

EAST BETHEL CITY COUNCIL MEETING

August 4, 2010

The East Bethel City Council met on August 4, 2010 at 7:30 PM for their regular meeting at City Hall.

MEMBERS PRESENT: Bill Boyer Steven Channer
Kathy Paavola Steve Voss

MEMBERS EXCUSED: Greg Hunter

ALSO PRESENT: Douglas Sell, City Administrator
Tammy Schutta, Asst. City Administrator/HR Director
Jerry Randall, City Attorney
Craig Jochum, City Engineer

Call to Order **The August 4, 2010 City Council meeting was called to order by Acting Mayor Voss at 7:30 PM.**

Adopt Agenda **Boyer made a motion to adopt the August 4, 2010 City Council agenda. Paavola seconded; all in favor, motion carries.**

Metropolitan Council Presentation Sell explained that Bryce Pickart from the Metropolitan Council is with us this evening to provide information relating to several agreements with the City that are part of the waste water treatment facility project. Sell said one agreement relates to construction activities while the second relates to SAC fees.

Pickart said he hasn't been here for a while; it is good to see you all. He said the waste water plans have been preceding quiet well. Pickart said we will be doing the PCA public notice soon, and once we get past that we should be getting the permit. He said what he is going to talk about is the need to deal with practical issues, finances, he is working with City staff and Bolton Menk, but we need to move forward and see if it makes sense to have a construction cost sharing agreement.

Pickart said for him, his Council makes decisions on policy and then we will move forward in August and our Council will tell us to negotiate an agreement with East Bethel. He said the basics are (an outline): appoint City to act as agent for design, we would be the owner, we would provide the financing, we would make the financial transactions, and we have done this with other cities. Pickart said the other part of the first agreement would be cost sharing. He said because of the trunk the community would have to pay their share of cost and in this case the pipeline at Viking and 65, the last section into the plant needs to be upsized for storage. Pickart said but the pipeline along Viking and 65 we look at two aspects of cost sharing. The first part is paying for the incremental cost of pipe and we are working with Bolton and Menk for the final cost of the pipe. He said the cost estimate he is using at the moment is about 5.1 million, he added about 10% on Bolton and Menk's number. Pickart said the incremental cost of that is 1.2 million.

Pickart said another part of that case is we are not thinking of serving Oak Grove before 2030, so we are building the interceptor early, so if we take 5.2 million minus 1.2 million, we are asking for the cost share for acceleration, 3.9 million, then it ends up less than 1 million, but we haven't determined what we think is fair. He said the other part is we would figure out what we think is fair for the structuring of repayment, might go to 30 years of repayment. Pickart said the practical problem is in regional process, if we are looking at a facility that is serving a community right now, we might want to look at growth rate, and

then think about being in a recession, structuring it that way gives a break to the City. He said it allows the City to make the payments to us like a SAC fee. Pickart said take 2.2 million for 30 years, it would be about \$400 a SAC unit.

Pickart said the second agreement we have been starting to talk to staff about, but we have not gone to his council yet about he is calling a wastewater service agreement, and basically it is how we are going to compute the SAC rate for East Bethel. He said are we going to use an assumption for what the growth rate is going to be. Pickart said the cost estimate we are using at the moment for the plant and affluent unit for storage is \$22 to \$23 million; the plant is phased so there will be a \$10 million plant expansion down the road. He said we mentioned \$3,500 for hookups that is assuming our rates would increase; they are still relatively low still. Pickart said the economy can hit us all for a loop and we are trying to come up with something that is good for all.

Pickart said the other caveat is this methodology builds in an automatic loan process. He said then we can ask for a repayment that raises the rates for users. Voss said Pickart talked about how the first agreement went through his council. Pickart said it goes through our council in August. He said he would like one of your council members to attend. Pickart said it is on Tuesday, August 10, 2010 at 9:30 AM. Voss said so process wise if it is approved by Met Council will it come back here. Pickart said yet, then we will get it to the City Administrator and he can bring it to Council or I can come back and talk to you about it. He said also your attorney can take a look at it. Boyer said it might behoove us to make it know that the number Pickart is throwing out is the Met Council's SAC fees, not the City's.

Resolutions
Acknowledging
East Bethel
Royalty

Sell explained that several weeks ago, East Bethel Royalty for 2010-2011 were crowned as part of the East Bethel Scholarship Pageant. This evening, we have the four individuals that will represent the City of East Bethel for the coming year.

Over the past several years, the City Council has taken the time to recognize these young people for the efforts.

Sell read the resolution as follows: Resolution 2010-38 Recognizing the 2010-2011 East Bethel Royalty. Whereas, the East Bethel Scholarship Pageant organizes and sponsors the annual Scholarship Pageant; and Whereas, the individuals recognized through this competition represent the City of East Bethel as an Ambassador for a twelve month period by appearing at numerous City festivals and celebrations and other official functions; and Whereas, the City of East Bethel is appreciative of the time and effort these pageant winners devote to representing the City. Now Therefore, be it resolved by the City Council of East Bethel, Minnesota that: Ms. Katie Mueller is hereby recognized as Miss East Bethel and an Ambassador for the City for the next year. Be it further resolved by the City Council of the City of East Bethel that: the City Council hereby expresses its thanks and appreciation for the time and effort Ms. Katie Mueller will devote to representing the City for the next twelve months. Adopted this 4th day of August, 2010 by the City Council of the City of East Bethel.

Paavola made a motion to adopt Resolution 2010-38 Recognizing the 2010-2011 East Bethel Royalty – Miss East Bethel Katy Mueller. Boyer seconded; all in favor, motion carries.

Sell read the resolution as follows: Resolution 2010-39 Recognizing the 2010-2011 East Bethel Royalty. Whereas, the East Bethel Scholarship Pageant organizes and sponsors the annual Scholarship Pageant; and Whereas, the individuals recognized through this competition represent the City of East Bethel as an Ambassador for a twelve month period

by appearing at numerous City festivals and celebrations and other official functions; and Whereas, the City of East Bethel is appreciative of the time and effort these pageant winners devote to representing the City. Now Therefore, be it resolved by the City Council of the City of East Bethel, Minnesota that: Ms. Erica Sundem Mallak is hereby recognized as Miss East Bethel Princess and an Ambassador for the City for the next year. Be it further resolved by the City Council of the City of East Bethel, Minnesota that: the City Council hereby expresses it thanks and appreciation for the time and effort Ms. Erica Sundem Mallak will devote to representing the City for the next twelve months. Adopted this 4th day of August, 2010 by the City Council of the City of East Bethel.

Boyer made a motion to adopt Resolution 2010-39 Recognizing 2010-2011 Miss East Bethel Royalty – Princess Erica Sundem Mallek. Channer seconded; all in favor, motion carries.

Sell read the resolution as follows: Resolution 2010-40 Recognizing the 2010-2011 East Bethel Royalty. Whereas, the East Bethel Scholarship Pageant organizes and sponsors the annual Scholarship Pageant; and Whereas, the individuals recognized through this competition represent the City of East Bethel as an Ambassador for a twelve month period by appearing at numerous City festivals and celebrations and other official functions; and Whereas, the City of East Bethel is appreciative of the time and effort these pageant winners devote to representing the City. Now Therefore, be it resolved by the City Council of East Bethel, Minnesota that: Ms. Abigail Mau is hereby recognized as Little Miss East Bethel and an Ambassador for the City for the next year. B Be it further resolved by the City Council of the City of East Bethel, Minnesota that: the City Council hereby expresses it thanks and appreciation for the time and effort Ms. Abigail Mau will devote to representing the City for the next twelve months. Adopted this 4th day of August, 2010 by the City Council of the City of East Bethel.

Voss made a motion to adopt Resolution 2010-40 Recognizing the 2010-2011 East Bethel Royalty – Little Miss Abigail Mau. Boyer seconded; all in favor, motion carries.

Sell read the resolution as follows: Resolution 2010-41 Recognizing the 2010-2011 East Bethel Royalty. Whereas, the East Bethel Scholarship Pageant organizes and sponsors the annual Scholarship Pageant; and Whereas, the individuals recognized through this competition represent the City of East Bethel as an Ambassador for a twelve month period by appearing at numerous City festivals and celebrations and other official functions; and Whereas, the City of East Bethel is appreciative of the time and effort these pageant winners devote to representing the City. Now Therefore, be it resolved by the City Council of East Bethel, Minnesota that: Ms. Madelyn Johnson is hereby recognized as Little Miss East Bethel and an Ambassador for the City for the next year. Be it further resolved by the City Council or the City of East Bethel that: the City Council hereby expresses it thanks and appreciation for the time and effort Ms. Madelyn Johnson will devote to representing the City for the next twelve months. Adopted this 4th day of August, 2010 by the City Council of the City of East Bethel.

Channer made a motion to adopt Resolution 2010-41 Recognizing the 2010-2011 East Bethel Royalty – Little Miss Madelyn Johnson. Paavola seconded; all in favor, motion carries.

Liquor
Ordinance
Violation –

Sell explained that on June 17, 2010, the Anoka County Sheriff's Office conducted a compliance inspection pursuant to City Code, Section 6-94. It is alleged that Ms. Shannon Converse, the bartender at the Purple Reign Supper Club that evening, served alcoholic

beverages to two individuals under the age of 21 in violation of City Code, Section 6-91, (1).

According to the Sheriff's Report, two underage individuals entered the Purple Reign Supper Club around 8:45 PM on June 17th and ordered beer. The bartender served the beer to the underage individuals but did not ask for identification to verify the age. The Sheriff's Deputy then approached the bartender advising of the compliance check failure. A copy of the Sheriff's Report was included with your agenda materials. We have redacted the non-public information from the report.

Under City Code, Section 6-93, the City is required and permitted to impose certain sanctions. These sanctions were outlined in your agenda materials. A first violation results in a \$250.00 administrative penalty to the individual clerk, bartender, or employee involved in the violation.

In addition to the above penalties, any clerk, bartender, or employee, including a licensee if such be the case, who violates this article, shall be required to serve eight hours of community service for a first offense.

This is the first violation in the past 24 months for this licensed establishment. As Under Section 6-93 (b) (1), the administrative penalty for the bartender in this case is \$250.00. In addition, the bartender is required to serve 8 hours of community service under Section 6-93 (d).

Staff recommends Council conduct the hearing as requested and then consider Resolution 2010-42 imposing penalties against Ms. Shannon Converse.

Sell said he wants it noted that Deputy Chris Johnson is with us if Council has any questions about the compliance check.

Voss opened the hearing. Shannon Renee Converse of 2049 Fillmore St. South, Cambridge, MN said the individuals came into the bar and sat at the bar where others had been sitting. She said she never collected money for the drinks, there were already drinks sitting there because the seats were taken by others. Converse said never collected their money or got identification. She said she opened the beers and put them on the back bar rail. Voss asked but you put beers out. Converse said she was going to card them but before she could they left. Voss said but you were going to card them after you gave them the beer. Converse said they were sitting at someone else's spot.

Converse said she then went back and was making other drinks. She said then she was told she served underage minors. Voss said so you prepared beers and then you were going to collect the cost for them. He asked is this the process that happens a lot. Converse said they were sitting in someone else's spot. She said she had the beers open in the railing. Converse said they were in the prep area. Voss asked so they didn't have to reach over to get them. Converse said her intent was to ask for two ID's. She said didn't serve them to them. Voss said you had already served them. He said you did this by opening them. Voss said before you checked the ID's you prepared the drinks for them.

Paavola said she is struggling with opening the beer and they didn't get the drinks, but she didn't card them. Boyer said they still go them. Voss said it would have been one thing if she still had the beers in her hand and she had asked for their IDs. He said she had put the beers in front of them. Converse said she didn't ask for any money or IDs. She said they had left, they were gone. Voss said he understands you would have to see two IDs. Converse

said when the guy came up and ordered the beer and they weren't together, right away there was a flag there. She said she knew she couldn't put the drinks there. Converse said someone else was sitting there. She said she was busy; she didn't have the time to wait for her to come back. Voss said he understands that she needed two IDs. He said what he doesn't understand is why she didn't ask for IDs right off the bat. Voss asked did you say anything to them. He asked did you indicate to him that you needed to see two IDs. Channer asked her again to tell him where the beers were. Converse said on the back rail.

Voss closed the hearing.

Deputy Chris Johnson came forward. Boyer asked the deputy to describe the situation at Purple Reign on June 17th. Deputy Johnson said we were out doing alcohol compliance checks. He said prior to doing these checks, he makes sure that the underage buyers do not have an IDs or cash of their own on them. Deputy Johnson said he took pictures of the underage buyers. He said he is not familiar with Purple Reign; it seems to be a corner bar where everyone knows everyone. Deputy Johnson said because of that he didn't want to go in with the underage buyers; otherwise it would not be a true test. He said he instructed them if they got served to call him.

Deputy Johnson said the underage buyers went into Purple Reign and he did get a call from the young man saying he had been served. When Deputy Johnson entered the bar, they were sitting at the bar with two beers in front of them. Deputy Johnson said he doesn't know if they got them from the rail, they didn't have them in their hands, but they did have them in front of them. He said he asked them who served the beer to them and they pointed out Ms. Converse. Deputy Johnson said the young man did tell him on the way out that he had not paid for the beer yet, because she did not ask for him to pay for it yet. He said he asked Ms. Converse if he could talk to her about a couple of illegal sales she had just made to minors. Deputy Johnson asked Ms. Converse if she wanted to go in the back room to talk for some privacy and they did. He said he explained to her what the process was. Deputy Johnson said Ms. Converse told him her reason for what had happened was she was busy and she had to get a lime for someone. He said there were 10-15 people in the bar. Voss asked about the issue with the rail. Deputy Johnson said he takes everything into consideration, but that was not the scenario in this matter. He said when he walked in the beers were in front of the minors. Deputy Johnson said if that would have been the case when he walked in, he would have taken that into consideration.

Boyer made a motion to adopt Resolution 2010-42 Providing for Findings of Facts, Conclusions and Administrative Penalties Pursuant to City Code, Article IV, Section 6-93. Voss seconded; all in favor, motion carries.

Liquor
Ordinance
Violation –
Michael Hill –
Purple Reign
Supper Club

Sell explained that On June 17, 2010, the Anoka County Sheriff's Office conducted a compliance inspection pursuant to City Code, Section 6-94. It is alleged that Ms. Shannon Converse, the bartender at the Purple Reign Supper Club that evening, served alcoholic beverages to two individuals under the age of 21 in violation of City Code, Section 6-91, (1).

According to the Sheriff's Report, two underage individuals entered the Purple Reign Supper Club around 8:45 PM on June 17th and ordered beer. The bartender served the beer to the underage individuals but did not ask for identification to verify the age. The Sheriff's Deputy then approached the bartender advising of the compliance check failure. A copy of the Sheriff's Report was included with your agenda materials. We have redacted the non-public information from the report.

Under City Code, Section 6-93, the City is required and permitted to impose certain sanctions. These sanctions were outlined in your agenda materials. Under City Code, licensees are responsible for the actions of their clerks, bartenders, and employees in regard to the sale of alcoholic beverages on the licensed premises. The sale of such an item by any clerk, bartender, or employee shall be considered a sale by the licensee. A first violation results in a \$500.00 administrative penalty to the licensee involved in the violation.

This is the first violation in the past 24 months for this licensed establishment. As Under Section 6-93 (b) (1), the administrative penalty for the licensee in this case is \$500.00.

Staff recommends Council conduct the hearing as requested and then consider Resolution 2010-42 imposing penalties against Mr. Michael Hill.

Michael Hill, owner of Purple Reign Supper Club said he thinks this is bogus. He said he has the City Code and in this it talks about a sale and there was no sale. Hill said no where does it talk about serving where there was no sale. Randall said state law talks more broadly than that. He said but our City Codes says sell, barter or furnish. Randall said it doesn't have to be a sale, and it is up to the Council to decide if there has been a violation.

Hill said the guy came up to the bar first and asked for two drinks. He said Converse's first thought was where are the two drinks going. Hill said the inside rail is the bartenders territory. He said Converse was waiting to see who the second person was going to be. Hill said by the time she got done taking the olives over there and comes back they are gone. Voss said this comes back to Converse's testimony, she never asks where the other person went, and she put the beers there. He asked how do the patrons know when she didn't ask the patrons for anything that those beers are not theirs. Voss said he doesn't know how you are supposed to communicate to the person that you have to see the ID before they drink the beer if she didn't say anything. He said you can't ask Mr. Hill to say what Converse was thinking why wouldn't she ask "Can I see some id."

Randall asked had the beers been opened. Hill said yes. Randall said that is a very important part of this. He said you don't usually open beers if you aren't going to sell them. Voss said the protocol whether you are going to sell cigarettes or beer is to ask for ID first. Hill asked what is the procedure after this. Voss said we are going to pass the resolution and then you can talk to the City Administrator.

Boyer made a motion to adopt Resolution 2010-43 Providing for Findings and Facts, Conclusions and Administrative Penalties Pursuant to City Code, Article IV, Section 6-93. Channer seconded; all in favor, motion carries.

Liquor License Violation – Double H Entertainment, LLC – Hunter's Inn

Sell explained that the City Attorney has collected and provided a resolution that identifies the facts in this situation as it relates to Hunter's Inn. Notice of the hearing on this matter was served on Mr. Matt Hansen and Mr. Leroy Hoefs, Jr. on July 20, 2010.

Mr. Randall will make a short presentation of the facts as outlined in the resolution and then recommend Council conduct the hearing offering the owners the opportunity to respond. Following the hearing, Council should consider Resolution 2010-44 regarding action against the liquor license issued to Hunter's Inn.

On Friday, July 20th, we received a call from one of the owners indicating that they paid or made arrangements to pay the delinquent taxes and were no longer on the delinquent tax list. After consulting with the City Attorney, we advised the owners that the City Council can

cancel the hearing if they so choose. However, staff, once the agenda and hearing have been set, do not have the authority to cancel the hearing. We advised that they appear at the Council meeting to make their request regarding the hearing and any potential action against their license.

Staff is recommending Council conduct the hearing and then consider Resolution 2010-44 Findings, Conclusions and Penalties relating to Hunter's Inn.

Randall said Council has been through an identical hearing to this at the last meeting, we are here because Double H Entertainment, LLC was on the Minnesota Revenue Posting List as it relates to delinquent taxes. He said Council can suspend up to 60 days. Randall said this licensee has not been in compliance since the June 15, 2010 Posting.

Leroy Hoefs, Jr. of 16620 Dogwood St., Oak Grove MN said being on this list does not stop us from selling alcohol. He said when we got this letter we were really frustrated. Hoefs said he talked to another proprietor and they said they got two weeks to take care of it. He said we just got our license with the City renewed, we got a background check done, and we paid a bunch of fees. Hoefs said in our scenario, when the turnaround on Hwy. 65 was taken out, we lost about \$5-10,000 a month. He said if you suspend our license for selling alcohol, if we know we are going to go on the list, we can still sell it appropriately. Hoefs said his question is suspending the license for 30 days how is that going to help the City, can his little Bar and Grill sustain itself on food for 30 days. He said you should ask any other establishments on Hwy 65 if they could. Hoef's said one just closed on Monday night, it is getting harder and harder to make it. He said when his turnaround got closed, did his taxes go down, no.

Hoefs said he has made dramatic changes at their place of business, we don't have problems/police calls, and we have changed the place. He said when we got this letter he wanted to come up and voice his opinion. Hoefs said he has gotten a letter about the new sign ordinance where he can only put a sign out there three times a year, his turnaround was taken out, how do you expect a business to survive in East Bethel. Voss asked do you understand why there is a penalty for a violation of the law. He said it is meant so that you don't break the law. Voss said it is an incentive to be in compliance. He said we don't want a business shut down for 30 days, we don't want it shut down for one day. Voss said we have businesses that are always non-compliant. Channer said we can't cancel the hearing if it is part of the posted agenda. Randall said we told staff to send you the notice. Channer said when you are talking about liquor the rules are way different. Hoefs said if we know we were going on the list, we order extra and we pay them. Channer said it is not the sale of it, it is the violation of the ordinance. Boyer said when everyone's liquor license came up for renewal, had Council known they were on the list, we would not have been able to not renew them. Sell said that is why they were renewed, they were not on the list at that time. He said there is more than one way to establish your business for tax revenues and he wants you to talk to our tax assessor about this. Voss said so you are now paid up and off the list, correct. Hoefs said yes, we are paid up and off the list. Staff agreed, Double H Entertainment, LLC is paid up and off the list.

Voss made a motion to adopt Resolution 2010-44 Imposing Sanctions. Boyer seconded. Boyer, Channer, Voss and Paavola, nay, motion fails.

Public Forum

Voss opened the Public Forum for any comments or concerns that were not listed on the agenda. Heidi Moegerle of 179 Forest Road said she heard Met Council talk about SAC Unit tonight, are they going to come and take money out of my pocket by the SAC load. She said

please explain to us what that means. Voss said the purpose of Bryce Pickart’s from Met Council’s visit here tonight was to update Council on where they are at. Moegerle said he was using an acronym she didn’t understand. Sell said SAC means service availability charge. He said it is charges for facilities. Voss said charges related to the plant. Moegerle said so it is a complicated method that trickles back to the taxpayers. She said so it is a hookup fee. There were no comments so the public forum was closed.

Consent Agenda

Boyer made motion to approve the Consent Agenda including: A) Approve Bills; B) Meeting Minutes, July 21, 2010, Regular CC Meeting; C) Accept Fire Fighter Resignations; D) Appoint Administrative Support I Position. Channer seconded; all in favor, motion carries.

Pay Estimate #4 for the Wild Rice Drive Reconstruction Project

Sell explained that a copy of Pay Estimate No. 4 to Dresel Contracting, Inc for the Wild Rice Drive Reconstruction Project was included with your agenda materials. The major pay items for this pay request include installation of signs and erosion control items and striping. The Pay Estimate includes payment for work completed to date minus a five percent retainage. The total construction cost for this project is estimated to be \$982,244.32. Construction costs for this project are financed through the City’s State Aid Construction fund.

Staff recommends Council approval of Pay Estimate No. 4 in the amount of \$ 82,175.38 for the Wild Rice Drive Reconstruction Project.

Boyer made a motion to approve Pay Estimate No. 4 in the amount of \$82,175.38 to Dresel Contracting, Inc. for the Wild Rice Drive Reconstruction Project. Paavola seconded; all in favor, motion carries.

Pay Estimate No. 4 for Well No. 2 Construction , Well Pump, Piping and Electrical Revisions to Pumphouse No. 1

Sell explained that a copy of Pay Estimate No. 4 to Municipal Builders, Inc for the Well No. 2 Construction project as included with your agenda materials. Major pay items for this pay request include well development and sandstone removal. The Pay Estimate includes payment for work completed to date minus a five percent retainage. The total project cost is estimated to be \$373,004. The city received a PFA Grant in the amount \$298,403. The remaining \$74,601 has been financed through the Public Facilities Authority’s Drinking Water Loan program. The loan will be repaid through user fees over 20 years at a 1% interest rate.

Staff recommends Council consider approval of Pay Estimate No. 4 in the amount of \$57,502.43 for the Well No. 2 Construction project

Channer made a motion to approve Pay Estimate No. 4 in the amount of \$57,502.43 to Municipal Builders, Inc. for the Well No. 2 Construction project. Boyer seconded.

Voss asked how long before this is up and running. Jochum said it was supposed to be up and running by July 30. He said then we had some issues with the control panel. Jochum said we will have a change order on next agenda. Voss asked will we notify the users. Jochum said yes, and we have until September 15 to finish this. **All in favor, motion carries.**

Magda Properties – Letter of Credit – Wetland Mitigation Site

Sell explained that this project consisted of excavating non-wetland areas to create a new wetland and upland buffer totaling more than 119,000 square feet. The wetland credits, in part, were necessary to replace wetlands that were impacted as part of the mining/grading project that was completed in the northwest quadrant of Highway 65 and Viking Boulevard in 2009. The excess wetland credits could be established in a wetland bank through the Board of Water and Soil Resources for future use. A location map for the project is shown

on Attach #1.

In 2007, the applicant completed the grading and seeding for the project. The City Engineer and the Anoka Conservation District have completed an inspection of the site. The site is in general conformance with the approved grading plan and the wetland vegetation has established.

The applicant currently has a letter of credit in the amount of \$15,000 that is set to expire on August 20, 2010. The City Engineer sent the applicant a letter advising that certain conditions must be met prior to allowing the current LOC to expire. The letter dated July 22, 2010 is included as Attach #2.

The applicant has also considered establishing a wetland bank for the excess credits. To date this process has not been completed. If the applicant's intention is to pursue the wetland bank, the current LOC would need to be extended until the wetland banking process is completed.

Staff is recommending that the City Council allow the LOC for the Magda Properties wetland mitigation site to expire on August 20, 2010 with the following conditions. If these conditions are not met in a timely manner, staff will draw down the current letter of credit to ensure project completion.

1. Provide proof that the Declaration of Restrictions and Covenants for the project have been recorded at the County no later than August 13, 2010.
2. Provide payment for all outstanding escrow amounts no later than August 13, 2010.
3. Provide written confirmation regarding the applicant's intention on the wetland banking no later than August 13, 2010. If the applicant has intentions of pursuing a wetland bank, the current letter of credit in the amount of \$15,000 be extended for a minimum of one year until August 20, 2011.

Voss said are the other things going to even be done by next week. Sell said for number three (3) he just has to give us written notice. Voss asked if he doesn't want to bank them what happens. Jochum said he would recommend the City do it. He said they are pretty valuable. Voss said yes, and we shouldn't let the letter of credit expire. He said he wants to make sure we aren't giving something up. Jochum said banking is more intense, more difficult. He said items 1 & 2 he could do and just walk away here. Jochum said the other thing is if he wants to bank is he doesn't know if the letter of credit will cover it.

Sell said when he talked to Landborg he said everything had been recorded. Jochum said the city planner called him and it sounds like Landborg doesn't know if he wants to bank them. Sell said so it might be worth our while to continue with if he doesn't want to bank, then we should look at banking. Boyer said so if he doesn't want to bank, then he has to do 1 & 2. Jochum or if he wants to bank then he has to extend his letter of credit.

Boyer made a motion to allow the Letter of Credit for Magda Properties (Tim Landborg) wetland mitigation site to expire if the following items are completed no later than August 13, 2010: 1. Provide proof that the Declaration of Restrictions and Covenants for the project have been recorded at the County no later than August 13, 2010; 2. Provide payment for all outstanding escrow amounts no later than August 13, 2010. If Mr. Landborg does intend to bank the wetland credits, he has to extend his Letter of Credit. If Mr. Landborg does not want to bank his wetland credit, he must

provide council with a letter stating that he does not want to bank the wetland credits. The deadline for either submitting a letter or extending the Letter of Credit is August 13, 2010. Paavola seconded; all in favor, motion carries.

Administrative
Subdivision –
Lot Line
Adjustment –
20941 Taylor
Street NE –
Tom Ronning

Sell explained that East Bethel City Code Chapter 66, Subdivisions, allows lot boundary line adjustments where the division is to permit the adding of a parcel of land to an abutting lot. Administrative subdivisions do not require a public hearing.

Mr. Ronning’s parcel is 0.83 acre in size. He has requested an adjustment of the property lines that would increase his parcel by 0.17 acre making this parcel one acre. Attachment 3 is the Certificate of Survey for the proposed Administrative Subdivision. Mr. Ronning has entered into a tentative agreement with Hidden Haven Golf Club to purchase the additional 0.17 of an acre. The 0.17 acre parcel is depicted on the Certificate of Survey as Parcel A. Attachment 2 is a letter from Hidden Haven Club supporting the Administrative Subdivision request and Attachment 5 is the tentative purchase agreement between the two parties.

The City Attorney and City Engineer have received the application for review. The City Attorney comments were provided in Attachment 4. City Engineer comments will be received prior to the City Council meeting. Mr. Ronning will be required to satisfy all conditions of the City Attorney, City Engineer, and City Staff prior to the city executing the parcel combination documents.

Based on information from the Certificate of Survey, Attachment 3, the 0.17 acre parcel being added to Mr. Ronning's property is a recorded drainage easement. Staff recommends this particular area be recorded as a drainage and utility easement thereby allowing utilities if there should be a need. This type of easement has been required on all newly created parcels for more than 10 years. This may permit a vacation of the existing 10 foot drainage and utility easement along the southeasterly portion of Mr. Ronning’s existing property line and added to the new property boundary. An updated survey and documents to be recorded would be required to reflect the changes.

City Staff is recommending approval of the Administrative Subdivision that would allow a lot line adjustment adding .17 acres to the Ronning parcel and reducing by .17 acres the Hidden Haven property as outlined in the Certificate of Survey dated June 7, 2010. The approval should include the six conditions outlined in your agenda materials.

Boyer made a motion to approve the request of Tom Ronning and Hidden Haven Golf Course, Deanna Lee, President for and Administrative Subdivision for a Lot Line Adjustment at 20941 Taylor St. NE (PIN 17 33 23 23 0007) adding .17 acres to the Ronning parcel and reducing the Hidden Haven property by .17 acres as outlined in the Certificate of Survey dated June 7, 2010 with the following conditions: 1) The property owners shall record the deed and survey at the Office of the County Registrar of Titles no later than 90 days after the date of approval. Failure to promptly record this transaction will void the administrative subdivision granted by the City Council; 2) The property owners shall submit one (1) digital electronic file of the lot line adjustment with Anoka County Coordinates, datum NAD83 (NAD 1983 Stateplane MN fips 2203 south) prior to the signing of the parcel deeds. This information will be obtained from E.G. Rud & Sons, Inc; 3) The property owners are required to submit certification from the surveyor that all lot corners have been set or establish a \$2,500 cash escrow to ensure the property monuments are set. Property monuments must be set no later than August 31, 2010. Should the property owners fail to set the monuments as required, the City will draw down on the escrow to have the work performed following a ten day written notice to the property owners. Should the

property owners perform within the time constraints noted, any remaining escrow shall be returned upon receipt of the final certificate of survey showing all monuments have been set. This shall be completed prior to the signing of the parcel deeds; 4) Certificate of Survey must show the existing drainage easement on Parcel A as a drainage and utility easement; 5) Parcel A must be combined with Mr. Ronning’s existing lot known as Lot 6, Block 1, Hidden Haven Country Club Estates 3rd Addition, PIN 173323230007. New property description must be reviewed and approved by City Engineer prior to the signing of the parcel deeds; 6) All comments from City Staff, City Engineer, and City Attorney must be satisfactorily met prior to the signing of the parcel deeds. Channer seconded; all in favor, motion carries.

Resolution
2010-45
Requesting
ACHRA
Funding

Sell explained that at the June 4, 2008 City Council meeting, Resolution 2008-41 requesting funding support from the Anoka County HRA was adopted. This resolution requested funding from the ACHRA for the Public Utilities Planning. The request was for all funds available as the project costs would exceed \$1.0 million.

The ACHRA Board unanimously adopted a motion on June 24, 2008 approving the request of the City that all available funds in the City’s account with the ACHRA be provided for Public Utilities Planning and that funding will be provided on a reimbursement basis.

On July 23, 2010, ACHRA Executive Director Mr. Tim Yantos notified the City that an additional resolution is now required requesting funding support from the ACHRA for this same project. Mr. Yantos has indicated that there is \$281,284.54 remaining with the ACHRA for this project work. Today, Ms. Guthman from the CHRA e-mailed indicating after the reduction for Administrative charges, there would be \$254,819.44 remaining. We have requests for reimbursement totaling \$251,340.69 with the County as of July 31st.

Staff consulted with the City Attorney on the language of this newly required resolution. The new resolution is an affirmation of the original resolution adopted in 2008. A copy of the proposed resolution was included with your agenda materials. This resolution will satisfy the additional resolution requirement of the Anoka County HRA.

Staff recommends approval of Resolution 2010-45 requesting ACHRA funding support for the utility infrastructure project.

Channer made a motion to approve Resolution 2010-45 Requesting Anoka County HRA Funding. Paavola seconded. Boyer asked if staff is sure this is not going to impact the recent court decision. Sell said Randall was in favor of doing this. **All in favor, motion carries.**

CLB Park

Paavola said the City park at Coon Lake Beach is coming along nicely. She said the sod is laid, and it is really looking nice.

Night to Unite

Paavola said we had Night to Unite at Coon Lake Beach. She said we had NA there and she is really proud of them, for what they have been doing, things can really turn around. Paavola said a lot of people attended. She said the City fireworks were good.

Night to Unite

Boyer apologized for not making it to Night to Unite. He had a family emergency. Boyer said he has always been at Night to Unite and he really missed everyone.

Fire Dept.
Update

Channer said he went to the Fire Department meeting and we are going to have eight (8) new fire fighters, one is our new administrative assistant’s daughter. He said Image Trend goes on line tomorrow. Channer said we got an update on vehicle suicide, people are making their own

- chemicals. He said he also went to the fireworks. Channer said he want to four Night to Unite parties.
- Budget** Voss said he missed the last Council meeting, where are we at on budget, was there discussion. Sell said there was discussion at the last Council meeting, but no one had any real questions, so direction was to just move ahead. He said we were also given direction to start negotiations with the union. Voss said he would like the budget on the next meeting agenda. Boyer said we talked about moving school house, but there are funds to do this in this year's budget. Voss said he read that part in the minutes and then it stopped. Boyer said that is because that is how it really happened. Sell said he will add it to the next agenda.
- Wild Rice Drive** Voss said he wanted to say that Wild Rice looks wonderful. He said he noticed it is 50 MPH now. Voss asked did they lower the speed limit, because it was 55 MPH before. Jochum said this is the speed that was brought to MnDOT. Voss said he hates 50's. Jochum said we are still fighting with Qwest. Voss said they were out there tonight and they didn't have any signs out and they should have.
- Farmer's Market** Sell said he asked Council how they felt about a Farmer's Market, is there any interest. He said as he indicated, if we can concentrate, focus this in one place we think we can get this done. Voss said have staff contact him because he knows a resident that does it and would be a good person to contact.
- School House** Sell said we have a revised quote for moving the Old Schoolhouse.
- Mtg. at Coon Lake Beach** Sell said he will be attending a meeting next Monday at Coon Lake Beach to talk about City sewer and water. He said we will try to put to rest the rumors that are running rampant.
- Closed Session – Discussion of Real Estate Purchase – Minn. Statute Sec. 13D.05, subd.3** Staff recommends Council close the regular City Council meeting pursuant to Minnesota Statutes, Section 13D.05, subd. 3 to discuss and provide direction regarding the purchase of real estate related to the public utility project.
- Boyer made a motion to move to closed session. Paavola seconded; all in favor, motion carries.**
- Boyer made a motion to move back to open session. Paavola seconded; all in favor, motion carries.**
- Adjourn** Boyer made a motion to adjourn at 9:51 PM. Paavola seconded; all in favor, motion carries.

Attest:

Wendy Warren
Deputy City Clerk