

EAST BETHEL CITY COUNCIL MEETING

February 16, 2011

The East Bethel City Council met on February 16, 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: Dave Schaaf, Acting City Administrator
Mark Vierling, City Attorney
Craig Jochum, City Engineer
Jack Davis, Public Works Manager
Rita Pierce, Fiscal and Support Services Director
Larry Martin, Building Official and Code Enforcement

Call to Order **The February 16, 2011 City Council meeting was called to order by Mayor Lawrence at 7:30 PM.**

Adopt Agenda **Moegerle made a motion to adopt the February 16, 2011 City Council Agenda adding Item 9.0 G.5 Spring Town Hall Meeting Date. Voss seconded; all in favor, motion carries.**

Summary
Report –
Closed HRA
Session Mark Vierling, City Attorney explained that the City Council held a special meeting last Tuesday, February 8, 2011. The only item on the agenda was the ACHRA lawsuit, City of East Bethel et all Anoka County HRA, court file A101628. He said at that time present were Mayor Lawrence, Council Members DeRoche, Boyer and Moegerle and Council Member Voss was absent. Jill Teetzel was present, Mr. George Hoff, special council was present by phone, myself and Ms. Warren. Vierling said an agreement was presented and rejected. Boyer said for the record, Voss attempted to join the meeting by calling my phone, but he couldn't it was on vibrate and he didn't realize it.

Introduction
of 2011
Deputies Captain Tom Wells said he is here on behalf of Sheriff James Stuart who couldn't be here. He said this is a tradition, once a year we bring the deputies that work the City of East Bethel and introduce them to the Council. Wells said we have been serving the City since 1974. He said our goal is to provide excellent but cost effective service. Captain Wells said first he wants to introduce soon to be Captain Helwig, he said since Sheriff Stuart has appointed him as Chief Deputy, Helwig will soon be taking his place. He said and Lieutenant Orlando is your liaison and she has been serving since 1994 and has been a Lieutenant since 1998. Wells said now we move on to the deputies, Chris Beck works the A shift, and has been a deputy since Jan. 1997 and this is his sixth year working the East Bethel contract, he is a field training officer and a SWAT team member; Nathan Arvidson works the A shirt, day power split, and has been a deputy since 2001, SWAT team member, field training officer and this is his fifth time working the East Bethel contract; Ryan Franklin works the day power shift, deputy since 2004 and worked 1 ½ years as a detention deputy, first year as a East Bethel deputy and was a police officer in Illinois for five years prior; Luke Christofferson works the B shift and has been a deputy since 2005, this is his firth

year working the East Bethel contract, certified advanced diver for ACSO dive team and certified Ice Water rescue technician, also assists in the planning and training as well as operations of the team, ATV safety instructor and Explorer Advisor; Tom Kvam works the night power shift, deputy since 2008 and this is his first year working the East Bethel contract, Travis Wold works the night power shift and he has been a deputy since October 2005 and this is his third year in the East Bethel contract; Ryan Rakotz works the C shift and has been a deputy since 2007, worked as a former detention deputy with ACSO and this is his first year in the East Bethel contract and Eric Donarski works the C shift split between East Bethel and Ham Lake contracts and has been a deputy since 2004, fourth year working the East Bethel contract, was a deputy with Hennepin County for six years prior and is an ATV Instructor and Project Lifesaver Member. Captain Wells said a lot of them have many years of experience and we look forward to continuing the relationship with East Bethel. Boyer said he knows a lot of you from the past and he looks forward to working with you in the future.

Lt. Orlando said she did send out a copy of her report, does Council have any questions. Moegerle said she didn't see any issues.

Great River
Energy –
Peter Schaub

Peter Schaub, Great River Energy said the introductory information is here, we are roughly bounded by Cambridge and East Bethel, and we have already reached that area. Schaub said we are a wholesale provider to Connexus and Excel. He said we are trying to make sure you don't have an incident with providing electricity, you don't have blackouts. Schaub said he won't spend any time on this; we are trying to connect this area, Cambridge, Elk River, the area that is served. He said we have the Connexus Energy Martin Lake Substation that is fed with a single transmission line with no backup capability. Schaub said we want to connect the Athens substation to the Linwood substation. He said one of the reasons we want to do that is your comp plan slates multi-housing. Schaub said and Co. Road 22 is going to be expanding.

Schaub said Option 1, Athens to Martin Lake 69 kV Transmission Line is the one we would like to provide. He said we looked at the other options and they have some setbacks, primarily they are overkill, there is no need to do that. Schaub said this would be constructing a 69 kV transmission line between the Connexus Energy Martin Lake Substation and the Great River Energy Athens Substation. He showed a cost analysis for the options. Option 1 is the least expensive, the cost would be incurred by GRE, its member cooperatives and other transmission owning utilities that would need to modify their facilities to accommodate the changes. He said we looked at a no build alternative. Schaub said but that means ultimately we will have rotating blackouts. Schaub said significant demand reduction will be required if this happens. We will have at least one day of blackout issues. Schaub said with our transmission line route selection, we tried to identify things with existing distribution lines by underbuilding, following roads where we can, we tried to look at things we should avoid like high density areas, environmentally sensitive areas which in this area that is about impossible to do, and tried to avoid areas with high potential for cultural significance, this was our route criteria when selecting.

Schaub explained Engineering/Construction considerations, we are a cooperative, we are not a for profit business. He said we are very cognizant of the idea of limiting the idea of expenses when we can. Schaub said the City adopted an ordinance to deal with the location and siting of transmission lines with less than a level that would be subject to review by the state. He said we are working with the work group. Schaub said we have reviewed 14 routes. Lawrence asked what your preferred route is. Schaub said Route A. He said Connexus does have most of the distribution along this route. Schaub said it would all run on the same structures, this was the route that was ultimately recommended by the work group. He said Coopers Corner is the existing distribution line, the bottom line on there is cable they tacked it on the poles. Schaub said we would cut south and go along the Cedar Creek property. He said as you can see the bridge along the creek has been expanded, utilities have been put in under it and ours would be over and then we would continue along. Schaub said the Oak Savannah is along there, and then it continues along Co. Road 26. He said there are public and social considerations. Schaub said a lot of times when we say there are zero homes within 100 feet of the anticipated transmission centerline, it can be less in some places or greater in some places. He said if we go with Route A, we would like to go on the Cedar Creek property then it would allow us to deal with one property owner instead of deal with a bunch of property owners.

Schaub said we look at tree removal, environmental/cultural considerations, we have to deal with the state historical society once we get into these areas, and then you end up with one big question mark, so that is one reason we like this route to stay out of those areas. Lawrence asked is this just for transmission lines. Schaub, said yes, and it is the shortest route. He said the line has been maintained as far as vegetation. Schaub said this is just a case of putting up new poles. He said the things we consider an issue, is a private home across from Cedar Creek, we have one 50 feet from the road so we couldn't put one on that side of the road. Schaub said we have one home that is surrounded by Cedar Creek, which we would have to deal with. Boyer said there are about 20 houses toward our eastern border by Cedar Creek. Schaub said there are pinch points on Durant and Co. Rd. 26 that we would have to angle there, right after you leave the University area. DeRoche asked what are the minimum dimensions of homes being close to these lines. Schaub said we would design it in regards to the structure. DeRoche asked what does this have to do with FHA/VA conventional loans. Schaub said VA Rules state no part of any residential structure may be located within a high voltage electric transmission line easement and any detached improvements even partially in a transmission line easement will not receive value for VA purposes. He said FHA rules state no dwelling or related property improvement may be located within the engineering designed fall distance or any pole, tower or support structure of a high-voltage transmission line. For field analysis, the appraiser may use tower height as the fall distance. If the dwelling or related property improvement is located within such an easement, the lender must obtain a letter from the owner or operator of the tower indicating that the dwelling and its related property improvements are not located within the tower's (engineered) fall distance in order to waive this requirement. He said we make it a practice to not build within an easement next to a home. Schaub said these things can be designed so you can jog them so this doesn't happen. Boyer said you are talking 35 feet from the

centerline. Schaub said of the transmission line, 3 feet from the easement, edge of road right of way, 38 feet total.

Boyer said the county road has an 80 foot easement, 78 feet from the road. Schaub said the summary of Route A benefits are it is the shortest viable route, shortest length of new transmission line to build, it uses three miles of existing transmission line corridor, fewer easements to obtain, lowers impact to historical and cultural resources, moderate impact to sensitive plants and high, but temporary impact to animal populations in the area, fewest wetlands and public waters in ROW, second most desirable soil conditions, two pinch points, fewer turns and angles than other routes, savings to Connexus, existing distribution corridor along most of route and lowest construction costs. He said along Route I there are a lot of generally environmentally sensitive areas. Schaub said the work group came up with this route. He said the county plans on doubling the size of County Road 9, which causes some problems for us. Schaub said with this route you head down to Durant, and then to Fish Lake Drive, the route itself has a lot of issues. He said it will cost a lot to build.

Lawrence asked if you had to pick another one beside Route A which one would it be. Schaub said there isn't much that compares to A. DeRoche asked which one has the least impact to East Bethel residents. Schaub said Route I, G, H, and G1. Schaub said with these routes they have the fire station we would have to go through or past, cell tower have to go through. Moegerle asked about Route B1. Schaub said we would probably do that one. He said Cedar Creek has been very good to work with, they don't want us to take those routes, they have their primary research in those areas at this time and it is more than a nature area. Schaub said if you go that route you can expect the full force of the University to fight this. DeRoche asked have you done an Ecological Impact Statement on this. Schaub said normally we don't do that on these types of projects. We work with the Army Corp of Engineers and follow their rules. He said we have looked at the entire area. Schaub said we don't have house counts for the route, we have a combination for the different routes that we had.

DeRoche asked have the people along the routes been able to say aye or nay. Schaub said before the City came up with this process we had open houses so they are aware of what we are planning on doing. Boyer said originally you came in to City Council with Route G. Schaub said he thinks it was Route E. Boyer said then it sat, he said then Route A came around and everyone got upset. Schaub said we don't plan to pursue any of the routes; we would like to pursue those other routes. He said we would work with the City and pursue a Conditional Use Permit (CUP) and if we get it then we would move forward. Schaub said if we get a CUP then we could hold an open house. He said Route I is not free and clear of environmental issues. Schaub said we work with the DNR, fish and wildlife, Army Corp of Engineers, etc. DeRoche said we are talking Route A & Route I. Schaub said we want Route A, is this something you can agree we can build. He said we have a summary of the Route I features and he apologizes they are not complete; he did not have time he was only given notice about this meeting on last Tuesday. Schaub said there are problems with Route I, permitting delays, etc. He said there are benefits to Route A, special structures, lower costs, lower culturally sensitive areas.

Lorraine Bonin, on the Planning Commission, asked who is proposing Route I. Schaub said the workgroup. Boyer said the only difference is it jogs around. He said he wants to make clear that you said we asked for 14 different proposals, and that is not the case. Boyer said we did ask for a no build proposal. Schaub said the ordinance required us to show other routes. Boyer said the ordinance was not onerous in what we asked of you. He said we worked quite diligently to come up with a route. Schaub said he thinks we worked quite well together also. Moegerle asked what your timeline is. Schaub said we have been asked to give a similar presentation to the Planning Commission and then we would like to submit an application the next week. He said we are following City process. Moegerle said so as soon as March 1st.

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

Denise Lachinski of 22286 Vermillion Street NE said she has a change to the February 2, 2011 minutes on page 2, where it says Voss said we are not partisan at all, actually Schaaf said that. She said also, the settlement for the City Administrator, has that been voted on. Vierling said yes and it will become public tomorrow. Lachinski said if the deputy city clerk is working this much overtime why aren't we negotiating and making this a salaried position. Boyer said he doesn't have an answer for that. Lachinski said she also has questions about the City Council contingency fund in the budget amendment. Schaaf said the finance director will be addressing that later. He said staff will be addressing staffing concerns depending on what happens on Saturday.

Lonnie Provencher from NorthMarq said he represents a company named Crash Toys. He said he is here tonight to see if Council and the community would be interested in hosting their business. Provencher said he just needs a couple minutes to see if this business is a fit. He said Crash Toys is an online broker of repossessed vehicles, we get the vehicles because of an accident or they are repossessed and then they are sold in an online auction format. Provencher said we used one of two different operating units, we do not remark traditional vehicles, and we do deal with antique cars. He said we are licensed by State of Minnesota; we have a used dealer's license. Provencher said as it relates to licensing of these specific vehicles, it varies from state to state, so for Minnesota, a vehicle like a motorcycle, if it comes into possession because of an insurance claim it has to be branded, has to have a salvage certificate, and then the new owner has to take it to the DOT and show it is road worthy. He said we want to know we are looking at the Bethel Marine facility; we want to know if community is interested in use. We had preliminary conversations with the City Planner about a month ago. Council told Mr. Provencher that he should contact the City Planner to see if the zoning fits for this business at Bethel Marine and what the process is for his business.

Lou Cornecelli of 4620 229th Avenue NE said he is a member of the Transmission Line Workgroup. He said he has been involved since around mid April 2009. Cornecelli said he got notification of a transmission line route and helped draft the

ordinance; he was on the work group that drafted the ordinance. He said the ordinance reads that the work group has a right to make a recommendation on an alternate route and the work group was unanimous that Route I was the best route for East Bethel. Cornecelli said when Great River Energy talks about an easement; they are going to cut everything down and out in the easement. He said the workgroup spent a lot of time making the recommendation. Cornecelli said Dr. Corney from Cedar Creek was not a voting member, but he felt that Route I was the best route. He said tonight we are hearing from Peter Schaub that Route A was the best route. Cornecelli said we thoughtfully considered all the routes. He said this route was not done out of spite, there was a lot of work done to come to Route I. Voss said first he wants to thank him for volunteering. He said a lot of work goes into volunteering. Lawrence said he just wants to clarify, what route do you recommend. Cornecelli said Route I; this was the consensus of the work group.

Steve Channer of 21572 Tyler Street said he has just a quick question. He said on the agenda posted for Saturday is item 4 only going to be a discussion for you guys. Channer said if there is a big scope of change to the project do we have to have a public meeting. Moegerle said this is a question for our attorney. Vierling said no, the Council does not have to have a public hearing.

Jill Teetzel of 20915 Rendova Street NE said she has three things to address. She said the first is the two minute time lime that has been discussed as the Mayor's prerogative. Teetzel said at the last meeting she doesn't believe it was applied neutrally. She said she can respect the two minute time limit if it is applied neutrally, but not if it is the Mayor's time to allow certain people to speak as long as he chooses. Teetzel said second is the Legal Services RFP. She said she is still concerned about the 60 day time for attorney's to submit a proposal. Teetzel said we don't leave employment applications open for 60 days. She said and third is the 2011 Budget Amendment. Teetzel said she knows the finance director will address this later on the agenda. She said but she doesn't know that a decision has been made that Mr. Schaaf will be staying for a year, yet his salary is included in here for a year and you are reducing the PERA and everything in the City Administrator budget to reflect that he is staying for the entire year. Teetzel said if that changes you have reduced that budget and don't have the funds in there to compensate the normal way.

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

Consent
Agenda

Moegerle made a motion to approve the consent agenda including: A) Approve Bills; B) Meeting Minutes, January 19, 2011, Regular Meeting; C) Meeting Minutes, February 2, 2011, Regular Meeting; E) Resolution 2011-08 Modifying Fee Schedule Adding Wine License Fee; F) Appoint Regular Employee – Administrative Support I – Patty York; G) Adoption of Ordinance 30, Second Series, Repealing Board of Health and direction to publish. Moegerle said she would like to deal with Item D) Ordinance 29, Second Series, Liquor License Amendment as a separate item. **DeRoche seconded.** Voss said he has changes to the January 19, 2011 minutes as follows: Page 8, under Appoint Planning Commission Members, at the end of the paragraph where it discusses the appointment, not the

motion add *The Council conducted a straw poll amongst themselves to determine which applicants would be selected to serve on the Planning Commission*; also on page 9, under Appoint Park Commission Members add the same language; and then on page 9 under Appoint Road Commission Members add *There were only three applicants for these positions* (this is for clarification of how the positions were chosen); Page 15, last paragraph, inversed should be changed to *adversed*; Moegerle said on page 17, first paragraph change conveyance to abeyance, Voss said on page 20, first paragraph almost at the bottom, take out *Voss said his actions prior to January 5th were very abrupt* (he doesn't know what that is referring to); Moegerle said on page 20, last paragraph change process to *project. All in favor, motion carries.*

Moegerle said Ordinance 29, Second Series on page 52 at the top, for the felonies are these supposed to just be felonies related to liquor. Vierling said no, this is correct as written, any felonies, a crime of moral turpitude of which you are not supposed to have any to have a liquor license. **Moegerle made a motion to adopt Ordinance 29, Second Series, Liquor License Amendment and direction to publish. Voss seconded; all in favor, motion carries.**

Planning
Minutes

Schaaf said the planning minutes are in your packet.

George's Boat
Repair – CUP
– 18649 Hwy.
65 NE

Larry Martin, Building Official said the City Planner couldn't be here tonight. He asked if there is a representative from George's here. A representative came forward Martin said they are looking at expanding their boat repair shop. He said it is a Conditional Use Permit (CUP) continuing boat and body repair. Martin said the request is two-fold. Boyer asked have we looked at the soil conditions there. Martin said we ran into some old documents. He said Hanson contacted the state and they told us that the file was closed. Martin said I, the fire chief and the city planner have visited the property and it went into foreclosure and we think it is a good fit. He said they are in the process of cleaning it up. Martin said they are working closely with staff.

Voss made a motion to approve the request of George R. Cossette for a Conditional Use Permit (CUP) for a business named George's Boat Repair to be located at 18649 Highway 65 NE, East Bethel, MN 55011 (PIN 32 33 23 13 0004) for sales of Boats, Docks, Boatlifts with the following conditions: 1) Signage must comply with City Code, Chapter 54, Signs; 2) Certificate of Occupancy for the Building must be issued from the East Bethel Building Department prior to occupancy; 3) Outdoor display area of used boats, trailers, and docks must not occur within 50% of the setback nearest a street as regulated by East Bethel City Code, Appendix A. Zoning, Section 24.5, Exterior Storage; therefore, outdoor display must be setback a minimum (20) feet from the front property line; 4) Property owner must continue to work with the building safety and fire department staff to ensure compliance with state fire and building codes; 5) At

any time the property owner hard surfaces the parking, display, or exterior storage areas with concrete or bituminous surfaces, the property owner must submit a drainage plan to the Planning Department. The drainage plan must be approved by the City Engineer and the Planning Department prior to work being completed; 6) Conditional Use Permit Agreement must be executed by March 16, 2011. City of East Bethel will file the agreement at Anoka County. DeRoche seconded; all in favor, motion carries.

Voss made a motion to approve the request of George R. Cossette for a Conditional Use Permit (CUP) for a business named George's Boat Repair to be located at 18649 Highway 65 NE, East Bethel, MN 55011 (PIN 23 33 23 13 0004) for exterior storage of items accessory to the principal use of the property with the following conditions: 1) Exterior storage must be an accessory use to the approved and permitted uses of the property; 2) Exterior storage is limited to an area occupying no more than 50% of the rear yard as regulated by East Bethel City Code, Appendix A. Zoning, Section 24.5, Exterior Storage; 3) Exterior storage is to be screened from public right-of-way and neighboring properties as regulated by East Bethel City Coded Appendix A. Zoning, Section 24.5, Exterior Storage; 4) Property owner must continue to work with building safety and fire department staff to ensure compliance with state fire and building codes; 5) At any time the property owner hard surfaces the parking, display, or exterior storage areas with concrete or bituminous surfaces, the property owner must submit a drainage plan to the Planning Department. The drainage plan must be approved by the City Engineer and Planning Department prior to work being completed.; 6) Existing noncompliant exterior storage must be removed from site no later than February 16, 2012; 7) Conditional Use Permit agreement must be executed by March 16, 2011. City of East Bethel will file the agreement at Anoka County. DeRoche seconded. Schaaf said the conditions do give the applicant a year to deal with the exterior storage. Martin said the previous tenant did leave. Voss said George has been here a long time; he is a long time business owner. **All in favor, motion carries.**

John Freimuth
– Freimuth
Enterprises –
CUP – 18639
Highway 65
NE

Martin explained that this operation of a recycling business. John Freimuth of Freimuth Enterprises came forward and explained that he runs an appliance recycling business. He said he did curbside for Linwood and Columbus. Freimuth said he also does computers, he destroys the harddrives first. He is licensed to recycle. DeRoche said word got out that they liked you in Columbus. Freimuth said he ran out of space in Columbus and there weren't any opportunities for him to obtain space there. DeRoche said they didn't want you to leave.

Boyer made a motion to approve the request of John Freimuth for a Conditional Use Permit (CUP) for a business named Freimuth Enterprises at 18641 & 18639 Highway 65 NE, East Bethel, MN 55011 (PINs 32 33 23 13 0002 & 32 33 23 13

0003) to allow exterior storage as an accessory use for a recycling business with the following conditions: 1) Signage must comply with City Code, Chapter 54, Signs; 2) Certificate of Occupancy for the building must be issued from the East Bethel Building Department prior to occupancy; 3) Property owner must continue to work with the building safety and fire department staff to ensure compliance with state fire and building codes, EPA and MPCA regulations; 4) AT any time the property owners expands the hard surfaced area with concrete or bituminous surfaces, the property owner must submit a drainage plan to the Planning Department. The drainage plan must be approved by the City Engineer and Planning Department prior to work being completed; 5) Exterior storage must be an accessory use to the approved and permitted use of the property; 6) Exterior storage is limited to an area occupying no more than 50% of the rear yard as regulated by East Bethel City Code, Appendix A, Section 24.5, Exterior Storage; 7) Exterior Storage is to be screened from the public right-of-way and neighboring properties as regulated by East Bethel City Code Appendix A. Zoning, Section 24.5, Exterior Storage; 8) Newly delivered recycled materials must be placed within a screened enclosure within twelve (12) hours of delivery; this includes public drop-off material; 9) Semi trailers must be unloaded and removed from site within ten (10) days of drop-off; 10) A maximum of twenty (20) roll-off containers and four (4) railroad/piggyback containers may be stored on site; 11) Property owner must provide five (5) parking stalls in which one (1) is accessible in accordance to City Code, Appendix A. Zoning, Section 22, Off-Street Parking and Loading Requirements, no later than June 16, 2011; 12) Conditional Use Permit must be executed no later than March 16, 2011. City of East Bethel will file the agreement with Anoka County. DeRoche seconded.

Lawrence asked about the outside storage. Freimuth said he has roll-offs. He said they are like the ones from deluxe check, 15 yard roll-offs. Freimuth said they are constantly coming in and out. He said they also come from American Iron because he recycles appliances. Lawrence asked are these non-leakers. Freimuth said it depends, but these are whole appliances, the only things that go into the roll-offs are the whole appliances and the dismantled carcasses. Lawrence said isn't it a problem if they aren't going to be covered from the rain, doesn't the state have an ordinance about metal being covered from the rain. Freimuth said he works very closely with the MPCA. He said if they are on the ground then they have to be covered. Freimuth said he is in this business to try and avoid as much pollution as possible.

Voss said one of the conditions is that within 12 hours of delivery newly delivered items have to be placed within a screened area, why is that not immediately. Martin said you might have people dropping things at 1:00 a.m., dropping illegally He said this gives Freimuth the time to deal with those issues. Voss asked are you allowing the dropping off of equipment and appliances in the off hours. Freimuth said no, and he did not have a problem with this in Columbus, but, if someone did do this, he would recycle it. Voss said he would hate to see a stack of TVs in front of your place over the weekend and he would think by law it would be hazardous dumping for people to do this. Freimuth said he would agree with Voss, but even in Columbus he had an agreement and he would pick it up. Voss said this site has more visibility. DeRoche

better than dropping off in ditch. Voss standing next to gentlemen that will have to address this. Freimuth said the building will have security cameras. Voss said he just wants to make sure you are thinking about it. Lawrence asked what your estimated start date is. Freimuth said he had a lot of the work done already. He said he had the plumbers come in, but he hasn't been to get the gate fixed and the privacy fence fixed. Freimuth said but as far as he is concerned he is ready to go as soon as he can. **All in favor, motion carries.** The Council welcomed him to East Bethel.

Park Comm.
Minutes

Davis said the Park Commission minutes are just for your information.

Pay Est. #2
for the 2010
Improvement
Projects

Jochum said this pay estimate reduces the retainage to \$4,188.73. He said the turf has to be established in the spring. Jochum said the total payment is \$15,913.81.

Boyer made a motion to approve Pay Estimate #2 in the amount of \$15,913.81 to Rum River Contracting for the 2010 Improvement Projects. DeRoche seconded; all in favor, motion carries.

Engineer/
Public Works
Report on
Castle Tower
WWTF Status

Jochum explained that first item is something he has been working on for the last couple months. He said the City currently owns and operates Castle Towers Waste Water Treatment Facility (WWTF). This WWTF serves the Whispering Aspen and Castle Towers Trailer Park and the City took over the park in 2004. Jochum said the design flow is 105,000 gpd and the current flow is 30,000. He said the main components of concern for the WWTF include the lift station pumps, the integrity of the treatment tank and its mechanical components, treatment building, the polishing pond, the sludge drying beds and the chemical building.

Jochum said the lift station pumps are near the end of their lift. He said it is anticipated that two new pumps will be needed within two years and the estimated cost is \$16,000. He said the existing treatment tank was constructed in 1971. The typical tank lasts 20-40 years. Jochum said our tank sprung one leak, but the hole was at the bottom of the tank. Our tank might last 2-10 more years before total replacement will be necessary and estimated replacement cost is \$900,000. Jochum said the treatment building structure is a steel pole building, not insulated or heated. It is thought to have been constructed in the 1970's. It is in need of replacement. He said the new building should be insulated and heated and the estimated cost is \$180,000. Jochum said the polishing pond is immediate need of cleaning. He said the 2.14 acre pond was constructed in 1987. Jochum said removal and disposal of the sludge is estimated to cost \$125,000. Jochum said the sludge drying beds were also constructed in 1987 and the walls of the bed are constructed of marine plywood, which is beginning to deteriorate. Reconstruction of the drying beds with a roof structure is estimated to cost \$65,000. Jochum said the total for the next 1-2 years is \$326,000; next 2-10 years \$1,080,000; next 10-20 years \$155,000.

Jochum showed the current bond payment summary and principal payment every

year. He said there was some discussion about decommissioning this plant and forcing that water to the Met Council facility. He said the thought was to consider piggybacking on that project and putting a forcemain on that project. He said there are 4.4 miles of pipe and then 2.2 miles of pipe to the Met Council facility. Jochum said we wanted to essentially bring this forward before you met on Saturday. Boyer said if he is running quick and dirty numbers, doesn't cost a million a mile for sewer pipe. Jochum said not for force main. He said you could go through a number of alternates. Jochum said the Met Council system has huge force mains throughout it. Boyer said he thinks this would require a comp plan amendment. Voss said no, it would just be a way to provide service, it is already zoned out. He said it is already part of the comp plan; the service would be limited to that area. Voss said of course we would have to notify them and let them know what is going on.

Boyer said haven't we been saying any sewer area should be built out to 60-80%. Lawrence said can we get an estimate to how many million it is going to cost. Jochum said he thinks you could do for under a million. Jochum said it was done in Green Isle to Arlington which was just under 6 miles and it was just around a million. He said you would decommission that plant, other than the lift station. Jochum said and it is possible you could keep the lift station there; you might just have to replace the pumps. Voss said so if we look at what we would have to do in two years and then look at spending \$1.4 million over ten years, how does this pricing, this type of approach fit over the next ten years. Jochum said if this does not look viable, then we will know that staff should not move forward. Voss said there are a lot of things you would have to look at.

Schaaf said on the bond payment summary, what are the revenues to make the payments. Jochum said in theory they are coming from connection charges. Schaaf said he understands there are 42 homes in Whispering Aspen. Brian Mundle, owner/developer of Whispering Aspen said it is platted for 96 and a total of 161 and he talked to mayor and former city administrator and they told him he could change some of these to townhome sites. Jochum said we met with Met Council with the false hope that they would want the water flow, and they said no we want \$3,300, per hook up. Boyer said he thinks there are limitations what the city can charge for SAC and WAC charges.

Davis said he wants to make clear that this is not a failing system. He said we are meeting all MPCA requirements. Davis said but if we had a serious problem with a rupture or something, we would have to be running pumpers, continuously, probably at \$5,000 per day, it would pose a serious problem. He said other problems we could have is failures with lift stations. Davis said the other thing is the lagoon, it has never been cleaned. He said three years ago we went up there and moved some solids around and we are looking at getting that out. Davis said it is something we need to

take a look at. He said Met Council said they would alter construction agreements to place force main in their trenches, but we would have to figure out a way to work out the SAC/WAC charges. Voss said he has been to that plant and the staff does a good job of keeping it bandaged. Davis said a few weeks ago we had a side of it that froze. He said we have issues on a daily basis. Jochum said we are giving this to Council for informational purposes.

City Engineer/
Public Works
– Municipal
Utilities
Project
Review
(Phase 1,
Project 1)

Jochum said he and Davis were asked to review the Municipal Utilities Project (Phase 1, Project 1) and give comments. He said we looked at two cities that currently don't treat for iron and manganese. Jochum said also we compared our well at Whispering Aspen. The water at the Cities of Otsego, Ramsey and Whispering Aspen are very similar. He said as was discussed at the last meeting, it depends on what is there. Jochum said eventually a test well should be done. He said he did make a call to Traut Wells and they indicated a test well would cost around \$1,500. Jochum said Davis did get approval to sample a well that is 3,000 feet away. Boyer asked how much the water can vary at ½ mile away. Jochum said it can vary, it could fluctuate a lot. Voss asked do we not have a sample well in the Traut Well contract. Jochum said there is a plot well in the contract. He said he would suggest you pump the well hard for eight hours to get a real sample. Schaaf asked about Village Green, what is the difference. Jochum said Village Green is in both aquifers and Whispering Aspen is in the FIG.

Jochum showed the Options he has looked into:

Option 1 – Current Plant – the City could construct the current plant as contracted. The bid for this option is \$5.8 million.

Option 2 – Modify current plant – it may be possible to downsize the existing plant design, for example elimination of one of the clear wells. Input would be needed from Bolton and Menk for this option since they are most familiar with the design parameters.

Option 3 – No Iron or Manganese Removal – with this option the City would need to construct a pump house and provide the minimum chemical treatment for chlorine and fluoride. We would also recommend the additional of polyphosphate to sequester iron and manganese. This option is estimated to cost \$550,000.

Option 4 – Over Sized Pump house/Treatment Building – this option would be the same as Option 3 except it would include constructing an oversized pump house/treatment building that is large enough to accommodate two 1,000 gpm pressure filters in the future. The pressure filters would be used for the removal of iron and manganese. This option is estimated to cost \$1.1 million.

Option 5 – Water Treatment with Pressure Filters – This option would be the same as

Option 4 except the pressure filters would be installed immediately for the removal of iron and manganese. The initial plant design capacity would be 2,000 gpm. This option is estimated to cost \$1.95 million.

Jochum said other items discussed were production wells, reverse osmosis, bituminous curb and storm sewer on 187th Lane NE. He said the public works manager and I would strongly recommend this if it is in the budget. He said the storm sewer on 187th lane has problems, it continues to fill up; don't know if it was used. Davis said this storm sewer is estimated to be replaced in five years as a MSA project.

Voss asked Kreg Schmidt if he has any comments on these alternatives. Kreg Schmidt, Bolton and Menk said regarding the alternatives that have been identified, he has viewpoints, but tonight may not be the best night to get into that discussion.

2011 Budget Amendment

Rita Pierce, Director of Fiscal and Support Services said the 2011 Budget was adopted by Council on December 1, 2010. She said since that time a number of items have affected the budget to increase and decrease the budget. Pierce said it is noted where there are increases and decreases. Voss said the staff write-up makes it sound like there has been \$15,000 spent on overtime in the City Clerk budget. Pierce said no, it has been around \$2,900. Voss asked later in the year could we increase or decrease that. Pierce said yes. She said in HR there is a decrease because of the elimination of position. Pierce said in the contingency fund there was nothing budgeted and travel expenses that were eliminated and conferences that were eliminated have been added back in. She said the \$69,000 contingency fund is there for Council to spend as they choose or not choose to spend.

Voss said so if he understands this right, it reflects the salary savings from assistant city administrator. He said he assumes the six month severance is not in here. Pierce said no, it is not taken into account here. Voss asked have there been any discussions with Schutta. Schaaf said he has talked to her, but he hasn't brought it up. He said she chose not to get back to me. Voss asked what that benefit amount is. He said we have an unresolved issue with a contract we need to have in contingency. Schaaf said it would be wise not to spend anything out of the contingency fund until you know. Voss said is it under page 122 of the packet; City Administration is that where that salary would be. He said either you don't touch that line item or you adjust it accordingly. Pierce said Voss is right until that is established we should hold back. She said meanwhile we do have some departments that are going over budget because of these expenditures. Pierce said one is City Council because of the Landform Agreement, it is going over budget. Voss said we need to wait to do anything with this until we know what is going on. Schaaf said Pierce brought this forward because she thought it was timely. Voss asked would it affect anything to just wait. Pierce said she thinks \$42,000 would cover it. Voss said he doesn't like the comment that we are going over budget on everything so early in the year. Voss asked why we have so much overtime for the deputy clerk right now. Schaaf said part of it is we eliminated a position. He said also part of it is probably training in a new city administrator. Voss said he doesn't want to plan for all this overtime. Schaaf said it could easily shift to a part time person. Boyer said he would like to shift this after we have an assistant city

administrator agreement. Schaaf said she is collecting unemployment, he believes.

Boyer made a motion to table the 2011 Budget Amendment for two months and direct staff to get this resolved with the asst. city administrator. Voss seconded.

Vierling said normally, for your purposes, you would assign a maximum liability to it and resolve it. He said for example one cannot take a severance or they will be disqualified from unemployment for a number of months. Boyer said that would be between her and DEED. Lawrence asked is there a reason to get this done today. Pierce said it was just making you aware of some things going on with the budget. **All in favor, motion carries.**

Cancel EDA
Work Meeting

Lawrence said he wasn't updated on this item, can we discuss it at staff meeting tomorrow and get back to you. Warren said action has to be taken on this item; it is cancelling the EDA work meeting.

Boyer made a motion to cancel the EDA work meeting scheduled for February 23, 2011 with the intent that staff will bring this back to Council with a date for rescheduling. DeRoche seconded; all in favor, motion carries.

2011 Animal
Control
Contract

Martin said this is the 2011 Animal Control Contract. DeRoche said he has concerns about the six day notification, what if someone is on vacation. Martin said this was in the last contract, it is in the state statute, and it is the same as giving someone a summons, the maximum amount of time someone has to respond to summons. DeRoche asked what attempts are made to contact an owner. Martin said the contractor will try to chip them; they will let staff know at the front counter. DeRoche asked do they send a letter, call the owner. Martin said they try to call the owner if there is a tag. DeRoche said he would think it was a drag if his dog got out and something happened to it because he didn't get notified. Martin said the City has saved a lot of money in the last couple years by using this contractor. DeRoche said he has no problem with their pricing; he was just concerned about the animals. Martin said the sheriff is very happy with their service. He said in past years the animals were dropped off at the public works facility. Boyer asked have we destroyed any animals in the last year. Martin said we have not.

Lawrence made a motion to approve the 2011 Animal Control Contract with Gratitude Farms. DeRoche seconded; all in favor, motion carries.

SafeAssure
Contract for
2011

Mark DuCharme, Fire Chief said tonight one of the things we need to discuss is a contract for safety training in the coming year. He said in the past it has been taken care of by the human resource director and at our last staff meeting he was asked to take this over. DuCharme said for the past couple years this training has been put on by SafeAssure. He said it is important to keep in mind that we need to keep this training going. DuCharme said we are recommending we go ahead with SafeAssure for 2011 at a cost of \$2975 and then in 2012 we transition this to an in-house program, of which I have the background and training to do this. He said staff feels we can use other assets and resources from OSHA and use some of my resources for training.

Boyer made a motion to approve the renewal of the SafeAssure contract for 2011 in an amount not to exceed \$2975. DeRoche seconded. Boyer said the state has a lot of resources you can use. He said the point is for you to be recognizers of the hazards yourselves. **All in favor, motion carries.**

Feb. 2, 2011
Unapproved
Invoices
RFP – Legal
Services

Boyer made a motion to approve the February 2, 2011 Unapproved Invoices. DeRoche seconded; all in favor, motion carries.

Schaaf said he thought Council Member Voss asked to have this added to the agenda. Voss said no he didn't, this was on the previous agenda and we ran out of time. Boyer said the committee that screens these, it might be three of us. He said he doesn't have a problem with the process, but he does want the top three brought back to Council. Voss said the problem he has with this was there was discussion about bringing the prosecuting attorney RFP forward and we have only had our prosecuting attorney for two years, and you hadn't even meet him. Vierling said he was just here, he is a fine attorney, but from a due diligence standpoint, most cities would look at doing one attorney for both civil and criminal. He said when your prosecuting attorney was here he referenced Chapter 463, serialized prosecution, which is both civil and criminal, it just makes more sense.

Voss said when we did this last time we did two separate RFPs. Boyer said yes, we did. Voss said the reason then was we needed to look at the prosecuting side of things. He said we had proposals for both and proposals for either. Moegerle said it was her understanding that our current prosecuting attorney wanted to apply for this position. Vierling said to correct the earlier comments, the return is March 25. He said the dates you have in your documents is reasonable. Vierling said they are for targeted mailing and so you can get a good sampling back.

Moegerle made a motion to approve the RFP for Legal Services and direction to solicit quotes. Boyer seconded. Voss said assuming we can get this posted Monday; we are looking at a five week posting. He said if we made it a three week posting then we have a Council meeting the following Wednesday. Boyer said get them back March 11th. He said then you would still have to schedule interviews. Voss said if we wait until March 25th we don't have a meeting for two weeks. He said March is a long month. Schaaf said his understanding is if you shorten the time that the RFP is out, you shorten the applicants. Voss said from what he remembers from what we received, there is not a lot in the proposals. Vierling said any good firm is going to research the City, they call the courthouse, find out how many cases there are there. Voss said so let's make it March 18. He said it is still four weeks out, but then we can discuss it on the March 16th we will know from inquiries what we are looking at. **Moegerle amended her motion to change the due date to March 18, 2011. Boyer seconded the amendment.** Boyer said then should we be changing the other dates, such as plan for Council interviews on April 6th. Voss said that is the beauty of changing the date, is we will know how many inquiries we have and then on the 16th we will discuss, and if we need to change it then, we can change it then. **All in favor, motion carries.**

- Upper Rum River Watershed Management Organization Joint Powers Agreement
- Schaaf said this is a Joint Power Agreement (JPA), they have worked on it for a year and a half, and Council Member Voss brought this to his attention. He said he talked to the recording secretary. Schaaf said the he concern was a taxing authority. He said there is a formula in here. Boyer said what we were trying to do is bring some definitive numbers to this project before the schedule so we weren't just handed percentage. Schaaf read page 167. He said so you won't approve the JPA. You won't approve the JPA. Boyer said he doesn't have a problem with the JPA. He said he doesn't know if the City attorney has reviewed it. Boyer said he doesn't want to sign a blank check to the URRWMO. Schaaf said so you don't like the sharing formula.
- Voss said what he referred to was to go back and look at what the Council had been presented last year. He said the concern was if all of a sudden the URRWMO wants to do a \$200,000 project, we were signed up to pay a percentage of that. Voss said we have the documents that addressed our issues. Schaaf said do you want to be in the URRWMO, god determines the boundaries and if so, you have to sign the JPA. Voss said we sent them a document with the changes and that is what we should have before us. Schaaf asked them what projects they have before them and the answer was this document. He said this agreement went before the Ham Lake Council and they didn't agree to it because they wanted a period in the document. Voss asked didn't all the cities agree to this previously and then we sent it back. Pierce said in 2011 we budgeted \$3,700 for the URRWMO.
- Boyer made a motion to table the Upper Rum River Watershed Management Organization Joint Powers Agreement until the City Attorney has reviewed it and given comments to Council. Voss seconded; all in favor, motion carries.**
- Schedule Spring Town Hall Mtg.
- Boyer made a motion to schedule the Spring Town Hall Meeting for Wednesday, April 27, 2011 beginning at 6:00 p.m. Voss seconded.** Staff asked if they should schedule it at the Senior/Community Center. Council consensus was to hold the Town Hall Meeting at the Senior/Community Center. **All in favor, motion carries.**
- City Admin. Other
- Schaaf asked to schedule a work session. Voss said what would be the topic of the meeting. Schaaf said one item would be Council/Administrator relations. Moegerle said she would like to discuss one item that Ms. Skepper had talked about that she would like more information on opting in the EDA. Voss said we don't need a special meeting for this. Schaaf said there are other things he wants to address he just can't think of them right now. Council consensus was not to schedule a work meeting.
- Discuss Meeting Adjournment Time
- Moegerle said we keep bumping up to the 11:00 p.m. ending time, does anyone else have any concerns about this and is there any consensus to bump this back to 11:30 p.m. Voss said he would rather bump this back to 10:00 p.m. Boyer said he would assume that we will get quicker. He said with the time he gets up in the morning, he is not functioning at 11:00 pm, and he thinks we would be doing the public a disservice and the city a disservice by changing this. Voss said we have this per ordinance. Moegerle said no, it is done in a resolution. Schaaf asked the city attorney if the Council extend the meeting if they bumped up against the 11:00 p.m. deadline,

could they by a vote.

- Council Report - Moegerle Moegerle said she had a productive meeting with Village Bank on Economic Development opportunities. She said she received information from our building official on the number of restrooms in our water treatment facility and according to the occupant load we do not need four stalls in a women's restroom. Moegerle said the design submitted exceed the minimum requirements.
- Council Report – Voss Voss said he noticed tonight we have all senior staff here for the meeting, why do we have this change. Schaaf said that is his management style. He said he would be happy to discuss this at a workshop. Voss said find, discuss this at a workshop. He said he doesn't think it is a good use of staff's time to be at every Council meeting. Voss said he also noticed that we have a deputy at our entire meeting tonight. Schaaf said that was at the direction of the Mayor. Voss said after all the criticism we have had about the deputies not being in the neighborhoods enough, proactive in the neighborhoods. DeRoche said there are some hot button issues going on, and if we need a deputy here, well. Boyer said we have never had an issue. He said you have a cell phone.
- Voss said we didn't have a sheriff's report in the packet. Moegerle said it was in the supplement packet. Voss said yes and so was the fire report, code enforcement report, sheriff's report, is this how you want our reports. Schaaf said if you want those on the website, do you want us to do that. Voss said the sheriff was here, for us to ask questions but yet there wasn't a report. He said he talked to Lieutenant Orlando and he talked to Schaaf about this. Boyer said we always allowed the public to asked questions of the sheriff, to have them stand up for seven seconds and then go away, if we are going to run them out the door, we aren't going to get questions. Voss said he understands she wasn't feeling well tonight, did you even talk to her about it. Schaaf said he talked to her about it and that is why we have a deputy here. Voss said this is the second Council meeting we have talked about it since you decided to cancel it. He said you don't think the public deserves to have the sheriff's report before them. Voss asked what you have against having the sheriff's report before them. Schaaf said he doesn't think it is appropriate. Voss said we talked about this. He said we definitely have a disagreement about management style. He said he would like to have the sheriff's report back on the agenda.
- Sheriff's Report **DeRoche made a motion to add the Sheriff's Report back on the agenda as was done previously. Boyer seconded. Moegerle, nay; Boyer, DeRoche, Lawrence and Voss, aye; motion carries.**
- City Administrator Settlement Voss asked about the settlement with the former City Administrator, when will that become public. He asked is that tomorrow. Vierling said yes, the fifteen days is effective tomorrow.
- Special Meeting Voss asked the special meeting Saturday morning, there is no public forum, public hearing scheduled, it is a Council meeting. Schaaf said yes.

Council Report - DeRoche DeRoche said he attended the Roads Commission meeting. He said as far as GRE, apparently Option I has the least impact on the residents, tonight Schaub presented this and something has to happen. He said you can only put so much electricity through the lines, and he thinks the work group did one heck of a job on this.

Council Report - Boyer Boyer said one other item along those lines, he thinks 60 K is the largest line a City can regulate the next is 115 and the PUC regulates those.

Mayor Lawrence - Report Lawrence said he talked with Bethel Marine and they are in support of Crash Toys. He said we should look at this.

Commission Meetings Voss said as far as Commission meetings, we are assigned as liaisons, and if for some reason you cannot attend, let staff know. He said they will call and get someone else to attend. HE said even though we don't vote, it is important to have one of us there.

Schaaf said he wants to let everyone know that we will be gathering at Hunter's Inn. No City business will be discussed.

Adjourn **Mayor Lawrence adjourned the meeting at 10:37 PM.**

Attest:

Wendy Warren
Deputy City Clerk