

CITY OF ST. FRANCIS
ST. FRANCIS, MN
ANOKA COUNTY

CITY COUNCIL MINUTES

JUNE 1, 2015

1. **Call to Order:** The regular City Council Meeting was called to order by Mayor Steve Kane at 6:00 pm.
2. **Roll Call:** Present were Mayor Steve Kane, Council members Richard Orpen, Rich Skordahl, Tim Brown and Chris McClish. Also present were City Attorney Scott Lepak (Barna, Guzy & Steffen), City Engineer Jared Voge (Bolton & Menk), Police Chief Jeff Harapat, Public Works Director Paul Teicher, Finance Director Darcy Mulvihill, City Administrator Joe Kohlmann, and City Clerk Barb Held.
3. **Adopt Agenda:** Kane stated he has two changes; move 6a after 4c 6b to 6a. MOTION BY SKORDAHL SECOND BROWN TO ADOPT THE JUNE 1, 2015 CITY COUNCIL AGENDA AS AMENDED. Motion carried 5-0.
4. **Consent Agenda:** MOTION BY BROWN SECOND McCLISH. TO APPROVE THE JUNE 1, 2015, CITY COUNCIL CONSENT AGENDA AS A-C AS FOLLOWS:
 - a. City Council Minutes – May 18, 2015
 - b. Hire Sandra Nelson as a part time Liquor Store Clerk
 - c. Approve the Payment of Claims for \$211,859.11 (Checks 69093-69169)Motion carried 4 -0. Skordahl abstained.
6. **Petitions, Requests, Applications:**
 - a. **Abdo, Eick and Meyers: 2014 Annual Audit Review:** Andy Berg of Abdo, Eick and Meyers gave an overview of the 2014 Audit their firm conducted for the City of St. Francis. The City has received financial awards for the last several years. MOTION BY BROWN SECOND ORPEN TO ACCEPT THE 2014 FINANCIAL STATEMENT. Motion carried 5-0.
 - b. **Water/Wastewater Rate Information – Continued:** City Administrator Joe Kohlmann gave a power point presentation answering the questions the residents had at the last meeting. After the presentation, Kohlmann stated Steve Weise from the MPCA was present to answer questions the residents may have on the project.

Steve Weiss stated I'm one of several permitting supervisors at the Minnesota Pollution Control Agency (MPCA). The permit to the wastewater treatment plant is just a piece of the review and write recommendations on and also it's a document that we will enforce as well. I've got two other staff that are in the building one who is an enforcement staff person that's looking at the facility and also a review engineer that would be responsible for looking at

plans and specs from any new or revised facilities to ensure that the plants are sufficient to meet the type of limits that would go into the permit. One of the reasons why I wanted to come here today is that I have spoken to possibly a couple of you who are in the room. I know that other staff also have been contacted by other citizens with questions about the wastewater treatment plant, about enforcement history, I would reiterate some of the comments that were made, some of the items that were made in the presentation—the current facility is having enforcement problems. When we reviewed a recent enforcement summary, I found six different parameters that are frequent limits that are frequently violated. Over the past two-year period alone, we have got high nitrates levels that are being discharged into your ground water right now, it would not be an advisable thing to load up ground water with nitrate. Five other parameters that are basic wastewater issues that are commonly treated for at any municipal facility are being violated. The MPCA does have enforcement authority, but we also have discretion. In recent years, we've looked at enforcement for the facility with in mind that there's a planned upgrade facility thereby eliminating violations --limit violations. Our primary goal is not to rack up fines for facilities, but rather to help them move towards compliance with those limits and the regulations of the permit. That's one of the reasons why we haven't used numeric violations the way it responds to enforcement issues. If the facility was not being planned, or the community was not actively planning to remediate those issues, we would have to look at enforcement of these limit violations in a different way. I just wanted to say a little about recent enforcement issues and some thoughts about the new planned facility that could remediate those things. Kane asked if anyone wanted to ask Mr. Weise any questions.

FEMALE: Has anybody contacted the Metropolitan Council to see how much it would cost to bring up the sewer and water from wherever the closest connection is to St. Francis? It might be cheaper than building this treatment center.

KANE: It's my understanding that the Met Council has drawn a line in Andover with pipe there. As you saw in the presentation, they turned us down for East Bethel connection. So we have no option with the Met Council at this time. Anybody have a question for Mr. Weise?

MALE: With that being said, are you guys, when you're in compliance as far as your staff and your funding—now is that state funded or is that based upon fine placement for funding for your EPA? As in say, OSHA is not state-funded anymore, but as far as funding—for funding for your office, is it based on a fine basis or is it funded through a fine basis.

WEISE: I don't have the breakdown on financial stuff, but I can't imagine our fines are a significant portion of our operating budget. It is just not our primary goal. We are primarily funded by a general fund through fees on permits and other sources. This is a Federal EPA program; most states operate their own program. There are about four or five state that don't but EPA will eventually review the permit that just went out for public notice as well but we do the primary work here and it's primarily funded through state funds, not through fines.

MALE: You listed six different violations, or six different criteria's that the treatment facility right now has gone over the limit on. So are we going over the limit by a drop or is it a jillion drops and that's a crude way to say it, but how much are we doing and how bad is it? Is it just a little bit over the line or is it a lot over the line?

Weise stated it's all over the place. Part of that, I understand what you're saying, if we have an issue where somebody forgets to send in a report—it's not that big of a deal, right? If we have an issue where somebody's a scosche over a limit and it happened once, that's not that big of a deal. With these, some of them have been—I don't have the records in front of me right now—some of them, quite high. The organic loading coming into the facility is not being treated. You've got nitrate, ammonia, dissolved oxygen, total phosphorus, something called biological oxygen demand, total suspended solids, all of these are pretty basic wastewater parameters that facilities are designed to treat and had multiple violations. Some have been quite high.

MALE: What's the cost to mediate or fix that problem so that we don't have to rush into this other way until we solve that at a lower cost and then in the meantime build up the funds to do this thing in the long term? I'm not saying that the city may not have to do this long term. I'd like to see the population grow, I'd like to see some better numbers financially, because from where I stand, as a lay person, I don't think the city should take this debt load on, but my point is, what would it cost to correct these violations in an effective way, not bankrupt us, or give us time to build up a nest egg for the plant?

WEISS stated a couple comments on that. PCA receives project proposals from communities and we don't determine the costs ourselves. Wastewater treatment costs money.

MALE: I'm talking about the violations; to correct the violations.

WEISS: People always want to know a number. They want to know if it would be more worthwhile to simply let violations occur then remediate the facility. We have discretion in determining what those violations would be and in some part, it depends on how much over those limits the violations would be and how frequently they are. It's kind of a case-by-case situation. We have municipal communities where we have used monetary fines, but we'd like to not use that as a first case.

MALE: Right, but you said to the City Council, to correct the nitrate and all this other stuff you're talking about, let's say it took us \$500,000 to do that. Wouldn't it be cheaper to do that and build up funds on the interim and do this other project down the road? My whole thought—and I've asked you some of these questions, by the way—and I talked to Cory Nelson with the MPCA and talked to Becky Sabie over at the MPFA about funding for a 2 ½ million dollar grant that she said would be a carryover and grandfathered if this approved before June 30th, I don't see a rush to this and I don't think the other residents do too. But what I'm saying, is in the long-term, this plant may be something necessary when the growth actually happens, but a four-year delay is not going to effect the city. These projections—East Bethel had projections and now they wish they wouldn't have built that plant. The projections were off. Projections are only as good – they're a guess- a guesstimate. We don't want based on a guesstimate. Like I said, financially, from where I sit, as a lay person, principal interest are more than what you're getting in, you should think a little bit about that. What is it going to cost to correct the violations to make you happy and give us some time to do this properly and grow into it?

WEISE: Monetary violations are not something that – it's not our primary goal. Which is why we haven't used that route so far, but what I do want to mention is that the current facility simply isn't meeting wastewater needs. Our goal is to have rivers swimmable and

fishable, particularly under lower flow conditions. Just simply mentioning that the current facility is not meeting current needs.

MALE: The existing facility is basically a hole in the ground, right? Is that what we plan to have is –

WEISE: We have a discharge to surface water, too.

MALE: But we pump is to those ponds on the south-end of town and we've out used those ponds, right? So could we make bigger ponds to handle more of it or is that—I don't know. Is that something that could be done?

MPCA FEMALE: I think Joe's presentation kind of showed the Band-Aid fix of updating the current infrastructure verses the ultimate facility and so I think—and Joe you can correct me if I'm wrong—looked like 10 million, 12 million versus the 21 million or whatever for the larger facility upgrade.

MALE: Can I say something? The difference is we can maybe afford the 10 million, not 21 million. I talked to the Met Council, Kyle Colvin over there, he's told me that the main thing they want is 3 residential lots per acre and they base that on 1,000 acres basically inaudible what you see in a residential development, so they put 4 homes on 1 acre. Met Council's saying 3 homes per 1 acre or 1,000 acres. They say that they'll come in and either revamp the plant or build a new one and they spread that over 20 years and they've got a bigger access to finances than we do as the city's local. I'm saying there are ways to phase this in instead of going from 0 to 21 million dollars and if it does cost a little bit more in the long run, maybe that's the way to do it so we don't break the backs. It's like my thinking you may want that debt, but you may not be able to afford that debt so you put it on the back burner and when you do that debt and it costs you a little bit more, you can eat it because you've got a bigger population growth in this sense, okay? We can afford it when your income's a little bigger. In the meantime, I say the population needs to grow before we start a project like this.

KANE: Mr. Weiss is here for the MPCA.

MALE: I understand that.

KANE: He doesn't have anything to do—

MALE: Then can I ask, who do we go to find out how much money it will cost us to correct the violations? Who do we go to?

WEISS: You have design engineers that put together a plan INAUDIBLE

FEMALE: Mr. Weiss, I'm glad that you did come. I did speak with you before anyone else did. I heard about it before the letter even got sent out and you did tell me that you were quite impressed that this facility is running okay and there were only two violations in 2013 and now that we're all here and they brought you here, you've kind of changing your, you know...

WEISS: I did talk to you earlier on and my particular area is looking at projecting future, putting limits in, particularly for newer facilities and in some cases when older permits are reissued. I'm not directly involved in enforcement and so when we spoke I did not have an enforcement record—

FEMALE: No. Absolutely. And you did mention that but it's not even a question of, do we want clean water? It's not even in our question. Yes, we do. Absolutely. Could we find

another way to do it? Absolutely. And maybe this isn't the place or time to talk about it yet, but I don't know. We're taking on way too many projects for this little town.

WEISS: What I can say is the existing facility has the – the operations of it are try to remove water from getting surface water to the INAUDIBLE to my understand, use some spray irrigation and explore that as an option, that's a way to get rid of some of the wastewater and put it in other areas that might reduce the amount of treatment and so if you're cognizant I could try to reflect some of that. I wanted to touch upon that, not to say that they're doing a poor job, necessarily. The facility itself is simply not meeting all of them – particularly not in the last year and a half to two years.

MALE: My question is, given that the city hasn't prepared for this project and they're dumping a huge debt on us, the citizens, how would the MPCA—it's a case-by-case basis—but say if we don't do this facility, but we still research other facilities, other ways to do it, and put more work and time into it or find a way to fund it, say for two years, hold off for two years, find a way to fund it and build a nest egg, we still have a project in place but we're not dumping it on us now. We can prepare for it financially better. Is the MPCA typically going to say, well, we were letting you by now but now we're not going to?

WEISS: A couple things. When we add new facilities where new limits come into place the facility—the next permit issuance will have mercury limits. There will be a chloride limit that will go into place about nine or ten years down the road. When we have new limits or new parameters we have discretion to put together compliance schedules that can extend beyond one 5-year permit cycle. We can't do that. We can't simply suspend implementation of new limits and say oh, they don't comply anymore for old limits. The limits have been with the permit for a long time and that's a situation we're faced with. I pointed out before, Kaitlin (MPCA) has enforcement discretion on how we want to handle situations. If we know that a facility is not making progress or meeting that we have to think about it in a different way.

MALE: And would the violations possibly be due to either growth of the city, which I haven't seen much of personally since I've been here or neglect by the city to maintain what they're doing or – I mean –

WISE: In general, throughout the state, we could see violations for both of those. More wastewater or insufficient treatment.

MALE: Be more specific, the City of St. Francis.

MALE: He can't. He doesn't have that information.

FEMALE: Could that information be gathered and emailed or sent out?

MALE: I would like a list of violations.

FEMALE: It would just educate the community whether we really do need a new one on the basis of violations because it shouldn't be too bad if the treatment center was built in 2008, right? Is that when it was built?

AUDIENCE DISCUSSION

MALE: I have something here from John LaPointe from the Minnesota Department of Health and he emailed this. He said, as far as the Minnesota Department of Health is concerned, the quality of drinking water provided by the St. Francis Water Treatment Plant is in compliance with all state and federal requirements.

MALE: That's drinking water.

MALE: When did the first violations start? I heard that on and read things that back in 2006, 2008 area we were operating at 97% capacity and we're supposed to be at 97% capacity now. So obviously between then and now there's been 0 population growth so if we've been violating since 2006, why hasn't anything been done between then and now and then we're looking – the new plant is going to take three more years? So you're looking at 2006 to 2018 that we're going to be polluting?

WEISS: When I at – and Kaitlin (MPCA), maybe you can speak more to the enforcement history on it—just at a glance, the number of limit violations has increased in the last couple years so we've had occasional violations in the past but nothing as frequent as INAUDIBLE.

MALE: One more thing, when we had the presentation—when Paul Saffert gave the presentation to us—he told us that he made a deal with you to give us ten years to correct our chlorine and you just said it was in effect—you know, everybody's got ten years to do it. So which is true?

WEISS: No, no, no, no, no.

MALE: Did you make a deal or is it supposed to be included in ten years?

KANE: That's drinking water. That's not Mr. Weiss, that's drinking water.

WEISS: What it is—it is a wastewater—there's a chloride limit, it's a new limit that will be going into the next permit. Most of the violations that we're seeing are old violations, old limits. The chloride limit will be going into the next permit and I think it's like 9 or 10 years.

MALE: That was already set up. No deal was made by Paul Saffert with you to make that happen, right?

WEISS: When we have new facilities or new facility plans, typically either the city or the engineering consultant will send us a proposal for preliminary limits. What we think those limits would be based on the data in the stream and also coming out of the treatment facility. We looked at that preliminary limits, it helps the consultant and the people designing to facility to design the right facility to meet the right limits. We don't want people to design a facility and then learn later there's a set limit that they can't meet. And so chloride is one of those trickier issues that because we're hoping that pre-treatment, chloride levels coming into the facility, we're hoping that that can decrease through time. That is one of the reasons we're providing two permit cycles to try to remediate that. But that's an unusual one.

MALE: Would there be any advantage to making the upgrade in the original construction? Our new construction.

WEISS: Chloride treatments is a bird of a different feather. It's not like most of the other parameters we've got.

MALE: So we can expect another major expenditure in ten years?

WEISS: I wouldn't anticipate that.

MALE: You made the statement that it was quite high, if you look at the limit as a numbers, okay? What percentage are we over that? Are we 5% over that limit or are we 99% over that limit?

MPCA REP: It varies. Some of them are as low as 20-30% over, some are upwards of 500% over the limit. It really varies over the past couple of years.

MALE: How dangerous is that?

INAUDIBLE QUESTION 51:00

WISE: I suspect probably pretty typical wastewater, influent wastewater.

INAUDIBLE QUESTION 51:25

WEISS: All of these parameters are common constituents to wastewater INAUDIBLE. Very common items. It's not like we're talking about an exotic organic pollutant.

MALE: The companies that are bidding on this sanitation plant, are they bidding all on the same plan?

KANE: That would be a question for our city engineer. Jared (Voge)?

VOGE: Yes.

KANE: Yes.

MALE: One more question, I'm sorry. When did the bids open for the sewage plants?

VOGE: The 14th of May.

KANE: 14th of May.

MALE: Of this year? And we already have three bids?

VOICES: Two.

MALE: There's not a bid from Menk? Bolton and Menk?

KANE: That's the engineering firm that put the plan together. All right, Mr. Weise. Thank you very much for your time.

5. Meeting Open to the Public:

Paul Sullivan, 4430 234th, I just have one question. I'd gone through the city minutes and I noticed something really disturbing in there. It seems to me that the Met Council approached the City of St. Francis twice, at least two times, and I've heard three times talking to a past mayor and other board members saying that they would come in here and do everything that people are talking about doing and the reason why we were turned down – in the city minutes, it says because the City of St. Francis didn't want to be dictated to on how the city grew. That seems to me like a real odd statement to try to force through a 20 million dollar plant. You don't want to be dictated on how the city's going to grow? Thank you.

Joseph Muehlbauer, 3459-228th, a couple things here were disturbing in regards to the last meeting on the same topic. Mr. Saffert stated that, one was if we do nothing, which would be great, if we could get the existing system to meet current regulations, which we cannot do. What we can do, but it will cost 10 to 12 million from what I understand. But I'm not sure why we were told that we can't do it if that is an option. The risk of doing nothing is that we add connections, the water spends less time in the wastewater treatment plant with more pollutants in so the violations will get more frequent, worse, and end up having algae blooms and other things happen in the Seelye Brook and the State is not going to allow that to continue. So we could end up doing it, but also allow it to continue. So either it's happening or it's not. Which is confusing. I'd like clarification on that at some point. When I asked why don't we want to hook up to the Met Council in the last meeting, Mr. Saffert also stated, I could respond to that quickly. We asked to, we wanted to, and they won't take us. They have a line through north Ramsey, north Andover, and that line is hard and fast. If you want to call the Met Council departmental service, they will respond to—or they didn't respond to us at all. That's directly from the audio. I've spoken with Met Council, Kyle Colvin and I've talked to him three times over the last two weeks. If given more time, we could definitely, I'm sure, come up with more information. I come from a city, originally, that had

the Met Council and the rates were very, very cheap. I'm not saying the Met Council is the right way to go because I don't know that, but I do believe that—it almost feels to me that the city has some sort of an issue with the Met Council and I believe it owes the people the opportunity to explore. Mr. Kyle Colvin told me that they will come in, that the City has to formally ask them, and talk to Bryce Pickart, formally ask them to come in, they come in for free, do their thing, and look at all that. Yet, we're hearing that we can't get ahold of them, I know Mr. Saffert after the last meeting spoke with Kyle Colvin of the Met Council the day after the meeting, yet this is the person he can't get ahold of. So basically, to me, I don't understand why we get conflicting stories. Either we can't hook up or we can hook up or we can't hook up. When we speak to the Met Council as people, they say they're willing to talk to us. We also haven't explored the fact that East Bethel's not our only option. We can work with Nowthen, Oak Grove, all those cities, if we try to speak to them, but I don't think we've yet to do that. We can get the funding and put that funding, we can grandfather it in, carry it over and it'll hold us as long as we get the funding by the 30th.

Steve Feldman 22766 Poppy Street, I've done a lot of research along with a lot of residence here and, you know, the quality of water as I mentioned before, wasn't part of the presentation because it is good according to the Minnesota Health Department, again talking to Kyle Colvin with the Met Council, finding out from Becky Sabie about this carryover in financing, it really shows me that we can take our time to do this right. So that we don't make the same mistakes East Bethel and Rockford did. In 2014, Rockford put it in a little notice that no one saw, people came out and forced; now they phased the rate hikes in and I don't know about anybody here but a 40/20 twice, two times, that's 120% over two years. That's a lot to eat. I just think—I'd like to know what it'd cost to correct these violations. Like I said before, it may take us two times to do it, it should be once but by then on the second time, we'd be—community growth. This is not subprime lending like in the early 2000, 2005 before the market dropped off in '06 before we had the boom going on. If we had a boom going on, this wouldn't be a discussion right now because we'd have all that population. INAUDIBLE But they're not being used, seeing that there's 250 platted developments, that's not sold out. Unless it's sold—it's kind of like a lot tax, you pay tax on it, INAUDIBLE but also you pay real estate taxes. Right here, you've got developments that INAUDIBLE or one that's there already, it's not being used right now. There's nothing burning the system right now because those—there's lots on Silverod right by me and empty lots that are opened up but they're not being used. All I'm saying to you is, you know, there's a right way to do it. If you keep doing this AA- rating, your finances don't show—you know, that's why you have a AA-. A AA+ is a big deal and the differences between plus and minus is huge. I understand, if we phase in, we do it the proper way, everyone will end up with what they need. We need to do it in a proper format and not a 40/20 over 2 years. I was thinking more like a 4-year increase and like about 10-15% and do some bonding or whatever. INAUDIBLE As I sent out information to all of the Councilmembers about Andover, Andover when they started they were very INAUDIBLE and they did. They partnered with the Y and the community center and they had INAUDIBLE. —a success because of that. They were smart. I don't want us to make the same mistake East Bethel or

Rockford—but I think we're heading in that direction and again, as a City, you owe it to us to find out what it would cost to correct these violations. And then, see what happens is that comes into cost effective and now once you accumulate money maybe there's finances for a long-term effective plant, but we'll hopefully be able to afford it better than we can right now. Thank you.

Chris Sime 22918 Silverod Street NW, I think you have this information as well, councilmen and Mr. Mayor, but an email from Becky Sabie from the Public Facilities Authority, and in this email she states, go back at the last meeting, I think the general feeling was from Mr. Saffert that we had to meet this deadline of June 30th. We had to have—the project needed to be approved July 1, needed to be awarded July 1st, start digging a hole in the ground because we were going to lose out on funding from the clean water revolving funds that would be available. And Mrs. Sabie had put some information together that basically states all we have to do is have the project awarded or been certified so being certified by the end of the month, we can wait as long as spring of 2017 before we decide to do anything, before they start digging a hole. We can wait. I talked to her today, I said is it 6 months, is it 12 months, is it 18 months, is it 24 months, she said basically we like to keep it within the calendar year but as long as you show you're making progress towards the facility, we'll let – your projects going to score, she said basically if you get it done by the end of this month, your project will score, you'll get the money, you'll get to borrow at the lower interest rates so let's get the money this month, make a motion to move forward to approve the project for certification, not for approving the full scope of the project, let's secure the money and then let's take our time like everybody said. Let's take our time, let's do this right. I think there's tons of questions about the immediate need of this project. You go to notes MPCA Control Authority and she said that she wasn't aware of any violations. Now I think we're somewhere in the middle between what Mr. Wise has said and what she's saying, but again, there's a lot of ambiguity, a lot of questions. I appreciate the fact that you put this excellent PowerPoint up and addressed a lot of the questions, that's great. But frankly, this gives me more questions than I had before I walked into this meeting so I don't think that it's—you're able to take a vote tonight to approve this project would be an absolute miscarriage of justice and public service to the people here. There's still way more questions that people want to ask. The citizens have been able to get organized in the last two weeks, two more weeks we'll be much more organized. We'll come back to you again with an actual discussion and do this thing the right way. Let's get the money tonight, secure that by the end of the month, and let's take this slow and easy and do it the right way. Thank you.

Angie Bray 22901 Rum River Blvd, Hi thanks you guys. I appreciate you taking the time to gather all of the information to answer our questions and for bringing up a possibly different proposal about this issue. However, one question I have, does the school district pay for this increase as well? Are they on the same funding as we are as residents, can somebody answer that. Yeah, I spoke with them tonight and Chris had no idea this is going on, which may be a district issue. But, all of us, including a lot of you guys, we're going to be paying for this twice then, because our school district has to pay for the water increase as well as so do we. And so that's something I'd like everyone to consider as well and if this happens instantly or

in November, again, that's going to put not only us, as well as our district in some financial issues. The other question I had is about Zion Parkway. I know part of that is actually Oak Grove, and I believe—correct me if I'm wrong, are they on our water system as well? Can anybody answer that? So my other question is, are they going to be effected by this rate change or are all of us St. Francis residents going to be paying for it?

Darcy Mulvihill, Finance Director, stated the increase of water, not the increase of sewer.

Bray said so they're not on our sewer at all. So will they be paying for the increase of water as well? Mulvihill said yes. Okay, all right. I wanted to make sure that it was not all of us St. Francis residents. I know that there's a water softener/salt issue that is like a phase 2 and maybe somebody would like to address that at some point of what that's going to cost us as well, I know that it was mentioned last week. So that would be great for us to all know as well and consider INAUDIBLE. I think Joe had a great idea, let's secure the money and move forward however we need to after we research it, in the right way. Thanks for your time, guys.

Ellen Kramm, 2503 223rd Lane NW Oak Grove, The first time I heard about these projects is when I read the article in the May 22nd Anoka Union. I had no idea that this was coming down the pipe so I went into the Oak Grove City Hall and I asked them and they said they were planning to put a letter out to the residents of The Ponds letting them know of the water rate increases. You are correct, we are on the water system but not the sewer system and so we would be responsible for the water rate increases but we have a private sewer system in The Ponds so that part wouldn't affect us. But Oak Grove residents of The Ponds have not been informed yet, the letter is supposed to be going out this week with the utility bills. We probably will receive them later in the week, by the end of the week we should receive those letters so we have not been officially informed and I'm just concerned that this is going to be hitting a lot of the people in The Ponds quite by surprise and I wonder if you would consider postponing your vote until people within The Ponds have had a chance to be informed about this project. Thank you.

Lisa Wickland, 22984 Kiowa Street, hi, I have here over 200 people that would like to have a referendum this November. This was from two days, so obviously a concerned. Also, I'd like to say, you know, if we need this water so bad why are we putting the turnabouts in we really don't need them. I mean, if we need the water fixed, let's do the water we don't need the road fixed. The Police Department, when that came in, we were supposed to be renting out the jail for that, where's all that money? We aren't renting the jail out. Why? We had a rate increase in the ABC Newspaper in 2013 which generated \$900,000 per year since then, that was supposed to go into a fund, a water fund. It's not there. Just wanted you know that, it is my opinion. Do you want this (petition) audience said know we need that.

Ray Jones, 23725 Nacre Street, my question is to Darcy (Finance Director) and City Council. Page 66 on the audit, Jones referenced the bonds. What happened to the \$320,000 difference? Council asked Jones to talk to Darcy at city hall this weekend.

7. **Ordinances & Resolution:**

a. **Ordinance 201, Second Series: Amending Section 2-9-1 of the City Code**

Regarding the Fee Schedule- Second Reading: Orpen since we amended the amounts from the last meeting is it the first reading or second reading. McClish asked if we spoke to Met Council. Kohlmann said I spoke to Met Council and they said hooking up with East Bethel is not a viable option. The water rates are needed to be increased to make the bond payment. Skordahl apologized not being here the last meeting. What is the next step? Rates would go into effect in November. The bids would be awarded at a future date. Kohlmann we can review different options. Voge said we can provide options. There is no guarantee on the funding level changes. Grant money 2.9 that is not guaranteed from year to year but we can get a clarification. Brown said we had a study done. The council chose a number of years ago and the council chose not to increase rates. McClish with these new propose rates include the sale of the property in Isanti. McClish said with the sale of the property in Isanti money came.... Like a definite answer on the Met Council, if they say no I want to know why. I would like to pull that thread a little bit farther.

MOTION BY ORPEN SECOND BROWN TO APPROVE THE SECOND READING OF ORDINANCE 201, SECOND SERIES AMENDING SECTION 2-9-1 OF THE CITY CODE REGARDING THE FEE SCHEDULE. Roll Call: Ayes: Orpen, Skordahl, Brown, Kane. Nay: McClish

b. **Ordinance 202, Second Series: Amending Sec 10-23-5-E of the Zoning Ordinance Regarding Temporary Signs-2nd Reading:** MOTION BY BROWN SECOND McCCLISH TO APPROVE THE SECOND READING OF ORDINANCE 202, SECOND SERIES AMENDING SECTION 10-23-5-E OF THE ZONING ORDINANCE REGARDING TEMPORARY SIGNS. Roll Call: Ayes: McClish, Brown, Orpen, Skordahl and Kane. Nays: None

c. **Resolution 2015-26: Providing for an Extension of the Existing Cable Franchise Agreement:** MOTION BY McCCLISH SECOND SKORDAHL RESOLUTION 2015-26 A RESOLUTION PROVIDING FOR AN EXTENSION OF THE EXISTING CABLE FRANCHISE AGREEMENT. Motion carried 5-0.

d. **Resolution 2015-27: Supporting the Development of the Sugar Hills Regional Trail:** Orpen asked if there is any cost in supporting this. It was stated not at this time. MOTION BY McCCLISH SECOND SKORDAHL TO APPROVE RESOLUTION 2015-27 A RESOLUTION SUPPORTING THE DEVELOPMENT OF THE SUGAR HILLS REGIONAL TRAIL. Motion carried 5-0.

8. **Reports of Consultants & Staff Members:**

a. **Engineer:**

b. **Attorney:**

c. **Staff:**

Bldg. Official:

Fire Dept.:

Public Works:

Liquor Store:

Police Dept:

City Administrator: Staff is continuing to review the assessment policy.

9. **Reports from Council Members:** McClish thanked everyone for showing up tonight.

10. **Report from Mayor:** I too want to thank and appreciate you coming out. Enjoy Pioneer Days.

11. **Old Business:** McClish stated he would like to talk about the property in Isanti and do research and move forward on the sale of the property and put the funds back in the sewer fund. It was asked if the property create any revenue. The renter's payments cover the taxes plus some.

12. **New Business:**

13. **Adjournment:** Mayor Kane adjourned at 7:25 pm

Barbara I. Held, City Clerk