



Moegerle said we have gotten a couple e-mails in the past two weeks, one about a dog bite and another about a crash at 221<sup>st</sup> Avenue, the first thing we know is a resident said this happened, and we have to scramble to find it. She asked is it too difficult at your end to get this information and give us a heads up that there is a crash at 221st. Lieutenant Orlando said sometimes the resident might know before she does, just because of the way typing goes and she doesn't usually get reports for a couple days after it happens. She said if there are substantial injuries, like crashes on Hwy. 65 she would know about that the next day and she can send a head up to the City Administrator and he can forward it on to you.

DeRoche said at the Road Commission it was brought up that there were four accidents at Highway 65 and 221<sup>st</sup> in the last week. Davis said that is what a commission member reported. Lieutenant Orlando said she knows about one where the driver came out in front of the suburban, but she can check and see what we have. She said if it is something more minor obviously, she can take a look. Boyer said that is what he was going to say, there are minor ones because people tend to stack in the median there. Moegerle said on those accidents to the south, is this something where speed is a factor, didn't know if we had better patrol with speed limit there would that help. Lieutenant Orlando said probably not, the problem with that intersection is for southbound traffic it is at a slight grade, so basically the traffic that is travelling across Highway 65 is at a disadvantage if they don't stop in the median to make sure nobody is coming. She said the speed limit is 65 and generally people tend to go a little bit above that, but the majority of accidents have been on the part of the drivers, not the south and north drivers, but the east/west drivers. Lieutenant Orlando said we do think that when the lights get in there that will alleviate a lot of that problem. Lawrence asked if the accident that just happened was a DUI. Lieutenant Orlando said yes, it was a DUI, but not in this report, because this report is from May. She said it was a controlled substance or that is the general inclination, we are waiting on test results.

Public Hearing  
– Storm Water  
Pollution  
Prevention  
Program

Jochum explained that the City of East Bethel has prepared a Storm Water Pollution Prevention Program (SWPPP) in accordance with the National Pollutant Discharge Elimination Program General Permit, which authorizes Municipal Separate Storm Sewer System operators to discharge storm water. The goal of the SWPPP, when implemented, is to reduce the discharge of pollutants into receiving waters such as lakes and wetlands, to the Maximum Extent Practicable. The Minnesota Pollution Control Agency issued coverage under the National Pollutant Discharge Elimination System General Permit for Municipal Separate Storm Sewer Systems to the City of East Bethel on January 9, 2008.

The City's storm water program addresses the six minimum control measures and the associated Best Management Practices (BMPs) as required by the General Permit. The six minimum control measures required in the SWPPP are as follows:

1. Public Education and Outreach on Storm Water Impacts
2. Public Participation/Involvement
3. Illicit Discharge Detection and Elimination
4. Construction Site Storm Water Runoff Control
5. Post-Construction Storm Water Management in New Development and Redevelopment
6. Pollution Prevention/Good Housekeeping for Municipal Operations.

City staff continues to develop implementation strategies as outlined in the SWPPP. The following Best Management Practices have been implemented over the past two years:

1. All City Streets are swept once annually with the lake areas having higher priority.
2. City public works staff inspects approximately 20 percent of the City's storm water basins each year.
3. City Programs such as the clean-up day are posted on the City website.
4. The annual meeting was held in June 2010.
5. Educational pamphlets have been developed for distribution to City residents.
6. Reporting forms have been developed for illicit discharge inspections, non-compliance storm water complaints, structural pollution control device inspections and storm water pond inspections.
7. Staff continues to develop implementation programs.

One of the requirements of minimum control measure 2 is that the City must hold an annual meeting before June 30<sup>th</sup> of each year.

**Lawrence opened the public hearing for the Storm Water Pollution Prevention Program (SWPPP) for comments. There were no public comments so the hearing was closed.**

Moegerle asked as a practical matter what is the City doing to fulfill the responsibilities, she is familiar with this. Jochum said best practices, the six items list on page 2 and we are just getting started on it. He said things such as street sweeping, pond inspections supposed to inspect 20% of ponds every year and if there is sediment you are supposed to remove it, public education there are brochures developed and available for the residents in the foyer, the SWPPP is available online. Boyer said and since 2008 we did a study, correct. Jochum said correct. Lawrence asked what benefit is street sweeping to the SWPPP. Jochum explained that it keeps the sediment out of the storm water system. Lawrence asked when you say sediment exactly what are you talking about. Jochum said basically the sands that you put down during the winter, typically they are phosphorus, keep them from entering lakes and streams. Davis said one of the big issues we have here is there are a lot of unpaved driveways and a lot of erosion that happens on those, and we have a lot of streets that don't have curbs on them and a lot of erosion is washed out of the yard from fertilizer is washed out into the streets. He said lake streets we sweep two to three times a year, the larger lake streets we have already done twice, and we will continue to monitor them with storm events. Davis said if we have a heavy rain that washes sediment into the street then we go sweep those as quickly as we can. Jochum said sediment is two-fold, phosphorus from fertilizer can attach to it and just in general it fills up water bodies. Boyer asked since the DNR requested that Lone Pine be recognized as a lake, do we do further or frequent sweepings on the north and west side. Davis said as far as Lone Pine the only road that has any impact on that is East Bethel Blvd., the rest are county roads and we don't do county roads, but we do concentrate on East Bethel Blvd. Boyer said he was thinking is the county doing anything right where it becomes Luan Drive because it drains right into there. Davis said the county to his knowledge does not do any sweeping at all.

Public Forum Lawrence opened the Public Forum for any comments or concerns that were not listed on the agenda. There were no comments so the Public Forum was closed.

Consent Agenda Boyer said he wants to remove item G) Ehlers Invoice from the Consent agenda and address separately. Moegerle asked to address item H) Recording Secretary Agreement separately, she just has a brief comment.

**Boyer made a motion to approve the consent agenda including: A) Approve Bills; B)**

**Meeting Minutes June 1, 2011, 2011 Regular Meeting; C) Res. 2011-18 Proclaiming August 2, 2011 Night to Unite; D) Approve Renewal of Liquor Licenses; E) Cable Technician Pay Rate; F) Set Special Meeting – June 22, 2011 – 6:30 PM. DeRoche seconded; all in favor, motion carries.**

**Ehlers Invoice** – Davis said we did go back to Ehlers they have no other documentation to support the claim, other than the letter that said the city authorized the payment. He said we did send out the information that Bob Schunicht said he received authorization to go ahead and use Ehlers to do the study on a verbal approval by Davis Schaaf. Moegerle said Schaaf had called her and said what are we going to do the numbers are so crazy, we want to get a second opinion, what you think. She said she knows Schaaf was involved with Ehlers from that conversation. Lawrence said this looks like something that was approved by Schaaf and at the time he had the authorization to do so.

**Lawrence made a motion to approve payment of the Ehlers invoice in the amount of \$1757.50. Moegerle seconded.** Boyer said he doesn't like it but he thinks we should pay it. He said it strikes him that we authorized a certain amount for Schunicht and then this comes on top, he has a certain issue with that and hopes it will never happen in the future. **All in favor, motion carries.**

**Recording Secretary Agreement** – Moegerle said her comment is not really about the agreement, but about the minutes. She said it is more about taking minutes, and having verbatim minutes rather than short, just the motion and votes, think we talked about it, you and I but as opposed to verbatim and wanted to see where we are in the discussion. Davis said you and I have had this discussion, but there has never been any type of agreement on where we should go on those, there are advantages of both. He said if we want written records we can refer to than verbatim minutes are the way to go, but for parks and roads maybe the verbatim minutes aren't necessary. Boyer said to him it seems impossible to for someone to take verbatim minutes. Davis said what we do is an edited transcript of what happened, not really verbatim. He said some places he has been for parks or roads, you just general discuss the vote. Boyer said the only exception he would like for that is the public comments, it is the exception when we get public comments at these, but he would like them in the minutes because we can't always get to these. Davis said the real value is it gives Council the flavor of what happens at these meetings, if you want to cut back on it we currently can. He said for some things like Planning Commission we do need to do some of this stuff, but roads and parks we could probably cut back on. Moegerle asked Vierling's opinion. Vierling said minutes are a debate in every community they are a matter of discretion in some regards. He said certainly the recorded vote, motion and second, the procedural matter should be in there. Vierling said you always get into the matter of how much of the other stuff should be in the minutes, it is a balance, it is almost like an art, and you do the best you can. He said you do have in this day and age the cable broadcast; those are being kept for he presumes at least a year or two, the backup on those. Davis said yes whatever the retention schedule is. Vierling said there is always the opportunity to go back if we have to. DeRoche said he kind of likes to read the minutes, versus just the motions because a lot of stuff gets going through here some nights and you can't remember everything, they are kind of nice for a reference.

**Moegerle made a motion to approve Item H – Recording Secretary Agreement. DeRoche seconded, all in favor, motion carries.**

#### Park CIP

Davis explained that the City of East Bethel Parks Commission adopted a Parks and Trails Capital Improvements Plan for 2012-2016 at their June 8, 2011 meeting. This plan identified a number of capital projects that should be completed at a number of City parks. From this draft of projects, funding recommendations and revenue projections were developed to

produce a prioritized schedule for improvements for the planning period.

The Parks and Trails Capital Improvement Plan factors in the major downturn in the housing and credit markets that has occurred over the past years. A significant portion of the funding required to complete a number of these projects are generated by the park and trail dedication fees charged as a part of the development process. No additional funds from these fees are anticipated through the remainder of 2011 or projected for 2012.

The schedule of projected revenue identified as part of the write-up has been revised to reflect the reduction of funds available as a result of the economic downturn. The attached schedule of capital projects has been revised to correspond with the projected revenues through 2016.

The previous CIP estimate for parks capital revenue during the 5 year plan period was \$1,650,695. The current CIP projects a decrease that is based on the projected economic conditions for the next five years. It is assumed that the City's contribution of \$100,000 per year will remain at the same level for the next five years and that an additional \$62,139 will be transferred for trail construction.

Recommended 2012 Project Priorities and Anticipated Costs

a.) Booster West, fence replacement and infield renovations	\$ 40,000
b.) Norseland Park parking lot, fencing, playground edgings, mulch	\$ 60,000
Total	\$100,000

The recommended projects for 2013 through 2016 are in your attachments.

Commitment to this plan requires the dedication of resources only for 2012. Projects beyond 2012 are identified and prioritized by the Parks Commission to provide Council with recommendations for improvements in 2013 through 2016. Commitment to the 2012 projects is required as part of the 2012 budget process which will be finalized in 2011. Projects beyond 2012 will be addressed in future budget years. This provides the necessary lead time to prepare final plans, specifications and presentations before Council for the following years improvements.

Adoption of this plan for improvements would result in expenditures estimated at \$1,609,179 over the planning period, 2012-2016. The cost of these improvements would be funded with the projected revenues from General Fund transfers, Park Dedication Fees and Trail Dedication Fees.

Staff is recommending the approval of the 2012-2016 Parks and Trails CIP and the projects as listed for 2012 implementation.

DeRoche asked the in the trails it is listing a Phase 2 and that is 2012 – 2016 all the way to a Phase 6 for the Cedar Creek project and it was his understanding that was taken out of the picture. Davis said that portion had been suspended and Council had voted to do what we call Phase 1, the Booster Park East to 224<sup>th</sup> Avenue section and it was his understanding that it would then be determined what the rest of it would be. He said the Parks Commission has recommended that the trail be completed in phases and he told the Parks Commission that we would present this there may be some other budget considerations that may need to be

taken into account, so they are well aware of that fact. Boyer said he has never seen this go five years, he would strongly suggest that we stop doing five year plans for parks and deal with something like three years which is possibly projectable. He said trying to project out five years is virtually an absurdity. Moegerle said part of it is Council changes. Boyer said Council changes and priority changes, and something blows up and the irrigation system stops working at Booster Park, or the Ice Arena needs something and then suddenly everything changes. He said it has been like that forever and if you want we can continue the fiction of the five year plan, but every time we do it he feels like we are stalling. Boyer said it might address some of these other issues if we go to a three year plan and drop off the last two years and add the third year as we continue down the road.

Davis said he agrees, this has been a continuation of a past practice and really anything after two years is hard to predict. He said you have a list of priority projects and how they descend up the list to be approved. Davis said as far as rational projections, anything beyond the three year he planning process is a guess. He said and sometimes trying to assign numbers and values four to five years out, by the time they get here those numbers are not realistic anyways. DeRoche said regardless of which way you go with this, until Booster East Trail is picked up again by this Council or another one, he would rather it not be on there so that we don't have to keep addressing that issue. Moegerle said and if we are not going to use the money for the trail, we can use it to accelerate other park projects. Boyer said you can't do that, you have dedicated funds for trails and parks. Moegerle said but we don't have to dedicate money to trails. Boyer said but it has to be used on these. Davis said there are two funds, dedicated funds and the funds from general. Moegerle asked on the projections on the fees are those from Bolton and Menk and are those pretty much what they will be. She asked where does that 50 come from. Davis said that come from our projections, that is two years out, but we at least tried to put on a optimistic fact for that, even if this plan is approved those are not planned for this year, those are budgeted for and can be reconsidered the following year and readjusted for whatever current economic conditions we have.

Moegerle asked on page 36 for 2012 the \$86,623 comes from the general budget we are not projecting that we are going to have dedication fees. Davis said yes that is correct, plus we have a little carryover from the previous year. Moegerle said so that could be budgeted into parks and we could accelerate some of these things from 2013 if this was something the Council chose to do. Davis said that is correct. Lawrence said it looks like they are asking for \$180,000 for 2012. Davis said \$100,000 parks capital fund, \$62,000 for trails fund and \$18,000 carryover, that is where the carryover comes from.

Lawrence asked he didn't get any documentation on the Booster Park fence or Norseland Park renovations, do we have any quotes on those yet. Davis said we will bid those out when the work is to be done, this is how the process is done, we can't get quotes that far in advance because it is a year in advance so we historically track some project costs and use our own estimates, then when the projects come up they are bid. He said that is why we have an \$18,000 carryover from the last year because the numbers came in so good. Boyer said this is the same as any other project, you send it out to bid, and you either accept the bid

or reject the bid. Davis said but all our numbers are based on estimates, they are not based on any quotes.

Moegerle asked with regard to this, would it be beneficial to have a work session with Park Commission and the Council to work out the issue with the trail and what we are doing with the trail. Davis said it is always a good issue to community and he thinks it would be beneficial. Lawrence asked should we table this until we meet with them. Davis said we can table it, but the prime idea here would be to get a number for the budget, but we could make some assumptions on that and then adjust it later. Moegerle said so we can approve this now and meet with the commission later and tweak it. Davis said that is correct. DeRoche said it is not going to be an issue if this is approved that someone comes back and says you approved this and then the trail doesn't go forward. Davis said no and in the past such as last year for example, park capital funds were approved in the amount of \$100,000 and then they went back and reduced another 8% so there is precedence for this. Lawrence said he wants to make sure we are not locking ourselves up on this.

Boyer made a motion to approve the years 2012-2014 of the Parks and Trails CIP plan and direction to proceed with 2012 as presented. Moegerle seconded; all in favor, motion carries.

Davis said we will be presenting our Roads CIP at the next meeting. There are some issues with that plan that we need to do five years, we need to plan our MSA projects in advance.

Building  
Inspection  
/Code  
Enforcement  
Report

Davis explained that he asked the building official to do some different format in reporting. He said this is just some general items, but the old report was just a table of the same items, and he thought the other type of reporting was redundant. Davis said we would be glad to include that if you like. Boyer said he liked seeing that, he could track where it was going but don't think it needs to be quite as extensive. Davis said he would recommend we make that part of Friday updates and then bring the building official in here quarterly and show some kind of trends, give a report and make himself available to answer questions. Boyer said he would like that better because he doesn't really like it being part of the public record. Davis said there are things on those tracking reports that probably aren't best for public record. Moegerle said if action is being taken, she is interested but if we are just tracking don't waste her time.

Moegerle said it would be great if we had on the building permits what type of permits they are, not new homes, are they siding, roofing, would be nice to know. She asked and what ordinance changes have been drafted and forwarded to us she was stumped by that. Davis said the ordinance changes have been forwarded to him and he is reviewing those and he will be forwarding them to you. DeRoche asked about the fees collected under building permits. Davis explained this is the valuation of the building permits. Davis said so with your approval he will forward the other report in the Friday update and then he will have the building official before you either bi-monthly or quarterly and do a presentation and answer questions. Boyer said and he assumes that if there are other issues since Vierling is doing the prosecution if there is an update he can do it during the attorney's report. Vierling said certainly.

EDA  
Commission  
Meeting

Davis explained that currently, the EDA members are not compensated for time attending meetings. According to MN. Statute 469.095, Subd. 4, Compensation and reimbursement, "A commissioner, including the president, shall be paid for attending each regular or

*special meeting of the authority in an amount to be determined by the city council. In addition to receiving pay for meetings, the commissioners may be reimbursed for actual expenses incurred in doing official business of the authority. All money paid for compensation or reimbursement must be paid out of the authority's budget."*

Attached is resolution 2011-19, Resolution Setting East Bethel Economic Development Authority Meeting Compensation. The fiscal impact is \$1600 annually as part of approved EDA budget.

Staff requests City Council approve Resolution 2011-19, Resolution Setting East Bethel Economic Development Authority Meeting Compensation with reimbursement becoming effective on July 20, 2011. 20 per meetings, same as planning commission and 10 per work meetings.

Moegerle asked are we in violation of Minn. Statute for the past, have our EDA members not been paid for attending meetings. Vierling said the statute doesn't say you have to compensate it says you can set compensation by ordinance. He said if the Council decides not to do it they are not compensated. Boyer said as long as we are on this we have other special commissions that we have set and perhaps we should amend this to include those commissions as well. He said for instance none of our GRE Workforce was ever compensated either, they had more meetings than the EDA to date. Boyer said maybe if you made the wording more broad, then they might be duly compensated as well. Moegerle said what she read is they shall be paid for each meeting of the authority, that is why she doesn't understand your comment. Vierling said if you read the entire statute it says they shall be compensated in the manner that Council establishes by ordinance. Moegerle said this is housekeeping. Vierling said it is, and many cities will compensate their standing commissions and bodies as opposed to the ad hocs or study groups that come up from time to time, but is purely a discretionary item for Council to do as you see fit.

Boyer said we are compensated so little, our citizens that serve on these things, it seems that at a minimum the least we can do is pay for their gas basically to get here. Davis said one thing to consider then if we do form an ad hoc group, we set the compensation for them at the time. Boyer said or maybe we can do when we set the fees at the beginning of the year. Moegerle said these are the non-elected City commission get paid this and the City Council Members are separate. DeRoche said we already get paid. Moegerle asked Vierling based upon your experience is this suggested rate \$20 for a regular meeting and \$10 for a work meeting comparable for the going rate. Vierling said he thinks we see the standard for any community is \$10, \$20, or \$25, but not much more than that.

**Moegerle made a motion to adopt Resolution 2011-19 Resolution Setting East Bethel Economic Development Authority Meeting Compensation at the rate of \$20 for a regular meeting and \$10 for a work meeting. Boyer seconded; all in favor, motion carries.**

Appointment  
of 2 City  
Council  
Members to  
Serve on  
Economic  
Development

Davis explained that on May 18, 2011, City Council approved the restructuring of the EDA to include two (2) City Council members and five (5) citizens.

Currently there are three (3) citizens serving on the EDA. Staff has started to advertise for two (2) additional citizens to serve on the EDA. Application deadline is July 18, 2011. City Council will interview interested citizens and appoint two (2) citizens at the regularly scheduled City Council meeting on August 3, 2011.

It has not been determined as to which City Council members will serve on the EDA. City Council members EDA term will coincide with their term in office as members of the City Council.

Staff requests City Council appoint two (2) members to serve on the Economic Development Authority Commission. City Council members' terms serving on the EDA will coincide with their term of office as members of the City Council.

Boyer asked why would we do this any different than we do anything. Moegerle said see that EDA Authority Commission is going to be a longer term kind of thing and if going to have long term relationships with developers, she can see where consistency would be valuable. She said and you would want to rotate them out. Boyer said he thinks this should be left to Council's discretion at the beginning of the year. He said take this example, he has a 1 ½ left of his term, and what would be the fairness if it is someone that has a term of 3 ½ years left appointed for the rest of that term and then someone that has 1 ½ years left is appointed. Boyer said he would think by giving them a year, just as we have with everything else historically, then if it is Council's opinion that consistency is important then they would just reappoint. He said he also thinks you might have a slight legal issue if you appoint for 3 1/2 years and you have a new Council in 1 ½ years.

Vierling said on EDA's and HRA's where he has had Council Members usually they have provisions that if they leave their term in office then a vacancy would be declared and there would be a new appointed. He said he doesn't see a problem with a multi-year term coinciding with their seat on the Council. Moegerle asked would we have to amend anything else in our ordinances to make that work. Vierling said ordinances no as long as the resolution making the appointment provides that contingency you are fine because you have to maintain your statutory qualification which is the critical piece. Lawrence said the way this is written you would be on the EDA until your term is up. He asked Boyer but you want a yearly term. Boyer said that is the way we everything else, don't see why we would change. He said that is the way we do roads, planning, parks, way we do liaison for cedar creek which he could make an argument is way more one on one relationship building.

Moegerle said why don't we do two year terms, but we will start with 1 one year term and 1 two year term so there is always the possibility to have fresh blood in there. She said that would be a compromise position. Boyer said he doesn't have a problem with that. He said it gets to a bigger issue, he had this issue with commission appointments before, there is something to be said for rotating someone through commissions, he also doesn't think it serves the commissions very well also. Moegerle said she thinks Voss disagrees, but she thinks continuity is great.

**Moegerle made a motion to appoint two City Council Members to serve on the Economic Development Authority Commission each will serve two years, one to serve two years beginning immediately, and one to serve beginning immediately.** Boyer said may he suggest you appoint someone to January 2012 and someone to January 2013 that way Council during their regular business can appoint again for two year terms. He said or January 2013 or January 2014. Davis said he thinks the January appointment time is critical to coincide for Council appointments.

**Boyer asked to amend the motion to appoint two City Council Members to the Economic Development Authority Commission, one appointment will expire January**

**2012 with a two year term to be appointed at that time, and the other appointment to expire January 2013 with a two year term to be appointed at that time, expiring at the first Council meeting of the year. Moegerle accepted the amendment to her motion. DeRoche seconded; all in favor, motion carries.**

Lawrence said now we need to appoint two Council Members. He said do we need to appoint tonight. Davis said we can table this to until the next meeting if you want to wait.

**DeRoche made a motion to table the appointment of two Council Members to the EDA Commission until the next City Council meeting on July 6, 2011. Boyer seconded; all in favor, motion carries.**

Pay Estimate  
#1 – Booster  
East/Cedar  
Creek Trail  
Project – Rum  
River  
Contracting

Jochum explained that attached is a copy of Pay Estimate No. 1 to Rum River Contracting for the Booster East/Cedar Creek Trail Project. The Pay Estimate includes payment for all work minus a five percent retainage. We recommend partial payment of \$28,485.83. A summary of the recommended payment is as follows:

Total Work Completed to Date	\$29,985.08
Less 5% Retainage	<u>\$ 1,499.25</u>
Total payment	\$28,485.83

The project is proposed to be financed from the Park Capital Fund. Funds are available and appropriate for this project.

Staff recommends Council consider approval of Pay Estimate No. 1 in the amount of \$28,485.83 for the Booster East/Cedar Creek Trail Project.

**Boyer made a motion to approve Pay Estimate No. 1 to Rum River Contracting in the amount of \$28,485.83 for the Booster East/Cedar Creek Trail Project. Moegerle seconded; all in favor, motion carries.**

Weidema  
Retainage  
Escrow

Jochum explained that in accordance with the Contract Agreement with SR Weidema for the Phase 1, Project 1 Utility Improvements, the City reserves a 5 percent retainage on all progress payments due to the Contractor. Per State Statute Section 15.73 the Contractor may request that the retainage be deposited into an established escrow account. SR Weidema has requested that the escrow account be established at TCF National Bank in accordance with the attached Escrow Retainage Agreement. The City Attorney has reviewed the Agreement. The City Attorney's comments have been incorporated into the attached agreement.

The current retainage for this project is \$35,438.71. The contractor is requesting that this retainage be released and deposited into the escrow account. The Contractor is required to pay all City expenses related to the escrow account.

Staff recommends that the current project retainage of \$35,438.71 be deposited into the escrow account in accordance with the Escrow Retainage Agreement.

**Boyer motion to approve the Escrow Retainage Agreement and that \$35,438.71 be deposited into the escrow account in accordance with the agreement. DeRoche seconded; all in favor, motion carries.**

Fire Dept

Davis explained that the May Fire Department reports are provided for your review and

information. He said he would also like to include these in our Friday updates and would like to restructure this and get a better report to Council every couple months. Davis said he is looking at restructure this and having the fire chief before you quarterly and have him answer questions. DeRoche said he thinks it is in the ordinance where he is supposed to come before you and give you a report. Moegerle said it would make it more meaningful. Davis said it definitely would and that is something we are looking at reorganizing and we could present in a little better from and he could come here and answer questions at least on a quarterly basis. DeRoche said and he could give us some of the activities that are going on. Davis said certainly and some trends that are occurring in that line of work and maybe some tips and keep us up to date on the burning bans and make sure we are well aware on what is going on in that regard. Moegerle asked on page 63 where it says second inspection does that mean on the first inspection there were violations. Davis said we will have to wait until fire chief arrives, but he thinks that means on the first inspection there were things that needed to be taken care of, that they were noted for and when they went back on the second inspection they had cleaned those up.

St. Francis  
Youth Hockey  
Assn. Past Due  
Account

Davis explained that the Saint Francis Youth Hockey Association (SFYHA) contracts with the City of East Bethel for rental of the Ice Arena for ice time during the hockey season. They are required to make their payment up front. At the end of January 2011 they did not make their February 2011 payment. The amount of this bill was around \$24,605. Mayor Lawrence and former interim city administrator David Schaaf met with Mr. Bill Karas, president of the SFYHA, in late February to attempt to see what the issue was and to see when they were going to pay their bill. It was related to the City at this meeting that the SFYHA was waiting on their gambling proceed receipts and would pay as soon as these monies were received. Subsequent attempts to contact Mr. Karas by telephone, e-mail and past due notices mailed monthly yielded no response until June 1, 2011. At that time Mr. Karas indicated by e-mail that a partial payment would be delivered to the City on June 1, 2011. Davis said this Friday they did bring in partial payment in the amount of \$14,605. He said they are difficult to communicate with, about the only way they will respond is after several repeated attempts of e-mails, they did not return any telephone calls made to them which was at least a half dozen, nor did they respond to any past due bills sent out. Davis said they did respond that they would be by today to pay the balance on the account. He said they did come by and brought two checks to us in the amount of \$11,050, which means they overpaid the ice rental time by \$1,050, however, they still owe \$2,500 for the center ice logo we put in for them, so they owe a balance of \$1,450. Davis said so if we take the contract to the letter there are late fees and interest fees that are associated with the past due amounts and this amounts to \$4,100.83. Moegerle said in addition. Davis said yes, in addition.

Boyer said he thinks everyone concern is the same, they end up six months behind and we are financing them, while he supports the work they do in the community with the kids, but not sure it is responsible to be financing them. He said he would like some history on how this has played out the last few years, perhaps the fiscal and support services director could do this and e-mail it to us, just a percentage of how many of the bills were paid on time. Davis said this is the first time they defaulted or been late on a bill since 2006 or 2007. He said what was disturbing to him was they didn't respond to any of our requests for information or a meeting or to just sit down with us. Davis said we were more than willing to work with them. He said the other issue is we need to sell the ice time for the upcoming year and do we want to engage in a contract with them and if they don't pay do we shut the doors and say no you can't get on the ice. Davis said we have the opportunity to sell ice time to other users but we have to make a decision in the next two to three weeks to take advantage of that opportunity.

Davis said he is looking for direction on how you want to handle the late fees and the interest on this account, the rest of the past due balance for the center ice logo and how we want to proceed with negotiations with SFYHA for the sale of ice time for next year. He said we need to get this done in the next couple weeks because if they can't provide us with the assurances or guarantees and the fees are not going to get paid then we need to look elsewhere to sell this ice time. Boyer said he assumes when we are selling ice time we get a check. Davis we are supposed to get a check. Davis asked but if we enter into an agreement with them and not paid in advance as specified are we going to say okay the doors are closed.

Moegerle said she thinks we have to be the same with everyone, first come first serve, if you have a check, you are served. Boyer said he would be more likely to work with them. Lawrence asked because they have a long history with East Bethel. Boyer said yes, that is how we ended up with the arena. He said to a certain degree he would take an assurance, but he would like to see some cash involved. Boyer said but if they are not answering phone calls and such, would suggest certified letters, he doesn't want to get into you never told us that, why are you telling us this at the last moment. He said that is his opinion. Moegerle said she doesn't want to set a policy or practice where we waive these, it weakens our position for egregious situations. Boyer said he agrees. Moegerle said and taking a strong position at this point says maybe next time you really do want to get it paid on time because there are consequences, if we don't there are no consequences and it is going to happen again. Boyer said on the other hand to be late one year out of six, that isn't that bad. Lawrence said the issue isn't being late, well it is, but the issue is they aren't responding to phone calls, that is more of an issue. Davis said the last time they didn't make payments was December 31, 2006 and there were not any late fees charged at that time.

Boyer asked if SFYHA has gambling permits in the City. Davis said last year they had two. Lawrence said he is willing to sit down with them and work out the penalties. Boyer said work out an incentive to work things out. Lawrence said well first you have the penalties and logo fees and late fees and then work out something, schedule time to talk to them, are they serious about playing next year or what are they doing. Davis said this is critical with the timing, he talked to Gibson Management and they said they will start losing opportunities to sell the ice time if this doesn't happen soon. Moegerle said it should be placed upon them and their initiative. Boyer asked are we talking about roughly \$200,000 in ice time, that is a lot of money to come up with. Davis said yes, that is a lot of money and if he can have a little discretion in charging them the late fees and such and can come up with some way to negotiate with them. DeRoche said he would go along with that. Lawrence said obviously they are scrambling for money and they are waiting for their students to come back and re-fire again. Davis said that is correct, they have changed all their policies, they are requiring all their families to fees for next year and think that is where some of the money we have received is coming from. He said we just need to sit down with them and have an open dialogue and say this is what we expect. Davis said he thinks it is important that they understand the seriousness of this issue. DeRoche said if they pay the bill work something out with the late fees, and make them aware of our standpoint. Davis said no matter what we need to sit down with them by next week and work something out. Boyer said no matter what we need to know what way we are going. Davis said we are on a really short fuse now we need to be done by next week. Boyer said he would send a certified letter to whatever addresses we have. DeRoche said and address the issue of non-communication; we really do need to talk.

Council Report – Moegerle  
Moegerle said tomorrow she is going to LMC Annual Conference for things on Economic development Authorities, three sessions on it. Boyer asked is it at the LMC headquarters. Moegerle said no it is in Rochester. She said and watch out for the turtles they are on the move.

Council Report – Boyer  
Boyer said the other day he happened to be driving on Wild Rice Drive and on that sharp corner turning into Durant Street he was confronted by three kids riding down the middle of the road, so please try to slow down a little bit.

Council Report – Lawrence  
Lawrence said the other day there was the accident on 221<sup>st</sup> Avenue; it has been a problem for he doesn't know how many years, it is a problematic corner, and we are working on getting some lights up. He said however according to the State of Minnesota this will cause more accidents and higher impacts pretty much because people will run them. Lieutenant Orlando said it will be safer for the cross traffic, east/west traffic. She said people should always wait to cross until it is safe. Lawrence said that is a long term problem we are going to have for a while and he hopes residents understand that is a dangerous intersection you have to really watch. Boyer said especially in the winter when the snow gets piled up.

Closed Meeting – MBI & Land Acquisition  
Vierling said for benefit of the Council and public and purposes of the record the Council is going into closed session per MN Statute 13.D to discuss two matters, one being the City of East Bethel vs. Anoka County HRA and the second being the City of East Bethel and the contract dispute with MBI, Inc. He said however, once that closed session is over, if any motions are taken, Council will come back into open session and provide a summary of any motions taken.

**DeRoche made a motion to adjourn to closed session to discuss the City of East Bethel vs. Anoka County HRA and the City and MBI contract. Boyer seconded; all in favor, motion carries.**

Vierling said for purposes of the record and benefit of the public we would note it is 10:00 p.m. and Council came back into open session. He said he would note that in the closed session were four members of the Council, with Council Member Voss being absent. Vierling said also attending was Craig Jochum, city engineer, Jack Davis, city administrator and myself, city attorney. He said matters reviewed dealt with the Anoka County lawsuit relative to the HRA and questions relative to the impact of that decision on the refunding of funds both to the taxpayers and to the City. Vierling said Council received some specific action from City Council to follow up which we will do. He said on the matter of MBI the Council authorized staff to offer a settlement to the contractor setting parameters and staff will undertake that and report back to Council at the next meeting.

Adjourn  
**Boyer made a motion to adjourn at 10:01 PM. DeRoche seconded; all in favor, motion carries.**

Attest:

Wendy Warren  
Deputy City Clerk