

Pursuant to due call and notice thereof, a City Council meeting was duly held at City Hall on the 13th of September, 2010 at 7:00 pm.

THE FOLLOWING MEMBERS WERE PRESENT:

John Grutsch - Mayor, Jim Stang, Kurt Marthaler, Hugh Knox and Margie Evens - Councilors
Jodi Austing-Traut - Clerk/Administrator

Absent: None

CONSENT AGENDA

1. Council Minutes of August 2, 2010
2. Paid Check Register
3. Legal & Engineering Fees - Detailed Reports
4. Resolution Accepting Various Donations for Avon City Beach Improvements
5. Approve Variance for Blattner Energy for 70% impervious coverage
6. Approve Professional Services Agreement for SHIP Grant

Motions Jim Stang

Second Kurt Marthaler

Passed Unanimously

OTHER MINUTES:

Planning Commission 08/17/2010

Fire Department June and July 2010

BUDGET DISCUSSION

The council discussed the goals that they have related to the importance of keeping Avon an affordable place to live and remaining marketable and appealing to new residents and businesses, despite the economic situation. The council has been effective at obtaining authorization from the MN Public Facilities Authority to restructure the wastewater treatment plant debt which takes the pressure off of those bond payments for a couple of years as the housing market hopefully returns to a more viable state. The city is still faced with failing housing developments and significant bond payments to make on those projects (city utilities were financed by the city and assessed back to the property owner). Continued cuts to Local Government Aid and Market Value Homestead Credits has compounded an already very difficult situation.

Mayor and council agreed that they are not in favor of raising taxes or fees, however, they agreed that it would not be practical or fiscally responsible to ignore the economic and financial situations facing the city. Council members agreed that it is most prudent to plan for the future and be prepared in the event that the economic downturn continues and additional housing units fail to be developed in the near future.

Water and Sewer Rate Increase

Motion Jim Stang to increase water and sewer rates as of the January 2011 billing as follows:

Water: access fee increase + \$4.22

Water: per 1,000 gallons increase + \$0.66

Sewer: access fee increase + \$1.00

Sewer: per 1,000 gallons increase + \$0 .30

Second Kurt Marthaler

Passed Unanimously

Resolution Approving 2010 Property Tax Levy, Collectable in 2011

With the understanding that the preliminary levy can be lowered back down to at the December meeting, but cannot be raised from the preliminary levy amount:

Motion Margie Evens to set the levy at \$745,000 and to approve the budget revenues at \$2,369,721 and budget expenditures at \$2,351,075.

Second Kurt Marthaler

Passed with Stang voting against

Fire Contract Issues

Consider Ordinance Establishing Fees for the Provision of Extraterritorial Emergency Services

Motion Hugh Knox to adopt an Ordinance Establishing Fees for the Provision of Extraterritorial Emergency Services and fee schedule attached

Second Kurt Marthaler

Passed with Evans voting against

ISSUES BY STAFF

Public Works: Written Report

Police: Written Report

Water/Wastewater: Written Report

ISSUES BY COUNCIL

Discussion of Safe and Sober program.

Mayor Grutsch gave an update of the recent Fifth Monday Meeting.

Office of Energy Security Memo will be emailed to Stratford Association for distribution.

Food Shelf is moving out of the church and is looking for space. There might be room at city facilities.

Motion Margie Evens to authorize Mayor to discuss sale of storage shed on mainstreet

Second Jim Stang

Passed Unanimously

ADJOURNMENT

Motion Margie Evens to adjourn at 9:15 pm.

Respectfully Submitted,

Jodi Austing-Traut

City Clerk/Administrator