

Pursuant to due call and notice thereof, an Avon City Council Meeting was duly held at City Hall on the 8th day of September 2014 at 7:00 p.m.

THE FOLLOWING MEMBERS WERE PRESENT:

John Grutsch – Mayor; Hugh Knox, Kurt Marthaler, Jim Stang and Jeff Manthe – Councilors
Jim Thares, City Clerk/Administrator

CALL MEETING TO ORDER:

Pledge of Allegiance

PUBLIC ACCESS FORUM: No one came forward.

CONSENT AGENDA:

- #1 Council Minutes – August 4th, 2014
- #2 Claims Register
- #3 Capital Expenditures, Legal Fees, Engineering Fees and Detailed Reports
- #4 Approve Vacation of Drainage and Utility Easements in combined Lot (28 and 29) in Avon Estates
- #5 Approve Contract for Assessing Service with Stearns County Assessor’s Office
- #6 Approve Contract for Fire Protection Services with St. Wendel Township (8 rural Homesteads)
- #7 Approve Transfer of \$250,000 from TIF District #1-1 FUND 250 to Debt Service FUND 320
- #8 Appoint Kyle Breth as a member of the Avon Fire Department
- #9 Approve Engagement Letter with David Drown Associates
- #10 Authorize DNR Invasive Species Mitigation Grant Application \$2,000
- #11 Approve revised Employee Performance Evaluation Form

Motion by Councilor Marthaler to move item #10 to the Regular Agenda and approve all other items on the Consent Agenda. Second by Councilor Stang. Motion passed unanimously.

OTHER MINUTES:

Planning Commission Minutes – August 19, 2014

COUNCIL BUSINESS:

Update - Milfoil Treatment in Middle Spunk Lake, Dennis McGuinness, Lakes Assn.

Mr. McGuinness provided an update regarding the efforts to raise funds to treat the Milfoil in Middle Spunk Lake and the approximate timeline for the work to be completed by Lake Restoration, Rogers, MN. Mr. McGuinness said he was confident that donated funds would come in as needed to fully cover the costs of treatment which is estimated to be \$4,200. The \$2,000 Department of Natural Resources (DNR) grant is about half of that total. He asked the Council to consider participating in future year’s costs as this will be an ongoing spring and fall treatment program. He noted that informed consent has been obtained from shore-land property owners in the area being treated. There are restrictions against drinking lake water or using it to irrigate lawns or gardens. It is acceptable to catch and eat fish from the lake and it is okay to swim in the lake. Ray Schmidt, Public Works Director, noted that the public beach is now closed for the season. The large public dock by the boat launch area is a concern. The relocation of the dock each fall is a potential source to further spread the Milfoil. The best situation would be to delay moving the dock until late October, so the treatment has a chance to fully work this fall.

Motion by Councilor Stang to approve the MN-DNR Invasive Species Mitigation Grant Application in the amount of \$2,000 and to accept all approved grant funds. Second by Councilor Manthe. Motion passed unanimously.

Bueckers City Sanitation Proposed Garbage-Recycling Rate Increase

Ervin Bueckers and Melissa Bueckers, Bueckers City Sanitation, presented information about the need to increase the recycling rate to cover increasing costs and maintain quality service for the City of Avon. It was clarified that the City's existing contract with Bueckers is through April 30, 2020. The proposed amended rate schedule will show increases for recycling as follows: 2015 an increase of \$1.54, 2016 an increase of \$1.18 and 2017 an increase of \$1.24. **Motion by Councilor Stang to approve an increase in the recycling rates by the following amounts: 2015 an increase of \$1.54, 2016 an increase of \$1.18 and in 2017 an increase of \$1.24. Second by Councilor Marthaler. Motion passed unanimously.**

Proposed 2015 Preliminary Budget, Property Tax Levy and Truth In Taxation Hearing Date

City Clerk/Administrator Thares answered questions regarding the budgeted amount for the employee health insurance contribution in 2015. **Motion by Councilor Stang to approve the 2015 Preliminary General Fund Budget of \$1,092,403 along with the 2015 Property Tax Levy in the amount of \$745,000 and the Truth In Taxation Hearing date and time of December 1st at 6:30 p.m. via resolution 2014-31. Second by Councilor Marthaler. Motion passed unanimously.**

Avon Estates Lot Sales and Development Projects

Consider request to Assess SAC/WAC Fees – Steve and Dana Weber, Lot 1, Block 10

Motion by Councilor Mathaler to approve the request to assess the SAC/WAC fees in the amount of \$5,200 to Steve and Dana Weber property; Lot 1, Block 10, and further authorize staff to prepare an Assessment Certification Resolution. Second by Councilor Manthe. Motion passed unanimously.

Consider Sale of Lot 2, Block 10, Avon Estates and Res. No. 2014-32 Authorizing Sale/Document Signers

It was noted that the sale price is the list price of \$29,700. **Motion by Councilor Stang to approve the sale of Lot 2, Block 10, to Brad and Mary Sieben and to Authorize Document Signers. Second by Councilor Marthaler. Motion passed unanimously.**

Consider Avon Estates MLS Mktg. Contract Renewal w/ Matt Imdieke, Premier Real Estate Services

Mayor Grutsch noted that the realtor is helping move the lots and it is a good relationship that is working out for the City. **Motion by Councilor Marthaler to approve the renewal of the Listing Agreement with Matt Imdieke, Premier Real Estate Services. Second by Councilor Stang. Motion passed unanimously.**

Council discussed the proposed new permit forms involving sewer and water hooks ups. Jon said numerous other cities use these forms to make sure the excavators/contractors understand the correct procedure and to show evidence of insurance coverage in the event of a serious issue. The proposed fee to process the forms for each permit is \$20.00. Dana Weber asked about the purpose of the \$2,000 escrow. Ray Schmidt explained the need for the escrow associated with new construction building permits. He said the funds are escrowed to ensure that a lawn is put in as required per ordinance and to make any needed repairs to damaged infrastructure such as broken curbs or removal of construction debris or excavated soil from unauthorized sites. He will work with Amy to make sure the language in the agreement is clear. He also said the work on the Avon Estates Park is proceeding. Black dirt will soon be placed in the inside circle area along with new grass seed.

ISSUES BY STAFF:

Public Works Department – Ray reported on the sealcoating issue that occurred when Astech recently completed its work in the Waters Edge development. The rainfall that happened almost immediately after the sealcoating was finished has caused some staining and bubbling issues. He will continue to coordinate with Astech to get these issues corrected. Glyden Company will be in town during the third week of September to complete street pothole repair work. Ray asked Council for approval to purchase new tires for the Ford Tractor. The quote from Royal Tire for two new tires is \$2,505.00. **Motion by Councilor Marthaler to authorize the purchase of 2 new tires for the Ford Tractor at a cost of \$2,505.00 from Royal Tire. Second by Councilor Manthe. Motion passed unanimously.** Discussion ensued on road salt. Council supports buying road salt supplies early. **Motion by**

Councilor Marthaler to authorize the purchase of up to \$5,000 worth of road salt with concurrence from the Mayor and City Clerk/Administrator. Second by Councilor Knox. Motion passed unanimously.

Police Department – Corey Nellis, Police Chief, asked for authorization to hire internal candidate, Chad Klocker, as a part-time officer to replace Angela Milo who resigned in the spring of 2014. **Motion by Councilor Stang to authorize hiring Chad Klocker as a part-time officer pending completion of all final background checks. Second by Councilor Manthe. Motion passed unanimously.**

Water/Wastewater Department – Jon Forsell, Utilities Supervisor, explained the micro-processor controller issue where a second card has gone bad in the past 60 days. The cost to replace these cards ranges from \$2,000 to \$5,200. He sent it back to the supplier because it has a one year warranty. The sewer plant and water well system can run on the same cards so there are options to do some limited swapping. Jon said the goal is to move toward a different control system that requires cheaper micro-processor cards for the wells. He would like to do that in 2015 and the estimated cost to install the system is \$4,500. Council suggested that a report be presented at a future meeting about possible solutions and options for the micro-processor control systems and cards. Jon also reported on another Hydromatic lift station pump breakdown. The seal failed again in a pump at lift station #1. The impeller looks bad also. He is proposing to not spend any more funds repairing the Hydromatic pumps. He would like to get authorization to purchase another Flygt pump at a cost of \$15,657 and install that at lift station #1. **Motion by Councilor Stang to approve the purchase of a Flygt lift station pump from Electric Pump at a cost of \$15,657. Second by Councilor Marthaler. Motion passed unanimously.**

Jon also noted that using the new compliance forms to make sure the excavators/contractors understand the correct sewer and water hookup procedure and to show evidence of insurance coverage in the event of a serious issue is a sound practice. The proposed fee to process the forms for each permit is \$20.00. This will help cover staff time in completing the forms. **Motion by Councilor Marthaler to authorize the use of new sewer and water connection compliance forms with an accompanying fee of \$20.00 per permit. Second by Councilor Manthe. Motion passed unanimously.**

OTHER: Discussion about David Drown’s proposed Municipal Continuing Disclosure Cooperation self-reporting letters to the Securities and Exchange Commission (SEC) regarding improper disclosure of a bond rating downgrade as part of the 2012A and 2014A General Obligation Bond issues. It was clarified that these are considered to be very minor disclosure issues and the responsibility to report the downgrade lies with the municipal advisor; not City staff. **Motion by Councilor Knox to authorize submission of self-reporting letters to the SEC for minor disclosure violations for the 2012A and 2014A Bond issues. Second by Councilor Manthe. Motion passed unanimously.**

ISSUES BY COUNCIL: None noted

ADJOURNMENT: **Motion by Councilor Marthaler to adjourn the meeting at 8:46 p.m. Second by Councilor Manthe. Motion passed unanimously.**

Respectfully Submitted
Jim Thares, City Clerk/Administrator