

City of East Bethel

City Council Agenda

Regular Council Meeting – 7:30 p.m.

Date: July 20, 2011



- | | Item | |
|------------|------------|---|
| 7:30 PM | 1.0 | Call to Order |
| 7:31 PM | 2.0 | Pledge of Allegiance |
| 7:32 PM | 3.0 | Adopt Agenda |
| 7:33 PM | 4.0 | Reports |
| Page 1 | A. | Sheriff's Report |
| 7:43 PM | 5.0 | Public Forum |
| 8:03 PM | 6.0 | Consent Agenda |
| | | <i>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.</i> |
| Page 4-8 | A. | Approve Bills |
| Page 9-24 | B. | Meeting Minutes, July 6, 2011 Regular Meeting |
| Page 25-29 | C. | Meeting Minutes, June 15, 2011 Work Meeting |
| Page 30-47 | D. | Meeting Minutes, June 22, 2011 Special Meeting |
| | E. | Purchase Wheel Loader – Equipment Replacement Schedule |
| | | New Business |
| | 7.0 | Commission, Association and Task Force Reports |
| 8:08 PM | A. | Planning Commission |
| Page 48-64 | 1. | Meeting Minutes, June 22, 2011 |
| 8:10 PM | B. | Park Commission |
| Page 65-70 | 1. | Meeting Minutes, June 14, 2011 |
| 8:12 PM | C. | Road Commission |
| Page 71-76 | 1. | Meeting Minutes, June 8, 2011 |
| | 8.0 | Department Reports |
| | A. | Community Development (No Report) |
| 8:14 PM | B. | Engineer |
| Page 77-84 | 1. | Whispering Aspen WWTP |
| 8:30 PM | C. | Attorney |
| Page 89-95 | 1. | US Cable/Mid Continent Acquisition Resolution |
| 8:40 PM | D. | Finance |
| Page 96 | 1. | 2012 Budget Work Meetings |
| | E. | Public Works (No Report) |
| | F. | Fire Department (No Report) |
| | G. | City Administrator (No Report) |
| | 9.0 | Other |
| 8:50 PM | A. | Council Reports |

9:00 PM B. Other
9:10 PM Page 97 C. Closed Meeting – MBI Contract
9:30 PM **10.0 Adjourn**



City of East Bethel City Council Agenda Information

Date:

July 20, 2011

Agenda Item Number:

Item 4.0 A

Agenda Item:

Monthly Sheriff's Report

Requested Action:

Information Only

Background Information:

Lieutenant Orlando will review the monthly statistics and report on activities for the month of June, 2011.

Fiscal Impact:

None

Recommendation(s):

Information Only

City Council Action

Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required: X

Anoka County Sheriff's Office Report July 2011

DWI Arrests: There were 9 DWI arrests for the month of June. Two arrests occurred for traffic violations. Two arrests occurred as a result of "suspicious vehicles" – one where the driver claimed to have been the sober driver. Three involved property damage accidents. Two involved the same driver but two weeks apart.

There were 13 reports of damage to property. The majority of these reports involve damage that has occurred overnight, with no suspect information. It is important to call 911 if you see or hear anything suspicious.

Three juvenile males were caught burglarizing an attached garage by a homeowner. The three males were not from the East Bethel area. None of them would speak with the Detective, upon an interview attempt. Just a reminder to close and secure your garage and service doors, even during the day.

There were two incidents where arrests were made for possession of a controlled substance. One involved a juvenile male and one involved an adult male.

There were ten thefts from vehicles reported for the month. The majority involved items being taken from unlocked vehicles, while parked overnight in driveways. Items taken are GPS systems, Ipods, cell phones and cell phone chargers, car stereos, and change. Many times car thieves will break windows to get items that they want so be sure to take your valuable items into your house.

If you or someone you know is in need of a car seat for an infant or a booster seat for a child, please contact our office and speak with Laura Landes – she does have seats available at no charge.



Payments for Council Approval July 20, 2011

Bills to be Approved for Payment	\$93,750.82
Electronic Payments	\$834,737.91
Payroll City Staff - July 7, 2011	\$38,511.67
Payroll Fire Dept - July 15, 2011	\$5,676.37
Total to be Approved for Payment	\$972,676.77

City of East Bethel

July 20, 2011

Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
2010 GO WATER REVENUE NO	Bond Interest	70511	MN Public Facilities Authority	309	30900	342.95
2010 GO WATER REVENUE NO	Debt Srv Bond Principal	70511	MN Public Facilities Authority	309	30900	3,000.00
215-221st East 65 Service Rd	Architect/Engineering Fees	28152	Hakanson Anderson Assoc. Inc.	402	43125	5,324.96
Arena Operations	Bldgs/Facilities Repair/Maint	62111	Connexus Energy	615	49851	21.32
Arena Operations	Bldgs/Facilities Repair/Maint	2744800	Trane U.S. Inc.	615	49851	875.00
Arena Operations	Electric Utilities	62111	Connexus Energy	615	49851	623.81
Arena Operations	Professional Services Fees	35	Gibson's Management Company	615	49851	5,655.70
Arena Operations	Telephone	70111	Qwest	615	49851	110.63
Assessing	Professional Services Fees	70111	Kenneth A. Tolzmann	101	41550	11,364.00
Bataan Street Project	Architect/Engineering Fees	28148	Hakanson Anderson Assoc. Inc.	402	43124	1,493.26
Building Inspection	Motor Vehicles Parts	10584	M & L Auto Repair	101	42410	42.05
Central Services/Supplies	Information Systems	214886	City of Roseville	101	48150	2,009.58
Central Services/Supplies	Information Systems	40725	US Cable	101	48150	1,295.81
Central Services/Supplies	Office Equipment Rental	180578288	Loffler Companies, Inc.	101	48150	440.71
Central Services/Supplies	Office Supplies	71111	MN Secretary of State - Notary	101	48150	120.00
Central Services/Supplies	Office Supplies	568885716001	Office Depot	101	48150	66.64
Central Services/Supplies	Office Supplies	569434941001	Office Depot	101	48150	9.88
Central Services/Supplies	Office Supplies	569168226001	Office Depot	101	48150	37.25
Central Services/Supplies	Office Supplies	569168184001	Office Depot	101	48150	23.49
Central Services/Supplies	Small Tools and Minor Equip	257007	Frankensigns Incorporated	101	48150	182.76
Central Services/Supplies	Telephone	70111	Qwest	101	48150	231.20
City Administration	Unemploy Benefit Payments	2nd Qtr 2011	MN Dept of Employment and	101	41320	464.00
Economic Development Authority	Legal Fees	112777	Eckberg, Lammers, Briggs,	232	23200	88.00
Engineering	Architect/Engineering Fees	28151	Hakanson Anderson Assoc. Inc.	101	43110	5,750.72
Fire Department	Bldg/Facility Repair Supplies	S01300095.001	Ferguson Waterworks	101	42210	28.69
Fire Department	Bldgs/Facilities Repair/Maint	20051	Alex Air Apparatus, Inc.	101	42210	146.26
Fire Department	Bldgs/Facilities Repair/Maint	62111	Connexus Energy	101	42210	5.32
Fire Department	Dues and Subscriptions	70811	Mark DuCharme	101	42210	75.00
Fire Department	Electric Utilities	62111	Connexus Energy	101	42210	685.87
Fire Department	Equipment Parts	1921-339009	O'Reilly Auto Parts	101	42210	136.34
Fire Department	Equipment Parts	1921-343274	O'Reilly Auto Parts	101	42210	101.55
Fire Department	General Operating Supplies	1991516	Kimball Midwest	101	42210	471.14
Fire Department	Office Supplies	570052376001	Office Depot	101	42210	84.79
Fire Department	Telephone	70111	Qwest	101	42210	411.76
General Govt Buildings/Plant	Bldg/Facility Repair Supplies	40725	Orkin Commercial Services	101	41940	79.30
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	470671602	Cintas Corporation #470	101	41940	20.59
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	14740	GHP Enterprises, Inc.	101	41940	368.72
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	75831	Olson's Sewer Service, In	101	41940	540.20
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	455408-06-11	Premium Waters, Inc.	101	41940	39.42
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	117247	Robert B. Hill Company	101	41940	19.24
General Govt Buildings/Plant	Electric Utilities	62111	Connexus Energy	101	41940	969.72
General Govt Buildings/Plant	Electric Utilities	62111	Connexus Energy	101	41940	90.79
Housing & Redevelopment Autho	Legal Fees	8870	Hoff, Barry & Kozar, P.A.	230	23000	600.96
Human Resources	Unemploy Benefit Payments	2nd Qtr 2011	MN Dept of Employment and	101	41810	7,514.00
Legal	Legal Fees	63011	Carson, Clelland & Schreder	101	41610	2,209.91
Legal	Legal Fees	40695	Eckberg, Lammers, Briggs,	101	41610	6,265.10
Legal	Legal Fees	112777	Eckberg, Lammers, Briggs,	101	41610	5,524.44
Mayor/City Council	Professional Services Fees	-629737	North Suburban Access Corp	101	41110	120.00
MSA Street Construction	Architect/Engineering Fees	28139	Hakanson Anderson Assoc. Inc.	402	40200	2,216.93
MSA Street Construction	Architect/Engineering Fees	28141	Hakanson Anderson Assoc. Inc.	402	40200	16.87
Park Acquisition/Development	Architect/Engineering Fees	28141	Hakanson Anderson Assoc. Inc.	404	40400	56.23
Park Maintenance	Bldg/Facility Repair Supplies	8165	Great Northern Landscapes, Inc	101	43201	469.80

City of East Bethel

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Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
Park Maintenance	Bldg/Facility Repair Supplies	316664	Ham Lake Hardware	101	43201	45.05
Park Maintenance	Clothing & Personal Equipment	470668210	Cintas Corporation #470	101	43201	75.43
Park Maintenance	Clothing & Personal Equipment	470671603	Cintas Corporation #470	101	43201	47.58
Park Maintenance	Clothing & Personal Equipment	62111	Darrin Hansen	101	43201	100.00
Park Maintenance	Electric Utilities	62111	Connexus Energy	101	43201	364.48
Park Maintenance	Equipment Parts	81451	CATCO Clutch & Transmissi	101	43201	267.16
Park Maintenance	Equipment Parts	57692	Gerdin Auto Service Inc	101	43201	21.69
Park Maintenance	Equipment Parts	316230	Ham Lake Hardware	101	43201	14.95
Park Maintenance	Equipment Parts	03 3050586	Isanti County Equipment	101	43201	170.95
Park Maintenance	Motor Vehicles Parts	1539-479487	O'Reilly Auto Parts	101	43201	55.19
Park Maintenance	Park/Landscaping Materials	44069	Hoffman Bros. Sod, Inc	101	43201	71.61
Park Maintenance	Park/Landscaping Materials	43810	Hoffman Bros. Sod, Inc	101	43201	107.41
Park Maintenance	Personnel/Labor Relations	259707	LexisNexis Occ Health Solution	101	43201	64.00
Park Maintenance	Safety Supplies	9573905354	Grainger	101	43201	67.09
Park Maintenance	Small Tools and Minor Equip	11052	Access Lock & Key LLC	101	43201	114.13
Park Maintenance	Small Tools and Minor Equip	48254	Menards Cambridge	101	43201	42.56
Park Maintenance	Small Tools and Minor Equip	17441	St Francis True Value Hdwe	101	43201	400.00
Park Trails Capital Projects	Park & Landscape Services	147	Top Notch Fence	410	41000	700.00
Payroll	Insurance Premiums	40725	MN NCPERS Life Ins	101		128.00
Payroll	Union Dues	40725	MN Teamsters No. 320	101		601.35
Police	Professional Services Fees	16057	Gopher State One-Call	101	42110	23.40
Police	Professional Services Fees	70111	Gratitude Farms	101	42110	1,044.56
Recycling Operations	Electric Utilities	62111	Connexus Energy	226	43235	131.22
Recycling Operations	Professional Services Fees	40725	Cedar East Bethel Lions	226	43235	1,000.00
Sewer Operations	Bldgs/Facilities Repair/Maint	62111	Connexus Energy	602	49451	24.53
Sewer Operations	Electric Utilities	62111	Connexus Energy	602	49451	961.60
Sewer Operations	Electric Utilities	62111	Connexus Energy	602	49451	60.13
Sewer Operations	Professional Services Fees	78652	Utility Consultants, Inc.	602	49451	492.50
Sewer Utility Capital Projects	Architect/Engineering Fees	28144	Hakanson Anderson Assoc. Inc.	434	49455	2,357.46
Sewer Utility Capital Projects	Architect/Engineering Fees	28143	Hakanson Anderson Assoc. Inc.	434	49455	454.20
Sewer Utility Capital Projects	Legal Fees	112777	Eckberg, Lammers, Briggs,	434		154.00
Sewer Utility Capital Projects	Legal Fees	112777	Eckberg, Lammers, Briggs,	434		143.00
Sewer Utility Capital Projects	Legal Fees	112777	Eckberg, Lammers, Briggs,	434	49455	22.00
Sewer Utility Capital Projects	Legal Fees	112777	Eckberg, Lammers, Briggs,	434	49455	44.00
Street Capital Projects	Architect/Engineering Fees	28141	Hakanson Anderson Assoc. Inc.	406	40600	97.30
Street Capital Projects	Street Maint Services	12662	Classic Construction	406	40600	4,815.00
Street Maintenance	Bldgs/Facilities Repair/Maint	470671603	Cintas Corporation #470	101	43220	26.50
Street Maintenance	Bldgs/Facilities Repair/Maint	470668210	Cintas Corporation #470	101	43220	26.50
Street Maintenance	Bldgs/Facilities Repair/Maint	62111	Connexus Energy	101	43220	21.29
Street Maintenance	Bldgs/Facilities Repair/Maint	506	Dave Heley	101	43220	200.00
Street Maintenance	Bldgs/Facilities Repair/Maint	455408-06-11	Premium Waters, Inc.	101	43220	39.41
Street Maintenance	Clothing & Personal Equipment	470671603	Cintas Corporation #470	101	43220	74.86
Street Maintenance	Clothing & Personal Equipment	470668210	Cintas Corporation #470	101	43220	47.01
Street Maintenance	Electric Utilities	62111	Connexus Energy	101	43220	1,550.68
Street Maintenance	Equipment Parts	2114287	MacQueen Equipment, Inc.	101	43220	290.70
Street Maintenance	Equipment Parts	3226762-RI	Tiger Corporation	101	43220	207.15
Street Maintenance	Equipment Parts	9C00280	Titan Machinery	101	43220	202.71
Street Maintenance	Motor Vehicles Parts	1539-479487	O'Reilly Auto Parts	101	43220	120.00
Street Maintenance	Safety Supplies	9573905354	Grainger	101	43220	50.00
Street Maintenance	Small Tools and Minor Equip	17441	St Francis True Value Hdwe	101	43220	748.91
Street Maintenance	Street Maint Materials	10169	Commercial Asphalt Co.	101	43220	116.61
Street Maintenance	Street Maint Materials	10330	Commercial Asphalt Co.	101	43220	118.34

City of East Bethel

July 20, 2011

Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
Street Maintenance	Street Maint Materials	11791	Commercial Asphalt Co.	101	43220	90.77
Street Maintenance	Telephone	70111	Qwest	101	43220	67.84
Water Utility Capital Projects	Architect/Engineering Fees	28143	Hakanson Anderson Assoc. Inc.	433	49405	454.20
Water Utility Capital Projects	Architect/Engineering Fees	28150	Hakanson Anderson Assoc. Inc.	433	49405	3,986.18
Water Utility Capital Projects	Electric Utilities	62111	Connexus Energy	433	49405	131.66
Water Utility Capital Projects	Legal Fees	112777	Eckberg, Lammers, Briggs,	433	49405	22.00
Water Utility Capital Projects	Legal Fees	112777	Eckberg, Lammers, Briggs,	433	49405	44.00
Water Utility Operations	Bldgs/Facilities Repair/Maint	62111	Connexus Energy	601	49401	26.67
Water Utility Operations	Electric Utilities	62111	Connexus Energy	601	49401	216.35
Water Utility Operations	Electric Utilities	62111	Connexus Energy	601	49401	153.05
Water Utility Operations	Telephone	70111	Qwest	601	49401	108.24
	Sales & Use Tax	2nd Qtr 11	Minnesota Dept of Revenue	101		483.00
						\$93,750.82

City of East Bethel

July 20, 2011

Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
	Electronic Payments					
	PERA					\$5,524.59
	Federal Withholding					\$6,161.73
	Medicare Withholding					\$1,810.12
	FICA Tax Withholding					\$5,899.37
	State Withholding					\$3,048.98
	MSRS					\$3,099.48
	US Bank - 2005A GO Public Safety Bond					\$31,431.25
	US Bank - 2005B GO Improvement Bond					\$4,960.00
	US Bank - 2008A GO Sewer Revenue Bond					\$28,655.00
	US Bank - 2010A GO Water Utility Revenue Bond					\$481,551.08
	US Bank - 2010B GO Utility Revenue Bond					\$236,397.57
	US Bank - 2010C GO Taxable Bond					\$26,198.74
						\$834,737.91



City of East Bethel City Council Agenda Information

Date:

July 20, 2011

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, July 6, 2011 Regular City Council

Meeting minutes from the July 6, 2011 Regular City Council Meeting are attached for your review and approval.

Item C

Meeting Minutes, June 15, 2011 Work Meeting

Meeting minutes from the June 15, 2011 Work Meeting are attached for your review and approval.

Item D

Meeting Minutes, June 22, 2011 Special Meeting

Meeting minutes from the June 22, 2011 Special City Council Meeting are attached for your review and approval.

Item E

Purchase Wheel Loader – Equipment Replacement Schedule

As part of the City’s Equipment Replacement Program, the 1992 Caterpillar IT 28 wheel loader is scheduled for replacement in 2012. This is a regular replacement for this item. This piece of equipment is the oldest unit in our fleet and has reached the stage in its service life where the maintenance costs of this loader are becoming excessive and are approaching the value of the machine. Due to higher maintenance costs, increased down time and lower productivity of this machine, City staff recommends that we replace the 1992 IT 28.

The existing loader was purchased with a snow plow wing and front blade, bucket and forks and the new loader will be equipped accordingly.

Staff has checked state contracts for loaders with minimum specifications of 3 cy buckets, 130 horsepower and integrated tool carrier capabilities. This is consistent with our needs and the last unit which was purchased in 1992. From a review of the State Contracts for this type of equipment we have identified the CAT 924H as the unit that best matches our requirements.

Funds for this acquisition are provided for in the Equipment Replacement Fund. Funding was budgeted at \$180,000 for replacement of this loader. The salvage/trade in value of the 1992 IT 28 is \$30,000. The cost for the 924H is \$148,390 on the state contract. The total cost for this machine less the trade in of \$30,000 is \$118,390 and with the addition of sales tax the total cost of the new unit is \$126,825.28. This cost assumes that the trade in condition of our current machine, the IT 28, is in the condition as inspected on June 30, 2011. As noted our machine will be traded in on the new purchase. All prices are directly from the State Contract for 2011. The state contract on this machine expires on August 31, 2011. Machines ordered after this date are subject to a price increase for the base unit and an increase for the Tier IV emission compliance. These additional costs would increase the price of this machine by \$23,846.03 if we postpone ordering the 924 H after August 31, 2011.

Should Council decide to move forward, the City would place the order now to avoid the price increase that will be effective at the end of next month. This unit would be available for delivery in January 2012. An order at this time would protect the 2011 pricing and the unit would not be invoiced until 2012. Payment would be in the 2012 budget year from the Equipment Replacement Fund.

Staff recommends the purchase of the CAT 924 H Loader for a cost of \$126,825.28 in accordance with the trade in conditions listed on the attachment. This equipment will meet our current and future needs and have a projected service life of 15 years.

Fiscal Impact:

As noted above.

Recommendation(s):

Recommend approval of the Consent Agenda as presented.

City Council Action

Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required:_____

EAST BETHEL CITY COUNCIL MEETING

July 6, 2011

The East Bethel City Council met on July 6, 2011 at 7:30 PM for their regular meeting at City Hall.

MEMBERS PRESENT: Bill Boyer Bob DeRoche Richard Lawrence
 Heidi Moegerle Steve Voss

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

Call to Order **The July 6, 2011 City Council meeting was called to order by Mayor Lawrence at 7:30 PM.**

Adopt Agenda **Boyer made a motion to adopt the July 6, 2011 City Council Agenda moving item G.2 JPA Anoka County Sheriff Agreement to follow the Consent Agenda. Voss seconded. Moegerle asked to also add Appoint Jack Davis as City Clerk/Treasurer as Item G.3. Boyer accepted that amendment to the agenda. Voss seconded the amendment; all in favor, motion carries.**

Presentation – Lawrence said we want to thank Eldon Holmes for his service as a Planning Commission Member. He said Eldon Holmes served the City of East Bethel as a Planning Commission member from 2005 until 2011. We invited Mr. Holmes to attend the meeting, but he has a conflict on Wednesdays. Thank him for service and we hope he returns to do more service for City. Boyer said he has been a great addition to the City, he is involved in other community service right now and that is why he left the Planning Commission.

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

Bob Jacobson of 20628 East Bethel Blvd. NE said he wants to comment on the district of the sheriff's department. He said he thinks it is foolish. Jacobson said the City has worked hard to get to the protection they have right. He said from what he heard at the last Council meeting Sheriff Stuart said it would cut the deputies from 21 to 17 for three cities and to him that is laying a welcome mat in the street saying come thieves, come on we are open for business, help yourself. Jacobson said he thinks it is one of the most foolish things you can do. He said he thinks you need to keep what we have and forget about getting in with anybody else. Jacobson said you are also going to run into having three cities trying to control what is happening with those deputies and you are going to have a problem. He said anytime you combine like that you are going to run into a problem.

Denise Lachinski of 22286 Vermillion Street NE said she wants to invite everybody to East Bethel Booster Day. She said our active committee members have done a whole lot of work to make it bigger and better than it ever has been. Lachinski said we have things posted all over the City. She said the East Bethel fire fighters are out selling tickets for the dance, she doesn't know if anyone has seen them out there but buy those tickets. Lachinski asked Field 8 is the fence over there, is that how it is going to be. Davis said no, that hasn't been finished, the contractor ran three posts short and he has reordered those, the corner has to be

reset, tied back into Mr. Oney's fence and then we will take the existing fence and tie it back into your property corner. Lachinski said she knows they are using that trail for the 5K, will those picnic tables be moved by Booster Day. Davis said yes they will. He said we have kind of kept those up as a barrier there to prevent vehicles from driving back and forth, but they will be moved by Booster Day.

Lachinski said she has missed a couple meetings because of course it is baseball season but she is a little concerned about sheriff's joint power. She said with Oak Grove only taking such a little portion and we are paying such a big portion she doesn't understand the disparity there. Lachinski said with three cities fighting for the same services who is going to get the say in what. She said we just had a power outage this weekend, the sheriff's were everywhere, were busy everywhere how do you plan on emergency services. Commander Halweg said we are further down on the agenda, but the district plan is not being pushed by the sheriff's office. He said there might be a time when all the deputies will be in East Bethel if there is a need. Lachinski said she knows the fire station 2 had 16 calls that night. She said she didn't see her husband all night long he was busy helping everyone else and she was sitting in the dark. Commander Halweg said the East Bethel deputies were running just as well.

Lachinski said we knew there were kids in Booster Park but there wasn't any reason to call because we knew you guys were doing things more important than shooing kids out of the park. Commander Halweg said usually our calls go just in line with the fire department. He said this is being presented as an option, we are happy with the way contract is set up, but we understand the economic times and are giving the City options. Lachinski said she just wanted to let you know how it is when the power is out, and there was an emergency there weren't any deputies to actually handle some of the littler things. She said so if there are three cities as mentioned she can see some conflicts with that.

Lawrence said the one thing when Sheriff Stuart wrote this plan out, he said this is his plan, he said this plan is safe, he said he would not present something that would leave us shorthanded on protection and coverage for our City. He said this is just about verbatim of what he said. Commander Halweg said it is less coverage than now, but it would not be short of what you are required to have for your City.

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

Consent Agenda

Boyer made motion to approve the Consent Agenda including: A) Approve Bills; B) Meeting Minutes, June 15, 2011, Regular Meeting; C) Meeting Minutes, June 15, 2011 Work Meeting; D) Meeting Minutes, June 22, 2011 Special Meeting; E) Resolution 2011-21 Appointment of Responsible Authority; F) Weather Warning Siren Update. Voss seconded. Moegerle said she would like to remove items C) Meeting Minutes, June 15, 2011 Work Meeting; D) Meeting Minutes, June 22, 2011 Special Meeting from the consent agenda, she has reviewed them and there are typos and changes that need to be made and she would like to table these until the next Council meeting. Boyer amended his motion to remove items C) Meeting Minutes, June 15, 2011 Work Meeting; D) Meeting Minutes, June 22, 2011 Special Meeting from the Consent Agenda and table those two items until the July 20, 2011 Council meeting. Voss seconded the amendment; all in favor, motion carries.

JPA Anoka
County
Sheriff
Agreement

Commander Halweg said Sheriff Stuart and Lt. Orlando couldn't attend tonight so he is here to answer any questions you have on any of the options that have been provided for 2012. He said the district option has been provided with 17 and 18 deputies as well as 40 hours with the CSO option that you have now, as well as a 32 hour contract with CSO coverage. Commander Halweg said both the 32 and 40 hour would be maintaining your East Bethel contract with just East Bethel, not incorporating Ham Lake and Oak Grove. Moegerle said just to be clear this is about the Joint Powers Agreement (JPA) and entering into a JPA does not mean we would be adopting the district plan, it just means that we can adopt the district plan at some later date if we choose to. Boyer said he is really uncomfortable with this, we have no reporter here, we have no microphones, that means none of this discussion is going to be on the public record. He said we will have minutes, but nobody on TV is going to hear a word of this, this is a big issue for the City of East Bethel, and he came prepared to talk about this obviously he moved this, it is the whole reason he is here, but. A staff member indicated that they were pretty sure the meeting was being recorded for playback on Channel 10 and the website.

Moegerle said this is just the JPA; this is not the sheriff's department agreement. Voss said it is the first step. Boyer said and he doesn't think anyone in this City knows we are talking about this. Moegerle said she got a call today, but all this does is increase the opportunities of four different possibilities. Voss said we can do the JPA later on; it doesn't need to be done now. He said he still waiting to have a resident asked to have their police coverage lowered. Voss said he hasn't had anyone ask him that yet. Moegerle said what she has heard is why do we have so many sheriff's cars parked, they are parked here and parked there, that is what we see. Voss said so you are saying what you see. Moegerle said you were saying what you here from residents and she is saying what she hears from residents. Voss asked what do you see. Moegerle said she sees parked cars. Voss asked if Moegerle if she has ever gone on a ride along with sheriff. Moegerle said no, she hasn't had an opportunity yet. Voss asked why not. Moegerle said she has been working with EDA issues. Voss said so you are looking at cutting police coverage in our City without having direct knowledge of what our police coverage is. Moegerle said she reads, we get monthly reports. Voss said so they must be something then right. He said does the monthly report say they are not doing anything. Moegerle said she is saying what she is seeing and what she has residents reporting to her, that is what she is saying, she is not saying that they are not doing their job. Voss said he would appreciate at least one resident coming to him and saying we have too much police coverage. He said because all we heard for years is we didn't have enough police in the neighborhoods didn't have enough patrols, that is what you are cutting. Voss said like what Sheriff Stuart is saying they are going to respond to calls, what you are cutting is everything else we have asked for over the years from our sheriff's department.

Moegerle said she would like to know about the proactive activity. Commander Halweg said that goes back 10-15 years ago, we had an outside company come in and do a study of how long it takes to handle an average call. He said they did this over a long span. Commander Halweg said how many arrests were made in a week and the transport time, how much time is spent in an eight hour shift responding to calls and then basing a percentage, national standards, some places say you should have 50% proactive time some say 40%. He said we have used the 40% proactive time as our bottom line for contract coverage. Commander Halweg said in a typical 8 hour shift 40% of a deputy's time is spent on neighborhood patrols, extra traffic controls, things of that nature and the rest of the time is being taken up by the calls. He said we take your calls for service each year and multiply by the time the study showed; it is not perfect, just to keep it standard across all of our

contracts.

Moegerle asked does the sheriff's office keep track of the road miles on each car and each deputy. Commander Halweg said yes. Moegerle said that would be very important information to her, how much time is patrolling, and let us know that patrolling is getting done, it is easy to see a car that is parked then a car that is patrolling because you both could be going in different directions. Commander Halweg said going back to when he was a patrol deputy, a lot of paperwork to do and you sit and you have to get that paperwork done by the end of the shift and if you have 3 or 4 calls in a row you might sit for an hour and when we do sit, we want to be visible we don't want to be hidden, we want people to know we are out there. He said we hear the complaints too about the deputies sitting side by side, but if they are both working on paperwork, sharing information. Commander Halweg said when he was working county-wide some nights he put on 60 miles and some nights might have put on 200 miles, not necessarily because it is quiet, sometimes on the nights we put on 60 miles we might have gotten more calls. He said we do keep track of it because the cars come up each year; they are up in the 70,000 to 80,000 in miles by the end of the year, just in the City each year.

Lawrence asked do we have a response time on our calls for East Bethel, do we know what that is. Commander Halweg said we can look at that, we have looked at that in the past. Boyer said the point Voss was trying to make is if you stop doing the preventive patrolling you will have more calls and you will spend more time doing that sort of thing. He said and dealing with the parked car thing, he was a carpenter for 20 years and he remembers very clearly each time he nailed his thumb, where he did it and how he did it, and he thinks seeing parked police cars is not that much different.

Voss said on the issue of parked cars he has been on a number of ride alongs and the story of last one, in a way this was funny and in a way it wasn't. He said the deputies always ask for feedback. Voss said and the number one thing is don't be parked at the fire station and Our Saviour's and it was the issue that he had a couple calls and had a report to do and he wasn't going to go sit in the office and do it and the deputy said it would take a half hour and so he asked me where do you want to park. He said he told him let's go sit at the theatre, high visibility, close to the highway and we weren't there 8 minutes and he got a call from the Sergeant saying they had a complaint that he was sitting at the East Bethel Theatre taking radar on 65. Voss said he responded right back that Council Member was sitting right there and wanted him to sit in a high profile spot, so deputies are using time effectively in a high visibility spot, the theatre has had some problems with break ins of cars there and they get criticized for it. He said for all the ride alongs he has been on they are not sitting around, they are not in the donut shop, sitting watching TV in a lounge, they want to be working, they don't want to be sitting around.

DeRoche said he understands that, but this is a fact finding discussion, this isn't beating up on the Anoka County Sheriff's, this isn't beating up on anybody, we are looking for information, you guys have been on Council but now we need information and without getting as much information as you can how can you make a decision you can't make an intelligent decision. He said he hasn't heard anyone up here yet say we are going to go with the district proposal. Voss said that is all that has been proposed. He said no, he is sorry, he takes that back. Voss said this wasn't proposed by Council you brought it to Council and said here is the plan. He said the first he heard about it was when Sheriff Stuart stood right there and presented it. Voss said your fact finding is you are making a plan and saying here it is. DeRoche said he isn't involved in this, because he is asking questions you are making

assumptions. He asked before Stuart was here you didn't know about the plan. DeRoche said he doesn't go to the meetings, whatever, he just doesn't. He said what he needs before he makes a decision, since he has sat behind this desk is he wants to get all the facts he can to make an intelligent decision, one way or the other. Boyer said while he appreciates that, but he doesn't think putting motions in front of Council is a way to gather facts. He said you gather facts before you develop the motions.

Lawrence said the reason we need this JPA in place is to move the opportunity forward. He said that is not saying it is going to happen, but if we don't do this it is over and we don't do it. Lawrence said we need the consensus of all three cities to move forward. Voss said who is saying we have to do this now. He said evidently we haven't even discussed this yet, so how can we move forward. Voss said a JPA is a contract and it can be done anytime, but you don't sign a contract unless you have intent. Moegerle said this is not a contract. Voss said a JPA is a contract by any means. Moegerle said only if all three decide to go forward, any one can pull the plug. Voss said then let's have the discussion about what we are doing before we say we think we are going to do it. Lawrence said Stuart needs the JPA to get his stuff planned to work his stuff out and get it all worked out. Boyer said the JPA calls for a 20% decrease in East Bethel police coverage. He said it also calls for us subsidizing Oak Grove who has 8,000 residents and is going to pay for 16 hours of service and we are going to pay for 32, anybody can do that math. Boyer said they are 2/3rds the size of us, how come we are paying for them. Moegerle said if you have concerns about the terms and allocations of cost that is about the JPA and she thinks that is great, let's discuss that, that is a real issue.

Voss asked if we stay with the current contract what is the value of the JPA. Moegerle said it goes away. Voss said then why would you even start it. Moegerle said because what this does if it tells the sheriff that there is interest enough for him to continue to develop the numbers to flush out the proposal. Voss said he thinks that is key, it is showing the interest we haven't had the discussion so how can we say we have the interest. Moegerle said the interest is information, isn't information power. She said all we are asking for is power and more information, that is all it does. Boyer asked information about what are we lacking. Commander Halweg said the sheriff's office has no involvement with drafting this JPA. Boyer said we realize that. Moegerle said but her understand is as far as the JPA was not drafted by the sheriff's department, but the sheriff would like this to be signed for him to develop more things, is that a correct understanding. Commander Halweg said with all cities having an agreement the main thing for the district concept is all three cities need to be fully on board for this; however it is broken down for cost is obviously up to the cities to decide. Voss said just so you understand Council has not had discussion on this. Boyer said the logical place to start with this discussion is who is in favor of reducing police services in East Bethel by 20%. He said if we ain't doing that then we aren't talking about a JPA here.

Lawrence said right now we are throwing some numbers down here. He asked are we reducing service or are we; there is a difference between reducing service and reducing coverage. Commander Halweg said there is a reduction in coverage, which will equate to a reduction in service. He said right now all three cities combined have about 21 deputies. Commander Halweg said if this district concept goes through, we have four deputies' positions we are holding right now that we don't have people in those because we don't want to hire people and then lay them off. He said but these will be bodies from the patrol services that will go away. Commander Halweg said basically it is taking our minimum basic 40% and putting those cities together and making that 40% together. He said this is compared to right now your contract is might higher than that 40%. Commander Halweg

said your proactive time will be significantly less.

Moegerle asked can you review how the district will work, particularly the question that Ms. Lachinski brought up where one City might have a need, how would this work. Commander Halweg said basically we would have cars working out of here and cars working out of Ham Lake, Oak Grove doesn't have a substation their cars typically work out of Andover, but we would look at the three cities as one large City. He said and when it is a quiet time, we would have districts so that wouldn't be five cars in Oak Grove, East Bethel, or Ham Lake, we want them all spread out. Commander Halweg said we might have three calls in Oak Grove and all five cars might be there, but at the same time if you have multiple calls at one time you may have all the cars here. He said that is how we came up with the cost is we took a look at all the calls for all the cities and came up with costs. Lawrence asked when you talk about coverage, every time you have an officer, when you have 40 hours of coverage you have this amount of response time and if you have 32 hours of coverage it will take longer. Commander Halweg said it could, emergency calls are always going to take priority, all our contracts understand if there is an emergency in Linwood and no officer is on, then the East Bethel car might go there. He said but at the same time he has been on calls in East Bethel where we have had every car in the County.

Boyer said he appreciates that, but we seem to be confusing the issue here. He said it is very simple, if you go from 40 hours to 32 hours you are reducing service for East Bethel residents by 20%. Boyer said you can mucky mucky it however, but that is what you are doing. Lawrence said okay but now if you said that if you looked at Ham Lakes calls of service when they were at 40 hours of service, they went down to 32 hours and their response time became better. Boyer said that was for a two month period, he saw the same numbers. He said two months is statistically nonsense. Boyer said you cannot measure things in two months out of a calendar year, there is a seasonal difference as the sheriff can tell you there are all kinds of things, bad economies influence calls, all kinds of things do. Commander Halweg said for the record they did just go back to 36 hours and it is basically pulling 15 shifts a month right now, it wasn't a full drop to 32, had they gone down to 32 they would have gone below that 40%.

DeRoche said personally he would like to see what the public wants; he would like to have a public meeting. Voss said absolutely. Boyer said me too. Moegerle asked does Andover contract with the sheriff. Commander Halweg said yes. Moegerle said because she noticed the total residents for Ham Lake, Oak Grove and East Bethel is about is 35,000 and Andover has a population of about 30,000 so it is not apples to apples but what kind of policing program does Andover have that is provided by the sheriff's department. Commander Halweg said we have about an 80 hour contract for services plus they contract for their own investigator and some crime prevention services on the side and they have typically stayed up towards that 50% proactive time.

Boyer made a motion to table the JPA Anoka County Sheriff agreement until we can have a public meeting on it. Voss seconded. Voss said he thinks we need to find an effective way to communicate this to the residents and have enough time to get this out. He asked how soon the sheriff's office needs an answer. Commander Halweg said the sheriff's words today was we need to know as soon as possible because our 2012 budget is out and if the district concept is not going, we have positions we need to hire for January 1 and we need to move quickly to have these bodies on board, like he said we have been holding these open positions, so the sooner the better. He said those are basically the sheriff's words, whatever the resolution. Voss asked what the next agenda was like. Davis said this can be

the main agenda item. Lawrence said he will not be in attendance. He asked are you talking about a public hearing. Moegerle said they want to have a public hearing on the JPA. She said she thinks there should be a public hearing on the sheriff's contract. Voss said it is not a public hearing; it is a public information meeting. He said we need to get the information out that a portion of the council is looking at cutting the sheriff's coverage. Moegerle said that is not correct. Voss said you are going from 40 hours to 32 how is that not a cut. Moegerle said we are gathering information about alternatives. Voss said he is telling her that is one alternative she is cutting the sheriff's contract, present it to the public. Moegerle said that is one alternative of four, there is nothing to say we are going to do that, we are just opening up so we can get more information from the sheriff. She said she isn't opposed to getting information.

Boyer said first of all you get information before you propose things. Moegerle said the sheriff won't proceed to give us information unless there is interest in the JPA. She said that is what was represented to her. Commander Halweg asked what information are you looking for. Moegerle said that was what was represented to her was after getting the JPA there was more information the sheriff wanted to work on. Voss asked what information do you not have enough of, seems to him he has heard this before, but what information do you need to make decisions. Moegerle said has questions about a graph on page 99, call type domestics and response time, and with regard to all calls she didn't know if that was an average of averages or what that is because if that is an average of averages that information isn't correct. She said she doesn't know what that means. Moegerle said she would like to have more information as she indicated earlier, miles and patrol over the course of years in East Bethel, she thinks that would be valuable to know. She said she is sure there is more, but if you are to tell her that this sheet of paper, this summarizes a million dollar contract and the terms of it, she thinks there should be more information for a million dollar contract. Moegerle said but you make contracts for 5.8 million dollar water treatment plants that we don't even need so you must have a different standard.

Voss said he would suggest we get the information out to the public, information that we haven't heard, you absolutely haven't heard, we haven't heard as a Council is what the public wants, and second suggestion is if you really want to understand what we spend a million dollars a year on, 25% of our budget, take four hours out of your day and go on a ride along with a deputy and you will be amazed at how much you learn at what they do. He said there is no excuse to not get that done before our next meeting; we have 40 hours of coverage. Boyer said everyone has different schedules. Voss said he had his first ride along before he even took office. Vierling said there is a gap in the motion relative to the date you would have the hearing.

Boyer said he would like to schedule the public meeting for August 3, 2011. Lawrence asked and the meeting will be for exactly what. Voss said a presentation to the public of the four packages. Moegerle said the sheriff already did this. Voss said no the first time it was presented to me as a Council Member, it was not presented to the public. Lawrence said he thinks it is important that the people of East Bethel know what is going on, but he thinks it is also important that we try to explore all avenues that why the JPA is in place so the sheriff can know we are serious. Voss said serious about what, we haven't had discussion; this is the most discussion we have had. Lawrence said did you go over the packet, did you read the stuff. Voss said he does discussion of City business at this table in front of the public. Lawrence said that is what we are doing, we are discussing it.

Voss said he remembers when this was presented in June, Sheriff Stuart's letter said he was

under the impression we were all on board. He said and this is the first time we are discussing it. Voss said and the agenda item is not the discussion of the proposals it is of the JPA. Moegerle referred them to the fourth paragraph of page 82 that states: The Anoka County Sheriff's Office is working on a tentative contract relating to the district concept but won't complete it until the three cities involved agree on the district" concept in principle including number of deputies included in agreement. She said so it won't be anything more than tentative until we get more information. Boyer asked so how can you vote for a JPA when you don't what the terms are of it even. He asked like how many deputies are we getting. Moegerle said that is going to be flushed out. Boyer said that is exactly his point, you are asking us to vote on something it is like asking us to sign a blank check. Moegerle asked have you looked at the allocation of costs in this. Boyer said let's vote on the motion, we are not supposed to be having this discussion. He said you can discuss the motion to table once the motion has been made, not go back and forth.

Lawrence asked for clarification of the motion. Boyer said it is to table this to August 3rd until we can get public input. Lawrence said so he guesses Sheriff Stuarts request to get this done immediately, how will this affect his progress. Commander Halweg said we obviously can't get anything done until, moving forward until, beyond that night. He said obviously things won't come to a conclusion that night. Moegerle said and we will be holding up Oak Grove and Ham Lake in their decision process as well. Voss said for Ham Lake it isn't even changing their coverage, not much of a decision for them. Moegerle said she thinks that is for them to decide. Lawrence said all this JPA is saying is we would entertain an agreement between the three cities, that is all it is saying. He said it is not binding to anything, it is just saying we are serious about looking at something. Boyer said we don't need public input. Moegerle said that is not what we are saying at all. Boyer said yes it is. He said if you vote not to table this that is exactly what you are saying. Moegerle said no, we are talking about the JPA, not a contract with the sheriff. Boyer said how about public comment on whether they want to have a shared police department. Moegerle said that will be done, a JPA does not preclude that. Lawrence said there is nothing here that binds anything to anybody, all it does is says we want the sheriff to move forward. Moegerle said to give us additional information, why are so opposed to getting information. Commander Halweg said if you have the same copy of the JPA he has 2.16 million that is the 17 deputy option.

Vierling said the JPA is more than an indication that you want to move forward with this option, you would still have to approve the contract coming up. He said we have been referring to it as a JPA, but it is an agreement that we amended out the Joint Powers for insurance reasons and other technical reasons, but it is an indication to the other two communities that the City is willing to look at the district concept and be part of the district concept. Lawrence said and this agreement has no binding affect as far as being a contract with the sheriff. Vierling said it doesn't bind the sheriff's department you will have a contract that will have to come back from the sheriff's department with regard to the police service charges. Voss said so is this not an indication to the sheriff office that we will move forward. Vierling said it is an indication that you are going forward in terms of their planning, that is what they are looking for. Moegerle said but they are obviously going to get a report on how strongly this has been debated so she can tell you that they are not going to say, yep, the Council is going to go for that. Lawrence said so if the sheriff makes their presentation and we don't like it we don't have to worry about this, it is over. Vierling said then you would indicate to the other two communities that you would not be moving forward with the JPA at that point and time. He said if there is doubt, obviously you are going to want to have your open meeting for the public and he thinks quite frankly between now and August 3, that is less than 28 days, he doesn't think their department is going to go forward and do anything before that time anyways. Vierling said he thinks the sheriff's department is going to want to come do the presentation so they know one way or the other.

Commander Halweg said he wants to be clear on what needs to be presented, we have the four options here. He asked what would you like presented beyond what is in these, the two district concepts have 17 and 18 deputies, basically looking at 3 cities as one city and then 40 hour and 32 hour contracts stay with the East Bethel contract where you have your own deputies who short of emergencies are always in your City. Boyer said he assumes with the 32 or 40 contract it is the same deputies it has always been that know our City and our trouble spots and with the 17 or 18 it isn't. Commander Halweg said a couple years ago you moved to 40 hours because the calls for service put you to a point where you had to go there to be at 40%. He said the calls for service have gone backwards, that is why the 32 hour with just East Bethel is back on the table. Boyer said he also thinks we have a COPS Grant, that is another question that we are in the 2nd or 3rd year on. Davis said he will check on this. Lawrence said we need Davis to check that grant to make sure we will not be in violation of that. Davis said he thinks it could be transferable either way, but we would have to check on that and see if there is eligibility.

Voss asked you said we could drop to 32 hours and it would keep us at 40%. Commander Halweg said it would keep you at 44%. Voss said the 32 hour contract was roughly \$859,000 not including CSO, and under district our cost would be roughly \$850,000. Commander Halweg said it would depend on how you allocate it. Voss said and he is not endorsing the 32 hours, but if we went with the district we are saving \$9,000 and losing the dedication of our dedicated deputies to our City. He said again if you haven't gone on a ride along he encourages the Council members to do it is amazing what the deputies know about our City. Commander Halweg said a lot of the deputies have been here a long time and a lot of them live in the City as well. Moegerle said one deputy said if they go to the district he is still going to be here. She said and that is valuable and she doesn't discount that at all.

Moegerle said but think it is an intriguing concept and from her view she would like to know how much time is spent on mileage versus patrol as responding to calls and how that has changed over maybe five years or so. She said she thinks that would shed some light on this a little bit. Moegerle said basically you describe this as being organized into one big city versus three smaller ones. She said and currently the deputies assigned to the three cities do share information already. Commander Halweg said yes, they do this when you see them side by side because they don't work out of the office where we hold roll calls. He said we also have an e-briefing where they sign in. Lawrence asked what do you call an event when you have more than one officer take a call, high priority. Commander Halweg said domestics, loud parties, depending on size of it, the Oak Grove deputy might be coming over already. Lawrence said far to say even if we have dedicated service in City, they could be on a call major event outside the City. Commander Halweg said they could be if we have a major event. Boyer said that is not the way mutual aid works though, if all our deputies go, they the next tier of deputies come and cover our City right. Commander Halweg said with the exception of us being one agency, we have the contracts but we are one agency. Lawrence said so if there is a major event in one City will there be other cars to come cover our City. Commander Halweg said yes, Andover always has cars on and we always still have the countywide cars on, especially at night. He said when we get those big incidents we get people in, we don't go short.

Lawrence said the concern he has is if we went with the districting system is we could get shorted. Commander Halweg said if it is an emergency we will have people to get there, but some of the non emergency calls might sit longer. Lawrence said he had a call from resident that said even with the 40 hours service and it took them 45 minutes to respond. Commander Halweg said when something big is going on some calls can sit. Moegerle said her experience has been with response time to Coon Lake Beach (CLB) is it takes a long

time because the cars have to come around the north side of the lake. She said the response time might be better if they are coming from Ham Lake, so she thinks that would be interesting to see how that might be modeled out. Commander Halweg said again emergency calls the Ham Lake cars are probably going there anyways because they can get there faster. Moegerle said they are not coming for the barking dog or the fireworks. Commander Halweg said and the same is you wouldn't want you cars going over there for these routine calls. Boyer, DeRoche, Voss, aye; Lawrence and Moegerle, nay; motion carries.

Boyer said he needs to leave the Council meeting he has a personal matter to attend to and that is why he asked to have this agenda item moved forward. Davis said if anyone else has any specific questions we need to send to the sheriff's department if they could get them to him he will send them to the sheriff. Voss said and if we could make sure we look at the approach to communicate this meeting to the public, obviously we missed the newsletter, but cable, website and obviously we need to talk to the sheriff about presenting it. Moegerle said she has a question on the agreement, page 84, on allocation 39.4% for East Bethel, was that based on population, area, number of homes, number of calls, those kinds of things do you know how that was determined. Voss asked if we could just send these to Davis, not have the discussion now.

Road CIP

Davis explained that Streets Capital Improvement Plan was developed by the Roads Commission to prioritize street improvement projects over the next five years. The Commission has examined current economic conditions and factored this information into the projections of this report. The Roads Commission adopted the 2012-2016 Streets Capital Improvement Plan at their June 14, 2011 meeting. The plan is presented in the attachments to this report.

With changes in the construction market and the City's ability to obtain potentially lower project costs through the JPA Maintenance Agreement, staff is projecting that additional street projects can be completed in 2012 with only inflationary increases over the 2011 costs.

Municipal State Aid (MSA) projects will be the reconstruction of Jackson Street from County Road 22 to 181st Ave. and the seal coating of Sandy Drive. MSA projects can be "Advanced Funded" to meet project funding needs. The City is permitted to advance fund, essentially borrow from future allocations, up to four times the annual construction allotment or \$3,000,000 whichever is less. This funding formula will enable us to do the Jackson Street reconstruction in 2012 and the Longfellow/Lincoln project in 2015. The Longfellow/Lincoln Project is based on this street segment being accepted as a MSA street. MnDOT has given the City indication that final approval of the request to have these streets approved as MSA eligible should not be an issue. This project could conceivably be moved to 2013 if the MnDOT designation is approved and we are in line to continue the advance funding for projects in 2013. For this plan the Longfellow/Lincoln project will remain in the 2015 schedule but will be re-evaluated for the 2013-2017 project cycle.

Commitment to this plan requires the dedication of resources for 2012. Projects beyond 2012 are identified and prioritized by the Roads Commission to provide Council with recommendations for improvements from 2013 through 2016. Commitment to projects beyond 2012 would be considered as part of subsequent years budgets.

The estimated cost of the Street Capital Projects is \$729,400 and \$1,380,000 for the MSA Project. These amounts are available from dedicated sources in the Street Capital Fund and

Municipal State Aid Fund respectively. Staff recommends approval of the 2012-2016 Streets CIP.

Voss made a motion to approve the 2012-2016 Streets CIP Plan. Lawrence seconded.

Lawrence asked has the funds from parks been moved over to streets. Davis said those funds were transferred but the only funds that were expended were the seal coating on Bataan and that will reduce the balance from \$432,000 to \$392,000. Moegerle said she sees we have expected MSA revenue as \$547,268 is that something that is dependable from the state, the MSA funds. Davis said we do project that there will be level funding for this; we have never had a problem with this. Moegerle asked what are these funds based on. Jochum said population needs. **All in favor, motion carries.**

Pay Estimate #2 for Phase 1, Project 1 Utility Improvements

Jochum explained that in your packet was a copy of Pay Estimate #2 to S.R. Weidema for the construction of the Phase 1, Project 1 Utility Improvements. The major pay items for this pay request includes utility relocations, sewer and water installation on Buchanan Street and payment for pipe materials on hand and stored. Two separate payments will be made. One payment will be to S.R. Weidema and the other will be to the escrow account established at TCF Bank.

This recommend partial payment is \$911,108.93. A summary of the recommended payment breakdown was included in your packet.

This estimate includes payment of \$865,553.48 to S.R. Weidema and \$45,555.45 to the escrow account for a total of \$911,108.93. Payment for this project will be financed from the bond proceeds. Funds, as noted above, are available and appropriate for this project.

Staff recommends Council consider approval of Pay Estimate #2 in the amount of \$911,108.93 for the Phase 1, Project 1 Utility Improvements.

Moegerle made a motion to approve Pay Estimate #2 in the amount of \$911,108.93 to S.R. Weidema for the Phase 1, Project 1 Utility Improvements. Lawrence seconded; all in favor, motion carries.

Pay Estimate #3 for the Construction of Municipal Well No. 3 and No. 4

Jochum explained that in your packet was a copy of Pay Estimate #3 to Traut Wells, Inc. for the Construction of Municipal Well No. 3 and No. 4. The major pay items for this pay request include mobilization and the construction of the outer casing pipes for both wells. The Pay Estimate includes payment for work completed to date minus a five percent retainage. We recommend partial payment of \$77,211.25. A summary of the recommended payment is as follows:

Total Work Completed to Date	\$ 121,155.50
Less Previous Payments	\$ 37,886.47
Less 5% Retainage	\$ 6,057.78
Total payment	\$ 77,211.25

This estimate includes payment of \$77,211.25 to Traut Wells, Inc. Payment for this project will be financed from the bond proceeds. Funds, as noted above, are available and appropriate for this project.

Staff recommends Council consider approval of Pay Estimate #3 in the amount of \$77,211.25 for the Construction of Municipal Well No. 3 and No. 4.

Lawrence made a motion to approve Pay Estimate #3 in the amount of \$77,211.25 to Traut Wells, Inc. for the construction of Municipal Well No. 3 and No. 4. Voss seconded; all in favor, motion carries.

Change Order
No. 2 – S.R.
Weidema

Jochum explained that the current design for Phase 1 Project 1 Utility Improvements includes replacing the existing bituminous curb with new bituminous curb. The attached change order consists of using concrete curb and gutter in lieu of bituminous curb. Given the relatively flat slope of the streets it is difficult to construct a bituminous curb without creating bird baths along the curb in isolated areas. Bituminous curb also has the tendency to be worn down over time or knocked off by snow plowing operations.

For overall project aesthetic and satisfaction of the business owners and less long term maintenance, staff is recommending that concrete curb and gutter be considered on this project in lieu of the proposed bituminous curb. Costs of this change order is \$43,536.10.

Voss asked what standard do we have for concrete. Jochum said B6-18. Voss asked we only have one standard. Jochum said in the residential we used a standup curb. DeRoche asked out of curiosity why hasn't this been brought up before. Voss said it was brought up; we talked about this last year. Jochum said he thinks he brought it several months ago and the project will go on with or without it. He said this is more his doing than any of the other staff members it is money well spent. Moegerle asked why this done, why wasn't wasn't this approved last year if you recall. Jochum explained they were trying to keep the costs as low. Moegerle asked can we anticipate getting more change orders like this, for more curb or is this limited. Jochum said this is all the curb on the project, with this we eliminated all the bituminous curb, we made it clear to them, and they are comfortable with this change order. Voss said and this didn't come as a change order from Weidema, this was a request from you to Weidema for these costs. Jochum said yes, we requested Weidema give us the cost for this. Davis said we requested this, and this is the look we want in the business park and continue to the city center area. Jochum said he feels it when we get to the assessment hearing it will be much easier to present, it will look much better, he doesn't know if you have seen bituminous curb but when it is done it is bituminous curb, just the highlights of white will help. Davis said generally when you request a change order from the contractor and ask for a give back you generally see 10 cents on the dollar, but we were very surprised on what the credits were on this. He said about \$53,000 and he thought we would get \$20,000. Lawrence asked so this would go from Highway 65 down through the business district. Jochum said yes, but it will not include 187th Lane in front of Ampride, but it will include every road south of there. Davis said but 187th Lane is a street that is scheduled for an MSA project. DeRoche asked wasn't there something in here about Met Council doing a cost sharing on this. Jochum said they have a cost sharing on this, they won't pay the extra.

Moegerle made a motion to approve Change Order #2 in the amount of #43,536.10 to S.R. Weidema. DeRoche seconded; all in favor, motion carries.

Recommendation of Public Works Manager

Davis explained that the position of Public Works Manager was advertised in the Minneapolis Star Tribune, the City's web site; the LMC web site and the Anoka Union. Forty four applications were received of which nineteen met the minimum qualifications. Of these nineteen, the top five were invited for an interview. There were two interview panels established, one to review and solicit information regarding management styles and the second panel to review and solicit technical information regarding the position. There were three candidates that clearly did not have the skills and abilities that would be a good fit for

the City.

The top two candidates have significant experience in the public works area. The top candidate, based on the evaluation of the two interview panels, had skills and abilities that will meet or exceed our requirements and has significant experience in the public works and parks management area.

We have conducted a follow up interview with the candidate recommended by the interview panels to clarify several items and are satisfied that Mr. Nathan Ayshford is clearly the top candidate. Mr. Nathan Ayshford is currently the Street and Park Supervisor for the City of Ham Lake and has served in this capacity from 2004 to the present. Prior to 2004 Mr. Ayshford was the City Forester and maintenance employee for Ham Lake. Mr. Ayshford has completed 2 years in the civil engineering program and holds a Bachelor of Science degree in Forest Resources from the University of Minnesota. Mr. Ayshford is member of the Minnesota Street and Parks Supervisors Association. Mr. Ayshford has completed the necessary background and reference checks.

Funding for this position is provided for in the 2011 Budget in the Street Maintenance Department.

Staff is recommending that Council authorize an offer of employment for the Public Works Manager position to Mr. Nathan Ayshford at Pay Grade 11, Step A, \$70,304.00/yr. The employee must also complete a six month probationary period to be eligible for full time employment.

Voss made a motion to offer the position of Public Works Manager to Mr. Nathan Ayshford at Pay Grade 11, Step A, \$70,304.00/yr with a six month probationary period. Lawrence seconded. Lawrence asked we were discussing some kind of vacation package. Davis said we were. He said we had previously made him an offer that was 13 days of vacation, the same that was offered to the previous department head, but is contrary to the personnel policy that says we have 10 days vacation for the first 5 years. Davis said this was done to help compensate department heads that we hire that are essentially giving up their benefits from another position and give them a chance to catch up on some of these rates. He said he understands that we need to look at our personnel policy and adhere to that, but for some situations like this he thinks that some discretion should be allowed to some of these people especially if they are taking department head jobs. Voss asked is there an issue with this. Vierling said it is a department head hire, you are basically doing a lateral hire and benefits so he doesn't see a problem with it. Voss said he has met Mr. Ayshford and personality wise he thinks he would be a good fit. **All in favor, motion carries.** Voss asked when does he start. Davis said August 1st.

Security System

Davis explained that the East Bethel City Hall currently has no security system. A security system is one of the essential methods to protect City records and pose a deterrent to potential acts of vandalism within the building.

The system that was proposed to City Council was a split system. City Hall offices and the Council Chambers would be protected with a key pad controlled alarm system and the common hallways and Booster West Conference Room and garage would be covered by cameras under this proposal. The split system was recommended due to the fact that groups utilize the Booster West Conference Room at times when staff would not be available to secure an alarm system. The split system would permit continued group use of the

conference and restrooms without having to provide access codes to alarm keypads or having staff return to the building to arm the system. The cost for this system is \$4,840 for equipment, installation and a one year monitoring cost.

It was recommended that staff explore a key card system as an alternative. The cost for a key card system would be \$5,453 for cards, readers, control panel, other appurtenances and installation along with a cost of \$1,975 for the alarm system and a one year monitoring cost. Total cost of this system would be \$7,428. A camera system for the hallways would cost an additional \$2,865. This system would allow programming a card for front door entry and access to the Booster West conference room and restrooms without permitting access to the remainder of the building.

The key pad system would also offer entry into the common areas while restricting access to the offices and the card reader and monitoring equipment could be installed at a later date as an add on to the system. There is currently only funding to install a system that is less than \$5,000.

Staff recommends approval of the installation of a key pad system per the specifications on the attached quotes at a cost not to exceed \$4,840. These funds would come out of general government buildings. We have 6 months to go and have XX to go.

DeRoche made a motion to approve the installation of a key pad system at a cost not to exceed \$4,840. Moegerle seconded; all in favor, motion carries.

Appoint City
Clerk/
Treasurer

Davis explained that on April 1, 2011 he was appointed the Acting City Clerk/Treasurer. He said that appointment expired July 1st, he was told today. Davis said we are asking for an appointment for 30 more days until August 3rd, so he can come up with some options personally he has no preference. He said if it is passed on to other staff members that is fine with him. Davis said we were told there might be additional costs if it is assigned to other staff members but we have not verified this, and that is what we would like to do so we can come back to you on August 3rd and make a final recommendation.

DeRoche made a motion to extend this appointment to August 3, 2011. Voss asked can we do this without a resolution. Vierling said you can make a motion adopt a resolution extending this appointment. Voss said we don't have a resolution before us. Vierling said you can pass it as a resolution and staff can draft a resolution after. **DeRoche amended his motion to adopt Resolution 2011-22 Appointing Jack Davis as the City Clerk/Treasurer until August 3, 2011. Moegerle seconded; all in favor, motion carries.**

Council
Reports -
Voss

Voss said he wants to further his suggestion of earlier to go on a ride along with the sheriff's deputies, if you contact Lieutenant Orlando she will arrange this and they will pick you up at your house or anywhere you want to be picked up at.

Council
Reports -
DeRoche

DeRoche said the fire department is out selling tickets for the dance. He said they have all been working hard for Booster Days, Dan Berry is working hard getting set up for dance. DeRoche said he was a little disappointed about their backup communications; we definitely have to do something about a backup generator. He said he talked to Davis about this, but if City Hall goes down they lose everything but one land line, and he thinks that in this day and age is really poor. DeRoche said three fire fighters have finished their interviews and there are three coming up. He said check out the explorers last night was their meeting, so they came in last night and sat in on the staff meeting. DeRoche said we had a great

fireworks show on Coon Lake.

Council
Reports -
Moegerle

Moegerle said she attended the LMC conference in Rochester, she drove there and back both days, she learned a lot. She said one of the big things she learned is most successful cities are innovating, and what works for someone else, we can't necessarily replicate here. Moegerle said she learned a lot of ideas, want to put it down and write it up. She said the EDA information was very interesting. Moegerle said she talked to the mayor of Rochester and other cities; one conversation was about rural areas and requirements of Met Council. She said there was some discussion about the rural cities sharing discussion about how to deal with the Met Council trying to impose urbanization standards on the more rural cities.

Moegerle said she also had a great time at the Anoka County LGO meeting. She said she had discussion with the Linwood folks about the some of the background about GRE and they were excitable about the GRE decision. Moegerle said she thinks she moderated that excitement some and said based on the information presented we made a decision, they haven't heard from GRE for years. She said she talked to some people from Ramsey and they have some exciting things going on with development.

Council
Reports -

Lawrence said he was at LGO meeting as well and it was very exciting, they had a presentation on the fiber optic coming through East Bethel which should be very exciting when it gets here.

City
Administrator
Report

Davis said he would like to schedule a short work meeting to discuss our ERU Policy and have Kreg Schmidt also attend, to discuss not only our outstanding easements, but how we are going to move forward with this in the future. He said this should only take 30 minutes, but if we could schedule this maybe July 20th at 6:30 p.m.

Davis said we gave you the first blush of the 2012 proposed budget, we are going to need to start scheduling some work meetings on this but we thought we would give you a couple weeks to digest this material. He said the proposal you see before you represents a slight decrease from 2011, there are still some unknown such as insurance costs, and unknown insurance, the biggest unknown is market value home credits. Lawrence asked are we coming up short on our tax credits. Davis said right now we are even, but depending on what they do with the market value credits it might mean a loss of \$200,000+. Voss asked has the LMC said anything. Davis said no, no one seems to know anything, it might be better if it just goes away from our perspective because we don't get the money anyways. He said but anyways we will need to schedule some work meetings.

Closed
Session –
Land
Acquisition,
Service Roads
and Utility
Projects and
Closed
Session -
MBI

Vierling said for the benefit of the public and the public record, Council has recommended we are go into closed session per Minnesota Statute 13D to consider three issues, review matters of land acquisition for the service road, land acquisition, Phase 1, Project 1, and a closed session to discuss matters between the City and MBI contract. Vierling stated that the properties for land acquisition need to be identified for record before going into closed session. He said the properties we will be discussing in regards to the service road from 221st to 215th Avenue NE are the following: PID# 08 33 23 42 0001 & 08 33 23 13 0001. Vierling said the properties we will be discussing regarding the Utility Project, Phase One, Project 1 are the following: PID# 32-33-23-32-0002, 32-33-23-24-0016, 32-33-23-24-0015, 32-33-23-24-0014, 32-33-23-24-0017, 32-33-23-21-0005, 32-33-23-21-0006, 32-33-23-21-0008, 32-33-23-21-0009-, 29-33-23-43-0001, 29-33-23-34-0001, 29-33-23-31-0001, 29-33-23-32-0004,& 29-33-2324-0003. Matters referenced to land acquisition will be tape recorded as required by law, the matter regarding contract dispute will not be recorded. If

any action is taken, we will come back onto public record and announce those on public record.

DeRoche made a motion to go into closed session to discuss land acquisition for the service road from 221st to 215th Avenue NE, land acquisition for the utility project, Phase 1, Project 1 and MBI contract discussion. Voss seconded; all in favor, motion carries.

Vierling said the Council has concluded the three closed sessions. He said attending were four Council Members, not present was Council Member Boyer. Also attending were Jack Davis, city administrator, Craig Jochum, city engineer, and himself, city attorney. Vierling said with regard to the contract dispute with MBI, the Council reviewed correspondence with their city attorney, and discussed proceeding forth with arbitration/mediation, but took no votes. He said relative to the land acquisition matter of the service road, Council received input from the city engineer relative to issues of funding from the state and discussed strategy but took no specific motion. Vierling said relative to the land acquisition matter relating to the Utility Project, the Council received input from the city engineer with regard to project costs and negotiated settlements with various property owners but took no action. He said the matter of land acquisition for the service road and utility project were tape recorded and will be retained as required by statute.

Voss made a motion to authorize the city engineer to complete the acquisitions of the properties in Phase 1, Project 1, Utility Project and authorize staff to issue payments as recommended by the city engineer. Lawrence seconded; all in favor, motion carries.

Adjourn

Voss made a motion to adjourn at 9:55 PM. DeRoche seconded; all in favor, motion carries.

Attest:

Wendy Warren
Deputy City Clerk

EAST BETHEL CITY COUNCIL WORK MEETING

June 15, 2011

The East Bethel City Council met on June 15, 2011 at 6:30 PM for a work meeting at City Hall.

MEMBERS PRESENT: Bill Boyer Bob DeRoche Richard Lawrence
Heidi Moegerle

MEMBERS EXCUSED: Steve Voss

ALSO PRESENT: Jack Davis, City Administrator

Call to Order The June 15, 2011 City Council work meeting was called to order by Mayor Lawrence at 6:30 PM.

Adopt Agenda **Lawrence made a motion to adopt the June 15, 2011 Work Meeting Agenda. Moegerle seconded; all in favor, motion carries.**

Larry Schedin Larry L. Schedin of LLS Resources said he has been in the energy consulting business for many years. He said when you have been in this business for a long time you gather a lot of stories and he wants to tell Council one. Schedin said at the annual meeting of a utility company a keynote speaker said we need emission controllers on the power plant so they don't pollute as much as they could. He said he has his report ready on the route on the 69kv line and he has it marked draft because Council might have comments to that might change the report. Schedin said he will have a final report ready for the Public Hearing on Monday night.

Schedin said he will start at the beginning for those that haven't been at the meetings. He said first how does electricity get to East Bethel. It gets here through Great River Energy (GRE). Schedin said it starts at Bismarck, North Dakota on a great big huge power line, that is direct current and it comes into Watertown Minnesota. He said his story starts at Rush City. Schedin said this is where there is a major substation where GRE has built a 230,000 volt power line that goes along the north side of the Twin Cities area and feeds the substations along the way that prop up the 69kv system.

Schedin said so what about East Bethel. He said what happens is GRE sells electricity at wholesale to Connexus; 12,500kv is what it operates at. Schedin said the substations serving East Bethel are at Soderville at Crosstown and Highway 65, East Bethel at ½ mile off Viking and Highway 65, Coopers Corner at 237th and Highway 65, Martin Lake off of Typo Creek Drive in Linwood and a small amount comes from Forest Lake. He said what the GRE folks have been saying is they are supplying these substations from three stations and they are claiming those 69kv sources are running out of capacity. Schedin said you can run a computer model and if any of these fails, you can see if you have potential thermal overloads. He said their reasoning is if they could solve these overloads in an easy, inexpensive way they would like to do that. Schedin said they would like to do that from the Athens substation to the Martin Lake substation. He said so they have said a line from Athens to Martin Lake will provide a backup supply to the Martin Lake substation.

Schedin said GRE has been very open with him and they have answered all his questions. He said he can't replicate all these studies, he wasn't retained to do that, but the studies

make sense to him. Schedin said put his conclusion is that the power line proposal is a reasonable project. Moegerle asked is it reasonable or not unreasonable. Schedin said he thinks it is reasonable and the other solutions are very expensive. He said he is not saying that someday they might not be required to upgrade the lines along Highway 65. He asked does that make sense. Boyer said yes, but it doesn't address how they connect Martin Lake to Athens substation. Moegerle said so the summary is connecting between Athens and Martin Lake is a good thing to do. Schedin said yes. Moegerle said but only if cost is the sole reason.

Schedin said he has summarized this in his report. He said another question he had, this is on page two of his report is what about the substations, Soderville, East Bethel, Martin Lake and Athens, will GRE have other substations in the future and are they going to run a distribution line and would they want to connect any future substations. He said GRE's answer was we don't have any other substations planned in East Bethel

Schedin said there were a lot of questions about whether this new line was a disguised 115kv line, but the line is not built to 115kv standards. If they built to these standards they would have to go to the State of Minnesota for a permit. He said he met with the GRE line designer and the conclusion was this can only run at 69kv. DeRoche said but isn't it true that once they get their foot in the door they could bump it up. Schedin said that is true but in his experience it is best to have 70 foot of ROW for that type of line. DeRoche asked but don't you think once it is there the state is going to be more apt to let them bump it up. Schedin said yes. Boyer asked what is the difference in ROW for 69kv compared to an 115kv. Schedin said a 69kv is less than 70 feet of ROW. Peter Schaub of GRE said for the purposes of GRE we don't usually buy less than 35 feet from the centerline for a 69kv. He said he doesn't know the answer for an 115kv. Boyer said you said from the centerline, but we are talking about ROW line. Schaub said we make sure we have 35 feet from the centerline of the transmission line.

Schedin said the major concern in East Bethel is you are blessed with a whole bunch of environmental resources. He said he asked the city planner what to do about these and she said use the map submitted by GRE. Schedin said the main one we are concerned about here is the Cedar Creek Reserve, it is very sensitive and Dr. Jeff Corney has been at the work group meetings and has expressed his concern about any lines going through the center of the reserve. He said this is a big concern to us. Schedin said a concern to him was he was given a book with 15 options. He said it has attributes of some things we needed to look at such as electrical performance, what does it mean, resistance of power line, impacts loss, another concept is called impedance, causes voltage drop, maintenance costs are a concern, vegetation control is important, and exposure to weather, and things like road accidents, these are all related to length, excessive length relates to cost. Schedin said generally in costs these all are reasonable.

Schedin said GRE is proposing a vertical pole with shield wire at the top. He said that is fine for straight away, but when you get to turns or dead ends you end up using guide wires all over. Schedin said so for those you should use steel. He said the folks at GRE do build some of these structures with laminated wood. Moegerle asked are these microlams. Schedin said they have these at Athens substation. He said they are thicker, but steel in his mind is thicker and cleaner. Schedin said it rusts to the color of rust. He said they also offer galvanized steel.

Schedin said he will give some background of how we got through the 15 routes. He said

we struggled on where we should begin. Schedin said we started from the north. He said we went to Athens substation which is at 261st Avenue North and then to 269th Avenue North and came to a corner on Xylite and noticed there was a substantial 69kv line that comes down and turns into a double circuit. Schedin said it is already built for a double circuit. He said we realized it is a freebie to use Highway 9 instead of 56. Schedin said one other important thing we noticed of all the options is there are two points they always have to go south, Sunset Road and Typo Creek Drive. He said the bottom line is that if you make a choice of one route over the other and you eliminate a lot of the options, and the lesser of two evils is Typo Creek Drive. Schedin said there is a City Hall, school, cemetery and other concerns about Typo Creek Drive. He said GRE has commissioned a study of historic sites on Typo Creek Drive, and they feel this offers a barrier as far as Typo Creek Drive.

Schedin said if we go to routes within East Bethel, we start with what GRE prefers for their route which is Route A, they want to circle the substation to Coopers Corner to Co. Road 26, to Typo Creek Drive and south to the Martin Lake substation, that is the preferred route from the viewpoint of GRE. He said we threw out quickly two routes that went through the center of the Cedar Creek Reserve because Dr. Jeff Corney and the workgroup has said no way, they would be opposed to those lines. Schedin said Corney had asked if the line went around the reserve that it went on the south border. He said there is only 7.5 miles of new ROW to get on Co. Road 26 if using Route A. Schedin said however, there are some disadvantages, and he will bring these out when he presents his next draft version. He said one of these is GRE is proposing to build on the north side of the road and currently there is a line on the south side of the road. Schedin said they have said they will move the other line to the north side, but have not given a time when they will do that, so you might have power lines on both sides for quite a while. He said he would also insist that Connexus put underline service drops. Schedin said generally the homeowners are responsible for service drop, and there might be some fairly big costs involved for homeowners. Boyer said it strikes him that there is probably 12-20 houses on that side. Davis said that would be an accurate estimate of the number of houses there, maybe closer to 25 to 30.

Schedin said this line does go through the reserve on the south edge. Davis said the Allison Savannah. Schedin said the other thing about coming down from Athens is in making it a double circuit, if one goes down they both go down. He said not only would they have to rebuild this, but the replacement line would be double circuit. Schedin said he would recommend Route A. Boyer said his biggest concern about Route A is the environmental impact. Moegerle said her question about the cost savings is there might be some in there that might not be real. Boyer said there might be a cost savings by having dollars taken off the price by using lines already there. Moegerle said so the price could be skewed. Schedin said so you are saying the cost of this route has been discounted because GRE is picking up savings from a distribution rebuild. He said it would seem to him they would get a commitment from Connexus, when are you going to build it and how much would it cost.

Boyer said he thought GRE already had an agreement with Connexus to hang on the lines. Schaub said yes, as we build and as soon as we started doing work. He said we would move the transmission lines as we put up poles. DeRoche asked is there a discount. Schaub said yes, the cost of repairing their line eventually; this will cover that cost and cost of maintenance of their line. Boyer asked are you charging Connexus to hang the lines on your poles. Schaub said his understanding is no, because they already have their poles and lines there. Schedin asked has the new construction been discounted by the savings of Connexus. Schaub said there are no savings of construction costs. Schaub said then the cost of 3.7 million would stand alone.

Lawrence said there is not one person that wants this on their property, Route A. Schedin said part of the easement would be taken from Cedar Creek, but others would be taken from personal property owners. DeRoche asked would there be a decline in real estate prices from the lines going through people's yards. Schedin said that comes from how much you should pay in the easement. He said that is certainly part of the negotiation of easement rights. Schedin said there is also the taking of trees, trimming, and clear cutting. Schedin said if you are going with the southern route in East Bethel Route A is what we are recommending along with the disadvantages of what he just discussed.

Schedin said there are all these ways to get down and across to Typo Creek Drive and you have a freebie on Highway 9. He said according to GRE, Highway 9 is going to be rebuilt in the next 4 to 5 years. Schedin said some routes go all the way down to Co. Road 12. He said Route I picks up and heads east on 9 to 12 comes back on Durant to Fawn Lake Drive over to Typo Creek Drive. Schedin said the advantage of Route I is it avoids Cedar Creek Reserve. He said the distance along Highway 9 is critical. Schedin said because of that he came up with Route II, go east on Highway 9 to 45, go south to Durant, then to Fish Lake, Fawn Lake Drive then to Typo Lake Drive. He said the corner of Fish Lake is not on Cedar Creek Reserve. DeRoche asked how many residents would be affected by this route. Davis said the setbacks on Durant are 200-300 feet back. Boyer said the one on corner of Fish Lake is wetland to the north; there is one house that would be affected. Schedin said we are looking at Route F and I in some combination. Boyer said if he remembers the GRE archeological map, two sites are located in the very southern end of Typo Creek no matter where you come in. Schedin said there are some to north and some in south as well.

Schedin said our commission was initially hired to recommend a route inside the City and then the city administrator asked me to recommend a route outside the City and we have done both. DeRoche asked could we get a matrix of Route II by Monday. Moegerle said we would have to get this from GRE. Schedin said everything he has asked for they have responded to quickly. Moegerle said summarizing your matrix, going forward, there are a lot of 0's, what does that mean. Schedin said generally it should mean none. Moegerle said engineering is blank. Schaub said there is a separate engineering matrix for each of the routes. Moegerle said she is looking at the Data Type # 55, 56 & 58. Schedin said there is information on some of this stuff on the other matrix we presented before. He said this is information that broke it down by jurisdiction and it was a separate person that did the engineering. Schedin said the matrix you have before you is just the attributes we thought were most important; we don't have all of them.

Lawrence asked did you drive your modified plan. Schedin said yes. Lawrence asked and you think it is a valid route. Schedin said we think so; we drove it but didn't walk it. He said another technical consideration is Sunset Road is a City street and you would need a City ordinance to allow a transmission line on a City street. Moegerle said or would we need a variance. Schedin said it was an endless effort; we eliminated this by common sense. Boyer said speaking for the workgroup we didn't like Route A, the impact on the residents, you are taking 60% of the length in East Bethel, but we are only getting 14% of the power. He said but this is also affecting Athens Township and it should be their decision where the power line is going.

Lawrence asked what does GRE think about this modified plan. Schaub said we prefer the line in East Bethel. He said it is the shortest, least expensive, higher level ground. He said it avoids the question of archeological and historical issues. Schaub said Route I has pinch

points on it. He said we have to go with what the government entities tell us, and the county tells us they will double the size of Highway 9 and that will cause problems. Schaub said also there are pinch points on Xylite and others. Moegerle said she would be more persuaded if you would say there are some ecological matters that we are looking at that are more important. She said she looked at the data you gave us and summarized it and if we are going to be selfish and say all we care about is East Bethel, Route A does not even rank in the top 5.

DeRoche said you keep saying it is a problem for GRE, but someone has to watch out for the people and sensitive areas. He said he thinks it is wrong to do this. Moegerle said with regard to Route A it is fourth from the bottom on the matrix. Schedin said matrices points are useful. He said he thinks his recommendation is Route A and Route I1 are the routes we would recommend. He said he can produce the matrix row for Route I1 if GRE can produce the matrix information. Moegerle asked Schaub if this could be done by Monday. Schaub said he doesn't know. Schedin said part of it is done, it is part Route I and Route F, done in pieces. DeRoche asked would GRE be willing to give us that information. Schaub said we will give it a shot. He said he doesn't know if we can do it in the time available.

Lawrence asked is Highway 9 going to be widened. Schaub said that is what we have been told. He said the homes are so close to the street, if they have to go 120 feet we will have to go over the homes. Moegerle said Route I & F tied for 3rd. DeRoche asked is this your primary concern because they are going to widen it. Schaub said he has multiple concerns. He said we have looked at all the routes and different areas, and pointed out different concerns. Schaub said we have a public hearing set for Monday he is assuming that would be the appropriate time to discuss this. DeRoche said again you are saying GRE is finding these problems but again you don't want to explain them. Schaub said time and again this City says there is a problem with Cedar Creek and they have a project to put a trail through the south end of the property, bituminous trail. He said he doesn't know if it is suspended or not, but it is in public documents. Schaub said at some time somebody thought it was a good idea to put a trail there. Boyer said it is a public safety issue to put a bituminous trail there, public safety to get fire trucks in, he doesn't think you will get a lot of support to put eighty foot poles in there saying they will not impact the trail.

Adjourn

Boyer made a motion to adjourn at 7:50 PM. DeRoche seconded; all in favor, motion carries.

Attest:

Wendy Warren
Deputy City Clerk

Staff understands City Council may still consider the two (2) routes, as proposed by Mr. Schedin, for the location of the proposed 69 kV line. Staff has prepared resolutions that are before you for your review for this meeting. Staff requests that City Council take into consideration Mr. Schedin's analysis and recommendation when making a motion for the CUP request by GRE for this 69kv line located in East Bethel. Planning Commission recommended denial for the reasons listed above.

Davis said however, in the event City Council proceeds to approve the CUP request, or any of the other alternatives, regardless of route selection, Planning Commission recommends the approval be contingent with the following staff conditions: 1) GRE will submit a construction plan prior to the commencing the construction of the 69 kV line, establishing both a construction time table and a progression of construction that shall be reviewed and meet the approval of the City Engineer and staff; 2) GRE shall minimize the need for any unsightly guide wires at corners, angles and dead ends, and utilize steel poles at dead ends, corners, angles and in certain high density neighborhoods designated by the City Engineer as part of this project; 3) That Great River Energy and/or its subsidiaries or other utility users that utilize its services shall install underground service drops at crossings of County Road 26 and other municipal roads within the city of East Bethel without added cost to the residents and utility users and assure that the relocation of distribution facilities to the north side of County Road 26 results in a minimum replacement of service drops, and wherever possible all service drops must be undergrounded; 4) GRE must submit easement descriptions and final route determination prior to the execution of the CUP Agreement; 5) A CUP Agreement must be executed no later than December 22, 2011. Failure to comply will null and void approved CUP. The agreement must be executed prior to the start of construction of the project; 6) GRE must coordinate with affected property owners as to the option of total easement width granted to GRE so as long easement width meets federal regulations.

Davis said should City Council choose to deny the request of GRE staff recommends the adoption of Resolution 2011-A, A Resolution Making Findings of Fact and Denying a Conditional Use Permit for Great River Energy for Route A, the resolution states reasons for the denial. He said if City Council chooses to grant the request for Route A staff recommends the adoption of Resolution 2011-B A Resolution Making Findings of Fact and Granting a Conditional Use Permit for Great River Energy, the resolution states reasons for approval and conditions of the approval. Davis said should City Council decide to grant a CUP for a portion of the transmission line within the City of East Bethel known as Route II staff recommends they adopt Resolution 2011-C A Resolution Making Findings of Fact and Granting a Conditional Use Permit for Great River Energy, states reasons for approval and conditions of that approval. At this time Mr. Schedin will review Routes A and II for City Council.

Larry Schedin, LLS Resources introduced himself. He said in his earlier talks he has explained that there are 5 or 6 substations that provide electricity to the East Bethel community. These substations are at Soderville at Crosstown and Highway 65, East Bethel at ½ mile off Viking and Highway 65, Coopers Corner at 237th and Highway 65, Martin Lake off of Typo Creek Drive in Linwood and a small amount comes from Forest Lake. They have small distribution lines that are called feeders. He said their supply comes from a 69 kv owned by GRE. Schedin said the studies he has looked at from GRE show that based on the peak demands/loads the kv system it is not adequate to supply those loads on what we call a contingency basis. The technical name is what we call a n-1 contingency, where the system must stay whole with one line out of service. He said he has looked at their studies and found that the line from Martin Lake that is the subject of this discussion, that goes all the way up to Athens and would be a suitable cure for this problem. Schedin said this is

opposed to rebuilding the lines up and down Highway 65.

Schedin said with that as the beginning he was then given 15 options to look at and appeared at several meetings of the workgroup and the Planning Commission and then was given 2 more options. He said and he started wondering how do you come up with the best option and narrow this down. Schedin said so we made a list of the options and attributes and matrix, and so we categorized them going north to south. He said his job was to pick the best option inside the City and along the way he was asked to make a recommendation on an option outside the City of East Bethel.

Schedin said so he is going to start with the south options. There were 6 options on the south side; the south system is from 237th Avenue. There were 2 options east of Coopers Corner that went right across the Cedar Creek Reserve and right away we found out from Dr. Jeff Corney that there was no way they would approve lines across the reserve, so those 2 were out. He said the next 1 was way south of Viking Blvd and came up on Martin Lake and was twice as long as the others and scored very poorly compared to the other 3 that were left. Schedin said the 3 that were left, Route A, that we are going to be talking about in detail tonight, goes from Athens substation, south along Highway 65, down an existing ROW about ½ mile east (proposal is to rebuild that line and not require any new additional ROW), it goes down south to 237th where it cuts east to Co. Road 26. He said Co. Road 26 is key to that option because it follows 26 all the way over to Typo Creek Drive and goes south to Martin Lake. Schedin said so most of that option is built along Co. Road 26. He said that was 1 of 3 that was left by elimination. Schedin said 1 of the other ones left is on 221st right by City Hall here, goes straight east connects with 22 and goes into Martin Lake from SW along Co. Road 22. He said the 3rd one of those is almost like Route A, goes on Co. Road 26 until it gets beyond Allison Savannah and then cuts straight south then east again and connects with 22 on the south. Schedin said those were the 3 candidates that were left that were viable and in his opinion after looking at the number of miles, number of new ROWs, number of acres of trees taken down, all the adverse environmental impacts and we put this on a scorecard we show that Route A was clearly the best of the remaining 3. He said so essentially we got to Route A in the City by the process of elimination. So that was the first step of taking the first 6 that were on the south side and breaking them down and eliminating them and coming up with Route A.

Moegerle asked do you mean it is the best in East Bethel due to its length. Schedin said in our matrix we looked at 7 or 8 of the matrix attributes and found that Route A was better than the other routes. Boyer said just to clarify a point and maybe this is what Moegerle was trying to get at, some of the northern routes also go through East Bethel along the upper corner of Fish Lake. Schedin said what he is trying to do, he told you we had 17 options how do you get to the bottom of this so he tried to do it from the south first and got to Route A and that was largely through the City, but he does agree you have a very important point.

Schedin said so we had 17 and this leaves 11. He said he doesn't know how many of you have gone to Athens Substation it is at 261st Avenue, ½ mile off Highway 65. Schedin said from that Athens substation there is a 69 kv line that goes one mile north and one mile east and it is a double circuit line and one half of that line is not being used. It is there available for future use. Schedin said this is an important hub because that is where we want to get to, Athens, but there are 2 miles of unused kv line that goes north and east. That is one characteristic. He said the other is that these options kind of wander around on the north side and eventually they have to get down to Martin Lake and there are two critical ways to get down to Martin Lake. He said one is Sunset Road and the other is Typo Creek Drive.

Schedin said 6 of these options use Sunset Road to get south. He said so he went to the meetings and drove the routes several times and there seemed to be a clear consensus that Sunset Road being a City street and very congested was not a suitable route for a 69 kv transmission line. Schedin said he looked at it and at the matrix, but either way, there seemed to be an overwhelming opinion that Sunset Road was not a appropriate route to get south to Martin Lake.

Schedin said so if you accept that, then okay 6 more routes are eliminated and we only have 5 left. He said the options left meander around and finally end up on Typo Creek Drive to the Martin Lake substation. Schedin said some of these options make lots of use of Typo Creek Drive, in other words maybe 4 or 5 miles and some of these maybe only use 3 miles but we looked carefully at the data from GRE saying although the road isn't good and we don't like it, Typo isn't a good route either because its got city offices on it, a cell tower, various things like a cemetery, or whatever and so after looking at all these potential problems with Typo Creek Drive it felt appropriate to limit the use of Typo Creek Drive and that forced me to look closer at how you get over to Typo Creek Drive and minimize its use and that is how we got to Route 76 which he believes is called Fawn Lake Drive. He said we are backing into this using an elimination process seeing what will work and so we looked at routes that would make minimum use of Typo Creek Drive and those routes that would run along Fawn Lake Drive, and found out the workgroup had already identified a option that was close to this and that was option I.

Schedin said the way Option I works, which was the option the workgroup recommended, is it uses an unused piece of line from Athens substation, then straight east on Co. Road 9, to Hwy. 12, south on 12, to Durant then to Fawn Lake Drive to Typo. He said his only problem with that is the dogleg of an extra 3 miles so unnecessarily. Schedin said so he came up with an alternate which he calls I1, which goes 1 mile north of Athens, then 1 mile east which is unused, then go down Co. Road 9 about 2 more miles then head south on Durant which is Co. Road 45 to Fawn Lake Drive to Typo Creek to Martin Lake. He said that is the way he used elimination to get at the best route which he calls I1. So that was his option for outside the City and he knows subsequent to that at the last meeting when we looked at this as an option GRE has provided a lot of statistics and analysis of Route I1, outside the City and Route A, with the exception that as Council Member Boyer said that even if we go with Option I1 north of the City it does cut into a northeast corner of Fish Lake which is 1 ½ miles in East Bethel, compared to Route A which is probably 7 miles within the City of East Bethel. Schedin said that concludes how we got to the two options, I1 and A.

Vierling said he wants to note as a housekeeping matter that on June 21, 2011 the City has received a letter from the Cedar Creek Ecosystem Science Reserve dated June 21st, signed by Dr. Jeffrey Corney that he knows your staff wants to have received as part of the record to make a decision on this matter. He said he would recommend that Council make a motion to receive that as part of the record in this matter but also inasmuch as this was received following the Planning Commission meeting, it would also be fair and reasonable that GRE be given a chance to comment on that. Vierling said so he is recommending that you make a motion to accept this as part of your record.

Boyer made a motion to accept the letter received June 21, 2011 from the Cedar Creek Ecosystem Science Reserve, signed by Dr. Jeffrey Corney, dated June 21st into the record and to allow GRE to comment on the letter. Moegerle seconded, all in favor, motion carries.

Darrel Page of 4546 Fawn Lake Drive NE said you talked about minimizing the use of Typo Drive. He asked aren't they all south of 76, isn't it feasible that they all go east. Schedin said first of all if we go to Route A we made a very short use of Typo Drive, but the other routes we found some of them going as far north as Co. Road 12 and we cut that distance in half. He said there is a cemetery and communications tower and fire station and so forth, south of where Hwy. 76 and Fawn Lake Drive hits Typo Creek Drive. Page said so going north of there would be okay. Schedin said so you are saying if we went north there wouldn't be anything to worry about. Page said he is trying to minimize pinch points. Schedin said there are other points, not just those points he mentioned. He said the big concern was that GRE presented me on Typo Creek Drives a face plate of a study, an archeological and historical study that says even if you come up north and you cross this memorial wildlife area there is a whole line along Typo Creek Drive that has got sites of archeological and historical significance. He said he told you about a tower and fire department, but there were a lot of other unknowns in addition to that. Schedin said you might have a point that the distance might not be much different, but his recommendation is that to minimize use of Typo Creek Drive because of the unknowns of historical and archeological significance. He said this came up for a lot of discussion at the Planning Commission meeting, where are they and what are they, and GRE said they have a confidential study that cannot be released. Vierling said he thinks the questions might be from a Council standpoint. He said we did the public hearing on Monday night, and we certainly want to be generous to the public but the public record of the meeting was held on Monday evening so we would probably want to get to GRE's commentary.

Peter Schaub of GRE introduced himself. Boyer asked him to start with any comments on the letter that was accepted into public record from Cedar Creek Ecosystem Science Reserve. Schaub said we did get a copy of the letter today and essentially that letter doesn't say anything other than what he has stated all along and what Dr. Corney has stated several times. He said what the letter says is that if the City Council determines that we cannot go on Route A then they will abide by that decision. Schaub said it also says Route A is the only area of their property that they want us to be, that jibes with what we have said. He said we have investigated East Bethel Road, and Routes B and B1 and across the north. Schaub said essentially Dr. Corney of the U of M when we inquired about those said no, you can't go there, we don't want you there, we won't look at it, and we won't work with you on it. Boyer said to clarify; East Bethel Blvd. is not City owned it is entirely owned by the University. Schaub said he understands that. Boyer said it was a vacated easement and the City has no interest in that. Schaub said his understanding is it is a vacated City street, it is still there it shows up on maps, when you drive by, and there is a gate there. He said as something that was visible it was something that was investigated. Schaub said the University said no, you can't go there and you can't go to the north. He said but what they did say is if you need to go on our property the best route for us is along our southern perimeter which is in fact what we call Route A. Schaub said so we don't dispute the letter, we don't dispute that they don't want us to the north, we think the letter said in fact this is the only place they want us, but they will abide by whatever the City says. He said the University is part of the State and there is likely the issue that they could trump the City decision if they so choose, think that letter says they are not going to do that, they are going to abide by what the City decides.

Schaub said that brings him into discussion that was held before, confusion as to what we do and how we do it. He said he knows that Council Member Moegerle has looked at the matrix and had the impression that the way we find a route is simply to gather all this

information and data, and then crunch the data and then that essentially should be the best route. Schaub said the matrix is essentially just an analytical tool, placeholder for information, lets us see what is out there, and where and make comparisons. He said but reality is when we have to site a transmission line, we are confronted with people and reality, and people's feelings and the way they feel about things. Schaub said what that boils down to is essentially is we are in the business of trying to move transmission lines into places and move electricity and we have two tenets that seem to apply to every transmission line location. He said one is use existing line and there is no new impact and that is one of the guiding principles that the state also requires in doing any kind of siting for 100 kv and above we are supposed to use existing as much as possible so we don't create new corridors. Schaub said we are also supposed to follow things like existing roads, that sort of thing so we don't create cross country corridors. He said the other tenet and it makes sense is the shorter the new line generally the less impact, and so what we come up with is we are trying to very basically put in a transmission line, make it as short as possible and use as much existing ROW as makes sense. Schaub said you do get to a tipping point where if you use it too much that you are either rebuilding it or what we call double circuiting where we add another line of circuit to it or put new structures in. He said but you can get to a point if you double circuit where it gets too expensive and it really doesn't add anything to the project. Schaub said that is why some of the routes that Mr. Schedin talked about such as Route D went all the way from Athens to Viking, 9 or 10 miles, then north and east another 9 or 10 miles, you don't get any benefit from double circuiting that route. He said you get benefit if you double circuit some when you can jump off and make the shortest route there.

Schaub said with those things in mind the things we look at before we gather data, what we are trying to do; we have to look at the issue of the land itself. He said such things as do we have right to it, who owns it, how do we obtain it, how do we get some right to be there. Schaub said essentially there is an issue of an owner, we usually obtain an easement, sometimes we get a license or a lease, depends on who we deal with, from the U of M or the state his understanding from Dr. Corney is they usually want to give leases or license rather than an easement and that has been discussed and explained to him that if we do get a permit we would be dealing with their legal department. He said what it really boils down to is do we have a willing owner, is someone willing to work with us and that is huge for us. Schaub said essentially he has never met anyone that says they want a transmission line anywhere near their property, everyone says put it somewhere else, go somewhere else. He said the exception is institutions or someone like the U of M that say we understand these things are necessary and reasonable, people may not like them, but as long as you don't interfere with the core tenets in why we exist and what we are doing we can work with you. Schaub said that is what we were told by the U of M. He said that was one of the underlying assumptions that we dealt with in developing these lines. Schaub said that is what makes Cedar Creek attractive to us because not only on Route A do we have 3 miles of existing line where we pretty much own the rights to go there and do this, but also there is 3.3 miles of line that a willing entity has said we will work with you if it is something that you can work out with the City. He said that is completely different than them saying no go away on those other routes. Schaub said so now we have reduced a 10.4 mile route to 3 plus 3.3 miles, down to 4 miles of route where we have to get permission from someone via easements or whatever we need.

Boyer said he does not believe you currently have an agreement with the University for ROW. Schaub said no we have nothing in writing. Boyer said so you would still need to acquire this. Schaub said yes. Boyer said he thinks what your point Peter is, you have one landowner to deal with rather than multiple landowners. Schaub said it is a multiple point.

He said it is easier to deal with one and two it is easier to deal with someone that hasn't slammed the door in your face and someone that says yes, we will work with you if it is something you need to do and if the City says you can get a permit. Schaub said that is key to this whole issue, they did not tell us to go away there. He said they did tell us to go away to the north, they said go away on the other end, but this is the area we want you confined to if you build it. Boyer said he thinks your reading of the letter is much different than ours. Schaub said it is not just based on reading the letter; it is based on his conversations.

DeRoche asked is there any correspondence you have from the University stating their intent or what their thoughts are. He said again, another point, you said you have talked with these agencies but he hasn't seen anything one way or another so we are pretty much going on what you are telling us. Schaub said so you are saying you don't believe what I represent here tonight. DeRoche said if it is in writing or in front of his face; he believes that more than what someone is telling me, come on. Boyer said he doesn't believe you have had any discussions with the real estate office or legal office. Schaub said he didn't say he has had discussion with them, said he had discussions with Dr. Corney. Boyer said from his own personal experience dealing with the University, because he did negotiate a Memorandum of Understanding dealing with a land swap and we went two years and he thought we had a deal two years. Schaub asked did you get the deal. Boyer said yes. Schaub said and you had to start with Cedar Creek. Boyer said once he negotiated with Cedar Creek then he began negotiating with the University legal and real estate office, the two are not the same. Schaub said he realizes that. Boyer said what one says does not necessarily hold true for the other. He said he would also tell you that a great deal of the land at Cedar Creek was donated to the University through trusts and such with the understanding that it always be held by the U of M, hence why we are talking leases and not ROW. Schaub said he understands that and he has never represented that we have a deal with the University, but they have said they are willing to work with us and talk with us and he said he explained that is a huge difference between that and someone that slams a door in your face. He said he is not trying to represent that we have a backroom deal or that the University legal department has okayed anything, all he is telling you is what Dr. Corney has said to him in informal conversation in trying to figure out if it was feasible to go along that property, this is what we based our decisions on. Schaub said this is why we felt it was something that was useful, Dr. Corney himself has stood up in meetings, workgroup and others and said that he is willing to abide by what the City decides. He said that also means that if the City decides we can have a permit here, that they will in fact work with us to get us a permit, which is all he is trying to represent.

Schaub said the other issue is, to get back to what we look at when siting a transmission line, look at minimizing length, land, other thing is who else has oversight of it, such as government entities. He said like the DNR, State Historical Society, Army Corp of Engineers, all of that, if you own property with wetlands on it or something like that and someone wants to do something on it, just because you as an owner say its okay, doesn't mean the person is free and clear to do what they want. Schaub said you still have to go through other guiding entities and as part of that we look at those entities and we do an initial investigation of the property and that gives us some guidance on that.

Schaub said the other issue is the environment: plants, water, animals, air and people. He said people, archeological and historical; there was some discussion by Moegerle before that people are living people. Schaub said we look at those issues as well, it is not up to us and the City, and there is in fact state agencies that deal with historical and archeological issues.

Schaub said and we look at permitting, this is a very evident example of that. He said we are going through the permitting process, there are many different governmental entities and if we cross their jurisdiction we have to permit with them. Schaub said the things we look at is what kind of time delays there would be, added costs if additional permitting is involved.

Schaub said and the final thing we look at is construction, is it cost effective. He said we look at safety, reliability, accessibility, special structures, and total length. Schaub said and finally is it cost effective, can we build it and maintain it effectively. He said so all of those things are what we look at and because of those things we say we need some data to look at to view this. Schaub said so we do compile this, but we don't just put the numbers in and crunch them and follows the numbers down, that would be the same as comparing apples to oranges and trying to get some sort of an answer they don't work that way. He said we take things like, we have categories like homes, farms, land, and takes those and look at them and compare them to what we know or think we know with respect to any given route. Schaub said so Council Member Moegerle is correct when she adds up these numbers and looks at the very bottom of them, they do come up with high numbers and low numbers and Route A comes up higher in some of these things, but that doesn't mean Route A is bad, it means there is stuff we have to address and deal with. He said and that is what we do. Schaub said as he has said we have to deal with the reality of how we work with people and how people will actually react. He said so what we came up with and how we arrived at Route A in our minds is and why it is far and away the best route is because we do have an existing corridor, we have good easements to that, we can use that, and that is 3 miles off of the line. Schaub said and we have to our understanding a statement by the people that are the gatekeepers to Cedar Creek, the people that operate and own it, they have said okay if you can get a permit we will talk with you and that is another 3.3 miles, so now we have 1 mile in East Bethel that has nothing unique or special about it other than it is owned by the people that live there. He said everybody feels their property is unique and special and we understand that and acknowledge that.

Schaub said the truth is we have to put the line somewhere if we are going to build it, and what we are dealing with is 1 mile in the City of East Bethel and an additional 3 miles in Linwood where we have to acquire rights to be there. He said generally most of that is held by private entities or private people, not government entities. Schaub said there is one, Linwood School Forest and it is questionable whether we need an easement from them because it looks like the property owner on the other side actually owns a corner of property right in front of their driveway, so that is not even clear. He said but the reality is we have to get 40 easements or agreements for Route A. Schaub said that is a shorter route so we are able to minimize that. He said any of the others routes we need more, for Route II we need a minimum of 99 easements maybe a maximum of 120 easements/agreements, that in our mind makes Route A a very preferable route. Boyer said he appreciates it might be less work for you but doesn't know how it addresses the issue at hand. Schaub said it is not an issue of less work, it is an issue of less resources dedicated, that is what this is about for us, the resources and imposition of impact by our line on others.

Schaub said the 3 miles that is already there hard to argue there is any additional imposition there, we are not going to take additional great swathes of land and if we need anything maybe it will be a couple feet here and there. He said we probably won't need anything at all, so the 3 miles there is limited, no impact there essentially. Boyer said have you talked with the landowners that are now going to be confronted with 80 foot towers. DeRoche asked is it all going to be clear cut. Schaub said it is already cut; it is a 3 mile swath that is already there, in existence. DeRoche said he is just asking a question, don't take it personal.

Schaub said yes, okay, it is already cut, it is maintained, and it has been maintained for at least 60 years. Lawrence asked the entire stretch has already been cut, is coming down. Schaub asked the 3 miles across this line. Lawrence said no, these residences, these people behind you. Schaub said it is already in existence, it is already maintained. Boyer said he is talking down 65 from the substation. Schaub said no, he is talking the entire route, there is a 3 miles stretch that is in existence, from the 10.4 miles that we need, those people are already there and they have been there for over 60 years, some is in their backyard, some borders the edge of U of M. He said but there shouldn't be any effect to them other than construction noise, but once it is done were gone, poles will be there, but essentially it will be the same. Schaub said that comes to the issue of environment, that stretch has a lot of wetland in it, since that is already there and we are already charged with dealing with that and addressing it, as environmentally capable as we can we already have done that. He said we wait until winter to go in and do maintenance unless it is an emergency such as a line goes down, we go in and fix that, but we have already addressed some of the issues regarding environment along this route. Schaub said additionally reason we like Route A is Cedar Creek, people say they don't like something but what we look at or are forced to deal with is if there is an actual taking, that is why in this instance we are looking at number of easements we need. He said not just an issue of less work for us, but do we affect people.

Schaub said the issue of looking at homes from the centerline, 0-100, 100-200 and 200-300 that is a way to know who is out there and what we are looking at, we keep track of that so we have that understanding. He said we have to build this thing and if we get a permit what it all comes down to is who do we have to call and deal with and ask to buy land from. Schaub said that is much different than someone sitting across the highway looking across at a piece of property they have no claim to. He said it is the same thing as your neighbor painting his house orange with purple polka dots you may not like it but you don't have a right to say anything about it. Schaub said that is essentially the approach we have to take, we understand people don't like transmission lines, understand no one prefers them, but again it is an essential service and it needs to go somewhere if you want the electricity, that is the reason we are doing this. He said this is something that is important to us, these are things that are reality for us, things we have to live with and do to get a transmission line built, this is our reality and that is why we look at it in this way and why he is trying to explain that the matrix is not the be all and end all of how we do this because there is so much of the human factor in what we do.

Schaub said and he is going to focus on Cedar Creek because that seems to be the sticky point of this route, again there are two homes on that side of the road and that is it. He said then it is Cedar Creek so with respect to people issue we need three easements or licenses to be there. Schaub said then with respect to nature, plants, animals, established and no one has said otherwise there isn't an issue of air quality with these, but people question plants, animals, plants can be categorized as two things, rare species or trees and grass. He said we understand there are rare species of both plants and animals at Cedar Creek. Schaub said with respect to animals any work we do there will be a temporary disposition to them, we will not be displacing eagles or hawks or blanding turtles. He said some of the things we do if we get a permit at Cedar Creek or anywhere else as he mentioned is this whole area is very similar, wetlands, meadows, forested areas throughout the entire region so we contact the DNR, we do surveys, we attempt to mitigate any problems with botanical issues, put the poles further apart, design the lines so raptors can't land on them, put bird diverters on the lines, check with fish and wildlife service, we know the grey wolf is an issue some places, but they have indicated that it is not an issue here. Schaub said the Army Corp of Engineers have to permit us, we keep track of wetlands not because we can't go through them, but

because we also have to give them information to get a permit from them even if we get a permit from you and the DNR, that is part of what we are doing. He said with respect to forested wetland, we have to mitigate, if we cut down trees and forested wetland that is a huge issue because that is deemed to be rare, that is one of the reasons we like this route because it doesn't really have anything that we need to cut down.

Schaub said if we do cut something down we would have to mitigate by going to a land bank and replacing that. He said you don't have to do that with general wetlands, but with forested wetlands you do and Route 11 has a lot more. Boyer said certainly you are not saying to us that you are not cutting down trees in East Bethel. Schaub said no, he is talking about forested wetlands; this is a very specific and unique issue. He said no, trees we do have to cut down trees, but since we look at this as a whole, we have to cut down a lot less trees in Route A than anywhere else. Boyer said your figures don't show that. Schaub said yes they do, 14 acres in Route A, and 20 acres in Route 11. DeRoche said these trees you are talking about clear cutting are you talking about the ones in residential areas, or are you talking about the ones in open fields. Schaub said he is talking about the ones we think in general that would be in our easement. Boyer said if you are going 6 miles through our City, virtually the entire length has trees in the ROW that are going to be cut, this is a difficult figure for him to accept, a rough calculation he did is 30+ acres. Schaub said that is not accurate the City is not wall to wall trees and a good chunk of Cedar Creek is Oak Savannah. He said and savannah applies there is open plain there. Boyer said the Oak Savannah is about the rarest habitat in the State of Minnesota, less than 1,000 acres of it in the state. Schaub said and again reason we are looking at the area is two fold, in talking to the people that run Cedar Creek, Dr. Corney it is something they have said they thought they could deal with, additionally they do something called a controlled burn, also something that would add a fire break for them when they do those controlled burns. He said his understanding is there is always a concern that a gust could blow that out of control across the highway, or somewhere else, if it does they could burn down part of the county, so it is of some benefit to have something there. Boyer said they already have an existing set of fire routes, as you are aware of, they show up on maps. Schaub said again the University has said they would work with us on this if we can get the permit.

DeRoche asked aside from the permit with East Bethel, if the U of M took the position that GRE would not be allowed on their property how would that impact your Route A. Schaub said we would revisit if we would go on the poles across the way or not, and we would have to determine if it was something that would stack up against this, because then you are adding all the additional homes to the issue, those properties to do we want to make that kind of an impact on those properties. He said he can tell you as an example for some homes especially on the opposite side of Cedar Creek there is that essentially has a driveway and then the home is there, so it is probably like 40 feet or less from the road, so we would review that, but at this time and at this date we've never been told that by Dr. Corney. DeRoche said his question is very narrow and he thinks he asked it the other night, contingency plan, you have Route A, you are asking for Route A for your permit right and all of a sudden you just can't do it, you run into the U or there are artifacts or something happened, what is the contingency. Schaub said probably to try to address whatever happens and see if we can fix that, if we can't fix that then we would have to re-evaluate where we would want to go. He said but he can't stand here and tell you that we are going Route E or G or something like that. Schaub said what he can tell you is if you are telling him about some nebulous unknown thing that happens is all he can tell you is we would attempt to remedy that thing. DeRoche said like he said, a very narrow question, everything should have a contingency plan.

Schaub said what we have done is looked at route and narrowed it down with respect to the issues and overall with respect to the environment, we can make that work, the University of Minnesota has indicated to us is acceptable and tolerable, so has the DNR and so has the other entries that are in charge of overseeing the environment within Cedar Creek. He said with that in mind and based on that, we have determined these things can be done, as he mentioned we can mitigate the different instances that come up. Schaub said if we come to a rare species again we are not going to just come in and start cutting, we already have an understanding with the University and when we thought we were going to be going on Allison Savannah that we would do a survey or work with surveys they have to determine what is out there and work around it. Schaub said we would rope that off and construct around it. He said those are things we can do. Schaub said we would also work outside of the Oak Wilt problem, work outside of issue of wetlands in the sense that we can work in the winter, we are prepared, we do this in other areas, this is not the first and only place we have encountered this kind of thing and we have been able to do it before. Schaub said we have gone to great pains to try to minimize the direct impact to people as well, we think that trying to cut down the number of people that we need to acquire easements from is a big step doing that and there is no other route that comes close to needing 40 easements and everything else is at least double that.

Schaub said and as far as the construction itself this is a route because it is next to county highway, is a well traveled route, is accessible, allows us to access and retain reliability, allows us to cut down on the special structures that are needed, that goes back to the pinch points, so this is a good route as from a constructible standpoint, highway and area also give us access for safety issues such as response teams. He said that is what we look at and that is what the matrix is put together for, we are not claiming that Route A is the best in every category, is not, we know that and understand that, but, when you look at Route A even it is higher in wetlands than Route II, it is lower in forested wetlands, that is the key issue there.

Schaub said it is his understanding that there is one more person within 300 feet than in II and if and if there is, we can't say anything about that other than that is a distance, that doesn't mean that many people are going to be directly impacted by this route, that means a lot of people have homes across the road, they have got distribution lines in front of their house now if they are living across from Cedar Creek but they are not going to lose rights to their property, we are not going to go to them and ask for easements. He said this is the same way as City going forward with sewer, know you have to acquire easements for that, it is the very same thing. Schaub said his assumption is that you are not making payments to people who are across the street from someone where you have to take a tree because it is in the way of the sewer. He said we are an essential service just as the sewer is an essential service.

Davis said for the record, this is not a good analogy. He said the sewer lines are not visible after putting them in and the transmission lines are. Schaub said yes it is a good analogy, because you still have dig up the earth to put them in, make some sort of alteration to put them in, you are not just direct imbedding them and it would be the same thing if we tried to bury the lines we would still have to dig up the land to do it. He said he is assuming the City is going to have to damage some property in doing the digging. Lawrence said but you are requiring the clear cutting to put your poles up and maintaining it for the life of the pole. Schaub said he doesn't know if clear cut is a good word. Lawrence said you are removing all the trees around the lines, he doesn't know how else to say it. Schaub said it is not every tree, it is the taller species, and there are fruit trees that we aren't doing this with. He said

and with sewer you have to dig a trench, have to comply with OSHA, so you have to be taking more than you need. Schaub said we are an essential service, we need to go somewhere, we try to minimize the impact, we are subject to safety issues, and safety issue is here is the width of our easement, not just a choice.

DeRoche asked isn't this part of the deciding factor, what is the bottom line, you keep going back and forth and this wetland and trees, what is the bottom line for GRE's decision to go with Route A. Schaub said the ability to minimize the length of route, ability to work with property owners and ability to deal/work with remaining issues of the entities that oversee us such as Cedar Creek and the DNR. He said there is nothing we can do about the way a transmission line works, transmission line is there no matter where you put it, we have to take trees no matter where we go, this route in fact allows us to take less trees overall than other routes. DeRoche said he doesn't think anyone up here is saying that a transmission line isn't necessary, we are just trying to figure out the best route through our City, which the people up here are probably in a little better position to do seems how they live here and they know the lay of the land a little better. He said he can put all kinds of things in a computer and have it spit out something out and say yes this is great.

Boyer said this is the second time you have brought up the DNR, educate me what does the DNR have to do with any of this, except we are talking about Cedar Creek/U of M land, not crossing DNR land are we. Schaub said no, his understanding is they oversee features like rare habitats and we have to check in with them. Boyer said you do and he thinks we were provided with that. He asked do you have something from the DNR, you have brought this up twice that the DNR supports this in some way and wondering what this is. Marsha Parlow from GRE said you should have an e-mail between herself and Lisa at the DNR who keeps track of the database, she has indicated her concerns about the route and we have pointed out how we are going to address those issues. Boyer said you have seemed to have implied when he was listening to you that the DNR is supportive of this route and he doesn't think that is the case from that e-mail. Schaub said that is not the way the DNR works; they don't come in and say we like this route best. Boyer said the DNR is not supportive of Route A that is a fair statement he thinks. Parlow said they don't take a position on the route, they just give us information on how we can mitigate if there is any wildlife on the route, or any issues. Boyer said but to state that they are supporting Route A is not right.

Boyer said on Monday you had brought up that Co. Road 9 was to be expanded, and that was why you objected to any route going down Isanti Co. Road 9, is that correct, that is what he heard at the Monday meeting. DeRoche said touching on that he thought you were going to get some information, because he thought that night he had asked that night if you had gotten ahold of the county or state to find out when or if they were going to start construction on Co. 9 because you had made the statement it was going to be 2 or 3 years and he knows the state and the county and probably the City Hall has schedules of when certain roads are going to tentatively start and he thought he had asked if you could look that up and get that for me. Boyer said we called Isanti County Highway Department and spoke with the Assistant County Engineer and they informed us that since 2006 there has been no plan to widen Isanti Co. 9, were you aware of that.

Schaub said he spoke to somebody in this department as well, spoke to them twice, he doesn't have the name before him, and he was told that it was slated for, he started 2 years ago on this, and they said the next 5 years. That is why he said in the next 3-4 years. Schaub said that is what he was told, that was his understanding. He said the fact remains that whether they do it in 2 years or in 5 or 6 years someone told him they were going to do

it and if they do it and our poles are in the way, that is a problem. Boyer said for 21 years he has heard that Anoka County is going to widen Viking Blvd. and Lexington too; we actually tore down houses on Lexington by Coon Lake to ease the curve. Moegerle said it goes to credibility and thoroughness and research. Schaub said thoroughness and research was he contacted them twice and he was told twice, yes we are going to widen this road. Moegerle said it would be helpful, do you understand why we would like to have a name of that person. DeRoche said or a document. Moegerle said she understands we are all friends here, but when it comes to facts it would be helpful if we could call the guy up and say hey is that what you said. Schaub said he understands that and he guesses he would say we have been going through this for what 2 years now and he guesses because it was always acknowledged by people in the different groups we have been in, that it was a likelihood and probably would happen, he didn't know it was something that had been cast into doubt. He said but even if they don't do something there, there are still problems with the routes that come from the north, it doesn't negate those other problems.

Boyer said if Co. 9 isn't going to be expanded, who is to say that County 26 is not going to be expanded before 9. He said he has heard the same thing about other roads in East Bethel for years. Schaub said this is just a side thing; the reality is what we have to deal with from an engineering standpoint. Boyer said you raised the point as Co. Road 9 being one of the reasons you don't want to consider Route I, and with one phone call we determine that Co. Road 9 isn't going to be widened in the foreseeable future, it does raise an issue. Schaub said he would say that is something that happens, it can be explained, it certainly understandable with the state and the counties having problems. He said it is his understanding that when some of the people on this board were elected the first thing they wanted to do was stop the sewer project, it was in fact halted for a while, so on any given day, if someone had called one day been told a project was coming through, they may have been told it wasn't coming through another day. Schaub said the same things can happen, all he can tell you is in good faith he contacted the county twice and he was told twice that yes we are going to widen that road we got plans to do it, back when he did it initially they said it was on their 5 year plan. He said if someone had contacted him a month ago or a week ago and prove this to me, he certainly would have had time to investigate this, and he would have reported whatever he found. Schaub said he doesn't think there has ever been an instance where we have ever not given the City information they have requested. He said he hasn't been advised that Durant is going to be widened, but that would be a problem, Typo Creek being widened would also be a problem. He said we are looking at the engineering issues we have to overcome.

Lawrence asked he understands that you are trying to get the power from the Martin Substation to the Athens Substation because we need power in East Bethel, but you are ignoring that we are going to need power in East Bethel on Viking and 65 where we are going to be growing. Schaub said no, this power line is designed to help the entire region, from Cambridge all the way to Elk River, which includes all of East Bethel. Boyer said but we receive 14% of power from Martin Lake, that serves primarily the east side of the City and none of the east side is slated for development. Schaub said but that is not the entire purpose of the project and he thinks you consultant confirmed that several times, he has acknowledged that there are low voltage issues in the area.

Boyer said we are not debating that, but is certainly not going to serve high growth areas in the City of East Bethel nor is that the rationale from GRE's perspective, it would affect the Highway 65 corridor none at all, it is already double circuited. Lawrence said what he sees here is you have given me 15 or 16 proposals that you would like to use, but actually you have one that you want to use and you won't even consider the other ones that you handed

out. Schaub said no, those were not proposals that we wanted to use. Lawrence asked why would you hand them out if you didn't plan on using them, to me you are wasting my time giving me all these proposals that you are not even thinking about doing. Schaub said your ordinance requires us to work with the workgroup and your workgroup asked us for all the things we had looked at. He said initially we tried to hand in the ones that we thought would work, we were told come back with others. Boyer said you gave us one. Schaub said we gave you what we thought would work; we thought we were showing you in good faith what we thought would work the best. He said we do think if we could go across the northern part of Cedar Creek it would work, but Dr. Corney said no. He said we gave you this one, then we were asked to give more, because they wanted to know every possible thing that we may have looked at or thought about, that is why we gave it to you.

Schaub said we are not here tonight asking you to pick the best from the 14 routes, we are here asking you to approve Route A. Lawrence said he understands what you are asking for and why you need it, that is not being disputed, but seems to him there were other questions that came up such as coming down 22 from the east side with 220 volt line which you had proposed at some time, straight north to substation would that not do just as well, it is a shorter distance. Schaub said he has never been involved in anything like that. Tim Mickelson, Transmission Engineer from GRE introduced himself. Boyer said he thinks the Mayor is referring to the Rush City Line. Mickelson said no that runs north and south on Highway 35; it doesn't come through East Bethel at all. He said maybe you are talking about the biennial plan, but we don't specify routes in there specifically. Mickelson said our long term plan has always been to connect the Martin Lake substation with the Athens substation to support the load growth that may occur along Highway 65 and it also provides the redundancy backup to the Martin Lake substation that we need. He said the Linwood substation provides a strong source to prop up the system and to enable growth in the area.

Paul Zisla of Moss & Barnett in the Wells Fargo Center representing GRE introduced himself and said he is going to explain this from our prospective frame the discussion to follow, but Council Member DeRoche hit the right question GRE is looking for the best transmission route through East Bethel, the application is for Route A we need to have focus on Route A, we did not apply for the other 14 or 15 routes. He said we understand that the City is asking GRE why you didn't do those routes; we see things about them, what are your thoughts on that. Zisla said as we have said in our letters the process is we came in and said we have a point we are connecting on the north side of East Bethel and we got to get out on the west and we need a route through the City that works and we want to direct you attention to Route A. He said because right now what we are facing if you deny Route A is a no build alternative and what he has heard from your consultant is that doesn't work.

Zisla said the suggestions on Route A, almost all the discussion on Route I rather has to do with areas outside of East Bethel. He said of course the response is it is better for us if you go on Route I because it is only a small part of our City. Zisla said well yes it is better for you if you push the line out to another community as we go on in our letter, that isn't what has happened here. He said literally, factually, we are not in a case where we are doing cooperative planning with three jurisdictions coming together and picking a route, it didn't work out that way, don't want to go over the history of the relationships of the community, now that isn't really relevant. Zisla said GRE is before you with an application for your process with Route A, questions were raised and Peter has tried to respond why Route A is a good one, why it works for East Bethel. He said the legal issue is we have to stick with the task here, and GRE has to get a transmission line through the City of East Bethel, the City has a discussion process, you have done a lot of review of routes and we are here today

saying don't leave us with a no build discussion that essentially creates a gap in the transmission system. Zisla said the letter is saying listen to your consultant on the issue of need, the letter is saying you are in a Conditional Use Permit process and your lawyer I hope is aware last night at the Planning Commission, and some tonight, Peter has gone through and said look we have hit the conditions and criteria in your ordinance. He said there is not anything that has been shown contrary to that, there have been questions about what is the best route, what is the best way to go, but in terms of the legal authority to use your Conditional Use Permit process GRE went through and said this is your criteria, this is how we have dealt with it. Zisla said we know you might prefer a different route, it might be better from East Bethel's prospective, but, as a matter of law and a matter of practice, this is not a discussion about we East Bethel would like you to go on Route I, which is mostly outside of East Bethel, this is about how do we deal with that segment that goes through the City in a responsible way and we our position is, our conclusion is and we hope you share it, is the record shows that we have satisfied your conditions. He said you have some concerns; we have tried to answer those. Zisla said he is not going to go on more about Cedar Creek, he thinks Peter has tried to do that. He said we hope you accept his argument. Zisla said Route I doesn't connect for us and if you recommend Route I you really haven't given GRE a workable route.

Lawrence said but this is your route though, you planned it. Boyer said it was also the first route GRE presented to the City of East Bethel in essence. Zisla said in anticipating there would be that history Council Member Boyer, he knows Peter is aware of that, there was discussion of that yesterday. He said Mayor Lawrence, he thinks Peter answered this. Zisla said GRE came in with an application for Route A, the workgroup process said we want to see what you looked at. He said Peter has talked you through their planning process. Zisla said we say in the letter that this has been informational, this has been discussion. He said the fact is GRE came in and applied for Route A, why didn't you look at Route I, explain yourselves to us, if we have failed to persuade you, collectively we have made a sound decision that is unfortunate from our perspective because the whole approach is we wanted to feel we were being responsive, GRE was being responsive, we were being reasonable, it did look at the alternative. Zisla said it did share that with the workgroup, but at no time did GRE say we have 15 routes workgroup, pick one for us. He said it was here is your information. Zisla said GRE said A is the one we want to apply for; we want to assure you we have a responsible process. Zisla said he repeats himself, but the reason to do that is you are working in a legal context. He said as we have said in all our letters there have been a dispute of your authority, we direct you to what your lawyer is said and we repeated it on March 30th, there are questions and concerns but we think you should adopt findings that say all things considered it works, it is the right route for going through the City, we know there is the comparison of I and A in the City. Zisla said the question is does Route I really get us anywhere and of course if we have a small piece off in the corner it's going to come off with a certain kind of result. He said and then in the letter we are going to say a lot of what we have heard and observed, frustration on part of the City, frustration on part of GRE part that we have a fragmented plan being processed and that we don't have three cities coming together and saying here is a route that works. Zisla said we don't have that and our view as a matter of law is we have to accept that. He said your authority, the scope of that authority is East Bethel and to assist us in finding a route that works through East Bethel. Zisla said that a decision to deny Route A is going to exclude us we are going to have a problem, a hole in the system.

DeRoche asked why is it Route A or a no build. He said so Route I wouldn't be a consideration and it was never a consideration. Zisla said we applied for Route A, we said

we need Route A, there was a review of the alternatives in East Bethel, your consultant went through those alternatives and he thinks there were six of them that got us from where we need to be and the conclusion of consultant was Route A is the best, we could revisit some of that but that was always the question. Boyer said no, that was not the conclusion of the report sir. Zisla said the conclusion was from the ones that get us from where we need to be from where we need to get. Boyer said that is in East Bethel Route A was the best. Zisla said the one that is in East Bethel. He said Route I and the other routes are principally not in East Bethel. Zisla said and they don't connect the line where we need to connect it. Boyer said to clarify 1 ½ mile of Route I is in East Bethel and the route is roughly 10 miles long and East Bethel gets 14% of its power from Martin Lake substation, by his math we are being very generous that is 15%. He said why you are approaching the City of East Bethel to connect two points outside the City of East Bethel and expect us to take 60% of the route length is something of a mystery. Boyer said he would contend to you sir that going to Athens Township first by far the least populated, by far the weakest in any zoning authority whatsoever, and not even in the seven county metro and then telling the City of East Bethel and Linwood that we are driven by Athens Township decision seems. Moegerle said inequitable. Zisla said it may seem inequitable Peter can go through the history, but the fact is there is an existing route, existing ROW that GRE has in Athens, it gets GRE to the north line, its gets GRE through East Bethel, we have said in the papers that (why argue with you tonight) that this allocation of transmission percentage, you may not like the percentage work out for this particular facility, for this particular one, and he is not accepting on behalf of the experts that 14% of the power and 60% of the transmission line benefit or burden is accurate at all, in fact we argue that is not reasonable grounds for who gets the advantage but from Athens to Martin Lake serves the whole area, the power lines serve the whole area, it is a needed facility and sharing the benefit and sharing the burden. He said it might be frustrating to you, it might be bothersome, but this is a multi-jurisdiction facility. Zisla said pieces are going through East Bethel, pieces are going through Athens.

Vierling said it is very difficult when you have a group of different attorneys together. He said from a practical standpoint obviously GRE has take this position that Route A is a take it or leave it option to Council. Vierling said this City has adopted an ordinance which we understand they don't agree with and Council obviously feels it is a valid ordinance and has multiple opinions on that issue and we will argue that someplace else, some other day. He said in terms of what is in front of you, the Council certainly is looking at a facility that is in essence a regional type of facility. Vierling said the proposal is to come through the City, you have every right to take a look at other routes and other pathways, if you determine that there are pathways that are more reasonable that render Route A unreasonable you certainly have the right to say that. He said that is part of what staff has done in laying out the opportunities that are before you tonight on this matter. Veiling said he thinks we all acknowledge the legal position of GRE and the City is going to differ to some respect but you do have a factual issue in front of you in terms of whether you feel Route A is reasonable and or not and whether or not it is sustainable in the City. He said with that said he assumes the Council will go forth with their discussion at this point at the dais and have their decision rendered.

Boyer made a motion to adopt Resolution 2011-20 A Resolution Making Findings of Fact and Denying a Conditional Use Permit for Great River Energy for Route A with the findings as outlined in the resolution. DeRoche seconded. Moegerle said she has some changes to the resolution. Page 1, 7th Whereas, 1) change as follows: bulk transmission: 230,000 volts (230kv); Page 4, 5th Whereas change as follows: **WHEREAS**, in the evaluation of the various routes, the City has considered attributes for each route option,

included within a route matrixes prepared by Applicant, which attributes are as follows; Page 5, 1st Whereas strike the following: ~~The other attributes of Route A compared to all the other route options (inside and outside the city) are all favorable in the opinion of the consultants, and Route A has been recommended to the City as the best route option within the city, yet recognizing that there are concerns and mitigation points and disadvantages that needed to be accommodated; and;~~ Page 6, 1st Whereas change shorten to shortened and strike the following: Further, Route 9 is also scheduled for a rebuild and widening in 4 to 5 years by Isanti County, so that modification of Plan I would minimize the length of line on Highway 9 to be exposed to a rebuild or relocation. It is also established that there exists 2 miles of 69kv line currently located on Highway 9 which could be utilized for this modification of Route 9; and; Page 6, 3rd Whereas capitalize A in applicant; Page 6, 4th Whereas, capitalize A in applicant, change matrix to matrices and misses to missed; Page 6, 7th Whereas, capitalize A in applicant; Page 7, 3rd Whereas, strike but, and change the following: and the environment and number of residents as a whole as opposed to other several other routes within the City of East Bethel; and; Page 7, 4th Whereas, strike Both Route A and H have add Routes other than Route A have significantly less, strike minimal; Page 7, 5th Whereas, strike Both Route A and H have add Routes other than Route A, Page 7, 6th Whereas, completely strike ~~WHEREAS, the significant impact and risk to Cedar Creek Ecosystem Science Reserve outweighs any possible economic benefit to the use of Route A.~~ Boyer accepted the amendments to his motion, DeRoche said his second stands with the amendments. **All in favor, motion carries.**

Vierling said that staff was going to discuss that if any of the routes were adopted that the conditions that were in the staff write-up as submitted to Council be applied. He said staff would like Council to consider if any route was every adopted that the conditions be applied.

Boyer made a motion that if any of the routes are ever granted the following conditions will be applied: 1) GRE will submit a construction plan prior to the commencing the construction of the 69 kv line, establishing both a construction timetable and a progression of construction that shall be reviewed and meet the approval of the City Engineer and staff; 2) GRE will submit a construction plan prior to the commencing the construction of the 69 kv line, establishing both a construction time table and a progression of construction that shall be reviewed and meet the approval of the City Engineer and staff; 3) GRE shall minimize the need for any unsightly guide wires at corners, angles and dead ends, and utilize steel poles at dead ends, corners, angles and in certain high density neighborhoods designated by the City Engineer as part of this project; 4) That Great River Energy and/or its subsidiaries or other utility users that utilize its services shall install underground service drops at crossings of County Road 26 and other municipal roads within the city of East Bethel without added cost to the residents and utility users and assure that the relocation of distribution facilities to the north side of County Road 26 results in a minimum replacement of service drops, and wherever possible all service drops must be undergrounded; 5) GRE must submit easement descriptions and final route determination prior to the execution of the CUP Agreement; 6) A CUP Agreement must be executed no later than December 22, 2011. Failure to comply will null and void approved CUP. The agreement must be executed prior to the start of construction of the project; 7) GRE must coordinate with affected property owners as to the option of total easement width granted to GRE so as long easement width meets federal regulations. DeRoche seconded; all in favor, motion carries.

Fence Company for the \$10,900. The fence will be completed on Friday, June, 24, 2011. Top Notch Fence needs payment for the materials for this job prior to final installation. It is proposed with Council's approval to pay \$7,900.00 for the materials for this work upon delivery on Thursday, June 23, 2011. It is also proposed to issue a check for \$3,000.00 for the labor on this job but withhold the check until the project is completed, inspected and accepted.

This request is proposed so the fence can be completed in a timely manner and lessen the inconvenience to the property owner, Mr. Tim Oney. Even though this is an unconventional method of payment, no services are being paid in advance and the savings on this project between the bid from Top Notch Fence and the second low bidder was \$5,570.

Boyer asked are the materials going to be delivered to the public works building. Davis said yeas, and we will check them for completeness before we release the check.

Boyer made a motion to approve the bill for Top Notch Fence Company and issue two checks, one for \$7,900 to be released when the materials are delivered and one for \$3,000 to be released after the project is completed, inspected and accepted. DeRoche seconded; all in favor, motion carries.

Adjourn

Boyer made a motion to adjourn at 8:20 PM. Moegerle seconded; all in favor, motion carries.

Attest:

Wendy Warren
Deputy City Clerk



City of East Bethel City Council Agenda Information

Date:

July 20, 2011

Agenda Item Number:

Item 7.0 A.1

Agenda Item:

Planning Commission Meeting Minutes for June 22, 2011.

Requested Action:

Information Only

Background Information:

Information Only. These minutes are in draft form. They have not 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 PLANNING COMMISSION MEETING

June 20, 2011

The East Bethel Planning Commission met on June 20, 2011 at 7:00 P.M for their regular meeting at City Hall.

MEMBERS PRESENT: Eldon Holmes Lorraine Bonin Brian Mundle, Jr. Glenn Terry

MEMBERS ABSENT: Dale Voltin Julie Moline

ALSO PRESENT: Stephanie Hanson, City Planner

Adopt Agenda

Chairperson Terry called the June 20, 2011 meeting to order at 7:00 P.M.

Terry motioned to adopt the June 20, 2011 agenda. Holmes seconded; all in favor, motion carries.

Public Hearing: Conditional Use

Permit. A request by applicant, Great River Energy, to obtain a Conditional Use Permit for the placement of a transmission line in portions of the City of East Bethel.

Public Hearing

Conditional Use Permit (CUP) Request by Great River Energy (GRE) for a Proposed 69kV Transmission Line to be Located in East Bethel

Requested Action:

Make Recommendation to City Council for a Conditional Use Permit (CUP) Request by Great River Energy (GRE) for a Proposed 69kV Transmission Line to be Located in East Bethel

Background Information:

Hanson provided the background information. On April 6, 2011, City Council tabled the request from Great River Energy (GRE) for a Conditional Use Permit (CUP) for a proposed 69 kV transmission line to be located within East Bethel. City Council directed staff to hire a technical expert to analyze the proposal, the need for the additional services, and make a recommendation for route location.

Mr. Larry Schedin of LLS Resources was contracted to complete the analysis. Mr. Schedin has met with the GRE Work Group, Planning Commission, and City Council to brief individuals on updates of his project analysis.

Mr. Schedin has completed his final analysis and will be presenting his findings and recommendation at the public hearing. Attachment #1 is the final report by Mr. Schedin. Mr. Schedin's report answers many questions asked by Planning Commission, the GRE Work Group, and City Council, including an analysis regarding the electric power supply to the City of East Bethel, how the existing and future distribution electrical supply works, the need for the project, the potential of the proposed line operating at 115 kV, and route recommendation.

Mr. Schedin has completed an analysis for the need of a 69 kV line. After much research and analysis, Mr. Schedin agrees there is a need for this particular project, therefore, is of the opinion that a "no-build" is not an option. City staff concurs with Mr. Schedin's report in which a no-build alternate is not reasonable given the existing needs as expressed by the Applicant and the growth for

electrical service presently and anticipated to occur within the area.

As part of Mr. Schedin's recommendation, he discusses "Route I" which could be significantly shortened by utilizing Durant Street. Attachment #2 shows "Route I"; the proposed alternative route is highlighted in yellow to show the shortened length. GRE has provided additional data information for this route, which will be known as Route I¹. Attachment #3 analyzes the data for Route I¹ and all other routes Mr. Schedin analyzed. As part of the presentation, Mr. Schedin will further discuss the route analysis and his recommendation of a preferred route.

Recommendations:

Staff requests Planning Commission take into consideration Mr. Schedin's analysis and recommendation when making a recommendation to City Council for the CUP request by Great River Energy for a proposed 69kV transmission line known as Route A.

If Planning Commission recommends approval to City Council for the CUP request by GRE for the route known as "Route A", then Planning Commission must give factual reasons for approval. In addition to approval, staff recommends the following conditions:

1. GRE will submit a construction plan prior to the commencing the construction of the 69 kV line, establishing both a construction timetable and a progression of construction that shall be reviewed and meet the approval of the City Engineer and staff.
2. GRE shall minimize the need for any unsightly guide wires at corners, angles and dead ends, and utilize steel poles at dead ends, corners, angles and in certain high density neighborhoods designated by the City Engineer as part of this project.
3. That Great River Energy and/or its subsidiaries or other utility users that utilize its services shall install underground service drops at crossings of County Road 26 and other municipal roads within the city of East Bethel without added cost to the residents and utility users and assure that the relocation of distribution facilities to the north side of County Road 26 results in a minimum replacement of service drops, and wherever possible all service drops must be underground.
4. GRE must submit easement descriptions and final route determination prior to the execution of the CUP Agreement.
5. A CUP Agreement must be executed no later than December 22, 2011. Failure to comply will null and void approved CUP. The agreement must be executed prior to the start of construction of the project.

If Planning Commission recommends denial of the CUP request for "Route A", then Planning Commission must give factual reasons for denial.

Hanson stated this evening we have GRE staff here; we also have Mr. Schedin here who will present his route analysis and recommendation.

Larry Schedin introduced himself and also explained he is an electrical engineer. He has been in this business for many years. He has a homestead in Bonstream, Minnesota. It is about 200 miles north of here; if you take Hwy. 65 to where it ends, that is where his place is. He does appreciate working with the GRE work group, Planning Commission, and City Council. When he started this project he

was given 15 alternatives. He added two options: no-build and another option that he put together himself, called I¹.

Some of you have heard his introductory remarks before. The first part of his remarks address where does the electricity come from to get to East Bethel? One source of supply is from Rush City – there is a major power station that goes down Hwy. 35. Off that big wire, there is a secondary transmission line. It supplies places like Blaine, Linwood, and Bunker Lake. To get the electricity to East Bethel is through distribution substations. The feeder lines go to the homes. The substations are at Soderville (Crosstown/Hwy 65), Viking Blvd (1 mile west of Hwy), Coopers Corner (237th), Martin Lake (Linwood, off of Typo Creek) and Forest Lake.

Schedin asked is this proposed power line really needed? It is a very strong system that GRE owns. GRE is a transmission and generative cooperative and they are headquartered in Maple Grove. GRE sells power to companies like Connexus.

Schedin stated his main concern is this system around East Bethel, and how strong is it, and why do they need to build this line. After analyzing the area, he determined if something were not changed, there would be serious issues. The three lines aren't adequate anymore. Martin Lake is built out of Linwood, off of 35. If anything happens in that area, there would be serious issues. These could be alleviated if the lines are increased on Hwy. 65 up to Cambridge and Elk River. Elk River, Cambridge, and Soderville provide a secondary source for Martin Lake. The Martin Lake substation is poised to house the growth on the east side of East Bethel. He believes this line is a very cost effective solution for the line. Schedin also stated that no-build is not an option – this line is needed and is the most cost effective.

Next Schedin reviewed a map with all of the routes on it. Schedin did not go into the details of each route. He concluded there are a lot of environmentally sensitive areas in East Bethel. Schedin asked for a map, of where not to go. His map showed all of the environmentally sensitive areas. He was also given a matrix on what are the routes, how much do they cost, and how many acres of wetland would they cover. The major thing he was trying to avoid is the ecologically sensitive area.

Schedin stated how did he analyze these routes? He started driving these roads and it turns out there are probably 7-10 options in the north, where the line would come from someplace north and go to the Martin Lake substation. The routes would come down Typo Creek or Sunset Road.

He said if you keep driving north to 261st and turn east off of Hwy 65, you will come to a key substation called Athens. That is a transmission submission hub, and it does not supply East Bethel. If you drive straight north of Athens, about a mile north and a mile east, there is a power line that is already there and it is de-energized. It is built on double circuit structure. It comes into Athens through the north and that is a key point. Schedin said what it does is this line provides a freebee of mileage. The mileages would be the same if you went on Hwy 65; you already have two miles built, on a line that is unused.

He divided the routes into the north and south routes and first analyzed the north routes. The routes on the north go on the north side of the Cedar Creek Reserve and then to Typo Creek Drive or down Durant and to Sunset. After meeting with the GRE Work Group and Planning Commission, he agreed with them that if something has to come from north, that it should avoid Sunset Road and use Typo Creek Drive. The reason being is Sunset has many homes that are built close to the street. Additionally, if Typo Creek Drive is to be used, the archeological sites on that road require the road be used minimally.

He also noted that two of the routes cross right through the middle of the Cedar Creek Reserve. He stated he spoke with representatives of Cedar Creek Reserve and they said there was no way a transmission line would be run through Cedar Creek Reserve. They also requested if anything is constructed by the Reserve, that it be done on the south side versus the north side.

Schedin then analyzed the south side routes. GRE's preference is the route from Cooper Corner to County Road 26, then to Typo Creek and then south to Martin Lake. He looked at a route on 221st Street. He also looked at another route that would follow the south side of the Reserve, and then go to County Road 22. When analyzing the routes, he looked at distances and structures and he concluded that based on distance that Route A would be the recommended route. If people drive that route, they might notice there is already a distribution line on the south side of County Road 26. GRE wants to build on the north side of County Road 26. Their plan is to take down the line on the south side and have it combined on the north side. Right now if the electricity would have to go across the road for service, he would recommend the feeder lines be put underground. To do this, the line would come down the pole and they would drill under the road and go to the home.

He was asked to look at other concerns about the route. One concern is it borders the south side of the Reserve, and there is an environmentally sensitive spot, the Allison Savannah. This line would be running on the edge of those environmentally sensitive areas. Those are his great concerns about the south route.

Schedin stated that on the north side, the GRE Work Group tried to find a route that skirted the Reserve. They took the line from Athens (that goes nowhere) and created Route I. The issues on this route are the pinch points on Typo Creek Drive. Schedin said to him it made more sense to just go down Durant Street. It would eliminate the area on County Road 9. One of the disadvantages is distance. Once you cut off the part of the route over to County Road 12 and back. It is only 9/10 of a mile longer than Route A. The cost is \$3.7 million. There still remains, however, the issue with Typo Creek Drive having the archeological sites and pinch points. GRE's route engineers say there will be a number of pinch points. On Route A, there is supposedly only one pinch point. He devised Route I¹ and believes it is the best option that he could come identify from the north.

A resident asked what about the houses along Fawn Lake Drive. Schaub stated they tried to look at houses from the centerline and different distances. GRE is

planning to buy 70 feet of right-of-way. About one-half would be in the street. Within the 35 feet, the land would be clear-cut. There is the number of miles of trees that will be taken. He explained Federal laws regulate the heights of trees you can have under the transmission lines. Property owners would not be able to have tall pine trees under the transmission lines.

Darrell Page, 4546 Fawn Lake Drive, East Bethel – He stated Mr. Schedin reviewed all the routes. Is there a preferred route? Schedin stated he does not represent Athens Township, but that is the best route that he has seen.

A resident said the people on Fawn Lake Drive don't get their power from there. Another resident said her house is 75 feet from the road. Another resident said we aren't here to discuss I; we are here to discuss A. Schedin said he was requested to look at viable routes.

Public hearing was opened at 7:37 p.m.

Heidi Moegerle - 179 Forest Road, East Bethel – Moegerle explained she received the matrix, and asked for it in Excel since originally she received it as a PDF document. She noticed that the data doesn't add up. She reorganized the data and analyzed it. She stated there is not a single parameter whereby Route A has the least impact and it is never the least impact. She was rather amazed at how GRE touts their concerns for the environment on their website, but doesn't seem concerned about it in East Bethel.

Schedin stated Route I¹ came up to information provided at the last meeting. He did ask GRE to give him as much information as possible about Route I¹, but they didn't get the notice until Friday. Schedin stated as far as Route A, a good part of this Route A comes down Hwy. 65 on a line that already exists. A good share of this, at least 3 miles, is in existing right-of-way. The amount of remaining miles, there would be 7 or 7½ miles of new right-of-way. I¹ would require 10½ miles of new right-of-way. There is only 4 miles that is around the environmental areas.

Tanner Balfany - 19172 East Front Blvd, East Bethel – Balfany explained there are routes that have lines that aren't being used. There are lines that go nowhere. Balfany said the GRE Work Group looked for minimal impact and he also explained that Martin Lake is only about 14 percent of our power. Schedin said any of the proposed routes back up the Martin Lake substation.

A resident asked could you report the number of pinch points for the routes. Route A – 1; Route I¹ – 11. Over one-half of the pinch points are on Typo Creek Drive, because of a school, city hall, and forest.

Sue Traczyk - 22930 Packard Street, East Bethel – Where is the pinch point on Route A?

GRE representative said there are two pinch points on Route A: Durant/26 and another one east of there on Erskin Street. It would be just to the east of Durant. He explained there are 11 on Route I¹. There are some by Xylite, near Fawn Lake, and also some at the intersection on Fawn Lake and also on Typo Creek.

Pinch points are where we have to take special note, and we will have to do some special engineering, so we don't put the line right by their house. They require additional material and potentially additional easements. Anytime a line has additional angles, we have to plan for that and do more engineering. They need to make sure the tension and alignment stays as true as possible.

Mr. Schedin said a line to nowhere isn't built to go nowhere. He said the line in Athens Township was built because GRE said there would be a major corridor going along Hwy. 9 and that route would go to 35W. That is an option, but will cost 15 or 20 million dollars more than the suggestions we have here to consider.

Resident at 22500 Typo Creek, Linwood. He said you mention a pinch point on a school on Typo Creek. There isn't a school at that point. Mr. Schaub from GRE stated there is a school forest. That is not a pinch point for the other route. The actual school is south of the substation.

Bill Boyer - 3303 Luan Drive NE, East Bethel – He stated 38 feet along natural heritage area will get clear-cut. This would be a large loss for the City of East Bethel.

Resident stated these big wires are not good for peoples' health. It is known that these transmission lines cause cancer and they reduce the value of peoples' property.

Boyer stated by his rough calculation about 4 miles will get clear-cut.

Terry said this is a 69kv line and was wondering what is the minimum requirement for the amount of right-of-way that would be needed. It was explained that GRE would like 70 feet from the centerline. They are only required to have 60 feet. GRE said their standard request is for 70 feet from the centerline. Thirty-two feet would be taken from the roadway and the other 38 feet of right-of-way would be taken via private easements along a roadway. Terry stated that 10 additional feet of right-of-way over 10 miles, through an ecologically sensitive area, is a good reason to not request the additional footage above what is required.

Heidi Moegerle - 179 Forest Road, East Bethel – You are talking about 8.5 acres of trees that are going to be cleared. Route I has much less clearing.

Bob DeRoche -158 Collen Street, East Bethel – Is this extra variance, this area you are looking for, is this putting your foot in the door for bigger lines that isn't being brought forth now? Mr. Schaub stated additional area is not considered additional, it is standard for GRE. The Federal Government is strictly regulating the areas where transmission lines are, ensuring safety and security. As far as getting our foot in the door with 115kv – if we wanted to go 115kv, we would be dealing with the State versus every governmental entity. In his opinion, it would be easier to go through the state.

DeRoche said if you read the mission statement of GRE, what you are doing does not follow through with your mission statement.

Dave Landis - 1747 237th Avenue, East Bethel – It was mentioned that the line goes along Hwy. 65; he said the line comes down his property, not on Hwy. 65. Schedin said the line is actually on Hastings and you have to go east before you go to the Athens substation.

Ann Jonas – 4525 Fawn Lake Drive, East Bethel – You have been mentioning the north side construction, would this also be for the Route I? Schedin stated he was referring to the 26 and he isn't sure if the design has been done on Fawn Lake Drive. Jonas stated there is a whole stretch of houses on Fawn Lake Drive and it is really terrible to hear everyone planning this and have no part in it. Schedin said the City has had people working on this – the GRE Work Group.

Sue Traczyk - 22930 Packard Street, East Bethel – What you are saying is the lines would go underground. Schedin said no, if the distribution line is moved to the other side of the road, you need to have the service drops to go to the houses under the street.

Resident asked if there were already a line on the south side of the road, why would you move it to the north side? We would lose all of our trees, and we would go from a wooded lot, to not a wooded lot. If there is a big disturbance, they could possibly have it on one side and then change sides. So again, with some of the issues, it would go back to the line designer at GRE. No one wants to have a big power line pole right at the end of his or her driveway.

It was asked if Schedin could describe the difference between a 69kv line and a distribution line. Schedin stated distribution feeder line poles are a lot shorter than what they are talking about here. The poles that are already there, already take up some right-of-way. The pole heights are about one-half the size of these new poles. They have one wire at the tippy top to attract lightening. Distribution lines are lower and carry less capacity. GRE is proposing to combine the 69kv line and a distribution line. Transmission lines are high voltage and they don't service individual properties, distribution lines go to your property. Terry said that is also why there is more right-of-way that is needed, because 69kv lines can cause fires with trees.

Public hearing was closed at 8:15 p.m.

GRE Presentation – Peter Schaub with GRE stated he provided the Planning Commission with books of information on this plan and you hopefully have seen all of this before. There was one addition, Council Member Moegerle asked for the information to be broken down by jurisdiction. He stated he could move through a lot of this pretty quickly.

The first page is the history. We started this project in 2008 and we had open houses for this project. As most of you know, we ended up with the City adopting the moratorium. We did work with the GRE Work Group and provided a lot of information. They made the recommendation to go with Route I. They presented it to the Planning Commission. Planning Commission said we should submit an application to the City pertaining to Route A.

Another good portion of this project talks about the importance of the project and

that no-build isn't an option. We are looking at power for the region and for the power for the region; not building the line isn't an option.

In the books he also included information on other options. The project we are looking at now is \$6.5 million dollars total. He has included information about the routing process that was to follow. He would like to submit the whole document on the record.

Essentially GRE likes to share right-of-way and they also try to reduce impacts to other systems, and try to minimize the length. They do take into consideration public and social considerations, environmental and other impacts. In the book there were also some photos of what the lines would look like. They would be 70-80 feet tall if they have underbuild on them. They have a ground clearance of 23½ for the lines. One of the reasons GRE's engineers want to use the 35 feet on either side of the centerline, the whole idea of behind of easement width is blow out issues. As you narrow up the easement, you need more poles, and less trees cut.

As you will see in here, there is information on the Route A – from Athens using 3 miles of existing corridor, they would double circuit that to Coopers Corners substation, and then cut east to the Cedar Creek property to Durant. From Durant there isn't any design as of yet. The rest of the area isn't designed, so general formulas were used when we give distances from roads, because we don't know what side of the road we are going to use formulas. If we were to physically design the routes, we would have better information. He did include pictures of the proposed route. You can see there already is a distribution line on the route. We included information on the different criteria.

We looked at homes, amount of actual new easements they would have to acquire (7 miles for Route A, 11 miles for Route I¹). In actuality it is a longer route. It is an 11-mile stretch. The number of easements for Route A would be 40, for Route I¹ would be 99 or 120 depending on the side of the road it is constructed on.

Environmental map was included. He would like to point out that the three miles of that line is already existing, it is a not a new impact, and all of this line goes on the edge of those areas. It tries to follow road right-of-way. The way we site our lines is about 3 feet along the side of the roadway. He has also included other information on what they do to avoid environmental impact. They do construction in the winter. They also try to avoid Oak Wilt impacts. A lot of the area north of East Bethel is very similar to East Bethel and has the same problems. They also design the lines so birds of prey don't land on them and get electrocuted.

There are two challenges for Route A, one at Durant and one at Jewel Street. There is also information on Route I¹. There is a map there, and photographs of the route. This is in fact a combination of other routes we did look at. When we did look at this route, we did determine there were some issues with this route. The number of easements, the pinch points, environmental issues. There are problems with archeological and historical issues. It also does have overhead distribution on the route. They would have to do something with the existing

distribution lines, as GRE doesn't want to put lines on both sides of the road. The encroachments/pinch points are located throughout the route. One is immediately east of Xylite. Right now the road is 66 feet wide in that area and the road will be widened within the next few years to 120 feet wide. GRE works off the road right-of-way, so that would bump GRE back even further.

Schaub explained even though they have estimates for the routes, they are just estimates based on a per mile average cost without taking the time to design each route, because it is time consuming and not cost effective.

Schaub also explained there are more streams to cross on I¹. That adds to the cost.

The next portion in his book is Route A versus Route I¹. There are many more pinch points, streams to cross, and the other matrix information. These are estimates as best as we can get without designing. There are two pages that list out the issues with Route I¹. GRE didn't break up the route per jurisdiction and he understands that the City will only be reviewing the impacts of East Bethel.

The plan does meet the City Code. They are allowed to put in transmission lines in the area proposed and they are following the rules for safety, noise and electromagnetic fields. Transmission lines do not cause cancer and there isn't any documentation that they do. The City ordinance does require us to address traffic and there would be little impact on traffic during build out. There wouldn't be any affect to public utilities. There shouldn't be any more of a burden on government services. We have addressed property values and GRE does pay for the easements and the impact they have on the property. That shouldn't be an issue.

We do comply with the comprehensive plan. This plan goes hand and hand with your comprehensive plan. There isn't any impact on air quality. Some of the ordinance is a little redundant; it addresses zoning, natural resources. As we go along Cedar Creek, we have no intention of going on the Allison Savannah. They would not interfere with the business of Cedar Creek and at no time has there ever been any indication that we would interfere with it. They also have a history of our transmission line being on our western border. Also public services would not be impacted. This will only benefit proposed improvements if they require electricity.

FHA and VA mortgage rules have been raised, and it is addressed in the document. FHA and VA rules do have some requirements that say that they can't get appraisals on some of the property. We take great pains to make sure a house isn't in a fall zone. If a shed or anything is in the fall zone, we do address that when we are negotiating the easement and we try to work with property owners. We try to make sure the property owners have as much input as necessary. Overall Route A is the least expensive route and since we are essentially stewards of the ratepayers we want to make sure we use the least expensive route.

The proposed timeline has been put off many times. We wanted to get something started by May of 2011 and finish the plan by May of 2013. We are at the time

of where this needs to be done. We aren't doing this for 20 years in the future. It is needed now, as your consultant has already stated.

Adverse impact, Linwood School Forest, Allison Savannah and Cedar Creek, they would impact these areas minimally. They would not go through the Forest, and the Allison Savannah they would be on the other side of the street. Cedar Creek they would be on the south side of the Reserve. There would not be any permanent impact to any rare animals or vegetation.

Mr. Schaub concluded by stating that Route A is the best of the routes.

Public hearing opened at 8:40 p.m.

Linda – a resident on Fawn Lake Drive – What is the minimum distance between the poles and do the residents get input on where they go? Schaub said it depends on the topography and GRE does work with the property owners as to where the poles are installed.

Bob DeRoche -158 Collen Street, East Bethel – DeRoche stated, Schaub mentioned there is only 15.8 milligauss.

What is a milligauss? Schaub said it is essentially the measure of magnetic waves. During the process of the project, that was something that was raised by someone in Linwood Township. We measured the line that is along Coopers Corner; we measure it directly under the centerline at 8 milligauss and then in her house. They had a lazy boy in front of their television. There was approximately 279 milligauss coming from the television. From the microwave oven there was something like 478 milligauss. The radio had something like 135 milligauss. That might put it in perspective. Everything you come in contact with has much more milligauss than a transmission line.

DeRoche stated that was at one point on the line. You speak a lot in generalities, and they are going to have questions, and you say we don't really have a design. If you don't have a design, this may happen this way, it may not. But yet you are asking for a CUP, to go and do whatever you want. Schaub said we do speak in generalities, but there are not such vast differences in the 69kv line at Coopers Corner and one in Eagan. They are specifically designed based on the parameters. We are always happy to give you more specifics, but the ordinance dictates that we come in, but not with a specific design. It would cost a fortune to design all of the potential plans.

DeRoche said you were talking about fall zones. A 35-foot easement and an 80-foot pole, if the house was within in that, they are in the danger zone.

DeRoche said about 50 percent of East Bethel is wetlands. Because of the environment, there is a great concern. There are always going to be questions, and you're going to need to answer them. Is there an environmental impact statement needed? You have made statements that they have said certain things, but we haven't seen anything to substantiate it. Schaub said generally we have made contact with some agencies, but not all yet. For instance we haven't contacted the Army Corp of Engineers. The statements are based on general

statements based on design. If there are concerns, the agencies will make GRE do the research. There can be quite a bit of burdensome work and investigation to get their ok. With respect to the poles – if a house is within 40 feet of a pole, possibly it could hit it. We try to design around those issues. We are aware of the intrusion of the poles. If there is an issue, we try to work with the property owner as much as we can.

Dave Landes - 1747 237th Ave. NE, East Bethel – This is a never ending argument. You implied that our Planning Commission should be concerned about future growth. Growth is pretty questionable at this time. How does the line going to Linwood provide for growth for East Bethel? Schaub said there are two parts to that question. The issue of the poles themselves, the best thing to do is to reiterate, the issue how does this affect the City of East Bethel residents, the southern part or any part. Schaub stated it does help those residents that are served off the Martin Lake and it does help with low voltage. The best he can say is, it is designed to bolster the entire area. Landes said if there is growth on the south side of East Bethel, it is hard to believe that you don't have other routes to serve that area. Schaub said this is not something for 20 years down the line. This was needed in 2006 and now the economy has been in respite, but it is also has been increasing the past couple of years. Maybe he needs to explain that this is not something that will cause the lights to go out now. It is to address the worse possible contingency. We don't want that to happen, we need to plan for them. These are all instances that could come about now, just depends on the amount of demand.

DeRoche said about contingency plans, what happens if you come upon some issues, is there a contingency plan. Schaub said with any route, we address the issues that come up. If it is archeological, we work with the State Archeological Society in the area. That is why we want to avoid the Typo Creek area. We also want to avoid the laboratory at Cedar Creek Reserve. They have cataloged the area and we feel we might not run into anything there. DeRoche said my question was really narrow, is there a contingency.

Jack Davis - 2241 221st Avenue, East Bethel – Can you give us a projected time schedule on the Athens route on County Road 9 from Athens to the Hwy 35 corridor. Tim can address that, per Mr. Schaub. DeRoche said the road would be widened within the next couple of years. Schaub said yes the road would be widened. Tim Mickelson, GRE, at this time, we have identified no plan to connect that line to the 35 corridor. We have our 230 kv network and are going to connect that corridor to the Hwy. 65 network using that section of line. This project would fulfill our needs for the foreseeable future.

Heidi Moegerle - 179 Forrest Road, East Bethel – On GRE's website, they state they are environmental stewards. But what their website states is we don't protect what is there, we build new prairies, etc. Moegerle stated she is a numbers person, so she wanted to make sure that Route A is the most environmentally conservative route. She analyzed the 15 routes. Route A comes in fifth from the top. If you are an East Bethel resident, and look at the East Bethel information, not the region. She took a look at the East Bethel impact; Route A doesn't come in the top 75 percent. Then she looked at the data, we have what is printed out, and there are four factors that are missing. She looked

at the formulas, the numbers don't total up, and she has a very grave concern that Route A is not minimal impact, unless we are talking about money. Because the environmental stuff really doesn't matter to GRE. Route A is the cheapest monetarily, but it isn't environmentally. It comes down to that. She said you probably think that I am angry and upset, I am not, but I want you to provide us a reason why Route A is the best other than besides the money.

Schaub said he doesn't know what you mean that numbers don't add up. It isn't a process whereby we just look at environmental. We are a cooperative and we look at the bottom line, and have to justify it when they don't. It is the impact on the people being able to public corridors. There are already easements for the lines. Moegerle said that is just money. Schaub said more easements are needed almost double the amount. Some of it is public versus private easements. We generally also look at the mileage as a factor. We thought the 0-100 or 0-200 factors were important also. We looked at the combination of all these things and as well as the requirements for higher voltage lines.

Moegerle said the matrix doesn't really count, but what we are really hearing is "trust us." What I would really like to see is what you based your decision on. Route A is shorter, but that isn't even on here. I want to know the winning argument of what makes Route A the best route. There are conclusionary statements, but no facts. There has to be something more, that you're not giving us, that is a fact that we have missed it all along. At the many meetings that I have been to, it isn't there. The issues with the number of easements wasn't initially mentioned. Schaub said we didn't have much time to look at Route I¹; we have looked at it for about a week. We did look at it, and noticed it is 11 miles. GRE tries to use existing corridors. Plus the other three miles doesn't go away and those poles have been up since the 50s. With the respect to the other issues, Route A is a better route. But overall it does allow us, to convert the lines. Can we use transportation corridors, can we avoid cutting across country, can we make sure that we do use the resources we do have and limit the cost of the use. Moegerle said you could say that about the majority of the other ones. The things you have said are not unique to Route A. Schaub said Route A is the better route. It is in the information they have been providing all along. The criteria are as much a part of it. It does in fact come out as a better route. It is the cheapest route. It will be 35 feet on either side of the centerline. It is usually about 3 feet off the road right-of-way, so 38 feet.

Dave Landes - 1747 237th Avenue NE, East Bethel – Are we able to address the Planning Commission?

Terry said on the matrix that we have been given, on Route A and Route I¹. It does show advantages in Route A – 14 to Route I¹ – 20. Route A has important considerations. It also has an advantage of centerlines to houses. That is one point in its favor. Schaub said the first route that we came in with. It wasn't rejected by any governmental entity. We had some understanding that we couldn't go along Route A and we would have to go further to the north, due to more service needed to the north. The reason we changed that was not because of what any governmental entity did. We held two open houses, and we invited everyone for comments. The comments we kept getting were "why don't you look at this route." Another route that was explored was the East Bethel Road

that cuts through Cedar Creek; the University said no, that runs south to north through their property. We determined the East Central and Connexus aren't going to put something up in that area and there was no reason to grow in that direction. We determined that Route A was a good route and probably the best route. Because of those factors, and things like that. We didn't move away from it because of any governmental entity, it was because what citizens asked us to. Terry said that is contrary to what others have said.

Resident asked since this doesn't directly affect East Bethel now, or in the future, why doesn't it make sense to let Linwood deal with it? Terry said they have come to us with that proposal so we have to respond in kind. Resident asked what would convince you that this should be done? Holmes said that is what we are here for, to determine what needs to be done. In Terry's mind nothing has been said that will make him determine one or the other route. Resident said he would like to commend you and found that you are much more open to citizen input. And he is happy to hear your comments on that line and he thinks you are genuine in what they have to say.

Lou Cornicelli – 4620 229th Ave. NE, East Bethel – He has been involved with project for over two years. The bulk of East Bethel residents found out about the transmission line after GRE came to the City. To his knowledge there weren't East Bethel residents involved in the meetings. It has been good to work on this, and he hopes the GRE Workgroup recommendation will move forward.

Schaub said we have a few open houses that were open to the public at large. It was published and we sent letters to the towns and cities to let them know. Everyone was invited. It is the way we begin our process. We did talk about it and show a map to the cities. There has never been any intention to include or exclude anyone.

Bob DeRoche -158 Collen Street, East Bethel – He has been a resident of the City for 29 years. To his knowledge, no one in Coon Lake Beach was aware of this project. Who was GRE talking to, or what newspapers was it in or what attempts were really made. East Bethel does have town hall meetings. Schaub said it was in 2008, and it was at a public City Council meeting. His understanding is that Doug Sell had the information. We did publish in the Anoka newspaper. And he can get the information on it. DeRoche said he would like to get the information. Schaub said we used the building next door and reserved the building. We also sent out the information.

Holmes said he does have 45 years of electrical background and does believe this line is needed. There is no question about that. It isn't the City of East Bethel's position for us to design a route for GRE. Route A is mainly in East Bethel. If this CUP is granted you will continue with Route A regardless? Schaub, yes, if it is granted, then yes we would go with Route A. If we grant it, and then you can't say that we want to go with Route I.

Terry said he has a few question. What is the current right-of-way on Hwy. 65? Schaub said it is 50 feet on other side of centerline. Terry said you had mentioned some issues on Typo Creek Drive. There is already a distribution line on the west side. Most of the distribution lines are in the road right-of-way.

They put the line in, and there aren't the same safety issues with a distribution line. There are distribution lines that have brush along them. There isn't a lot of growth on the area I am talking about. On the other side there are buildings.

The communication tower is an issue if there is a blow out. Schaub said we need a 35-foot easement. It brings us dangerously close there. On the other side it brings us very close to the Linwood Town Hall. Getting to that area is a problem. There are also homes on the other side of the street. There are the group of homes, and also the fire department. Terry said all the difficulties are on the other side. There is not enough room for a safe easement. He is not an expert, and he thinks he has solved it. He doesn't know how valid these concerns are.

You have raised these issues for Route I¹, but you don't spell them out for Route A. There are only the two, because you haven't determined the whole route. Schaub said because the homes on Durant and Sunset are not as close to the road. There are only two that require special engineering. Cornacelli said once you get further on the Route A plan, there would be a lot of pinch points in those areas. Also at Packard Street on both sides the houses are closer than 100 feet. He feels that the information is weighted and believes the difficulties with Route A have been hidden for effect.

Schaub said in looking at those lots and homes, those are ones that we can work with easier. We won't have to make special considerations. It is all based on that kind of information. Some of the information that you have looked at is speculations for archeological sites that you can't share. It is information that is acquired and disseminated by the State Historical Society. We don't make up the requirements and we follow their rules and regulations. We don't know the full extent. That would cause delays and additional costs. Terry asked if any Linwood resident knows of the archeological site. A resident stated he has heard of Indian burial grounds somewhere near Martin Lake. Schaub said that others have done investigations that the state historical society has deemed an area that is not looked at, not disturbed or needs to be looked at. The issue for GRE is do we have to comply with what the State requires us to look at.

Marsha Parlow, GRE. She stated she works with the State Historical Society and they have records that show where it is. We can go and have an archeologist go and review the information. They don't want the public to know the information due to potential vandalism. Once something is entered into the record here, it is public; they have asked us to not reveal the information. That is the reason you don't have it now, open meeting laws and data practices act.

Bob DeRoche -158 Collen Street, East Bethel – Isn't that something that could be done in a closed session. City Attorney stated he doesn't know because we don't know what it is.

Schaub said we aren't telling you because of what is there or isn't there, but because of the requirements are required for us. We don't want to have to go that route. Moegerle would those requirements would be there if you find something or not. Schaub said if we present them with our route, and we would have to do the additional investigation, whether we find something or not.

Holmes said he has had to deal with that in the past, and if you are going to do something with a remotely close area, you are under their guise. They are very picky about that stuff.

Terry stated if we were to approve Route A, his personal concern is for residents, and to have to approve a 35-foot right-of-way. He doesn't want to see persons have their trees cut down and would recommend shorter pole distances. Would that present a great impact? Schaub said our design engineer could address that. There is an issue of reasonableness. If it is possible to minimize an easement, but it isn't something that we typically do. We need to maintain safety standards and would work with people to minimize what the impact is.

GRE, Jim McGuire, if you have trees that are taller than the line, we would take that tree down to minimize the impact on the line.

Resident asked how much of the clear cut is by peoples' homes, versus clear cutting along non-developed road. Schaub said if there are trees that are partially within an easement, we work with people to trim them. The Federal Government is getting very strict to get us to remove all the trees. This is for tall growing species. There are things that can grow within the safety distances. That is not completely removing all trees. Resident said if everything is tall species and it is all clear cut, are you going to work on that. Schaub said yes, we do work with the residents on that, and we also have a forester who works on this. Resident said do you use a basic calculation for easement, is it based on road mileage, or is it valuation. Schaub said we have to come up with a standard for the property. We have standard amounts that we try to pay, based on market in the area. There are some trees that have storm damage in areas and the trees might not be so great. If some people are 400 feet from the line versus 40 feet from the line, we look at all of that. If you have a bunch of cottonwoods and oaks, we look at that.

Public Hearing was Closed at 9:50 p.m.

Holmes motions to recommend denial to the City Council for the CUP request by GRE for the route known as "Route A based on the following:

- **Density of East Bethel compared to the other areas north of East Bethel.**
- **East Bethel has a massive amount of environmental and wetland impacts.**

Mundle seconded; all in favor, motion carries 3-1 (Terry abstained).

City Council will hear this on June 22, 2011 in a special meeting.

Terry motioned if the City Council does decide to approve Route A, that they incorporate these concerns:

1. **GRE shall minimize the need for any unsightly guide wires at corners, angles and dead ends, and utilize steel poles at dead ends, corners, and angles and in certain high-density neighborhoods designated by the City Engineer as part of this project.**
2. **That Great River Energy and/or its subsidiaries or other utility users**

that utilize its services shall install underground service drops at crossings of County Road 26 and other municipal roads within the city of East Bethel without added cost to the residents and utility users and assure that the relocation of distribution facilities to the north side of County Road 26 results in a minimum replacement of service drops, and wherever possible all service drops must be underground.

- 3. Consider limiting the easement to the minimum standard, and if 70 feet is needed it is reviewed on a case-by-case basis after consulting with the property owner.**

Holmes seconded; all in favor, motion carries unanimously.

**Approve May 24,
2011 Planning
Commission Meeting
Minutes**

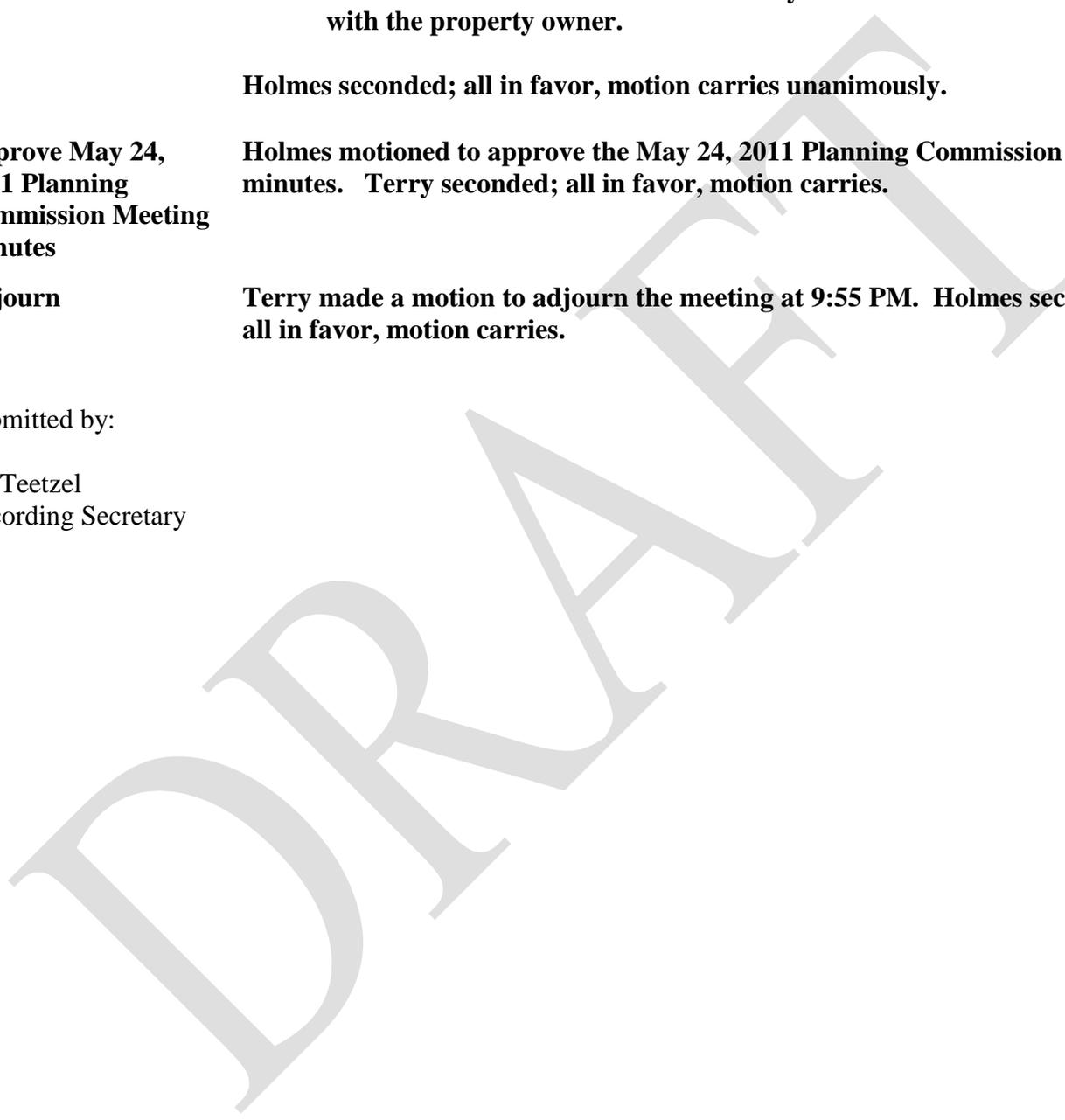
Holmes motioned to approve the May 24, 2011 Planning Commission minutes. Terry seconded; all in favor, motion carries.

Adjourn

Terry made a motion to adjourn the meeting at 9:55 PM. Holmes seconded; all in favor, motion carries.

Submitted by:

Jill Teetzel
Recording Secretary





City of East Bethel City Council Agenda Information

Date:

July 20, 2011

Agenda Item Number:

Item 7.0 B.1

Agenda Item:

Park Commission Meeting Minutes for June 14, 2011.

Requested Action:

Information Only

Background Information:

Information Only. These minutes are in draft form. They have not 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 PARKS COMMISSION MEETING

June 8, 2011

The East Bethel Parks Commission met on June 8, 2011 at 7:02 P.M at the East Bethel City Hall for their regular monthly meeting.

MEMBERS PRESENT: Dan Kretchmar Kenneth Langmade Dan Butler Tim Hoffman
Sue Jefferson Bonnie Harvey

MEMBERS EXCUSED: Denise Lachinski

ALSO PRESENT: Jack Davis, City Public Works Manager

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

Approve – April 13, 2011 Meeting Minutes **Hoffman made a motion to approve the April 13, 2011 minutes as submitted. Butler seconded; all in favor, motion carries unanimously.**

Parks Financial Information – Parks Capital Funds Summary Davis asked if anyone had any questions on the expenditure summary. Langmade asked if it was a misprint on the Parks on the balances. Davis said that is on the Capital Improvement Plan. Hoffman asked if insulating the building over at Booster helped. Davis said, yes, it helped a lot. We still have three buildings that we have to keep some heat on all winter. There is more than just the Booster West one. Once the insulation was put in, it cut the heat use significantly. Davis said the only electrical use we will have is for some lighting and to run the pumps.

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

Parks Capital Improvement Plan The Parks Commission prepares a Capital Improvement Plan annually which updates projected projects, evaluations priorities and establishes funding for these works for the coming year and for each of the subsequent years for a five year period. This plan is presented to City Council for their approval and use for preparing the coming year's budget.

The 2011 – 2015 Parks CIP is attached and the Commission will discuss those projects that are listed for 2012 and determine if they need to stay in their current funding year or be rearranged to reflect any changes in our park priorities. Other projects can be added and existing ones can be deleted if there is a need for restructuring the schedule.

Due to the contraction in real estate market it is anticipated that we will receive no revenue for the Parks Acquisition and Development Fund in 2012. The availability of water and sewer service and potential develops which will be ready for 2012 should reverse the decline in park development fees beginning in 2012. For planning purposes, it has been assumed that the Parks Development and Acquisition Fund will receive no revenues until 2013.

Proposed projects for 2016 could include:

1. Roof replacement at the Whispering Aspens Community Center
2. Eveleth Park Playground Equipment replacement
3. Booster West Restroom and Concession Renovation
4. Parks fencing and landscape improvement projects
5. Whispering Aspens Playground Equipment
6. Eagle Ridge Trail Improvements.

Attachment one is the funding source from the City Council; we use this for a number of maintenance type projects and some new improvements. The projects for last year were Cedar Creek Pavilion, Coon Lake Beach Improvements, Booster West Parking lot. This year Booster West Irrigation, Playground equipment for Norseland Park and mulch for playgrounds. Due to the way the Commission receives funding, two transfers of \$50,000 one in the summer, one at the end of the year, the projects have to be split up.

Attachment one – Trails Capitol Fund. The City Council generally transfers \$62,000 per year for this fund. The number was developed from a budget. Butler said he thought it came from it being a 1/3 of the total project. Davis said, yes that is probably correct. The trail project was curtailed this year, and only one phase will be completed this year. We are projecting that the entire project will be completed over the course of the next four to five years. There will be some carrying over left from the budget, due to the lower cost of this project. The next phase of this project will be about \$80,000, which will eat up the carry over. The following phases will be broke up to finish the project, based on the funding.

Butler was wondering about the expenditure summary, if Parks come in under budget at the end of the year, if the Council would look at transferring the extra funds to the Trails Capital Fund, so we could move the project along a little faster. Davis said our biggest Park expenditures are in the next three months; we could take a look at that more like September or October to see if there would be a surplus. He is wondering if the Council would possibly transfer those funds to the Trails Fund.

On the Parks Acquisition and Development Fund, last year we projected that no funds would be coming in. The monies for this fund come from development – building permits and development fees. We probably won't see any funds added to this area, for the next few years. We are projecting no revenues, therefore no projects under this fund. Butler was wondering if Davis had a sense, on what might change that, or if that could change due to the sewer and water project. Has there been any contact made by any businesses or enterprises. Davis said there have been several inquiries from certain developers. They want to see some progress made. The time table on that, the pipe work will be completed by mid summer 2012. The water treatment plant and water tower will be completed the same time. The wastewater plant will not be completed by 2013. Met Council said if we get any customer prior to that, they will pump and move the sewage. Once everyone sees it is going in the ground, and more progress, he thinks it will reinforce the fact that it will be a reality, and will open up new opportunities and start seeing some development. There are a lot of people that say the economy is bad so their wont be any development. We have reformed the EDA to make it more proactive. They are not going to sit back and wait for things to happen. He also thinks because of the situation we are in, there is really niche for the commercial services. There are 32,000 vehicles a day that go past that intersection

(north/south); we have a major intersection with no real commercial development for 20 miles away. If you take Soderquist out, Ham Lake is full of small businesses. You have to go to Cambridge for your next stop. He thinks there will be a void there that will be filled. There is a real opportunity to capitalize on some commercial development opportunities. If the first commercial development comes in 5% of their project costs come into this fund. Then we will see more funding. There has been almost no funding in this fund for almost 3 years.

Staff is proposing for 2012 the following projects to be funded from the Park Capital Fund: the parking lot and fence and Norseland Manor park, Booster West park backstop replacement and infield.

The portion has been completed with the exception of the fence construction. If you have a chance, go up and take a look at the trail that has been installed. It is essentially completed. The fence contractor will be starting on Monday.

One project he would like to see moving up next year is moving up the playground equipment at Whispering Aspens. The surplus stuff we have left really isn't that great and should be used as scrap material.

Harvey was wondering since everything is done at Coon Lake, she was wondering if the tennis net has been put up. Davis said no that still needs to be done. Langmade said the tennis courts and basketball courts have been used a lot lately at Whispering Aspen. If there are adults there, the kids could have playground equipment.

Butler motioned to approve the 2012-2016 Parks Capital Improvement Plan. Jefferson seconded; all in favor, motion carries unanimously.

Booster Park
School
Building

The school building at Booster East Park was moved from its previous location on East Bethel Blvd to Booster East Park in September 2011. Approximately \$21,000 was spent to move the building and set it on a permanent foundation. There have been no City funds budgeted for additional improvements or renovations to the building nor has a specific use been determined for the building. Some suggested uses for this building could be:

- 1.) Interpretive Center for Booster Pond Ecosystem
- 2.) Historic Restoration of a one room school
- 3.) Booster Day Center
- 4.) Booster East/West Park Program Center
- 5.) Combination of parts or all of the above
- 6.) Other

Denise Lachinski was going to present a report on the school project, but was unable to attend the meeting. Denise and Linda have been very active and researching the facility. They found some donations, such as desks, etc. Davis said the Parks Commission should consider appointing a volunteer coordinator for this project. Butler said we could make a formal request for a donation towards East Bethel Heritage Center or whatever it is called. Harvey said you can do that, but they can also say no. Davis said the building needs a new roof, windows, and doors. Davis said the building is reasonably sound, but doesn't have a window that will open. Kretchmar said the black smith guild that he is member of; we demonstrate the shop to show the building. There are groups that might do the same for this building. Davis asked him to provide him with some information. Butler said he

would work with Denise on this one. Langmade said that some carpenters thought they could get some donations for lumber and materials. The Historical Society is going to be at the schoolhouse on Booster Day. Davis said if you talk to Linda, ask her to contact that gentleman and him/Linda could sit down and talk to him. Langmade said the gentleman wants to go and see the facility in order to determine what work is needed. Davis said that anything that is put in there is put in there in the a.m. on the day of Booster Days and taken out the same day.

Langmade asked if the branch was removed from the driveway. Davis said yes.

He will see about getting a set of steps constructed for Booster Day. That is what is most important at this time. Langmade said he thought he might put a wider step on there. Davis said he would meet up with him and figure it out. Jefferson asked if there were any scouts. Davis said he was hoping the eagle scouts might be interested in doing something. He will check with the eagle scout coordinator.

Parks Tour

For the previous four years, the Parks Commission has made an annual tour of the City Parks to familiarize new members with the facilities and review projects with the Commission. Transportation for the tour has been by a rental van leased by Anoka County. This provides the opportunity for the full Commission to travel as a group and conduct business or discuss park issues while in transit from the facilities.

We can propose the tour for this year, and we can do it in July or we can do it at a later date.

Kretchmar said yes, and he would like to do it for the July meeting. Davis said he would like it then since there is more daylight. The Parks meeting in July is on the 13th. Harvey said could we do it early, since we are so strapped for time. Davis said yes, we can start at six and concentrate on the some of the outlying ones. If we get into a discussion on cutting back for maintenance we would have a better idea of what we are talking about. The Commission would leave from here at 6:00 p.m. Hoffman asked if we could do it on the hottest day of the year.

Council Report & Other Business

The little trail project is essential finished. If you have an opportunity to take a look at it, it is a nice addition to the park. It is a great preview of the rest of the trail project.

We are taking applications for the public works manager; there are six people that they will be doing interviews with on the June 20th, recommendation to City Council for their June 22nd special meeting. Hopefully the new person will come aboard in early and would be able to go on the Parks tour. He will hang around to get the person acquainted with the group. Davis said he wouldn't be a stranger either. It is always good for him, and keeps him abreast of what is going on. We are looking at people who have experience in roads and parks. Kretchmar asked if you are looking for someone with experience. Davis said yes.

Langmade asked if the roofs have been done on the pavilions. Davis said the contracts were awarded to Rick's Roofing of Ham Lake received the award and they will be pulling the permit and starting the work soon.

Adjourn

Harvey made a motion to adjourn the June 8, 2011 meeting at 7:52 p.m. Hoffman seconded; all in favor, motion carries.

Submitted by:
Jill Teetzel
Recording Secretary



City of East Bethel City Council Agenda Information

Date:

July 20, 2011

Agenda Item Number:

Item 7.0 C.1

Agenda Item:

Road Commission Meeting Minutes for June 8, 2011.

Requested Action:

Information Only

Background Information:

Information Only. These minutes are in draft form. They have not 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 ROAD COMMISSION MEETING

June 14, 2011

The East Bethel Road Commission met on June 14, 2011 at 6:30 PM at the City Hall for their regular monthly meeting.

MEMBERS PRESENT: Al Thunberg Deny Murphy Tanner Balfany
Kathy Paavola Roger Virta Jeff Jensen Brian Bezanson

ALSO PRESENT: Jack Davis, City Public Works Manager
Robert DeRoche, City Council Member

Adopt Agenda The June 14, 2011 meeting was called to order by Chairman Balfany at 6:31 P.M.

Bezanson made a motion to adopt the amended the June 14, 2011 agenda. Paavola seconded; all in favor, motion carries.

Approve – April 12, 2011 Meeting Minutes **Jensen made a motion to approve the April 12, 2011 minutes. Thunberg seconded; all in favor, motion carries.**

Road Financial Information – Roads Capital Funds Davis stated to date we have spent \$11,000. We have about \$361,000 in improvements and Roads will be getting a transfer of \$400,000 from City Council. We have had some major culvert replacements this year and that will leave us a balance of \$982,000 in this account.

Summary In the MSA account we started out the year in the hole, some of this due to the reimbursement for the Wild Rice Drive project, we have just received some of it. We spent some money on general MSA services and grant applications, Bataan resurfacing engineering costs and we current have a balance of \$432,000. The only planned committed project is the Bataan seal coating. The trail project has been cancelled. The only other committed project is the service road from 213th to 221st Avenue. The City is having some issues with one of the property owners and is trying to work out right of way issues. Hopefully we will be able to get this resolved and get this project bid and completed this year. The City has asked MnDOT for an extension on the grant funds (\$600,000). MnDOT has given the City an extension.

Bezanson said near Ampride on Hwy 65, the City took property via quick claim deed; the City got a 30-day action and went to binding arbitration on it. Davis said they don't show it on any of the City maps. Bezanson said the action was taken about 9 or 10 years ago. DeRoche said the City does not want to go the route of quick claim deed.

Davis said so far, we have spent approximately 45% of the budgeted amount. Budget wise we are doing pretty well. There were some higher than normal expenditures on some of the trucks. It doesn't take too many trips to the dealers to rack up some substantial bills. A little out of kilter on one budget line item, we have exceeded our chemical expenditures. But chemical expenditures are a small budget line item.

**2012-2016
Roads Capital
Improvement
Plan**

The Roads Commission prepares a Capital Improvement Plan annually which updates projected projects, evaluates priorities and establishes funding for these works for the coming year and for each of the subsequent years for a four year period. This plan is presented to City Council for their approval and use for preparing the coming year's budget.

The 2012-2016 Roads CIP was presented to the Commission. We will discuss those projects for 2012 and determine if they need to stay in their current funding year or be rearranged to reflect any changes in our roads priorities. Other projects can be added and existing ones can be deleted if there is a need for restructuring the schedule.

Current changes to the plan involve the addition of streets in the Coon Lake Beach area to the 2012 project list.

Staff recommends that Pierce Street, Pierce Path, Fillmore Circle, 243rd Circle, 243rd Avenue and 244th Avenue, Polk Street and Whispering Circle in Whispering Aspens and Hupp Street be considered for a pavement restoration project. In addition, it is proposed that Dahlia, Forest, Grove, Hawthorn, Ivy, Juniper, King, Laurel, Maple and Emerson Roads, Collen Street and Bryant Lane be considered for overlay project (12,600').

Two different proposals for the MSA funds. Currently we have \$392,000. Our share for the service road is \$595,000. If we pay for the 215 to 221 Avenue Service Road out of Street Capital funds, it would leave us with \$392,000 and the balance keeps growing. Showing a plan for in 2012 Jackson Street Reconstruction from 181 Avenue to Viking Blvd. This is one of our major streets, as an alternate route. We have that proposed along with Sandy Drive. If we did both projects, it would leave \$151,000. It would require us to advance funds from 2013. We would do Jackson and Sandy Drive in 2012, no projects in 2013, and in 2014 we would do Lincoln, Longfellow and Laurel, and we would advance that from 2015 funds. We think they have been designated as MSA streets, and have a meeting with MnDOT about this very subject next Tuesday. Both of these two areas are in about the same shape. Next year we will have to spend extra funds on injection patching to have them hold up for a few years. We would have \$692,000 in the funds at the end of 2016. One that might need to be done, in 2016 is 187th Avenue and the service road on the other side of the street. The major part of the intersection won't be affected by the sewer. We are talking with the business owners on the other side of Hwy 65 about the sewer/water project. If we extended the service to the other side of 65, it would be a road, sewer and water project. That would be his recommendation for a 2016 project. At this point, we don't have to commit to a project for 2016. Here again there might be some changes in this. If we do that, the Street Capital fund would be reduced by \$595,000. Then in 2012 we would start out at \$442,362 with that we would do Whispering Aspens, Coon Lake Beach streets, Hupp, Elm, Forest, Grove, Hawthorne, Ivy, Juniper, King, Dahlia, Emerson, Bryant Lane and Collen. The only thing that has changed on the plan, is adding in the Coon Lake Beach streets. This area is long overdue for some work. In 2013, the second half of Coon Lake Beach would be completed.

Murphy asked if the roads are ok for a simple overlay. Davis said yes, they are ok for an overlay. It will be a structural overlay. He thinks if we removed the entire street we might have more problems. The traffic is low speed, residential traffic.

Alternate B states the City will pay for the MSA service road with the MSA funds, if you look at the ending balance, we will really run in the negative and you can only run in the negative for two years. We would need to transfer \$200,000 from the Street Capital account to this account for 2011, we would then be in the negative for the next two years, but then we would be caught up. The ending balance in 2016 would be at \$521,182. He would like to keep a balance of at least \$250,000 in this account due to emergency projects or matching funds needed.

Alternate C provides that the City will pay for the MSA service road with MSA funds, but will add on a few other projects. It will leave us with a balance of \$331,282.

Davis's recommendation would be to do Alternate B and with transferring in funds from the Street Capital fund, and also do the other projects leaving us with a balance of \$331,282. We are leveraging our money much better with that account. We have approximately 25 miles of MSA streets out of 138.

Bezanson said you want to go with Alternative B for MSA Funds and Alternative C for the Street Capital Projects. Davis said yes. He said he is total agreement with everyone on this commission that roads are an important part of our community and to be able to provide economic growth.

Could we use some of the EDA funds for roads? That would depend on the project and the funds available for the EDA.

Balfany asked if there was any discussion. Jensen said he highly recommends the proposal. He said lets run that fund down, and use their money.

The Commission agreed by consensus to support Davis's recommendation.

2011 Roads
Tour

Davis explained annually there is generally a roads tour and he would like to go and look at some of the project areas that are anticipated. He believes everyone gets insight on what is going on, and Commission members can better visualize what is needed. If you would like to do the roads tour at the next meeting he would get it arranged.

Balfany wanted to make sure if everyone will be here. Thunberg said he thinks it is a good plan, if there isn't any other business that can't be put off.

The meeting will start at 6:00 p.m. for the roads tour on July 12, 2011.

Public Works
Manager

Davis advised forty-four applications were received for the Public Works Manager position. Out-of-state applications were from Arizona, Kansas, Michigan and Wyoming. Five finalists have been invited for interviews. The interviews will be conducted on June 20, 2011 and it is planned that a recommendation could be offered to City Council at their June 22, 2011 Special Meeting. They are currently conducting background checks and verifying information. If this date does not work, the appointment would be considered at the July 6, 2011 City Council meeting. Hopefully the person can be in place and accompany us on the Roads tour.

Davis explained learning the geography of East Bethel is not something you do quickly in East Bethel. Davis said he would be working with the person for a few meetings to make

sure he gets acclimated. The learning curve is a little steep especially with the geography. The little nuances that you need to look out for – problem people and problem areas. Balfany asked if all the people are from in state? Davis said yes, they are all in Minnesota.

Other

Davis explained that since the April meeting, it has become apparent that a lot of the roads suffered over the past winter. We have had a lot of culvert failure due to age and heavy rains. We have had where water has built up and run the outside length of the culverts. In addition to this, we had two roads wash out, but they are now repaired. We also had one partially go out, which is fixed. A couple culverts on Klondike have been repairs and also one on Durant.

The JPA projects will start next month. We will never get caught up, but hopefully will never get any farther behind.

Davis wanted the Commission to know he isn't going to vanish from here and he wants to thank everyone for their service and let everyone know they are a great group to work with.

Bezanson said there have two bad accidents on 221st Avenue and Hwy 65. The first accident he seen the remnants of the accident. On Wednesday, his neighbor was making a left turn from the northbound lanes, and a truck with a bunch of ladders that was south bound that was going to make a turn. He stopped in the de-acceleration lane and got hit by a car going south. He has been making left turns on that road for 33 years and there is a site issue in the southbound lanes. The grass needs to be removed and it needs to be a priority to keep the areas mowed. Additionally, their needs to be more speed enforcement, State Troopers need to start patrolling in that area.

DeRoche said it is not like we aren't doing anything about. Bezanson said the grass needs to be cut and there needs to be speed enforcements. These southbound lanes don't know they don't have limited visibility and possibly there should be signs put up advising persons that there is a dangerous intersections ahead.

Davis said he talked to Doug Fisher last Friday or Monday, and he sent Davis a construction schedule. He just got that and he will email it to everyone. We want to still stay in their ear and lose track of it, and let it slip by. If the State shuts down, depending on how long the State shuts down it could affect this project. It is a large concern in this community.

221st is a short cut to St. Francis. Murphy said enforcement and getting the grass mowed would help. DeRoche said he has talked with Doug Fisher. Bezanson wants phone numbers to call. Davis will provide Bezanson with some phone numbers. Davis said he doesn't use that intersection. Thunberg asked when the service road would be done. Davis said if we get the issue worked out, it could be done by November. Thunberg said then traffic could be routed down that service road. Davis said that intersection is a perfect storm for a wreck.

Jensen asked if the grass maintenance is contacted out. Davis said yes.

Paavola said there are road signs missing at Coon Lake Beach. Davis said up in Whispering Aspen they took signs, and sign poles. Thunberg said the speed signs on

Jackson are gone. There is site issue on her corner, Dahlia and Hawthorne due to a bunch of trees. There use to be a light there but the trees have gotten so big, you can't always see who is coming and have to be on Hawthorne to see if things are coming.

Murphy was wondering what is happening on Klondike. Davis said there is one area left to repair, but that is not a culvert problem. It is a grading problem. The culverts are all the low points and the rain-washed the ends of those out. They are going to re-grade and cut some diversion channels before it gets down to those areas. Murphy said what about the asphalt millings. Davis stated that would be done the end of July/beginning of August. That is one of the places that it will be done. The burm acts like a curve and then it runs down to the low spot and washes the area out.

Adjourn **Bezanson made a motion to adjourn the June 14, 2011 meeting at 7:35 PM. Jensen seconded; all in favor, motion carries.**

Submitted by:

Jill Teetzel
Recording Secretary



City of East Bethel City Council Agenda Information

Date:

July 20, 2011

Agenda Item Number:

Item 8.0 B.1

Agenda Item:

Castle Towers Waste Water Treatment Plant

Requested Action:

Provided for discussion purposes.

Background Information:

As you are aware, the City currently owns and operates a Waste Water Treatment Plant (WWTP) on the north end of the City as shown on Attachment 1. The WWTP currently processes waste from Whispering Aspen and the Castle Towers Mobile Home Park. The main components of the WWTP 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 main components of concern for the WWTP include the lift station pumps, the integrity of the treatment tank and its mechanical components, the treatment building, the polishing pond sludge, the sludge drying beds, and the chemical building.

As discussed at a previous Council meeting, two viable Alternatives exist to resolve the issues at the Castle Towers WWTP. Alternative 1 includes reconstructing the WWTP at its current location and Alternate 2 includes pumping the waste to the MCES facility through a forcemain. The forcemain Alternative is shown on Attachment 3. With Alternative 2, the City would be able to decommission the Castle Towers WWTP.

We also reviewed an Alternative that constructed the facilities from Whispering Aspen to the proposed lift station at 226th Avenue based on the Master Plan. This Alternate is shown on Attachment 4. This Alternative was approximately \$1.3 million more than Alternative 2. Given the cash deficient discussed later in this report this Alternative was not considered any further.

The City is currently obligated to serve the Castle Towers Mobile Home Park and the Whispering Aspen development with sewer service. At full build of the Whispering Aspen development and the Castle Towers Mobile Home Park requires a capacity of approximately 90,000 gallons per day (GPD). 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'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 this analysis:

- Bond Rate 4%
- Bond Payment Period 20 years
- MCES Access Charge \$3,450 per ERU
- MCES User Charge \$2.25 per 1,000 gallons
- City Access Charge Varied - \$6,000, \$8,000, \$10,000
- City User Charge \$6.30 to \$8.08 per 1,000 gallons

A total of 18 options for the two different Alternatives were considered. A summary of the Options are as follows:

A. Alternative 1

All Alternative 1 Options include the reconstruction of the existing plant in its current location.

Option A - Reconstruction of the plant with no new service areas and an access charge of \$6,000 per Equivalent Residential Unit (ERU).

A summary of the Capital Costs for this Option are as follows:

Year	Description	Estimated Cost
2012	Replace Lift Station Pumps, Treatment Tank, Building, Sludge Drying Beds, Chemical Building, and Polishing Pond Sludge Disposal	\$1,697,400
2021	Polishing Pond and Sand Filter Replacement	\$253,000
	Total	\$1,950,400

Option B - Same as Option A with a City access charge of \$8,000 per ERU.

Option C - Same as Option A with a City access charge of \$10,000 per ERU.

Option D - Same as Option A with 55 ERU's allowed in new service areas between years 2026 – 2036. The 55 ERU's represent the plant capacity after servicing Castle Towers and the full build out of Whispering Aspen.

Option E - Same as Option B with 55 ERU's allowed in new service areas.

Option F - Same as Option C with 55 ERU's allowed in new service areas.

Option G - Same as Option A with a plant expansion of 90,000 GPD in year 2026 and 300 ERU's between the years 2026 – 2040 in new service areas.

A summary of the Capital Costs for this Option are as follows:

Year	Description	Estimated Cost
2012	Replace Lift Station Pumps, Treatment Tank, Building, Sludge Drying Beds, Chemical Building, and Polishing Pond Sludge Disposal	\$1,697,400
2021	Polishing Pond and Sand Filter Replacement	\$253,000
2026	Plant Expansion	\$1,000,000
	Total	\$2,950,400

Option H - Same as Option G with a City access charge of \$8,000 per ERU.

B. Alternative 2

All Alternative 2 Options include construction of a forcemain from the Castle Towers WWTP to the MCES manhole which is just north of Viking Boulevard. This Alternative includes the construction of a new lift station on 241st Avenue. The current lift station adjacent to the wellhouse would be abandoned. A new gravity line would be constructed from the existing lift station to the new lift station along Pierce Street.

Option I - Construction of the forcemain with no new service areas, no MCES access charges on existing hookups, forcemain constructed in existing City easement and Mn/DOT right-of-way, and a City access charge of \$6,000 per ERU.

A summary of the Capital Costs for this Option are as follows:

Year	Description	Estimated Cost
2012	Forcemain and Lift Station Construction	\$2,003,300
	Total	\$2,003,300

Option J - Same as Option I with a City access charge of \$8,000 per ERU.

Option K - Same as Option I with a City access charge of \$10,000 per ERU.

Option L - Same as Option I with 300 ERU's allowed in new service areas between the years 2026 – 2040. The 300 ERU's were used to compare this Option to, Option G.

Option M - Same as Option J with 300 ERU's allowed in new service areas.

Option N - Same as Option L with 400 ERU's allowed in new service areas between the years 2026 - 2045. The 400 ERU's are based on the capacity of the proposed lift station.

Option O - Same as Option M with 400 ERU's allowed in new service areas.

Option P - Same as Option L with the forcemain constructed outside the Mn/DOT right-of-way and MCES access charges on all existing hookups at the time of hookup.

A summary of the Capital Costs for this Option are as follows:

Year	Description	Estimated Cost
2012	Forcemain and Lift Station Construction	\$2,003,300
2012	Right-of-way and MCES Access Charges	\$1,034,350
	Total	\$3,037,650

Option Q - Same as Option P with a City access charge of \$8,000 per ERU.

Option R - Same as Option P with a City access charge of \$10,000 per ERU.

A cash flow summary of the Options is included as Attachment 5. The summary includes the capital cost of each Option, the City access charge, the total new ERU's assumed, and a cash flow summary. The numbers presented on the summary include all applicable costs including operations and maintenance. A detailed Cash Flow Analysis was completed for each Option. A detailed Cash Flow Analysis for Option A is included for your review as Attachment 7.

Attachment 6 includes an Alternatives Comparison Cash Flow Summary. This table includes a comparison of the Alternative 1 and Alternative 2 Options that have common data inputs. For example, the table compares Option A to Option I, both of which have the same assumed City Access Charge of \$6,000 and total new ERU's of 160.

Conclusions

The information presented above is the basis for the feasibility report the Council directed staff to complete. Prior to finalizing the report, the following items need to be resolved.

1. It is not known at this time if the City will have to pay for the MCES access charge for those units that are already connected to the City's system. Section 5.6.2 of the Metropolitan Council Service Availability Charge (SAC) Procedure Manual indicates that properties being serviced by a local publicly owned treatment plant that is being phased out due to the MCES service area may be grandparented in and the City would not owe SAC for those properties. Staff has requested an official interpretation of this section from the MCES. The cost to pay the SAC charge for the existing hook-ups is \$576,150.
2. The Phase 1, Project 1 Utility Construction Project will include the construction of a MCES forcemain from Viking Boulevard to 229th Avenue. The MCES started the planning process for this project about a month ago. We have had one meeting with the design engineer to discuss the possibilities of a joint project. One of the main factors in the decision of a joint project is whether the Minnesota Department of Health will allow the City's sewer forcemain to be adjacent to the MCES effluent discharge line. There may be a minimum separation distance of 10 feet. A future meeting is expected with the MCES once the separation distance is determined.
3. The forcemain cost estimates assume the pipe will be installed with an open cut trench. It may be possible to construct a large portion of the forcemain with a "tile" type machine. The savings in excavation and dewatering could be approximately \$200,000 – \$300,000. The feasibility of the "tile" type construction is based mostly on the interference of existing utilities. Also, as discussed in the Options, the forcemain could possibly be constructed in the Mn/DOT right-of-way. Again, this

possibility would partially depend on the location of the existing utilities. Constructing the forcemain outside the Mn/DOT right-of-way would add approximately \$500,000 to the project.

If the City is considering the forcemain option, it would be recommended that a preliminary investigation be performed along the TH 65 right-of-way to detail the location of the utilities and the groundwater.

- 4. As shown on the Cost Summary, the City would need to promote new service areas sometime in the future to cash flow either Alternative. Options that consider ERU's in new service areas use the Year 2026 as a start date.
- 5. The City Attorney is currently reviewing the potential for accessing a portion of these costs within the current service area.

Attachment(s):

- 1. Location Map
- 2. WWTF Components
- 3. Alternative 2 Forcemain Alignment
- 4. Forcemain Alignment Per Master Plan
- 5. Cash Flow Summary
- 6. Alternatives Comparison Cash Flow Summary
- 7. Detailed Cash Flow Analysis for Option A

Fiscal Impact:

As noted above.

Recommendation(s):

Provided for discussion purposes.

City Council Action

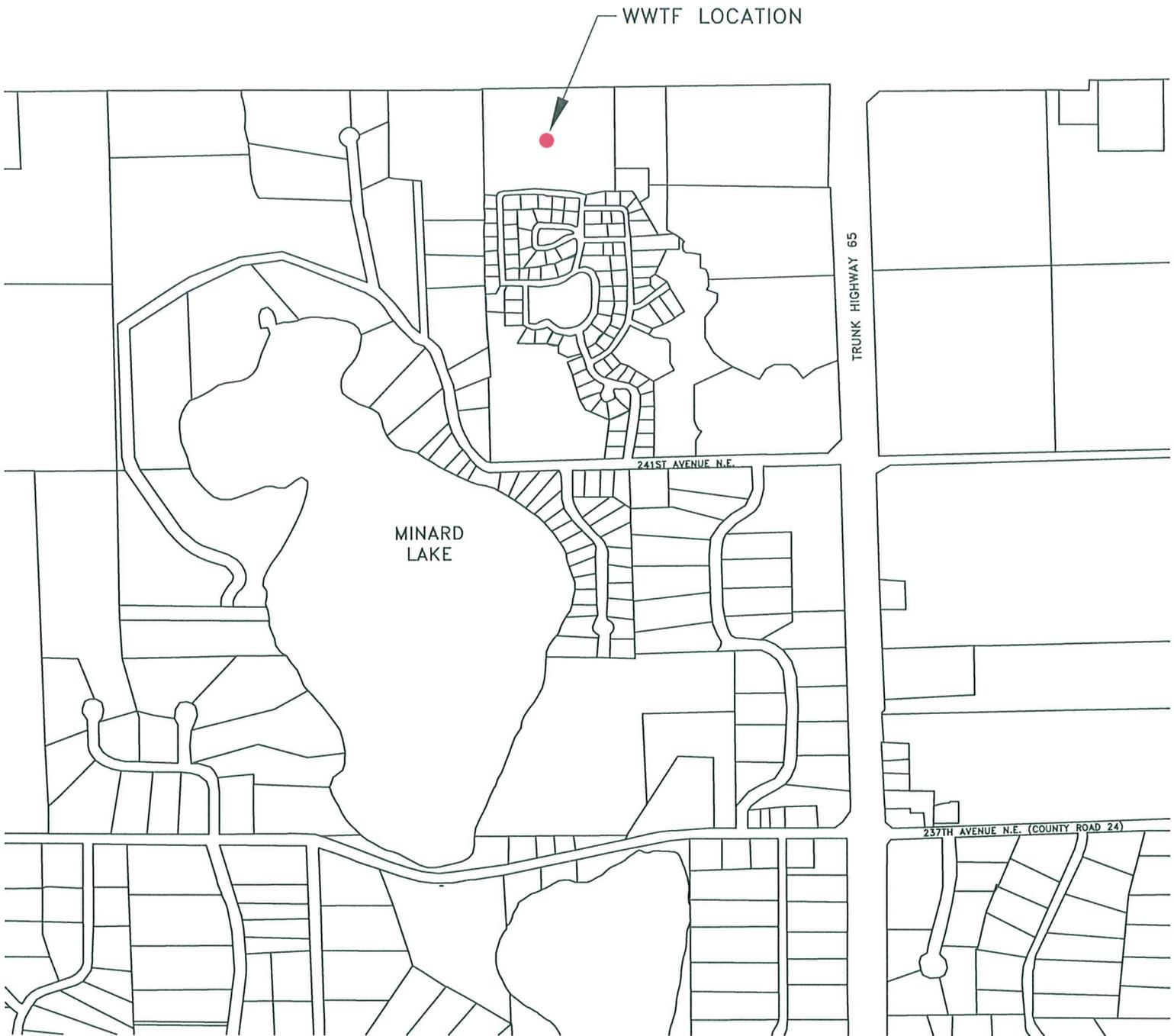
Motion by:_____

Second by:_____

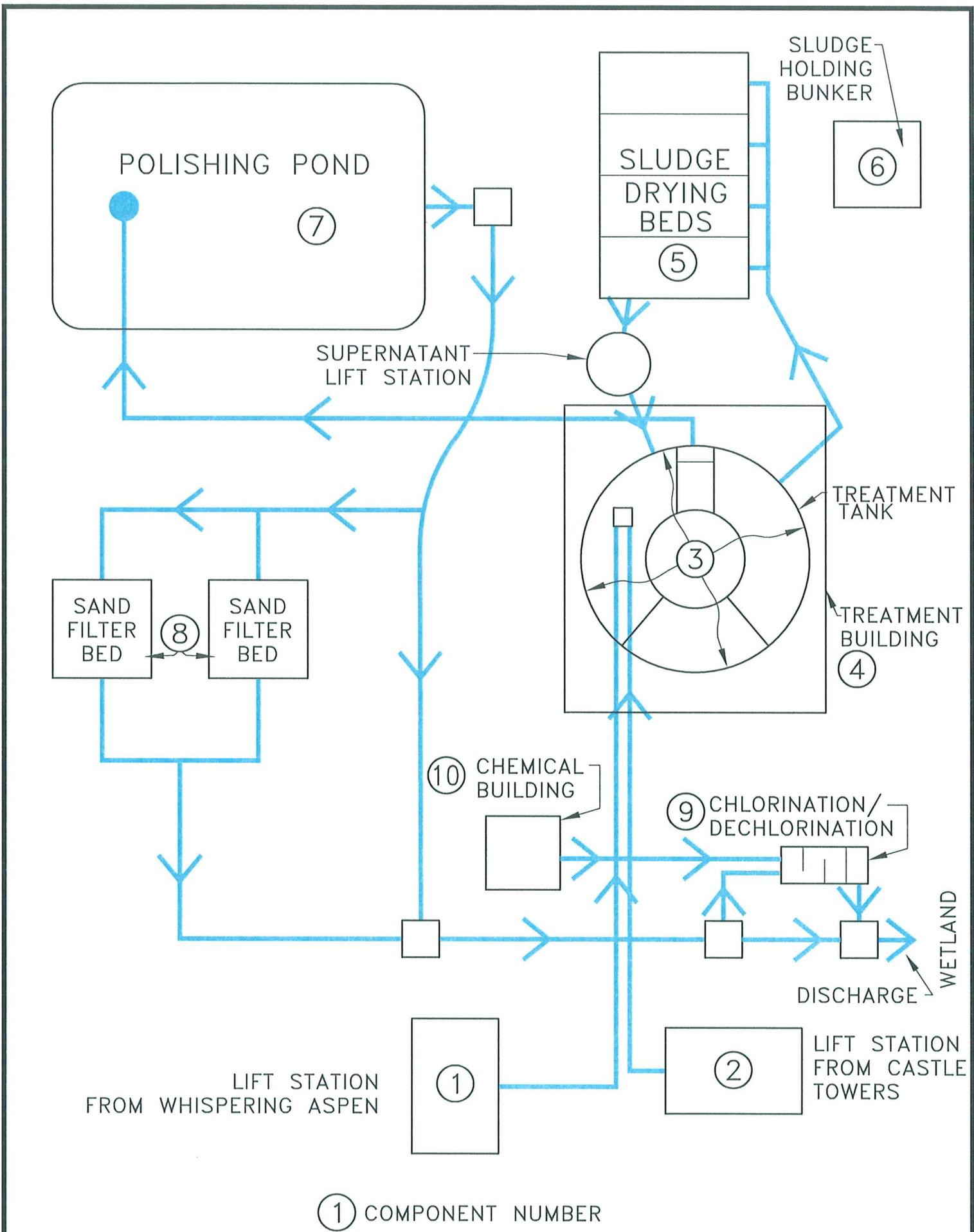
Vote Yes:_____

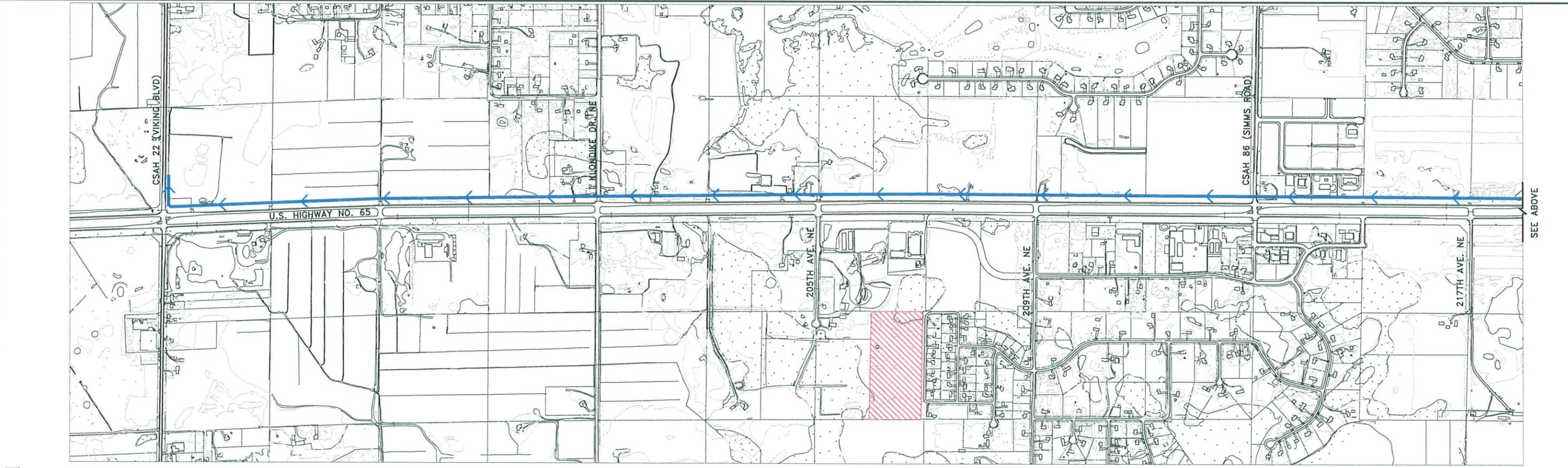
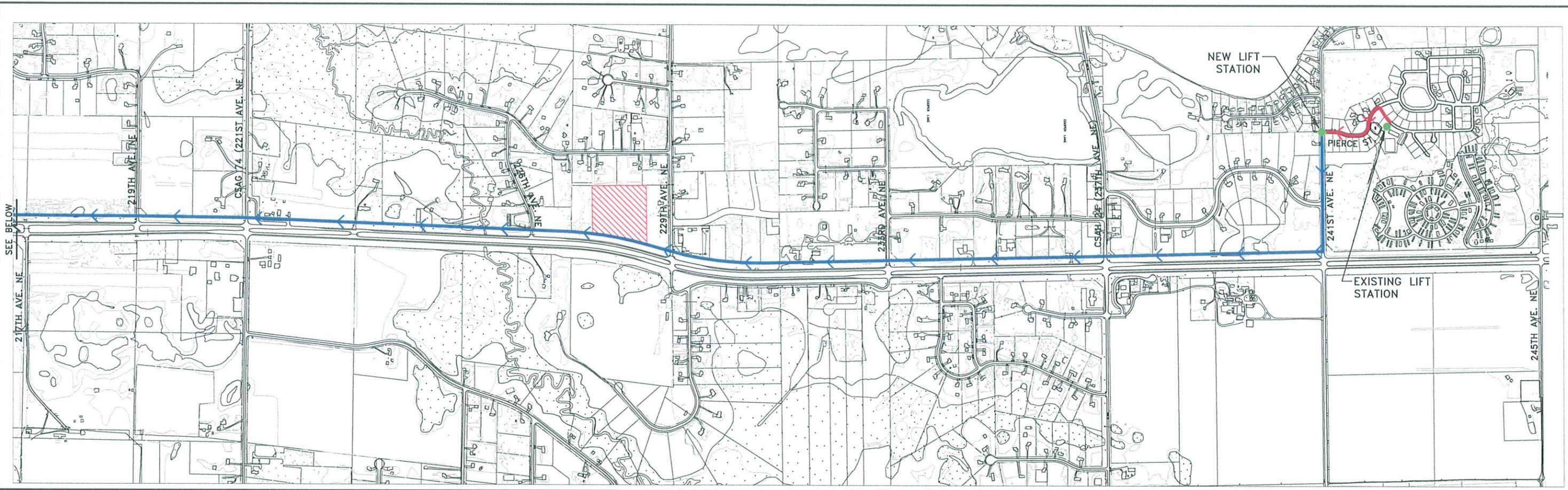
Vote No:_____

No Action Required:_____

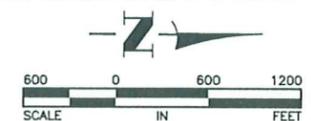
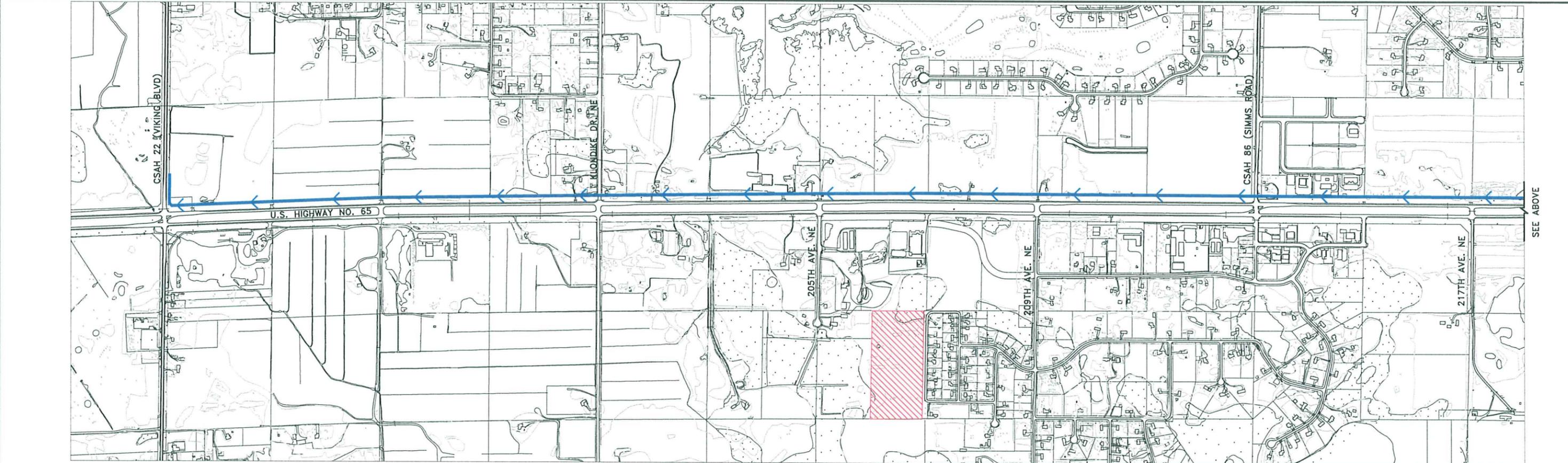
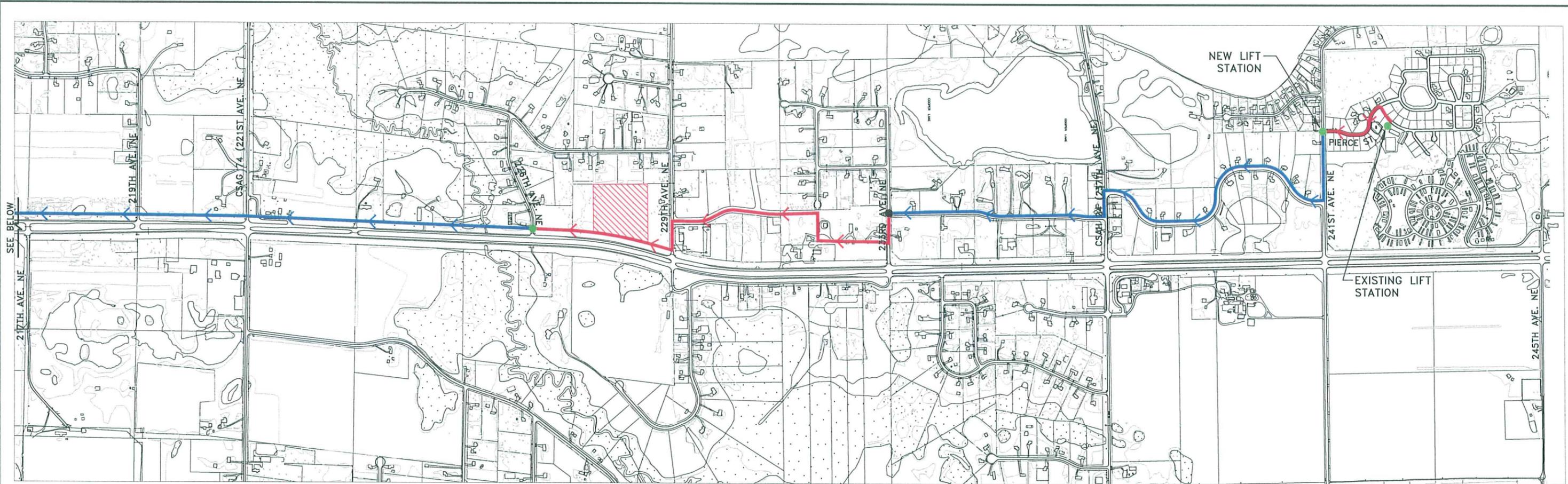


LOCATION MAP ATTACHMENT 1





ATTACHMENT 3
ALTERNATIVE 2
FORCEMAIN ALIGNMENT



- GRAVITY
- FORCEMAIN
- LIFT STATION
- MANHOLE

**ATTACHMENT 4
FORCEMAIN ALIGNMENT
PER MASTER PLAN**

Cash Flow Summary

Alternative #1 - Reconstruction of Existing Plant				Cash Flow Summary			
Option	Capital Costs	City Access Charge	Total New ERU's	Year 2011	Maximum Deficient		Year 2046
					Amount	Year	
A	\$1,950,400	\$6,000	160	(\$152,771)	(\$2,918,153)	2031	(\$2,126,629)
B	\$1,950,400	\$8,000	160	(\$152,771)	(\$2,598,153)	2031	(\$1,806,629)
C	\$1,950,400	\$10,000	160	(\$152,771)	(\$2,313,309)	2022	(\$1,486,629)
D	\$1,950,400	\$6,000	215	(\$152,771)	(\$2,707,524)	2026	(\$1,546,438)
E	\$1,950,400	\$8,000	215	(\$152,771)	(\$2,501,183)	2025	(\$1,116,438)
F	\$1,950,400	\$10,000	215	(\$152,771)	(\$2,313,156)	2020	(\$686,438)
G	\$2,950,400	\$6,000	460	(\$152,771)	(\$2,707,183)	2025	(\$604,172)
H	\$2,950,400	\$8,000	460	(\$152,771)	(\$2,501,183)	2025	\$315,828

Alternative #2 - Construction of Forcemain				Cash Flow Summary			
Option	Capital Costs	City Access Charge	Total New ERU's	Year 2011	Maximum Deficient		Year 2046
					Amount	Year	
I	\$2,003,300	\$6,000	160	(\$152,771)	(\$3,355,595)	2031	(\$2,340,028)
J	\$2,003,300	\$8,000	160	(\$152,771)	(\$3,035,591)	2031	(\$2,020,028)
K	\$2,003,300	\$10,000	160	(\$152,771)	(\$2,715,595)	2031	(\$1,700,028)
L	\$2,003,300	\$6,000	460	(\$152,771)	(\$2,991,531)	2026	(\$655,344)
M	\$2,003,300	\$8,000	460	(\$152,771)	(\$2,779,040)	2025	\$264,656
N	\$2,003,300	\$6,000	560	(\$152,771)	(\$2,991,531)	2026	(\$312,755)
O	\$2,003,300	\$8,000	560	(\$152,771)	(\$2,779,040)	2025	\$807,245
P	\$3,037,650	\$6,000	460	(\$152,771)	(\$4,479,812)	2031	(\$2,177,529)
Q	\$3,037,650	\$8,000	460	(\$152,771)	(\$3,919,812)	2031	(\$1,257,529)
R	\$3,037,650	\$10,000	460	(\$152,771)	(\$3,638,570)	2025	(\$337,529)

Note: Amounts in red and parentheses are negative amounts.

Alternative Comparison Cash Flow Summary

Alternative Comparisons			Cash Flow Summary			
Option	Capital Costs	City Access Charge	Total New ERU's	Year 2011	Maximum Deficient	
					Amount	Year
A	\$1,950,400	\$6,000	160	(\$152,771)	(\$2,918,153)	2031
I	\$2,003,300	\$6,000	160	(\$152,771)	(\$3,355,595)	2031
B	\$1,950,400	\$8,000	160	(\$152,771)	(\$2,598,153)	2031
J	\$2,003,300	\$8,000	160	(\$152,771)	(\$3,035,591)	2031
C	\$1,950,400	\$10,000	160	(\$152,771)	(\$2,313,309)	2022
K	\$2,003,300	\$10,000	160	(\$152,771)	(\$2,715,595)	2031
G	\$2,950,400	\$6,000	460	(\$152,771)	(\$2,707,183)	2025
L	\$2,003,300	\$6,000	460	(\$152,771)	(\$2,991,531)	2026
P	\$3,037,650	\$6,000	460	(\$152,771)	(\$4,479,812)	2031
H	\$2,950,400	\$8,000	460	(\$152,771)	(\$2,501,183)	2025
M	\$2,003,300	\$8,000	460	(\$152,771)	(\$2,779,040)	2025
Q	\$3,037,650	\$8,000	460	(\$152,771)	(\$3,919,812)	2031
R	\$3,037,650	\$10,000	460	(\$152,771)	(\$3,638,570)	2025
D	\$1,950,400	\$6,000	215	(\$152,771)	(\$2,707,524)	2026
E	\$1,950,400	\$8,000	215	(\$152,771)	(\$2,501,183)	2025
F	\$1,950,400	\$10,000	215	(\$152,771)	(\$2,313,156)	2020
N	\$2,003,300	\$6,000	560	(\$152,771)	(\$2,991,531)	2026
O	\$2,003,300	\$8,000	560	(\$152,771)	(\$2,779,040)	2025

Note: Amounts in red and parentheses are negative amounts.

Plant Reconstruction Options
Forcemain Construction Options

Attachment 6



City of East Bethel City Council Agenda Information

Date:

August 3, 2011

Agenda Item Number:

Item 9.0 C.1

Agenda Item:

US Cable Franchise Sale

Requested Action:

Consider US Cable's request for a franchise transfer

Background Information:

Midcontinent Communications is purchasing US Cable. A franchise transfer between all existing US Cable franchisees is required for this transaction to become effective. Mark Vierling has reviewed the franchise transfer process and will provide comment and recommendation to Council.

Attachment(s):

- 1. Resolution 2011-25 Consenting to and Approving the Assignment of the Cable Franchise and System to Midcontinent Communications

Fiscal Impact:

To be determined

Recommendation(s):

Staff is seeking Council direction on this matter

City Council Action

Motion by: _____

Second by: _____

Vote Yes: _____

Vote No: _____

No Action Required: _____

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

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

June 27, 2011

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

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

www.eckbergglammers.com

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

Re: *Proposed Sale of U.S. Cable Franchise to Midcontinent Communications – Asset Purchase Agreement Dated June 6, 2011*
Our File No.: 23746-21657

Dear Mr. Davis:

Thank you for providing us the information that you have forwarded from U.S. Cable and Midcontinent Communications.

We have reviewed the City's Ordinance Section 13.02, the City's right to purchase this system under Section 13.03 and related provisions.

The terms and provisions of the City's Ordinance preclude sale, assignment or transfer of this franchise in whole or in part, without the City's consent or without compliance of the City's Ordinance. Pursuant to the City's Ordinance in reviewing the request for sale or transfer pursuant to the Ordinance, the City has the right to inquire into the legal, technical, and financial qualifications of the perspective controlling party, in this case, Midcontinent Communications. There is no detail provided within the materials submitted with regard to the financial position of Midcontinent Communications evaluated vis-a-vi U.S. Cable, nor has the City been provided any data that would allow the City to determine the credit worthiness and financial strength of Midcontinent Communications versus U.S. Cable. The City has been provided short listings of biographical information regarding the officers of Midcontinent Communications, and a copy of the Purchase Agreement with pertinent sections blacked out or excised, so that the City cannot determine the financial details of the transaction.

Consequently, the materials submitted do not allow the City to properly evaluate the Application for Transfer, or if the transfer as proposed should be rejected or allowed. Under any circumstances, this office would not recommend the City to adopt the Resolution as submitted, if for no other reason than that there has been a recent history of violation of the Cable Franchise Ordinance in the payment of fees.

Similarly, the Resolution as submitted seeks to obtain a full release of U.S. Cable, and a certification by the City that the terms and provisions of the cable franchise are compliant currently with the City's Ordinances, for which the City is not in the position to evaluate, given the lack of information that has been provided, both currently and relative to this transaction by U.S. Cable.

Consequently, we would recommend that the Application at this stage be denied until appropriate financial information is provided relative to the terms and details of the transaction, as well as to the financial strength and ability to perform this obligation by Midcontinent Communications, comparing its financial strength and assets and holdings to that of U.S. Cable. The City also has the right of purchase, but again, information needed to assess that is wholly lacking.

Yours very truly,



Mark J. Vierling

MJV/ndf

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

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

July 13, 2011

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

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

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

www.eckbergammers.com

Re: *Proposed Sale and Transfer of Franchise Between US Cable of Coastal Texas, L.P. and
Midcontinent Communications Affecting East Bethel Franchise Ordinance*
Our File No.: 23746-21657

Dear Mr. Davis:

Following up on communications we previously forwarded to you of June 27, 2011, I have had an opportunity to have a conference call with the attorneys for Midcontinent Communications relative to the transfer as they propose same.

As you know from my prior correspondence, certain financial details were not present within the materials forwarded by Midcontinent Communications that would allow a thorough analysis of the transaction between the two parties.

The City's Franchise Ordinance specifically provides:

"In reviewing a request for sale or transfer pursuant to paragraph A (sale or transfer) . . . the City may inquire as to the legal, technical and financial qualifications of the prospective controlling party, and Grantee shall assist the City in so inquiring. The City shall not unreasonably withhold its approval. In no event shall a transfer or assignment of ownership or control be approved without the transferee being a signator to this Franchise."

Additionally, under the terms and provisions of Section 13.03 and 13.04 of the City's Ordinance, the City has retained the right to purchase the cable system within the City's boundaries.

Although I have no idea what, in terms of whether or not the City intends or desires to purchase its own cable system within its borders, the City does have a right to certainly inquire into greater detail as to the ability of Midcontinent Communications to perform cable services within the city of East Bethel, as well as to its financial strength, intent on operating and expanding the city's infrastructure for cable services, etc.

I have had a conference call with the attorney for Midcontinent Communications, and they have indicated that they are willing to supply reasonable information as requested by the City as it affects the transfer. In specific, if the City Staff or members of the City Council have specific questions with regard to Midcontinent Communications, I would ask that they be forwarded to this office, and those inquiries or questions will be forwarded on to Midcontinent Communications for their reply and return of sufficient data to address the questions.

In the event the City would desire to become an owner/operator of their own cable systems, the City should secure professional consultant services with regard to the technical aspects of the cable system, to analyze that opportunity, if it is the City's intent to pursue that at this time. I note that the City's rights relative to purchase or acquisition of a system would not be foreclosed by consenting to the sale or assignment from US Cable of Coastal Texas, L.P. to Midcontinent Communications, so the City certainly does not have to exercise any rights or opportunities it has in that regard at this time relative to the sale and assignment of the system to Midcontinent presently; however, if the City is intent on owning and operating its own cable system, it may be an opportune time to do so.

Naturally, if you or City Staff or Council have any questions with regard to this matter, please feel free to contact me directly.

Yours very truly,



Mark J. Vierling

MJV/ndf



June 24, 2011

Via: Certified Mail Return Receipt #: 7011 0110 0001 4578 0622

The City of East Bethel
2241 221st Ave. NE
East Bethel, MN 55011
Attn: Douglas Sell, City Administrator

Re: Master Services Agreement (the “Contract”), dated as of April 6, 2009 between The City of East Bethel and US Cable of Coastal-Texas, L.P. (“US Cable”), (MSA 410.22)

Dear Mr. Sell:

This letter will serve to inform you that US Cable has entered into an Asset Purchase Agreement (the “Asset Purchase Agreement”) with Midcontinent Communications (“Midcontinent”) dated as of June 6, 2011. Under the terms of the Asset Purchase Agreement, US Cable has agreed to transfer and assign to Midcontinent certain cable television system assets. Among the assets to be transferred and assigned are the rights and obligations under the Contract (the “Assignment”). The Assignment of the Contract to Midcontinent will be effective as of the date of the closing of the transactions contemplated under the Asset Purchase Agreement (the “Closing Date”), which the parties currently anticipate will be in the fourth quarter of 2011. As of the Closing Date, Midcontinent will be bound by and shall assume and discharge all of US Cable’s obligations and liabilities under the Contract that accrue from and after the Closing Date and US Cable will be released from all liabilities and obligations under the Contract.

We respectfully request that you consent to the aforementioned Assignment of the Contract from US Cable to Midcontinent and the release of US Cable. We also request your confirmation that the Contract is in full force and effect, to your knowledge without default, and has not been amended except as described above. Please evidence your acknowledgment, consent and agreement to the foregoing by signing, dating and returning the enclosed copy of this letter in the enclosed self-addressed stamped envelope. For your convenience we have enclosed two (2) originals, please retain one (1) original for your files. If you have any questions or require further information, please contact Connie Gorga at US Cable at (201) 930-9000 ext. 320 or Allison Graziul at US Cable at (201) 930-9000 ext. 401.

[Signature Page Follows]

Sincerely yours,

US Cable of Coastal-Texas, L.P.

By: 

Name: Joseph Appio

Title: Vice President, Operations

ACKNOWLEDGED, CONSENTED AND AGREED TO
THIS ____ day of _____, 2011.

[City of East Bethel]

By: _____

Name: _____

Title: _____



City of East Bethel City Council Agenda Information

Date:

July 20, 2011

Agenda Item Number:

Item 8.0 D.1

Agenda Item:

2012 Budget Work Meetings

Requested Action:

Consider setting work sessions to review the 2012 Budget

Background Information:

On Wednesday, July 6, 2011, staff provided Council with a proposed 2012 Budget. Staff is requesting Council set a work session(s) meeting date(s) to review the proposed 2012 Budget.

Fiscal Impact:

None at this time

Recommendation(s):

Staff is seeking guidance from Council on dates for this work session.

City Council Action

Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required:_____

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

RESOLUTION NO. 2011-XX

**CITY OF EAST BETHEL
ANOKA COUNTY, MINNESOTA**

A RESOLUTION DESIGNATING CITY ELECTRICAL INSPECTOR

WHEREAS, the City of East Bethel hereby provides for the inspection of all electrical installations, pursuant to Minnesota Statutes 326B.36 subd. 6.

WHEREAS, the City Electrical Inspector serves at the pleasure of the City Council, and may be appointed and/or reappointed from time-to-time;

NOW, THEREFORE, BE IT RESOLVED, by the City Council for the City of East Bethel that effective July 20th 2011, that the city will provide for the inspections of all electrical installations in the City of East Bethel and appoint Brian Nelson as the City Electrical Inspector to serve in this capacity at the will of the City Council.

Adopted by the City Council for the City of East Bethel, this 20th day of July 2011.

Richard Lawrence, Mayor

ATTEST:

Jack Davis, City Administrator



City of East Bethel City Council Agenda Information

Date:

August 3, 2011

Agenda Item Number:

Agenda Item:

Resolution 2011-XX, Fee Schedule Amendment

Requested Action:

Consider approving Resolution 2011-xx amending the City Fee Schedule

Background Information:

In order to charge for electrical inspections Council needs to amend the 2011 Fee Schedule to include rates for this service. Attached are the proposed rates.

Attachment(s):

Resolution 2011-XX

Fiscal Impact:

To be determined

Recommendation(s):

Staff recommends approval of Resolution 2011-XX

City Council Action

Motion by: _____

Second by: _____

Vote Yes: _____

Vote No: _____

No Action Required: _____



City of East Bethel City Council Agenda Information

Date:

July 20, 2011

Agenda Item Number:

Item 9.0 C

Agenda Item:

Closed Session MBI Contract Settlement

Requested Action:

Consider closing the regular session for an Attorney/Client discussion regarding the MBI Contract settlement suit.

Background Information:

The session is closed pursuant to Minnesota Statutes 13D.05, Subd. 3.

Fiscal Impact:

None

Recommendation(s):

Staff is recommending closing the regular session to closed session pursuant to Minnesota Statutes 13D.05, Subd 3 for an Attorney/Client discussion of the MBI Contract settlement suit.

City Council Action

Motion by:_____

Second by:_____

Vote Yes:_____

Vote No:_____

No Action Required:_____



PUBLIC FORUM SIGN UP SHEET

July 20, 2011

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

