

Pursuant to due call and notice thereof, a City Council meeting was duly held at City Hall on the 2nd day of April at 6:00 pm.

**THE FOLLOWING MEMBERS WERE PRESENT:**

John Grutsch, Mayor

Hugh Knox, Daryl Rachey, Al Ernst, Terry Pflipsen

Absent: None

**AUDIT REPORT – Tom Koop Larson Allen Weishair & Co :** Mr. Koop explained that there are new auditing standards that require that anything less than perfect be reported in writing. Mr. Koop explained that despite some added comments to the financial statements, the management of the books is equal to or even better than prior years. The city's financial stability, in terms of cash balance, is very stable. The city is not fully covering the depreciation on the wastewater treatment plant. The auditors suggested that the city continue to cover at least half of the depreciation annually to set aside for any future projects.

Jeff Johnson and Kelly Lemke Assessment Info: There were 19 qualified sales in the city this year. Lakeshore property values increased about 15-18%. There were 2 commercial/industrial sales in the city in 2006. Average general increase in land value in the city was about 10%. Local Board of Appeals and Equalization (LBAE) Meeting is to be held on May 7<sup>th</sup>. Jeff will hold a pre-LBAE meeting on April 30<sup>th</sup> from 4-6pm.

Mayor Grutsch called the regular meeting to order at 7:00 pm and the pledge of allegiance was said.

**PUBLIC ACCESS FORUM**

**Michelle Sininger** – Ms. Sininger presented a petition against Buecker's City Sanitation. An old policy that has not been enforced in years past, is now being enforced and it states that if your receptacle lid is open more than a 45 degree angle the customer will be charged an additional fee. Customers were not notified of the change ahead of time and were not given appropriate customer service or a solution to their problem when they called Bueckers. Ms. Sininger stated that the representative at Bueckers cursed at her on the phone. There are more than 60 signatures on the petition. There is a perception that certain people are being targeted and fees are not being fairly charged. The residents would like to have other options vs. being forced to utilize Bueckers. The city council will discuss this with Bueckers at their next meeting.

**John Tasto** - Mr. Tasto presented some information on the resources that Whitney Senior Center provides.

**Planning Commission Update**

Bob Pogatschnik gave an update of the PC's recent meetings. Bob stated that we have received some quotes on completing 1<sup>st</sup> Street as well as combining that project with Chinook Ave. Estimate for First Street was around \$212K and Chinook was \$414K. The council would like David Drown to come up with a levy amount and bonding amount

that makes sense for the city to apply annually to the property taxes to use toward the reconstruction of the streets in Avon on a rotating schedule. The city and PC will plan to hold a joint meeting/workshop with David Drown on April 17<sup>th</sup> at 6:30 to discuss the financing of streets projects prior to holding a public hearing.

**Jerry Kremers** was present to address the council with his concerns about semi trucks parking in front of his building (Subway/Videomax). Mr. Kremers suggested that the curb could be painted yellow. Chief Nellis indicated that there is a citywide problem with semis parking in various locations in the city. There is currently no place in town that is appropriate for semis to park.

## **CONSENT AGENDA**

1. Council Minutes of 2/5
2. PC Minutes of 2/20
3. Fire Board Minutes of 2/22
4. Expenditure Summary/Revenue Summary/Paid Check Register
5. Legal & Engineering Fees
6. Authorize Grant Application Submission to Initiative Foundation for DBD Committee
7. Authorize Gambling Permit for Holdingford Huskers Athletic Booster Club at Buckhorn Bar
8. Authorize Gambling Permit for St. Benedicts Church

***Motion Daryl Rachey to approve consent agenda, second Hugh Knox and carried unanimously.***

## **COUNCIL BUSINESS**

**Phase III Water's Edge Update** – Randy Jenniges

***Motion Al Ernst to approve Resolution Ordering Plans and Specs, Approving Plans and Specs and Authorizing Ad for Bid for Construction of Phase III Water's Edge, second Hugh Knox and carried unanimously.***

**Avon Estates Update** – Randy Jenniges/SamDeleo

Avon Estates Lot Revisions/Amendment To Preliminary Plat – Sam Deleo

Wetland delineation showed some additional usable land so rather than wetlands/ponds, the plat now shows a few additional lots.

***Motion Hugh Knox that the revisions to the preliminary plat presented are non-substantial and approving the revisions to the preliminary plat as presented by Sam Deleo contingent upon the rezoning of Lot 28 second Terry Pflipsen and carried unanimously.***

Parkland Dedication: Either 5% of gross (9.31 A) or 10% of net developable area. (11.32 A) is required. Estimated remaining parkland to be dedicated 5.95 A or the value thereof. Determination of land value is often calculated by using the assessed tax value of the land per acre because appraised value is more subjective. The developer and city are both under the understanding that discussions of parkland dedication will ensue once cost

estimates are received for the parking lot, trails, playground equipment, and ball field development.

Public Hearing on Avon Estates EAW opened at 8:54.

Review of Comments and EAW Responses.

***Motion Al Ernst to close the public hearing at 9:01 second Hugh Knox and carried unanimously.***

***Motion Terry Pflipsen to Approve Findings of Fact and Declaration as presented, second Hugh Knox and carried unanimously.***

Jodi Austing-Traut advised the council that the city has only received \$100K of the requested \$200K letter of credit. Randy Jenniges indicated that the engineering on the project has already reached the \$100K point. The council advised S.E.H. not to do any additional work beyond the \$100K level until the second letter of credit is received by the city.

***Motion Al Ernst to approve Resolution Approving Plans and Specs and Authorizing Ad for Bid for Construction of Trunk Water and Sanitary Sewer Extension and Phase I of Avon Estates contingent upon the city's receipt of the second \$100,000 letter of credit, second Hugh Knox and carried unanimously.***

**WWTP Doors :** Al is going to continue to work on the doors to try to lessen the issues including the warping, corroding, and keys breaking off in the doors.

**Update on 112 Avon Ave :** John signed a purchase agreement and put earnest money down on the purchase of the property.

The EDA will meet along with the PC/Council at their meeting on April 17<sup>th</sup> at 6:30 to further discuss the purchase.

**People Service Contract Issues ~ Service Provision.** The mayor brought attention to the fact that the water tower ran out of water one day last week. The city received an invoice from Traut Wells for over \$5,000 for a new pump. Mayor Grutsch is concerned that the city has paid for a new pump and within hours the tower went dry. Al Ernst directed Dan Wroge to go back to the manufacturer and find out what happened to the motor including warranty information and date the pump was put into service. The council will withhold payment to Traut Wells. Mayor Grutsch questioned Dan Wroge how it is possible that the water tower went dry. Dan indicated that it was a communication error between the SCADA system and the water tower communication system. Mayor Grutsch reminded Mr. Wroge that the council had been directing Mr. Wroge to get the wells up and running since the day that People Service began working in Avon last November. Now that the tower went dry, People Service has finally gotten the wells running. Mayor Grutsch indicated that there had been a rescue call the morning that the water tower went dry. This could have been a catastrophe had it been a fire and no water were available. Terry Pflipsen stated that the expectation of the council is that for the amount of money that we are paying People Service, reports should be in the packets on time.

## **ISSUES BY STAFF**

**People Service:** Written report presented. Electric Service Agreement “Peak Shaving” with Xcel Energy. The city would be expected to turn the generator on when Xcel tells us to. This provides us with a reduced electric rate. Last year Xcel had only 2 peak shaving days. It is usually a 5-9 hour period on those peak shaving days that the city will have to run the generator. This is a five year contract.

***Motion Daryl Rachey to execute Electric Service Agreement with Xcel Energy, second Hugh Knox and carried with Grutsch opposed.***

**Ray Schmidt:** Written Report presented and request for authorization to award street sweeping quote to Lange Trenching.

***Motion Terry Pflipsen to award the street sweeping quote to Lange Trenching, second Al Ernst and carried unanimously.***

Ray also received quotes on the pond abandonment. (\$34,500 Craig Bardson Excavating) (\$29,855 Lange Trenching). Ray requested authorizing to award the quote for pond abandonment work to Lange Trenching.

***Motion Daryl Rachey to award the quote for pond abandonment to Lange Trenching, second Hugh Knox and carried unanimously.***

**Corey Nellis:** Written report presented. Beach/Reserves Patrol for summer.

***Motion John Grutsch to authorize the PD to move forward with their Back the Beach program, second Daryl Rachey and carried unanimously.***

Request to hire a fill-in PT officer (to replace Joel Klein who had been our fill in PT officer). Council consensus to go ahead.

**John Grutsch request to attend League Annual Conference. No objections.**

**Al Ernst thanked Kati and Casey and Jason for representing the city at Gerald Klein’s funeral.**

## **ADJOURNMENT**

***Motion Hugh Knox to adjourn at 10:10 pm***

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