	\$470	
8/1/2028		\$235	\$10,705
2/1/2029	\$10,000	\$235	
			\$10,235
	\$1,665,000	\$400,725	\$2,065,725

**ATTACHMENT 5
CURRENT REVENUE BOND**

Year	SAC Units	Cumulative SAC Units
2010		
2011		
2012	100	100
2013	111	211
2014	123	334
2015	136	470
2016	150	620
2017	166	786
2018	184	970
2019	204	1,174
2020	226	1,400
2021	250	1,650
2022	277	1,927
2023	306	2,233
2024	338	2,571
2025	374	2,945
2026	414	3,359
2027	458	3,817
2028	507	4,324
2029	561	4,885
2030	615	5,500
2031	650	6,150
2032	650	6,800
2033	650	7,450
2034	650	8,100
2035	650	8,750
2036	650	9,400
2037	650	10,050
2038	650	10,700
2039	650	11,350
2040	650	12,000
Totals	12,000	

ATTACHMENT 6
SAC UNIT COMMITMENT TO MCES

ALTERNATE 1 - OPTION 2

Assumptions

O&M Annual Base Cost	\$40,000
O&M Costs (Per 1,000 Gallons)	\$3.00
Bond Rate	4%
Bond Payoff Period (Years)	20
GPD Per Unit For User Revenue	175
GPD Per ERU	274
Required ERU Charge	\$6,600
ERU Charge Existing Users	\$6,600
Total System ERU's	383

User Rates

Whispering Aspen Per 1,000 Gallons	\$6.30
Castle Towers Per 1,000 Gallons	\$6.08
New Service Areas Per 1,000 Gallons	\$6.30

Whispering Aspen Data

Residential ERU's	157
Commercial ERU's	45
Average GPD/ Unit	175
Quarter Base Charge	\$18.38
ERU Charge	\$6,600

Castle Towers Data

Mobile Home Units	125
Average GPD/ Unit	132
Monthly Base Charge	\$912.44

New Service Areas Data

Residential ERU's	55
Commercial ERU's	175
Average GPD/ Unit	175
Quarter Base Charge	\$18.38
ERU Charge	\$6,600

YEAR	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	
General Information																																	
Average Daily Flow (Actual)	23,850	24,725	25,775	26,825	27,875	28,925	29,975	31,025	32,075	33,125	34,175	35,225	36,275	37,325	38,375	39,425	40,475	41,525	42,575	43,625	44,675	45,725	46,775	47,825	48,875	49,925	50,975	52,025	53,075	54,125	55,175	56,225	
Average Daily Flow (Based on 274 GPD Per ERU)	45,758	47,128	48,772	50,416	52,060	53,704	55,348	56,992	58,636	60,280	61,924	63,568	65,212	66,856	68,500	70,144	71,788	73,432	75,076	76,720	78,364	80,008	81,652	83,296	84,940	86,584	88,228	89,872	91,516	93,160	94,804	96,448	

1. REVENUE SUMMARY

A. Connection Charges

1. Whispering Aspen

a. Whispering Aspen ERU's (Residential)	0	5	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	5	5	4	0	0	0	0	0	0	0	0	0	0	0
b. Whispering Aspen ERU's (Commercial)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	42	5	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	5	5	4	0	0	0	0	0	0	0	0	0	0	0
Accumulative Subtotal	42	47	53	59	65	71	77	83	89	95	101	112	123	134	145	156	167	178	188	198	202	202	202	202	202	202	202	202	202	202	202	202

2. New Service Area

a. New ERU's (Residential)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
b. New ERU's (Commercial)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accumulative Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total ERU's Added	0	5	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	5	5	4	0	0	0	0	0	0	0	0	0	0	0	
Accumulative ERU's Added	0	5	11	17	23	29	35	41	47	53	59	65	71	77	83	89	95	101	106	111	115	119	123	127	131	135	139	143	147	151	155	159	
Total Annual ERU Revenue	\$0	\$33,000	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	

B. User Fees

1. Castle Towers

a. Base Charge	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949	\$10,949
b. Usage Charge	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662	\$48,662
Subtotal	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611	\$59,611

2. Whispering Aspen

a. Base Charge	\$3,068	\$3,455	\$3,897	\$4,338	\$4,779	\$5,220	\$5,661	\$6,102	\$6,543	\$6,984	\$7,425	\$7,866	\$8,307	\$8,748	\$9,189	\$9,630	\$10,071	\$10,512	\$10,953	\$11,394	\$11,835	\$12,276	\$12,717	\$13,158	\$13,599	\$14,040	\$14,481	\$14,922	\$15,363	\$15,804	\$16,245	\$16,686
b. Usage Charge	\$16,901	\$18,913	\$21,328	\$23,742	\$26,157	\$28,571	\$30,986	\$33,400	\$35,815	\$38,229	\$40,644	\$43,058	\$45,473	\$47,887	\$50,302	\$52,716	\$55,131	\$57,545	\$60,000	\$62,455	\$64,910	\$67,365	\$69,820	\$72,275	\$74,730	\$77,185	\$79,640	\$82,095	\$84,550	\$87,005	\$89,460	
Subtotal	\$19,969	\$22,368	\$25,224	\$28,080	\$30,936	\$33,791	\$36,647	\$39,502	\$42,358	\$45,214	\$48,069	\$50,925	\$53,781	\$56,637	\$59,492	\$62,348	\$65,204	\$68,060	\$70,916	\$73,772	\$76,628	\$79,484	\$82,340	\$85,196	\$88,052	\$90,908	\$93,764	\$96,620	\$99,476	\$102,332	\$105,188	

3. New Service Area

a. Base Charge	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
b. Usage Charge	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual User Fees Collected	\$79,600	\$81,980	\$84,886	\$87,691	\$90,547	\$93,402	\$96,258	\$99,113	\$101,969	\$104,825	\$107,680	\$110,536	\$113,391	\$116,247	\$119,102	\$121,958	\$124,813	\$127,669	\$130,524	\$133,380	\$136,235	\$139,091	\$141,946	\$144,802	\$147,657	\$150,513	\$153,368	\$156,224	\$159,079	\$161,935	\$164,790	

C. Assessments

1. Castle Towers (Current Assessment)	\$16,000	\$18,500	\$18,000	\$17,500	\$17,000	\$16,500	\$16,000	\$15,500	\$15,000	\$14,500	\$14,000	\$13,500	\$13,000	\$12,500	\$12,000	\$11,500	\$11,000	\$10,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2. Castle Towers (Existing Units)	\$825,000	\$0	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705	\$60,705
3. Whispering Aspen (Current Residents)	\$277,200	\$0	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397
Total Annual Assessment Revenue	\$1,212,200	\$18,500	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102	\$99,102

TOTAL REVENUE	\$98,600	\$214,582	\$223,537	\$226,693	\$228,248	\$230,804	\$232,860	\$235,315	\$237,671	\$240,026	\$242,382	\$244,738	\$247,093	\$249,449	\$251,804	\$254,160	\$256,515	\$258,871	\$261,226	\$263,582	\$265,937	\$268,293	\$270,648	\$273,004	\$275,359	\$277,715	\$280,070	\$282,426	\$284,781	\$287,137	\$289,492
----------------------	----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------

2. EXPENSE SUMMARY

A. 2008 GO Bond

	\$174,025	\$175,510	\$196,354	\$196,560	\$196,604	\$171,723	\$171,560	\$180,660	\$189,160	\$187,260	\$131,260	\$13,525	\$13,055	\$12,585	\$12,115	\$11,645	\$11,175	\$10,705	\$10,235	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
--	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	----------	----------	----------	----------	----------	----------	----------	----------	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

B. 2010 Levy

	\$11,220	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
--	----------	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

C. Annual O&M

	\$95,116	\$67,074	\$68,224	\$69,373	\$70,523	\$71,673	\$72,823	\$73,972	\$75,122	\$76,272	\$77,422	\$78,571	\$79,721	\$80,870	\$82,020	\$83,169	\$84,319	\$85,468	\$86,618	\$87,767	\$88,917	\$90,066	\$91,216	\$92,365	\$93,515	\$94,664	\$95,814	\$96,963	\$98,113	\$99,262	\$100,412
--	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	-----------

D. Capital Improvement Costs

1. Replace Existing Wastewater Plant	\$1,875,900	\$0	\$136,032	\$136,032	\$136,032	\$136,032	\$
--------------------------------------	-------------	-----	-----------	-----------	-----------	-----------	----

ALTERNATE 2 - OPTION 6

Assumptions	
O&M Annual Base Cost	\$5,000
O&M Costs (Per 1,000 Gallons)	\$0.50
Met Council User Fee (Per 1,000 Gallons)	\$2.25
Bond Rate	4%
Bond Payoff Period (Years)	20
GPD Per Unit For User Revenue	175
GPD Per ERU	274
MCES SAC Charge	\$3,450
Required ERU Charge	\$6,200
ERU Charge Existing Users	\$5,200
Total System ERU's	1,080

User Rates	
Whispering Aspen Per 1,000 Gallons	\$6.30
Castle Towers Per 1,000 Gallons	\$8.08
New Service Areas Per 1,000 Gallons	\$6.30

Whispering Aspen Data	
Residential ERU's	157
Commercial ERU's	45
Average GPD/ Unit	175
Quarter Base Charge	\$18.38
ERU Charge	\$6,200

Castle Towers Data	
Mobile Home Units	125
Average GPD/ Unit	132
Monthly Base Charge	\$912.44

New Service Areas Data	
Residential ERU's	0
Commercial ERU's	0
Average GPD/ Unit	175
Quarter Base Charge	\$18.38
ERU Charge	\$6,200

YEAR	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
General Information																																
Average Daily Flow (Actual)	23,850	24,725	25,775	26,825	27,875	33,825	39,775	45,725	51,675	57,625	63,575	70,400	77,225	84,050	90,875	97,700	104,525	111,350	118,000	124,650	130,250	136,150	140,050	144,950	149,850	154,750	159,650	164,550	169,450	174,350	179,250	183,625
Average Daily Flow (Based on 274 GPD Per ERU)	45,758	47,128	48,772	50,416	52,060	61,376	70,692	80,008	89,324	98,640	107,956	118,642	129,328	140,014	150,700	161,386	172,072	182,758	193,170	203,582	212,350	220,022	227,894	235,366	243,038	250,710	258,382	266,054	273,726	281,398	289,070	296,920

1. REVENUE SUMMARY

A. Connection Charges	
1. Whispering Aspen	
a. Whispering Aspen ERU's (Residential)	0
b. Whispering Aspen ERU's (Commercial)	0
Subtotal	42
Accumulative Subtotal	42
2. New Service Areas	
a. New ERU's (Residential)	0
b. New ERU's (Commercial)	0
Subtotal	0
Accumulative Subtotal	0
Total ERU's Added	0
Accumulative ERU's Added	0
Total Annual ERU Revenue	\$0

B. User Fees	
1. Castle Towers	
a. Base Charge	\$10,949
b. Usage Charge	\$48,662
Subtotal	\$59,611
2. Whispering Aspen	
a. Base Charge	\$3,088
b. Usage Charge	\$18,901
Subtotal	\$19,989
3. New Service Area	
a. Base Charge	\$0
b. Usage Charge	\$0
Subtotal	\$0
Total Annual User Fees Collected	\$79,600

C. Assessments	
1. Castle Towers (Current Assessment)	
2. Castle Towers (Existing Units)	
3. Whispering Aspen (Current Residents)	
Total Annual Assessment Revenue	\$19,000

TOTAL REVENUE	\$98,600
----------------------	----------

2. EXPENSE SUMMARY

A. 2008 GO Bond	
B. 2010 Levy	
C. Annual O&M	
D. Annual MCES User Fee	
E. MCES SAC Charges	
F. Capital Improvement Costs	
1. Foreman	
Total Bond Payment	\$0
TOTAL EXPENSE	\$251,371

3. SUMMARY OF ANNUAL REVENUES AND EXPENSES

A. Total Revenue	\$98,600
B. Total Expense	\$251,371
Net Cash Flow	(\$152,771)
Net Accumulative Cash Flow	(\$152,771)



City of East Bethel City Council Agenda Information

Date:

March 21, 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
02/01/12 To 02/29/12
Incident Calls

Incident Number	Incident Date	Time	Location	Incident Type
074	02/29/2012	19:28	2459 224 AVE NE	321 EMS call, excluding vehicle accident with injury
073	02/29/2012	11:58	HWY 65 N	324 Motor vehicle accident with no injuries.
072	02/29/2012	09:56	Bryant LN NE	444 Power line down
071	02/29/2012	09:27	300 NE Dogwood	444 Power line down
070	02/28/2012	19:58	246 Birch RD NE	321 EMS call, excluding vehicle accident with injury
069	02/28/2012	15:23	921 235th AVE NE	321 EMS call, excluding vehicle accident with injury
068	02/28/2012	14:58	23948 Fillmore ST NE	321 EMS call, excluding vehicle accident with injury
067	02/28/2012	09:42	853 221st AVE NE	321 EMS call, excluding vehicle accident with injury
066	02/28/2012	06:59	18544 Everglade DR NE	321 EMS call, excluding vehicle accident with injury
065	02/27/2012	12:49	833 221st AVE NE	321 EMS call, excluding vehicle accident with injury
064	02/26/2012	15:49	2644 183 AVE NE	321 EMS call, excluding vehicle accident with injury
063	02/26/2012	01:01	22857 Sandy DR NE	321 EMS call, excluding vehicle accident with injury
062	02/24/2012	22:39	18407 65 HWY NE	321 EMS call, excluding vehicle accident with injury
061	02/22/2012	19:44	18935 Yalta ST NE	321 EMS call, excluding vehicle accident with injury
060	02/22/2012	12:48	4515 224 AVE NE	321 EMS call, excluding vehicle accident with injury
059	02/20/2012	12:51	20111 Austin ST NE	321 EMS call, excluding vehicle accident with injury
058	02/19/2012	12:12	23837 Opal ST	142 Brush or brush-and-grass mixture fire
057	02/18/2012	09:15	2944 183 AVE NE	321 EMS call, excluding vehicle accident with injury
056	02/17/2012	06:18	4918 Tri Oak CIR	321 EMS call, excluding vehicle accident with injury
055	02/17/2012	05:46	405 196 LN NE	321 EMS call, excluding vehicle accident with injury
054	02/16/2012	18:39	19928 Polk street NE	142 Brush or brush-and-grass mixture fire

053	02/16/2012	18:18	20450 Monroe ST NE	561 Unauthorized burning
052	02/16/2012	14:54	2944 183 rd AVE	321 EMS call, excluding vehicle accident with injury
051	02/16/2012	09:40	21808 Fillmore ST NE	100 Fire, other
050	02/15/2012	16:11	22743 Taylor ST NE	321 EMS call, excluding vehicle accident with injury
049	02/15/2012	14:56	2944 183 AVE NE	321 EMS call, excluding vehicle accident with injury
048	02/14/2012	15:28	1052 189 AVE NE	321 EMS call, excluding vehicle accident with injury
047	02/13/2012	21:02	22857 Sandy DR	321 EMS call, excluding vehicle accident with injury
046	02/13/2012	06:14	18409 Lakeview point DR NE	321 EMS call, excluding vehicle accident with injury
045	02/12/2012	12:37	4056 NE 225th LN NE	143 Grass fire
044	02/12/2012	10:29	18254 Greenbrook DR NE	321 EMS call, excluding vehicle accident with injury
043	02/12/2012	10:02	21255 Okinawa ST NE	321 EMS call, excluding vehicle accident with injury
042	02/11/2012	18:09	4447 189th LN NE	561 Unauthorized burning
041	02/11/2012	11:26	21650 Xylite ST NE	321 EMS call, excluding vehicle accident with injury
040	02/09/2012	17:12	201 Cedar RD NE	321 EMS call, excluding vehicle accident with injury
039	02/08/2012	17:09	2101 Deerwood LN NE	321 EMS call, excluding vehicle accident with injury
038	02/08/2012	11:21	1438 215th AVE NE	443 Breakdown of light ballast
037	02/07/2012	10:31	22500 Sandy DR	321 EMS call, excluding vehicle accident with injury
035	02/06/2012	06:27	406 196th LN NE	321 EMS call, excluding vehicle accident with injury
036	02/06/2012	03:56	4685 209th Ave NE	611 Dispatched and cancelled en route
034	02/04/2012	21:35	Lexington AVE	131 Passenger vehicle fire
033	02/04/2012	14:16	24355 Hwy 65 HWY	321 EMS call, excluding vehicle accident with injury
032	02/04/2012	03:35	1422 234th AVE NE	321 EMS call, excluding vehicle accident with injury
031	02/03/2012	17:26	23282 Nassau CT NE	600 Good intent call, other
030	02/03/2012	00:09	928 229th AVE	600 Good intent call, other
Total				45



City of East Bethel City Council Agenda Information

Date:

March 21 2012

Agenda Item Number:

Item 8.0 G.1

Agenda Item:

2012 Series A G.O. Bonds for the Refunding of the 2005A G.O. Public Safety Bonds

Requested Action:

Consider adopting Resolution 2012-17 authorizing and directing the sale of 2012, Series A, G.O. Bonds for the Refunding of the 2005A G.O. Public Safety Bonds.

Background Information:

At the March 7, 2012 City Council meeting, Council voted 2-2 for the sale of 2012, Series A, G.O. Bonds for the Refunding of the 2005A G.O. Public Safety Bonds. As a result of the tie vote, Council directed that staff reintroduce the Resolution for the sale of the 2012, Series A, G.O. Bonds at the March 21, 2012 meeting. Council directed staff to provide any additional information that may affect the decision on the refunding.

Springsted's provided information relative to the bond issue at the past two Council meetings and this information is unchanged. The only information that would need to be revised is the dates under Key Events with all dates would be delayed by 2 weeks. Resolution 2012-17 has been changed to reflect new dates for the bond sale. Should Council elect to delay this sale, staff and bond counsel will keep the City advised as to conditions in the bond market which could affect the sale of these bonds.

Attachment(s):

1. Springsted's Recommendation for Issuance of the Bonds
2. Resolution 2012-17 Authorizing and Directing the Sale of G.O. Public Bonds
2012 Series A

Fiscal Impact:

As noted in the attachments.

Recommendation(s):

Staff can not predict the bond market interest rates over the next 18 months, the time for call date on the bonds. This is a matter of comfort level with the Council. If the Council feels interest rates will remain relatively unchanged or decline, then postponement of the sale would be the course of action. If Council feels that interest rates in the bond market may increase or is uncomfortable with external factors that affect securities markets, then consideration should be given to the sale of the bonds in the short term.

Staff is seeking direction from City Council regarding adoption of Resolution 2012-17, A Resolution Authorizing and Directing the Sale and Issuance of G.O. Public Safety Refunding Bonds 2012 Series A.

City Council Action

Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required:_____

City of East Bethel, Minnesota

Recommendations for Issuance of Bonds

\$1,435,000 General Obligation Public Safety Refunding Bonds, Series 2012A

The Council has under consideration the issuance of bonds to refund the City's General Obligation Public Safety Bonds, Series 2005A to achieve debt service savings. This document provides information relative to the proposed issuance.

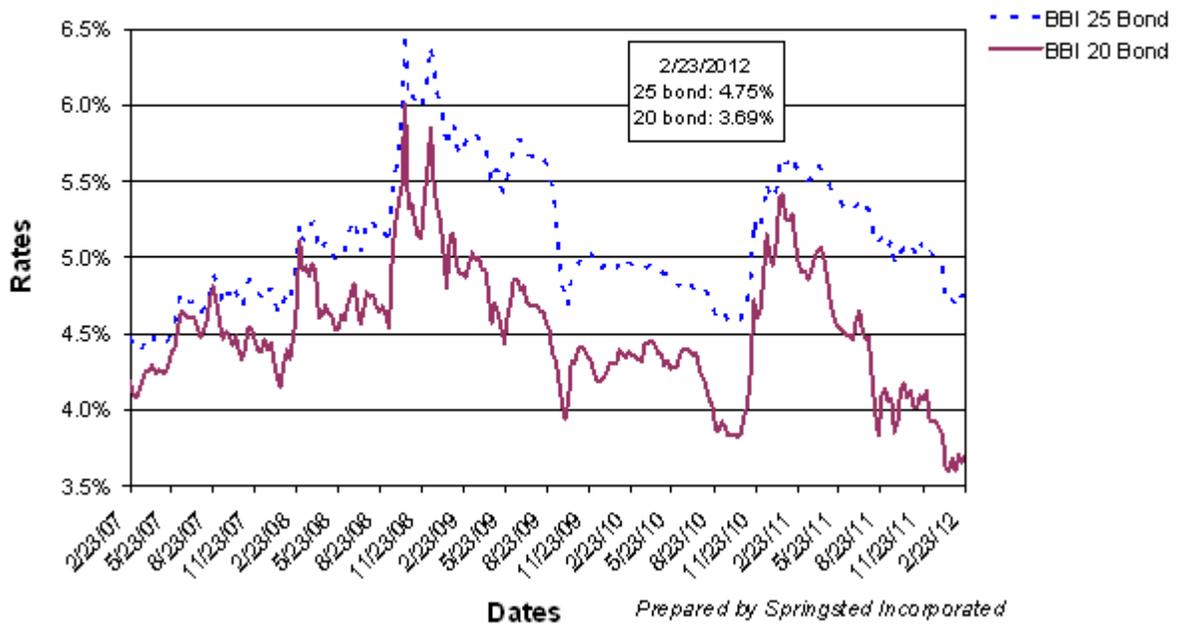
KEY EVENTS: The following summary schedule includes the timing of some of the key events that will occur relative to the bond issuance.

March 7, 2012	Council sets sale date and terms
Week of March 26, 2012	Rating conference is conducted
April 4, 2012, 10:00 a.m.	Competitive proposals are received
April 4, 2012, 7:30 p.m.	Council considers award of bonds
May 3, 2012 (est.)	Proceeds are received

RATING: An application will be made to Moody's Investors Service for a rating on the Bonds. The City's general obligation debt is currently rated "Aa3" by Moody's.

THE MARKET: Performance of the tax-exempt market is often measured by the Bond Buyer's Index ("BBI") which measures the yield of high grade municipal bonds in the 20th year for general obligation bonds (the BBI 20 Bond Index) and the 30th year for revenue bonds (the BBI 25 Bond Index). The following chart illustrates these two indices over the past five years.

BBI 25-bond (Revenue) and 20-bond (G.O.) Rates for 5 Years Ending 2/23/2012



Prepared by Springsted Incorporated

POST ISSUANCE COMPLIANCE:

The issuance of these bonds will result in post-issuance compliance responsibilities. The responsibilities lie in two primary areas: i) compliance with federal arbitrage requirements and ii) compliance with secondary disclosure requirements.

Federal arbitrage requirements include a wide range of implications that have been taken into account as your issue has been structured. Post-issuance compliance responsibilities for your tax-exempt issue include both rebate and yield restriction provisions of the IRS Code. In very general terms the arbitrage requirements control the earnings on unexpended bond proceeds, including investment earnings, moneys held for debt service payments (which are considered to be proceeds under the IRS regulations), and/or reserves. The City will not meet an expenditure exception to rebate because proceeds will be invested in an escrow account until the call date of the prior bonds. Arbitrage rules do not permit investment earnings on the escrow account to exceed the yield on the bonds; therefore no excess arbitrage would be earned within the escrow account. Yield restriction provisions will apply to the debt service and the fund should be monitored throughout the life of the issue.

Secondary disclosure requirements result from an SEC requirement that underwriters provide ongoing disclosure information to investors. To meet this requirement, any prospective underwriter will require the City to commit to providing the information needed to comply under a continuing disclosure agreement.

Springsted currently provides continuing disclosure compliance services to the City under separate contract. A contract amendment adding this issue will be provided to City staff. We understand that arbitrage responsibilities are being monitored through a third party contract.

SUPPLEMENTAL INFORMATION AND BOND RECORD:

Supplementary information will be available to staff including detailed terms and conditions of sale, comprehensive structuring schedules and information to assist in meeting post-issuance compliance responsibilities.

Upon completion of the financing, a bond record will be provided that contains pertinent documents and final debt service calculations for the transaction.

PURPOSE:

Proceeds of the Bonds will be used to refund the February 1, 2015 through 2026 maturities of the City's General Obligation Public Safety Bonds, Series 2005A (the "Prior Bonds"), dated September 15, 2005. The maturities to be refunded are currently outstanding in the aggregate principal amount of \$1,345,000. The 2013 and 2014 maturities are not callable and will not be refunded. The purpose of the refunding is to achieve interest cost savings.

The Prior Bonds financed the construction of a fire station and acquiring and installing weather warning sirens and were authorized by a voter referendum.

AUTHORITY:

The Bonds are being issued pursuant to Minnesota Statutes, Chapter 475.

SECURITY AND SOURCE OF PAYMENT:

The Bonds will be general obligations of the City, secured by its full faith and credit and unlimited taxing power, and will be repaid with ad valorem property taxes. The City is currently levying taxes to make the debt service payments on the Prior Bonds, which are also general obligation bonds.

The City will make their first levy for the Bonds in 2013 for collection in 2014. Each year's collection of taxes will be used to make the August 1 interest payment due in the collection year and the February 1 principal and interest payment due in the following year. The City will continue to levy through 2012 to make payments on the Prior Bonds as described below.

The issuance of the Bonds is being conducted as a "crossover" advance refunding in which the proceeds of the Bonds are placed in an escrow account with a major bank and invested in U.S. Treasury obligations and held in trust to make specific debt service payments on the Prior Bonds and the Bonds.

The escrow fund and its investment earnings are structured to pay interest on the Bonds to and including February 1, 2014 (the call date of the Prior Bonds), at which time the escrow account will prepay the February 1, 2015 through 2026 principal of the Prior Bonds. The City will continue to pay the originally scheduled debt service payments on the Prior Bonds through the February 1, 2014 call date. After the call date, the City will cross over and begin making debt service payments on the Bonds, taking advantage of the lower interest rates.

Since Springsted last met with the City, we have updated interest rate assumptions and solicited actual quotes for their costs from service providers that will be needed in the transaction. One remaining cost element, the underwriting discount, will be set by public bid on the sale date and could be higher or lower than the estimate being used. Based on current interest rate estimates, the refunding is projected to result in the City realizing an average cash flow savings of approximately \$11,000 per year. This results in an aggregate future value savings of approximately \$135,000 with a net present value benefit to the City of approximately \$120,000. These estimates are net of all costs associated with the refunding, using actual costs for all cost elements except the underwriting discount as discussed above.

**STRUCTURING
SUMMARY:**

The Bonds have been structured to provide for approximately even annual savings with a term matching that of the Prior Bonds.

**SCHEDULES
ATTACHED:**

Schedules attached include: a preliminary feasibility summary, estimated debt service requirements and interest cost savings, given the current interest rate environment.

**RISKS/SPECIAL
CONSIDERATIONS:**

The outcome of this financing will rely on the market conditions at the time of the sale. Any projections for savings included herein are estimates based on current market conditions. Springsted will continue to monitor interest rates between now and the sale date (April 4, 2012) and advise City staff of changes affecting the estimated savings on this refunding. In the event the bids received on April 4, 2012 result in interest costs savings below a level acceptable to City, the Council has the authority to reject all bids. In such event, Springsted will provide information on alternative methods of sale that may enable the refunding to be sold in the future, should more favorable market conditions be present.

Minnesota statutes limit advance refunding transactions to those that achieve no less than 3% present value debt service savings of the refunded debt service. The present value debt service savings is currently estimated to be 8.0%. As noted above the actual savings will be determined by current market conditions on the day of sale.

The Bonds are an advance refunding of the City's 2005A Bonds. Federal law limits all tax-exempt bonds to one tax-exempt advance refunding. Thus, the Bonds themselves may

not be advance refunded using tax exempt bonds. However, if market conditions permit, the Bonds could be refunded on a tax exempt basis by means of a current refunding, which could be done at or after the call date (February 1, 2021).

Coincident with the sale of the Bonds, a verification agent will be retained by the City to verify the adequacy of the escrow account to meet its cash flow requirements and to ensure the escrow is in compliance with federal arbitrage constraints. The verification agent provides a third party verification that the Bond proceeds deposited into the escrow account, plus earnings on the investment of the escrow account, will be sufficient to pay interest on the Bonds to and including the February 1, 2014 interest payment (the call date of the Prior Bonds), and to prepay the \$1,345,000 of principal due February 1, 2015 through 2026 on the Prior Bonds.

**SALE TERMS AND
MARKETING:**

Variability of Issue Size: A specific provision in the sale terms permits modifications to the issue size and/or maturity structure to customize the issue once the price and interest rates are set on the day of sale. Bonds will be issued in the minimum amount necessary to accomplish the refunding and pay costs associated with the transaction.

Prepayment Provisions: Bonds maturing on or after February 1, 2022 may be prepaid at a price of par plus accrued interest on or after February 1, 2021.

Bank Qualification: The City does not expect to issue more than \$10 million in tax-exempt obligations that count against its \$10 million limit for this calendar year; therefore, the Bonds will be designated as bank qualified.

\$1,435,000

City of East Bethel, Minnesota
General Obligation Public Safety Refunding Bonds, Series 2012A
Crossover Refunding of Series 2005A

Preliminary Feasibility Summary

Dated 05/03/2012 | Delivered 05/03/2012

Sources Of Funds

Par Amount of Bonds.....	\$1,435,000.00
Total Sources.....	\$1,435,000.00

Uses Of Funds

Deposit to Crossover Escrow Fund.....	1,376,810.02
Costs of Issuance.....	40,161.00
Total Underwriter's Discount (0.925%).....	13,273.75
Rounding Amount.....	4,755.23
Total Uses.....	\$1,435,000.00

ISSUES REFUNDED AND CALL INFORMATION

Prior Issue Call Price.....	100.000%
Prior Issue Call Date.....	2/01/2014

SAVINGS INFORMATION

Net Future Value Benefit.....	\$136,687.73
Net Present Value Benefit.....	\$121,280.47
Net PV Benefit / \$1,515,197.14 PV Refunded Debt Service.....	8.004%

BOND STATISTICS

Average Life.....	8.501 Years
Average Coupon.....	1.6905062%
Net Interest Cost (NIC).....	1.7993228%
True Interest Cost (TIC).....	1.7975815%

\$1,435,000

City of East Bethel, Minnesota
General Obligation Public Safety Refunding Bonds, Series 2012A
Crossover Refunding of Series 2005A

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
02/01/2013	-	-	15,810.14	15,810.14
02/01/2014	-	-	21,237.50	21,237.50
02/01/2015	105,000.00	0.600%	21,237.50	126,237.50
02/01/2016	110,000.00	0.650%	20,607.50	130,607.50
02/01/2017	110,000.00	0.800%	19,892.50	129,892.50
02/01/2018	115,000.00	1.050%	19,012.50	134,012.50
02/01/2019	115,000.00	1.300%	17,805.00	132,805.00
02/01/2020	115,000.00	1.500%	16,310.00	131,310.00
02/01/2021	120,000.00	1.600%	14,585.00	134,585.00
02/01/2022	125,000.00	1.750%	12,665.00	137,665.00
02/01/2023	125,000.00	1.900%	10,477.50	135,477.50
02/01/2024	130,000.00	1.950%	8,102.50	138,102.50
02/01/2025	130,000.00	2.050%	5,567.50	135,567.50
02/01/2026	135,000.00	2.150%	2,902.50	137,902.50
Total	\$1,435,000.00	-	\$206,212.64	\$1,641,212.64

Yield Statistics

Bond Year Dollars.....	\$12,198.28
Average Life.....	8.501 Years
Average Coupon.....	1.6905062%
Net Interest Cost (NIC).....	1.7993228%
True Interest Cost (TIC).....	1.7975815%
Bond Yield for Arbitrage Purposes.....	1.6791525%
All Inclusive Cost (AIC).....	2.1646209%

IRS Form 8038

Net Interest Cost.....	1.6905062%
Weighted Average Maturity.....	8.501 Years

\$1,435,000

City of East Bethel, Minnesota
General Obligation Public Safety Refunding Bonds, Series 2012A
Crossover Refunding of Series 2005A

Debt Service Comparison

Date	Total P+I	PCF	Existing D/S	Net New D/S	Old Net D/S	Savings
02/01/2013	15,810.14	(15,810.14)	140,312.50	140,312.50	140,312.50	-
02/01/2014	21,237.50	(1,366,237.50)	1,487,512.50	142,512.50	142,512.50	-
02/01/2015	126,237.50	-	-	126,237.50	139,452.50	13,215.00
02/01/2016	130,607.50	-	-	130,607.50	141,307.50	10,700.00
02/01/2017	129,892.50	-	-	129,892.50	142,887.50	12,995.00
02/01/2018	134,012.50	-	-	134,012.50	144,230.00	10,217.50
02/01/2019	132,805.00	-	-	132,805.00	145,330.00	12,525.00
02/01/2020	131,310.00	-	-	131,310.00	141,182.50	9,872.50
02/01/2021	134,585.00	-	-	134,585.00	146,982.50	12,397.50
02/01/2022	137,665.00	-	-	137,665.00	147,325.00	9,660.00
02/01/2023	135,477.50	-	-	135,477.50	147,405.00	11,927.50
02/01/2024	138,102.50	-	-	138,102.50	147,217.50	9,115.00
02/01/2025	135,567.50	-	-	135,567.50	146,757.50	11,190.00
02/01/2026	137,902.50	-	-	137,902.50	146,020.00	8,117.50
Total	\$1,641,212.64	(1,382,047.64)	\$1,627,825.00	\$1,886,990.00	\$2,018,922.50	\$131,932.50

PV Analysis Summary (Net to Net)

Net FV Cashflow Savings.....	131,932.50
Gross PV Debt Service Savings.....	116,525.24
Net PV Cashflow Savings @ 1.679%(Bond Yield).....	116,525.24
Contingency or Rounding Amount.....	4,755.23
Net Future Value Benefit.....	\$136,687.73
Net Present Value Benefit.....	\$121,280.47
Net PV Benefit / \$351,906.70 PV Refunded Interest.....	34.464%
Net PV Benefit / \$1,515,197.14 PV Refunded Debt Service.....	8.004%
Net PV Benefit / \$1,345,000 Refunded Principal.....	9.017%
Net PV Benefit / \$1,435,000 Refunding Principal.....	8.452%

Refunding Bond Information

Refunding Dated Date.....	5/03/2012
Refunding Delivery Date.....	5/03/2012

CERTIFICATION OF MINUTES RELATING TO
GENERAL OBLIGATION PUBLIC SAFETY REFUNDING BONDS, SERIES 2012A

Issuer: City of East Bethel, Minnesota

Governing body: City Council

Kind, date, time and place of meeting: A regular meeting held on March 21, 2012, at 7:30 p.m. at the City Hall in East Bethel, Minnesota.

Members present:

Members absent:

Documents attached:

Minutes of said meeting (pages):

RESOLUTION NO. 2012-17

RESOLUTION RELATING TO GENERAL OBLIGATION PUBLIC SAFETY
REFUNDING BONDS, SERIES 2012A; AUTHORIZING THE ISSUANCE AND
CALLING FOR THE SALE THEREOF

TERMS OF PROPOSAL

I, the undersigned, being the duly qualified and acting recording officer of the public corporation issuing the obligations referred to in the title of this certificate, certify that the documents attached hereto, as described above, have been carefully compared with the original records of the corporation in my legal custody, from which they have been transcribed; that the documents are a correct and complete transcript of the minutes of a meeting of the governing body of the corporation, and correct and complete copies of all resolutions and other actions taken and of all documents approved by the governing body at the meeting, insofar as they relate to the obligations; and that the meeting was duly held by the governing body at the time and place and was attended throughout by the members indicated above, pursuant to call and notice of such meeting given as required by law.

WITNESS my hand officially as such recording officer this 21st day of March, 2012.

City Administrator

Councilmember _____ introduced the following resolution and moved its adoption, which motion was seconded by Councilmember _____:

**RESOLUTION RELATING TO GENERAL OBLIGATION PUBLIC SAFETY
REFUNDING BONDS, SERIES 2012A; AUTHORIZING THE ISSUANCE AND
CALLING FOR THE SALE THEREOF**

BE IT RESOLVED by the City Council (the Council) of the City of East Bethel, Minnesota (the City), as follows:

SECTION 1. AUTHORIZATION. It is hereby determined to be in the best interests of the City to issue its General Obligation Public Safety Refunding Bonds, Series 2012A, in the principal amount of approximately \$1,435,000 (the “Bonds”), pursuant to Minnesota Statutes, Chapter 475, to provide funds to be used to refund, in an advance crossover refunding, all or a portion of the 2015 through 2026 maturities of the City’s General Obligation Public Safety Bonds, Series 2005A, dated, as originally issued, as of September 15, 2005.

SECTION 2. TERMS OF PROPOSAL. Springsted Incorporated, financial advisor to the City, has presented to this Council a form of Terms of Proposal for the Bonds which is attached hereto and hereby approved and shall be placed on file by the City Administrator. Each and all of the provisions of the Terms of Proposal are hereby adopted as the terms and conditions of the Bonds and of the sale thereof. Springsted Incorporated, as independent financial advisers, pursuant to Minnesota Statutes, Section 475.60, Subdivision 2, paragraph (9) is hereby authorized to solicit proposals for the Bonds on behalf of the City on a competitive basis without requirement of published notice.

SECTION 3. SALE MEETING. This Council shall meet at the time and place shown in the Terms of Proposal for the purpose of considering sealed proposals for the purchase of the Bonds and of taking such action thereon as may be in the best interests of the City.

Upon vote being taken thereon, the following voted in favor:

and the following voted against the same:

whereupon the resolution was declared passed and adopted.

THE CITY HAS AUTHORIZED SPRINGSTED INCORPORATED TO NEGOTIATE THIS ISSUE ON ITS BEHALF. PROPOSALS WILL BE RECEIVED ON THE FOLLOWING BASIS:

TERMS OF PROPOSAL

\$1,435,000*

CITY OF EAST BETHEL, MINNESOTA

GENERAL OBLIGATION PUBLIC SAFETY REFUNDING BONDS, SERIES 2012A

(BOOK ENTRY ONLY)

Proposals for the Bonds and the Good Faith Deposit ("Deposit") will be received on Wednesday, April 18, 2012, until 10:00 A.M., Central Time, at the offices of Springsted Incorporated, 380 Jackson Street, Suite 300, Saint Paul, Minnesota, after which time proposals will be opened and tabulated. Consideration for award of the Bonds will be by the City Council at 7:30 P.M., Central Time, of the same day.

SUBMISSION OF PROPOSALS

Springsted will assume no liability for the inability of the bidder to reach Springsted prior to the time of sale specified above. All bidders are advised that each Proposal shall be deemed to constitute a contract between the bidder and the City to purchase the Bonds regardless of the manner in which the Proposal is submitted.

(a) **Sealed Bidding.** Proposals may be submitted in a sealed envelope or by fax (651) 223-3046 to Springsted. Signed Proposals, without final price or coupons, may be submitted to Springsted prior to the time of sale. The bidder shall be responsible for submitting to Springsted the final Proposal price and coupons, by telephone (651) 223-3000 or fax (651) 223-3046 for inclusion in the submitted Proposal.

OR

(b) **Electronic Bidding.** Notice is hereby given that electronic proposals will be received via PARITY[®]. For purposes of the electronic bidding process, the time as maintained by PARITY[®] shall constitute the official time with respect to all Bids submitted to PARITY[®]. *Each bidder shall be solely responsible for making necessary arrangements to access PARITY[®] for purposes of submitting its electronic Bid in a timely manner and in compliance with the requirements of the Terms of Proposal.* Neither the City, its agents nor PARITY[®] shall have any duty or obligation to undertake registration to bid for any prospective bidder or to provide or ensure electronic access to any qualified prospective bidder, and neither the City, its agents nor PARITY[®] shall be responsible for a bidder's failure to register to bid or for any failure in the proper operation of, or have any liability for any delays or interruptions of or any damages caused by the services of PARITY[®]. The City is using the services of PARITY[®] solely as a communication mechanism to conduct the electronic bidding for the Bonds, and PARITY[®] is not an agent of the City.

If any provisions of this Terms of Proposal conflict with information provided by PARITY[®], this Terms of Proposal shall control. Further information about PARITY[®], including any fee charged, may be obtained from:

PARITY[®], 1359 Broadway, 2nd Floor, New York, New York 10018
Customer Support: (212) 849-5000

* Preliminary; subject to change.

DETAILS OF THE BONDS

The Bonds will be dated as of the date of delivery, as the date of original issue, and will bear interest payable on February 1 and August 1 of each year, commencing February 1, 2013. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The Bonds will mature February 1 in the years and amounts* as follows:

2015	\$105,000	2018	\$115,000	2021	\$120,000	2024	\$130,000
2016	\$110,000	2019	\$115,000	2022	\$125,000	2025	\$130,000
2017	\$110,000	2020	\$115,000	2023	\$125,000	2026	\$135,000

* *The City reserves the right, after proposals are opened and prior to award, to increase or reduce the principal amount of the Bonds or the maturity amounts offered for sale. Any such increase or reduction will be made in multiples of \$5,000 in any of the maturities. In the event the principal amount of the Bonds is increased or reduced, any premium offered or any discount taken by the successful bidder will be increased or reduced by a percentage equal to the percentage by which the principal amount of the Bonds is increased or reduced.*

Proposals for the Bonds may contain a maturity schedule providing for a combination of serial bonds and term bonds. All term bonds shall be subject to mandatory sinking fund redemption at a price of par plus accrued interest to the date of redemption and must conform to the maturity schedule set forth above. In order to designate term bonds, the proposal must specify "Years of Term Maturities" in the spaces provided on the Proposal Form.

BOOK ENTRY SYSTEM

The Bonds will be issued by means of a book entry system with no physical distribution of Bonds made to the public. The Bonds will be issued in fully registered form and one Bond, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository of the Bonds. Individual purchases of the Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the registrar to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The purchaser, as a condition of delivery of the Bonds, will be required to deposit the Bonds with DTC.

REGISTRAR

The City will name the registrar which shall be subject to applicable SEC regulations. The City will pay for the services of the registrar.

OPTIONAL REDEMPTION

The City may elect on February 1, 2021, and on any day thereafter, to prepay Bonds due on or after February 1, 2022. Redemption may be in whole or in part and if in part at the option of the City and in such manner as the City shall determine. If less than all Bonds of a maturity are called for redemption, the City will notify DTC of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All prepayments shall be at a price of par plus accrued interest.

SECURITY AND PURPOSE

The Bonds will be general obligations of the City for which the City will pledge its full faith and credit and power to levy direct general ad valorem taxes. The proceeds will be used to refund in advance of maturity the February 1, 2015 through February 1, 2026 maturities of the City's General Obligation Public Safety Bonds, Series 2005A, dated September 15, 2005.

BIDDING PARAMETERS

Proposals shall be for not less than \$1,421,726 and accrued interest on the total principal amount of the Bonds.

No proposal can be withdrawn or amended after the time set for receiving proposals unless the meeting of the City scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made. Rates shall be in integral multiples of 5/100 or 1/8 of 1%. Rates are not required to be in level or ascending order; however, the rate for any maturity cannot be more than 1% lower than the highest rate of any of the preceding maturities. Bonds of the same maturity shall bear a single rate from the date of the Bonds to the date of maturity. No conditional proposals will be accepted.

GOOD FAITH DEPOSIT

Proposals, regardless of method of submission, shall be accompanied by a Deposit in the amount of \$14,350, in the form of a certified or cashier's check, a wire transfer, or Financial Surety Bond and delivered to Springsted Incorporated prior to the time proposals will be opened. Each bidder shall be solely responsible for the timely delivery of their Deposit whether by check, wire transfer or Financial Surety Bond. Neither the City nor Springsted Incorporated have any liability for delays in the transmission of the Deposit.

Any Deposit made by **certified or cashier's check** should be made payable to the City and delivered to Springsted Incorporated, 380 Jackson Street, Suite 300, St. Paul, Minnesota 55101.

Any Deposit sent via **wire transfer** should be sent to Springsted Incorporated as the City's agent according to the following instructions:

Wells Fargo Bank, N.A., San Francisco, CA 94104
ABA #121000248
for credit to Springsted Incorporated, Account #635-5007954
Ref: East Bethel, MN Series 2012A Good Faith Deposit

Contemporaneously with such wire transfer, the bidder shall send an e-mail to bond_services@springsted.com, including the following information; (i) indication that a wire transfer has been made, (ii) the amount of the wire transfer, (iii) the issue to which it applies, and (iv) the return wire instructions if such bidder is not awarded the Bonds.

Any Deposit made by the successful bidder by check or wire transfer will be delivered to the City following the award of the Bonds. Any Deposit made by check or wire transfer by an unsuccessful bidder will be returned to such bidder following City action relative to an award of the Bonds.

If a **Financial Surety Bond** is used, it must be from an insurance company licensed to issue such a bond in the State of Minnesota and pre-approved by the City. Such bond must be submitted to Springsted Incorporated prior to the opening of the proposals. The Financial

Surety Bond must identify each underwriter whose Deposit is guaranteed by such Financial Surety Bond. If the Bonds are awarded to an underwriter using a Financial Surety Bond, then that underwriter is required to submit its Deposit to the City in the form of a certified or cashier's check or wire transfer as instructed by Springsted Incorporated not later than 3:30 P.M., Central Time on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the City to satisfy the Deposit requirement.

The Deposit received from the purchaser, the amount of which will be deducted at settlement, will be deposited by the City and no interest will accrue to the purchaser. In the event the purchaser fails to comply with the accepted proposal, said amount will be retained by the City.

AWARD

The Bonds will be awarded on the basis of the lowest interest rate to be determined on a true interest cost (TIC) basis. The City's computation of the interest rate of each proposal, in accordance with customary practice, will be controlling.

The City will reserve the right to: (i) waive non-substantive informalities of any proposal or of matters relating to the receipt of proposals and award of the Bonds, (ii) reject all proposals without cause, and (iii) reject any proposal that the City determines to have failed to comply with the terms herein.

BOND INSURANCE AT PURCHASER'S OPTION

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the underwriter, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the purchaser of the Bonds. Any increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the purchaser, except that, if the City has requested and received a rating on the Bonds from a rating agency, the City will pay that rating fee. Any other rating agency fees shall be the responsibility of the purchaser.

Failure of the municipal bond insurer to issue the policy after Bonds have been awarded to the purchaser shall not constitute cause for failure or refusal by the purchaser to accept delivery on the Bonds.

CUSIP NUMBERS

If the Bonds qualify for assignment of CUSIP numbers such numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto will constitute cause for failure or refusal by the purchaser to accept delivery of the Bonds. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the purchaser.

SETTLEMENT

On or about May 17, 2012, the Bonds will be delivered without cost to the purchaser through DTC in New York, New York. Delivery will be subject to receipt by the purchaser of an approving legal opinion of Dorsey & Whitney LLP of Minneapolis, Minnesota, and of customary closing papers, including a no-litigation certificate. On the date of settlement, payment for the Bonds shall be made in federal, or equivalent, funds that shall be received at the offices of the City or its designee not later than 12:00 Noon, Central Time. Unless compliance with the terms of payment for the Bonds has been made impossible by action of the City, or its agents, the

purchaser shall be liable to the City for any loss suffered by the City by reason of the purchaser's non-compliance with said terms for payment.

CONTINUING DISCLOSURE

In accordance with SEC Rule 15c2-12(b)(5), the City will undertake, pursuant to the resolution awarding sale of the Bonds, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Official Statement. The purchaser's obligation to purchase the Bonds will be conditioned upon receiving evidence of this undertaking at or prior to delivery of the Bonds.

OFFICIAL STATEMENT

The City has authorized the preparation of an Official Statement containing pertinent information relative to the Bonds, and said Official Statement will serve as a nearly final Official Statement within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. For copies of the Official Statement or for any additional information prior to sale, any prospective purchaser is referred to the Financial Advisor to the City, Springsted Incorporated, 380 Jackson Street, Suite 300, Saint Paul, Minnesota 55101, telephone (651) 223-3000.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law, shall constitute a "Final Official Statement" of the City with respect to the Bonds, as that term is defined in Rule 15c2-12. By awarding the Bonds to any underwriter or underwriting syndicate submitting a proposal therefor, the City agrees that, no more than seven business days after the date of such award, it shall provide without cost to the senior managing underwriter of the syndicate to which the Bonds are awarded 60 copies of the Official Statement and the addendum or addenda described above. The City designates the senior managing underwriter of the syndicate to which the Bonds are awarded as its agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter delivering a proposal with respect to the Bonds agrees thereby that if its proposal is accepted by the City (i) it shall accept such designation and (ii) it shall enter into a contractual relationship with all Participating Underwriters of the Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

Dated March 21, 2012

BY ORDER OF THE CITY COUNCIL

/s/ Jack Davis
City Administrator



PUBLIC FORUM SIGN UP SHEET

March 21, 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

