

Pursuant to due call and notice thereof, an Avon City Council Meeting was duly held at City Hall on the 6th day of May, 2013 at 6:00 p.m.

**THE FOLLOWING MEMBERS WERE PRESENT:**

John Grutsch – Mayor; Hugh Knox, Kurt Marthaler, Jim Stang, Jeff Manthe – Councilors

Jim Thares - City Clerk/Administrator

Absent: None

**CALL MEETING TO ORDER:**

Pledge of Allegiance

**LOCAL BOARD OF APPEAL AND EQUALIZATION:**

**Motion by Councilor Manthe, second by Councilor Stang, to convene as the Local Board of Appeal and Equalization (LBAE) at 6:01 p.m. Motion passed unanimously.** Kelly Lemke, Stearns County Assessor's Office, reported that there were 11 arms-length transactions in Avon during 2012. Overall, there was a slight valuation decrease due to depreciation. Five new homes were constructed. Foreclosures are down. There was only one appeal. Jonathon Chose, 704 Ochotto Lake Drive, is appealing his valuation. She recommends the appeal be denied because it would skew the rest of the property values in that area of the City. Discussion about Avon Estates sales processes and lot values. The County has the lots valued between \$22,000 to \$29,000.

**Councilor Marthaler motioned to deny the appeal by Jonathon Chose, 704 Ochotto Lake Drive. Second by Councilor Manthe. Motion passed unanimously.**

**Motion by Councilor Stang to close the Local Board of Appeal and Equalization at 6:30 p.m. Second by Councilor Marthaler. Motion passed unanimously.**

**PRESENTATION OF 2012 FINANCIAL AUDIT – Tom Koop and Chris Knopik, CliftonLarsonAllen**

The audit process and requirements were reviewed. The end result is a clean audit report. There were three findings which are common to cities with small staffs. There was also one minor finding for not obtaining a Broker Certificate. Clerk/Administrator Thares said that was due to the transition process between Jodi leaving and him joining the staff in late May 2012. It has already been completed for 2013. Auditors reported that the special assessments were very complicated and that made this audit challenging. Chris Knopik reviewed the graphs indicating that the General Fund is extremely healthy and the Cash Fund balance is strong. 2012 expenses were below budget by \$90,000. Revenue sources were consistent with prior years and expenditures by purpose were also similar to previous years. Water and Sewer Fund revenues and operating costs were discussed as well as depreciation. Outstanding debt for the Enterprise Funds and the General Government were also reviewed. The amount of Land for Resale in Avon Estates Fund is shown as \$5,667,330, which is equal to the special assessments and the land purchase price. It was suggested that a workshop be held with David Drown and the auditors during the budget cycle to discuss Avon Estates and TIF District transfers that will be used to cover debt service.

**PUBLIC ASSESS FORUM:**

Robert Braun requested the City Council consider amending the Dog Ordinance to allow shock collars as a form of owner control. For many years, he has used Stratford Park to run his dogs and have them fetch items. He uses the shock collar to effectively control his dog. Police Chief Corey Nellis explained his interpretation that the shock collar does not match the ordinance language referring to a leashed dog as owner control. Mayor Grutsch told Mr. Braun that City staff would research this and bring a report back to the Council for possible action.

**CONSENT AGENDA:**

- #1 Special Meeting Council Minutes - April 15, 2013
- #2 Claims Register
- #3 Capital Expenditures, Legal Fees, Engineering Fees, Detailed Reports
- #4 Consider Approval of Charitable Gambling Permit for Avon Sportsman's Club, Inc.
- #5. Consider Approval of Liquor and Tobacco Licenses for July 1, 2013 to June 30, 2014.

**Councilor Knox motioned that item #5 be removed from the Consent Agenda and placed on the regular Council Business Agenda. Second by Councilor Stang. Motion passed unanimously.**

**Motion by Councilor Marthaler to approve the Consent Agenda. Second by Councilor Knox. Motion passed unanimously.**

**OTHER MINUTES:**

- Planning Commission Minutes - April 16, 2013
- Joint Planning Board Meeting Minutes - February 28, 2013
- Fire Board Meeting Minutes - February 20, 2013

**COUNCIL BUSINESS:**

**#5 - Consider Approval of Liquor and Tobacco Licenses for July, 1, 2013 to June 30, 2014**

It was noted that the Buckhorn Bar paid its license fees just ahead of the Council meeting. Discussion about Fisher's Club and the process for a license if they reopen under new management. Discussion regarding Joseph's. Shane Eastman, Joseph's, said that the economy has impacted his business. He said they can pay the outstanding water bill but cannot pay their property taxes in full. They have set up a payment plan with Stearns County for their delinquent taxes. They have several weddings and other major events scheduled for June, July and August. He expects to be caught up with property taxes in late summer or fall before the winter slow season hits again. He mentioned that he has a larger facility than other entities in Avon. Mayor Grutsch reminded Mr. Eastman that the City has a policy that requires liquor establishments to have taxes paid in full before a license is issued. Discussion about options for the City to approve the license if Joseph's agrees to provide a monthly report to the City regarding progress on property taxes.

**Councilor Knox motioned to approve a monitoring plan for Joseph's that includes a monthly report of progress on property tax payments and also require that they pay the delinquent sewer and water bill on May 7, 2013 as a condition of including Joseph's in the license approvals. Second by Councilor Marthaler. Motion passed unanimously.**

**Motion by Councilor Knox to approve all submitted 2013 Liquor and Tobacco Licenses. Second by Councilor Marthaler. Motion passed unanimously.**

**Consider Request for Compromise Water/Sewer Charges at 200 Char Ave. Steve Cash, ReMax**

Mr. Cash told the Council that there is a prospective sale of this foreclosed home and the \$13,590.22 water/sewer bill is so high that it may derail the deal. The sale price of the home is \$42,000. Councilors discussed labor and true interest costs. Clerk/Administrator Thares said the real bare bones costs were \$800 to \$1,000 on top of the actual use charges. Mayor and Councilors discussed that this would be considered as a unique situation as there is a chance to have a home occupied again and using services. **Councilor Stang motioned to allow a reduction in the charges to the actual usage amounts plus \$800 in late fees and penalties. Second by Councilor Marthaler. Motion passed 4-1 with Mayor Grutsch voting against the motion.**

**Consider Limited Waiver of Dog Ordinance – Kerwin Wolter, 109 Chinook Ave. SW**

Mr. Wolter told the Council that he is a new resident in the City and he owned three dogs when he moved to Avon. He was unaware of the 2-dog rule and is requesting a limited waiver of the ordinance that would allow

him to have three dogs until one of them dies or some such occurrence that reduces the number to two. **Motion by Councilor Marthaler to approve a limited waiver of the Dog Ordinance allowing Kerwin Wolter to have three dogs until one of his dogs passes away. Second by Councilor Manthe. Motion passed unanimously.**

#### **Consider Change Order for Braun-Intertec 2012 Street Construction Materials Testing Contract**

Councilors discussed the lateness of this request and the options that the City has. Randy Jenniges, S.E.H., said Braun-Intertec did the work as described and they should have requested this in January. Discussion about the contract terms. Clerk/Administrator Thares told the Council that the amount the Council approved for this Contract was \$4,966. He believes that the invoice is not valid absent an adjustment in the contract. **Motion by Councilor Stang to not pay the bill and consider the account closed. Second by Councilor Marthaler.** Discussion about the long-term working relationship between the vendor and the City. Mayor Grutsch suggested that another option is to have Braun-Intertec revise the bill. **With the agreement of Councilor Marthaler, the motion seconder, Councilor Stang withdrew his motion from consideration. Councilor Stang motioned to ask Braun-Intertec to re-submit the change order and invoice with a reduced amount. Second by Mayor Grutsch. Motion passed unanimously.**

#### **Consider General District Ordinance Language Revisions**

Discussion and clarification about proposed changes adding the Avon Estates ordinance language to the General District Ordinance. **Councilor Knox motioned approval of the General District Ordinance language as proposed. Second by Councilor Marthaler. Motion passed unanimously.**

#### **Consider Approval of Maternity/Parental Leave Work Plan for Amy Pease**

City Clerk/Administrator Thares said he would like the plan approved because it is basically a flexible work schedule for Amy during October through mid-December 2013. **Councilor Knox motioned approval of the proposed Maternity/Parental Leave Work Plan. Second by Councilor Manthe. Motion passed unanimously.**

#### **Consider Approval of Internship for SCSU Student Jolene Foss – Summer/Fall 2013**

Council discussion regarding the internship position for Ms. Foss. Clerk/Administrator Thares stated that a grant to cover a portion of the stipend was submitted to the Initiative Foundation on Friday, May 3. **Councilor Marthaler motioned to approve the six month internship with SCSU Student Jolene Foss. Second by Councilor Knox. Motion passed unanimously.**

#### **Avon Estates Update**

Mayor Grutsch noted that electrical service extensions will be the next key decision item. Discussion on Arneson's proposal to acquire a second lot to build a new detached garage. Clerk/Administrator Thares updated the Council and planning commission members of the discussion with the Arnesons. They misunderstood the pricing when they made their offer. After meeting with them, they understand the price. Mayor Grutsch said the proposed description of the Avon Estates Architectural and Development Review Committee will be helpful. **Councilor Knox motioned to approve the formation of a committee to review Avon Estates architectural plans and infrastructure development. Second by Councilor Marthaler. Motion passed unanimously.**

#### **Famers Market Discussion – Terri Emmerich**

Ms. Emmerich provided background on the Farmers' Market recent past and needs. Key needs are a good site with parking and ability to use vehicles in their setups, clear signage and vendor insurance. Discussion about City staff placing signage each week. Ray Schmidt, Public Works Director, said his staff could set signs out in the a.m. and they can be dropped off at the City Maintenance building at the end of the day.

**ISSUES BY STAFF:**

**Public Works** – Ray reported on the need for pothole repairs on Blattner Drive. Mill and overlay bids were too high. The proposed fix should last for five years and is reasonable in cost at \$2,993. Ray also asked Council to approve summer help which is budgeted at \$4,500 for 36 hours per week. **Councilor Stang motioned to approve the \$2,993 bid for repairs to Blattner Drive and authorize Temporary Summer Employee. Second by Councilor Manthe. Motion passed unanimously.**

Ray also noted the 2013 Parks Committee project recommendations. **Councilor Stang motioned to accept the recommended 2013 Parks Committee improvement projects. Second by Councilor Marthaler. Motion passed unanimously.**

**Police Department** – Chief Nellis said his written report stands as presented. He also noted the solving of a stolen vehicle crime.

**Water/Wastewater** - Jon Forsell, Utilities Director, said his report is a good update. He discussed the pump settlement offer by W.W. Goetsch. Randy J. reported that he is still awaiting the manufacturer's offer. Discussion on the background of the situation with failed pumps and inadequate performance. Randy J. informed Council about his and S.E.H.'s role in the process and a possible resolution. **Councilor Stang motioned to accept W.W. Goetsch's offer of \$7,000 for reimbursement of maintenance costs and three years of warranty on retrofitted pumps with prorating at 100 %, 75 % and 50 % of coverage respectively for years 1, 2 and 3 with the understanding that the City expects an additional settlement offer of a pump buyback from Hydromatic, Inc, the manufacturer. Second by Councilor Marthaler. Motion passed unanimously.**

Jon thanked the Police Department for monitoring the alarm system at a lift station. He updated Council on the recent power outage response saying that the issue was a faulty capacitor. He requested approval of \$6,400 in Alum for use at the Wastewater Treatment Plant. **Councilor Knox motioned approval for purchase of \$6,400 of Alum to be used at the Wastewater Treatment Plant. Second by Councilor Marthaler. Motion passed unanimously.**

**OTHER:**

Mayor Grutsch provided a report to Council on the recent Mayor's conference in Moorhead.

**ADJOURNMENT: Motion by Councilor Stang to adjourn the meeting. Second by Councilor Marthaler. Motion passed unanimously.**

Meeting adjourned at 9:36 p.m.

Respectfully Submitted  
Jim Thares  
City Clerk/Administrator