

Pursuant to due call and notice thereof, a City Council meeting was duly held at City Hall on the 2nd day of March 2009 at 6:30 pm.

THE FOLLOWING MEMBERS WERE PRESENT:

John Grutsch Mayor, Hugh Knox, Jim Stang, Kurt Marthaler, Margie Evens – Councilors
Jodi Austing-Traut Clerk/Administrator
Absent: None

The meeting was called to order by Mayor Grutsch and the Pledge of Allegiance was said.

Kelly Lemke & Jeff Johnson (Stearns County Assessor's Office) – Pre-Local Board of Appeals Meeting

The city's new commercial appraiser was introduced. Kelly Lemke explained that the sales ratio in Avon this year was 95%. The state allows for 90% - 105%. There were seventeen (17) total residential sales in Avon in 2008. Fourteen (14) of those sales were dry land sales. Some bare lot values decreased slightly due to the number of available lots in Avon. There were 12 foreclosures in Avon in 2008 and nine (9) in 2007.

Jeff Johnson explained that commercial sales and values are beginning to decrease, as have residential sales and values. Mr. Johnson suggested that if we see continued declines in market values across the board, then the tax base will shrink. If we levy the same dollars, our tax rate will go up to compensate for that loss. In order to keep tax rates stable, we will need to decrease our levy proportionate to our loss in market values.

Mayor Grutsch asked the question: If the tax rate goes up does it equally affect residential and commercial values? Jeff Johnson explained that it does not. In fact, commercial properties have a higher rate of taxation and will therefore pay a greater percentage of the taxes.

Mayor Grutsch asked how the county might be able to assist cities with situations such as with developments that are delinquent on their taxes. Mr. Johnson explained that at this point, there have not been enough sales in this market to give a strong indicator of declining property values to the point that the market values would decrease significantly. Mr. Johnson explained new legislation that states that platted lots will lose the plat deferral treatment beginning in 2009. This means that unplatted lots will jump to their full market value, whether or not they have been built upon, as soon as they transfer to a new owner. This is a legislative decision that was passed in the last legislative session.

OPEN FORUM

Chad Bueckers - Affordable Disposal * NO-SHOW *

Janine Kutter – Bueckers City Sanitation Ms. Kutter took a moment to assure the council that Bueckers has not been sold and is in business and will continue to provide services to the City of Avon.

Dennis McGuinness of Avon Area Lakes Association (AALA) was present to discuss the addition of rain gardens in the city. Mr. McGuinness explained that rain gardens promote better filtration and management of rainwater. Mr. McGuinness suggested that the maintenance of rain gardens is somewhat low and that the gardens are primarily self-sustaining. Mayor Grutsch asked if AALA had any specific sites that they are looking at. Mr. McGuinness identified a site where water runs directly into the lake and stated that AALA will continue to work with Stearns County Environmental Services. AALA is requesting the city's support and promotion of this idea. Mayor Grutsch stated that the city would support this initiative so long as the city is not required to fund it.

CONSENT AGENDA

1. Council Minutes of February 2, 2009
2. PC Minutes of February 17, 2009
3. FD Minutes of January 26, 2009
4. Claims Register and Monthly Expenditures/Revenues, Cash Flow
5. Capital Expenditures, Legal Fees, Engineering Fees Detailed Reports
6. Approve FD Gambling Permit – Spunk Days Raffle & Pull Tabs
7. Approve Initiative Foundation Grant Agreement

Motion Hugh Knox to approve consent agenda
Second Jim Stang
Carried Unanimously

COUNCIL BUSINESS

Renee' Alcorn – Request for 90 day Waiver of Three Dog Maximum (Code of Ordinances Section 91.06 Kennels)

Motion Hugh Knox to grant the waiver for 90 days to allow the Alcorns to have 3 dogs

Second John Grutsch

Carried Unanimously

Local Board of Appeals Training Discussion

Kurt Marthaler will attend the St. Cloud session on March 27th. Ms. Austing-Traut will register Mr. Marthaler for the training.

Note: Local Board of Appeals Scheduled for May 4th at 6:00 pm

ISSUES BY STAFF

Ray Schmidt: Written Report

Corey Nellis: Written Report. Chief Nellis also explained that we had several homes and apartment garages burglarized recently. Some of the property has been recovered. The alleged perpetrators have admitted to several other burglaries as well and will very likely go to jail.

People Service: Written Report

ISSUES BY COUNCIL

Liquor Licenses

Motion Hugh Knox to authorize staff to draft a resolution requiring all property taxes to be paid current prior to any business license application being approved within the City of Avon and authorizing staff to immediately notify liquor and gambling license applicants of this proposed resolution and inviting applicants to attend the next council meeting at which the resolution will be discussed and considered.

Second Margie Evens

Carried Unanimously

Joseph's Gambling Permit for Ducks Unlimited Raffle April 23, 2009

Motion Hugh Knox to approve the Ducks Unlimited Gambling Application and to authorize staff to notify Joseph's immediately of the city's intention to pass a resolution requiring property tax payment prior to future licenses being granted by the city council.

Second Jim Stang

Carried Unanimously

Water's Edge III

Mayor Grutsch explained that there is currently \$633,424 in unpaid assessments on the empty lots that are in Phase III and Phase IV of Water's Edge. In addition there is \$1300 in back taxes due and about \$24,650 in penalties and interest due as well. There is currently an individual that is interested in buying these vacant lots, and has asked the Mayor what the city could do to assist the buyer in making this deal happen. Ms. Austing-Traut will check on the bond terms as well as with the Stearns County Auditor/Treasurer and report back to the council.

Wastewater Operator

The city's contract with People Service will end August 31, 2009. Council consensus to authorize staff to negotiate with Jon Forsell and Joel Birr and potentially a back-up Class A Consultant position and provide a recommendation at the next council meeting. The council would like to consider ending the People Service contract immediately. Ms. Austing-Traut will review the contract and report back to the council.

ADJOURNMENT

Motion Kurt Marthaler to adjourn at 8:01 pm, Second Hugh Knox .

Respectfully Submitted by,
Jodi Austing-Traut, City Clerk/Administrator