

Pursuant to due call and notice thereof, a City Council meeting was duly held at City Hall on the 7th day of January 2008 at 6:30 pm.

THE FOLLOWING MEMBERS WERE PRESENT:

John Grutsch Mayor, Hugh Knox, Al Ernst, Terry Pflipsen, Kurt Marthaler – Councilors
Jodi Austing-Traut Clerk/Administrator
Absent: None

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

OATHS OF OFFICE – Swear in Kurt Marthaler, Councilor

Fire Chief Eric Linn – Facilities

Chief Linn requested direction from the council regarding the facilities study, which has been tabled on a few occasions. Chief Linn would like to provide an update to the Fire Board at their meeting in February. Councilor Ernst is concerned about training space at the fire hall. Councilor Ernst also commented that as the city grows, we will need to be prepared with appropriate space and facilities. Councilor Terry Pflipsen suggested that if the city is considering a new facility, the best location, in his opinion would be on the property the city already owns near the Lions Park and City Hall, particularly due to acceptable ingress and egress. Councilor Knox stated that he felt that a feasibility study is needed in order to determine the most appropriate location as well as the most appropriate time frame. Councilor Marthaler would like to see the options laid out within a study so the council can thoroughly consider them all. This item will be added to the agenda for the regular meeting which commences at 7:00 pm.

PUBLIC ACCESS FORUM

Letter of Accommodation for Ashley Blonigen

Chief Nellis presented an award to Ms. Blonigen for her response to an accident that occurred at the city beach while she was on patrol this past summer. Chief Nellis presented Ms. Blonigan with an award and newspaper clipping

Ken Kofoed Avon Insurance

Mr. Kofoed presented annual renewal information. A \$2,200 higher refund is expected based on claims paid out. Last year it was down but this year it did go up. The cost of coverage this year should be down a bit when you factor in WC rate. Rates on liability and auto physical will come down 7-10% on the premium this year.

The liability coverage, in the past, has been capped at \$300,000 per person. This year, the cap is \$400,000. The council can elect to waive that cap so that one person can collect more, however, this would increase the city's premium. The council made the decision to keep the cap in place.

Motion by Hugh Knox to keep the cap for 2008 at \$400,000 second by Al Ernst, all in favor and carried.

Mike/Central MN Housing Partnership – Consideration of Resolutions for Suncrest II Rehabilitation Project

The request is to have the city approve the issuance of Tax Exempt Bonds, which are offered at a lower rate through the city than via conventional borrowing mechanism. This makes the project more feasible and will also allow the rehabilitation project to qualify for the receipt of Housing Tax Credits through the MN Housing Finance Agency.

\$186,000,000 is available for the project this year from the state. This is to extend low/moderate income rental properties for the next 30 years. They are planning to remodel new carpet, roof, etc. Preliminary approval tonight-final approval at the time of the public hearing. They would like to hold the public hearing at the -February meeting. This property will remain crime-free housing.

The City is selling the bonds in name only to provide some benefit to the entity the bonds are issued on behalf of. The group who will purchase and rehab the apartments will be eligible for tax credits by structuring it this way. There should be no risk or financial obligation for the City to pay these bonds. Our bond counsel (Briggs & Morgan) has drafted the documents. Traci Ryan feels comfortable with the council approving this.

The process is to pass the "Resolution Reciting a Proposal for a Financial Program for a Multi-Family Rental Housing Development, Calling for a Public Hearing thereon, Giving Preliminary Approval to the Project and the Program, Authorizing an Application for the Bonding Authority and Authorizing the Preparation of Necessary Documents and Materials for the Suncrest II Apartments Project". The public hearing will be held at the regular meeting in February.

Motion Hugh Knox to adopt a Resolution Reciting a Proposal for a Financial Program for a Multi-Family Rental Housing Development, Calling for a Public Hearing thereon, Giving Preliminary Approval to the Project and the Program, Authorizing an Application for the Bonding Authority and Authorizing the Preparation of Necessary Documents and Materials for the Suncrest II Apartments Project, second Kurt Marthaler and carried unanimously.

CONSENT AGENDA

1. Council Minutes of 12/3, 12/11
2. PC Minutes of 12/18
3. Joint Planning Board Minutes of 12/19
4. Parks Board Minutes of 12/19
5. Claims Register and Monthly Expenditures/Revenues, Cash Flow
6. Capital Expenditures, Legal Fees, Engineering Fees Detailed Reports
7. Larson Allen Letter of Engagement for Audit 2007
8. Approve Submittal of Pay Equity Implementation Report
9. Pay Application #3 Knife River for Chinook Ave/1st Street \$23,286.37
10. Adopt Planning Commission Absences Policy (per PC minutes 1/18)
11. Adopt An Ordinance Rezoning 34203 CR9 from AG to R1
12. Adopt An Ordinance Rezoning 811 Upper Spunk Lake Rd from AG to R1
13. Adopt An Ordinance Rezoning 400 County Road 50 from AG to R1
14. Pay Application #1 Preferred Controls for Lift Station and SCADA \$25,897.95
15. Approve Chosen Valley Testing Invoices for \$894.00 for Waters Edge III and \$2,656.00 for Avon Estates Trunk
- 16. Mobile radio**
- 17. Computer station**

Motion by Terry Pflipsen to approve consent agenda with items 16 and 17 added, second by Hugh Knox and carried unanimously.

Dan Zimmerman, Avon Lakers Ballteam

There was a memo handed out at the last meeting. Dan wanted to talk about the mounds in the park and respond on behalf of the Lakers. There were a few things raised in the memo that were of concern to the council. There is a misconception that the sign rentals are something that the Avon Baseball Team runs. When it was first started the signs paid for the fence construction. The sign rental is an Avon Lions Account. One concern is that the city does not receive any compensation. They did make a donation to the Parks board for little league. Dan Zimmerman presented a memo to the city council for their review. The memo presented by Mr. Zimmerman, listed improvements that the baseball team and lions have made to the park since 2000. Half of this money has come from Lions from the sign fund. The memo also listed the maintenance that the ball team currently takes care of. They would like to try to limit the amount of expense that the City has to maintain this park. Mr. Zimmerman's goal is to eliminate the entire city maintenance including the mowing of the outfield. They would like to rely on city water supplies for the time being. They will look into getting their own lawnmower. The Lakers will move the practice mound out of the state Right of Way and possibly move the shed. They do have support from the Lions club to put up a new shed to house a riding lawnmower. Gary Dieters has been added to the Board of Directors. He is familiar with watering practices, etc. He will work with Ray to organize the watering to make reasonable cost to the city. We can also look at putting a cap on the watering amount and the ball field can pick up the bill after the cap is met. Dan also went over the plan of the future ball field design.

Note: Dan wants to change the language of sign advertising. They want it to say Lions Fund. Dan will change the memorandum of understanding and it can be put on the consent agenda next month.

Randy Jenniges S.E.H.

Overpayment to Nodland-withholding 10% per contract. They can either issue check for \$90,000 or do the work equivalent to the \$90,000. Lift Station #1 is running. There will be some tweaking throughout the winter but it is up and running, also lift #7 is running.

ADMINISTRATIVE

Appointments

Motion Al Ernst to adopt appointments as attached, second Kurt Marthaler and carried unanimously.

ISSUES BY STAFF

Ray Schmidt: Written report

Ray Schmidt stated he has gone through more sand at this point than was used last year at this time. The maintenance department has gone through 6 loads of sand in the last ice storm alone. Ray has used 10-11 loads so far this year. There are approximately 6 or 7 loads left. Skating rinks are in better shape this year than in the previous years.

Corey Nellis: Written report

Chief Nellis has ordered a new car, as the SUV was not an affordable option. In March or early April the car will be replaced with a 2008 model. The equipment will stay standard and swapped to the new car. One request is when the new car is delivered they would like an 800 megahertz radio. He would like the council to approve one to be installed in the new car so it can be swapped along with the other equipment. It will not cost anything to the city; it will come out of the DWI forfeiture money. Chief Nellis would like approval for a \$3,600 expenditure to install computer stations at each of the officers and Chief Nellis' desk. This would include one main computer and three workstations. Three computers could be used at once. Everyone would have their own mouse, keyboard and monitor but would operate off of one computer. Also, the PD is requesting one laptop and one mobile computer. This would be an office model computer. Speed limit signs have been installed on CR 9. One of the signs does not work. A replacement has been requested, but has not been delivered yet.

People Service: Written report

The VFD filters they have been talking about are only built as they are ordered. Hopefully by the next meeting Well #4 will be up and running. The furnace is causing problems at the WWTP. The office furnace has a gas odor so they shut it down. The burners were only running at 25%. The high and low-pressure switches were not operating correctly. Makeup unit #2 also was inspected and cleaned. Makeup area #3 is in bad shape. There is serious corrosion in the pipes. There are several thermostats that are not working properly. One is a cold shut off which has failed. The space heaters could not keep up so they ended up freezing some pipes. They did replace some sections of the water pipes-there was a lot of corrosion. They recommended a positive closed draft so when it turns down it closes so that gas doesn't get back into the furnace. The alarm was never entered into the computer. Preferred Controls is coming to put the lift stations on the computer so they can put the code level alarm in the computer. The furnace is now up to date. The corrosion heat was taken care of. The other recommendation was to install a spring loaded dampener. They are going to leave the furnace on to try to dry it out then they will do painting and cleaning in the WWTP. Joel Birr showed Holdingford how to program the wells so they do not trip. Even if the filters go on the front part Dan is not sure if that will take care of the problem. The filters that are being installed are to protect the pump.

People Service went through the bills that were paid in 2007. They saved \$2,000 on the electric bill. They will try to run the blower less to possibly save. They will ask for permission to haul sludge in the future.

ISSUES BY COUNCIL

Space Needs Study

Mayor Grutsch was concerned about spending the money on a space needs study to take a look at what facilities the city needs to plan for in the future. Councilor Pflipsen raised the point that the council needs to work together and be on the same page as they look at this issue and alternatives. Councilor Pflipsen stated that until the full council can agree on what should be done, the issue should be tabled. Mr. Pflipsen stressed the importance of the council being on the same page when embarking on this type of endeavor. Councilor Knox mentioned his concern that it may be more difficult to get custom built equipment to fit our doors as we continue to grow as a city. Mayor Grutsch expressed his concern for the city's ability to manage financial health in the midst of a poor housing and construction economy. The general feeling of the council was that the city is not in a position to undertake a facilities expansion project for at least the next 5-7 years, unless the economy turns around and the city issues a minimum of 30 building permits per year. Council agreed that the feasibility study should focus on what the city's needs would be in 2015 vs. 2010 to 2030. Councilor Ernst suggested that the Mayor go to the Fire Board to further clarify what their specific requests are for information to be included in the study. Council consensus to consider narrowing the feasibility study down to include only the fire department's needs for 2015 and waiting on the city hall/police department issue until that portion of the study comes back and the city council gets a grasp on the impact of the economy.

Workshop in February to take a look at finances.

ADJOURNMENT

Motion Hugh Knox to adjourn at 9:30 second Kurt Marthaler and carried unanimously.

Respectfully Submitted by,

Jodi Austing-Traut with the assistance of Amy Pogatschnik, Zoning Administrator
City Clerk/Administrator

2008 APPOINTMENTS

Official Depository	Avon State Bank, US Bank/ 4M Fund "No conflict of interest between bank employees, the City of Avon, and Avon State Bank nor between the City of Avon and the 4MFund exists." Alternate investment with qualified institutions as approved by the City Council and for the Clerk/Administrator to negotiate and invest.
Official Newspaper	Stearns Morrison Enterprise
Alternate	St. Cloud Times
Deputy Mayor	Al Ernst
Treasurer	Jodi Austing-Traut
Parks Board	Art Diedrich
	Gary Reiling
	Tom Jopp
	Staff - Ray Schmidt
Emergency Management Director	Terry Pflipsen
Emergency Management Co-Director	Kurt Marthaler
Emergency Management Plan	Most Current Version of Stearns County Management Plan
City Attorney - Civil	Courie,MacArthur, Ruppe - Kristen Carr
City Attorney - Criminal	Janel Kendall/Stearns County
City Engineer	Short Elliott Hendrickson - Randy Jenniges
Economic Development Committee	City Council, Katie Reiling, Cheryl Knox
Planning Commission	Eric Larson
	Cathy Reiling
	Bob Pogatchnik
	Doug Millaway
	Rick Fischbach
Council Liaison to PC	John Grutsch
Staff Liaison - Personnel	Hugh Knox
Joint Planning Board	Hugh Knox - City Council
	Rick Fishbach - Planning Commission