

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