

EAST BETHEL CITY COUNCIL MEETING

October 6, 2010

The East Bethel City Council met on October 6, 2010 at 7:30 PM for their regular meeting at City Hall.

MEMBERS PRESENT: Bill Boyer Steven Channer Greg Hunter
Kathy Paavola Steve Voss

ALSO PRESENT: Douglas Sell, City Administrator
Tammy Schutta, Asst. City Administrator/HR Director
Rita Pierce, Director of Fiscal and Support Services
Jack Davis, Public Works Manager
Jerry Randall, City Attorney
Craig Jochum, City Engineer

Call to Order **The October 6, 2010 City Council meeting was called to order by Mayor Hunter at 7:30 PM.**

Adopt Agenda **Boyer made a motion to approve the October 6, 2010 City Council agenda. Paavola seconded.** Channer requested to have Consent Item 6.0 E Resolution 2010-60 Temporary Permission to Accrue Excess Vacation to be addressed as a separate item immediately following the consent agenda. Sell said and we have the addition of Consent Item 6.0 F, Appoint Election Judges for the General Election. **Boyer amended his motion adding 6.0 F Appointing the Election Judges for the General Election and removing item 6.0 E Resolution 2010-60 Temporary Permission to Accrue Excess Vacation from the Consent Agenda to be addressed immediately following the consent agenda. Paavola seconded the amended agenda; all in favor, motion carries.**

Sell explained that the City Council has ordered a public hearing for Project 1 Phase One of the City's municipal utility project. Mr. Kreg Schmidt of Bolton and Menk, the City's consulting engineer on this project, will make a presentation regarding the project; the Mayor will have several comments regarding the conduct of the hearing; the Mayor will open the hearing; and the Council will take comments and questions.

Following the hearing, the City Council will discuss the options.

Schmidt said it is great to be here tonight to discuss Phase 1, Project 1 of the City's municipal utility project. He said first he wants to explain why we are here. Schmidt said we are here to present Phase 1, Project 1 scope to the benefitting and affected properties. He said we will present the estimated financing and funding parameters, we will take testimony and questions from audience, respond to testimony and questions and City Council will consider authorizing preparation of Plans and Specifications for Phase 1, Project 1.

Schmidt said what we are not here for tonight is to levy the final assessments (that will be the end of 2012 with the payments beginning spring of 2013), award construction contracts, sell bonds and all future actions.

Schmidt said the remaining future City Council actions are to hold the Public Hearing (tonight), authorize preparation of plans and specifications (considered tonight), accept plans and specifications, authorize advertisement for bids, receive bids and award construction contract, construct project (2011-2012), hold public hearing for assessments (fall 2012), adopt final assessments (fall 2012 for payable beginning 2013).

Schmidt explained the Phase 1, Project 1 location generally includes the SW ¼ of the Phase 1 service area described in the “Facility Plan for Utility Infrastructure Needs”. He said it is generally located in the following corridor: ¼ to ½ mile west of TH 65 from 185th Ave NE to Viking Blvd. Schmidt explained that the overall municipal utility phasing plan has four phases and phase 1A is Coon Lake Beach.

Schmidt said the sanitary sewer system includes components funded by both the City and Metropolitan Council Environmental Services (MCES). He said the map shows the overall project area. He said East Bethel will fund the trunk sanitary sewer and lateral sanitary sewer lines. MCES will fund the Waste Water Reclamation Facility (WWRF), Interceptor Sewer and WWRF Discharge Piping and Rapid Infiltration Basins (RIBs). Schmidt showed the overall Project 1 Area which included the WWRF, City Trunk Sanitary Sewer, MCES Interceptor, MCES Discharge and the City Lateral Sanitary Sewer. He showed the project area for the Sanitary Sewer Discharge Piping and RIBs that would be done by MCES. Schmidt showed the project area for the WWRF that would be done by MCES. He showed the project area for the WWRF Discharge Piping within the Project 1 area that would be done by MCES. Schmidt showed the WWRF Discharge Piping and RIBs Outside the Project 1 area that would be done by MCES. He showed the project area for the Interceptor Sewer that would be done by the MCES with City Cost share. Schmidt showed the project area for the Trunk Sewer System that would be done by the City. He showed the project area for the Lateral Sewer System that would be done by the City.

Schmidt explained that proposed the financing and funding for the sanitary sewer is as follows:

Cost Apportionment:

- Sanitary Sewer Cost Summary:

| | |
|--|--------------------|
| Total City Interceptor Project Cost | \$2,200,000 |
| Total Trunk Sewer System Cost (Includes Land/Easement) | <u>\$1,328,651</u> |
| Subtotal Trunk Sewer System Cost | \$3,528,651 |
| Lateral Sewer System Cost (Includes Rest) | <u>\$ 976,361</u> |
| Total Sewer System Project Cost* | \$4,504,971 |

***Does Not Include MCES Sanitary Sewer Related Costs of \$18M-\$25.5M**

Schmidt said the proposed Water System includes several components funded through the City, production wells, water treatment facility (WTF), water tower, trunk watermain and lateral watermain. He showed a map of the overall Project 1 Water System including the proposed water treatment facility (WTF), proposed water tower, proposed wells, proposed hydrants, proposed valves, hydrants leads, trunk watermain and lateral watermain.

Schmidt said for the Water System Components, the production wells, the available sources are the Drift which is susceptible to contamination from high ground water and sand soil, then below that is the Fig, which is the most viable source and below that is the Mt. Simon which is statutorily limited to by the DNR to what you can drill from it. He said right now we will drill 2 FIG wells initially with a total estimated capacity of 600 to 800 gpm capacity which is adequate for system initiation.

Schmidt said the second Water System Component is the Water Treatment Facility (WTF). He said the initial capacity is 1500 gpm and the ultimate capacity is 5000 gpm. Schmidt said the initial treatment provided is iron and manganese removal and then eventually reverse osmosis softening will need to be included. He said the WWRF discharge reuse requires

control of effluent chloride concentrations and due to hardness of water supply, users typically use on-site softening. Schmidt said softening will be required when MCES reuse system is implemented and use of on-site softening by customers connected to the sewer system at that time will be prohibited.

Schmidt said the Water Tower will provide system pressure, consistent supply during variable demand periods and volume for fire flow. He said the proposed tower will have a capacity of 500,000 gallons. Schmidt said we have proposed a Water Spheroid style versus a Composite because of a cost savings of \$800,000. He said the service elevation is 1075 (40-80 psi operating pressure.) Schmidt showed the project area for the water system including the wells, WTF and tower location for Phase 1, Project 1. He showed the project area for the trunk water system including hydrant leads, trunk watermain, proposed hydrants and proposed valves. Schmidt showed the project area for the lateral water system including the lateral watermain.

Schmidt explained that the proposed financing and funding for the water system is as follows:

Cost Apportionment:

- Water System Cost Summary:

| | |
|--|----------------------------|
| Total Trunk Pipe Project Cost (Includes Ease.) | \$2,701,469 |
| Total Lateral Pipe Project Cost (Includes Rest.) | <u>\$1,000,902</u> |
| Subtotal Distribution System Project Cost | <u>\$3,702,371</u> |
| Total Water Treatment Facility Project Cost | \$5,541,280 |
| Total Water Tower Project Cost | \$ 938,100 |
| Estimated Total Land/Easement Cost | \$ 550,000 |
| Subtotal Facility Project Cost | <u>\$8,091,380</u> |
| Total Water System Project Cost | <u>\$11,793,751</u> |

Schmidt explained that street restoration would be completed on all streets disturbed by utility construction. He said parameters would be the new pavement sections would be in accordance with City standards and replaced at the same width and features as the existing. Schmidt said all cost will be included in the lateral sanitary sewer and water system costs. He said the cost of street restoration is estimated at \$915,000. The streets that would need restoration are Buchanan, Ulysses, 185th Avenue and 187th Lane.

Schmidt explained that property and easement acquisition would be needed for interceptors, WWRF discharge piping, sanitary sewer and the water system and facilities. He said we would need permanent and temporary easements. Schmidt said we would try to locate as many utilities in the existing right-of-way as practicable and the City and MCES utilities in the same corridor to the extent that is practicable. He said the cost apportionment is based on the user of corridor for a total cost estimate of \$667,000. Schmidt said there are fifteen (15) parcels and nine (9) owners.

Schmidt explained financing and funding. He said the proposed financing components include some or all of the following: for the Sanitary Sewer System there are Chapter 429 Bonds, Chapter 444 Bonds, Build America Bonds (BAB), and Revenue Bonds. Schmidt said for the Water System there are Recovery Zone Economic Development Bonds (RZED), Chapter 429 Bonds, Chapter 444 Bonds, Build America Bonds and Revenue Bonds. He said funding is debt service for the proposed project costs and are proposed to be recaptured through an overall charge system including: 1) Lateral Benefit Assessment; 2) Lateral Benefit Availability Charge; 3) Trunk Availability Charge; 4) Trunk Charge; 5) Water

Facility Availability Charge; 6) Water Facility Charge; 7) User Charges and 8) Future Internal Lateral Project Costs (Future).

Schmidt explained that there are three parcel categories used for apportionment, Category 1: Parcels located adjacent to lateral or trunk facilities including service lines; Category 2: Parcels located adjacent to trunk or lateral facilities that require future lateral projects for service and Category 3: Parcels not located adjacent to lateral or trunk facilities that will require future lateral projects to provide service. Schmidt showed the project area with the parcel categories on it.

Schmidt said that charges incurred by Project 1 parcels for financing and funding for Project 1 parcels in Category 1 would be as follows: Lateral Benefit Assessment, Trunk Availability Charge, Trunk Charge, Water Facility Availability Charge, Water Facility Charge and User Charges. He said charges incurred by Project 1 parcels for Category 2 would be Lateral Benefit Availability Charge, Trunk Availability Charge, Trunk Charge, Water Facility Availability Charge, Water Facility Charge, User Charges and Future Internal Later Project Costs (Future Cost). Schmidt said there are no Category 3 parcels associated with Phase 1, Project 1.

Schmidt said in the cost apportionment methodology for Estimated Equivalent Residential Units (ERUs) are defined as Typical Single Family Household Uses of Water and Sewer System. He said ERUs are calculated based on potentially developable lots per acre based on the City zoning ordinance in effect at the time that the charges are levied and land use in general conformance with Sewer Availability Charge Procedure Manual as published by the MCES. Schmidt explained that an ERUs in R-1 Residential Parcel: 3 ERU/Acre, Undeveloped Larger Commercial Parcels B-3: 3 ERU/Acre, Developed Commercial Parcels: MCES SAC Manual, Undeveloped Small Commercial Parcels: Comparative to Developed Parcels in the Area and "Big Box" Site: Based on Likely End Users. He said a big box discount retailer would be estimated total ERU: 40, big box discount retailer with grocery ERU: 60, Grocery Store ERU: 30, C-Store with 2 bay car wash ERU: 25, 15,000 SF Strip Mall ERU: 5, Fast Food ERU: 5, Sit down Restaurant ERU: 25 and a Bank ERU: 3.

Schmidt said the estimated unit distribution approximates the distribution in the "Facility Plan" and is adjusted for the Project 1 land uses characterized. He said total Phase 1, Project 1 approximate ERUs = 580 and Total Phase 1 ERUs = 4162.

Schmidt said the estimated unit distribution timing is Category 1 units connected to the system becomes operational over 2 years (2013-2014) – required by the City, existing residential Category 2 units in Project 1 connected to the system over 5 years (2015-2019), new (undeveloped) Category 2 units in Project 1 connected to the system over 5 years (2015-2019), remaining new (undeveloped) Phase 1 Category 2 Units Connected to the system over 30 years (2015-2044) and remaining existing Phase 1, Category 2 Units connected to the system over 10 years (2030-2039).

Schmidt explained the ERU Unit Distribution Parameters as shown in the table below:

ERU Unit Distribution Parameters

| Year | Total Annual ERUs Conn. | Cumulative Total ERUs Conn. |
|------|-------------------------|-----------------------------|
| 2011 | 0 | 0 |
| 2012 | 0 | 0 |
| 2013 | 76 | 76 |
| 2014 | 76 | 152 |
| 2015 | 200 | 352 |
| 2016 | 200 | 552 |
| 2017 | 200 | 752 |
| 2018 | 200 | 952 |
| 2019 | 200 | 1152 |
| 2020 | 114 | 1266 |
| 2021 | 114 | 1381 |
| 2022 | 114 | 1495 |
| 2023 | 114 | 1609 |
| 2024 | 114 | 1724 |
| 2025 | 114 | 1838 |
| 2026 | 114 | 1953 |
| 2027 | 114 | 2067 |
| 2028 | 114 | 2181 |
| 2029 | 114 | 2296 |
| 2030 | 129 | 2425 |
| 2031 | 129 | 2554 |

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Schmidt said the cash flow analysis assumes the following parameters: unit distribution as described, parcels incur charges as described, water improvements in the amount of \$11,465,000 financed with RZED Bonds at 2.48% (4.5% discounted by 45%) for 20 years (expires at end of 2010), remaining water improvements financed with other types of bonds at 4.5% for 20 years and sewer improvements financed with other types of bonds at 4.5% for 20 years.

Schmidt explained that the initial charges are recommended based on project costs and cash flow needs as shown in the following chart:

Financing and Funding

| CHARGE | SEWER | WATER |
|---|--------|--------|
| Lateral Benefit Assessment (\$/ERU) | \$4000 | \$4000 |
| Lateral Benefit Availability Charge (\$/ERU) | \$3000 | \$3000 |
| Water Facility Availability Charge (\$/ERU) | \$0 | \$1000 |
| Water Facility Charge (\$/ERU) | \$0 | \$1000 |
| Trunk Availability Charge (\$/ERU) | \$1000 | \$800 |
| Trunk Charge (\$/ERU) | \$1000 | \$800 |
| Water Plant Charge (\$/ERU) | \$0 | \$10 |
| Base Charge (\$/ERU) | \$5.00 | \$5.00 |
| Gallonage Charge (\$/Kgal) | \$2.75 | \$3.00 |
| Future Lateral Benefit Availability Charge (\$/ERU) | \$3000 | \$3000 |

■ Cash Flow Analysis

- Initial Charges Recommended Based on Project Costs and Cash Flow Needs

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Schmidt explained that the general cash flow analysis results are sewer and water funds are generally supported by the charge system and during the early years of system implementation, expenses and revenues are closely correlated. He said debt structure in the early years is key (fiscal consultant to optimize structure) and the model has flexibility in charge system (can be modified as desired).

Schmidt explained that the Charge Summary has 22 assessed parcels with 16 owners. He said we have 10 availability charge parcels with 6 owners. He explained the Charge Summary Table.

Schmidt explained that the Project 1 assessment and availability charges revised are 20 years at 5.5%, \$1,184,000 assessed, 149 Water ERUs, 147 Sewer ERUs, 22 Parcels and 16 Owners. He said for future availability charges that would be at the developer's agreement stage it is estimated to be \$2,574,000 with 429 Water and Sewer ERUs, 10 Parcels and 6 Owners.

Schmidt explained the combined sewer and water charges/ERU (without MCES SAC Charges) are:

| <u>Parcel Category</u> | <u>Per ERU Est. In Feasibility Study</u> | <u>Per ERU Estimated in Facility Plan</u> |
|------------------------|--|---|
| Category 1 | \$13,600 | \$16,735-\$19,920 |
| Category 2* | \$11,600 | \$10,355-\$13,530 |
| Category 3* | \$5,600 | \$1,970-\$2,535 |

* Does not Include Future Lateral Sewer and Water Costs for Category 2 and Category 3 Units

Schmidt explained the combined sewer and water charges /ERU (with MCES SAC Charges estimated at \$3,400) are:

| <u>Per ERU Parcel Category</u> | <u>Per ERU Est. In Feasibility Study</u> | <u>Per ERU Estimated in Facility Plan</u> |
|------------------------------------|--|---|
| Category 1 | \$17,000 | \$20,135-\$23,320 |
| Category 2* | \$15,000 | \$13,755-\$16,930 |
| Category 3* | \$9,000 | \$5,370-\$5,935 |

* Does not Include Future Lateral Sewer and Water Costs

Schmidt explained that there are many different ways that this could be done as far as assessments. He said the City will have to hold different hearings with the properties owners on that portion, that will be at a later time. Schmidt said we have recommended that the City look at a 5 year payment for the remaining sewer and water connection charges. He said they will have to discuss that with their bond counsel. Schmidt said the MCES SAC charge is not financed, it is an upfront cost. He said but we did try to show the difference with a 5 year payment for the remaining connection charge.

Mayor Hunter welcomed everyone. He said he is going to open the Public Hearing on Project 1, Phase 1 of the City of East Bethel Municipal Utility Project. Hunter said he is going to set a few rules to make this go smoothly. First, please step up to the microphone and state you name and address for the record. We ask that you spell your last name for the clerk. Please limit your comments to 3 minutes until everyone has had to a chance to speak. And, please respect staff, consultants and neighbors. Hunter said the project is from Co. Road 22 to 181st Avenue on Highway 65.

Tom Ronning of 20941 Taylor Street NE asked can you go back to where you identified the costs, the financing and funding slide where it starts with \$4000 lateral benefit, how much is imposed and how much is voluntary. He said all along we have been told this is voluntary, and what is the lateral advantage. Schmidt said the lateral benefit component is if someone does a project that requires sewer then the cost will be \$3,000 per residential unit. Ronning said the lateral assessment to him is a bill. Schmidt said what is shown here in light blue; those parcels will receive lateral benefit assessment availability charges. Ronning said let's assume they are tight, cheap, they don't want anything to do with it. Schmidt said it will happen with development. Ronning said we will have a lot of pipe in the ground not being used. He said it looks like we are running about 75 miles of trunk line. Schmidt said it is a total 75 miles of trunk system throughout the whole area. He said when this was originally done the trunk system was laid out for the whole area. Ronning asked him to estimate the total mileage. Sell said about 12 ½ miles. Ronning said so if you don't want to hook up you don't have to. Schmidt said the only proposed assessments are for the parcels in orange. Ronning said so they are assessed and they pay, they all want it. Voss said well that is why we are here tonight, to talk about this.

Gordon Hoppe of 18530 Buchanan Street NE asked how are you determining the ERUs. He asked is it square footage, how about warehouse. Schmidt said it is based on SAC units. He said if there is an issue we can look at it. Hoppe said he is property number 31 and he has two employees. He said he is being charged 2 ERUs for two employees. Schmidt said that is part of the problem for these commercial buildings. He said if there are some things that they should change, we can talk about it. Schmidt said if they should be changed, we can talk to Council about it. Hoppe said and he is paying for two portions of the road. Schmidt said yes, that is correct. He said most of the units are two or above, that is how all the costs are split up. Schmidt said the larger the building it translates to how the units are split up. Hoppe said he doesn't do laundry, the guys don't shower, he installs septic systems. Schmidt said if we were going to go by square footage, how are we going to do that. Voss asked do we discuss this at the assessment hearings. Schmidt said we do discuss this usually before the assessment hearing.

Sarah Udvig of 4249 Viking Blvd. NW said she is here on behalf of Peter Perovich who is running for State Senate. She said he asked her to read a statement on his behalf. She read his statement.

Phil Olmon of 7427 181st Avenue said he is here to make a statement for Laurie Olmon who is running for State Representative. Boyer said he is not okay with this; you are turning this into free campaigning for people. Voss asked is she a resident of East Bethel. Olmon said no, she isn't, but she asked to make a statement. He read her statement.

Dale Voltin of 190 Grove Road Ne asked is this public hearing for Project 1, Phase 1 or does this also include the Resolution 2010-57 listed to order the project. Hunter said that is the next step in the process. Voltin asked do you have a copy of the resolution, because paragraph 1.2, if you read that entirely and interpret it, you are authorizing the sewer to the east of Highway 65 and it includes the Coon Lake Beach Area. Schmidt determined that Voltin pulled this piece of information from the Feasibility Study, which describes the entire project location. This is not included in the resolution. Boyer assured Voltin they would read the entire resolution to the audience when it came up on the agenda so that they would know the contents of the resolution. Voltin was also given a copy of the resolution to review.

Don Kveton of Village Bank at 18770 Highway 65 NE said he was a big advocate of project

all along until he saw the numbers. He said he thinks the City has done a poor job of not having neighborhood meetings and talking about it. Kveton said he is not seeing it here; he got this notice in the end of September. He said he thinks every business in this area is not doing as well as they were four or five years ago. Kveton said he doesn't see one person in this crowd tonight that looks happy and he know it is not their problem today, but it will be their problem in the future.

Harley Hansen of 1960 221st Avenue NE said he is just a taxpayer but he would like to read stuff out that are just facts, these are taken from Met Council and he would like to address the taxpayers and business owners. He said tell you what, he personally thinks we got hoodwinked, heard that the other day, he was told by his granddaughter what it meant, Hansen said it means tricked, lead to be believed, lied. He said he will leave it up to these people to decide, read the transcripts from the Met Council public hearings. Hansen said he has made trips to businesses to substantiate the facts. He said he knows he will pay dearly for this.

Hansen said the tricks we were lead to believe all started when the City saw that the theatre and gas station wanted to update their sewer. He said several people documented didn't want it, they said no cost, Met Council will pay for it, well give him a blank check he will sign it. Harley asked is that what you are asking him as a taxpayer. He said on page 74, it was said East Bethel in 2030 will be looking at 1 million more people, a lot of us won't even be around. Harley said it state the theatre says they have to pump their sewer everyday. He said he talked to the owner, and they said they do this maybe one a month at high density time. Harley said the bottom line is if any one of you guys had a failed system you would put a lock on the door the same day. He said you promised sewer and water to them, that is what you did. Harley said he talked to people behind them, they can't afford it, they said they are not going to move. He said it is a snowballing thing, when it gets hot we will see.

Harley said a Council Member owns property in that area. All Council Members were asked if they owned property in the area of Project 1, Phase 1. All Council Members answered no. Harley said a Council Member said we only take three bids, three bids is all we take, even if they are all the same bidders, no competition, this price fixing. Voss said he brought the reference at a meeting that there are only a few contractors that do some of this work, not that we would only take so many bids. Hunter said he has to ask you to finish up; he set some limits so that everyone gets a chance to get some time. Harley said he would say the City Council has to change. He said comments from the council meeting is they don't care what other cities have done; it is the taxpayers who are paying for it, you and I. Harley asked is anyone watching the East Bethel bucket, \$11,000,000 bond, that is \$2,5 million each for each Council Member, he hopes you each saved money for a jail bond. Schmidt said he wants everyone to note that all bidding will be done by public bid, following all the rules of the State of Minnesota.

Mike Stokes of 218 Hawthorne Road NE said he has been lucky to be neighbors with Council Member Paavola. He asked who did the appraisals for the properties that we need to get easements from. Schmidt said those are just estimates for now. Stokes said he read something in the Anoka County Union that we are going to have to put in 118 to 181 low income housing units as part of this project. Sell said that is something entirely different, which is part of the Livable Communities Act Program. He said this has nothing to do with this project. Stokes said given the amount of density you are looking at for this project he would think it does. He asked do the businesses want this project. Stokes asked there was a survey done and he has looked for it and not been able to find it, is there some way he can get that survey. Sell said there was a survey done by Maxfield and Associates and he would

be happy to share a copy with him.

Paulette Rickey of 18689 Buchanan Street NE said there are two businesses that want this, that can afford this. She said you just made the comment "Let's make sure this is financially feasible for everyone." Paulette said we can't afford this, so why are you pushing this at us.

Bruce Roles of 21853 Quincy Street NE said there are multiple issues here. He said he understands there were business owners that needed sewer and got all excited that Met Council would pay for sewer, but then all of a sudden there comes a multi-million dollar water system also. Roles said that was kind of a public secret. He said to the point made of the secrets going on, you say only the people that hook up are going to pay for it, you need to adjust your growth plan to figure this out. Roles said when you put a system like this in with the charges tied to it, why wouldn't the businesses move to Ham Lake or go right over us where they don't have to pay for it. He said and then you say the residents won't have to pay for it, like heck, he will have to pay for it, because they won't come here. Roles said forget about all this other grand stuff and get realist and do something that will serve what we really need. Boyer asked do you think you pay more taxes than he does. Roles said no he doesn't, but he doesn't want to pay for this when it fails.

Glenn Terry of 22800 Sandy Drive NE said he doesn't believe in the benevolence of the Met Council to propose a system like this and looking at doing an expansion to Coon Lake and up north, they are investing in this for a reason. He said and that is because you can take people that have a well and water and then you can require them to hook up and water is a commodity and this is not practicable for people that have to pay bills. Terry said you have think about what is the need and not get caught up in the carrot in the face approach.

Josh Sturman of 226 Elm Road NE said it sounds like there are excess costs and indicators of going outside of what is necessary. He said you are supposed to be the representative body of your constituents, and from what he has seen you aren't doing that.

Jim Fagin of 422 Elm Road NE said he wants to speak and support what he has heard. He said he works in commercial roofing; he works with Welsh Property Management and they have properties that are vacant, and they have to fill up before people are going to move out here. Fagin said he moved out here to have his own well and septic, he likes being able to turn on his own water whenever he wants to, not being told when to turn it on and off. He asked where are we going to get the money for such a gargantuan project.

Richard Lawrence of 455 Sims Road NE said he would like to see some more numbers on what it really will cost. He said he would like to see the cost on laterals, trunks and hook ups, but we are not really seeing what it will cost. Lawrence said we had people here complaining about the cost of their water bills in the northern area here for one ERU of \$725. Boyer said and it wasn't true, staff looked it up. Lawrence asked so the theatre would be 20 ERUs. He said and even if it would only cost \$300 per ERU, no one understands really what they would be paying. Lawrence said this one gentleman that has two employees would be paying for two ERUs, that is outrageous. He said he talked to the Met Council and they told him no matter what when the water goes by you have to hook up.

Hunter said the Met Council is only doing the plant; we are doing the lateral lines, etc. Lawrence said they told him you would have to hook up. Hunter said they will not control the system. Lawrence said he asked them who hooks up and they said everyone. He said we are taking out a bond and it has to be paid back. Lawrence said they told him they need their money back. Voss said they do not have the availability to do that. Sell said they were

saying they have to pay a SAC charge to hook up the system. Lawrence said for the people here they obviously they don't like it because it is expensive. He said they told them for this type of project, it is one of the biggest and it is expensive. Hunter said this project they are proposing is almost to a drinking water level. Lawrence asked who pays for the maintenance once it is built. Schmidt said it will be completely Met Council. He said for the City part of sewer and water, it will be the City and it is figured in the cash flow. Lawrence said so this will be at no expense to the City. Sell said the Met Council will charge the City per gallon of water and we will turn around and charge that to the users.

Lawrence said he would like to see some real numbers for the users. He said once we start this thing is on the road, there is no stopping. Hunter said we have done this. He said this could all be different, the pipe size could be different, and this is generalization in numbers. Hunter said you have to start somewhere. He said you get those numbers in the assessment hearing. Schmidt said this is what is shown in the Charge Summary Table, assessments, connections, Met Council charge. He said ongoing charges would be similar to other urban areas for Category 1. Schmidt said this is going to be a pretty reasonable number.

Lawrence asked how many ERUs do we need to break even. Schmidt said no new units are anticipated until 2015. He said construction is a long term project. Schmidt said we understand the economy is not good in 2010. He said this analysis anticipates no new units until 2015. Schmidt said there are good pluses for doing a project at this time for the economy. Lawrence said so we will have to pay \$300,000 a year for bonding on the system ourselves then until 2015. Schmidt said no, we would begin collecting charges in 2013. He said so would Met Council. Schmidt said so for the bank building in 2013 the MCES SAC Charge not financed would be \$13,600, Assessment payment \$2,678, connection charge payment \$5,245 for a total of \$21,523 and these are just estimates. He said if you don't believe East Bethel is going to develop then we shouldn't be having this discussion. Schmidt said the debt structure for bonds is based on revenue structure. Voss said would like to hear from any of the property owners that are going to be directly affected.

Sell said we have a letter from Don Shaw, Shaw Trucking at follows: As property owners that will be impacted by the improvement of the water and sewer project, we believe this improvement will increase the values of the surrounding area for all future development, whether for commercial or residential housing. We support this project, but am unable to attend the meeting due tonight to a prior commitment. Please accept this e-mail as my indication of support for this project.

Sell said we also have a letter received in the mail from Charles Mossefin, Partner of Village Green North. He read the letter as follow: This letter is to set forth the position of Village Green North, the owner of Village Green North Housing Community ("Village Green") located at 18164 Highway 65 N.E., regarding the Project. It is my understanding that Village Green has not been incorporated into the Phase 1, Project I, Infrastructure Improvements as defined within the feasibility study prepared by Bolton & Menk, Inc. dated September 10, 2010 ("Feasibility Study") and specifically, Village Green has not been identified as a "assessable properties (Category1)" nor a "future lateral benefit assessment/availability charge (Category 2)" as those terms are defined within the Feasibility Study. Based on this understanding, Village Green does not oppose the Project. Please incorporate this letter into the record of the City Council Action on this Projection. If you have questions regarding the above, please do not hesitate to contact me.

Curt Strandlund of 18542 Ulysses Street NE said he would like clarification on when he would have to hook up and when he would be assessed. He said he has two properties, but

we can talk about property no 19 first. Schmidt said this property has two ERUs, total assessment is listed at \$16,000. He said we anticipate the assessment hearing date to be in the fall of 2012 and payments starting spring of 2013. Schmidt said we don't know how the Council will do the assessment, but this could be done over a 20 year payment plan. He said the MCES fees will be due in 2013. Strandlund said he also has property number 24 it is undeveloped and it is being charged 45 ERUs, \$360,000. It is 20 acres undeveloped.

Pat Kostohryz of 1116 243rd Lane Ne asked Boyer said there was not a bill for \$725 at Whispering Aspen, yes there was, and it was for five people. She said you do not look at the bills for people. Boyer said first that is for water and sewer. Kostohryz said you voted this project in. She said we have our house for sale. Kostohryz said our daughter and son live in Cambridge and they only pay \$50 a month for water and sewer. She said we are seniors and we can't afford it. Boyer said he is the only person on the Council that can say he didn't vote for the project up there. He said he was against it the whole way. Kostohryz said you better make a good plan for your seniors because they won't be able to afford to live here.

Dale Haider said he is the Director of Operations for Muller Theatres and he is here to speak for Mr. Muller who couldn't be here. He said we are going to get hit hard with this project, we have 37 units, but we think the value of the land is going to go up and we think it will be bring businesses in. Haider said we are for the project.

Rick Olson of 21201 Davenport Street NE said he lives right behind Bethel Marine. Hunter said that is not even near this project. Olson asked what do you think you are going to bring out here. He said he doesn't want a Blaine. Olson said at the last meeting he was at in September that is what he heard. He said he has a new septic system, he doesn't need this. Hunter said if you live in East Bethel and have your own system, this is not for you. Olson said we will get stuck paying for it. Boyer said there is a certain level of risk. He said like everything, if you develop and it goes belly up, there is a certain level of risk. Boyer said there are so many ifs with everything.

Resident said things like this are happening all over with the economy. He said there was just a program on T.V. that in a certain City the residents are getting hit with astronomical water charges because the City cannot get money elsewhere. Resident said you kept saying what if, it could happen. He said he doesn't see a lot of growth, he sees a lot of developments closed up. Resident asked so the cost of all this work for the feasibility study, all the work for this has been paid for by grants, \$650,000. Sell said yes, it has all been paid for by grants.

Ronning asked has the train left the station, is this a for sure thing. He said with the amount of people that oppose it he is amazed it is going forward. Boyer said historically people that show up are against things, not for it. Ronning said he has been coming to these meeting for a couple years and there are always this many people here. Paavola said this subject has been going on for at least eight years.

George Paavola of 213 Hawthorne Road asked he is wondering if someone has a \$150,000 house and you put \$25,000 into sewer and water, does the value of the house go up or down. Hunter said he is not a realtor but he would think the value with sewer and water would go up. Paavola said people don't know history but 32 years ago East Bethel could have put in sewer and water and Uncle Sam would have put it in at Coon Lake for \$500 per hook up.

Lawrence asked can this be put on the ballot. Randall said no, it cannot.

Josh Sturman of 226 Elm Road Ne said this is a question about technology, with all the advancements, he has a at school this huge outdated monitor, and it seems like you are designing this for 2020 and 2030 just for future enticement. He asked and with the RZED bonds, do they have to be done now, or are there other uses they can be put for. Sell said no, they cannot be used for anything else.

Ronning asked what as far as growth model what happened with population this last year. Sell said our population was 10,900 in 2002 and was 11,900 in 2009. Ronning asked how about the last couple years, do we have building permits being pulled. Channer said the information he has is last year 40 people left town, that is what the state demographer said. Ronning said push is when you jam something down someone's throat. He said companies are going to come out and ask what are you going to give us to come here, not what can we give you to come here. He asked how far are we in this.

Tim Landborg of 1507 205th Avenue NE said he has things that have been said he want to respond to. He said you are being narrow-minded, narrow-sited. Landborg said we have had more public hearings than you know, public hearings for the comp plan, and this had been a huge process. He said and you are being narrow-minded about the funding, the politicians are guaranteeing us a savings of \$200,000 on the bonds. Landborg said he can see the concern from the businesses, that we said we weren't going to charge anyone. He said there are no businesses coming here; no senior housing coming here, in two years is the economy going to turn around. Landborg said he doesn't know, but it won't stay like this forever and we have an opportunity for some excellent financing and our ERUs are incredibly low. He said we have failed systems; everyone has a problem, check with any of the restaurants. Landborg said we don't have an opportunity for any other businesses. He said he is in support of it, but he would ask the City to look at how they are doing the mandatory assessments.

Heidi Moegerle of 179 Forest Road said she is here speaking as the president of an Indiana Construction Company, we assembled McDonalds. She said we would put up the walls in a week and in six months they would have the building. Moegerle said we put up the one Andover and the one in Spring Lake Park. She said her and her husband asked a representative of McDonalds when we would get a McDonalds in East Bethel and they said there was not enough people. She said they didn't say it wasn't because we didn't have sewer and water. Boyer said every corporation has its own models of when they can expand. He said he knows Walgreens does it on traffic. Boyer said they have to have 24,000 vehicles per day. He said at the corner of Viking and Hwy. 65 there are 80,000 vehicles per day. Moegerle asked so has Walgreen's asked for comprehensive plans to start building at that corner. Boyer said you would have to ask staff. Hunter said he cannot believe that there is more people in Wyoming to make it feasible to build a McDonalds then there is East Bethel. He said he doesn't think that is believable.

Ronning said nobody is asking for this so what is the driver. He said so far all he hears is it is the Council's project. Hunter said the theatre wants it. He said the Muller's were part of the original discussion. Ronning said they are a very small segment of the community. Hunter said we are going to do this once; we are not going to put a 10 inch pipe in to serve a small amount of businesses. He said we are only going to do it once. Hunter said it might take 100 years to get to capacity. He said you have to have a vision.

Ronning said we are the taxpayers, are any of the elected official works for the constituency. He said if he was going to go to a community and suggest his business wants city sewer and water and would you put on the next two miles, this wouldn't happen for just his business.

Ronning said you can't just do this for the theatre, who is driving this. Boyer said in his experience of door knocking this community and he has door knocked 2/3rd of this community, 2 people out of every 3 said they wanted more businesses in East Bethel. Business owner said then start the sewer and water in the residential areas, not the businesses. He said let them pay for it.

Voss said one of the first things that came in to Planning Commission when he was first on there was someone that wanted to develop behind the bank, they wanted to develop a grocery store and for whatever reasons they went away. He said two years later Rainbow came in and they wanted to do it on the east side, then they changed their corporate approach and they went away. Voss said then a couple years later Ampride and the theater approached the City and even designs were done, and he made the statement that if we are going to do this right it needs to be done as a community. He said that is when the comp plan was redone. Voss said it has been a long process. He said what is driving this; it may have been the businesses. Voss said but it is the community that is driving this. He said some people have made some snide comments about Ham Lake and Blaine, and he has always said he wants the community to stay the same, rural, that is why we are doing it just along Hwy 65. Voss said he is very taken aback to hear that we are doing this behind your backs.

Robert DeRoche of 158 Colleen Street NE said eight years ago the economy was good. He said at Coon Lake Beach this year alone we have had 13 foreclosures. DeRoche said granted the businesses might be able to use it, but if the businesses can't pay, then the people will have to. He said people can't barely pay their mortgages, let alone something else. DeRoche said people on social security and disability they can't afford an assessment. He said he understands you put a lot of time into this, but East Bethel has a lot of seniors in it. DeRoche said he is not sure what the answer is. He said he does know something has to be looked at. DeRoche said maybe we need to scale back on this. He said we need to take a good look at this.

Hansen asked do we need box stores here. He asked have we had offers for box stores here. Voss said yes. Hansen said if we get a Target or Menards here what will that do to our stores that are currently operating here. Voss said he is not a business owner, so he cannot tell you. Hunter said he used to be. Hansen asked how is business. Hunter said he is done. Hansen asked how much have we spent in this so far. Hunter said everything we have spent has been in grants, \$650,000. Hansen asked what is our process to put this to a vote. Randall said this cannot be put to a vote, it is a Council prerogative. Hansen said normally when you invite a business to a City you give them a benefit.

Boyer made a motion to close the Public Hearing for Project 1, Phase One of the City of East Bethel Municipal Utility Project. Paavola seconded; all in favor, motion carries. Voss said he appreciates that everyone has been here all night.

Sell explained that following the public hearing, Council has several options. Resolution 2010-57 provides for preparation of plans and specifications for this project. Staff is recommending adoption of Resolution 2010-57.

Sell read Resolution 2010-57 Ordering Improvements and Preparation of Plans and Specifications for Project 1, Phase One, Utility Infrastructure Improvements as follows: **Whereas**, it has been proposed to undertake improvements for Project 1 Phase One of the Utility Infrastructure Project; and **Whereas**, it is proposed to specially assess benefited property for all or a portion of the cost of the improvement pursuant to Minnesota Statutes,

Chapter 429; and Whereas, a Feasibility Report was prepared by the City's Utility Engineering Consultant, Bolton and Menk, Inc. for these improvements; and Whereas, this Feasibility Report was received and accepted by the City Council on September 15, 2010; and Whereas, pursuant to Resolution 2010-53, a public hearing on the proposed improvements was called for October 6, 2010 at City Hall, located at 2241 221st Avenue NE in East Bethel, at 7:30 p.m.; Whereas, and the City Clerk was directed to give mailed and published notice of such hearing and improvement as required by law; and Whereas, mailed and published notice of said hearing as required by law was given, and the public hearing was held on the 6th day of October, 2010. Now therefore, be it resolved by the City Council of the City of East Bethel, Minnesota that: 1) Such improvements are necessary, cost-effective, and feasible as detailed in the feasibility report dated September 15, 2010; 2) The following improvements are hereby ordered: a) Sanitary sewer improvements including trunk, interceptor, and lateral sewers, b) Water distribution system improvements including trunk and lateral water mains, c) Water production improvements including two wells, d) Water treatment facility, e) Elevated water storage tower; 3) The City's Utility Engineering Consultant, Bolton and Menk, Inc. is hereby directed to prepare plans and specifications for making such improvements for City Council review and approval. Adopted this 6th day of October, 2010 by the City Council of the City of East Bethel.

Boyer made a motion to adopt Resolution 2010-57 Ordering Improvements and Preparations of Plans and Specifications for Project 1, Phase One, Utility Infrastructure Improvements. Hunter seconded.

Hunter asked what is the process from here. He said preparing plans and specs is not saying we are moving forward with the process. Schmidt said that is correct. Hunter said we are just moving forward with getting plans and specs. Schmidt said that is correct. He said the final assessments would not be until after construction but after bids we would better now, because then we would know what our cost would be.

Voss said without knowing what the timing ramification would be; it would be nice to take in what we have received in testimony and digest what we have had tonight before making a decision. He said one of the things he was looking for tonight, obviously the comments he was looking for was what may happen, but what he was looking for was what the properties that will be affected by this, how they feel, that will drive this in the future. Hunter asked would you suggest we have a meeting with just the property owners. Voss said he knows many of those property owners have been kept abreast and have been involved. He said he thinks for as long as this process has been we should have been getting together with the more with the business owners, having more meetings with them, but what ramification will this have on our funding.

Sell said preparing plans and specifications doesn't commit you to anything. He said we can set up a meeting with the property owners, whether it be day or night meeting. Sell said it would be good to meet with people like Mr. Hoppe; there are accommodations that could be introduced. He said he suggests you do not delay your decision on plans and specifications, he has been told that six weeks is a minimum on this type of project for bids. Voss asked what about terms of the bonds sales. He asked can we push that out. Sell said he will let Steinman address that. He said the ones that have an interest rebate have to be closed and sold before the end of the year. **All in favor, motion carries.**

Utility Project
Funding –
Resolution

Sell explained that at the September 15, 2010 Council meeting, Council reviewed options for funding of the municipal utilities project, specifically for Project 1 Phase One. Mr. Paul Steinman of Springsted, Inc. presented several bond alternatives.

Authorizing
Recovery
Zone
Economic
Development
(RZED) Bond
Sale and
Utility Project
Funding –
Resolution
2010-59 –
Authorizing
Build America
Bonds (BAB)
Sale

The \$11.465 million established for the water system will be Recovery Zone Economic Development (RZED) Bonds that afford the City a 45% interest rebate over the life of the bonds. Mr. Steinman has indicated that this, based on current tax-exempt and taxable interest rates with the rebate, would be the best alternative. Resolution 2010-58 provides for the sale of these bonds.

Several alternatives for funding of the sewer portion of the project were presented. Council directed that the alternative that included Build America Bonds, or BAB's, should be explored as it presented the least costly alternative. These bonds provide for a 35% interest rebate from the U.S. Treasury over the life of the bonds. This would amount to a savings of about \$140,000 over the life of these bonds when compared to traditional tax-exempt debt for the same purpose.

Mr. Steinman is recommending that both the BAB debt be considered along with a traditional tax-exempt issue. This would permit the City to receive two bid proposals, one for the taxable BAB issue and one for the tax-exempt issue and then determine which is the most cost effective based on interest rates, rebates, etc. There is no additional cost to soliciting two separate bids for this bond issue as both would be noticed in the public sale notice. Council, on the date of sale, could select the bond issue that is the most cost effective at that time. Resolution 2010-59 provides for the solicitation and sale for both Build America Bonds and a traditional G.O. Utility Revenue Bond.

Mr. Steinman will review these options with Council. Following the presentation and questions from Council, staff is recommending adoption of Resolution 2010-58 Setting Bond Sale for Recovery Zone Economic Development Bonds and Resolution 2010-59 Setting Bond Sale for Build America Bonds or G.O. Utility Bonds.

Steinman said the two resolutions before you are to establish the date and time of the bond sales, the RZED Bonds and the BAB or G.O. Utility Bond Sales. He said we have set the date and time for November 3, 2010 10:30 AM and the award by the City Council at 7:30 PM that same day. Steinman said the bonds will be sold with the competitive bidding process and issues as taxable bonds. He said the authority for issue is Chapter 427 and 444. Steinman said the Principal for Series 2010A Bond is \$11,465,000, and Series 2010B Bond is \$6,905,000, interest paid semi annually each February 1 and August 1, commencing August 1, 2011 with 20 year term issues. He said since you will have no revenue when the first interest payments are due and several thereafter are payable, you are financing those payments. Steinman said there is a 45% interest rebate with the RZED bond. He said we will compare the BABs and G.O. Bonds to see which is more financially efficient. Steinman said the City will be able to elect on February 1, 2019 to call the bonds or restructure the bonds. He said application will be made to Moody's for rating. Steinman said we have these structured as 20 year terms the RZED and BABs, but Schmidt has put before you an option of giving the business owners pay an assessment over a five year term. He said with that being said, he would propose we look at a 25 year term in case there are any challenges with revenue streams. Steinman said there is always a balance, 20 years is nice, but 25 years provides a nice little cushion if there is an issue with revenue. Steinman said he wants to make certain that when we bring bids back from the underwriters that we are moving forward with the sale. He said if it didn't happen after that it isn't the end of the world, you will have cost and it might limit your ability to issue bonds competitively.

Hunter said if we move our date to November 17th then we can discuss this before moving forward, can we set the sale date at our October 20th City Council meeting. Steinman said

yes, but that would be your only option if you want to have your sale date be November 17th. Hunter said if we are going to have a work meeting with the businesses we might want to wait.

Boyer made a motion to table Resolutions 2010-58 Set RZED Bond Sale and Resolution 2010-59 Set BAB/G.O. Utility Tax-Exempt Bond Sale until October 20, 2010. Voss seconded; all in favor, motion carries.

Public Forum Hunter opened the Public Forum for any comments or concerns that were not listed on the agenda. Josh Sturman of 226 Elm Road said he wanted to thank Council for giving us their time tonight. There were no comments so the public forum was closed.

Consent Agenda **Voss made motion to approve the Consent Agenda including: A) Approve Bills; B) Meeting Minutes, September 15, 2010, Regular CC Meeting; C) Personnel Policy Amendment – Voting Leave; D) Booster Park/Cedar Creek Trail – Wetland Replacement Credit Purchase; F) Appoint 2010 General Election Judges. Boyer seconded; all in favor, motion carries.**

Resolution 2010-60 Temporary Permission to Accrue Excess Vacation Channer said he wanted to move this item so it was clear what we were doing. He said so right now the City Administrators maximum accrual of vacation time is set at 240 hours, it is capped there and if we go forth with city sewer and water, with this resolution we went to let him accrue more than the maximum because he will have constraints on his time. Sell said and this is also for the Public Works Manager.

Voss made a motion to adopt Resolution 2010-60 Temporary Permission to Accrue Excess Vacation. Channer seconded; all in favor, motion carries.

Planning Comm. Mtg. Minutes Sell explained that the unapproved meeting minutes from the August 31, 2010 Planning Commission Meeting are provided for your review and information.

Discussion of Proposed Changes to City Code At the September 28, 2010 Planning Commission meeting, Commission members discussed the existing language pertaining to home occupations and its’ interpretation as it related to a specific request for an IUP.

Appendix A, Zoning, Section 10.18, Home Occupations Appendix A, Zoning, Section 10.18 Home Occupations current language reads “a home occupation shall occupy no more than 50 percent of the floor of the structure. This shall include offices of professionals, home beauty shops, and other such occupations than by custom are an accessory use.” In the past, when a request for a home occupation was presented, staff applied the provisions of this section of code to mean only 50 percent of the structure in which the home occupation would be occupy would be permitted as space for the home occupation. It made no difference whether it was a tax service in the principal structure or a catering business in the accessory structure when this section of the Zoning Ordinance was applied.

During the discussion, Planning Commission members and Councilmember Voss indicated that they thought this may be a misapplication of the intent of this section of the Zoning Ordinance. Based on the discussion, it was indicated that the intent of the code was directed towards home occupations in a principal structure but does not regulate home occupations in an accessory structure. Planning Commission, by consensus seemed to indicate it favored home occupations in an accessory structure having an ability to use the entire square footage of the accessory structure for the business.

Based on the discussion, Planning Commission asked staff to propose language to the Zoning Ordinance that would clarify this section. There was consensus that the City fully supports the “home occupation” concept as it frequently provides a base from which a full commercial venture grows.

A copy of proposed language was included with your agenda materials for review. The changes to Appendix A, Zoning, Section 10.18 Home Occupations are designed to address the 50% limitation on space for use as a home occupation. Specific language was included with your agenda materials.

Based on advice from the City Attorney, this change to the Zoning Ordinance would require a public hearing. Public hearings for Zoning Ordinance changes must be noticed and have traditionally been held by the Planning Commission. Staff seeks direction from City Council to proceed with a public hearing at the October 26, 2010 Planning Commission meeting for a proposed amendment to City Code Appendix A, Zoning Section 10.18, Home Occupation.

Boyer made a motion to set the Pubic Hearing for October 26, 2010 at the Planning Commission Meeting for Zoning Ordinance Changes to Appendix A, Zoning, Section 10.18, Home Occupation to address the 50% limitation on space for use as a home occupation. Paavola seconded.

Sell asked Voss if that is a fair representation of what happened at the Planning Commission meeting and what was discussed. Voss said yes. He said what sparked this was at a Planning Commission a home business wanted to use their pole building and we are telling them they can only use 50%. Voss said we don’t think this was the spirit of the ordinance. He said the question is how do we apply this. **All in favor, motion carries.**

Met Council
2030
Transportation
Plan

Sell said he passed out a memo regarding an e-mail he received from Kathy Tingelstad from Anoka County asking that the Mayors/Administrators in the Anoka County area respond to a change in the Met Council’s 2030 Transportation Plan. He said attached to the e-mail was a letter from the Anoka County Board Chair, Commission Dennis Berg, addressing a number of issues with the plan and policies that relate to transportation in the major highway systems addressed by the Met Council. Sell said briefly it would appear Met Council is trying to change policies on major highway systems. He said Berg has requested assistance in rejecting this new policy.

Channer said he has already sent an e-mail on this. He said this will really stop us from using our state aid dollars. Voss said from what he heard it will be a shift from Met Council outside the loop. Channer said it will make us set new standards for projects. He said he objected to it and he agreed to Commissioner Berg’s stand.

Sell asked Council want they want him to do, how they want him to respond. Boyer said with what we have going on with the County, we need to just write our own letter. He said we need to respond, but he wants Sell to write a letter from the City. Sell said it will take some staff time, but he will prepare a letter tomorrow and get it out.

Election
Judges - Thank
You

Paavola said we got the roster for election judges tonight and she wants to thank them for taking their time to do this job, she knows it is a lot of work and appreciates their time and dedication.

Boyer said he wants to echo that, it is a thankless job and a big job.

Fire Prevention Week Channer said it is Fire Prevention Week so make sure you check your smoke detectors and your CO2 detectors. He said it is very important to make sure these are working correctly and the batteries are charged.

Fire Dept. Open House Channer said the Fire Department is holding an open house on Saturday, October 9, 2010 from 12:00 noon to 4:00 PM at 2751 Viking Blvd. NE, Station #1. He said there will be demonstrations and activities for everyone, hotdogs and bring a perishable food item for the food shelf.

East Bethel Royalty Channer said he has another one to announce. The East Bethel Royalty will be holding a fundraiser on Thursday, October 21, 2010 at the Ham Lake VFW from 5:00 PM to 8:30 PM. It is a Spaghetti Dinner. He said you can contact Doug at 763-434-3973 or go to their web site at www.eastbethelroyalty.org.

Booster Day Channer said we had our Booster Day meeting and found out that our leadership is stepping down. He said we need volunteers. Channer said we need to figure out what we are going to do to get volunteers, how we are going to advertise for volunteers, how we are going to move forward. Hunter asked when the next meeting was scheduled. Channer said it was indicated that normally they wait until after the holidays to schedule meetings. He asked when the next newsletter would be going out. Sell indicated that there is not any funds left in the budget for printing the newsletter in 2010. He said we are looking at some other ways of dealing with Booster Day and he noted those in the update to Council.

Adjourn **Boyer made a motion to adjourn at 10:54 PM. Paavola seconded; all in favor, motion carries.**

Attest:

Wendy Warren
Deputy City Clerk