

Pursuant to due call and notice thereof, a City Council meeting was duly held at City Hall on the 4th day of May 2009 at 6:00 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.

LOCAL BOARD OF APPEALS AND EQUALIZATION

Kelly Lemke, County Assessors Office

Bill Skay of Avon Quik Mart was present to contest his property value increase. Ms. Lemke explained how the commercial property values are calculated based on county wide commercial sales trends. Mr. Skay requested that his property value be held constant at the same level as last year \$714,700 (proposed valuation for 2009 \$733,500). Ms. Lemke explained that the purpose of this meeting is to correct any errors in valuation, for instance if the size of the building were measured incorrectly or if something tangible was missed, this meeting gives the property owner the opportunity to have those things corrected. Mr. Skay did not present information to support any specific error. Values of several area convenience stores were reviewed.

Motion Hugh Knox to leave the Quik Mart's estimated market valuation as proposed by the county assessor

Second Margie Evens

Carried Unanimously

Ms. Lemke will advise Mr. Skay and will provide him information on how he can appeal the city's decision.

Motion Hugh Knox to adjourn Local Board of Appeals meeting

Second Kurt Marthaler

Carried Unanimously

Public ACCESS FORUM

Brent Vollmers was present to make the council aware of a drainage problem near his home. Ray Schmidt will check on the condition of the drainage ditch.

CONSENT AGENDA

1. Council Minutes of April 6th, April 17th, and April 21st
2. Planning Commission Minutes of April 21st
3. Joint Planning Board Minutes of April 13th
4. Parks Board Minutes of October 23rd, 2008 and April 22nd, 2009 and Memo from Dan Z.
5. Avon Fire Department Minutes of March 30th
6. Claims Register and Monthly Expenditures/Revenues, Cash Flow
7. Capital Expenditures, Legal Fees, Engineering Fees Detailed Reports
8. Resolution approving Conditional Use Permit for 102 1st St NE to allow vehicle display for purchase
9. Gambling Permit for Central MN Community Foundation Raffle 9/19/09 at Wobegon Park
10. Add additional item to agenda: Draw on Letter of Credit for Avon Estates from New Market Bank

Motion Kurt Marthaler to approve consent agenda with the addition of a provision in the CUP #8 that the lessee (Bill Kelly) must comply with all other provisions in the city code

Second Jim Stang

Passed Unanimously

COUNCIL BUSINESS

Joseph's delinquent property tax payment plan

Shane Eastman was present indicated that Stearns County payment plan states that once he is current on his 2009 taxes, the penalties and interest on his delinquents will stop accumulating.

Resolution Amending Code of Ordinances Title XI Business Regulations Chapters 110, 111, and 112

Motion Margie Evens to adopt the Res'n Amending Code of Ordinances Title XI Business Regulations Chapters 110, 111, 112

Second Kurt Marthaler

Passed Unanimously

Consider Drawing on New Market Bank Letters of Credit for Avon Estates

Kurt and Kent Sauer were present to explain that that Kurt is currently acting as chief manager until they can find an appropriate replacement for the former chief manager. They explained that they are continuing to familiarize themselves with the development and related processes.

Motion Hugh Knox to authorize the Mayor and Clerk to execute the documents to draw on the letters of credit in an amount sufficient to cover the delinquent assessments plus penalties and interest upon meeting with the Sauers and hearing from New Market Bank

Second Kurt Marthaler

Passed Unanimously

Approval of Liquor and Tobacco Licenses

Motion Hugh Knox to approve liquor and tobacco licenses

Second Margie Evens

Passed Unanimously

Ordinance Amending the Cable Television Franchise (Ord. 99)

Steve Johnson was present to update the council on the services provided by US Cable and to ask for a renewal of the franchise agreement.

Motion Hugh Knox to approve An Ordinance Amending the Cable Television Franchise Established by Ordinance No. 99, to Extend the Term;

Second Margie Evens

Passed Unanimously

Resolution Amending the Enabling Resolution Establishing an Economic Development Authority

There was discussion about the enabling resolution. Mayor Grutsch was concerned that the city council would retain full authority on all EDA expenditures. The EDA members will be paid \$50 per quarter if they meet.

Motion Hugh Knox to approve the revised Resolution Amending the Enabling Resolution Establishing an Economic Development Authority

Second Jim Stang

Passed Unanimously

Fire Department's Request to officially designate the Lions Park land for a future Fire Station project
Motion John Grutsch to adopt a resolution officially designating the Lions Park land for a future Fire Station project
Second Kurt Marthaler
Passed Unanimously

AUDIT PRESENTATION

Tom Koop of Larson Allen presented the audited financial statements for fiscal year 2008. The council was advised that the sewer fund is operating at a loss of around \$12,000 (not including depreciation). The water fund is operating at essentially a 'break even' status. The city's general fund balance is very healthy. Mr. Koop suggested that the city council and clerk/administrator meet with the auditing firm, financial consultant, and city attorney for a workshop sometime this summer to analyze and interpret the numbers and develop a plan for moving forward to deal with delinquent assessments.

Other Business

Ms. Austing-Traut presented an invoice and letter from an attorney for a bill for ditch mowing on a police call last summer. Chief Nellis was told by Chief Jim Stueve of Albany that Florien Blenker would charge the city for his "expenses only" to mow a ditch between Avon and Albany in order for the Police Department to search the area for guns and drugs after an incident. The city received an invoice from Mr. Blenker for \$990. The Police Department disputed this charge and agreed on a fee based on the average custom rate per acre for drawn equipment (\$82.18 per hour for six hours plus \$30 for fuel). Ms. Austing-Traut sent a letter to Mr. Blenker's attorney agreeing to this amount and requesting an updated invoice for the city's auditing and recordkeeping purposes. Mr. Blenker's attorney did not respond to that request, but instead sent a letter indicating that the city would now be required to pay the full \$990. The City Clerk/Administrator and Chief of Police disputed the charge, however staff was directed to pay the full amount as the council did not feel that they had an option but to pay the full amount.

Motion Margie Evens to authorize issuance of payment of \$990 to Florien Blenker for ditch mowing on a police call
Second Kurt Marthaler
Carried Unanimously

ISSUES BY STAFF

Ray Schmidt: Written Report

Corey Nellis: Written Report. The COPS grant is expected to fund about 1 in 8 applications. We should hear back by September.

Joel Birr, People Service: Written Report. There is a toxic substance coming into the wastewater plant. It is being watched closely. It is not currently affecting the plant's production at this point.

Motion John Grutsch to set council pay for meetings less than 1 hour at \$20 per person
Second Kurt Marthaler
Carried Unanimously

ADJOURNMENT

Motion Kurt Marthaler to adjourn at 10:18 pm.

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