

**City of East Bethel  
City Council Agenda  
City Council Regular Meeting  
Date: July 24, 2023 at 7:00 p.m.**



This City Council meeting may be monitored live via the following means:  
Cable Channel 10, MidcoTV Channel 77, or the City of East Bethel YouTube channel  
([www.youtube.com/channel/UC8\\_7ShcME-XG14pN5JrmBGq/live](http://www.youtube.com/channel/UC8_7ShcME-XG14pN5JrmBGq/live))

**7:00 PM**

- 1.0 Call to Order**
- 2.0 Pledge of Allegiance**
- 3.0 Adopt Agenda**
- 4.0 Presentations and Public Hearings**
  - A. Capstone Concept Plan (p. 3-17)
  - B. DEED Application – Nexus Bond Financing (p. 18-38)
  - C. ACSO Monthly Report (p. 39-45)
  - D. Fire Department Monthly Report (p. 46-49)
- 5.0 Public Forum**
- 6.0 Consent Agenda (p. 50-51)**

***Any item on the consent agenda may be removed for consideration by request of any Council Member and put on the regular agenda for discussion and consideration***

  - A. Approve Bill List (p. 52-55)
  - B. Minutes: July 5, 2023 City Council Work Meeting (p. 56-69)
  - C. Minutes: July 10, 2023 City Council Meeting (p. 70-84)
  - D. Amendment of Section 9.8 of MNPEA Labor Agreement – Specialty Pay (p. 85-87)
- 7.0 New Business - Commission, Association and Task Force Reports**
  - A. Planning Commission
  - B. Economic Development Authority
  - C. Park Commission
- 8.0 Department Reports**
  - A. Community Development
    - 1. Res. 2023-55, Electrical Permit Inspection Services (p. 88-91)
  - B. Engineer
  - C. City Attorney
    - 1. Live Barn Contract – Ice Arena (p. 92-102)
  - D. Finance
  - E. Public Works
  - F. Fire Department
  - G. City Administrator
    - 1. August Work Meeting Agenda (p. 103)

**9.0 Other**

- A. Staff Report
- B. Council Reports
- C. Other

**10.0 Adjourn**

**City of East Bethel  
Planning Commission Regular Meeting  
Agenda Item Information**



**Date:** July 24, 2023

**Agenda Item Number:** 4.0 A

**Agenda Item:** Viking Meadows Concept Plan/Planned Unit Development (PUD)

**Discussion Information:**

The City Council is requested to review the concept plan for a Mixed Use PUD as proposed by Capstone Homes, INC.

- The development consists of approximately 160 acres, of which 115 acres are developable, and is located at 1788 Viking Blvd NE.
- Spans across zoning classifications of Mixed Use, Single Family Residential and Rural Residential Districts.
  - Over 71 percent of the proposed development is located in the MXU, while 11 percent is in a Single Family Zone, leaving 17 percent in the Rural Residential Zone.
- Section 56 - PLANNED UNIT DEVELOPMENT (PUD), Subsection D. – A Planned Unit Development is required in Mixed Use Districts in the city. Mixed use allows for commercial, residential, parks and open space and, as such, are in compliance with the East Bethel Comprehensive Plan (See Attachment #3).

The PUD Concept Plan is used to provide feedback to the developer through staff review, the Planning Commission and City Council.

As part of the preliminary review, staff has offered the following comments:

- Access – Ingress and egress to the development will be accessible from Viking Blvd. NE and Sandhill Parkway NE.
- Open Space - Capstone has proposed over 45 acres of open and green space within the 160 acres of the development, which includes over a 1 acre community park space, in addition to walking trails and unique landscaped buffers. (See Attachment 5)
- Streets – Streets and cul-de-sacs, along with utilities should be constructed in compliance with City Code Section 66 – 164 which requires that streets shall provide for future connections to adjoining un-subdivided land.
- Housing - The plan consists of a neighborhood of 350 new single family homes in two lot styles. With a combination single level, multi-level or two story floor plans.
- City Services-The plan indicates the new single family homes will each be connected to the city sewer and water as a majority of the development is within the Metropolitan Urban Service Area (MUSA). MET Council has confirmed that a MUSA boundary adjustment would require an amendment to the city's comprehensive plan to extend service to the parcel outside the boundary.
- Density – The plan consist of a density at 3.04 dwelling units per acre which is within the 2040 Comprehensive Plan density range and close to the target average of 3 dwelling units per acre in the MUSA. (See attachment 2040 Comp Plan Table 3-4)

- Parks Commission - The Concept Plan will be placed on an upcoming agenda for the Parks Commission to review and comment.
- Environmental Assessment Worksheet (EAW) – The proposal will require an EAW which includes, but not limited to, a detailed evaluation of Land Use, Natural Resources, Water Use, Geological Conditions, Traffic, Air Emissions, Historical or Archaeological Resources, Impacts on infrastructure and more.

### **Planning Commission**

At its June 27<sup>th</sup>, 2023 meeting the Planning Commission held a Public Hearing where ten (10) residents spoke. The comments could be classified into three themed categories. The “Rural Feel” of the area, “Traffic Concerns,” and “Density.”

### **Fiscal Impact:**

This project will generate \$389,000 in annual city property tax revenues at build out in 2029. This estimate is based on an average of \$350,000 of estimated market value for each of the 350 units with a tax classification rate of 0.01 (residential) and the 2023 city tax rate of 31.76%. The city will also collect \$1,960,000 in City SAC and WAC fees over the life of the project (2024 -2029). This amount would pay nearly the entire METC Reserve Capacity Loan Debt. In addition, the increased housing count would be another positive metric in the city’s efforts to attract basic retail, food and grocery services to the city.

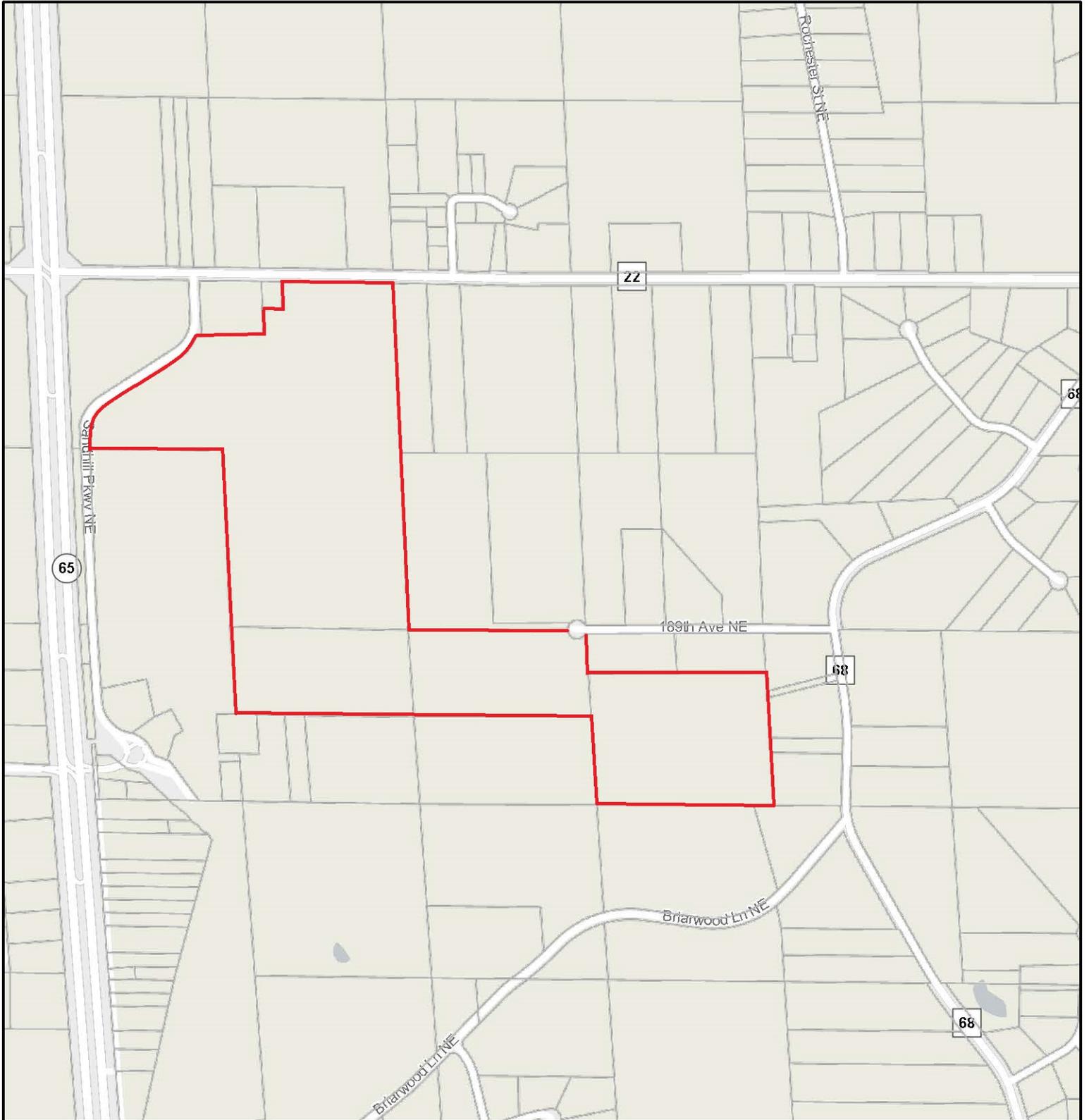
**Action Requested:** Staff is requesting the City Council discuss the proposed concept and informally advise the developer on adjustments to the proposal and plan.

### **Attachments:**

- Attachment 1 - Location Map
- Attachment 2 - Developer’s Letter
- Attachment 3 - City Code Section 56. Planned Unit Development District
- Attachment 4 - Overall Site and Development Plan Concept Plan
- Attachment 5 - Open Space Map
- Attachment 6 - 2040 Comprehensive Plan – Table 3.5 Density Table
- Attachment 7 – Ingress/Egress Points
- Attachment 8 – Zoning Map

# Location Map - Viking Meadows

Item 4.0 A, Attachment 1



-  Parcels
-  City Mask

1 inch equals 1,009 feet



# CAPSTONE

— H O M E S —

Mr. Aaron Berg  
City Planner,  
City of East Bethel  
2241 221<sup>st</sup> Ave NE  
East Bethel, MN 55011

June 23<sup>rd</sup>, 2023

Mr. Berg

Capstone Homes is grateful for the opportunity to present our concept application for Viking Meadows, a new Single Family Neighborhood, located on Viking Boulevard just east of Highway 65 and Sandhill Parkway in East Bethel.

Capstone Homes will be the developer and home builder of this exciting new Neighborhood in East Bethel. The concept submitted offers 350 new Single-Family Homes on 115 buildable acres of land. As shown in the attached concept plan, the design will provide a combination of 45' and 65' Single Family home lots in two beautiful neighborhoods. Playing off the wetland meadows, open view-scapes throughout the property, and forested buffer areas, our team has been able to create a combination of affordable and premium home sites in an attractive new neighborhood design. The Classic Single-Family area of this neighborhood offers home buyers multiple floor plans with our multi-level homes or any of our great two-story options. With the abundant forest buffers, trail connectivity and open space surrounding the Classic Homes, there will be high demand for the many different house plans offered. Our smaller Liberty Single-Family homes provide first-time homebuyers with a great 3 to 5 Bedroom home ranging from 1700 to 2800 square feet of living space. Multiple open concept floor plans of the Liberty plans can be considered by home buyers, all priced starting in the mid to upper \$300's.

As a part of the Viking Meadows neighborhood, Capstone is showing a great location with over 1 acre of City Park space. This location provides great viewsheds, a central location to the neighborhood, an opportunity for a Nature Play facility, and walking trails connecting the community. Additional Landscape Buffers, enhanced landscape entrances and green space make this neighborhood an ideal premier neighborhood for home buyers looking to make East Bethel their home.

We appreciate the opportunity to partner with East Bethel in presenting Viking Meadows for development in the season ahead, looking forward to having homes available to new homebuyers by mid-summer of 2024. If there are any questions regarding the project and this application, please reach out directly to our team here at Capstone Homes. We look forward to working with you and your team as we build new homes in East Bethel.

Regards,



Matt Barker

Capstone Homes - Community Manager

## **SECTION 56. PLANNED UNIT DEVELOPMENT (PUD)<sup>1</sup>**

### **1. Purpose.**

The primary purpose of the planned unit development (PUD) provisions is to allow flexibility and variation from conventional ordinance standards in exchange for higher standards of development design and creativity, architectural control, natural resource protection, landscaping, public parks, public and private open space protection, pedestrian access, and multi-use corridor opportunities. The PUD provisions are also intended to promote the efficient use of land and promote cost-effective public and private infrastructure systems.

Public benefit: The public benefits to the surrounding neighborhood and the city as a whole that are intended to be derived from the approval of a planned unit development include, but are not limited to:

- A. Preservation and enhancement of desirable site characteristics and open space.
- B. A pattern of development which preserves natural vegetation, topographic and geologic features.
- C. Preservation and enhancement of historic and natural resources that significantly contribute to the character of the city.
- D. Use of design, landscape, or architectural features to create a pleasing environment or other special development features.
- E. Provision of a variety of housing types in accordance with the city's housing goals.
- F. Elimination of blighted structures or incompatible uses through redevelopment or rehabilitation.
- G. Business and commercial development to enhance the local economy and strengthen the tax base.
- H. To assure the development of a complex unit of associated uses is planned as a single entity and to effectuate the policies and standards of the comprehensive plan.

### **2. Conditional uses.**

- A. Electric power and communications transmission lines.

### **3. Rules and standards.**

- A. A PUD may be excluded from certain requirements when specifically approved as part of the PUD. Such exclusions shall only be granted for the purpose of creating better overall design and an improved living environment and not solely for the economic advantage of the applicant.
- B. The granting of a PUD does not alter in any manner the underlying zoning district uses. Building permits shall not be issued which are not in conformity with the approved PUD.
- C. A PUD may be applied to any business or residential zoning districts.

<sup>1</sup>Editor's note(s)—Ord. No. 2021-06, adopted October 11, 2021, changed the title of Section 56 to read as set out herein. Formerly, Section 56 was entitled "Planned Unit Development (PUD) District."

D. A PUD is required in the MXU.

(Ord. No. 2021-06, 10-11-2021)

#### 4. Development standards.

The development standards for a PUD shall be guided by the underlying zoning district and established with PUD approval with the exception of the following standards:

- A. *Minimum area for a PUD.* The minimum total area required for a PUD shall be three acres of contiguous upland (excluding wetlands). Tracts of land less than three acres may qualify only if the applicant can show that the minimum lot area requirement should be waived because a PUD is in the public interest and that one or both of the following conditions exist:
  - 1) Unusual physical features of the property itself or of the surrounding neighborhood are such that development under the standard provisions of the normal district would not be appropriate in order to conserve a physical or terrain feature of importance to the neighborhood or community.
  - 2) The property is adjacent to or across the street from property that has been developed under the provisions of this section and will contribute to the amenities of the neighborhood.
- B. *Commercial and industrial sites.* All commercial and/or industrial sites shall at a minimum have two principal buildings or two principal uses on site to qualify as a PUD. All commercial and/or industrial sites that have two or more principal buildings must be processed as a PUD.
- C. *Open space.* A primary function for a PUD is to encourage development that preserves and enhances the natural characteristics and valuable natural resources of a site and not force intense developments that use all portions of a given site to arrive at the maximum intensity or density allowed. In evaluating each individual proposal, the recognition of this objective will be a basic consideration in granting approval or denial. All open space shall be labeled as such and as to its intent or designed functions.
- D. *Relationship to adjacent areas.* The design of a PUD shall take into account the relationship of the site to the surrounding areas. The perimeter of the PUD shall be so designed to minimize any undesirable impact of the development on adjacent properties and, conversely, to minimize any undesirable impact of adjacent land use and development characteristics on the PUD.

#### 5. Procedure and administration.

- A. *Pre-application meeting.* Prior to submission of any plan for consideration of the planning commission and city council, the applicant shall meet with city staff to discuss the contemplated project relative to community development objectives for the area in question to learn what procedural steps and exhibits shall be required. In the event the proposed development of the land is not in conflict with such community development objectives, the applicant may proceed to concept plan review.
- B. *Concept plan review.* Before submitting an application for preliminary plan review, the applicant shall submit a concept plan of the proposed PUD to be reviewed by the planning commission and city council. The concept plan review allows the applicant to receive general, non-binding feedback from the planning commission and city council before the applicant prepares and submits a more detailed application for preliminary plan review.
- C. *Preliminary plan review.* The applicant for a PUD shall apply for preliminary plan review. The planning commission shall make a recommendation to the city council to approve or deny the preliminary plan and the council shall take final action on the application. City council approval of the preliminary plan indicates that the applicant can proceed to final plan review. The application for preliminary plan review shall be

accompanied by supporting information as listed below or as deemed necessary by the city to fully explain the property, the applicant, and the proposed development. The application may include further information as the applicant deems appropriate for preliminary plan review of the proposed PUD. The city may require additional information depending on the complexity of the proposal. The supporting information and an application form shall be submitted in a format as directed by the city and, at a minimum, shall contain the following:

- 1) A written statement describing the proposed PUD and the market which it is intended to serve. The statement shall also demonstrate the proposed PUD relationship to the city's comprehensive plan and how the proposed PUD is to be designed, arranged, and operated to permit the development and use of neighboring property in accordance with the applicable provisions of the city. The statement shall also include the public decisions necessary for implementing the proposed plan including the present and possible new zoning classifications required for development.
- 2) A legal description of the entire area within the PUD for which final plan review approval is sought.
- 3) A preliminary plat prepared in accordance with the city's subdivision regulations.
- 4) A preliminary plan drawing to scale of not less than one inch equals 50 feet (or scale as requested by the city) containing at a minimum the following information:
  - a) Proposed name of the development;
  - b) Property boundary lines and dimensions of the property and any significant topographical or physical features of the site;
  - c) The location, size, use, and arrangement, including height in stories and feet, and total square feet of ground area coverage and floor area of proposed buildings including model homes and existing buildings that will remain, if any. Also, all required setback lines shall be depicted;
  - d) Location, dimensions of all driveways, entrances, curb cuts, parking stalls, loading spaces, and access aisles, and all other circulation elements including bike and pedestrian, and the total site coverage of all circulation elements;
  - e) Location, designation, and total area of all common private open space and facilities;
  - f) Location, designation, and total area proposed to be conveyed or dedicated for public open space including parks, playgrounds, school sites, and recreational facilities;
  - g) The location, use, and size of structures and other land uses on adjacent properties; and
  - h) Where applicable, tabulation indicating the number of residential dwelling units and expected population, and tabulation indicating the gross square footage, if any, of commercial and industrial floor space by type of activity.
- 5) A preliminary landscape plan showing groundcover materials and the areas to be landscaped with the location, size, and species of all trees, shrubbery, and groundcover.
- 6) A preliminary grading, drainage, and site alteration plan for the development illustrating changes to existing topography and natural site vegetation and all appropriate protection measures taken during construction.
- 7) A preliminary lighting plan illustrating the location, types of devices, and photometric data.
- 8) A preliminary signage plan illustrating the sizes, location, and overall program.
- 9) A traffic flow plan and analysis.
- 10) Solid waste disposal procedures and provisions.

- 11) The applicant shall have a property interest in the site which shall consist of a fee simple title, or an option to acquire a fee simple title within a specified time period, or a leasehold interest in excess of 30 years, or a substantial interest in a joint venture agreement, real estate investment trust, or other real estate syndication that can obtain a fee simple title or marketable title subject to certain restraint which will not substantially restrict its development within a reasonable time. All mortgages including purchase money mortgages, easements restricting land use, and liens and judgments that may affect the site shall be documented. The applicant shall supply proof of existing ownership consisting of an abstract of title, certified currently, a current certificate of title, or an attorney's title opinion based thereon, together with any unrecorded documents whereby the applicant acquired a legal or equitable property interest.
- 12) Any other information that may have been required by the city staff, planning commission, or city council in conjunction with the approval of preliminary plan review.

A. [D1.] *Final plan review.*

The applicant shall have secured final plan review approval by the city council within one year following the date of approval of the preliminary plan review. If application for final plan review approval is not received within one year, the preliminary plan review will be considered abandoned and a new application for preliminary plan review must be submitted. The city council shall make final determination on approval of the final plan review.

The application for final plan review shall be accompanied by development plans of the proposed PUD and supporting information as listed below or as deemed necessary by the city. All material shall be submitted together in a format as directed by the city.

- 1) A final site plan, grading plan, utility plan, landscaping plan, lighting plan, building elevations, sign plan, and all applicable data as aforementioned in this section as deemed necessary depending upon the complexity of the proposal. One transparent Mylar copy of the final development plans, should they be approved, shall be filed with the city within 60 days of such approval.
- 2) A final plat in accordance with the requirements of the city's subdivision ordinance.
- 3) A legal submission component including any deed restrictions, covenants, agreements, bylaws, or proposed homeowner's association or other documents or contracts controlling the use or maintenance of property. Where such information is lacking, the city council may require a bond or similar guarantee to insure that areas held common by persons residing in the development will be developed and maintained.
- 4) A final construction staging plan indicating the geographical sequence and timing of development for the plan or portions thereof, including the date of beginning and completion of each stage.
- 5) Any other information necessary to fully represent the intentions of the final plan.

A. [D2.] *Fees.* The required application fee shall accompany applications for sketch plan, preliminary plan, and final plan review. The applicant shall pay fees as set forth by the city council.

E. *Public hearing and notices.* All applications for review of a PUD proposal, except sketch plan review, require a public hearing and shall be noticed and processed according to the standards and procedures for zoning ordinance text and map amendments as established in Section 4. Applications and Procedures.

F. *Development agreements.* A development agreement shall be executed reflecting all terms and conditions of the approved PUD plans and financial requirements.

## 6. Criteria for granting a PUD.

The planning commission may recommend, and the city council may act to approve or deny, a preliminary or final plan for a PUD in any district. The planning commission, in making a recommendation, and the city council, in acting upon a plan, shall consider the following factors; however, nothing herein shall be meant to guarantee approval of such PUD:

- A. The consistency of the proposed PUD with the city's comprehensive plan;
- B. The proposed uses compliance with the standards and criteria of the zoning ordinance and subdivision regulations;
- C. The extent to which the proposed PUD is designed to form a desirable and unified environment within its own boundaries in terms of relationship of structures, patterns of circulation, visual character, and sufficiency of drainage and utilities;
- D. The extent to which the proposed uses will be compatible with present and planned uses in the surrounding area;
- E. The impact of the proposed uses on the health, safety, and general welfare of the occupants of the surrounding area;
- F. The burden or impact created by the PUD on parks, schools, streets, and other public facilities and utilities;
- G. The sufficiency of each phase of the PUD to ensure its construction and operation is feasible without dependence upon any subsequent phase;
- G. [H.] The impact of the PUD on environmental quality, property values, scenic views, and preservation of significant natural resources and amenities of the surrounding area; and
- H. [I.] That any exceptions to city ordinances, policies, or regulations are justified by the design or development of the proposed use.

## 7. Final plan revisions.

- A. Minor changes in the location, placement, and heights of buildings or structures may be authorized by the city if required by engineering or other circumstances not foreseen at the time the final plan review was approved.
- B. Approval by the city council shall be required for changes such as rearrangement of lots, blocks, and building tracks or any other significant changes as determined by the city. These changes shall be consistent with the purpose and intent of the approved final plan review.

## 8. Method of amending a PUD.

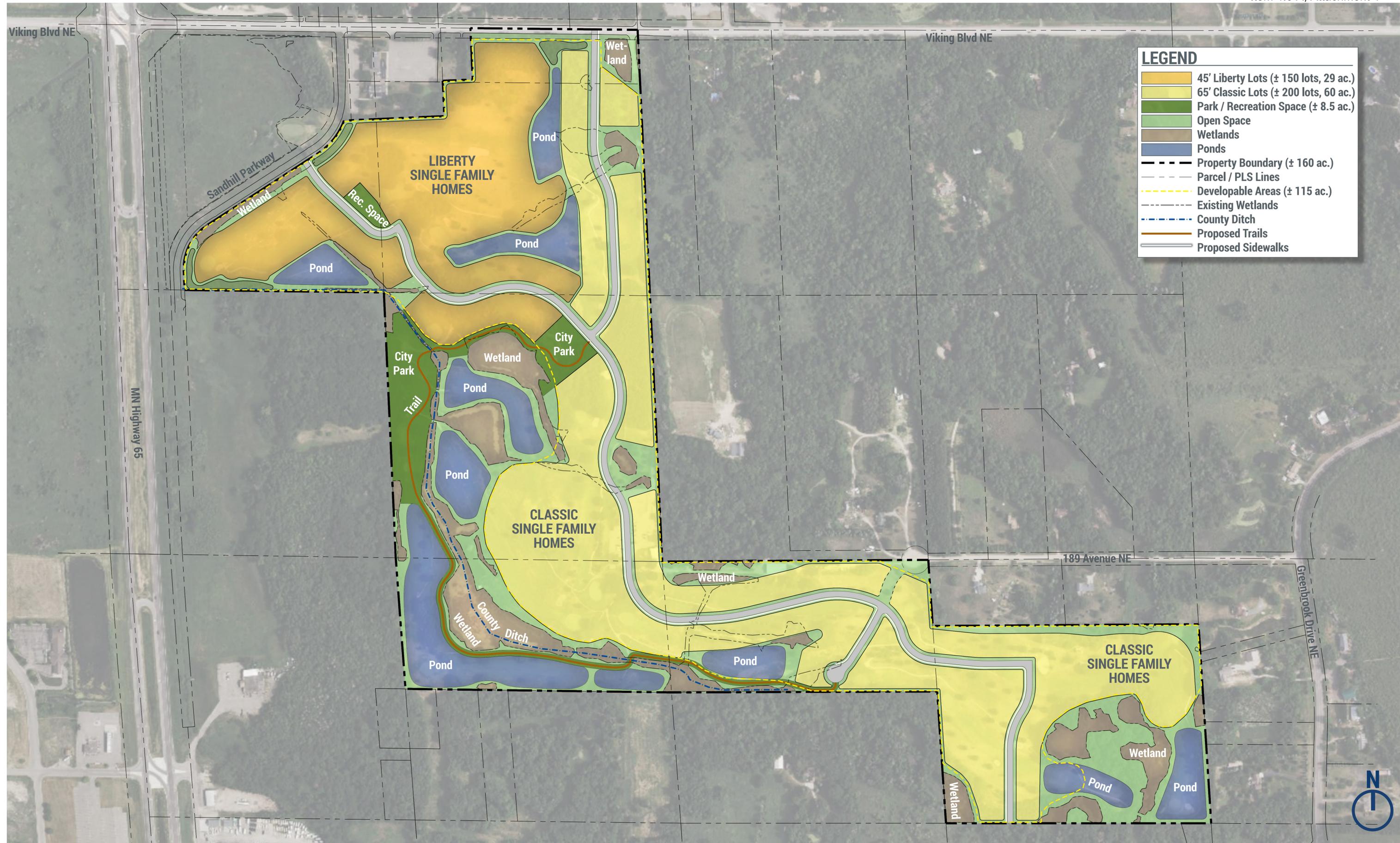
Any desired change involving density, use, building type, enlargement, or intensification of the use not specifically allowed by a particular PUD, or any request for a variance from the specific terms of a previously passed PUD, shall require that an application be filed for an amendment and all procedures shall then apply as if a new plan was applied for.

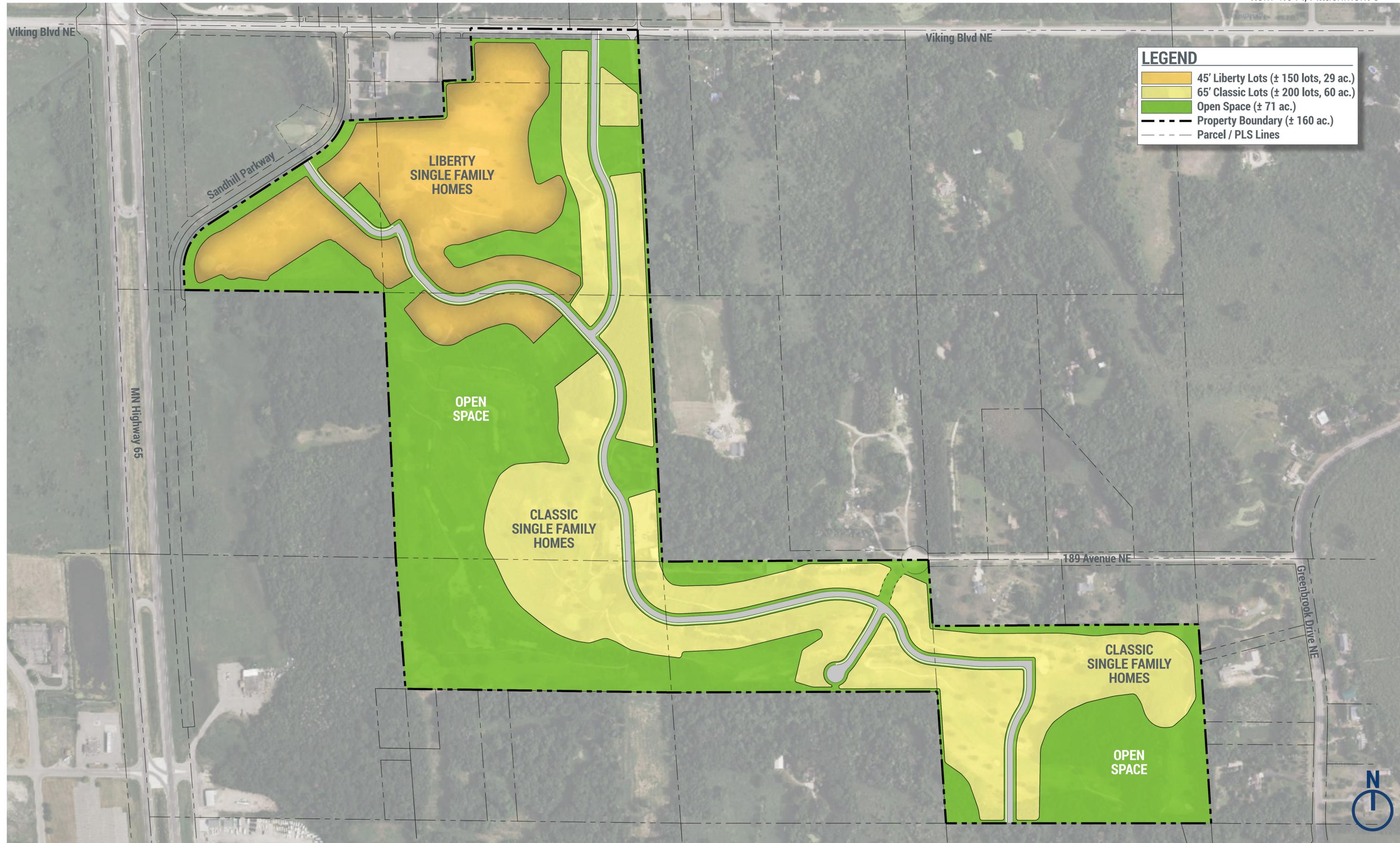
## 9. Method of cancellation of a PUD.

Any existing approved PUD shall be deemed to be canceled if the owner of the land involved in the permit applies for and receives a rezoning with respect to said property prior to the time that there is any physical

implementation of the matters covered by the previously approved PUD. In addition, an existing PUD shall be deemed to be automatically canceled in the event that a final plat, if the same is required in connection with the application, is not filed with Anoka County as required by and in accordance with the terms of the city subdivision regulations within 120 days following final approval of the PUD by the city council. The PUD shall expire and be considered null and void one year after it has been issued if no construction has begun or if use has not been established. In all other situations, an existing PUD shall be canceled and revoked, short of expiring according to its own terms, only upon the event of the city acting in accordance with law and due process, taking some rezoning action that supersedes the PUD. City council has the authority to set a completion date of construction activities with a PUD.

(Ord. No. 19, Second Series, 5-5-2010)





**LEGEND**

- 45' Liberty Lots (± 150 lots, 29 ac.)
- 65' Classic Lots (± 200 lots, 60 ac.)
- Open Space (± 71 ac.)
- Property Boundary (± 160 ac.)
- Parcel / PLS Lines

East Bethel 2040 Comprehensive Plan Chapter 3: Land Use Plan

TABLE 3-4: RESIDENTIAL GROWTH POTENTIAL BASED ON FUTURE LAND USE DESIGNATIONS AND REDEVELOPMENT AREAS.

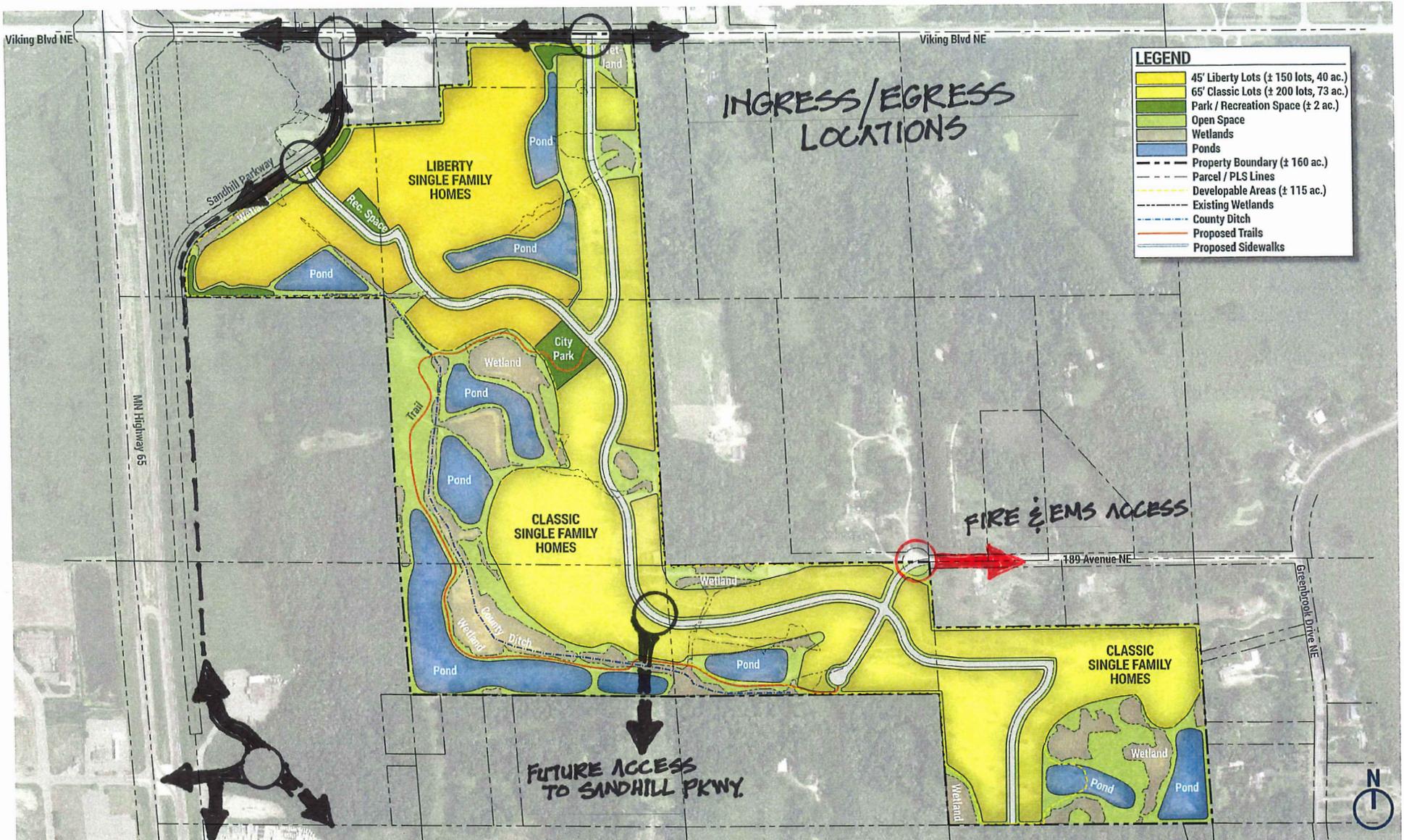
Land Use Type	TOTAL Dev. Acres	Acres now-	Acres 2021-	Acres 2031-	Density Range			Yield %	Min Units Now	Min Units 2021-2030	Min Units 2031-2040	TOTAL Minimum Units	Mid Units Now	Mid Units 2021-2030	Mid Units 2031-2040	TOTAL Midpoint Units	
		2020	2030	2040	Min	Mid	Max		2020	2030	2040	Units	Units	Units	2020	2030	2040
2040 Future Land Use	Low Density Res	152.23	58.92	66.08	27.23	2.25	3.125	4	100%	48*	149	61	258	48*	207	85	340
	Medium Density Res	212.44	44.16	140.50	27.78	4	8	12	100%	130*	562	111	803	130*	1,124	222	1,476
	Mixed Use (LDR) <sup>1</sup>	614.68	0	344.24	270.44	2.25	3.125	4	100%	0	775	609	1,384	0	1,076	845	1,921
	Mixed Use (HDR) <sup>2</sup>	63.59	7.07	31.65	24.87	12	21	30	100%	106*	380	298	784	106*	664	522	1,292
	<b>Guided Total</b>	<b>1042.94</b>	<b>110.15</b>	<b>582.47</b>	<b>350.32</b>						<b>284</b>	<b>1,866</b>	<b>1,079</b>	<b>3,229</b>	<b>284</b>	<b>3,071</b>	<b>1,674</b>

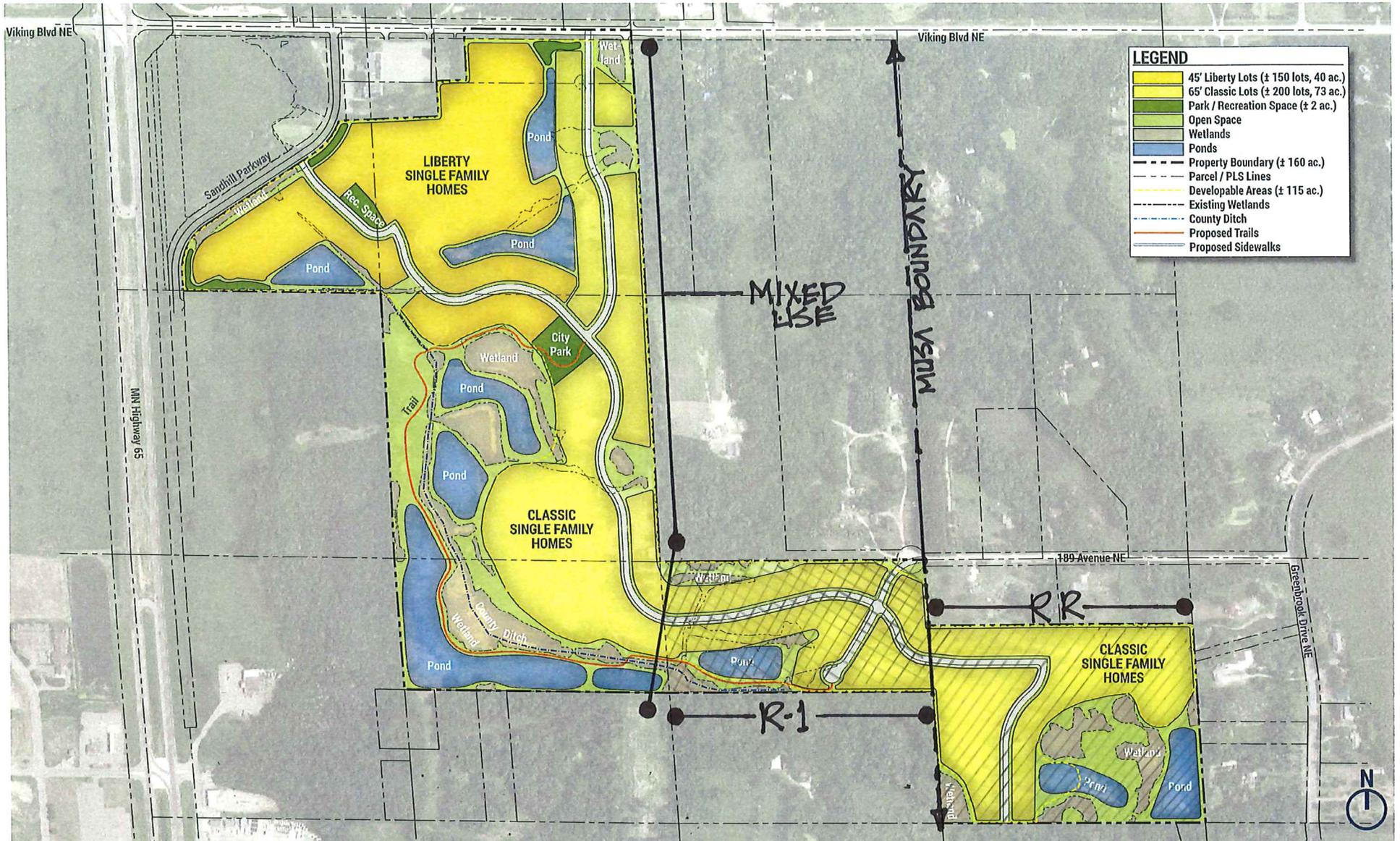
\*City Council Approved Units

Community Designation Density (2021-2040)	5.09
Total expected housing units	4,745
Units considered affordable at <80%AMI	380

<sup>1</sup> Mixed Use (LDR)'s 614.68 developable acres is 72.5% of the overall Mixed Use 847.83 developable acres

<sup>2</sup> Mixed Use (HDR)'s 63.59 developable acres is 7.5% of the overall Mixed Use 847.83 developable acres





**EXISTING ZONING**

**City of East Bethel  
City Council Meeting  
Agenda Item Information**



**Date:** July 24, 2023

**Agenda Item Number:** Item 4.0 B

**Agenda Item:** DEED Application – Nexus Bond Financing

**Background Information:**

Our bond counsel, Dorsey-Whitney, is requesting an application for local bond financing be signed and sent to the MN Department of Employment and Economic Development (DEED). There is nothing binding regarding the application. The application is just a summary of the financing that is provided to the State. Minnesota law only allows these tax-exempt financings to occur if the State knows about them first. Since the State is not underwriting the bonds, it's just a rubber stamp to make sure that state law procedures are being followed. The Anoka County application has already been sent, so Dorsey-Whitney is just taking the next step in the process for the bond issue.

Dorsey-Whitney understands the resolution approving the financing was conditioned on the final amended Conditional Use Permit and PILOT Agreement being approved at an upcoming meeting, but this application needs to get to State staff with sufficient time for them to review before they close their responsibilities for the Nexus financing. The review of the application by DEED will take a few weeks while Dorsey-Whitney finishes up their process with Nexus. This application is standard and DEED reviews all financings like this for every entity involved in tax exempt bonding. The submission of this application does not make the resolution any more effective and it does not bind the City to anything. It is just a statutory requirement that Dorsey-Whitney submit the application after the vote on the resolution.

Dorsey-Whitney needs to send this to DEED early next week and requests that Council approve the signing of the DEED Signatures (issuer) DEED Application (Nexus – East Bethel) as exhibited in Attachment 1 and 2.

Our execution and filing of this application was already approved as part of the July 10 resolution, but I wanted to make sure that we had Council's understanding and full authorization for Mayor Lewis and myself to sign the documents.

A representative from Dorsey-Whitney will be at our meeting to answer any questions relating to this request.

**Attachment(s):**

Attachment 1 – DEED Application for Local Bond Financing Signature Pages

Attachment 2 – DEED Application

**Fiscal Impact:**

**Recommendation(s):** Staff requests Council authorize the Mayor and City Administrator to sign the designated documents as presented in the attachments and submit those to DEED.



**Application for Approval of Local Bond Financing  
Pursuant to Minn. Stat. 469.152 – 469.1655**

We, the undersigned, are principal officer(s) or representative(s) of the Issuer  
and solicit DEED’s approval of this project.

Signature	Kevin Lewis, Mayor
2241 221st Ave. NE	East Bethel, MN 55011
Street Address	City, State and Zip
kevin.lewis@ci.east-bethel.mn.us	July 17, 2023
E-Mail	Date
Signature	Jack Davis, City Administrator
2241 221st Ave. NE	East Bethel, MN 55011
Street Address	City, State and Zip
jack.davis@ci.east-bethel.mn.us	July 17, 2023
E-Mail	Date

E-mail for the chief administrator or operating office of the issuer (municipality or redevelopment agency):  
Listed above

**DEED Approval**

Authorized Signature	Approval Date
<i>(Approval shall not be deemed to be an approval on the feasibility of the project or the terms of the revenue agreement to be executed or the bonds to be issued thereof.)</i>	

Send two copies of form and one copy of supporting documents noted on page 2 to:  
Minnesota Department of Employment and Economic Development  
Kevin McKinnon, Deputy Commissioner  
1<sup>st</sup> National Bank Building  
332 Minnesota Street, Suite E200  
St. Paul, Minnesota 55101  
E-mail: [Kevin.McKinnon@state.mn.us](mailto:Kevin.McKinnon@state.mn.us)



**Application for Approval of Local Bond Financing  
Pursuant to Minn. Stat. 469.152 – 469.1655**

We, the undersigned, are principal officer(s) or representative(s) of the Issuer  
and solicit DEED’s approval of this project.

Signature	Kevin Lewis, Mayor
2241 221st Ave. NE	East Bethel, MN 55011
Street Address	City, State and Zip
kevin.lewis@ci.east-bethel.mn.us	July 17, 2023
E-Mail	Date
Signature	Jack Davis, City Administrator
2241 221st Ave. NE	East Bethel, MN 55011
Street Address	City, State and Zip
jack.davis@ci.east-bethel.mn.us	July 17, 2023
E-Mail	Date

E-mail for the chief administrator or operating office of the issuer (municipality or redevelopment agency):  
Listed above

**DEED Approval**

Authorized Signature	Approval Date
<i>(Approval shall not be deemed to be an approval on the feasibility of the project or the terms of the revenue agreement to be executed or the bonds to be issued thereof.)</i>	

Send two copies of form and one copy of supporting documents noted on page 2 to:  
Minnesota Department of Employment and Economic Development  
Kevin McKinnon, Deputy Commissioner  
1<sup>st</sup> National Bank Building  
332 Minnesota Street, Suite E200  
St. Paul, Minnesota 55101  
E-mail: [Kevin.McKinnon@state.mn.us](mailto:Kevin.McKinnon@state.mn.us)

of property for sale, and does not include any housing facility to be rented or used as a permanent residence.

5. A public hearing on the proposal to undertake and finance the Project was conducted pursuant to Minnesota Statutes, Section 469.154, Subdivision 4, and Section 147(f) of the Internal Revenue Code of 1986, as amended, on June 12, 2023, at 7:00 p.m., at 2241 221st Avenue NE, East Bethel, Minnesota, at which public hearing all interested parties were afforded an opportunity to express their views. A draft copy of the application to the Minnesota Department of Employment and Economic Development (the “Department”) with all attachments was available for public inspection prior to the public hearing.

6. The City will cause the Corporation to provide the Department with the information required by Minnesota Statutes, Section 469.154, Subdivision 5, upon entering into a revenue agreement (as defined in the Act) with the Corporation, and the information required by Minnesota Statutes, Section 469.154, Subdivision 7, as required.

Dated: July 17, 2023.

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Mayor

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City Administrator

of property for sale, and does not include any housing facility to be rented or used as a permanent residence.

5. A public hearing on the proposal to undertake and finance the Project was conducted pursuant to Minnesota Statutes, Section 469.154, Subdivision 4, and Section 147(f) of the Internal Revenue Code of 1986, as amended, on June 12, 2023, at 7:00 p.m., at 2241 221st Avenue NE, East Bethel, Minnesota, at which public hearing all interested parties were afforded an opportunity to express their views. A draft copy of the application to the Minnesota Department of Employment and Economic Development (the “Department”) with all attachments was available for public inspection prior to the public hearing.

6. The City will cause the Corporation to provide the Department with the information required by Minnesota Statutes, Section 469.154, Subdivision 5, upon entering into a revenue agreement (as defined in the Act) with the Corporation, and the information required by Minnesota Statutes, Section 469.154, Subdivision 7, as required.

Dated: July 17, 2023.

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Mayor

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City Administrator



**Application for Approval of Local Bond Financing - Pursuant to Minn. Stat. 469.152 – 469.1655**

*Please submit two copies of this form but only one copy of supporting documents requested on page 2.*

Name of Issuer (Municipality or Redevelopment agency): City of East Bethel, Minnesota

Contracting Party (Non-Profit or Business Name): Nexus Diversified Community Services

Industry and Service/Product: Health Care Services

Project Location (street address, city/township, county – if outside city/township): 900 189th Avenue NE, East Bethel, Minnesota

Current Full-time and Part-time Jobs at Location: 0 FT Jobs 0 PT Jobs

New (not currently in Minnesota) Permanent Jobs Created by Project: 90 FT Jobs 4 PT Jobs

Expected Annual Wages of New Full-Time Jobs: \$5,260,299 Total; \$58,448 per new Full-Time FTE

Project Type (check one):  Education  Health Care  Waste/Green  
 Other (please describe) \_\_\_\_\_

Description of Project Financed by Bond Proceeds: Financing a portion of the costs of acquiring real estate and certain personal property located at 900 189th Avenue NE, East Bethel, Minnesota, for use as a residential psychiatric treatment facility.

Dates of Construction (if applicable): N/A

Date Project Expected to be Operational: At closing.

Dollar Amount of Bonds Expected to be Issued: Up to \$10,000,000

Expected Term: 27 years Expected Interest Rate: Estimated maximum 5.10%

Bond Counsel: Nathan Canova, Dorsey & Whitney LLP Phone: (612) 492-6916

E-mail: canova.nathan@dorsey.com



**Application for Approval of Local Bond Financing  
Pursuant to Minn. Stat. 469.152 – 469.1655**

The following exhibits must be furnished with this application:

- A) An opinion of bond counsel that the proposal constitutes a project under Minn. Stat. 469.153, Subd. 2.
- B) A copy of the resolution by the governing body of the Issuer giving preliminary or final approval for the issuance of its revenue bonds and stating that the project, except for a project under Minn. Stat. 469.153, Subd. 2(g) or (j), furthers the purposes of Minn. Stat. 469.152 – 469.165.
- C) A letter of intent to purchase the bond issue or a letter confirming the feasibility of the project from a financial standpoint.
- D) The following exhibits are provided in a single Issuer certificate:
  - A comprehensive statement by the municipality indicating how the project satisfies the purposes of Minn. Stat. 469.152 - 469.165.
  - A statement signed by a representative of the Issuer that the project does not include any property to be sold or affixed to or consumed in the production of property for sale, and does not include any housing facility to be rented or used as a permanent residence.
  - A statement signed by a representative of the Issuer that a public hearing was conducted pursuant to Minn. Stat. 469.154, Subd. 4. The statement shall include the date, time and place of the meeting and certify that a draft copy of this application with all attachments was available for public inspection and that all interested parties were afforded an opportunity to express their views.
  - A statement signed by the principal representative of the issuing authority to the effect that upon entering into the revenue agreement, the information required by Minn. Stat. 469.154, Subd. 5 will be submitted to the Department (not applicable to projects under Minn. Stat. 469.153, Subd. 2(g) or (j)).
- E) A plan for encouraging the targeting of employment opportunities to economically disadvantaged or unemployed individuals. (See Minn. Stat. 469.154, Subd. 7.) **The plan must indicate one or more specific steps that may include using employment offices (e.g., Minnesota Workforce Centers) for recruitment and placement, among other actions.**
- F) Affidavit(s) of publication or copies of notice(s) as published which indicate the date(s) of publication and the newspaper(s) in which the notice(s) were published.



**Application for Approval of Local Bond Financing  
Pursuant to Minn. Stat. 469.152 – 469.1655**

We, the undersigned, are principal officer(s) or representative(s) of the Issuer and solicit DEED’s approval of this project.

Signature	Kevin Lewis, Mayor Print Name and Title
2241 221st Ave. NE Street Address	East Bethel, MN 55011 City, State and Zip
kevin.lewis@ci.east-bethel.mn.us E-Mail	July 17, 2023 Date
Signature	Jack Davis, City Administrator Print Name and Title
2241 221st Ave. NE Street Address	East Bethel, MN 55011 City, State and Zip
jack.davis@ci.east-bethel.mn.us E-Mail	July 17, 2023 Date

E-mail for the chief administrator or operating office of the issuer (municipality or redevelopment agency):  
Listed above

**DEED Approval**

Authorized Signature	Approval Date
<i>(Approval shall not be deemed to be an approval on the feasibility of the project or the terms of the revenue agreement to be executed or the bonds to be issued thereof.)</i>	

Send two copies of form and one copy of supporting documents noted on page 2 to:  
 Minnesota Department of Employment and Economic Development  
 Kevin McKinnon, Deputy Commissioner  
 1<sup>st</sup> National Bank Building  
 332 Minnesota Street, Suite E200  
 St. Paul, Minnesota 55101  
 E-mail: [Kevin.McKinnon@state.mn.us](mailto:Kevin.McKinnon@state.mn.us)

EXHIBIT A

July 17, 2023

Commissioner  
Minnesota Department of Employment  
and Economic Development  
1<sup>st</sup> National Bank Building  
332 Minnesota Street, Suite E200  
St. Paul, Minnesota 55101-1351

Re: Proposed City of East Bethel, Minnesota Health Facilities Revenue Notes (Nexus Diversified Community Services), Series 2023

Dear Mr. Grove:

We have reviewed a resolution adopted by the governing body of the City of East Bethel, Minnesota (the “City”), on June 12, 2023 (the “Resolution”), relating to a proposal that the City issue its revenue notes or bonds under Minnesota Statutes, Sections 469.152 through 469.1655, as amended, on behalf of Nexus Diversified Community Services (the “Corporation”), in order to finance a portion of the costs of acquiring real estate and certain personal property located at 900 189th Avenue NE, East Bethel, Minnesota, for use as a residential psychiatric treatment facility (the “Project”).

On the basis of our review of the Resolution and preliminary discussions with representatives of the Corporation, as to the nature of the Project and the proposed financing thereof, it is presently our opinion that (i) the Project constitutes a “project” within the meaning of Minnesota Statutes, Section 469.153, Subdivision 2(d), and (ii) the City is authorized, assuming further proceedings are taken in accordance with the provisions of Sections 469.152 through 469.1655, as amended, and any other applicable law, to issue its revenue notes or bonds as proposed by the Resolution.

We have reviewed certain proceedings of the City which show that a public hearing has been held with respect to the Project and the financing thereof with the proceeds of the revenue notes or bonds in compliance with the requirements of Minnesota Statutes, Section 469.154, Subdivision 4.

Very truly yours,

DORSEY & WHITNEY LLP

By \_\_\_\_\_  
Nathan Canova

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

**RESOLUTION NO. 2023-40**

**RESOLUTION RELATING TO A FINANCING UNDER  
MINNESOTA STATUTES, SECTIONS 469.152 THROUGH 469.165, AS AMENDED, ON  
BEHALF OF NEXUS DIVERSIFIED COMMUNITY SERVICES;  
AUTHORIZING EXECUTION AND DELIVERY OF DOCUMENTS RELATING  
THERE TO**

**WHEREAS**, the City of East Bethel, Minnesota (the “City”), is authorized by Minnesota Statutes, Sections 469.152 through 469.165, as amended (the “Act”), to issue its revenue obligations to finance projects consisting of properties, real or personal, used or useful in connection with a revenue-producing enterprise, whether or not operated for profit, engaged in providing health care services, including hospitals, nursing homes and related medical facilities under the Act, and to enter into a loan, lease or revenue agreement with any nonprofit corporation providing such services, whereby the City agrees to loan the proceeds of its revenue notes to such nonprofit corporation and such nonprofit corporation agrees to make payments fixed and revised from time to time as necessary so as to be sufficient to pay in full the principal of, premium, if any, and interest on such revenue notes when due;

**WHEREAS**, Nexus Diversified Community Services (the “Corporation”), a Minnesota nonprofit corporation and an organization recognized under section 501(c)(3) of the Internal Revenue Code of 1986 (the “Code”), now proposes that the City issue a revenue note under the Act (the “Note”) to finance a portion of the costs of acquiring real estate and certain personal property located in the City for use as a residential psychiatric treatment facility (the “Project”), to pay for startup costs relating to the Project and to pay for costs of issuing the Note;

**WHEREAS**, the Corporation has advised the City that the proposed issuance of the Note by the City to finance costs of the Project and to pay costs of issuing the Note will produce lower borrowing costs for the Corporation and assist the Corporation in its efforts related to the Project;

**WHEREAS**, the City Administrator has caused a notice of public hearing to be published once in the *Anoka County Union Herald*, the official newspaper and a newspaper of general circulation in the City, on May 26, 2023, not fewer than 14 days before the date of the public hearing, in the form of Exhibit A hereto, which form is incorporated herein by reference for the purpose of satisfying the approval requirements of Minnesota Statutes, Section 469.154, and section 147(f) of the Code;

**WHEREAS**, a public hearing on the issuance of the Note of the City to finance the Project was held on June 12, 2023, after notice duly published as required by law, and the views of all interested persons with respect thereto presented at the hearing have been considered; and

**WHEREAS**, forms of a Note Purchase Agreement among the City, Bremer Bank, National Association (the “Lender”), and the Corporation (the “Note Purchase Agreement”); a Loan

Agreement among the City, the Lender, and the Corporation (the “Loan Agreement”); the Note; and an Assignment and Pledge Agreement between the City and the Lender (the “Assignment,” and collectively with the Note Purchase Agreement, the Loan Agreement and the Note, the “Financing Documents”); and a draft of the application to be provided to the State of Minnesota Department of Employment and Economic Development in connection with the financing contemplated hereby, have been prepared and presented to the Council at this meeting.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF EAST BETHEL, MINNESOTA,** that this Council, subject to approval of the issuance of revenue notes and the Project by the State of Minnesota Department of Employment and Economic Development, hereby finds that approval of the issuance of the Note of the City is in the public interest of the City, and approves the issuance of the Note under the Act, the proceeds of which will be used to finance costs of the Project, certain related working capital, and to pay certain costs of issuing the Note.

**BE IT FURTHER RESOLVED** that the Financing Documents are hereby approved as to form, and the Mayor and the City Administrator, or their authorized designees, are hereby authorized and directed, in the name and on behalf of the City, to execute and deliver the Financing Documents, with such changes, additions and modifications thereto as may be deemed appropriate and are approved by the Mayor and the City Administrator, or their authorized designees, and other officers, staff and employees of the City, which approval shall be conclusively evidenced by execution of documents by the Mayor and the City Administrator, or their authorized designees, and other officers, staff and employees of the City.

**BE IT FURTHER RESOLVED** that the Mayor and City Administrator, and other officers, staff and employees of the City, together and/or in their individual capacities, are hereby authorized to negotiate, execute and deliver all applications, certificates, instruments, documents and agreements which are necessary in connection with the issuance of the Note and not inconsistent with the Financing Documents (including, without limiting the foregoing, any conditional use permit amendment and agreement for payment for city services or amendments thereto), and to take all other actions necessary to consummate the transactions contemplated by the Financing Documents and to carry out the City’s obligations under the Financing Documents. Approval of the City and City Council of all applications, certificates, instruments, documents and agreements related to the Project shall be conclusively evidenced by execution of documents by the Mayor and the City Administrator, or their authorized designees, and other officers, staff and employees of the City.

**BE IT FURTHER RESOLVED** that City shall proceed to issue the Note in the principal amount of not to exceed \$10,000,000 upon the terms and conditions specified in the Loan Agreement and the Note Purchase Agreement; the Note shall mature and be payable on the dates and in the amounts provided in the Note, shall be subject to prepayment and purchase prior to maturity as provided in the Note and shall bear interest at such rate or rates as provided in the Note.

**BE IT FURTHER RESOLVED** that Mayor and the City Administrator, or their authorized designees, are hereby authorized and directed to prepare and execute the Note in substantially the form prescribed in the Loan Agreement, and to deliver the executed Note to the

Lender with a copy of this resolution and such other documents required by the Financing Documents or the Lender and, upon receipt of the purchase price therefor by or on behalf of the Corporation, the City shall deliver the Note to the Lender.

**BE IT FURTHER RESOLVED** that Mayor and the City Administrator, or their authorized designees, and other officers, staff and employees of the City are authorized and directed to prepare and furnish to the Lender and to Dorsey & Whitney LLP, as bond counsel to the City (“Bond Counsel”), certified copies of all proceedings and records of the City relating to the Note, and the same are authorized to take such actions necessary or appropriate in connection with the consummation of the transactions described herein, and to execute and deliver such other affidavits, certificates, agreements, instruments and documents as may be required by the Lender or Bond Counsel, including but not limited to certificates to show the facts relating to the validity and marketability of the Note as such facts appear from the books and records of the City, and all copies of such certificates, affidavits, agreements, instruments and documents, including any heretofore furnished, shall constitute representations of the City as to the truth of all statements contained therein.

**BE IT FURTHER RESOLVED** that the Note is proposed to be issued as a “qualified 501(c)(3) bond” as defined in section 145 of the Code, the interest on which is not includable in gross income for federal income tax purposes under Sections 103 and 141(e)(1)(G) of the Code.

**BE IT FURTHER RESOLVED** that the Note and the interest on the Note (i) shall be payable solely from the revenues pledged and security provided therefor under the Loan Agreement, and additional sources of revenue provided by or on behalf of the Corporation; (ii) shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation; (iii) shall not constitute nor give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers; (iv) shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the City other than the City’s interest in the Loan Agreement; and (v) shall not constitute a general or moral obligation of the City.

**BE IT FURTHER RESOLVED** that the City hereby designates the Note as a “qualified tax-exempt obligation” for purposes of Section 265(b)(3) of the Code relating to the disallowance of interest expense for financial institutions, and hereby finds that the reasonably anticipated amount of tax-exempt obligations, which are not private activity bonds (not treating qualified 501(c)(3) bonds under Section 145 of the Code as private activity bonds for the purpose of this representation), which will be issued by the City and all subordinate entities during calendar year 2023 does not exceed \$10,000,000.

**BE IT FURTHER RESOLVED** that all actions heretofore taken by the City and any officers, staff or employees of the City in connection with the transactions described herein are hereby ratified and approved.

**BE IT FURTHER RESOLVED** that in the event of the absence or disability of the Mayor or the City Administrator, the Acting Mayor or the Acting City Administrator, as the case may be, or any designee thereof, may do and authorize all things and take all actions hereby authorized without further approval of this Council.

**BE IT FURTHER RESOLVED** that the Corporation has agreed to pay the administrative fees of the City when due, as set forth in the Loan Agreement. The Corporation will also pay, or, upon demand, reimburse the City for payment of, any and all costs incurred by the City in connection with the Project and the issuance of the Note, whether or not the Note is issued, including any costs for reasonable attorneys' fees.

**BE IT FURTHER RESOLVED** that it is understood and agreed by the Corporation that the Corporation shall indemnify the City against all liabilities, losses, damages, costs, and expenses (including attorney's fees and expenses incurred by the City) arising with respect to the Project and the Note, as provided for and agreed to by and between the Corporation and the City in the Loan Agreement.

**BE IT FURTHER RESOLVED** that in accordance with Minnesota Statutes, Section 469.153, Subdivision 3, the City hereby consents to the issuance by Anoka County, Minnesota, of its revenue bonds or notes under the Act, in one or more tax-exempt series, in the aggregate principal amount of approximately \$7,500,000, to finance additional costs of the Project and other allowable costs.

Adopted this 10th day of July, 2023, by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

Attachment: Notice of Public Hearing

## EXHIBIT A

NOTICE OF PUBLIC HEARING ON A PROPOSED FINANCING ON BEHALF OF NEXUS  
DIVERSIFIED COMMUNITY SERVICES AND THE ISSUANCE OF REVENUE  
OBLIGATIONS UNDER MINNESOTA STATUTES, SECTIONS 469.152 THROUGH  
469.165, AS AMENDED

CITY OF EAST BETHEL, MINNESOTA

NOTICE IS HEREBY GIVEN that the City Council of the City of East Bethel, Minnesota (the “Issuer”), will meet on June 12, 2023, at 7:00 p.m., at 2241 221st Avenue NE, East Bethel, Minnesota, for the purpose of conducting business, including but not limited to a public hearing on the proposal that the Issuer issue its revenue bonds or notes (the “Obligations”), in one or more series, in an aggregate maximum principal amount of \$10,000,000, under Minnesota Statutes, Sections 469.152 through 469.165, as amended (the “Act”), on behalf of Nexus Diversified Community Services, a Minnesota nonprofit corporation and an organization recognized under section 501(c)(3) of the Internal Revenue Code of 1986 (the “Code”) (the “Corporation”). The Obligations are proposed to be issued as qualified 501(c)(3) bonds as defined in section 145 of the Internal Revenue Code of 1986, for the purpose of (i) financing a portion of the costs of acquiring real estate and certain personal property located at 900 189th Avenue NE, East Bethel, Minnesota, for use as a residential psychiatric treatment facility (the “Project”), and (ii) paying costs of issuing the Obligations. The Corporation will be the initial legal owner of the Project and the Project will be operated and principally used by an affiliate of the Corporation, Nexus Family Healing, a Minnesota nonprofit corporation and an organization recognized under section 501(c)(3) of the Code (the “Operator”).

The Obligations will be special, limited obligations of the Issuer, and the principal thereof and interest thereon will be payable solely from the revenues of the Corporation pledged to the payment thereof, and amounts derived from the security provided by the Corporation and the Operator as permitted by the Act. No holder of any Obligations will ever have the right to compel any exercise of the taxing powers of the Issuer to pay the Obligations or the interest thereon, or to enforce payment against any property of the Issuer except money payable by the Corporation or the Operator to the Issuer and pledged to the payment for the Obligations.

A draft copy of the proposed Application to the Minnesota Department of Employment and Economic Development for approval of the Project, together with draft copies of all attachments and exhibits thereto, is available for public inspection at the office of the City Administrator, located in the City Hall, during normal business hours, 8 a.m. to 4 p.m., Monday through Friday.

All persons interested may appear and be heard at the public hearing to be held at the time and place set forth above, or may file written comments with the City Administrator of the Issuer prior to the date of the public hearing set forth above.

Dated: May 26, 2023.

BY ORDER OF THE CITY COUNCIL  
By /s/ Jack Davis, City Administrator

EXHIBIT C

[Letterhead of Bremer Bank]

FINANCIAL FEASIBILITY LETTER

July 17, 2023

Honorable Mayor and City Council  
City of East Bethel  
East Bethel, Minnesota

Re: Proposed City of East Bethel, Minnesota Health Facilities Revenue Notes  
(Nexus Diversified Community Services), Series 2023

Ladies and Gentlemen:

Nexus Diversified Community Services (the “Corporation”), a Minnesota nonprofit corporation, has requested that the City of East Bethel, Minnesota (the “City”) issue its revenue notes (the “Notes”) under the provisions of Minnesota Statutes, Sections 469.152 through 469.1655, as amended (the “Act”), in one or more series, in order to finance all or a portion of the costs of acquiring real estate and certain personal property by the Corporation or its affiliates for use as health care services facilities.

The undersigned intends to purchase the above-referenced Notes, subject to satisfaction of certain conditions set forth in the documentation being executed and delivered in connection with the issuance of the Notes.

We understand a copy of this letter will be forwarded by the City to the Minnesota Department of Employment and Economic Development (the “Department”) to serve as confirmation of the feasibility of the project from a financial standpoint, as required by the Department.

Very truly yours,

## EXHIBIT D

## ISSUER CERTIFICATE

The undersigned, being the duly qualified and acting Mayor and City Administrator of the City of East Bethel, Minnesota (the “City”), does hereby certify on behalf of the City that the City Council of the City (the “Council”) has been provided by representatives of Nexus Diversified Community Services, a Minnesota nonprofit corporation (the “Corporation”), with certain information concerning a proposed project under the Minnesota Municipal Industrial Development Act, Minnesota Statutes, Sections 469.152 through 469.1655, as amended (the “Act”). On the basis of such information, the Council, by resolution adopted June 12, 2023, has given final approval to the proposed project and the financing thereof by the issuance of revenue notes (the “Notes”) of the City. The following are factors considered by the Council in determining to give approval to the project:

1. The proposed project (the “Project”) consists of financing a portion of the costs of acquiring real estate and certain personal property located at 900 189th Avenue NE, East Bethel, Minnesota, for use as a residential psychiatric treatment facility.

2. Dorsey & Whitney LLP, bond counsel, is of the opinion that the Project constitutes a “project” within the meaning of Minnesota Statutes, Section 469.153, subdivision 2(d).

3. Representatives of the Corporation believe that the issuance of the Notes to finance the Project will further promote the public purposes and legislative objectives of the Act by providing substantial inducement for the continued health care operations of the Corporation in the City and surrounding area.

4. Based on the representations made by the Corporation, the Project to be financed by the Notes does not include any property to be sold or affixed to or consumed in the production

of property for sale, and does not include any housing facility to be rented or used as a permanent residence.

5. A public hearing on the proposal to undertake and finance the Project was conducted pursuant to Minnesota Statutes, Section 469.154, Subdivision 4, and Section 147(f) of the Internal Revenue Code of 1986, as amended, on June 12, 2023, at 7:00 p.m., at 2241 221st Avenue NE, East Bethel, Minnesota, at which public hearing all interested parties were afforded an opportunity to express their views. A draft copy of the application to the Minnesota Department of Employment and Economic Development (the “Department”) with all attachments was available for public inspection prior to the public hearing.

6. The City will cause the Corporation to provide the Department with the information required by Minnesota Statutes, Section 469.154, Subdivision 5, upon entering into a revenue agreement (as defined in the Act) with the Corporation, and the information required by Minnesota Statutes, Section 469.154, Subdivision 7, as required.

Dated: July 17, 2023.

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Mayor

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City Administrator

EXHIBIT E

[Letterhead of Nexus Diversified Community Services]

EMPLOYMENT PLAN

July 17, 2023

Honorable Mayor and Council Members  
City of East Bethel  
East Bethel, Minnesota

Re: Proposed City of East Bethel, Minnesota Health Facilities Revenue Notes  
(Nexus Diversified Community Services), Series 2023

Ladies and Gentlemen:

This letter is intended to satisfy the requirements of exhibit (E) of the Application For Approval of Local Bond Financing (the “Application”) to be filed by the City of East Bethel, Minnesota (the “City”), with the Minnesota Department of Employment and Economic Development in connection with the project to be financed with the above-referenced notes proposed to be issued by the City on behalf of Nexus Diversified Community Services (the “Corporation”), a Minnesota nonprofit corporation, and may be attached as an exhibit to said Application.

It is the plan and intent of the Corporation and Nexus Family Healing, a Minnesota nonprofit corporation, an affiliate of the Corporation and the lessee of the financed project, to comply with the provisions of Minnesota Statutes, Section 469.154, Subdivision 7 (to the extent that compliance by the Corporation is legally required by such provisions), and, upon request, to assist and cooperate with the City in complying with those reporting requirements of said Subdivision 7 which may be applicable to the City. Nothing herein contained shall be construed so as to impose any obligation or requirement on the Corporation by the City which is not otherwise imposed by said Subdivision 7.

The Corporation and Nexus Family Healing proactively promotes, recruits and selects protected group representatives whenever those groups are under-represented in the workforce based upon annual compliance report charting. We partner with Circa, a SaaS-based diversity recruitment and OFCCP HR compliance technology solution company, to ensure all career opportunities are promoted on state-specific workforce center job banks & career sites as well as leveraging and posting throughout their network of community and diversity partners. Agency and department hiring practices are reviewed periodically to assure compliance with the Corporation’s EEO/AA Plan.

*[Signature page follows]*

Honorable Mayor and Council Members  
July 17, 2023  
Page 2

Very truly yours,

NEXUS DIVERSIFIED COMMUNITY  
SERVICES

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[Title]

# AFFIDAVIT OF PUBLICATION

STATE OF MINNESOTA ) ss  
COUNTY OF ANOKA

Rhonda Herberg being duly sworn on an oath, states or affirms that he/she is the Publisher's Designated Agent of the newspaper(s) known as:

Anoka County Union Herald

with the known office of issue being located in the county of:

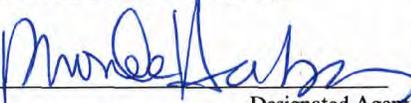
**ANOKA**

with additional circulation in the counties of:  
**ANOKA**

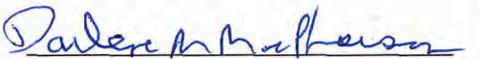
and has full knowledge of the facts stated below:

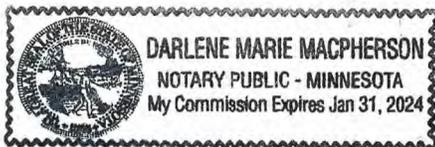
- (A) The newspaper has complied with all of the requirements constituting qualification as a qualified newspaper as provided by Minn. Stat. §331A.02.
- (B) This Public Notice was printed and published in said newspaper(s) once each week, for 1 successive week(s); the first insertion being on 05/26/2023 and the last insertion being on 05/26/2023.

**MORTGAGE FORECLOSURE NOTICES Pursuant to Minnesota Stat. §580.033** relating to the publication of mortgage foreclosure notices: The newspaper complies with the conditions described in §580.033, subd. 1, clause (1) or (2). If the newspaper's known office of issue is located in a county adjoining the county where the mortgaged premises or some part of the mortgaged premises described in the notice are located, a substantial portion of the newspaper's circulation is in the latter county.

By:   
Designated Agent

Subscribed and sworn to or affirmed before me on 05/26/2023 by Rhonda Herberg.

  
Notary Public



**Rate Information:**

- (1) Lowest classified rate paid by commercial users for comparable space:  
\$999.99 per column inch

Ad ID 1318349

## CITY OF EAST BETHEL, MINNESOTA

### NOTICE OF PUBLIC HEARING ON A PROPOSED FINANCING ON BEHALF OF NEXUS DIVERSIFIED COMMUNITY SERVICES AND THE ISSUANCE OF REVENUE OBLIGATIONS UNDER MINNESOTA STATUTES, SECTIONS 469.152 THROUGH 469.165, AS AMENDED

NOTICE IS HEREBY GIVEN that the City Council of the City of East Bethel, Minnesota (the "Issuer"), will meet on June 12, 2023, at 7:00 p.m., at 2241 221st Avenue NE, East Bethel, Minnesota, for the purpose of conducting business, including but not limited to a public hearing on the proposal that the Issuer issue its revenue bonds or notes (the "Obligations"), in one or more series, in an aggregate maximum principal amount of \$10,000,000, under Minnesota Statutes, Sections 469.152 through 469.165, as amended (the "Act"), on behalf of Nexus Diversified Community Services, a Minnesota nonprofit corporation and an organization recognized under section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code") (the "Corporation"). The Obligations are proposed to be issued as qualified 501(c)(3) bonds as defined in section 145 of the Internal Revenue Code of 1986, for the purpose of (i) financing a portion of the costs of acquiring real estate and certain personal property located at 900 189th Avenue NE, East Bethel, Minnesota, for use as a residential psychiatric treatment facility (the "Project"), and (ii) paying costs of issuing the Obligations. The Corporation will be the initial legal owner of the Project and the Project will be operated and principally used by an affiliate of the Corporation, Nexus Family Healing, a Minnesota nonprofit corporation and an organization recognized under section 501(c)(3) of the Code (the "Operator").

The Obligations will be special, limited obligations of the Issuer, and the principal thereof and interest thereon will be payable solely from the revenues of the Corporation pledged to the payment thereof, and amounts derived from the security provided by the Corporation and the Operator as permitted by the Act. No holder of any Obligations will ever have the right to compel any exercise of the taxing powers of the Issuer to pay the Obligations or the interest thereon, or to enforce payment against any property of the Issuer except money payable by the Corporation or the Operator to the Issuer and pledged to the payment for the Obligations.

A draft copy of the proposed Application to the Minnesota Department of Employment and Economic Development for approval of the Project, together with draft copies of all attachments and exhibits thereto, is available for public

inspection at the office of the City Administrator, located in the City Hall, during normal business hours, 8 a.m. to 4 p.m., Monday through Friday.

All persons interested may appear and be heard at the public hearing to be held at the time and place set forth above, or may file written comments with the City Administrator of the Issuer prior to the date of the public hearing set forth above.

Dated: May 26, 2023.

BY ORDER OF THE CITY COUNCIL  
By /s/ Jack Davis,  
City Administrator

Published in the  
Anoka County Union Herald  
May 26, 2023  
1318349

**City of East Bethel  
City Council Meeting  
Agenda Item Information**



**Date:** July 24, 2023

**Agenda Item Number:** Item 4.0 C

**Agenda Item:** Sheriff's Department Report

**Background Information:**

Lieutenant Derek Peters will present the Anoka County Sheriff's Office monthly report.

**Attachment(s):**

1. Sheriff's Office June Report *(this item will be provided as soon as it is made available)*
2. CSO Report of Activities
3. CFS Report

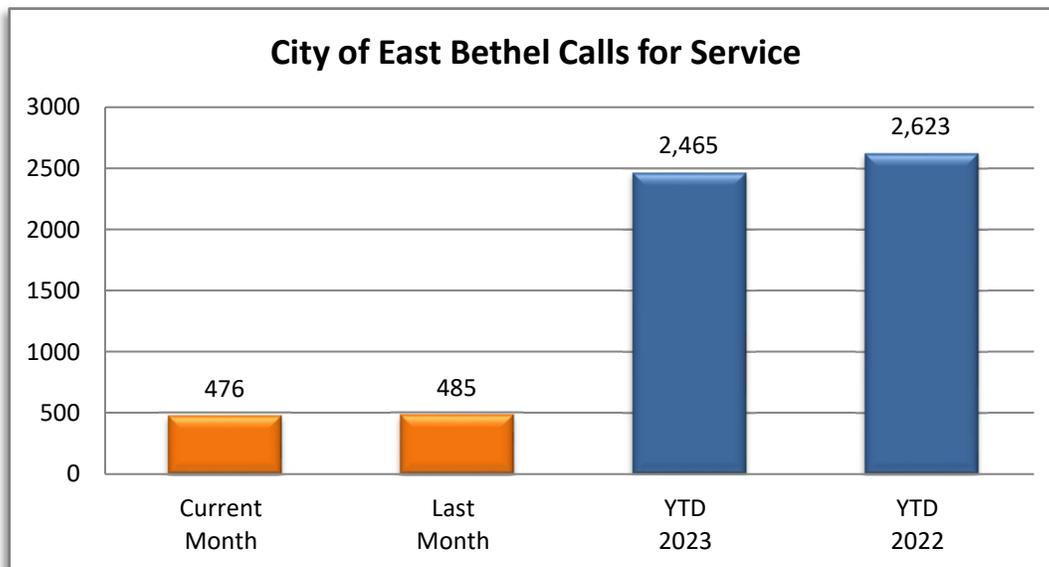
**Fiscal Impact:**

**Recommendation(s):** No Action Required

**PATROL DIVISION**

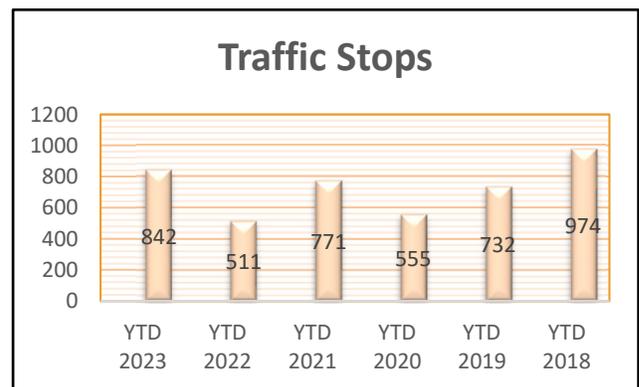
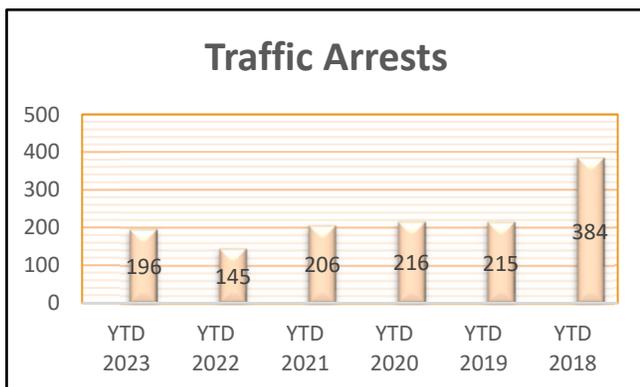
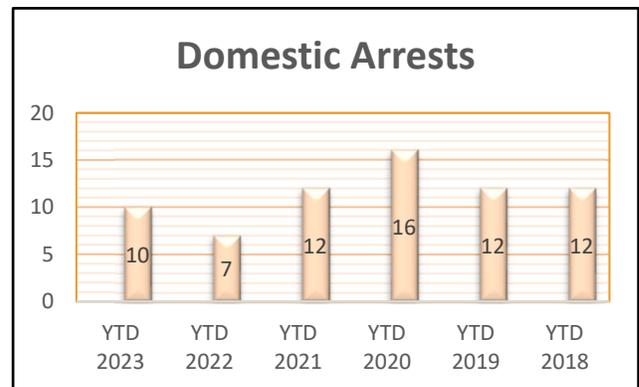
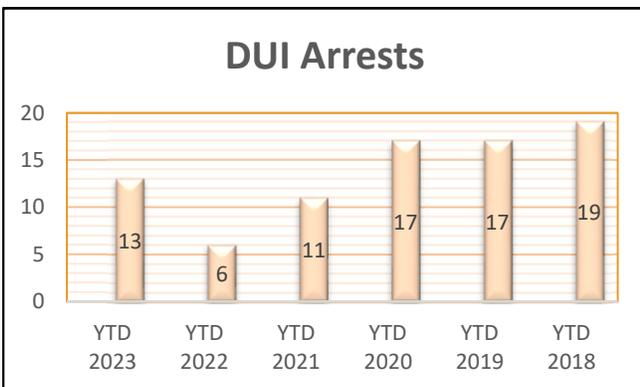
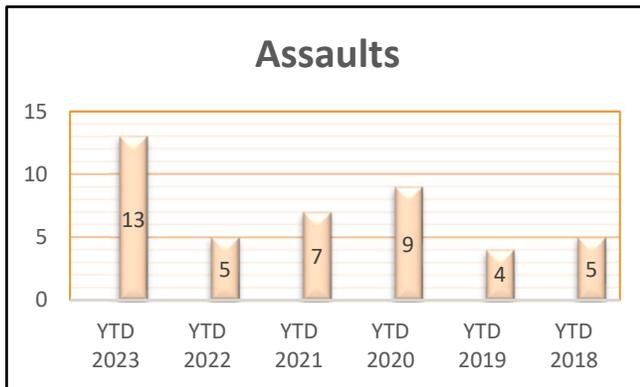
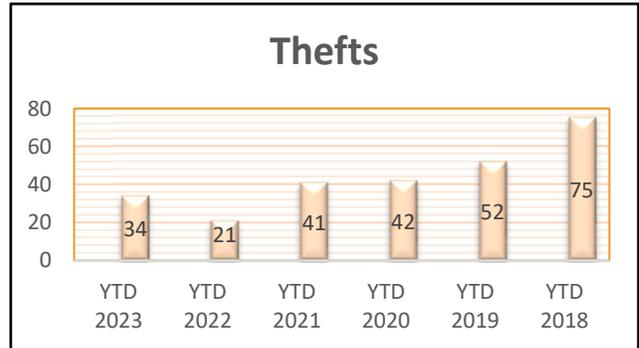
**CITY OF EAST BETHEL - JUNE 2023**

OFFENSE	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD 2023	YTD 2022
<b>Calls for Service*</b>	<b>330</b>	<b>360</b>	<b>357</b>	<b>457</b>	<b>485</b>	<b>476</b>							<b>2,465</b>	<b>2,623</b>
Burglaries	1	0	0	1	3	1							6	2
Thefts	8	1	7	8	8	2							34	21
Crim Sex Conduct	1	3	0	0	0	1							5	2
Assault	0	1	3	1	4	4							13	5
Dam to Property	0	2	1	1	2	1							7	8
Harass Comm	0	0	0	0	0	0							0	1
PI Accidents	8	9	4	5	2	4							32	31
PD Accidents	19	18	15	14	18	19							103	109
Medical	59	60	54	60	61	50							344	301
Animal Complaint	35	31	16	27	30	31							170	120
Alarms	12	12	14	25	14	23							100	133
Felony Arrests	0	1	2	2	4	1							10	4
Gross Misd Arrests	5	5	3	4	2	0							19	9
Misd Arrests	8	5	5	2	5	7							32	24
DUI Arrests	2	5	3	3	0	0							13	6
Domestic Arrests	0	0	3	1	3	3							10	7
Warrant Arrests	1	4	5	9	3	2							24	9
Traffic Stops	190	125	144	186	111	86							842	511
Traffic Arrests	28	17	37	77	19	18							196	145



**CITY OF EAST BETHEL**

**YEAR TO DATE - JUNE 2018-2023**

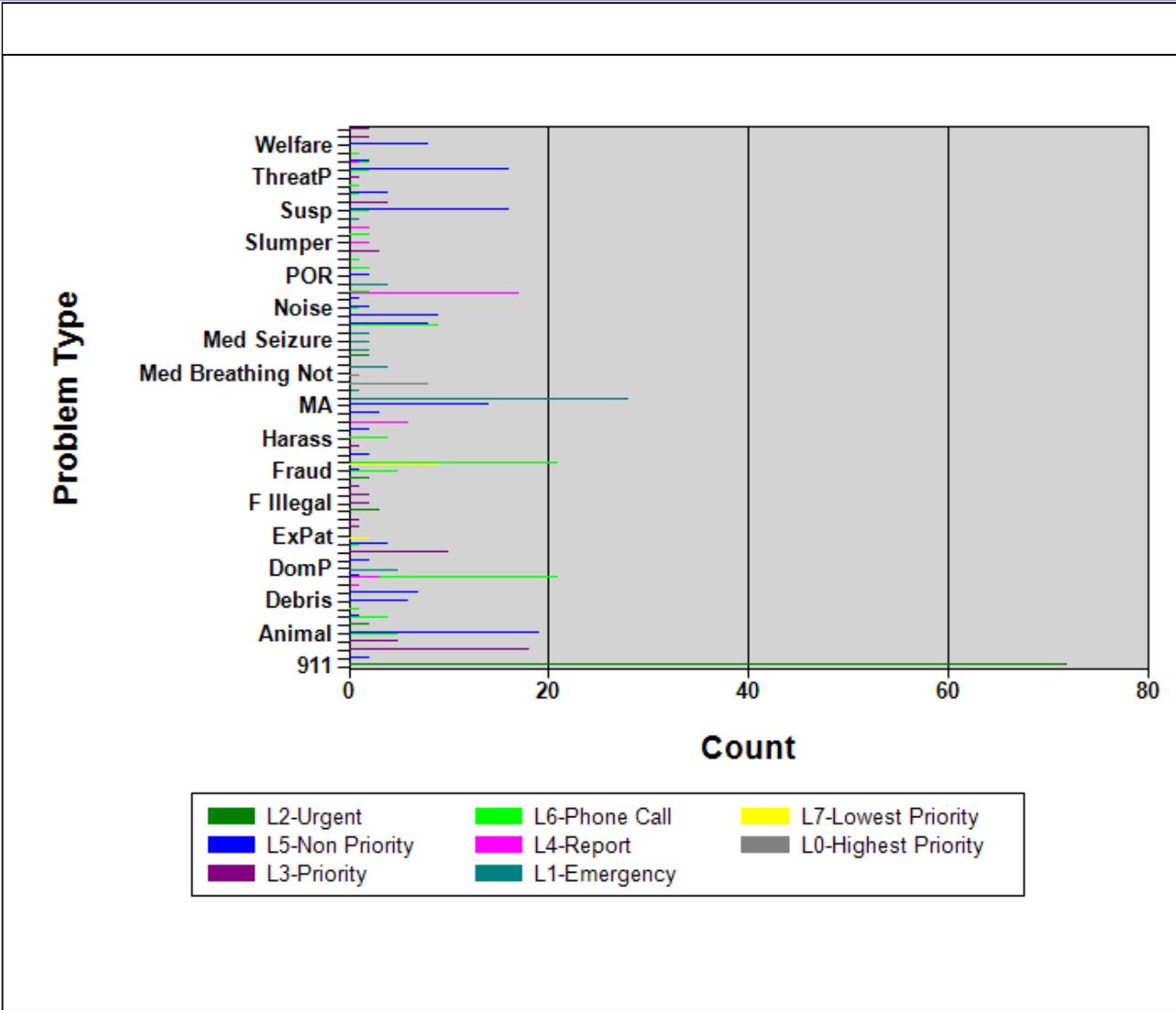


# Problem Type Summary

1:13 PM 07/10/2023

Data Source: Data Warehouse

<b>Agency:</b>	<b>LAW ENFORCEMENT</b>
<b>Division:</b>	<b>East Bethel Law</b>
<b>Day Range:</b>	<b>Date From 6/1/2023 To 6/30/2023</b>
<b>Exclusion:</b>	• <b>Calls canceled before first unit assigned</b>



Priority	Description
0	L0-Highest Priority
1	L1-Emergency
2	L2-Urgent
3	L3-Priority
4	L4-Report
5	L5-Non Priority
6	L6-Phone Call
7	L7-Lowest Priority

Problem Type	Priority								Total
	0	1	2	3	4	5	6	7	
911	0	0	72	0	0	0	0	0	72
Abandon	0	0	0	0	0	2	0	0	2
Abuse	0	0	0	0	0	0	0	0	0
AbuseP	0	0	0	0	0	0	0	0	0
AlarmB	0	0	0	18	0	0	0	0	18

AlarmCO	0	0	0	0	0	0	0	0	0
AlarmCOill	0	0	0	0	0	0	0	0	0
AlarmF	0	0	0	5	0	0	0	0	5
AlarmFsmoke	0	0	0	0	0	0	0	0	0
AlarmHoldup	0	0	0	0	0	0	0	0	0
AlarmV	0	0	0	0	0	0	0	0	0
AlarmWF	0	0	0	0	0	0	0	0	0
Animal	0	0	0	0	0	19	5	0	24
AnimalResc	0	0	0	0	0	0	0	0	0
Arson	0	0	0	0	0	0	0	0	0
Assault	0	0	0	0	0	0	0	0	0
AssaultP	0	0	0	0	0	0	0	0	0
Boat Assist	0	0	0	0	0	0	0	0	0
Bomb	0	0	0	0	0	0	0	0	0
BombP	0	0	0	0	0	0	0	0	0
Broadcast	0	0	0	0	0	0	0	0	0
Burg	0	0	0	0	0	0	0	0	0
BurgP	0	0	2	0	0	0	0	0	2
Civil	0	0	0	0	0	1	4	0	5
CivilP	0	0	0	0	0	0	0	0	0
CSC	0	0	0	0	0	0	1	0	1
Debris	0	0	0	0	0	6	0	0	6
Deer	0	0	0	0	0	7	0	0	7
Disorderly	0	0	0	0	1	0	0	0	1
Dom	0	0	0	19	3	1	21	0	44
DomP	0	5	0	0	0	0	0	0	5
Drugs	0	0	0	0	0	2	0	0	2
DUI	0	0	0	10	0	0	0	0	10
Dumping	0	0	0	0	0	0	0	0	0
Escort	0	0	0	0	0	4	1	0	5
ExPat	0	0	0	0	0	0	0	2	2
F Aircraft	0	0	0	0	0	0	0	0	0
F Assist	0	0	0	0	0	0	0	0	0
F CleanUp	0	0	0	0	0	0	0	0	0
F Collapse	0	0	0	0	0	0	0	0	0
F Dump	0	0	0	0	0	0	0	0	0
F Elec Smell	0	0	0	0	0	0	0	0	0
F Expl	0	0	0	1	0	0	0	0	1
F Gas Odor In	0	0	0	1	0	0	0	0	1
F Gas Odor Out	0	0	0	0	0	0	0	0	0
F Grass fire	0	0	3	0	0	0	0	0	3
F Illegal	0	0	0	2	0	0	0	0	2
F Misc	0	0	0	2	0	0	0	0	2
F Mutual Aid	0	0	0	0	0	0	0	0	0
F Oven	0	0	0	0	0	0	0	0	0
F Powerlines	0	0	0	0	0	0	0	0	0
F SmokeIn	0	0	0	1	0	0	0	0	1
F SmokeOut	0	0	0	0	0	0	0	0	0
F Structure	0	0	2	0	0	0	0	0	2
F Train	0	0	0	0	0	0	0	0	0
F Veh	0	0	0	0	0	0	0	0	0
F Water Rescue	0	0	0	0	0	0	0	0	0
Fight	0	0	0	0	0	0	0	0	0
Flood in	0	0	0	0	0	0	0	0	0
Flood out	0	0	0	0	0	0	0	0	0
Fraud	0	0	0	0	0	1	5	0	6
FraudP	0	0	0	0	0	0	0	0	0
FU	0	0	0	0	0	0	21	9	30
FW	0	0	0	0	0	2	0	0	2
Gun	0	0	0	1	0	0	0	0	1
Harass	0	0	0	0	0	1	4	0	5
Info	0	0	0	0	0	2	0	0	2
Lift Assist	0	0	0	0	6	0	0	0	6
Liq	0	0	0	0	0	0	0	0	0
Lockout	0	0	0	0	0	3	0	0	3
LockoutP	0	0	0	0	0	0	0	0	0

Item 4.0 C, Attachment 3

MA	0	0	0	0	0	14	Item 4.0 C, Attachment 3	0	14
MASS	0	0	0	0	0	0	0	0	0
Med -	0	28	0	0	0	0	0	0	28
Med Alarm	0	1	0	0	0	0	0	0	1
Med Allergic	0	0	0	0	0	0	0	0	0
Med Assault	0	0	0	0	0	0	0	0	0
Med Bleed	0	0	0	0	0	0	0	0	0
Med Breathing Diff	8	0	0	0	0	0	0	0	8
Med Breathing Not	1	0	0	0	0	0	0	0	1
Med Choking	0	0	0	0	0	0	0	0	0
Med Drown	0	0	0	0	0	0	0	0	0
Med Electro	0	0	0	0	0	0	0	0	0
Med Fall	0	0	0	0	0	0	0	0	0
Med Heart	0	4	0	0	0	0	0	0	4
Med Hold	0	0	2	0	0	0	0	0	2
Med ILL	0	2	0	0	0	0	0	0	2
Med Info	0	0	0	0	0	0	0	0	0
Med OB	0	0	0	0	0	0	0	0	0
Med Priority	0	0	0	0	0	0	0	0	0
Med Seizure	0	2	0	0	0	0	0	0	2
Med Stab-Gunshot	0	0	0	0	0	0	0	0	0
Med Stroke	0	0	0	0	0	0	0	0	0
Med Uncon	0	2	0	0	0	0	0	0	2
Medex	0	0	0	0	0	0	0	0	0
Misc	0	0	0	0	0	8	9	0	17
MiscO	0	0	0	0	0	9	0	0	9
Mutual Aid Law	0	0	0	0	0	0	0	0	0
Noise	0	0	0	0	0	2	1	0	3
NoTag	0	0	0	0	0	0	0	0	0
Ord	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0
Park	0	0	0	0	0	1	0	0	1
PD	0	0	0	0	17	0	2	0	19
Person	0	0	0	0	0	0	0	0	0
PI	0	4	0	0	0	0	0	0	4
POR	0	0	0	0	0	2	0	0	2
Property	0	0	0	0	0	0	2	0	2
PW	0	0	0	0	0	0	0	0	0
REPO-TOW	0	0	0	0	0	0	0	0	0
RJ	0	0	0	0	0	0	1	0	1
RoadClosure	0	0	0	0	0	0	0	0	0
Robbery	0	0	0	0	0	0	0	0	0
RobberyP	0	0	0	0	0	0	0	0	0
Shots	0	0	0	3	0	0	0	0	3
Slumper	0	0	0	0	2	0	0	0	2
StolenProp	0	0	0	0	0	0	2	0	2
Suicide	0	0	0	0	2	0	0	0	2
SuicideP	0	1	0	0	0	0	0	0	1
Susp	0	0	0	0	0	16	2	0	18
SuspP	0	0	0	4	0	0	0	0	4
Theft	0	0	0	0	0	4	1	0	5
TheftP	0	0	0	0	0	0	0	0	0
Threat	0	0	0	0	0	1	1	0	2
ThreatP	0	0	0	1	0	0	0	0	1
Traf	0	0	0	0	0	16	2	0	18
Tres	0	0	0	0	1	2	2	0	5
UNK	0	0	0	0	0	0	0	0	0
Unsecure	0	0	0	0	0	0	0	0	0
Vand	0	0	0	0	0	0	1	0	1
VandP	0	0	0	0	0	0	0	0	0
VehTheft	0	0	0	0	0	0	0	0	0
VehTheftP	0	0	0	0	0	0	0	0	0
Weapon	0	0	0	0	0	0	0	0	0
Weather	0	0	0	0	0	0	0	0	0
Welfare	0	0	0	0	0	8	0	0	8
WelfareP	0	0	0	2	0	0	0	0	2

WT

Total

0	0	0	2	0	0	Item 4.0 C, Attachment 3	0	2
<b>9</b>	<b>49</b>	<b>81</b>	<b>72</b>	<b>32</b>	<b>134</b>	<b>88</b>	<b>11</b>	<b>476</b>

**City of East Bethel  
City Council Meeting  
Agenda Item Information**



**Date:** July 24, 2023

**Agenda Item Number:** Item 4.0 D

**Agenda Item:** Fire Department Report

**Background Information:**

Fire Chief Rodney Sanow will present the Fire Department's monthly report.

**Attachment(s):**

Attachment 1 – June 2023 calls and call graph

**Fiscal Impact:**

**Recommendation(s):** No Action Required



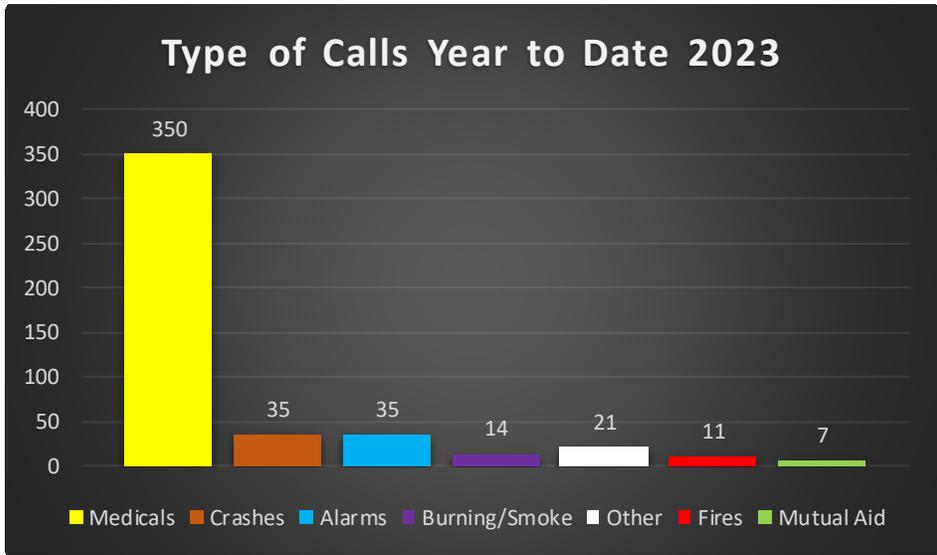
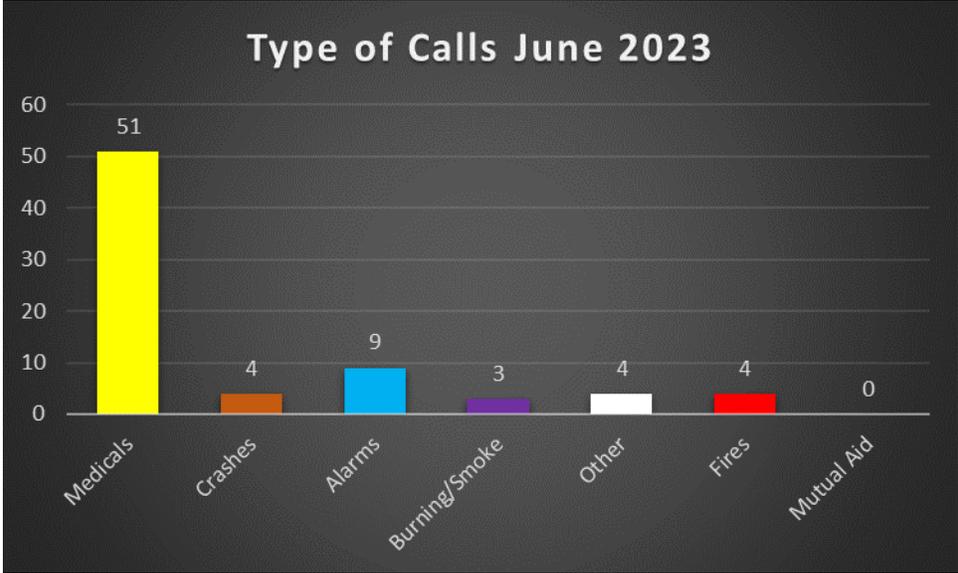
**East Bethel Fire Department  
June, 2023  
Response Calls**

Incident Number	Incident Date	Street Address	Incident Type
399	6/1/2023	20633 Monroe Street Northeast	EMS call
400	6/1/2023	2751 Viking Boulevard Northeast	Crash
401	6/1/2023	19484 Jamestown Street Northeast	EMS call
402	6/1/2023	22960 Sunset Road Northeast	Burning/Smoke
403	6/1/2023	21641 Luan Drive Northeast	EMS call
404	6/1/2023	1664 209th Avenue Northeast	Alarms
405	6/3/2023	1664 209th Avenue Northeast	Alarms
406	6/3/2023	1664 209th Avenue Northeast	EMS call
407	6/3/2023	24186 Pierce Street Northeast	EMS call
408	6/3/2023	22837 Erskine Street Northeast	EMS call
409	6/3/2023	4036 Viking Boulevard Northeast	EMS call
410	6/3/2023	20654 Austin Street Northeast	Burning/Smoke
411	6/5/2023	1028 241st Avenue Northeast	Other
412	6/6/2023	2401 221st Lane Northeast	EMS call
413	6/6/2023	24186 Pierce Street Northeast	EMS call
414	6/6/2023	18164 Hwy 65 Northeast Apt #9	EMS call
415	6/6/2023	18943 Filmore Street Northeast	Other
416	6/7/2023	20332 Austin Street Northeast	EMS call
417	6/7/2023	4887 201st Avenue Northeast	Alarms
418	6/7/2023	18635 Ulysses Street Northeast	Crash
419	6/7/2023	3645 223rd Avenue Northeast	EMS call
420	6/8/2023	18459 Vermillion Street Northeast	Alarms
421	6/8/2023	24350 Polk Street Northeast	EMS call
422	6/8/2023	Hwy 65 Northeast and 221st Ave NE	Crash
423	6/9/2023	22838 Palisade Street Northeast	EMS call
424	6/9/2023	2748 222nd Lane Northeast	EMS call
425	6/9/2023	20000 Hwy 65 Northeast	Other
426	6/9/2023	4458 209th Avenue Northeast	EMS call
427	6/9/2023	18164 Hwy 65 Northeast Apt 103	EMS call
428	6/10/2023	213 Hawthorne Road Northeast	EMS call
429	6/10/2023	1310 233rd Avenue Northwest	Grass fire
430	6/11/2023	745 237th Avenue Northeast	Grass fire
431	6/11/2023	1545 209th Avenue Northeast	Fire
432	6/11/2023	21641 Luan Drive Northeast	EMS call
433	6/11/2023	Hwy 65 Northeast and 237th Ave NE	Crash
434	6/11/2023	18164 Hwy 65 Northeast Apt 33	EMS call
435	6/12/2023	1075 243rd Avenue Northeast	EMS call

Incident Number	Incident Date	Street Address	Incident Type
436	6/12/2023	19027 Channel Lane Northeast	EMS call
437	6/13/2023	21108 Polk Street Northeast	Alarms
438	6/13/2023	24355 Hwy 65 Northeast Apt 42	EMS call
439	6/13/2023	2208 224th Avenue Northeast	EMS call
440	6/15/2023	18152 Yancy Street Northeast	EMS call
441	6/17/2023	21073 Rendova Street Northeast	Alarms
442	6/17/2023	24323 Fillmore Circle Northeast	Burning/Smoke
443	6/18/2023	20176 Erskine Street Northeast	EMS call
444	6/19/2023	4820 South Tri Oak Circle Northeast	EMS call
445	6/19/2023	20918 Ghia Street Northeast	EMS call
446	6/19/2023	21340 Aberdeen Street Northeast	EMS call
447	6/20/2023	20002 Edison Street Northeast	EMS call
448	6/20/2023	23315 7th Street Northeast	EMS call
449	6/20/2023	324 Dogwood Road Northeast	Building fire
450	6/21/2023	18540 Everglade Drive Northeast	EMS call
451	6/21/2023	3700 233rd Avenue Northeast	EMS call
452	6/21/2023	23918 Johnson Street Northeast	EMS call
453	6/22/2023	8340 Ryan lake Drive Northeast	EMS call
454	6/22/2023	21445 University Avenue Northeast	EMS call
455	6/22/2023	19502 East Bethel Boulevard Northeast	Other
456	6/22/2023	2231 226th Lane Northeast	EMS call
457	6/23/2023	24299 Filmore Circle Northeast	EMS Call
458	6/23/2023	213 Hawthorne Road Northeast	EMS call
459	6/23/2023	18164 Hwy 65 Northeast Apt 31	EMS call
460	6/23/2023	213 Hawthorne Road Northeast	EMS call
461	6/24/2023	19131 Taylor Street Northeast Apt 202	EMS call
462	6/24/2023	2748 222nd Lane Northeast	EMS call
463	6/24/2023	20935 Buchanan Court Northeast	EMS call
464	6/24/2023	24116 Skylark Drive Northeast	Alarms
465	6/25/2023	4366 209th Avenue Northeast	EMS call
466	6/25/2023	22549 Bataan Street Northeast	EMS call
467	6/26/2023	23471 London Street Northeast	Alarms
468	6/27/2023	691 Valhalla Drive Northeast	EMS call
469	6/27/2023	19131 Taylor Street Northeast Apt 223	EMS call
470	6/29/2023	19474 5th Street Northeast	EMS call
471	6/29/2023	24355 Hwy 65 Northeast Apt 134	EMS call
472	6/29/2023	24355 Hwy 65 Northeast Apt 134	EMS call
473	6/29/2023	1280 185th Avenue Northeast Apt Office	Alarms

### 75 Total calls

- 51 Medicals
- 4 Crashes
- 9 Alarms
- 3 Burning/Smoke
- 4 Other
- 4 Fires
- 0 Mutual Aid



**City of East Bethel  
City Council Meeting  
Agenda Item Information**



**Date:** July 24, 2023

**Agenda Item Number:** Item 6.0 A - D

**Requested Action:** Consider approving the Consent Agenda as presented

**Background Information:**

Item A – Approval of Bills

Item B – Minutes: July 5, 2023 City Council Work Meeting

The July 5, 2023, City Council Work Meeting Minutes are attached for review, edits and approval

Item C - Minutes: July 10, 2023 City Council/Planning Commission Joint Work Meeting

The July 10, 2023 City Council Work Meeting Minutes are attached for review, edits and approval

Item D – MNPEA Labor Agreement Amendment – Specialty Pay

With the exception of two Public Works employees who are designated as Lead Workers with Maintenance Technician duties, the remaining 6 union public works positions are classified as Maintenance Technicians. Those employees can qualify for specialty pay if they obtain approved certifications or designations as specified in the current labor agreement between the City and the Minnesota Public Employees Association (MNPEA), the bargaining unit for city union employees. We have two employees that receive specialty pay of \$0.50/hour for their Class D water treatment license certification. Tim Meyenberg receives specialty pay of \$1.00 per hour as he has demonstrated the aptitude and ability in maintaining the City's fleet of vehicles along with other duties as assigned. This designation is provided in Section 9.8 of the 2023 -2025 Labor Agreement (See 6.0 D, Attachment 1 – Specialty Pay).

Mr. Meyenberg has been with the City since March 17, 2017 and his current pay is \$31.01 (including specialty pay). Mr. Meyenberg's prior experience was with the City of Woodbury, City of Coon Rapids and VikingLand Harley Davidson. Mr. Meyenberg has been doing the majority of our in-house mechanic and vehicle maintenance work since August 2020. During that time he has been able to perform additional jobs that were previously outsourced. These efforts have saved the City the cost of higher priced shop rates charged for commercial repairs.

The City would like to ensure Mr. Meyenberg’s continued employment with the City and recommend that another \$1.00 per hour increase in specialty pay be added to his compensation beginning January 1, 2024 and that an additional \$1.00 per hour be added as specialty pay effective January 1, 2025 contingent upon his completion of his ASE certification.

This matter has been discussed with the MNPEA business agent and the local union stewards and they are in agreement with the proposed offer.

This proposal was presented to the City Personnel Committee on July 10, 2023 and the Committee concurred that this consideration be presented to City Council at their July 24, 2023 Meeting.

As Mr. Meyenberg has assumed further responsibilities as a light duty mechanic with record keeping tasks for the Public Works Department and to compensate for these additional duties, it is recommended that Mr. Meyenberg receive an additional \$1.00 per hour specialty pay beginning on January 1, 2024. Furthermore, Mr. Meyenberg, would be eligible for a \$1.00 per hour specialty pay increase upon completion of an ASE certification beginning January 1, 2025. The City Administrator and Public Works Manager are requesting approval of this recommendation and amendment of the 2023-2025 Labor Agreement Section 9.8, Memorandum of Understanding, to reflect to this change (see 6.0 D, Attachment 2)

**Fiscal Impact:** All items listed above requiring expenditures have approved 2023 Budget funds to cover the expenses.

**Recommendation(s):** Staff recommends approval of the Consent Agenda as presented.

**City Council Action:**

Motion by: \_\_\_\_\_

Second by: \_\_\_\_\_

Vote Yes: \_\_\_\_\_

Vote No: \_\_\_\_\_



**City of East Bethel**  
**July 24, 2023**  
**Payment Summary**

<b>Payments for Council Approval</b>	
Bills to be approved for payment	\$451,080.16
Electronic Payroll Payments	\$40,850.69
Payroll City Council - July 14, 2023	\$2,232.90
Payroll Fire Department - July 14, 2023	\$12,318.48
Payroll City Staff - July 20, 2023	\$49,405.06
<b>Total to be Approved for Payment</b>	<b>\$555,887.29</b>

Dept Descr	Object Descr	Invoice	Check Name	Fund	Dept	Amount
2014A	Fiscal Agent s Fees	81390	Bond Trust Services Corp.	311	31100	\$475.00
2015A	Fiscal Agent s Fees	81391	Bond Trust Services Corp.	310	31000	\$475.00
Arena Operations	Bldgs/Facilities Repair/Maint	313735335	Trane U.S. Inc.	615	49851	\$1,399.50
Arena Operations	Gas Utilities	836873621	Xcel Energy	615	49851	\$78.76
Building Inspection	Electrical Inspections	06 2023	Sloth Inspections, Inc.	101		\$1,858.00
Building Inspection	Landscape Escrow	2022-00671	Boulder Contracting	101		\$6,600.00
Building Inspection	Motor Vehicles Parts	109236362	Fleet Pride	101	42410	\$9.52
Building Inspection	Motor Vehicles Parts	1-132236	Steve's Tire Inc.	101	42410	\$49.00
City Administration	Office Supplies	IN4259739	Innovative Office Solutions	101	41320	\$3.56
City Administration	Professional Services Fees	M28383	TimeSaver Off Site Secretarial	101	41320	\$739.50
City Administration	Telephone	071023	CenturyLink	101	41320	\$144.45
City Administration	Travel Expenses	070123	Jack Davis	101	41320	\$250.90
Elevage Project	Architect/Engineering Fees	50970	Hakanson Anderson Assoc. Inc.	405	40500	\$60.55
Elevage Project	Architect/Engineering Fees	50971	Hakanson Anderson Assoc. Inc.	405	40500	\$854.25
Engineering	Architect/Engineering Fees	50967	Hakanson Anderson Assoc. Inc.	101		\$1,840.00
Engineering	Architect/Engineering Fees	50967	Hakanson Anderson Assoc. Inc.	101		\$140.00
Engineering	Architect/Engineering Fees	50967	Hakanson Anderson Assoc. Inc.	101		\$420.00
Engineering	Architect/Engineering Fees	50968	Hakanson Anderson Assoc. Inc.	101		\$3,179.60
Engineering	Architect/Engineering Fees	50969	Hakanson Anderson Assoc. Inc.	101		\$2,060.00
Engineering	Architect/Engineering Fees	50975	Hakanson Anderson Assoc. Inc.	101	43110	\$465.55
Engineering	Architect/Engineering Fees	50976	Hakanson Anderson Assoc. Inc.	101	43110	\$201.98
Fire Department	Conferences/Meetings	6347	F.I.R.E.	101	42210	\$1,200.00
Fire Department	Gas Utilities	836873621	Xcel Energy	101	42210	\$84.47
Fire Department	Motor Vehicles Parts	1539-201845	O'Reilly Auto Stores Inc.	101	42210	\$312.04
Fire Department	Office Equipment Rental	34445279	GreatAmerica Financial Svcs	101	42210	\$125.78
Fire Department	Office Supplies	165824088	Uline	101	42210	\$233.74
Fire Department	Safety Supplies	316220	Aspen Mills, Inc.	101	42210	\$269.50
Fire Department	Small Tools and Minor Equip	0723-442	Advanced First Aid	101	42210	\$1,462.00
Fire Department	Small Tools and Minor Equip	973413	Ham Lake Hardware	101	42210	\$6.98
Fire Department	Telephone	071023	CenturyLink	101	42210	\$110.56
Fire Department	Telephone	071023	CenturyLink	101	42210	\$85.14
Fire Department	Telephone	13299700113443	Midcontinent Communications	101	42210	\$20.25
Fire Department	Unemploy Benefit Payments	2nd Qtr 23	MN Dept of Employment and	101	42210	\$4.78
General Govt Buildings/Plant	Bldg/Facility Repair Supplies	52484	Aker Doors, Inc.	101	41940	\$34.76
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	455408-06-23	Premium Waters, Inc.	101	41940	\$54.78
General Govt Buildings/Plant	Bldgs/Facilities Repair/Maint	46084	Robert B. Hill Company	101	41940	\$18.00
General Govt Buildings/Plant	Cleaning Supplies	IN4259739	Innovative Office Solutions	101	41940	\$90.46
General Govt Buildings/Plant	Gas Utilities	836873621	Xcel Energy	101	41940	\$43.17



**City of East Bethel**  
**July 24, 2023**  
**Payment Summary**

Dept Descr	Object Descr	Invoice	Check Name	Fund	Dept	Amount
General Govt Buildings/Plant	General Operating Supplies	5165044146	CINTAS	101	41940	\$17.53
Legal	Legal Fees	35439	Eckberg, Lammers, P.C.	101		\$120.00
Legal	Legal Fees	06 2023	Eckberg, Lammers, P.C.	101	41610	\$10,203.78
Legal	Legal Fees	35439	Eckberg, Lammers, P.C.	101	41610	\$120.00
Legal	Legal Fees	35439	Eckberg, Lammers, P.C.	101	41610	\$3,144.00
Legal	Legal Fees	35439	Eckberg, Lammers, P.C.	101	41610	\$744.00
Legal	Legal Fees	35439	Eckberg, Lammers, P.C.	101	41610	\$800.00
Mayor/City Council	Commissions and Boards	072023	Sunrise River WMO	101	41110	\$1,000.00
MSA Street Construction	Architect/Engineering Fees	50972	Hakanson Anderson Assoc. Inc.	402	40200	\$1,272.50
MSA Street Construction	Legal Notices	#23-23521	Anoka Co Court Administrator	402	40200	\$46.00
Park Maintenance	Bldg/Facility Repair Supplies	12905	Menards - Forest Lake	101	43201	\$71.65
Park Maintenance	Bldg/Facility Repair Supplies	29433	Ultra Acrylics, Inc.	101	43201	\$75.00
Park Maintenance	Cleaning Supplies	9770424324	Grainger	101	43201	\$387.00
Park Maintenance	Clothing & Personal Equipment		Cintas Corporation	101	43201	\$34.11
Park Maintenance	Clothing & Personal Equipment	4161892401	Cintas Corporation	101	43201	\$32.41
Park Maintenance	Equipment Parts	108955991	Fleet Pride	101	43201	\$47.73
Park Maintenance	General Operating Supplies	IN4259739	Innovative Office Solutions	101	43201	\$35.00
Park Maintenance	General Operating Supplies	97608	Menards Cambridge	101	43201	\$67.43
Park Maintenance	General Operating Supplies	97629	Menards Cambridge	101	43201	\$103.39
Park Maintenance	Motor Fuels	CEB063023	Linwood Country Store	101	43201	\$20.52
Park Maintenance	Park/Landscaping Materials	071323	Nate Ayshford	101	43201	\$48.00
Park Maintenance	Repairs/Maint Machinery/Equip	V03211	Tri State Bobcat	101	43201	\$2,128.58
Payroll	Insurance Premiums	CNS0001299732	Delta Dental	101		\$684.47
Payroll	Insurance Premiums	CNS0001299732	Delta Dental	101		\$51.04
Payroll	Insurance Premiums	265862373784	Medica	101		\$8,934.68
Payroll	Insurance Premiums	436200082023	NCPERS Group Life Ins	101		\$80.00
Payroll	Union Dues	07 2023	MN Public Employees Assn	101		\$351.00
Planning and Zoning	Legal Notices	956413	ECM Publishers, Inc.	101	41910	\$59.12
Planning and Zoning	Legal Notices	956414	ECM Publishers, Inc.	101	41910	\$59.12
Planning and Zoning	Legal Notices	956415	ECM Publishers, Inc.	101	41910	\$53.75
Police	Professional Services Fees	34742	Animal Humane Society	101	42110	\$488.00
Police	Professional Services Fees	35628	Animal Humane Society	101	42110	\$1,170.00
Police	Professional Services Fees	36640	Animal Humane Society	101	42110	\$1,170.00
Police	Professional Services Fees	S230707D	Anoka County Treasury Dept	101	42110	\$317,009.50
Recycling Operations	Gas Utilities	836873621	Xcel Energy	226	43235	\$28.49
Recycling Operations	Professional Services Fees	07 2023	Freimuth Enterprises LLC	226	43235	\$50.00
Recycling Operations	Professional Services Fees	479041	Gregory Cardey	226	43235	\$350.00
Street Capital Projects	Architect/Engineering Fees	50973	Hakanson Anderson Assoc. Inc.	406	40600	\$287.50
Street Capital Projects	Architect/Engineering Fees	50974	Hakanson Anderson Assoc. Inc.	406	40600	\$623.50
Street Maintenance	Bldgs/Facilities Repair/Maint		Cintas Corporation	101	43220	\$9.30
Street Maintenance	Bldgs/Facilities Repair/Maint	4161892401	Cintas Corporation	101	43220	\$8.84
Street Maintenance	Bldgs/Facilities Repair/Maint	455408-06-23	Premium Waters, Inc.	101	43220	\$54.78
Street Maintenance	Clothing & Personal Equipment		Cintas Corporation	101	43220	\$34.11
Street Maintenance	Clothing & Personal Equipment	4161892401	Cintas Corporation	101	43220	\$32.42
Street Maintenance	Equipment Parts	P51010	MacQueen Emergency, Inc.	101	43220	\$408.25
Street Maintenance	Equipment Parts	P51114	MacQueen Emergency, Inc.	101	43220	\$633.34
Street Maintenance	Equipment Parts	P51138	MacQueen Emergency, Inc.	101	43220	\$581.83
Street Maintenance	Equipment Parts	54016	Menards Blaine	101	43220	\$19.93
Street Maintenance	Equipment Parts	330759	S & S Industrial Supply	101	43220	\$7.46



**City of East Bethel**  
**July 24, 2023**  
**Payment Summary**

Dept Descr	Object Descr	Invoice	Check Name	Fund	Dept	Amount
Street Maintenance	Gas Utilities	836873621	Xcel Energy	101	43220	\$22.79
Street Maintenance	Motor Vehicle Services (Lic d)	614172	Auto Nation Inc.	101	43220	\$5,218.40
Street Maintenance	Motor Vehicles Parts	1539-201122	O'Reilly Auto Stores Inc.	101	43220	\$152.91
Street Maintenance	Personnel/Labor Relations	98423	Trust in Us, LLC	101	43220	\$57.00
Street Maintenance	Professional Services Fees	3060356	Gopher State One-Call	101	43220	\$45.90
Street Maintenance	Refuse Removal	1435	A Family Tree & Brush Service	101	43220	\$2,500.00
Street Maintenance	Refuse Removal	1447	A Family Tree & Brush Service	101	43220	\$2,500.00
Street Maintenance	Street Maint Materials	89755	Bjorklund Companies, LLC	101	43220	\$480.41
Street Maintenance	Street Maint Materials	IN54445	City of St. Paul	101	43220	\$13,721.70
TIF 1-2	Professional Services Fees	94538	Ehlers	436	43600	\$675.00
TIF 1-2	Professional Services Fees	94539	Ehlers	436	43600	\$463.75
TIF 1-3	Professional Services Fees	94539	Ehlers	437	43700	\$463.75
TIF 1-3	Professional Services Fees	94540	Ehlers	437	43700	\$2,450.00
TIF 1-4	Professional Services Fees	080123	BankVista	438	43800	\$40,349.83
TIF 1-4	Professional Services Fees	94539	Ehlers	438	43800	\$463.75
TIF 1-5	Professional Services Fees	94539	Ehlers	439	43900	\$463.75
Water Utility Operations	Bldg/Facility Repair Supplies	INV404982	Indelco Plastics Corporation	601	49401	\$1,211.65
Water Utility Operations	Chemicals and Chem Products	6525555	Hawkins, Inc	601	49401	\$90.00
Water Utility Operations	Gas Utilities	5937869-5 7	CenterPoint Energy	601	49401	\$15.90
Water Utility Operations	Gas Utilities	9541753-1 7	CenterPoint Energy	601	49401	\$100.86
Water Utility Operations	Telephone	071023	CenturyLink	601	49401	\$147.67
Water Utility Operations	Telephone	071023	CenturyLink	601	49401	\$70.95
Water Utility Operations	Telephone	071023	CenturyLink	601	49401	\$193.60
						<b>\$451,080.16</b>



**City of East Bethel**  
**July 24, 2023**  
**Payment Summary**

Dept Descr	Object Descr	Invoice	Check Name	Fund	Dept	Amount
<b>Electronic Payroll Payments</b>						
Payroll	PERA					\$9,914.71
Payroll	Federal Withholding					\$6,095.61
Payroll	Medicare Withholding					\$2,712.48
Payroll	FICA Tax Withholding					\$10,681.70
Payroll	State Withholding					\$3,765.35
Payroll	MSRS/H.S.A./HCSP					\$7,680.84
						<b>\$40,850.69</b>

# DRAFT MINUTES: NOT YET APPROVED

## EAST BETHEL CITY COUNCIL WORK MEETING

July 5, 2023

The East Bethel City Council met on July 5, 2023, at 7:00 p.m. for the regular City Council Work meeting at City Hall.

MEMBERS PRESENT: Kevin Lewis Brian Mundle Bob DeRoche  
Tim Miller Jim Smith

ALSO PRESENT: Jack Davis, City Administrator  
Mike Jeziorski, Deputy City Administrator/Finance Director  
Rodney Sanow, Fire Chief  
Aaron Berg, Interim Community Development Director  
Nate Ayshford, Public Work Director

### 1.0 – Call to Order

The July 5, 2023, City Council meeting was called to order by Mayor Lewis at 7:00 p.m.

### 2.0 – Adopt Agenda

**DeRoche stated I'll make a motion to adopt tonight's agenda. Miller stated I'll second.** Lewis asked any discussion? Lewis added Item 6, Capstone Discussion. To the motion, all in favor say aye. **All in favor.** Lewis asked any opposed? That motion passes. **Motion passes unanimously.**

Lewis stated to keep things interesting, he was going to do the agenda in reverse order starting with Item 6.

### 6.0 – Capstone Discussion

Lewis noted he saw Capstone on the Council meeting agenda for next Monday. He asked if that was going to be the same presentation as they had at the Special Meeting on June 21. Davis responded it was essentially the same presentation. He indicated it had to be held before the Council as a public hearing on the concept plan.

Lewis asked if was scheduled as a public hearing on Monday. Davis responded it was not.

Lewis asked if they could hold the public hearing on the 24<sup>th</sup>. DeRoche and Smith thought that was a good idea. Davis responded it was hard to tell how long the next thing would take. He asked how critical was it to be on that schedule.

Lewis asked why the special meeting was necessary. Davis responded that the special meeting was to get everyone briefed on the background of it, so when they had a concept plan, it would cut down on the time required to give the basic information to Council and the Planning Commission. Or, if the Council had any questions, they could develop those and present those when the actual concept plan was presented.

Lewis stated he had checked the Ordinances and it is called a special meeting, not an emergency meeting. However, a special meeting required the Mayor and one Councilmember. He understood Mundle called the meeting, but asked who was the Councilmember. Davis responded the Mayor themselves could call the meeting, or two Councilmembers could call a special meeting.

1 Lewis stated he read it in the Ordinance that it was the Mayor and one Councilmember or two  
2 Councilmembers that could call a special meeting and he thought that was an odd thing. Mundle  
3 stated he had always known it as the Mayor could call a special meeting, but he could be wrong.

4 Lewis stated he did not claim to be perfect, but he read that not that long ago. He indicated the  
5 special meeting to him seemed unnecessary. Davis recommended keeping this on the 10<sup>th</sup> as there  
6 were a lot of things to do and the EAW process took 90 days, so after the 10<sup>th</sup>, the City would not be  
7 hearing anything back from them for a while.

8 Lewis stated he was glad to see a lot of people show up at the Planning Commission public hearing  
9 and asked if they had done anything. Davis responded staff was going to meet with them tomorrow  
10 and go over those things as well as suggest a few other things.

11 Lewis requested Davis let the Council know what comes out of that meeting, otherwise they could  
12 put this on the 24<sup>th</sup> meeting and he believed it was fine to have the public hearing at the City Council  
13 level. Davis responded Council wait until he had the meeting and if staff felt it needed to be  
14 continued, then it could be pulled off the 10<sup>th</sup> agenda and rescheduled.

15 DeRoche stated he had heard they were trying to push some of these things through due to time  
16 constraints and the 60-day rule, but he believed they had 120 days and the City could get another 60  
17 days before the first 60-day expiration. He did not believe they needed to immediately be thinking  
18 this needed to be done within 60 days because they actually had 120 days. Davis responded they  
19 could extend it and staff was not trying to push it through. He noted the developer had schedules  
20 and if the City could help the developer keep to his schedule, it was fine, but if they couldn't then that  
21 was fine also.

22 DeRoche stated he wasn't talking about any particular one. He clarified he believed Mark Vierling  
23 cleared that up at one of the meetings in 2012. Davis responded this definitely fell outside of the 60-  
24 day rule limit.

## 25 **5.0 – Code Violation Complaint Form**

26 Davis presented the staff report indicating Councilmember Smith has requested that City staff  
27 develop a code enforcement complaint form. This form would be used to register and document  
28 complaints related to reporting code violations. Completed forms would be non-public data.

29 Davis stated City staff requested authorization to prepare a Code Violation Complaint form for City  
30 Attorney review and presentation to Council.

31 Smith stated the reason he mentioned this and wanted a change was because a lot of complaints  
32 they have been hearing were anonymous calls. He stated if they changed the form and someone had  
33 a complaint, he wanted to see them come in and fill out the complaint or fill it in online and bring it in  
34 where they should show an ID and sign it in front of staff. He noted if someone in the heat of the  
35 moment contacted the City and complained, but there were no consequences, then they would do it  
36 every time, but if they knew they had to come in, show proof of residency, they would probably think  
37 about it and might decide it was not that big of a deal and not make a complaint. He believed that  
38 would eliminate a lot of the anonymous calls and save staff time and work. He indicated that way  
39 they had a written complaint they could take action on.

40 Davis stated he had no problem with a written complaint, but when staff took an anonymous call,  
41 they did have to identify themselves with their name and address. He noted staff did not release that  
42 information though. Smith stated he understood that but there had been times when staff had said

1 there had been anonymous complaints made. Davis responded that was true and he did not have  
2 any issues with a written complaint being required.

3 Smith noted he had written out a few different things and had looked at Bethel's complaint forms.  
4 He also looked online at the City's website to see what was there and there was not much there. He  
5 believed the complaints forms they used in the past were much better. He presented what he had  
6 come up with. He asked if it could be given to the City Attorney at the next Council Meeting to  
7 inform them if it was okay and the City would not be violating anything. He noted they were paying  
8 the City Attorney \$400 just to sit there anyway. Davis responded that was possible.

9 DeRoche stated as long as they were not releasing the information, could they put the stuff in a file  
10 and then they would know if the same person was continually filing the same complaint. Smith  
11 stated that was what he was talking about and if people knew they had to come in and do this, they  
12 would think about it first – like a cooling off period. He believed that would get rid of a lot of  
13 complaints they didn't need.

14 Mundle asked if Davis could email the forms to the City Attorney for his review for the next Council  
15 meeting. Lewis agreed this would be a good idea.

16 Mundle asked if the tool Smith talked about that showed proof of residency, was that needed to  
17 make a complaint, or could anyone even a non-resident make a complaint to the City. Davis  
18 responded that would be a question the City Attorney would have to answer. He indicated he knew  
19 that they could not accept comments from non-residents in public forums, but he was not sure if that  
20 applied to complaints. He thought someone would need to be a resident, but that would be up to  
21 the City Attorney to give his opinion.

22 DeRoche stated he did not know why the City would not require it. He believed that would filter  
23 things out and it would be easier on staff.

24 Mundle stated one concern would be if it was a business member filing a complaint where they had  
25 their business in the City but lived elsewhere. Or if they were leasing a building in the City but lived  
26 elsewhere. He stated other than that he had no issues with the form. Lewis noted those were good  
27 points.

28 Lewis summarized that staff was to prepare a complaint form for the City Attorney to review and  
29 present to Council. He asked if anyone wanted to do a motion for this. Mundle noted the Council  
30 just gave direction at this meeting.

31 Lewis asked if anyone had any objection for this complaint form. There were no objections from  
32 Council.

33 Davis stated staff would send it to the City Attorney for his review tomorrow. Smith told Davis to tell  
34 the City Attorney they wanted a discount on that review.

#### 35 **4.0 – Cedarwood Expansion Proposal**

36 Davis presented the staff report indicating in February 2023 City staff received a request from  
37 Continental Communities, the owner of Cedarwood Estates (formally Village Green) Manufactured  
38 Home Park, to consider a proposed expansion of the development. The expansion would provide for  
39 43 new manufactured home spaces on property owned by and within the current 31.9 acres of the  
40 park.

41 Davis stated the City staff and the City Attorney have conducted research in regard to the proposal  
42 and offer the following information for consideration.

1 Davis noted a review of Chapter 38-1 MANUFACTURES HOMES AND MANUFACTURED HOME PARK,  
2 which was first adopted on March 4th, 1987, with some sections amended on December 7th, 2005, it  
3 was not clear that an expansion was allowable based on the current ordinance for a variety of  
4 reasons including:

5 Chapter 38-20 (d) states that no person shall construct, locate, operate, or maintain a manufactured  
6 home park within the city without first obtaining a Conditional Use Permit and all other permit and  
7 licenses as shall be required and described herein. (Ord. No. 142, § 2(subd. 2), 3-4-1987) (See  
8 Attachment 2 to Council's packet)

9 Davis stated City staff as well as Continental Communities Management have conducted research and  
10 cannot locate any documentation of an existing Conditional Use Permit.

11 Chapter 38-20 (e) states that no person shall construct, locate, operate, or maintain a manufactured  
12 home park in the city unless the proposed are zoned for B-1 business commercial district as stated in  
13 the city's zoning ordinance. (Ord. No. 142, § 2(subd. 2), 3-4-1987) (See Attachment 2 to Council's  
14 packet)

15 Davis stated the parcels in which Cedarwood Estates are located in a Zoned R-2 and the proposed  
16 expansion is also located in the R-2 Zone. The single-family and townhouse residential (R-2) district is  
17 intended to allow a mix of single-family and attached/detached townhomes at a more typical single-  
18 family density; to reflect the character of its transitional setting on the fringe of the urbanized area of  
19 the city served by public sewer and water; and to broaden the choice of residential living styles in the  
20 city. The mix of detached and attached housing units shall reflect a minimum 60 percent detached  
21 and a maximum 40 percent attached dwelling ratio in any given residential subdivision. (See  
22 Attachment 3 to Council's packet for Zoning Map)

23 Chapter 38-44. Existing manufactured home parks. Manufactured home parks in existence or for  
24 which Conditional Use Permits have been issued as of the effective date of the ordinance from which  
25 this article is derived may continue to operate for a period not to exceed two years from the effective  
26 date of the ordinance from which this article is derived, during which two-year period this article shall  
27 not apply to such parks; at the termination of said two-year period, however, all the provisions  
28 contained herein shall apply and must be met by such parks within the following exceptions: sections  
29 38-24(2) and (3), 38-25, 38-26(d) through (i), and 38-27(a) and (b); other variances may be approved  
30 by city council if strict compliance with said provisions of this article would be an undue hardship  
31 upon the owner of the park. (Ord. No. 142, § 11, 3-4-1987) (See Attachment 4 to Council's packet)

32 SECTION 05. – NONCONFORMITIES Within the zoning districts established by this chapter, or  
33 amendments that may later be adopted, situations may occur where, as a result of the requirements  
34 contained in this chapter, an existing lot, structure, site improvement, or use does not conform to  
35 one or more of the requirements of this chapter. (See Attachment 5 to Council's packet)

36 Minn. Stat. § 462.357(1e) supports the prohibition on expansion of a nonconformity however, Minn.  
37 Stat. § 462.357(1e) (b) does permit an expansion by ordinance, A municipality may, by ordinance,  
38 permit an expansion or impose upon nonconformities reasonable regulations to prevent and abate  
39 nuisances and to protect the public health, welfare, or safety.

40 Davis indicated complicating the proposal of expansion is that Cedarwood Estates is located in the  
41 Municipal Urban Service Area. Permitting an expansion of the park could necessitate the connection  
42 of the new units to the city sewer system if their private treatment facility lacks the capacity to  
43 handle the additional flow. While they have a private well that serves their current tenants and

1 appears capable of supplying water to a new addition, the city should require that any new sewered  
2 areas also be connected to the city water system.

3 Davis stated the new owners have indicated they would prefer to have the entire park serviced by  
4 city utilities but that would require an agreement with Met Council (MCES) to modify their policy as  
5 to SAC (Sewer Access Charges) unit designations. Currently, the MCES standards require that each lot  
6 in the park be counted as one SAC unit as opposed to assigning a lesser designation to the park as a  
7 whole. Unless there was an exception granted, these fees alone could exceed over a \$1 million.

8 Davis indicated from the City's perspective, the connection would be beneficial in that we would have  
9 a large water user as an end of the line connection that would generate user fees to add to the  
10 income for the operation of the system.

11 Davis stated should there be a case made to consider this expansion, other items that would have to  
12 be resolved include, but may not be limited to:

- 13 • Replacement of open space/playground facilities for the park;
- 14 • Designation or creation an additional access point that would provide, at a minimum, ingress and  
15 egress for emergency service vehicles.
- 16 • MPCA approval of additional connections to their privately owned treatment facilities or  
17 connection to the city system to serve the new units;
- 18 • Options for complete service as private system, split system, or dedication to the city;
- 19 • Options of city service extensions and responsibilities of costs should they be required;
- 20 • Acceptance of the condition their system with requirements for any upgrades to address the age  
21 of their infrastructure and correction of any inflow/infiltration problems;
- 22 • Decommissioning their existing sewage treatment plant should Cedarwood connect their entire  
23 system to the city utilities;
- 24 • The approval of a new CUP along with associated zoning and city code matters if required.

25  
26 Davis stated staff was requesting City Council review the proposal and provide direction to staff  
27 regarding the request for expansion of the Cedarwood Estates onto parcels contained within their  
28 existing contiguous properties.

29 Lewis stated he had reviewed the materials in Council's packet 2.5 times and he could not figure out  
30 what their proposal was. He believed the management had to sit down with the Met Council first.

31 Davis stated the question was if the Council even wanted to allow this, and if they did, what was the  
32 best legal approach to ensure they were in compliance with everything. He noted staff had talked to  
33 the City Attorney and he believed the City could do it because they were requesting an expansion  
34 within their own property.

35 Lewis asked how could they do this without a Conditional Use Permit (CUP). Davis responded that  
36 this was done in 1974 and he could not speak to what happened before 2006. He believed the major  
37 question was if this was something the Council wanted to discuss to allow this to happen (i.e. the  
38 expansion of the trailer court within their existing property) and the Met Council items. He indicated  
39 if they answered that question, then the other thing was if they were willing to comply with the Met  
40 Council directives as far as connection fees, if they cannot hook up and utilize their own system.

41 DeRoche stated if Davis recalled around 2011 when that came up and some information had come  
42 out that one of the old city administrators had made a deal with him about the connections and  
43 hooking them up to the system. He indicated they made some kind of a deal and the guy came in and  
44 pleaded his case at which time they had looked at the pond out there and the pond was not  
45 necessarily in the best shape. He stated for some reason, it just dropped off. He indicated back in

1 2011, the City said they were within the sewer water district and was told they would need to hook  
2 up all of the trailers they had, but that did not happen and nothing was pursued. Davis believed  
3 DeRoche recalled that correctly and stated he recalled that the only people who were required to  
4 hook up initially were the businesses and the credit union was exempted from that, but it was always  
5 anticipated they would hook up. He indicated they had new owners now and they would like to hook  
6 up if there was a way that would be done, but that would need to be between them and the Met  
7 Council. And he understood that would be about \$1 million plus fees. However, there was a  
8 deferred payment plan available. He stated the question was on the new extension and did they  
9 have the capacity within their own treatment plan to handle this.

10 Lewis asked if there had been an evaluation of that and who would do it. Davis responded the MPCA  
11 would have to.

12 DeRoche believed in 2011, they were looking to expand and at that time the City was looking to put a  
13 road behind them. He noted it was discovered that the pond was not very big and it would not fit the  
14 capacity to go any bigger because it was "holding on by a string" with what they already had going in  
15 there. Davis responded he had not seen any information on that. He noted their pond was twice as  
16 big as the pond at Castle Tower, so it was a fairly large lagoon. He indicated Cedarwood essentially  
17 serve the same number, or maybe a few more, customers than Castle Tower did. He noted they also  
18 had a second pond area they have never used.

19 Davis stated the big question was how efficient was the plant now. He noted it might be permitted  
20 for a certain flow, but it might have to have certain upgrades for any new customers added on it.

21 DeRoche noted the one on Castle Towers was MPCA who told the City it needed to be redone and  
22 that was why the force main ran up there. He stated that was to serve Castle Towers  
23 decommissioned plant because the big tank that was up there was being held with tape and  
24 fiberglass. He stated it was either the City run a force main up there and decommission that or within  
25 he thought ten years they would have to put about \$5 million into it, so that was the reason the force  
26 main was ran up there.

27 Davis stated the City saved \$4 to \$5 million in bond funds on the construction costs because they  
28 redesigned the water treatment facility where the City took it from an osmosis system to just a  
29 general treatment system and what the City wanted to do was take that savings and put it back  
30 toward the payment of the bonds. He noted the way it was structured, that was not possible  
31 because this was stimulus funds, so the City had to spend it on infrastructure or turn it back in, but  
32 the City still owed whatever it was and were not off the hook with anything. He indicated that was  
33 when they looked at running the force main up to Castle Tower because the City knew they were  
34 going to have some expenditures up there to get the plant taken care of for the future and the City  
35 wanted to get out of the sewer business also.

36 Davis believed at the time it was going to cost approximately \$1 million. He indicated they were  
37 going to have to keep it operating for a long time and they were looking at spending at least \$2  
38 million to keep that plant running and upgraded.

39 DeRoche stated his memory was different. He asked if staff would figure out the size of the force  
40 main by the next meeting. He noted they were always talking about hooking things into it and he  
41 thought if a company wanted to hook up to the force main, it would be about \$75,000 at that time  
42 because they would have to dig it and put pumps in.

43 Mundle asked if there would need to be a lift station.

1 Lewis noted there were so many ifs and right now it was just a black hole. He asked instead of them  
2 spending their time, why don't they get some answers before they make a decision one way or the  
3 other if they wanted to go forward with it. He noted right now they did not have enough information  
4 to make an intelligent decision about what they want. Davis did not believe these questions came  
5 into account unless they said no and didn't want to expand.

6 Lewis noted technically they didn't even have a CUP and they would need to get a new CUP. He  
7 stated what they are going to do about nonconformity was on top of that. He stated it was like trying  
8 to make an octagonal peg fit into a round hole. Davis stated there were some zoning issues that had  
9 to be resolved, but first they needed to get answers from the Met Council and MPCA.

10 Davis stated the new owners had shown interest in connecting, but in order for them to do that, the  
11 City had to tell them they either could or could not do the expansion. He noted if the City said no to  
12 the expansion, then all of the other questions were moot. He stated it depended on which ones they  
13 wanted to look at first.

14 Mundle stated the first decision was if the Council wanted to look at considering the expansion and if  
15 they did, all these were the questions that were in front of them right now.

16 Lewis stated right now this was technically an illegal operation because they did not have a CUP.  
17 Mundle noted that might be a question for the City Attorney. He asked if they could not find the  
18 CUP, were they still in compliance and if not, how would they get into compliance.

19 Berg stated he had researched back to 1957 when East Bethel became a City as well as the changes in  
20 mobile homes to manufacturing ordinance up to 1979. He noted the new management had indicated  
21 they were operating under the terms that came into existence in the 1970's, so if the City's ordinance  
22 had changed, they would be an existing non-conforming.

23 Lewis inquired about the two-year conditions. Berg responded that some of the conditions had to do  
24 with street upgrades, setback locations, number of parks, and lot sizes needed to be conforming and  
25 those were given two years to conform. He stated it didn't say they had to conform with any other  
26 standard in that two-year time period, but it did state they needed to have a CUP to operate, so that  
27 was one major hurdle they needed to accomplish. He noted he had a conversation with the City  
28 Attorney who indicated that if the City allowed the expansion, a separate CUP would need to be  
29 granted for the new park and a second CUP should be applied for the existing park. He indicated  
30 combining the two CUP's into one was not advisable because of the conditions in the existing park  
31 with all the non-conformities versus the conditions in the new park.

32 Berg stated the current ordinance read that manufactured home parks could only be located in the  
33 B1 Business District and both of the current manufactured home parks in the City were currently  
34 located in an AR2 zoning district.

35 DeRoche asked if they would need a variance. Berg responded they would need to look at potential  
36 changes, but the City could not do spot zoning and just change the zoning right around the trailer  
37 park to make it the manufactured home parks match the applicable conditions.

38 DeRoche asked if they could do a zoning text amendment. Berg responded according to his  
39 conversation with the City Attorney, there were some language in State Statutes that allowed for  
40 local units of government to enact ordinances to essentially get around all of the non-conforming  
41 situations by allowing the non-conformity to exist, which it shouldn't be. He indicated there were  
42 many layers to this. He noted they had not even talked about the long-term Comprehensive Plan,  
43 which might need to be amended as a result of this, which would rely on the Met Council. He

1 believed the sewer and water connection might be a secondary concern over all of the existing  
2 statute items that Council needed to accomplish before they could get to the point where they could  
3 move another manufactured home in and even think about connecting it to sewer or water. He  
4 noted staff would need the City Attorney's opinion every step along the way, so that they would  
5 make sure this was done correctly.

6 Mundle believed at the very least they should figure out how to bring them into compliance and what  
7 should be pursued after that. DeRoche noted they might be "opening a can of worms."

8 Davis stated staff could bring this before the City Council and get definite approval if the Council  
9 wanted to pursue this. He noted the applicant would then need to set up an escrow account to pay  
10 for any added attorney's fees.

11 Lewis asked the Councilmembers what their thoughts were.

12 DeRoche stated he would not have a problem with the expansion, but with the hurdles before them,  
13 he did not know if it would be fiscally possible for them to do this.

14 Berg stated they were planning to expand on land they already owned and it was part of that land  
15 that was non-conforming. He indicated that was a "sticky" question on whether that nonconformity  
16 existed on land that they already owned and never expanded to, or if that was looked at separately  
17 because it was never built on or established.

18 DeRoche stated if this were virgin land, how could it be non-conforming.

19 Lewis stated he was looking for a recommendation on how to proceed.

20 Mundle asked what did the Planning Department recommend. He asked if Berg knew if there had  
21 ever been a ghost plat or anything concerning this undeveloped land that was still part of the same  
22 parcel that was at some time approved by the Council for its expansion. Berg responded he had  
23 looked through all of the electronic records, short of him driving to the County Tax Assessor's Office  
24 and looking through all of the property files they might have. He noted there was no plat for any  
25 expansion or proposal that he could find.

26 Mundle noted if there was a ghost plat this would be a different argument that the City would not  
27 like to be in. He believed they needed to figure out how to get them a CUP or determine what  
28 needed to be done at that point to bring this into compliance with City Ordinances. He noted once  
29 that was done, they would be legally non-conforming and at that point the Council could have a  
30 discussion if they wanted to take this any further.

31 Lewis asked if it was possible for a CUP to have a sunset revision. Berg responded there was not. He  
32 believed the conditions could have changed, but he had researched each individual parcel as far back  
33 through the County record system and he could not locate anything connected to any one of the  
34 parcels in terms of a conditional use, or an agreement between the City or Village. He indicated he  
35 had not reviewed the Council Minutes around the dates of the Ordinance changes to see if that  
36 forced the existing part to come into compliance, but it was his assumption it was not there. He  
37 indicated he would continue to look though as he had other questions that needed to be answered  
38 for the existing park as they continued through their remodel. He indicated they were currently  
39 working through non-conformities and placing trailers where they were not necessarily in  
40 conformance either.

41 Mundle stated to shut down trailers parks would be very difficult and there were many laws that  
42 protected closure of a trailer park so he did not think that was something the City wanted to go down  
43 that road.

1 Miller stated when he saw something like this and all of the questions that started coming up, if he  
2 saw this at a Council meeting, he would have no choice but to table things like this. He did not  
3 believe they were seeing everything that needed to be seen before they could make a decision and  
4 the general public was going to start thinking the Council was tabling everything. He noted it was  
5 tabled because there were key issues still to be considered. Davis stated he understood what Miller  
6 was saying and that was why they had the Work Meetings. He noted staff was looking for as many  
7 answers as the Council was and there were a lot of layers to this. He stated staff was trying to get  
8 some direction to see if this was something Council wanted to pursue by looking at an expansion or  
9 not. He noted if Council chose to allow the expansion, there were still a lot of questions to answer  
10 and that was the reason this wasn't brought up at a Council meeting. He indicated at the Work  
11 Meeting was where Council had the opportunity to have a discussion and narrow this down to give  
12 staff some direction on what else needed answering so staff could provide information and get some  
13 primary answers on this.

14 Mundle stated they don't necessarily have to table this and just say this was the first step towards  
15 this. He noted they did not need to make a decision of whether they wanted to allow it or not  
16 tonight.

17 Miller stated he was not going to table this tonight, but he wanted to make the point that things like  
18 this kept coming up at Council meetings and got tabled.

19 Mundle stated right now this was the information the City had. Miller asked if Mundle would  
20 approve this without any of the information. He indicated he would not. He stated there were a lot  
21 of unanswered questions still.

22 Mundle pointed out they were talking about the trailer park right now.

23 Berg stated with respect to the manufactured home park, there were too many non-conformities and  
24 zoning issues. He stated his easy answer to the applicant would be that the City would not approve  
25 this, but there are some things built into the law that allowed for those things. He indicated if he  
26 gave them a denial, and they want to appeal it, the Council would have to hear the appeal, so if staff  
27 could get some information from Council now, then staff could feel confident saying yes or no to  
28 them.

29 Smith stated he definitely did not want to ever say no to their expansion and there were many  
30 different ways to get through this, but they needed to get the stuff answered. He did not believe the  
31 Council wanted to deny this.

32 Miller stated he was not anti-development in any way, shape, or form.

33 Berg noted the City Code specifically said what was approved and what was not approved. He stated  
34 if the City could work with them to get them an answer whether positive or negative, Council  
35 wouldn't have to see them on an appeal and still end up making a decision. He stated staff could  
36 gather as much information and facts and give it to Council with the initial questions for Council to  
37 discuss. He indicated if this went to an appeal, staff would not get the chance to do a lot of  
38 homework ahead of time for the appeal hearing.

39 DeRoche stated he had seen a lot of zoning changes over the years through zoning text amendments,  
40 so zoning could be changed but it has to benefit everyone. He indicated if the applicants wanted to  
41 spend the money, he didn't see anything wrong with the expansion as long as they got through all of  
42 the hurdles.

1 Lewis stated they had a more fundamental issue than whether to expand or not, which was that they  
2 didn't have a CUP for what they were doing now. He believed that was the primary issue before  
3 expanding. Berg stated the City Attorney had indicated that a nonconformity could stay in  
4 nonconformance as long as they didn't expand.

5 Deroche stated this was grandfathered in. Berg responded existing nonconformity would be the  
6 industry term for grandfathered in.

7 Lewis asked if they were limited to that. Berg responded to some degree there was.

8 Mundle asked now that this had been brought to the Council's attention, was a CUP necessary for  
9 this trailer court to have everything done properly for them. Berg responded he needed to do further  
10 research on this in order to ask for a CUP. He acknowledged that maybe this didn't get filed with the  
11 County, but the failure of an administrative action didn't negate the fact that it happened. So, if they  
12 did apply for a CUP and there was a hearing, which there would have to have been, that process had  
13 not changed.

14 Mundle stated if staff could not find the CUP, would they need a new one. Berg responded according  
15 to the City Ordinance, they would need to, but he needed to confirm this with the City Attorney to  
16 ensure that was the proper process.

17 Mundle recommended to let the search play out to see if the original could be found and if it was not  
18 located, then to take steps to issue a new one so they were compliant in their operation. Once that  
19 was done, hopefully, some more of these questions could be answered. He noted once they had  
20 more information, Council could then decide if they want to pursue taking it further with an  
21 expansion.

22 DeRoche asked if any correspondence had been sent out saying they were non-conforming. Davis  
23 responded that had been the general discussion with all of their meetings with them and he believed  
24 they recognized that.

25 DeRoche asked how could this be sold and why didn't the title company catch this. Davis responded  
26 sometimes the title companies did not go back that far and it just depended on the title company.

27 DeRoche stated there were a lot of things that were done in the City years ago, so he wasn't  
28 surprised if something wasn't there, but it was worth looking at.

### 29 **3.0 – 2024 Draft Preliminary Budget**

30 Davis presented the staff report indicating on May 10, 2023 the City Finance Committee met with City  
31 staff to review and discuss the 2024 budget. The Finance Committee also discussed the City general  
32 fund balance, the actual City financial performance for the prior year and the City's debt service  
33 requirements. Concurrent to the Finance Committee meeting, the base budget was submitted to  
34 Department Heads for preparation of their individual department budgets.

35 Davis stated based on inputs from the Finance Committee and Department Heads, the budget model  
36 and budget book was prepared for the City Council to review at tonight's meeting. The draft 2024  
37 general fund expenditure budget is projected to increase by 4% or \$234,400. This expenditure  
38 increase would then result in a corresponding levy increase (general tax levy and debt service levy) of  
39 4.2% or \$253,500 in order to balance the 2024 budget. Overall, the general tax levy, debt service  
40 levy, EDA levy, and HRA levy would increase by 4.0% or \$253,500.

41 Davis noted the 2024 budget model currently reflects the following expenditure inputs, which are the  
42 primary drivers of the overall increase. Davis stated the Minnesota Public Employees Association  
43 Labor Agreement was approved at the June 13th, 2022 City Council meeting. The Labor Agreement

1 included employee wage adjustments of 3.5% for 2024 and an increase to the cafeteria contributions  
 2 for city employees of \$25 per month. The MN Public Employees Association represents 9 of the 22  
 3 full-time City Staff.

4 Staff – Salaries and Benefits

5 Per Union Contract – 3.5% COLA increase

6 Per Union Contract – increase to \$1,450 per month cafeteria contribution

7 Per Fire Department – 3.5% COLA increase

8 Overall, Salary and Benefits - \$53K increase over 2023

9 \*\*FTE count needs to be finalized (Community Development Director, City Planner, and Fire  
 10 Department Outreach Coordinator positions)

11 Contracted Services

12 Law Enforcement Contract – 4.7% or \$57K increase (Estimate per Anoka County)

13 City Attorney Contract – 9% or \$15K increase

14 Metro-INET JPA - \$15K increase (Estimate per Metro-INET)

15 Audit Contract - \$2K increase

16 Elections – \$17K increase

17 Supplies

18 Public Works - Streets (Salt and Asphalt Patching) - 20% or \$17K increase

19 Transfers

20 Street Capital Fund - \$50K increase

21 Davis noted City staff from the Administration, Finance, Community Development, Fire and Public  
 22 Works Departments will present their proposals and be available for questions on line items within  
 23 their budgets. The Anoka County Sheriff's Department will present their contract and budget  
 24 proposal at an upcoming Council Meeting. The remaining schedule for the discussion and  
 25 consideration of the 2024 Budget is tentatively set as:

- 26 • Other Council Meeting agenda items as required prior to September 11, 2023
- 27 • September 11 Council Meeting: Consideration of the Preliminary 2024 Budget and Levy
- 28 • December 11 Council Meeting: Consideration of the Final 2024 Budget and Levy

29 Davis stated the City Council was requested to discuss the initial draft of the proposed 2024 Budget  
 30 and provide direction to staff regarding any adjustments to be made in the budget proposal.

31 Jeziorski presented an overview of the 2024 draft budget.

32 Fire Chief Sanow presented the proposed Fire Department budget noting the Fire Department was  
 33 proposing a full-time employee. He indicated they had applied for a Safer Grant to cover this person  
 34 for 3 years, but if they do not get the grant it would need to be taken out of the budget. He  
 35 requested a 3.5 percent increase in wages for everyone across the board, including the paid-on call  
 36 firefighters. He noted their staffing was currently at 27 and they had a budget for 35 people. He  
 37 stated there was a possibility of losing three daytime firefighters in the next year due to retirement  
 38 also.

39 Mundle asked in the event firefighters retired, would another firefighter be promoted to fill that  
 40 position. Sanow responded unless someone else joined, this could not occur. He noted they were  
 41 always trying to recruit new firefighters.

1 Mundle asked if they would need to create a new position. Sanow responded that was what he was  
2 proposing and this third person would be a community outreach, recruitment, helping with  
3 inspections, and be someone to run calls.

4 Sanow noted the daytime firefighters currently were people that were home during the day and had  
5 night jobs.

6 DeRoche inquired what was the biggest stumbling block for getting firefighters. Sanow responded  
7 nobody wanted to do firefighting.

8 Lewis asked if firefighters were paid for their training. Sanow responded they were paid for any  
9 hours they put towards the Fire Department in a Fire Department function. He did not know what  
10 pay they would need to be at to get people interested. He indicated right now they were at \$15 per  
11 hour. DeRoche responded that was not enough.

12 Sanow noted at some point, the City might need to look at duty crews and possibly even full-time  
13 crews.

14 Sanow asked if the Council had any questions about the budget. DeRoche responded he needed  
15 more time to go through it as he wasn't going to waste the whole weekend.

16 Jeziorski noted the Fire Department budget currently reflected a 12 percent increase which was  
17 primarily driven by an added staff member.

18 Jeziorski reviewed the staffing in the Community Development Department noting the City Planner  
19 position was eliminated from the budget. He indicated the Planning and Zoning had a decrease of 36  
20 percent in that budget with the primary driver being the elimination of the City Planner position. He  
21 indicated the Building Inspection Department was seeking an increase of 3 percent with the primary  
22 driver being the 3.5 percent COLA increase for the three employees within that division.

23 Berg stated he was proposing a potential part-time employee to help fill in with the elimination of the  
24 City Planner position. He reviewed the remaining budget for the Department.

25 Lewis asked how long did Berg think they could get along without a City Planner. Berg responded in  
26 terms of workload, the number of applicants that came in dictated the amount of work they had to  
27 do.

28 Lewis stated he had heard through the grapevine that the Department was maxed out. Berg  
29 responded he had a number of weeks where he reached the overtime level by the end of Thursday  
30 and took Friday off in compensation because there was not the extra time budgeted for overtime.

31 Davis stated at the beginning of next year with Elevage starting and if Capstone went through, they  
32 would be looking at 3 to 5 years of anywhere from 70 to 100 building permits a year. He noted this  
33 would put a demand on the Building Department. He indicated in previous conversations, they  
34 expect the position of the City Planner would need to be filled by perhaps 2025.

35 Berg noted that currently things were getting pushed out a bit further than they had been in the past,  
36 but staff was taking care of items that were of time importance.

37 Berg stated with respect to the building inspections, there would be a need for vehicle replacements,  
38 attending conferences, fuel, etc. and he was recommending a cost-of-living raise across the building  
39 inspections budget.

40 Davis noted they had utilized a part-time inspector before with good results and it was cheaper to do  
41 that than hire an additional person. He believed this would be a good solution for 2024.

1 DeRoche asked for an explanation of a City Planner versus a Community Development Director. Berg  
2 responded that a Community Development Director had more to do with community engagement  
3 and overall management of long-term projects where a City Planner answered zoning related  
4 questions.

5 Davis noted at some point they would need a City Planner, but that position was not necessary right  
6 now. He indicated staff was trying to keep the costs down and the budget as low as possible while  
7 still managing to get the work done. He believed they were okay through the end of this year and  
8 beginning of 2024 at which time this could be reassessed.

9 Miller believed it was “refreshing” the way they were looking at this position as it was based on needs  
10 and they were not putting the “horse before the cart.” He indicated this was a way to save money  
11 and still be efficient. He stated he respected and liked it.

12 Jeziorski reviewed the Public Works Department budget including the parks maintenance and street  
13 maintenance budgets. He noted both budgets were seeking an increase of 3 percent with the main  
14 drivers being the COLA increase for the union employees and the Public Works Manager.

15 Ayshford noted the only increase they were seeing in the parks maintenance budget was the union  
16 budget cost of living increase. He stated with respect to both budgets, there was a lot of variability  
17 that depended on weather events also.

18 Ayshford noted with the street and maintenance budget there was an increase in wages for cost of  
19 living. He indicated the only large change was due to the increase in asphalt patching material.

20 Ayshford reviewed the road capital fund for 2024 and noted they were requesting \$50,000 more  
21 because of underfunding on what they need to do the road projects.

22 Davis noted the worst thing that could happen was to get behind on road maintenance as they could  
23 never catch up then and it was extremely expensive.

24 Ayshford reviewed the park capital and equipment replacement.

25 Jeziorski finished the review of the budget with civic events, which was unchanged. He noted there  
26 was an increase of 413% for the 2024 election where they would need to hire elections judges, etc.

27 Lewis asked who negotiated the Minnesota Public Employees Association union contract. Davis  
28 responded this was done by staff and brought to the Council.

29 Lewis asked who were the members of the Finance Committee in June, 2020. Davis responded he  
30 believed it would have been former Mayor Steve Voss and Councilmember Wanda McLaurin.

31 Lewis asked what drove the increase of 3% in 2015 sewer bonds. Jeziorski explained how the bond  
32 payments were done.

33 Lewis inquired about the PARA coordinated plan. Jeziorski responded that was the retirement plan.

34 Lewis inquired about the 43% increase in prosecution costs in the last 7 months of 2024. Berg  
35 assumed there were no prosecutions going on during Covid for the last two years and now what had  
36 been on hold was entering the Court system.

37 Lewis asked questions regarding what certain items meant in the budget which Jeziorski and Davis  
38 answered.

39 Davis asked if the Council wanted to continue this discussion at a future meeting. Lewis stated he did  
40 not think a special meeting was necessary and this could be continued to the next Council Work  
41 Meeting.

1 **7.0 – Adjourn**

2 **DeRoche stated I'll make a motion to adjourn. Mundle stated I'll second.** To the motion, all in favor  
3 say aye. **All in favor.** Lewis asked any opposed? That motion passes. **Motion passes unanimously.**

4 Meeting adjourned at 9:33 p.m.

5 Submitted by:

6 Kathy Altman

7 *TimeSaver Off Site Secretarial, Inc.*

# DRAFT MINUTES: NOT YET APPROVED

## EAST BETHEL CITY COUNCIL MEETING

July 10, 2023

The East Bethel City Council met on July 10, 2023, at 7:00 p.m. for the regular City Council meeting at City Hall.

MEMBERS PRESENT: Kevin Lewis Brian Mundle Bob DeRoche  
Tim Miller Jim Smith

ALSO PRESENT: Jack Davis, City Administrator  
Eric Larson, City Attorney  
Aaron Berg, Interim Community Development Director

### 1.0 Call to Order

The July 10, 2023, City Council meeting was called to order by Mayor Lewis at 7:00 p.m.

### 2.0 Pledge of Allegiance

The Pledge of Allegiance was recited.

### 3.0 Adopt Agenda

Mundle stated I'll make a motion to adopt tonight's agenda. Miller stated I'll second. Lewis asked any discussion? Smith added Item 8.0 G.2 Complaint Form. To the motion, all in favor say aye. **All in favor.** Lewis asked any opposed? That motion passes. **Motion passes unanimously.**

### 4.0 Presentations and Public Hearings

#### 4.0 A Nexus Conduit Bonding Proposal; Resolution 2023-40

Lewis stated before he was on the Council, one of the things that bothered him was when there was a big issue, there would be a vote, but never an explanation for how the Council arrived at their decision. He stated he wanted the residents to know that the Council had anguished over and did their due diligence on the Nexus conduit bonding proposal as it was a complicated issue/project and there were a lot of moving parts.

Lewis stated one of the things was the CUP attached to the property. He indicated because the CUP was attached to the property, it was not something the current Council had any choice about as that decision had been made by a previous Council in 2018.

Lewis noted the Council had also learned at a recent meeting from the County Assessor that he was going to treat this property as exempt from property taxes, which was another big issue.

Lewis indicated the Council had done their due diligence and while some people thought the Council took too much time, these two issues were some of the issues they were dealing with.

Lewis believed this wound up with a better deal for both the City and Nexus and it was a win-win all of the way around. He also believed this would have little impact on the School District and residents of the City.

Davis stated the vote on the conduit bond financing for Nexus was tabled at the June 26, 2023 Meeting to allow additional details regarding the Payment In Lieu Of Taxes (PILOT) Program, participation fees, and Council questions to be submitted for review and to provide time for the new Council appointee to become informed of the details of this matter.

1 Davis noted with the request for this additional information, Nexus had submitted a brief of the  
2 project which is exhibited as Attachment 6 in Council's packet.

3 Davis indicate the City may charge the borrower an issuance fee for its services in connection with  
4 the bond financing. Nexus has agreed to pay \$100,000 at closing for our participation in the bond  
5 issuance. An agreement between Nexus and Anoka County requires the borrower to pay a \$3,000  
6 application fee and the County would then receive 1/8th of 1% of the outstanding bond balance on  
7 the date of issuance and every anniversary thereafter for their fee for participation in the project.

8 Davis stated from an analysis of the two offers, the County would receive \$160,439 over the 27-year  
9 life of the bond in annual declining payments beginning with \$9,156 in year one and \$585 in year 26.  
10 If East Bethel's lump sum of \$100,000 were invested at 3% over the same term we would have a  
11 balance of \$222,129 over the same time period.

12 Davis stated if the City issues the proposed bonds, the borrower will be required to pay all direct and  
13 indirect expenses of the City and indemnify and hold the City harmless against any liability related to  
14 the issuance of the bonds. As the City's bond counsel, Dorsey-Whitney will prepare the bond  
15 documents and represent the City's interests in the financing, but the City's cost (as well as the fees  
16 of all other parties involved with the financing) will be paid by the Borrower. Nexus has also agreed to  
17 enter into a PILOT Program (payment in lieu of taxes) and has offered to pay the City \$24,000 per  
18 year with an annual 2.5% increase in payments regardless of their revenues. This would be  
19 approximately a 500% increase over the payment that was to be received from Cambia Hills.

20 Davis noted based on the R-1 zoning and no water or sewer service available to this site prior to sale  
21 to Cambia Hills, the property could have only been divided into lots that would have had a minimum  
22 density of 1 unit per 10 acres. This site, which is 37.37 acres in size, could have been divided into only  
23 3 lots (includes the homestead lot). If the previous owner had chosen this option and if each of these  
24 three lots had a current estimated market value (land and improvements) of \$600,000 they would  
25 currently produce approximately \$1,906 (Valuation X Tax Classification X Tax Rate = City Tax) in City  
26 taxes per lot or \$5,718 for the entire parcel. This scenario would have followed the pattern of 10 acre  
27 lots that are the typical lot size along Jackson Street between 189th and 181st Avenues. Prior to the  
28 sale of this property to Cambia Hills the 2019 estimated market value was \$368,400 and the City's  
29 taxes payable were \$1,590.

30 Davos stated the following property tax scenarios for 900 189th Ave were prepared by Alex  
31 Guggenberger, Anoka County Assessor and are reported and summarized in Attachment 7 to  
32 Council's packet. As noted in his report, Scenarios 1 and 2 are the most accurate estimates based on  
33 the current ownership and structure in place:

- 34 • If this site had an all-commercial classification as exhibited in Attachment 7 to  
35 Council's packet – Scenario 1, \$28,036 would be generated in City property taxes for 2023 pay  
36 rates.
- 37 • If this site had an all-residential classification as exhibited in Attachment 7 to Council's  
38 packet – Scenario 2, \$17,274 would be generated in City property taxes for 2023 pay rates.
- 39 • If this site had an all-rural residential classification as exhibited in Attachment 7 – to  
40 Council's packet - Scenario 3, \$4,288 would be generated in City property taxes for 2023 pay  
41 rates.
- 42 • If this site had a higher density residential tax classification as exhibited in Attachment  
43 7 to Council's packet - Scenario 4, \$83,563 in would generate in property taxes for 2023 pay

1 rates. However, this scenario assumes an ownership change, complete demolition of the  
2 existing structure, new plat approval and the development of a residential neighborhood with  
3 75 homes.

4 Davis indicated from an environmental and visual impact to the Jackson St neighborhood, the higher  
5 density type developments on this property would have required the clear cutting of the entire  
6 usable area of the site to prepare building pads and construct streets. The current 20-acre natural  
7 buffer that remains behind the Cambial Hills campus would have been eliminated to maximize the  
8 number of housing units that could have been constructed, leaving no transition to the lower density  
9 neighborhood along Jackson St.

10 Davis stated this property is not considered as a potential commercial site due to the following:

- 11 • It is located  $\frac{3}{4}$  of a mile from and has no visibility from Hwy 65;
- 12 • It has a residential zoning designation and rezoning for commercial use would  
13 essentially be spot zoning and difficult to justify and support;
- 14 • It is accessed by Jackson Street which had a 2021 traffic count of 980 VPD and 189th Ave  
15 which had a count of 230 VPD; and,
- 16 • It is the site of a 60,000 SF building which was designed specifically as a PRTF and would  
17 be extremely expensive to repurpose for another use.

18 Davis stated the cost of the land and redevelopment expense of this building would require that it be  
19 located at high visibility and easily accessible signalized intersection along a major highway with a  
20 traffic count in numbers required to support a multi-million-dollar investment to be a prime  
21 commercial site.

22 Davis stated as this property has very limited and if no commercial value, Scenario 2 appears to be  
23 the best estimate for City property tax generation for non-tax-exempt uses.

24 Davis noted the City of East Bethel held a Public Hearing on June 12, 2023 at 7 PM at City Hall to take  
25 comment regarding the consideration of the issuing conduit bonds in the amount of \$10 million to  
26 Nexus Diversified Community Services (Nexus). Anoka County has agreed to partner with City and  
27 issue \$7 million in bonds to compliment the City's proposed participation in the project

28 Davis indicated Nexus will be purchasing the Cambia Hills property and provide the same service as  
29 the previous operator, Cambia Hills of East Bethel, LLC.

30 Davis stated the bonds that would be issued pose no liability or expense to the City and qualify for tax  
31 exempt status that enable a lower payback of the bonds over conventional financing. The  
32 implications of these savings is a lesser impact on potential costs to the school district. From a  
33 presentation made to City Council on May 22, 2023 and further reviewed at the June 5, 2023 City  
34 Council Work Meeting, Nexus has indicated that they are coming to East Bethel either with or  
35 without the approval of the conduit bond financing. The difference between the two scenarios is that  
36 without conduit bond financing, Nexus would have a higher cost of borrowing and this additional cost  
37 would be passed along to the school district in higher costs for classroom rental space and other  
38 chargeable expenses for the educational component of their service. Approval of the conduit bond  
39 financing would result in a reduction of approximately \$3.5 million in added interest cost over the  
40 term of loan. As Nexus is a non-profit, these savings would result in lower costs to the school district.

1 Davis indicated the educational component of the Nexus service is a separate matter with ISD 15 and  
2 these two groups are still engaged in discussions to work out a resolution to the school district's  
3 concerns.

4 Davis stated the City Council scheduled a public hearing for June 12, 2023 regarding the \$10 million  
5 issuance of conduit bonds to Nexus for the Cambia Hills acquisition. The facility would be operated  
6 under the terms of the Conditional Use Permit that is recorded on the property.

7 Davis noted at the June 12, 2026 meeting, the public hearing for the bond issuance was held,  
8 comments received and the hearing closed. There was a motion and second to adopt Resolution  
9 2023-40, Resolution Relating to a Financing Under Minnesota Statutes, Section 469.152 through  
10 469.165, As Amended, on Behalf of Nexus Diversified Community Services; Authorizing Execution and  
11 Delivery of Documents Relating Thereto. The second to the motion was made for the purpose of  
12 discussion of this topic. At the conclusion of the discussion a motion was made, seconded, and  
13 approved to table the consideration to answer questions relating to tax exempt matters and enable  
14 the Council to be fully seated for a final decision on the conduit bond proposal.

15 Davis stated the City sent 473 notices of the public hearing by mail to those living in area bounded by  
16 Highway 65 on the East, Klondike Drive on the north, University Avenue on the west and 181st  
17 Avenue on the south. Five people spoke at the public hearing with concerns relating to the bond  
18 issuance and four people spoke in favor of the proposal.

19 Davis stated the City Attorney has affirmed that the public hearing for the bond consideration has  
20 been met. As this subject was tabled at the June 12, 2023 and June 26, 2023 meetings with the  
21 discussion to continue at the July 10, 2023 meeting, Council is requested to consider the options  
22 outlined as follows:

23 Recommendation 1 – If the City Council finds it warranted to approve the conduit bond financing,  
24 consider approval of Resolution 2023-40 as exhibited in Attachment 1 to Council's packet and  
25 documents relating thereto as exhibited in Attachments 2-5 to Council's packet. Bond Counsel to the  
26 City, Dorsey & Whitney LLP, developed these documents on behalf of the City and endorses the  
27 approval of the same. Approval of Resolution 2023-40 authorizes the issuance of the note, the loan  
28 of proceeds to Nexus Diversified Community Services for acquisition of the Project, execution of all  
29 required documentation, and the issuance by Anoka County, Minnesota of additional financing for  
30 the Project. This approval will result in the lowest overall interest rate for the financing of the Project,  
31 and in turn, the lowest lease cost to the School District; or,

32 Recommendation 2 - If the City Council does not find it warranted to approve the financing, consider  
33 approval of Resolution 2023-40 as exhibited in Attachment 6 to Council's packet. Approval of  
34 Resolution 2023-40 dismisses the financing request of Nexus Diversified Community Services and  
35 prevents the City from issuing conduit financing for the project but provides consent for Nexus  
36 Community Diversified Services to seek and secure funding for the Project through Anoka County,  
37 Minnesota, or one or more other municipalities or authorities. This approval will remove East Bethel  
38 from the financing process except as host jurisdiction (since the project is physically located in East  
39 Bethel's boundaries) but will allow Nexus an opportunity to seek alternative tax-exempt financing  
40 options from any other public entity willing to partner with Nexus on the project. This approval will  
41 likely increase the overall interest rate for the financing of the project, but it will not require Nexus to  
42 borrow at commercial loan interest rates despite its nonprofit purposes; or,

43 Recommendation 3 - The City Council could take no action which would prevent Nexus from  
44 obtaining tax-exempt financing from any public entity. However this would significantly increase the

1 overall interest rate for financing the project. Nexus could seek a commercial loan to acquire the  
2 project facility, but at a higher cost than with the use of the tax-exempt bonds. The higher cost of this  
3 option would more than likely be passed along in part or in its entirety to the school district and  
4 result in the most negative impact to ISD 15.

5 **Mundle stated I'll make a motion to adopt Resolution 2023-40, Resolution Relating to a Financing**  
6 **Under Minnesota Statutes, Section 469.152 through 469.164, as Amended, On Behalf of Nexus**  
7 **Diversified Community Services; Authorizing Execution and Delivery of Documents Relating**  
8 **Thereto. DeRoche stated I'll second. Lewis asked any discussion?**

9 Smith noted on page 97, he had asked a question about the PRTF contract between the State of  
10 Minnesota and Nexus Company. He asked if the document they were sent should say PRTF  
11 somewhere in the body of the document. Larson responded he would take a look at that. He noted  
12 when it came to the actual licensing issued by the Department of Human Services, he made a  
13 judgment that it was between them and the person that was the licensee, but he would take a look at  
14 it.

15 Smith asked if this would need to be notarized. Larson explained when a notary was required.

16 Smith questioned the page numbering. Margaret Vimont, Nexus, explained the page numbering and  
17 noted she had not included the whole contract, but instead included the pages that were important  
18 along with the signature page to show it had been signed by both parties.

19 To the motion, all in favor say aye. **All in favor.** Lewis asked any opposed? That motion passes.  
20 **Motion passes unanimously.**

#### 21 **4.0 B Continuance of Public Hearing – Amendment to City Code, Chapter 2, Section 424**

22 Davis stated that City Council reviewed the Community Development Director position at the April 3<sup>rd</sup>  
23 and June 5<sup>th</sup> Work Meetings.

24 Davis noted at the June 5<sup>th</sup> Work Meeting, it was discussed that if there is to be but one full-time  
25 person responsible for all the land use, planning and business development for the City, the  
26 Community Development Director position is more appropriate for addressing issues of a  
27 developing City than that of a City Planner. Existing growth pressures require a higher degree of  
28 involvement and attention to prevent unintended or secondary consequences of developmental  
29 decisions. Demands on cities that are on a major highway in the metro area are more extensive  
30 than those municipalities that are not in areas that are becoming prime locations for  
31 development, only require minimal services and have no City utilities.

32 Davis indicated the consensus of Council was that it is on-board with keeping and staffing the  
33 Community Development Director position and City Council is requested to consider amending  
34 the current ordinance to reflect the proposed changes as exhibited in Attachment 1 to Council's  
35 packet.

36 Davis stated staff is requesting that Council hold a Public Hearing to discuss revisions to the  
37 ordinance as exhibited in Attachment 1 to Council's packet, and consider approving those changes  
38 to City Ordinance, Chapter 2, Article VI, Division 6, Community Development Department.

39 Lewis opened the public hearing at 7:14 p.m.

40 There were no comments made.

41 Lewis closed the public hearing at 7:14 p.m.

1 **Mundle stated I'll make a motion to adopt Ordinance Section 2-424. DeRoche stated I'll second.**

2 Lewis asked any discussion?

3 Mundle asked with the removal for the City Planner from the Ordinance, would they still have  
4 language for the City Planner. Davis responded that those duties could be expressed outside of the  
5 Ordinance. He indicated this was a procedural matter if the Council approved the hiring for that  
6 position sometime in the future.

7 Smith recommended wording in the Ordinance that all big decisions are brought to the Council  
8 before any decisions are made. He believed there was a lot of information the Council was not aware  
9 of. Davis responded that did not need to be a part of the Ordinance and staff could not do anything  
10 without the Council's approval.

11 Smith stated things were put on social media that the Council did not know about and requested  
12 Davis inform Council by email of "stuff like that." Davis responded most, if not everything, read on  
13 social media was not accurate.

14 To the motion, all in favor say aye. **All in favor.** Lewis asked any opposed? That motion passes.

15 **Motion passes unanimously.**

## 16 **5.0 Public Forum**

17 Denise Lachinski, stated she wanted to address what had occurred at the June 26, 2023 Council  
18 meeting where the Councilmember made snide and sarcastic comments and exhibited bad behavior  
19 especially in how they treated Stephanie Doran when she giving an update on Booster Days. She  
20 indicated some Councilmembers were laughing, giggling, and trying to pass it off to somebody else as  
21 nobody thought it was worth their time.

22 Ms. Lachinski stated Booster Days represented the City and she wanted them to go forward with a  
23 good attitude about it. She hoped when Councilmember Miller was the liaison that he went in with  
24 an open mind and helped Ms. Dorn. She indicated Ms. Dorn had a hard time getting volunteers and  
25 being on the Committee was an unpaid position. She stated they would like to grow Booster Days  
26 again like it was pre-Covid. She noted Ms. Dorn was humiliated due to Council laughing, giggling, and  
27 saying they don't want to do it. She believed the Council owed Ms. Dorn an apology.

28 Lewis stated he did not know what Ms. Lachinski was talking about and he did not remember saying  
29 anything about Booster Days at that meeting. Ms. Lachinski requested Council look at that meeting  
30 as Ms. Dorn was very upset.

31 Lewis asked why Ms. Dorn didn't come to the Open Forum to express her concerns. Ms. Lachinski  
32 responded Ms. Dorn did not want to talk about it and she was probably thinking about quitting.

33 Lewis stated the only thing he remembered kidding about was the Sandhill Crane meetings, and he  
34 wasn't going to take her accusations just because she said it.

35 DeRoche stated he did not know who Ms. Lachinski was addressing her comments to as he did not  
36 recall saying anything. Ms. Lachinski responded she was talking about the Council in general and she  
37 suggested they move forward in a positive manner regarding Booster Days.

38 DeRoche asked Ms Lachinski. if she could pull out the information from the meeting she was referring  
39 to and give it to Mr. Davis so it could be looked into.

40 Ms. Lachinski stated Ms. Dorn and the Booster Days Committee were all unpaid volunteers and they  
41 were trying very hard to represent the City in a positive light and then somebody laughed and giggled  
42 about being the liaison, which was not a positive promotion.

1 Lewis stated she was not listening to him and he literally did not understand what she was saying.  
2 Ms. Lachinski stated she felt badly for Ms. Dorn and it had been a rough few years with Booster Days  
3 with everything that had happened. She indicated Booster Days had to be reduced the past year and  
4 they needed to be positive as it was a City event. She requested Councilmember Miller to keep an  
5 open mind and help promote Booster Days as a positive event, so it could grow.

6 DeRoche asked if anyone had thought about changing the name from Booster days to Bethel Days  
7 because in some people's minds Booster Days meant they were supporting a booster club. Ms. r  
8 Lachinski esponded Booster Days was a fundraiser event for the City.

9 Miller stated after the June 26 meeting, Ms. Dorn came up to him and they talked and he was happy  
10 with what she was saying. He stated he informed her if there was anything they needed to let him  
11 know. Ms. Dorn walked away and she was happy. He indicated he had told Smith at the time that  
12 was the type of enthusiasm he wished they had all over the City. He stated he did not know where  
13 this was coming from and he was looking forward to working with Ms. Dorn. He indicated he would  
14 reach out to Ms. Dorn to figure out what happened.

15 Ms. Lachinski stated she wanted the Council and City to promote the event as it was a good event.  
16 Lewis responded he had every intention of promoting it and he was planning on mentioning it at this  
17 meeting during Council comments. He indicated though the Council was not going to embrace  
18 accusation of poor behavior if they don't know what she was talking about.

19 Ms. Lachinski stated the Commission members felt they were under attack, but they were hearing  
20 that they were going to be replaced. DeRoche responded he did not recall any of that coming up and  
21 he believed somebody was "stirring the pot."

22 Lewis stated he would review the video and if they "messed up," or they were out of line, they would  
23 apologize. DeRoche stated if Ms. Lachinski pulled the minutes or the recordings and brought them to  
24 Council, they would like to see them. He believed her three minutes were up.

25 Ms. Lachinski stated it was disappointing to watch how everyone was treated. DeRoche stated he  
26 apologized, but he did not know what he did. Lewis stated he was not going to apologize because he  
27 did not remember doing anything to apologize for. He noted if once he looked at the video and if he  
28 saw something on it where they were out of line, then an apology would be made.

29 Ms. Lachinski stated she never said anything bad against them.

30 Mundle asked if Booster Days Committee was still looking for volunteers. Ms. Lachinski responded  
31 they were still looking for people and noted a few of their main volunteers had passed away.

32 Mundle made a call out to the residents and asked if anyone were available to volunteer, it would be  
33 appreciated.

34 Ruth Larsen stated with respect to the CUP, she was glad that changes were made and thanked the  
35 Council for taking their time and going through everything.

## 36 **6.0 Consent Agenda**

37 Item A: Approve Bills

38 Item B: Approve Meeting Minutes June 21, 2023, 2023 City Council/Planning Commission Joint Work  
39 Meeting

40 Item C: Approve Meeting Minutes, June 26, 2023 City Council Meeting

41 Item D: Approve Hire of Community Development Director

1 **Mundle stated I'll make a motion to approve the Consent Agenda. DeRoche stated I'll second.**  
2 Lewis asked any discussion? Smith requested to pull Item D. Lewis pulled Item A and D. To the  
3 motion, all in favor say aye. **All in favor.** Lewis asked any opposed? That motion passes. **Motion**  
4 **passes unanimously.**

#### 5 **6.0 A Approve Bills**

6 Lewis asked what was the charge in the amount of \$9,100 for Civic Plus for. Davis responded that  
7 was the fee they paid Civic Plus for hosting and support of the website. He indicated this was an  
8 annual charge.

9 Lewis asked if they were the same company that published the *East Bethel Bulletin*. Davis responded  
10 he thought so, but he would check with Ms. Frost and get back to Council on this.

11 Lewis inquired about the \$58,200 charge for Park and Landscape Services. Davis responded that was  
12 for paving the trail within John Anderson Park.

13 **Lewis stated I'll make a motion to approve Item A of the Consent Agenda. Mundle stated I'll**  
14 **second.** Lewis asked any discussion? To the motion, all in favor say aye. **All in favor.** Lewis asked  
15 any opposed? That motion passes. **Motion passes unanimously.**

#### 16 **6.0 D Approve Hire of Community Development Director**

17 Smith noted the Council had been going back and forth on this a lot. He asked if the City Planner  
18 position was union. Davis responded no.

19 Smith asked if the Community Development Director salary was union. Davis responded it was not.

20 Smith noted when Berg was hired he was at \$17 per hour and then when the previous Community  
21 Development Director left, he was given an additional \$1,000 per month to become the Interim  
22 Community Development Director. Davis responded Berg was given the role of City Planner when  
23 the previous City Planner left and then when the Community Development Director left, he was given  
24 an additional \$1,000 per month to be the Interim Community Development Director as well as to do  
25 some additional duties on top of that. He stated the Community Developer's position was \$89,000  
26 and was at the bottom of that pay scale.

27 Berg noted he started as an intern, which was a temporary three-month position at \$17 per hour.  
28 Smith noted that within a year Berg had received three raises.

29 Berg stated he had left a great job to come work for the City. Smith responded he had not realized  
30 that and he had not heard of any other job that had that fast of a pay raise.

31 Davis stated Berg was highly underpaid when he started with the City. He noted if the Council did not  
32 hire Berg, it would be very difficult to find someone to fill the position because the City's pay rate was  
33 not equivalent to most of the surrounding cities. He noted the City lost the previous Community  
34 Development Director because she could make more money elsewhere. He indicated Berg met all of  
35 the qualifications and he had done an excellent job and he recommended his hire. He stated Berg  
36 had been a great help and was going to be a great value to the City.

37 Mundle noted the City Administrator for Isanti just received a \$30,000 per year raise. Smith  
38 responded that was Isanti and not East Bethel.

39 Lewis stated the reason he asked the item to be pulled was because he sensed it would be approved  
40 and he thought it deserved individual attention than just being passed on the Consent Agenda.

1 Lewis stated for him, his concern was that Berg was on the City Council of Cambridge and he  
 2 questioned the time commitment Berg had as it took a time commitment to be a City Councilmember  
 3 and a Community Development Director. He acknowledged Berg said he was an excellent organizer  
 4 of his time, but it was an issue for him. He noted he had observed Berg under pressure and he was  
 5 able to handle it, which was good and he was impressed with his performance so far. He believed  
 6 Berg was someone worth giving the benefit of the doubt.

7 DeRoche agreed. He noted he had received more information since he said he didn't have enough  
 8 information to vote on this the last time and he had no issue with this.

9 **Smith stated I'll make a motion to approve Item D of the Consent Agenda. Lewis stated I'll second.**

10 Lewis asked any discussion? To the motion, all in favor say aye. **All in favor.** Lewis asked any  
 11 opposed? That motion passes. **Motion passes unanimously.**

## 12 **7.0 New Business. Commission, Association, and Task Force Reports**

### 13 **7.0 A Planning Commission**

#### 14 **7.0 A.1 Resolution 2023-47, Designing Earth Construction CUP**

15 Berg stated Designing Earth Contracting, Inc., an East Bethel company for 16 years, has outgrown  
 16 its current location and on June 9, 2023, its owner, JSN Ulysses Holdings, LLC., purchased two  
 17 adjacent, 2 + acre, parcels of land, at 1282 187th Lane NE, PIN: 32-33-23-21-0004 and PIN: 32-33-  
 18 23-24-0011, in the Sauter's Commercial Park.

19 Berg noted a Concept Plan proposal was reviewed by City staff and presented at the May 23,  
 20 2023 Planning Commission meeting. The proposal consisted of the construction of a new 19,000  
 21 square foot building for a Construction, Trade, and Service Business facility.

22 Berg indicated the properties are Zoned (I) – Light Industrial and in accordance with Appendix A,  
 23 Sec. 48 (4), Construction, Trade, and Service Business are permitted by a Condition Use Permit  
 24 (CUP). Additionally, exterior storage is also regulated by CUP.

25 Berg stated the light industrial (I) district is intended and designed to provide areas of the City  
 26 suitable for activities and uses that are industrial in nature. The proposed use aligns with the  
 27 approved 2040 Comprehensive Plan.

28 Berg stated if the CUP is approved, a formal site plan will be submitted for review and approval  
 29 by the Planning Commission and City Council.

30 Berg noted the Planning Commission conducted a review and held a public hearing at its June  
 31 27th, 2023 meeting. At the conclusion of its review made a recommendation, by a 6-0 vote of  
 32 approval for the City Council to consider.

33 Berg recommended the City Council review the CUP request along with the Planning  
 34 Commission's recommendation and approve the CUP with the conditions set forth in the  
 35 attached Resolution 2023-47.

36 **DeRoche stated I'll make a motion to approve Resolution 2023-47, A Resolution Approving a**  
 37 **Conditional Use to Allow the Construction of a Construction Trade and Services Business with**  
 38 **Exterior Storage, at 1282 187<sup>th</sup> Lane NE, East Bethel, PIN 32-33-23-31-0004 and 32-33-23-24-0011.**  
 39 **Smith stated I'll second.** Lewis asked any discussion? To the motion, all in favor say aye. **All in favor.**  
 40 Lewis asked any opposed? That motion passes. **Motion passes unanimously.**

#### 41 **7.0 A.2 Resolution 2023-48, Designing Earth Construction Site Plan Review**

1 Berg stated Designing Earth Contracting, Inc., an East Bethel company for 16 years, has  
2 outgrown its current location and has submitted an application for a site plan review for the  
3 new Construction, Trade, and Service Businesses facility, located on at 1282 187th Lane NE. The  
4 proposal consists of the adding a 19,000 square foot building, consisting of 7,500 square foot,  
5 two-story, office space and 11,500 square foot shop, with additional land for future expansion.

6 With respect to property zoning, Berg stated the property is zoned (I) – Light Industrial, in which  
7 Construction, Trade, and Service Businesses is permitted by Condition Use Permit (CUP).

8 With respect to the code requirements, Berg noted a site plan review is required prior to  
9 issuance of a building permit for new construction and is also required in conjunction with an  
10 application for a Condition Use Permit (CUP) as defined in Appendix A, Sec. 04, 12. – Site Plan  
11 Approval.

12 With respect to the architectural design, berg indicated City staff have reviewed the proposed  
13 building exterior and determined that it is consistent with the architectural standards as  
14 defined in Appendix A, Sec. 28, 3. – Light Industrial (I) Zone.

15 With respect to the landscape plan, Berg stated the City staff have reviewed the proposed  
16 Landscape Plan and have determined that it exceeds the minimum landscaping code  
17 requirements as defined in Appendix A, Sec. 27, 3. C. - Light Industrial (I) Zone.

18 With respect to the lighting plan, City staff have reviewed the proposed Lighting Plan which is in  
19 compliance with Appendix A. – Sec. 26. – Lighting Regulations.

20 With respect to the parking plan, Berg noted the parking plan includes a total of 45 parking  
21 spaces, divided up between 19 paved spaces for the office, 2 Handicap stalls and 24-yard stalls  
22 for the warehouse. This combination of spaces meets Appendix A. – Sec. 22. – Off Street Parking  
23 and Loading Requirements.

24 With respect to the Easement Vacation, Berg stated an existing combined 20-foot-wide  
25 drainage and utility easement will need to be vacated prior to lot combination and construction.

26 Berg stated the Planning Commission, at its June 27, 2023 meeting, conducted a site plan  
27 review and at its conclusion, by a vote of 6-0, recommends approval to City Council.

28 Berg recommended the City Council review the site plan as well as the Planning Commission's  
29 recommendation and approve the site plan review with the conditions set forth in Resolution  
30 2023-48 and accompanied exhibits.

31 **Smith stated I'll make a motion to approve Resolution 2023-48, A Resolution Approving the Site**  
32 **Plan Review for Construction of a Construction Trade and Services Business at 1282 187<sup>th</sup> Lane**  
33 **NE, East Bethel, PIN 32-33-23-31-0004 and 32-33-23-24-0001. DeRoche stated I'll second. Lewis**  
34 **asked any discussion?**

35 Mundle asked if all three lots would have the same PIN number. Berg responded they will  
36 combine the two lots where the facility was going to be built and the third lot was divided by a  
37 drainage ditch and they were still working through the vacancy which would be separate.

38 Mundle stated that was going to be his question, if they have to combine the PIN numbers. Berg  
39 responded they technically have already been combined.

40 DeRoche asked if a lot would need to be vacated. Berg responded there was a wide drainage or  
41 utility easement on each lot and the two lots were going to be combined together. He noted they  
42 cannot have a drainage or utility easement running through the middle of their shop floor. He

1 indicated their grading plan would need to be finalized by the City Engineer to determine water  
2 flow and drainage, etc. and that would take into effect the vacation of the 20-foot-wide  
3 easement.

4 DeRoche asked if the Corps of Engineers would play a part because that was an issue with Viking  
5 Preserve. Berg responded both watersheds had reviewed this and some had comments or permit  
6 related things that needed to be accomplished as well as the County and that was all being  
7 managed under the City Engineer's review.

8 To the motion, all in favor say aye. **All in favor.** Lewis asked any opposed? That motion passes.  
9 **Motion passes unanimously.**

### 10 11 **7.0 A.3 Resolution 2023-53, Drainage and Utility Easement 1282 187<sup>th</sup> Lane**

12 Berg stated on May 15, 2023, City Staff received an application from Designing Earth  
13 Contraction, Inc. requesting the vacation of drainage and utility easements located on two lots  
14 they had purchased for the future construction of a headquarters for their Construction, Trade,  
15 and Service Business facility.

16 Berg noted the Final Plat of Sauter's Commercial Park, filed on July 27, 1990, dedicated standard  
17 10-foot-wide drainage and/or utility easements along adjoining lot lines for each lot throughout  
18 the commercial park.

19 Berg indicated City staff have reviewed the request and find it appropriate for the applicant to  
20 adjoin the two parcels of property by removing the dedicated easement for future construction.

21 Berg stated during the Site Plan review, the City Engineer and Public Works Director were  
22 supportive of the easement vacation.

23 Berg requested the City Council hold a public hearing and consider the approval to vacate the  
24 drainage and utility easement located between Lot 11, Block 1, Sauter's Commercial Park,  
25 Anoka County, Minnesota; and Lot 10, Block 1, Sauter's Commercial Park, Anoka County,  
26 Minnesota, with the conditions set forth in Resolution 2023-53.

27 Lewis opened the public hearing at 7:51 p.m.

28 There were no comments made.

29 Lewis closed the public hearing at 7:51 p.m.

30 **Mundle stated I'll make a motion to approve Resolution 2023-53, A Resolution Approving the**  
31 **Vacation of a Drainage and Utility Easement on Lots 10 and 11 of Block 1 of Sauter's Commercial**  
32 **Park. Miller stated I'll second.** Lewis asked any discussion?

33 Mundle thanked Design Earth for staying in the City and wanting to make it their home.

34 To the motion, all in favor say aye. **All in favor.** Lewis asked any opposed? That motion passes.  
35 **Motion passes unanimously.**

### 36 **7.0 A.4 Resolution 2023-52, Metes and Bounds Split 2836 221<sup>st</sup> Avenue**

37 Berg stated on June 15, 2023, Steve Strandlund Trustee, submitted an application for a metes and  
38 bounds split of a 39-acre parcel of land, located at 2836 221st Avenue NE, PID: 10-33-23-21-0001,  
39 into two parcels. The first parcel, the original family farmstead, will be divided off as a 5.66-acre lot  
40 and the remaining 34.16 acres will be subdivided at a later date as a future subdivision. The property  
41 proposed for the division is zoned Rural Residential and per City Code, Appendix A, Zoning, Section  
42 42, the minimum lot size for any division is 2 acres.

1 Berg indicated to be eligible for using metes and bounds divisions as outlined in Appendix A., Zoning,  
2 Section 12, the following conditions must be met:

- 3 1.) The parcel must be a minimum of five acres.
- 4 2.) The parcel must have a minimum road front of 300 feet.
- 5 3.) The parcel must contain 23,000 square feet of buildable area as defined in other portions  
6 of this ordinance.
- 7 4.) Appropriate road, public utility, and drainage easements, as outlined in Ordinance 151 as  
8 amended, must be dedicated to the City.
- 9 5.) Park and trail dedication fees as adopted by the City Council by resolution must be paid at  
10 the time of City certification of parcel division.

11 Berg stated this request for a metes and bounds parcel split meets the conditions as it is more than  
12 five acres, has over 300 feet of road frontage and has an existing primary residence which is in  
13 compliance with the remaining conditions.

14 Berg indicated the Planning Commission reviewed the request at its June 27, 2023 meeting. At the  
15 conclusion of its review of the requirements of City Code, Appendix A, Zoning, Section 12 made a  
16 recommendation, by a 6-0 vote of approval to the City Council.

17 Berg requested the City Council review this petition for a metes and bounds parcel split to ensure it  
18 satisfies the requirements of City Code, Appendix A., Zoning, Section 12, in addition to the planning  
19 commission’s recommendation and approve the parcel split.

20 **Mundle stated I’ll make a motion to approve Resolution 2023-52, A Resolution Approving the**  
21 **Metes and Bounds Split for the Administrative Subdivision of the Property Located at 2836 221<sup>st</sup>**  
22 **Avenue NE, East Bethel, PIN 10-33-23-31-0001. Smith stated I’ll second. Lewis asked any**  
23 **discussion? To the motion, all in favor say aye. All in favor. Lewis asked any opposed? That motion**  
24 **passes. Motion passes unanimously.**

25 **7.0 B Economic Development Authority**

26 None.

27 **7.0 C Park Commission**

28 None.

29  
30 **8.0 Department Reports**

31 **8.0 A Community Development**

32 None.

33 **8.0 B Engineer Report**

34 None.

35 **8.0 C City Attorney**

36 None.

37 **8.0 D Finance**

38 None.

39 **8.0 E Public Works**

40 None.

41 **8.0 F Fire Department**

1 None.

## 2 **8.0 G City Administrator Report**

### 3 **8.0 G.1 Cedar-East Bethel Lions Recycle Service Payment Increase**

4 Davis stated the Cedar/East Bethel Lions had provided personnel to operate the City Recycle Center  
5 at 2761 Viking Boulevard for over 20 years. In exchange for their services, the City paid the Lions Club  
6 \$1,000 per month for their assistance through 2014. In 2014, their payment was increased to \$1,200  
7 per month. There has been no change in their payment since that time.

8 Davis noted Cedar-East Bethel Lions President Dallas Jelmsberg has requested that City Council  
9 consider an increase in their payment to \$1,400 per month due to the increase in volume of  
10 recyclable materials the Center has experienced over the past 6 years. This payment increase is  
11 proposed to be \$1,300 per month in 2024 and a \$1,400 per month payment in 2025.

12 Davis indicated the basic services provided by the Lions Club at the Center include:

- 13 • Sorting, crushing, and storing cardboard bales
- 14 • Sorting and separating tin and aluminum
- 15 • Crushing and loading glass
- 16 • Collecting and storing those items left after hours
- 17 • Cleaning and maintaining the exterior and interior of the facility
- 18 • Monitoring the used oil collection site

19 Davis stated the Lions spend approximately 20 hours per week to conduct these activities. The City's  
20 cost to staff and operate the facility for the same number of hours would be at a cost of \$800 per  
21 week or \$3,500 per month to perform the same functions. Davis noted the City will receive a SCORE  
22 Grant in the amount of \$67,820 for 2024 from Anoka County to operate the Recycle Program.  
23 Included in this amount is the cost of \$16,556 for staffing. This would cover the Lions request and  
24 administrative costs of the City. No City funds would be used for the proposed fee increase for the  
25 Lions Club reimbursement. Should this increase be approved it would only be through 2024.  
26 Continuation of this rate or adjustments to the 2025 payment would be dependent on future funding  
27 from the SCORE Grant beyond 2024.

28 Staff requested the City Council consider approving the fee increase from \$1,200 to \$1,300 per  
29 month to the Lions Club for the operation of the Recycle Center effective January 1, 2024 and  
30 continuing through December 31, 2024.

31 **DeRoche stated I'll make a motion to approve the fee increase from \$1,200 to \$1,300 per month to**  
32 **the Lions Club for the operation of the Recycle Center effective January 1, 2023 and continuing**  
33 **through December 31, 2024. Miller stated I'll second. Lewis asked any discussion?**

34 Lewis asked if 2024 would be separate from 2025. Davis responded that was correct and they would  
35 reconsider that again, depending on the budget and how many grant funds they had.

36 To the motion, all in favor say aye. **All in favor.** Lewis asked any opposed? That motion passes.  
37 **Motion passes unanimously.**

### 38 **8.0 G.2 Complaint Form**

39 Davis stated Council had a discussion at their last meeting about Code enforcement and the need to  
40 document some of the complaints to make sure they were coming from residents. Councilmember  
41 Smith had suggested items that needed to be on the form, which was in front of Council. He  
42 requested Council adopt the complaint form as a means of validating and documenting Code  
43 enforcement complaints.

1 **DeRoche stated I'll make a motion to amend the complaint form. Smith stated I'll second.** Lewis  
2 asked any discussion?

3 Smith asked if this were a complaint form for only Code violations or could this be a regular complaint  
4 form also. Davis responded the form could be used for anything.

5 To the motion, all in favor say aye. **All in favor.** Lewis asked any opposed? That motion passes.  
6 **Motion passes unanimously.**

7 **9.0 – Other Items**

8 **9.0 A Staff Report**

9 None.

10 **9.0 B Council Reports**

11 Lewis stated he had no report.

12 Mundle thanked Stephanie Dorn for her time and effort on Booster Days. He indicated she got the  
13 volunteers, did the paperwork, the phone calls, and acknowledged an incredible amount of time had  
14 been spent on Booster Days by the Ms. Dorn and the Committee. He noted this was an unpaid  
15 position. He recommended some sort of an appreciation token should be given by the City to Ms.  
16 Dorn. He suggested a \$100 gift certificate be given to a local restaurant or some other business.

17 Lewis stated he did not understand why Booster Days was set up the way it was. Mundle responded  
18 Booster Days was officially separate from the City itself and does not fall under the City umbrella.

19 Lewis noted what was unusual was that the City paid for the fireworks. Mundle noted that was just a  
20 contribution from the City to help pay for the fireworks as a lot of other businesses made donations.

21 DeRoche stated the City did quite a bit to help this along also such as garbage cleanup. He noted the  
22 City staff "worked their butts off."

23 Mundle agreed but his point was that they were not part of the City and it was independent from the  
24 City. Davis stated Booster Days was separate from the City and they had their own 501(c)(3). He  
25 noted there was always an issue of fundraising and so the City agreed to take over the cost of the  
26 fireworks for Booster Days and the Public Works Department did the set up and clean up for this  
27 event.

28 Mundle stated as this was an unpaid position and a separate entity and they did a lot for the  
29 residents and that needed to be recognized.

30 DeRoche stated it was fine to give kudos to the Director, but there was a lot more than one person  
31 behind the scenes and if they were going to include one person, they would need to include  
32 everybody because one person could not do it all.

33 Mundle suggested this could be a discussion for a future Work Meeting.

34 Larson stated when they get into a monetary type of remittance to an outside group or individual,  
35 that was not something that he would advise them to do today. He indicated he would need to look  
36 into the legality of it to make sure it meets with other proprietary aspects.

37 Mundle stated he was not going to have a motion at this meeting, but he thought it could be  
38 something they could discuss at a future meeting.

39 Larson acknowledged volunteers put in an extraordinary effort and personal time on behalf of the  
40 community, but some type of monetary would come from public monies. He recommended putting  
41 a pause on this.

1 Lewis suggested maybe they should look at how Booster Days was set up so it was not such a crunch  
2 on very few people.

3 **9.0 C Other**  
4 None.

5  
6 **10.0 Adjourn**  
7 **DeRoche stated I'll make a motion to adjourn. Miller stated I'll second.** To the motion, all in favor  
8 say aye. **All in favor.** Lewis asked any opposed? That motion passes. **Motion passes unanimously.**  
9 Meeting adjourned at 8:11 PM.

10 Submitted by:  
11 Kathy Altman  
12 *TimeSaver Off Site Secretarial, Inc.*

**ARTICLE VIII. WORK SCHEDULES**

- 8.1 The sole authority for work schedules is the Employer.
- 8.2 The Employer will give fourteen (14) days advance notice to the employees affected by the establishment of scheduled shifts different from the employees' normal scheduled shift.
- 8.3 In the event that work is required because of unusual circumstances such as (but not limited to) fire, flood, snow, sleet, or breakdown of municipal equipment or facilities, no advance notice need be given.
- 8.4 The normal work week shall be forty (40) hours Monday through Friday.
- 8.5 Employees will be allowed to accumulate compensatory time until the compensatory time leave bank reaches 50 hours for the duration of this contract.

When the maximum number of hours are accumulated, no additional compensatory shall be accrued during the twelve (12) month period. Any overtime hours worked beyond the compensatory bank limits noted above will be paid in accordance with ARTICLE IX. Use of compensatory time off shall be subject to the written prior approval of the EMPLOYER.

Any compensatory time earned but not used by November 30th of each year will be paid as overtime to the employee on the second pay period in December.

- 8.6 Regular and part-time employees who work a minimum of 1,040 hours per year on an ongoing basis will be entitled to pro-rated benefits as a percentage of time worked of the full-time employee level.
- 8.7 Seasonal employees can work a maximum of 1,039 hours during a calendar year

**ARTICLE IX. OVERTIME PAY / SPECIALITY PAY**

- 9.1 Hours worked in excess of forty (40) hours within a seven (7) day period will be compensated for at one and one-half (1.5) times the employee's regular base pay. Pre-approved vacation and sick leave will count as worked hours for overtime purposes. Pre-approved vacation and sick leave must be authorized by the employees supervisor the week prior to the leave being taken to be included in computation of hours worked.
- 9.2 For the purpose of computing overtime compensation, overtime hours worked shall not be pyramided, compounded, or paid twice for the same hours worked.
- 9.3 Hours worked taking minutes or attending meetings when required in the evening will be compensated for a minimum of two (2) hours' pay at one and one-half (1.5) times the employee's base rate of pay.
- 9.4 New employees that possess or existing employees who obtain their Waste Water Operator

Class B Certificate and their Water Supply System Operator Class C Certification shall receive an additional \$3.00 per hour to their base hourly wage. This amount is not adjusted on an annual basis.

- 9.5 New employees that possess or existing employees who obtain their Water Supply System Operator Class D Certificate shall receive an additional \$.50 per hour to their base hourly wage. This amount is not adjusted on an annual basis.
- 9.6 New employees that possess or existing employees who obtain their Water Supply System Operator Class C Certification shall receive an additional \$1.00 per hour to their base hourly wage. This amount is not adjusted on an annual basis.
- 9.7 The City reserves the right to limit the number of employees who are permitted to obtain a Water Supply System Operator's or Sewer Collection System Certificates of any class. Upon approval by the City, an employee may take the required courses and examinations.
- 9.8 New employees that possess or existing employees who demonstrate the ability to maintain the City's equipment and vehicles shall be eligible to receive an additional \$1.00 per hour to their base hourly wage upon selection by the City. The City reserves the right to designate this employee and limit the number of employees to one (1) for this assignment. The individual that is assigned this duty shall have the abilities to perform all requirements of this position as defined in the Maintenance Technician job description and include but not be limited to all regular maintenance, repairs that can be handled in-house, maintaining records of all work, and other duties as assigned. This additional pay is not adjusted on an annual basis.

**ARTICLE X. CALL BACK**

An employee called in for work at a time other than the employee's normal scheduled shift will be compensated for a minimum of two (2) hours' pay at one and one-half (1.5) times the employee's base rate of pay.

**ARTICLE XI. RIGHT OF SUBCONTRACT**

Nothing in this Agreement shall prohibit or restrict the right of the Employer from subcontracting work performed by employees covered by this Agreement.

**ARTICLE XII. DISCIPLINE**

- 12.1 The Employer will discipline, suspend or dismiss employees for just cause only. Discipline will be in one (1) or more of the following forms, without regard to any specific order:
  - A. Oral reprimand and warning;
  - B. Written reprimand;
  - C. Suspension;
  - D. Demotion; or
  - E. Discharge.
- 12.2 Suspension, demotions and discharges will be in written form.

# Memorandum of Agreement (MOA)

Between City of East Bethel

and

Minnesota Public Employees Association

The City of East Bethel and the Minnesota Public Employees Association agree on the following amendment to the to the 2023-2025 Labor Agreement that is the currently existing contract for all City union employees or any subsequent contract extensions, renewals or new agreements:

**Specialty Pay**

The City of East Bethel, upon recommendation of the City Administrator and Public Works Director, have determined that Tim Meyenberg, an employee in the City Public Works Department, currently receives \$1.00 specialty pay in addition to his base wage for performing additional equipment maintenance duties and has assumed further responsibilities as a light duty mechanic with record keeping tasks for the Public Works Department. To compensate for these additional duties, it is recommended that Mr. Meyenberg receive \$2.00 per hour specialty pay beginning on January 1, 2024. Furthermore, Mr. Meyenberg, would be eligible for a \$1.00 per hour specialty pay increase upon completion of an ASE certification beginning January 1, 2025

**The following amendment shall be added to 2023-2025 Labor Agreement, Article IX, Section 9.8**

9. 8, New employees that possess or existing employees who demonstrate the aptitude and ability in maintaining the City’s fleets vehicles, including but not limited to all regular maintenance, repairs that can be handled in-house, maintaining records of all work and other duties as assigned, shall receive an additional \$1.00 \$2.00 per hour to their base hourly wage, commencing on January 1, 2024. The City reserves the right to limit the number of employees who qualify for the designation. Employee(s) designated for this position could also qualify for an additional ~~\$1.00~~ \$2.00 per hour specialty pay with the completion of an ASE certificate approved by the City commencing January 1, 2025. This amount is not adjusted on an annual basis.

This MOA shall be effective through December 31, 2025, or until a successor agreement is approved.

City of East Bethel

Minnesota Public Employees Association

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Business Agent

\_\_\_\_\_  
City Administrator

\_\_\_\_\_  
Union Steward

\_\_\_\_\_  
Union Steward

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**City of East Bethel  
City Council Meeting  
Agenda Item Information**



**Date:** July 24, 2023

**Agenda Item Number:** 8.0 Electrical Inspections Service Contract

**Background Information:**

At the June 5, 2023 City Council Work Meeting staff present council with information on a potential change in electrical inspection services which could create less confusion and more conveniences for residents as well as efficiencies for city staff in application process.

Prior to July 2011, all electrical inspections in the city were conducted by the Minnesota Department of Labor and Industry (DOLI). Changes in regulations provided Local Units of Government an option to contract privately for electrical inspection services.

In September 2011, the City of East Bethel contracted electrical inspections with a local inspector who could provide same day inspections and allowed the City to recover a percentage of the permit fees and work. In September 2018 this service transitioned to Sloth Inspections located in Andover. The city is not dissatisfied with Sloth Inspections however staff believe that utilizing the DOLI will be a better value for residents and contractors. Independent contracting of this service has experienced costs increases. This increased costs to cover inflationary expenses has not come with any additional benefits to residents and contractors. Additionally, the DOLI has improved their performance in this area therefore the difference between the two services has since equalized.

The advantages of contracting the electrical inspection service are/were:

- 20 percent of the permit revenue is retained by the City to cover the administrative costs for this service

The disadvantages of contracting the electrical inspection service are/were:

- Confusion as to who to contact with questions and for inspections.
- Costs increases passed on to residents for permitting.
- Scheduling inspections has been reduced to 2 days per week.
- Additional permits for projects cannot be issued until electrical inspections have been complete which causes delays for residents and contractors.
- The financial incentives for the City have been minimized.

The advantages of going with DOLI are:

- Administration of the entire process is no longer a responsibility of or a cost to the City.
- Electrical questions, permits and inspections are in one place for contractors and residents.
- Permit costs would be less for contractors and residents.
- With surrounding cities and counties using the same service, there may be advantages and efficiencies in scheduling.

The disadvantages of contracting with the DOLI are:

- There could be some initial confusion with transition to new service.

- An estimated loss of annual revenue in the average amount of \$6,106.62/year.

In summary, there seems to be no additional conveniences or savings for the residents, city or contractors that the independent contracting once provided. Of the 21 Cities in Anoka County, only 7 contract with an independent inspector.

The existing contract with the independent inspector may be terminated with or without cause by either party with 30 days written notice.

DOLI has requested a minimum of a 2 week notice to prepare for the assumption of the duties. Ordinance revisions will be necessary to reassign the authority to the DOLI and can be accomplished during the 30 day notice period.

**Attachment(s):**

Attachment 1 – Resolution 2023-55

**Fiscal Impact:**

Revenues generated by the current contacted electrical services shows an average of \$6,106.62/ year over the last 5 years.

Staff estimates that on average each electrical permit requires an average of 30 minutes per permit to process from initial application through processing to final billing. The same 5 year average shows that on average 1 electrical permit was issued per day. This puts processing and administrative costs at approximately \$6,760.00/year.

**Recommendation:**

Staff is recommending that Council approve Resolution 2023-55, authorizing the termination of the contract with the independent electrical inspector, by 30 day written notice, and designate authority of electrical permitting, fee collection and inspection services, by ordinance, to the Commissioner of the Minnesota Department of Labor and Industry beginning on September 1<sup>st</sup>, 2023.

**City Council Action:**

Motion by: \_\_\_\_\_

Second by: \_\_\_\_\_

Vote Yes: \_\_\_\_\_

Vote No: \_\_\_\_\_

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

**RESOLUTION 2023-55**

**RESOLUTION TO TERMINATE CONTRACT FOR  
INDEPENDENT ELECTRICAL INSPECTION SERVICES  
AND  
DESIGNATE AUTHORITY TO THE MINNESOTA  
DEPARTMENT OF LABOR AND INDUSTRY**

**WHEREAS**, MN 326B.36 Sub. 1 states, except where any political subdivision has by ordinance provided for electrical inspection similar to that herein provided, every new electrical installation in any construction, remodeling, replacement, or repair, shall be inspected by the Commissioner of Labor and Industry for compliance with accepted standards of construction for safety to life and property.

**WHEREAS**, the City of East Bethel ordinance Chapter 14, Article II, Division 2, requires services to be provided for electrical inspection for electrical permits issued in the City; and

**WHEREAS**, in 2018, the City of East Bethel ("City") entered into an agreement with Sloth Inspection, Inc. ("Contractor") for Electrical Inspection Services;

**WHEREAS**, the existing agreement with the Contractor may be terminated with or without cause by either party with 30 days written notice;

**WHEREAS**, the City Council determines it is in the best interests of the City and its citizens to terminate the contract for independent electrical inspection services; and

**WHEREAS**, the City Council authorizes the Minnesota Department of Labor and Industry to conduct the issuance of electrical permits, collection of fees and conduct inspections.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council as follows:

1. The City intends to terminate the Electrical Inspection Services Agreement by 30 day written notice.
2. This resolution shall authorize city staff to prepare ordinance amendments related to authority of electrical code enforcement, collection of fees, and issuance of electrical permits;
3. Coordinate with the MN Department of Labor and Industry to assume the responsibility of issuance of electrical permits, collection of fees and conduct inspections within the City of East Bethel on September 1<sup>st</sup>, 2023.

Adopted this 24<sup>th</sup> day of July 2023.

CITY OF EAST BETHEL

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Kevin Lewis, Mayor

ATTEST:

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Jack Davis, City Administrator

**City of East Bethel  
City Council Work Meeting  
Agenda Item Information**



**Date:** July 24, 2023

**Agenda Item Number:** Item 8.0 C.1

**Agenda Item:** LiveBarn Video Contract – Ice Arena

**Background Information:**

The St. Francis Youth Hockey Association has requested the City contract with LiveBarn, Inc. to install a fully automated sports broadcasting system for the delivery of on demand video and audio streaming to internet connected devices. LiveBarn is a video service that provides Live Streaming and On Demand replay of amateur and youth sports events. The LiveBarn service is available in most ice arenas in the state.

Access to the LiveBarn services would be through paid subscription to the vendor.

The City Attorney reviewed the Live Barn Contract and his recommendations for contract changes/amendments have been accepted by Live Barn. These changes have been incorporated in the proposed contract (Attachment 2) and are as follows:

Section 1.1, Amended: Installation shall include separate internet line.

Section 2.1 and 3.1, Amended: The Term of this Agreement is five years.

Section 6.1, Amended to include: Section 6.1 is a request by LiveBarn, not a binding obligation on Venue Owner.

Section 7.9, Amended: This Agreement is governed by and will be interpreted under the laws of the State of Minnesota. Any disputes shall be heard in the court of the State of Minnesota, venue Anoka County if a state district court action.

Section 7.10, Amended t: This Agreement is a public document under the Minnesota Data Practices Act.

Section 7.13, Added Section, which provides: Notwithstanding anything to the contrary, the Venue Agreement does not preclude any person or member of the public accessing Venue Owner’s public facilities from creating their own video and/or audio at Venue Owner’s Ice Rink Sheet; and this Venue Agreement shall be interpreted and applied in a manner that complies, and does not create or constitute a breach or a default, with

existing agreements between Venue Owner and others respecting Venue Owner's Ice Rink Sheet.

This matter was discussed by City Council at the October 3, 2022 Work Meeting but there was no follow up on the request.

**Attachment(s):**

Attachment 1 - LiveBarn Contract

Attachment 2 - Proposed LiveBarn Contract

**Fiscal Impact:** Per the proposed contract, there is no cost for the Live Barn installation. The City would not be responsible for damage or malfunction of any equipment. LiveBarn will repair or replace at its cost any malfunctioning components which is required.

The City would may have costs, to be determined, for WiFi upgrades if required and maintenance of this system in the arena. The City would realize revenues from Live Barn and ad sales in amount estimated to be \$300 – 500 per year.

**Recommendation(s):** Staff is requesting City Council to consider approval of the contract with Live Barn for streaming and on demand video services for the East Bethel Ice Arena as exhibited in Attachment 2.

**VENUE AGREEMENT****DATE:****BETWEEN: LIVEBARN INC. ("LiveBarn")***and*\_\_\_\_\_  
("Venue Owner")

WHEREAS LiveBarn Inc. and Venue Owner wish to enter into this Agreement pursuant to which LiveBarn will install at Venue Owner's Ice Rink Sheet described in the attached Schedule "A" (each being an "Ice Rink Sheet") a fully automated sports broadcasting system for the delivery of live and/or on demand video and audio streaming to internet connected devices such as smartphones, computers or tablets (the "Automated Online Broadcast Service");

NOW, THEREFORE, in consideration for the mutual promises set out below, and for other good and valuable consideration acknowledged by the parties, LiveBarn and Venue Owner agree as follows:

**1 AUTOMATED ONLINE BROADCAST SERVICE**

1.1 LiveBarn shall, at its own expense, install and maintain all hardware, software and internet bandwidth required for the operation and maintenance of the Automated Online Broadcast Service in regards to each Ice Rink Sheet. The initial installation will occur within six months from the date of this Agreement (such six month date being herein referred to as the "Latest Install Date"); it will be scheduled with the written approval (including email) of Venue Owner, and concurrently with the installation, LiveBarn will specifically explain to Venue Owner representative onsite exactly where any hardware or other components will be installed. Installation will then only proceed with the consent of Venue Owner which consent will be deemed upon LiveBarn undertaking its installation. The initial installation for each Ice Rink Sheet shall include one (1) computer, one (1) router, one (1) modem, between one (1) and three (3) power converters, and up to two (2) cameras to be placed on the side walls or on the beams or columns extending from the walls. The internet connection and computer shall be located adjacent to the respective Ice Rink Sheet in a secure location with electrical power outlets. The exact selection of camera locations will be made after consideration for optimal broadcast quality and avoidance of any obstruction. Any modification to the installation will only be undertaken with the permission and process with Venue Owner as outlined above. Venue Owner shall assume the cost of electricity for the components installed in connection with this Agreement.

1.2 In addition LiveBarn shall, at its expense and upon Venue Owner's request, install one advertising management box adjacent to a TV screen that is provided by the Venue. The LiveBarn advertising management box will display a combination of LiveBarn highlights and a Live feed, as well as additional LiveBarn information.

1.3 All content broadcast using the Automated Online Broadcast Service, including the video and audio relating to all sports and recreational activities occurring on each Ice Rink Sheet (collectively, the "Content"), will be made available to LiveBarn's subscribers on a monthly subscription basis, subject to sections 1.6 and 1.7 below. LiveBarn will determine the pricing for its offerings of the Automated Online Broadcast Service. From time to time LiveBarn may provide a free trial at its discretion.

1.4 Revenue generated from the Automated Online Broadcast Service will be the property of LiveBarn; however, LiveBarn will supply Venue Owner with a unique code to enable it to market and solicit new memberships for LiveBarn, for which LiveBarn will pay Venue Owner thirty percent (30%) of the revenues generated from these memberships over the full lifetime of these memberships - until such membership is discontinued. The above code will enable Venue Owner to solicit LiveBarn memberships by providing potential members with the attraction of a 10% discount. This code will track the memberships generated by Venue Owner on a quarterly basis. The above payments to Venue Owner will only apply to LiveBarn memberships originated with the unique code allocated to Venue Owner. LiveBarn will pay Venue Owner its revenue share within 30 days of the end of each calendar quarter together with a corresponding revenue statement. Venue Owner will provide a staff person to communicate with and receive LiveBarn's various local marketing initiatives (including social media) as described below.

1.5 LiveBarn shall be the exclusive owner of all rights in and to the Content, and shall have the exclusive right to broadcast the Content for all purposes and in any manner it determines in its sole discretion, including by providing its broadcast signal to national broadcasters and digital media distributors. Without limiting the foregoing, the Venue Owner acknowledges that online distributions of the Content from each Ice Rink Sheet will be made available to all subscribers of the Automated Online Broadcast Service, subject to sections 1.6 and 1.7 below.

1.6 LiveBarn will provide Venue Owner with an exclusive online administrative password to enable Venue Owner in its discretion to "blackout" any particular dates or time periods from being broadcast on any selected Ice Rink Sheet (the "Blackout Restrictions").

1.7 LiveBarn will also provide Venue Owner with the ability in its discretion to restrict viewer access to any broadcasts from its Venue to a pre-selected potential audience for privacy purposes.

1.8 During the Term (as defined below), LiveBarn will provide Venue Owner with three (3) complimentary LiveBarn accounts for each Ice Rink Sheet.

1.9 LiveBarn will hold Venue Owner harmless for any injuries to LiveBarn employees and agents in connection with their work.

## **VENUE AGREEMENT**

### **2 TERM AND TERMINATION**

2.1 The term of this Agreement commences on the date hereof and continues until the six year anniversary of the Latest Install Date (the “Term”), and it will automatically renew for successive terms of two (2) years, unless either party notifies the other in writing of its intent to discontinue this Agreement at least ninety (90) days before the expiration of the then current term.

2.2 Notwithstanding the foregoing, but subject to Subsection 3.1 below, either party shall have the right to terminate this Agreement for any reason upon giving (90) days written notice to the other party.

2.3 Upon termination of this Agreement by expiration of the term or for any other cause, LiveBarn shall, at its own cost and expense, remove all hardware, software and wiring from Venue Owner's location.

2.4 Venue Owner shall have the right to terminate this Agreement if LiveBarn materially breaches this Agreement and the material breach is not cured to within forty (40) days after Venue Owner provides written notice which outlines such breach to LiveBarn.

### **3 EXCLUSIVITY**

3.1 In consideration for the investment of time and expense incurred by LiveBarn to fulfill its obligations under this Agreement, the receipt and sufficiency of which is hereby acknowledged, the Venue Owner hereby declares and agrees that for a period of six (6) years from the commencement date of the Term, and notwithstanding the termination of this Agreement by the Venue Owner, for any reason, LiveBarn shall have the absolute exclusivity to broadcast Content from each of the Ice Rink Sheets using an automated (without individuals operating cameras) online broadcasting system. For greater certainty, the said exclusivity shall apply for the six (6) year period even if the Venue Owner elects to terminate this Agreement pursuant to Subsection 2.2 above prior to the expiration of the Term.

3.2 The Venue Owner hereby declares and acknowledges that the foregoing exclusivity, including the term thereof, is reasonable in the circumstances, and that LiveBarn is relying upon such exclusivity in connection with the provision of the Automated Online Broadcast Service and that LiveBarn would not have entered into this Agreement without such exclusivity. However, the foregoing exclusivity shall not apply should LiveBarn cease operations or to the extent Venue Owner terminates this agreement in accordance with section 2.4.

3.3 Venue Owner acknowledges and agrees that, in the event of a breach or threatened breach by it of the provisions of Subsection 3.1 above, LiveBarn will have no adequate remedy in money or damages and, accordingly, shall be entitled to an injunction in a court of competent jurisdiction

against such breach. However, no specification in this Agreement of any specific legal or equitable remedy shall be construed as a waiver or prohibition against any other legal or equitable remedies in the event of a breach of any of the provisions of this Agreement.

### **4 SUPPLY OF AUTOMATED ONLINE BROADCAST SERVICE**

4.1 LiveBarn will use reasonable skill and care to make the Automated Online Broadcast Service available throughout the Term. Notwithstanding the foregoing, LiveBarn shall have no responsibility, liability, or obligation whatsoever to Venue Owner, or any other third party, for any interruptions of the Automated Online Broadcast Service.

4.2 LiveBarn may, without any liability to Venue Owner, suspend the supply of all or part of the Automated Online Broadcast Service upon giving Venue Owner notice. This would occur if the LiveBarn equipment is repeatedly damaged or LiveBarn is unable to obtain a sufficient internet signal to the venue.

4.3 The Venue Owner agrees to notify LiveBarn by email to [venuesupport@livebarn.com](mailto:venuesupport@livebarn.com) as soon as it becomes aware of any interruption or malfunction with the Automated Online Broadcast Service. Venue Owner will not be responsible for damage or malfunction of any equipment and LiveBarn will repair or replace at its cost any malfunctioning components which is required. Any required service visit by LiveBarn will be scheduled with the written approval (including email) of Venue Owner. LiveBarn will specifically explain the repair, replacement or service work to Venue Owner representative onsite and this work will only proceed with the consent of Venue Owner which consent will be deemed upon LiveBarn undertaking its work.

4.4 From time to time there will be on site adjustments requiring assistance from a technically proficient person at the Venue. Venue Owner will be responsible to supply such person when necessary.

### **5 NOTICE TO PUBLIC**

5.1 The Venue Owner agrees to post a notice at the entrance to its venue and inside each Ice Rink Sheet, advising the public that the venue is monitored by video cameras for security, safety and commercial purposes, and participants waive any claim relating to the capture or public transmission of his/her participation while at the venue. LiveBarn will supply and post these notices during its initial installation and reserves the right to modify the language contained therein from time to time, in its sole discretion, to satisfy its legal obligations.

5.2 In all agreements with parties for usage of the Venue, Venue Owner will include provisions both disclosing the existence of LiveBarn broadcasting at the Venue and requiring such parties to notify all their users of the Venue of this.

**VENUE AGREEMENT**

**6 MARKETING**

6.1 Venue Owner agrees to promote LiveBarn through all available avenues discussed in this section, understanding that it is in Venue’s best interest financially to market LiveBarn to their customers and patrons. LiveBarn will also provide, at its expense, a minimum of one (1) 2.5 x 6’ color printed standing banner, branded with Venue Owner’s unique code described in Subsection 1.5, to be displayed within Venue Owner’s lobby in a prominent location. Venue Owner understands that failure to comply and make reasonable promotion and marketing efforts will result in lower revenue share payments to Venue Owner.

6.2 Venue Owner will provide a marketing contact person (s) who will be responsible for interacting with LiveBarn and becoming knowledgeable about the various LiveBarn marketing and promotion initiatives. Upon installation of LiveBarn, Venue Owner will make said contact available for a 30 minute video web session, serving as an orientation into all of the best practices for introducing and promoting LiveBarn. This person will subsequently be responsible for implementing promotion and marketing initiatives to Venue’s customers and patrons.

6.3 Venue Owner will place a LiveBarn banner or link on their website with a backlink and embedded demo video where possible. Venue Owner will do the same with any organizations, associations, clubs and affiliates that it owns that use their facility.

6.4 Venue Owner will announce the LiveBarn installation as well as embed any demo video on all of their social media networks. Venue Owner will also like and follow LiveBarn on said social media networks as well as share content when tagged, acknowledging that this will only be used when venue is directly involved with any video shared. Venue Owner will do the same with any organizations, associations, clubs, affiliates that it owns that use their facility.

**7 GENERAL**

7.1 Any amendment to this Agreement must be in writing and signed by both parties.

7.2 Although LiveBarn will remain liable for its obligations hereunder, LiveBarn shall be permitted to use agents and subcontracts to perform its installation, maintenance and repair obligations hereunder.

7.3 The waiver of a breach of any provision of this Agreement will not operate or be interpreted as a waiver of any other or subsequent breach.

7.4 If any part of this Agreement is held to be invalid or unenforceable, that part will be severed and the rest of the Agreement will remain in force. Headings herein are for reference only.

7.5 LiveBarn hereby represents that it maintains \$2,000,000 of General Liability Insurance, \$2,000,000 in

Media Coverage Insurance and \$2,000,000 in Cyber Insurance, and that upon execution of this Agreement Venue Owner will become a Certificate Holder, with its name and location included in such insurance policies.

7.6 All notices required under this Agreement must be given in writing and by email to Livebarn at [venuesupport@livebarn.com](mailto:venuesupport@livebarn.com), [fmiller@livebarn.com](mailto:fmiller@livebarn.com), [ray@livebarn.com](mailto:ray@livebarn.com), and to Venue Owner at its address listed herein. Either party may change its address from time to time by providing notice of such change to the other party.

7.7 This Agreement describes the entire understanding and agreement of the parties, and supersedes all oral and written agreements or understandings between them related to its subject matter.

7.8 This Agreement may be executed in one or more counterparts, each of which will be deemed an original, and all of which taken together will be deemed to be one instrument.

7.9 This Agreement is governed by and will be interpreted under the laws of the State of New York. Any disputes shall be heard in the courts of the State of New York.

7.10 Each party shall keep the terms contained herein confidential and neither of its directors, officers, employees, agents or representatives, where applicable, shall disclose the terms contained herein without the express written consent of the other party, unless such disclosure is required by applicable law.

7.11 Venue Owner will not be liable to LiveBarn by reason of inconvenience or annoyance for any damages or lost revenue due to power loss or shortage, mechanical breakdown, structural damage, roof collapse, fire, flood, renovations, improvements, alterations, or closure of the facility by it or any regulatory agency.

7.12 LiveBarn consents to Venue Owner promoting in its marketing materials that LiveBarn supplies it with the LiveBarn installed product.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement on the date and at the place first above mentioned.

LIVEBARN INC.  
Per: \_\_\_\_\_

VENUE OWNER  
Per: \_\_\_\_\_

Print Name:

**VENUE AGREEMENT**

**PLEASE FILL OUT SCHEDULE A**

**Venue Name and Address:**

**Venue Marketing Contact:**

Name:  
Work Number:  
Cell Phone:  
Email Address:

**Name of Each Rink:**

(i.e. Rink #1 or Main Rink)

**Venue Technical Contact:**

Name:  
Work Number:  
Cell Phone:  
Email Address:

**Revenue Share Payment Information:**

**Primary Contact - Venue General Manager or Decision Maker:**

Name:  
Work Number:  
Cell Phone:  
Email Address:

Payee Name (name of entity depositing check):  
Attention (name of individual receiving check and statement):  
Street Address:  
City:  
State/Province:  
Zip/Postal Code:  
Additional Special Instructions:

**Secondary Contact or On-Site Manager:**

Name:  
Work Number:  
Cell Phone:  
Email Address:

**Venues 9 Digit Tax Id # (EIN): \_\_\_\_\_**

We require the Tax ID number in order to ship hardware from Canada to the USA (This helps speed up the shipping and installation process).

DATE:

BETWEEN: LIVEBARN INC. ("LiveBarn")

and

\_\_\_\_\_ ("Venue Owner")

WHEREAS LiveBarn Inc. and Venue Owner wish to enter into this Agreement pursuant to which LiveBarn will install at Venue Owner's Ice Rink Sheet described in the attached Schedule "A" (each being an "Ice Rink Sheet") a fully automated sports broadcasting system for the delivery of live and/or on demand video and audio streaming to internet connected devices such as smartphones, computers or tablets (the "Automated Online Broadcast Service");

NOW, THEREFORE, in consideration for the mutual promises set out below, and for other good and valuable consideration acknowledged by the parties, LiveBarn and Venue Owner agree as follows:

### 1 AUTOMATED ONLINE BROADCAST SERVICE

1.1 LiveBarn shall, at its own expense, install and maintain all hardware, software and internet bandwidth required for the operation and maintenance of the Automated Online Broadcast Service in regards to each Ice Rink Sheet. The initial installation will occur within six months from the date of this Agreement (such six month date being herein referred to as the "Latest Install Date"); it will be scheduled with the written approval (including email) of Venue Owner, and concurrently with the installation, LiveBarn will specifically explain to Venue Owner representative onsite exactly where any hardware or other components will be installed. Installation will then only proceed with the consent of Venue Owner which consent will be deemed upon LiveBarn undertaking its installation. The initial installation for each Ice Rink Sheet shall include **installation of a separate internet line**, one (1) computer, one (1) router, one (1) modem, between one (1) and three (3) power converters, and up to two (2) cameras to be placed on the side walls or on the beams or columns extending from the walls. The internet connection and computer shall be located adjacent to the respective Ice Rink Sheet in a secure location with electrical power outlets. The exact selection of camera locations will be made after consideration for optimal broadcast quality and avoidance of any obstruction. Any modification to the installation will only be undertaken with the permission and process with Venue Owner as outlined above. Venue Owner shall assume the cost of electricity for the components installed in connection with this Agreement.

1.2 In addition LiveBarn shall, at its expense and upon Venue Owner's request, install one advertising management box adjacent to a TV screen that is provided by the Venue. The LiveBarn advertising management box will display a combination of LiveBarn highlights and a Live feed, as well as additional LiveBarn information.

1.3 All content broadcast using the Automated Online Broadcast Service, including the video and audio relating to all sports and recreational activities occurring on each Ice Rink Sheet (collectively, the "Content"), will be made available to LiveBarn's subscribers on a monthly subscription basis, subject to sections 1.6 and 1.7 below. LiveBarn will determine the pricing for its offerings of the Automated Online Broadcast Service. From time to time LiveBarn may provide a free trial at its discretion.

1.4 Revenue generated from the Automated Online Broadcast Service will be the property of LiveBarn; however, LiveBarn will supply Venue Owner with a unique code to enable it to market and solicit new memberships for LiveBarn, for which LiveBarn will pay Venue Owner thirty percent (30%) of the revenues generated from these memberships over the full lifetime of these memberships - until such membership is discontinued. The above code will enable Venue Owner to solicit LiveBarn memberships by providing potential members with the attraction of a 10% discount. This code will track the memberships generated by Venue Owner on a quarterly basis. The above payments to Venue Owner will only apply to LiveBarn memberships originated with the unique code allocated to Venue Owner. LiveBarn will pay Venue Owner its revenue share within 30 days of the end of each calendar quarter together with a corresponding revenue statement. Venue Owner will provide a staff person to communicate with and receive LiveBarn's various local marketing initiatives (including social media) as described below.

1.5 LiveBarn shall be the exclusive owner of all rights in and to the Content, and shall have the exclusive right to broadcast the Content for all purposes and in any manner it determines in its sole discretion, including by providing its broadcast signal to national broadcasters and digital media distributors. Without limiting the foregoing, the Venue Owner acknowledges that online distributions of the Content from each Ice Rink Sheet will be made available to all subscribers of the Automated Online Broadcast Service, subject to sections 1.6 and 1.7 below.

1.6 LiveBarn will provide Venue Owner with an exclusive online administrative password to enable Venue Owner in its discretion to "blackout" any particular dates or time periods from being broadcast on any selected Ice Rink Sheet (the "Blackout Restrictions").

1.7 LiveBarn will also provide Venue Owner with the ability in its discretion to restrict viewer access to any broadcasts from its Venue to a pre-selected potential audience for privacy purposes.

1.8 During the Term (as defined below), LiveBarn will provide Venue Owner with three (3) complimentary LiveBarn accounts for each Ice Rink Sheet.

1.9 LiveBarn will hold Venue Owner harmless for any injuries to LiveBarn employees and agents in connection with their work.

**2 TERM AND TERMINATION**

2.1 The term of this Agreement commences on the date hereof and continues until the ~~five~~ six year anniversary of the Latest Install Date (the “Term”), and it will automatically renew for successive terms of two (2) years, unless either party notifies the other in writing of its intent to discontinue this Agreement at least ninety (90) days before the expiration of the then current term.

2.2 Notwithstanding the foregoing, but subject to Subsection 3.1 below, either party shall have the right to terminate this Agreement for any reason upon giving (90) days written notice to the other party.

2.3 Upon termination of this Agreement by expiration of the term or for any other cause, LiveBarn shall, at its own cost and expense, remove all hardware, software and wiring from Venue Owner's location.

2.4 Venue Owner shall have the right to terminate this Agreement if LiveBarn materially breaches this Agreement and the material breach is not cured to within forty (40) days after Venue Owner provides written notice which outlines such breach to LiveBarn.

**3 EXCLUSIVITY**

3.1 In consideration for the investment of time and expense incurred by LiveBarn to fulfill its obligations under this Agreement, the receipt and sufficiency of which is hereby acknowledged, the Venue Owner hereby declares and agrees that for a ~~period of five~~ six (56) years from the commencement date of the Term, and notwithstanding the termination of this Agreement by the Venue Owner, for any reason, LiveBarn shall have the absolute exclusivity to broadcast Content from each of the Ice Rink Sheets using an automated (without individuals operating cameras) online broadcasting system. For greater certainty, the said exclusivity shall apply for the six (6) year period even if the Venue Owner elects to terminate this Agreement pursuant to Subsection 2.2 above prior to the expiration of the Term.

3.2 The Venue Owner hereby declares and acknowledges that the foregoing exclusivity, including the term thereof, is reasonable in the circumstances, and that LiveBarn is relying upon such exclusivity in connection with the provision of the Automated Online Broadcast Service and that LiveBarn would not have entered into this Agreement without such exclusivity. However, the foregoing exclusivity shall not apply should LiveBarn cease operations or to the extent Venue Owner terminates this agreement in accordance with section 2.4.

3.3 Venue Owner acknowledges and agrees that, in the event of a breach or threatened breach by it of the provisions of Subsection 3.1 above, LiveBarn will have no adequate remedy in money or damages and, accordingly, shall be entitled to an injunction in a court of competent jurisdiction

against such breach. However, no specification in this Agreement of any specific legal or equitable remedy shall be construed as a waiver or prohibition against any other legal or equitable remedies in the event of a breach of any of the provisions of this Agreement.

**4 SUPPLY OF AUTOMATED ONLINE BROADCAST SERVICE**

4.1 LiveBarn will use reasonable skill and care to make the Automated Online Broadcast Service available throughout the Term. Notwithstanding the foregoing, LiveBarn shall have no responsibility, liability, or obligation whatsoever to Venue Owner, or any other third party, for any interruptions of the Automated Online Broadcast Service.

4.2 LiveBarn may, without any liability to Venue Owner, suspend the supply of all or part of the Automated Online Broadcast Service upon giving Venue Owner notice. This would occur if the LiveBarn equipment is repeatedly damaged or LiveBarn is unable to obtain a sufficient internet signal to the venue.

4.3 The Venue Owner agrees to notify LiveBarn by email to [venuesupport@livebarn.com](mailto:venuesupport@livebarn.com) as soon as it becomes aware of any interruption or malfunction with the Automated Online Broadcast Service. Venue Owner will not be responsible for damage or malfunction of any equipment and LiveBarn will repair or replace at its cost any malfunctioning components which is required. Any required service visit by LiveBarn will be scheduled with the written approval (including email) of Venue Owner. LiveBarn will specifically explain the repair, replacement or service work to Venue Owner representative onsite and this work will only proceed with the consent of Venue Owner which consent will be deemed upon LiveBarn undertaking its work.

4.4 From time to time there will be on site adjustments requiring assistance from a technically proficient person at the Venue. Venue Owner will be responsible to supply such person when necessary.

**5 NOTICE TO PUBLIC**

5.1 The Venue Owner agrees to post a notice at the entrance to its venue and inside each Ice Rink Sheet, advising the public that the venue is monitored by video cameras for security, safety and commercial purposes, and participants waive any claim relating to the capture or public transmission of his/her participation while at the venue. LiveBarn will supply and post these notices during its initial installation and reserves the right to modify the language contained therein from time to time, in its sole discretion, to satisfy its legal obligations.

5.2 In all agreements with parties for usage of the Venue, Venue Owner will include provisions both disclosing the existence of LiveBarn broadcasting at the Venue and requiring such parties to notify all their users of the Venue of this.

**6        MARKETING**

6.1        This section is a request by LiveBarn, not a binding obligation on Venue Owner. Venue Owner agrees to promote LiveBarn through all available avenues discussed in this section, understanding that it is in Venue's best interest financially to market LiveBarn to their customers and patrons. LiveBarn will also provide, at its expense, a minimum of one (1) 2.5 x 6' color printed standing banner, branded with Venue Owner's unique code described in Subsection 1.5, to be displayed within Venue Owner's lobby in a prominent location. Venue Owner understands that failure to comply and make reasonable promotion and marketing efforts will result in lower revenue share payments to Venue Owner.

6.2        Venue Owner will provide a marketing contact person (s) who will be responsible for interacting with LiveBarn and becoming knowledgeable about the various LiveBarn marketing and promotion initiatives. Upon installation of LiveBarn, Venue Owner will make said contact available for a 30 minute video web session, serving as an orientation into all of the best practices for introducing and promoting LiveBarn. This person will subsequently be responsible for implementing promotion and marketing initiatives to Venue's customers and patrons.

6.3        Venue Owner will place a LiveBarn banner or link on their website with a backlink and embedded demo video where possible. Venue Owner will do the same with any organizations, associations, clubs and affiliates that it owns that use their facility.

6.4        Venue Owner will announce the LiveBarn installation as well as embed any demo video on all of their social media networks. Venue Owner will also like and follow LiveBarn on said social media networks as well as share content when tagged, acknowledging that this will only be used when venue is directly involved with any video shared. Venue Owner will do the same with any organizations, associations, clubs, affiliates that it owns that use their facility.

**7        GENERAL**

7.1        Any amendment to this Agreement must be in writing and signed by both parties.

7.2        Although LiveBarn will remain liable for its obligations hereunder, LiveBarn shall be permitted to use agents and subcontracts to perform its installation, maintenance and repair obligations hereunder.

7.3        The waiver of a breach of any provision of this Agreement will not operate or be interpreted as a waiver of any other or subsequent breach.

7.4        If any part of this Agreement is held to be invalid or unenforceable, that part will be severed and the rest of the Agreement will remain in force. Headings herein are for reference only.

7.5        LiveBarn hereby represents that it maintains \$2,000,000 of General Liability Insurance, \$2,000,000 in

Media Coverage Insurance and \$2,000,000 in Cyber Insurance, and that upon execution of this Agreement Venue Owner will become a Certificate Holder, with its name and location included in such insurance policies.

7.6        All notices required under this Agreement must be given in writing and by email to Livebarn at [venuesupport@livebarn.com](mailto:venuesupport@livebarn.com), [fmiller@livebarn.com](mailto:fmiller@livebarn.com), [ray@livebarn.com](mailto:ray@livebarn.com), and to Venue Owner at its address listed herein. Either party may change its address from time to time by providing notice of such change to the other party.

7.7        This Agreement describes the entire understanding and agreement of the parties, and supersedes all oral and written agreements or understandings between them related to its subject matter.

7.8        This Agreement may be executed in one or more counterparts, each of which will be deemed an original, and all of which taken together will be deemed to be one instrument.

7.9        This Agreement is governed by and will be interpreted under the laws of the State of Minnesota-New York. Any disputes shall be heard in the courts of the State of ~~Minnesota~~New York, venue shall be in Anoka County if state district court action is commenced.

7.10       This Agreement is a public document under the Minnesota Data Practices Act and LiveBarn understands that for the Venue Owner the Minnesota Data Practices Act applies. Each party shall keep the terms contained herein confidential and neither of its directors, officers, employees, agents or representatives, where applicable, shall disclose the terms contained herein without the express written consent of the other party, unless such disclosure is required by applicable law.

7.11       Venue Owner will not be liable to LiveBarn by reason of inconvenience or annoyance for any damages or lost revenue due to power loss or shortage, mechanical breakdown, structural damage, roof collapse, fire, flood, renovations, improvements, alterations, or closure of the facility by it or any regulatory agency.

7.12       LiveBarn consents to Venue Owner promoting in its marketing materials that LiveBarn supplies it with the LiveBarn installed product.

~~7.12~~

7.13       Notwithstanding anything to the contrary, the Venue Agreement does not preclude any person or member of the public accessing Venue Owner's public facilities from creating their own video and/or audio at Venue Owner's Ice Rink Sheet; and this Venue Agreement shall be interpreted and applied in a manner that complies, and does not create or constitute a breach or a default, with existing agreements between Venue Owner and others respecting Venue Owner's Ice Rink Sheet.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement on the date and at the place first above mentioned.

LIVEBARN INC.

Per: \_\_\_\_\_

VENUE OWNER

Per: \_\_\_\_\_

Print Name:

**PLEASE FILL OUT SCHEDULE A**

**Venue Name and Address:**

**Venue Marketing Contact:**

Name:  
Work Number:  
Cell Phone:  
Email Address:

**Name of Each Rink:**

(i.e. Rink #1 or Main Rink)

**Venue Technical Contact:**

Name:  
Work Number:  
Cell Phone:  
Email Address:

**Revenue Share Payment Information:**

**Primary Contact - Venue General Manager or Decision Maker:**

Name:  
Work Number:  
Cell Phone:  
Email Address:

Payee Name (name of entity depositing check):  
Attention (name of individual receiving check and statement):  
Street Address:  
City:  
State/Province:  
Zip/Postal Code:  
Additional Special Instructions:

**Secondary Contact or On-Site Manager:**

Name:  
Work Number:  
Cell Phone:  
Email Address:

**Venues 9 Digit Tax Id # (EIN): \_\_\_\_\_**

We require the Tax ID number in order to ship hardware from Canada to the USA (This helps speed up the shipping and installation process).

**City of East Bethel  
City Council Meeting  
Agenda Item Information**



**Date:** July 24, 2023

**Agenda Item Number:** Item 8.0 G.1

**Agenda Item:** August Work Meeting

**Background Information:**

Our monthly Work Meeting is scheduled for Monday, August 7, 2023 at 7:00 PM. The following item(s) are recommended for discussion:

1. 2024 Preliminary Budget Review and Discussion
2. Utility Extension 184<sup>th</sup> Lane to Briarwood

**Fiscal Impact:**

To be determined

**Recommendation(s):**

Staff recommends that City Council set the agenda item(s) as presented or other items as desired for the August 7, 2023 Work Meeting.

**City Council Action:**

Motion by: \_\_\_\_\_

Second by: \_\_\_\_\_

Vote Yes: \_\_\_\_\_

Vote No: \_\_\_\_\_