

EAST BETHEL CITY COUNCIL MEETING

October 13, 2025

The East Bethel City Council met on October 13, 2025, at 7:00 p.m. for the regular City Council meeting at City Hall.

MEMBERS PRESENT: Ardie Anderson Suzanne Erkel Brian Mundle
 Tim Miller Jim Smith

ALSO PRESENT: Matt Look, City Administrator
 Jacob Saufley, City Attorney
 Grace Gerard, City Planner

1.0 Call to Order

The October 13, 2025, City Council meeting was called to order by Mayor Anderson 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. Erkel stated I'll second. Anderson asked any discussion? To the motion, all in favor say aye. **All in favor.** Anderson asked any opposed? That motion passes. **Motion passes unanimously.**

4.0 Presentations and Public Hearings

4.0 A Proposed Ordinance Change: Mayor and Councilmember Compensation

Look stated that the City Council suggested a language change that included an increase of 10% for both classifications and an automatic escalator based upon the Labor Agreement between the City and the MN Public Employees Association.

Look noted that after discussions with the City Attorney, City staff recommends not binding any increases to other labor agreements for conflict-of-interest reasons. In addition, setting Mayor and Council salaries to automatically increase appears to be out of compliance with the intent of MN State Statute 415.11, requiring an election before any salary increase.

Erkel stated I'll make a motion to adopt Ordinance No. 2025-05, Amending Chapter 2, Article 2, Division 2 of the East Bethel Code of Ordinances Regulating Compensation for the Mayor and City Council. Miller stated I'll second. Anderson asked any discussion?

Erkel asked if the only way for Councils to get a raise is to vote for the pay increase. Look stated that he cannot speak for every Council, but according to the 425.11 law, if they do the automatic increase, it can be challenged.

Anderson stated that lots of other Councils use a per diem payment for meetings.

Miller stated that being a Councilmember includes a lot of time spent doing other things, like being a liaisons for other meetings, researching for the packet, etc.

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

5.0 Public Forum

No one appeared.

6.0 Consent Agenda

Item A: Approve Bill List

Item B: Approve Meeting Minutes September 22, 2025 City Council Work Meeting

Item C: Approve Meeting Minutes, September 22, 2025 City Council Meeting

Item D: Resolution 2025-54, Setting Public Hearing Date: Delinquent Accounts - Utility

Item E: Liability Coverage Waiver Form

Item F: Approve Hire of Seasonal Ice Arena Attendant

Item G: Resolution 2025-55, Declaring Surplus Property

Item H: Purchase of Public Works Pick-Up Truck

Erkel requested to pull Items D, E, and H. Miller requested to pull Item A.

Erkel stated I'll make a motion to approve the Consent Agenda as amended. Mundle stated I'll second. Anderson asked any discussion? To the motion, all in favor say aye. **All in favor.** Anderson asked any opposed? That motion passes. **Motion passes unanimously.**

6.0 A Approve Bill List

Miller stated that they got an email from the finance department this week about the ice arena and its operation. Miller asked what the \$7,500 electrical bill is for. Look noted that it is for making ice.

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

6.0 D Resolution 2025-54, Setting Public Hearing Date: Delinquent Accounts - Utility

Erkel stated that she thinks the over \$1,000 for the 19 people is a huge amount, and wants to know if there is anything they can do to lower those fees.

Look stated that this is higher than it was in prior years, but it is establishing a date for a public hearing so that residents can contest it if they desire. Look stated that they are getting the same bill that everyone else is, and why they are not paying it, he does not know.

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

6.0 E Liability Coverage Waiver Form

Erkel asked if it is necessary to have the liability increase this much. Look stated that they have liability limitations in case someone gets hurt, and they have a limitation on how much they can sue. Look noted that they have never used this much in the past, but the City has it in case the coverage is needed.

Saufley noted that the League standard insurance covers up to \$2 million, and tort caps are set at \$500,000. Saufley stated that there are some claims where tort caps do not apply.

Smith asked what it is costing the residents for this extra \$1 million. Saufley stated that he is unsure of the exact amount.

Look noted that he can send the Council what that amount would be. Look stated that based on their history, they do not have these kinds of lawsuits that are happening.

Mundle asked if they would be paying what they would normally be paying. Look stated that it is correct, plus whatever nominal increases the insurance company would charge.

Miller asked where the League of Minnesota fits into this if they get sued. Look noted that the League of Minnesota Cities is their insurance trust, and a lot of cities belong to that. Look noted that if they get sued, they will represent the City and pay the payout unless there has been negligence.

Saufley stated that the League is the alternative to a private market insurer and provides unbeatable rates and services to cities.

Look noted this is a document saying whether or not they will waive the monetary limits of the municipal tort liability, and that is the decision they will be making in this item. Look noted that he thinks this is the safest route for the City.

Saufley recommended that they do not waive tort caps for the City.

Erkel stated I'll make a motion to approve Item E of the Consent Agenda. Miller stated I'll second. Anderson asked any discussion? To the motion, all in favor say aye. **All in favor.** Anderson asked any opposed? That motion passes. **Motion passes unanimously.**

6.0 H Purchase of Public Works Pick-Up Truck

Erkel asked why they are going out for a brand new 2026 vehicle when they have a 2-year-old truck that is around \$10,000 less and only has 20,000 miles on it.

Anderson stated that this is through the State contract, and that is how they get their vehicles.

Erkel noted that she went to the fleet service site, and they have used cars in their inventory.

Look noted that they go out for new vehicles, and they maintain them and drive them well. Look noted that the price they pay on the State contract and then drive the car for 50,000-100,000, then turn it back and sell it at auction, and almost get what they paid for it.

Look noted that with buying used vehicles, you also have to consider the repair costs and value depreciation over time.

Ayshford stated that these are government fleet vehicles and have the bare bones stuff on them.

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

7.0 New Business. Commission, Association, and Task Force Reports

7.0 A Planning Commission

7.0 A.1 Site Plan and Conditional Use Permit: Atlas Villas Memory Care, PIN #32-33-23-24-0015 and #32-33-23-24-0016

Gerard stated that Stone Group Construction, the applicant, has applied for a Site Plan Review and Conditional Use Permit (CUP) to allow the construction and operation of a memory care facility on property located at PIN #32-33-23-24-0015 and #32-33-23-24-0016.

Gerard noted that the property is 4.36 acres, is zoned B-3 - highway commercial and guided commercial.

Gerard stated the CUP is to allow the operation of a "Residential Care Facility - serving seven or more persons" on a parcel zoned B-3.

Gerard stated that the Site Plan Review is to allow the construction of a 17,236 square foot memory care facility containing 26 rooms, dining and kitchen space, activity and enrichment spaces, and a secure yard for outdoor recreation.

Gerard discussed what a “Residential Care Facility” is considered and noted that staff do not have any concerns regarding the standards of review for the CUP or the Site Plan Review.

Gerard noted that the Planning Commission held a public hearing on these items on September 23, 2025. The applicant/general contractor was present to speak on the request. No other members of the public were present to speak on the request, and no public comments were received by the City before the hearing. The Planning Commission voted 5-0 to recommend approval of the site plan and CUP, pending approval of the Easement Vacation.

Gerard stated that the applications for a Site Plan and CUP to allow the construction and operation of a memory care facility located at PIN #32-33-23-24-0015 and #32-33-23-24-0016 (pending combination) should be reviewed individually. H

Gerard stated that the approval of the Site Plan and CUP is dependent on the approval of a vacation of a drainage and utility easement located between the lots. The request for a Site Plan and CUP meets the standards in the Code. Conditions recommended by City staff and the Planning Commission have been included in the approval Resolution.

Mundle stated I’ll make a motion to adopt Resolution No. 2025-56, approving a site plan and granting a conditional use permit for a memory care facility on a property located at PIN #32-33-23-24-0015 and #32-33-23-24-0016. Anderson stated I’ll second. Anderson asked any discussion?

Erkel asked why they are proposing this location, not closer to the senior living facility that they have. Erkel asked what they plan to do when I-65 wants to expand in the future.

Gerard stated that this is a commercial parcel, so in the staff’s opinion, it is a great candidate for this type of development.

Gerard noted that the dedicated right-of-way for I-65 is well out of the way of the lot on the facility that is being proposed.

Gerard noted that the closest part to I-65 is the yard, and there is pondage there that would serve as the stormwater drainage.

Erkel asked what happens if they do not approve the drainage and utility easement. Gerard noted that this is contingent on the approval of the easement.

Smith asked if the two separate letters from Hawkinson Anderson had been met. Gerard noted that the developer has been working with staff to work towards addressing all of those standards.

Miller asked if this is a tax-exempt business. Gerard stated that it is not.

Erkel noted that she is uncomfortable approving a proposal where not all the standards have been accomplished. Gerard noted that there are safeguards to protect against that.

Gerard noted that the City will not issue a building permit for the site if the standards are not satisfied.

Miller asked what they are approving tonight. Gerard noted this is for land use approval, but does not issue any building permits.

Amber Gonion, the applicant, noted that they chose this site because of the amount of traffic that goes past the property, they liked that it was two lots, and the sewer and water access.

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

7.0 A.2 Public Hearing, Partial Drainage and Utility Easement Vacation: Atlas Villas Memory Care, PIN #32-33-23-24-0015 and #32-33-23-24-0016

Gerard stated that the applicant is proposing the vacation of a Drainage and Utility Easement adjoining Lots 5 and 6, Block 2 of Sauter's Commercial Park. This easement is 20 feet wide, beginning 10 feet from the western property line and ending 10 feet from the eastern property line.

Gerard stated that the proposed area to be vacated is 7,800 square feet. This easement was established in 1990 in the plat of Sauter's Commercial Park. The easement will be vacated as the lots will be combined, and the easement is no longer necessary.

Gerard noted that the City Council should evaluate the request and determine whether the request will have adverse impacts on the property or the surrounding properties.

Gerard presented the easement area to be vacated.

Anderson opened the public hearing at 7:48 p.m.

No comments received.

Anderson closed the public hearing at 7:48 p.m.

Mundle stated I'll make a motion to adopt Resolution No. 2025-57, granting the vacation of drainage and utility easements on properties located at PIN #32-33-23-24-0015 and #32-33-23-24-0016. Anderson stated I'll second. Anderson asked any discussion?

Mundle asked if Look could present page 97 of the Agenda Packet, which shows the two lots with the proposed building and drainage easement on it.

Erkel asked if the proposed expansion influences the drainage and easements at all. Gerard noted that it should not influence the drainage or easements.

Look noted that this is common when combining two lots, so long as they have the drainage portion accounted for.

Saufley stated that the calculation has been made based on the proposal, and the City does not need to maintain that public right of access to the stormwater infrastructure.

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

7.0 A.3 Zoning Map Amendment "R-2" to "I": Johnson Street, PIN #29-34-23-31-0005, #29-34-23-31-0006, #29-34-23-31-0007, and #29-34-23-31-0008

Gerard stated that the Council directed staff to initiate the rezoning of 4 parcels along Johnson Street NE to correct an incompatibility.

Gerard stated that this rezoning would impact 4 properties located along the east side of Johnson Street NE, south of 241st Avenue NE. Each property is zoned I – Light Industrial, Shoreland Overlay District, and guided Low Density Residential. Each property currently contains a single-family home, which is a nonconforming use in the I – Industrial Zoning District.

Gerard noted that the properties on the western side of Johnson St. are zoned R-2 Single-Family and Townhome Residential and guided Low Density Residential. The property to the northeast is zoned MXU – Mixed Use and guided Mixed Use. The properties to the south are zoned I – Light Industrial and guided Light Industrial.

Gerard stated that the proposed rezoning aligns with the Comprehensive Plan by correcting an existing incompatibility between the Comprehensive Plan and the City Zoning Ordinance and Map. Staff recommends approval of this rezoning.

Erkel stated I'll make a motion to adopt Ordinance No. 2025-06, amending the City Code Appendix - A, Zoning. Smith stated I'll second. Anderson asked any discussion?

Erkel asked when this was rezoned light industrial. Gerard noted that the staff has not been able to track down a date when this zoning came into fruition.

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

7.0 B Economic Development Authority

None.

7.0 C Park Commission

None.

8.0 Department Reports

8.0 A Community Development

8.0 A.1 Final Plat: Viking Meadows Second Addition

Gerard stated that the City received a Final Plat Application and supporting materials from East Bethel 684-1 Land Inc./Capstone Homes for "Viking Meadows Second Addition" on Outlot J and Outlot K of the "Viking Meadows" subdivision for 61 single-family lots.

Gerard stated that the parcels are guided Mixed Use and zoned MXU/R-1 as a PUD. The properties surrounding this parcel are all guided and zoned the same.

Gerard noted that the plat is consistent with the Preliminary Plat and PUD that was approved on February 12, 2024. The plat consists of 61 buildable single lots zoned MXU/R-1. This plat is the second phase of this multiphase, multi-year development.

Gerard stated that the Final Plat request meets the standards in the Code and matches the Preliminary Plat previously reviewed by the City. The draft Development Agreement will be finalized and executed by the City and Developer before the Final Plat recording with Anoka County.

Mundle stated I'll make a motion to adopt Resolution No. 2025-58, approving the Final Plat and Development Contract for "Viking Meadows Second Addition" for property legally described as Outlot J and K Viking Meadows. Erkel stated I'll second. Anderson asked any discussion?

Miller asked if the letters from Hawkinson Anderson would be addressed. Gerard noted that this is typical for small things to come up every time.

Erkel noted she is concerned with the number of homes on the cul-de-sac, and asked where people would park if these homes had visitors. Gerard noted that the City Engineer and Public Works reviewed the cul-de-sac but did not express any concerns.

To the motion, all in favor say aye. **Anderson, Mundle, Smith, Miller - Aye.** Anderson asked any opposed? **Erkel - Nay.** That motion passes. **Motion passes.**

8.0 B Engineer Report

None.

8.0 C City Attorney

None.

8.0 D Finance

None.

8.0 E Public Works

None.

8.0 F Fire Department

None.

8.0 G City Administrator Report**8.0 G.1 Review of Facility Needs Study Proposals**

Look stated that at the August 11, 2025, City Council meeting Council approved and directed Staff to start the process of soliciting Requests for Proposals (RFP) for a facility needs study. The study would provide an idea of cost, and depending on estimates, the Council could decide to move forward or attempt to do a needs study in-house.

Look stated that as the population increases and facilities age, this study will determine deferred maintenance and possible future capital improvement needs. This roadmap will allow staff to plan for upcoming expenses to existing facilities and determine if levy dollars are necessary to bank for future projects.

Look presented a summary of the firms and costs associated with each respective proposal.

Look noted that he has worked with ICSWold at the County, and they come highly recommended.

Look discussed what information can be found in the 400+ page attachment for all 13 proposals received.

Erkel asked what kind of recommendations the facility needs study would provided. Look noted that they would offer recommendations based on increasing populations and existing facilities that might need maintenance and replacements.

Look noted that this is also helps the City to budget for these kinds of needs.

Erkel noted that she would like to table this item, and she would like to have the ability to tour all of the City buildings and talk to the building managers before making a vote on this.

Mundle noted that he was going to recommend tabling this as well due to the sheer amount of information in the proposals.

Erkel stated I'll make a motion to table this item until the next City Council meeting. Mundle stated I'll second. Anderson asked any discussion? To the motion, all in favor say aye. **All in favor.** Anderson asked any opposed? That motion passes. **Motion passes unanimously.**

9.0 – Other Items**9.0 A Staff Report**

Look stated that they had a Senate Bonding tour scheduled for October 9, 2025 and it got rescheduled to October 28, 2025 at 5:30 p.m.

Look stated that he got a request on the transition to duty crew, wondering how they are budgeting those dollars. Look noted that they are estimating a \$15,000 impact, and they would have the Chief and the Deputy Chief, and then 2 individuals on the duty crew to respond to calls at the busiest times.

Look noted that in the past, they had a server that ran a carousel of pictures during non-broadcast times, and now it is just a black screen, so they are investigating what options are available to address that.

9.0 B Council Reports

Mundle thanked the Fire Department auxiliary and noted that he joined them at the Adopt-a-Highway cleanup. Mundle noted that they picked up 20-25 bags of trash.

Erkel noted that they got an email regarding a residents whose septic is not passing and asked what is wrong with it being 4-feet and what the City is going to do about it.

Look stated that they discussed that at the staff meeting, and the assumption is that the City made a mistake.

Look noted that it is not uncommon for septic systems to fail more than it has in the past.

Erkel asked when the newsletter is going to be published and mailed.

Look stated that he cannot recall exactly when, but will double-check and send out an email.

Erkel noted that she attended a great Chamber meeting and is very proud of the Chamber on their golf outing.

Smith thanked the Fire Department for their Open House last Monday.

Anderson noted that he attended the Chamber meeting as well.

9.0 C Other

None.

10.0 Adjourn

Erkel stated I'll make a motion to adjourn. Smith stated I'll second. To the motion, all in favor say aye. **All in favor.** Anderson asked any opposed? That motion passes. **Motion passes unanimously.**

Meeting adjourned at 8:24 p.m.

Submitted by:

Lilian Rokosz

TimeSaver Off Site Secretarial, Inc.