Pursuant to due call and notice thereof, a City Council meeting was duly held at City Hall on the 7th day of May at 6:00 pm.

THE FOLLOWING MEMBERS WERE PRESENT:
John Grutsch Mayor, Hugh Knox, Daryl Rachey, Al Ernst – Councilors
Jodi Austing-Traut Clerk/Administrator
Absent: Terry Pflipsen

Local Board of Appeals
Jeff Johnson and Kelly Lemke of Stearns County Assessor's Office were present. Residential property values in Avon increased 10½ % on average. Apartments increased 15.1% and Commercial/Industrial properties saw an increase of 8.7%. Kelly Lemke presented three appeals

1) Paul and Mary Fischer (42.26253.000) citing: proximity to freeway, business located next door, and that the property is adjacent to the cemetery as reasons for the value to be lower than currently assessed. Jeff Johnson mentioned that a number of the properties in this area (including this one) are already receiving a 5% reduction in property values due to the proximity of the freeway. It was also brought to the council's attention that the property is for sale and is being marketed as a single-family home with a lot and there is a separate listing for the remainder of the property to be sold as a separate parcel if subdivided.
Motion Daryl Rachey to leave the valuation at $175,900 as presented by the Assessor's Office, second Hugh Knox and carried unanimously.

2) Keith Kortenbusch (42.26493.104). This property has been on the market for 14 months with no sale. It is currently listed as a modified 2-story priced at $229,000. The Assessor's Office has the property valued at $261,400. Kelly Lemke suggested that the council consider a reclassification of this property due to its unique floor plan and design. Part of the house is actually a split-level and the other part is a 2-story. The reclassification would value the property at $241,600.
Motion Daryl Rachey to reclassify this property as a split-level and value the property at $241,600 second Hugh Knox and carried unanimously.

3) Charles Pelkey (42.26493.012). This property was originally valued based on having a fully finished basement. Apparently the basement is not fully finished.
Motion Hugh Knox to value the property at $188,000 second Daryl Rachey and carried unanimously.
Motion Hugh Knox to amend the previous motion to value the property at $188,800 second Daryl Rachey and carried unanimously.

Joyce Linn, owner of Suncrest I apartments, was present to appeal the property tax valuation on that property. Mrs. Linn stated that the valuation for 2008 is expected to be more than she actually paid for the property, which she purchased in 2007.
Motion Hugh Knox to leave the valuation as set at $463,000 for 2008, second Al Ernst and carried unanimously.

Motion Al Ernst to adjourn the Board of Appeals meeting at 7:05 pm.

Regular meeting opened by Mayor Grutsch at 7:05 pm. The pledge of allegiance was recited.

Public Access Forum: None Present

CONSENT AGENDA

1. Council Minutes of 3/5
2. Planning Commission/EDA/Council Joint Meeting Minutes of 4/17
3. Joint Planning Board Minutes of 4/30
4. Fire Board Minutes of 3/26
5. Claims Register and Monthly Expenditures/Revenues, Cash Flow
6. Capital Expenditures, Legal Fees, Engineering Fees Detailed Reports
7. Initiative Foundation request for $400 donation
8. PERA Resolution – Police Officer Declaration (Jason Falconer)
9. Liquor license approval contingent upon proof of insurance and complete application including fee
10. Safe and Sober Resolution for Police Department
11. Adoption of Police Department Policy and Procedure Manual

Motion Daryl Rachey to approve the consent agenda, second al Ernst and carried unanimously.

COUNCIL BUSINESS

Bueckers - Annual Contract Discussion & Petition
Janine Kutter from Bueckers presented information on the services provided by Bueckers. A petition that had been presented to the city council at their last meeting in April was discussed. Citizen complaints included poor customer service and unauthorized charges. The current contract the city holds with Bueckers does not authorize Bueckers to charge "overage" fees for trash receptacles that are overfull. Councilor Knox suggested that Bueckers come back to the city with a proposal for how they intend to handle customer service matters, as well as a contract revision to clean up some of the language in the contract to address some of these issues.
Motion Hugh Knox to table any action on the petition, second Daryl Rachey, and carried unanimously.

Randy Jenniges S.E.H.

Phase III Water's Edge: Low bidder on this project was Larson Excavating at $481,741.68. Randy Jenniges summarized that there had been a concern about the fact that Larson (and 2 other bidders) had not acknowledged addendum #2 on the bid form. The City Attorney stated that because addendum #2 provided for a longer completion time, which is in favor of the contractor, failure to acknowledge it would not give that contractor a substantial advantage or benefit, so it would not likely be deemed

"substantial or material" by the courts. The Attorney recommended the city go ahead and award the contract to the low bidder.

Next steps on Water's Edge Phase III a) Complete and Executed Developer's Agreement b) Letter of Credit/Security c) Resolution of Park Development Plan. Randy mentioned that we might need to hold a special meeting to approve the Developer's Agreement, Approve Final Plat, and Award the Bid. The council felt that it would be prudent to approve the final plat contingent upon the execution of a developer's agreement and receipt of securities as identified therein.
Motion Hugh to approve the final plat of Water's Edge Phase III contingent upon the execution of a developer's agreement and city's receipt of security, second Al Enrst and carried unanimously.

Motion Daryl Rachey to adopt Resolution 07-734 A Resolution Awarding Bid to Larson Excavating Contractors, Inc., for Phase III of Water's Edge Development in Avon, Minnesota Contingent upon Execution of the Developer's Agreement (including security) second Hugh Knox and carried unanimously.

Avon Estates
Avon Estates was bid on May 1st the low bidder was Nodland Excavating of Alexandria at $4,587,774.36 which was the schedule A bid to directionally drill the project. At this time we need to complete wetland mitigation, approve the final plat (which still has to go through the planning commission for recommendation) and complete and execute the developer's agreement. Randy is expecting the need to hold a special meeting to award the contract and complete these items, near the end of May.

People Service – Written Report presented.

Invoice to Traut Wells $5,972.00 and invoice to People Service $11,685.00. The City Council agreed by consensus of all four members present to pay these invoices. A $2500 estimate from Lange Trenching was presented for additional dirt work for pond abandonment at the wastewater treatment plant.
Motion Al Ernst to authorize the additional work to be done by Lange Trenching, second Daryl Rachey and carried unanimously.

ADMINISTRATIVE

Farmer's Market will begin on June 9th and be held every other Saturday from 9am to noon.

Request change in hours at City hall. The request was to change the posted office hours at city hall from 9-12 & 12:30-4
to 7:30 am to 3:30 pm with no lunch hour closing. The change would be posted at city hall, on the marquee, in the utility bills, and in the newsletter. The change would become effective June 4th.
Motion Hugh Knox to change the posted office hours at city hall to 7:30 – 3:30, second Al Ernst and carried unanimously.

Update on Xcel Energy Project: Xcel has proposed to run a three-phase power line to Phase III of Water's Edge Development. Initial design work has begun and shows the

line running in front of Avon Elementary. Jodi and Ray will meet with Bruce Powell and Karen Young at Xcel to determine whether there is another route that can be taken.

Lumber One/Second Street NW Project
Randy Jenniges, City Engineer gave an update on the status of these ongoing discussions. No council action taken.

ISSUES BY STAFF
Ray Schmidt: Written Report and council gave authorization to have the west wall at the WWTP painted and sealed vs. applying the EFIS coating as Ray has had no luck getting contractors to bid the EFIS work.

Corey Nellis: Written Report. Chief Nellis also mentioned that the squad car is getting a new motor. It was still under warranty and we will now have an additional 3 years, 36,000-mile warranty. Chief Nellis mentioned a complaint that had been made by Jerry Kremers regarding some wood being piled up on city right of way in the area of his business. His concern is for safety and emergency equipment. Ray Schmidt agreed to talk to the property owners about this and Jodi Austing-Traut will look into a Right-of-Way Ordinance.

ISSUES BY COUNCIL
John Grutsch presented an invitation he had received to sit on an Albany school facilities planning committee. John is not able to attend these meetings. Daryl agreed to sit on the committee.

ADJOURNMENT
Motion Al Ernst to adjourn at 9:30 pm

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