

Pursuant to due call and notice thereof, an Avon City Council meeting was duly held at City Hall on the 9th day of July, 2012 at 7:00 pm.

THE FOLLOWING MEMBERS WERE PRESENT:

John Grutsch - Mayor, Jim Stang, Kurt Marthaler, Hugh Knox, Marge Evans – Councilors

Jim Thares - City Clerk/Administrator

Absent: None

CALL MEETING TO ORDER:

Pledge of Allegiance

PUBLIC ACCESS FORUM:

No one came forward

CONSENT AGENDA:

1. Council Minutes of June 4, 2012
2. Claims Register
3. Capital Expenditures, Legal Fees, Engineering Fees Detailed Reports
4. Consider Adding/Expanding Optional Employee Benefit Program (457 Deferred Compensation Plan)
5. Acceptance of Donation(s); Avon State Bank and Art Diedrich Family

Councilor Stang asked if there was a way to celebrate the donations? City Clerk/Administrator Thares asked if there was a Bank representative here to offer the donation? Marilyn Marthaler spoke up and indicated that she was at the meeting to formally present the donation to the City. A photograph was taken with Ms. Marthaler and the Mayor. Mayor Grutsch asked staff to provide the photo to the Albany Enterprise.

Motion by Councilor Knox to adopt consent agenda as presented, Second by Councilor Stang. Motion passed unanimously.

OTHER MINUTES:

PC Minutes of May 22, 2012

COUNCIL BUSINESS:

Mayor Grutsch noted that the order of the Agenda would be changed slightly by moving the CIP review ahead of the street project bid consideration

Consider Adopting Capital Improvements Plan (CIP) and Approving the Financing of the Street Reconstruction via General Obligation Bonds

David Drown, David Drown Associates provided a quick summary of the status of the street reconstruction steps and financing. The two projects require different types of financing steps. One of them, Stratford Street East and West, is a Capital Improvements Plan project which does not involve any assessments. The Stratford Addition project is a 429 Assessment project with 25 percent of the project assessed to individual property owners. Mr. Drown explained that approval of the CIP resolution has to be by a unanimous vote of the City Council. Councilor Stang moved Resolution # 2012 – 849 adopting the CIP and Approving of the future issuance of General Obligation Bonds, second by Councilor Marthaler. Motion passed unanimously.

Street Reconstruction Project – Consider bids and Award Contract

City Engineer, Randy Jenniges, gave an overview of the bids received at the July 3rd bid opening, noting that Tri-City Paving, Little Falls, provided the low bid of \$688,320.19 which is quite a bit lower than what was projected. Mr. Jenniges indicated that to proceed now, the Council would need to Accept the Bids and award a contract to the successful bidder and then enter into two more construction related agreements with S.E.H. and

Braun Intertec Material Testing. Mayor Grutch asked Randy Jenniges to clarify the engineering costs as being \$75,000 and an additional \$5,000 for material testing costs. Mr. Jenniges verified those costs and added that there is a previous \$70,000 design and pre-engineering fee as well as approximately \$70,000 in a construction contingency line item as well. Councilor Stang motioned, second by Council Marthaler, to accept the bid amount of \$688,320.19 from Tri-City Paving, Inc via Resolution # 2012 - 850. Motion passed. Councilor Marthaler motioned, second by Councilor Stang, to enter into a Construction Services contract with S.E.H., Inc. for the Street Reconstruction Projects for \$75,000. Motion passed. Mayor Grutsch asked Randy Jenniges if Braun was working for the City or for S.E.H., Inc. Randy indicated that they are actually under S.E.H. He said there are not current soil borings of the street profile and they will do that and test all new construction material being delivered to the site to ensure quality and acceptable performance. Motion by Councilor Marthaler, second by Councilor Stang, to approve the Material Testing quote of \$4,966 from Braun Intertec. Motion passed.

Consider \$920,000 General Obligation Improvement and Reconstruction Bonds, Series 2012A

David Drown presented the proposed bond structure and sale details to the Council. The project's expenses and the \$34,000 in financing costs brings the total bond issuance to \$920,000. The Bond would be structured as a 15 year bond term, same as the 2007 bonds. The interest rate is projected to average 2.75 percent. They are to be rated by S & P and sold by competitive sale. Assessment payments from individual property owners would be certified this fall and due beginning in 2013. The City will also need to levy \$66,000 for the City's share of the bond payments in 2013. This evening the Council will need to start the process to sell the bonds by passing resolution # 2012 – 851 for the sale of the bonds which would occur on August 6th. Councilor Stang moved, second by Councilor Marthaler, to approve the resolution for the sale of General Obligation Improvement and Reconstruction Bonds, Series 2012A. Motion passed.

Randy Jenniges mentioned to Council members that he had to get a couple of temporary easements for the project and that a pre-construction meeting was scheduled for Wednesday, July 11, 2012 at 1:00 p.m. and that some additional coordination needed to occur between the Project Engineer and the Fire Department.

Consider Avon Fire Department Organizational Statement

Fire Chief, Eric Linn was present at the meeting to ask Council to approve the revised Organizational Statement. He said there were only minor changes to the Statement. Councilor Knox moved, second by Councilor Evens. Motion passed. Council members expressed congratulations to Chief Linn regarding the assistance that was provided to the City of Sartell during the Verso Mill Explosion and Fire.

Consider Variance Request –Steve Rueter/Albany Mutual Telephone; 801 Chinook

Council members discussed the nature of the request and site. The proposed variance request is straightforward and planning commission reviewed it and recommends approval. Councilor Knox moved, second by Councilor Marthaler, to approve the variance request resolution # 2012 – 852 identifying all setbacks as outlined in the staff report. Motion passed.

Avon Estates-Underground Irrigation System Bid for Serenity Homes Development

Mayor Grutsch explained his understanding of the proposed work being bid for the underground irrigation system. He questioned if obtaining one bid is sufficient. Public Works Director Schmidt commented that there are a couple of local firms that do the same type of work. Mayor Grutsch suggested that the one or two new homes in the development may not be ready to start paying their association dues yet either. Mayor Grutsch entertained a motion to table this item for further discussion with Backes and possibly to solicit two more bids. Councilor Evens moved, second by Councilor Marthaler, to table the item until the August 6th meeting. Motion Passed. Discussion ensued about the tall grass in Avon Estates and what exactly can be done with it. Ray Schmidt clarified that the current City equipment is not appropriate for this work and that the County rules allow it to be cut but not baled. Council members directed Ray to obtain price quotes to cut the grass.

Public Works Report

Ray Schmidt gave an update on the Compost site regarding the request for the Township to contribute to the Compost site operations. City Clerk/Administrator Thares also mentioned that the Town Clerk, Steven Saupe, had agreed to put the City's request for a Township contribution on their next meeting agenda which is coming up on July 11, 2012. Questions arose regarding the City's responsibility to help private contractors locate the stand pipe and shut off valve providing water service to a private property. Mayor Grutsch asked Ray to draft a waiver of no responsibility to find the valve.

Police Report

Police Chief Corey Nellis reported that the concession sales at the Beach have been going really well, higher than in the Council written report. Ice cream sales are big. Water is also a good seller. Many people bring their own cooler with pop or lemonade. Ten citations have already been written so far for rule violations. Several have already been paid. The Avon State Bank donation is helpful. Most citations have been written to out of town parties. The watering schedule of the new grass seed at the Beach may need to be adjusted as there appears to be standing water right now.

Water/Wastewater

Jon Forsell, Director, gave an update on the dialer alarm system research he conducted. There are many other communities that use this system and are very happy. He said he can't explain why the current dialer works some days and does not call out properly at other times. A new reliable dialer will save money on staff costs as it will be more trustworthy and make for fewer staff visits into the plant to check issues on weekends and Holidays. Preferred Controls Corporation, Albany, is the vendor of choice. Councilor Stang moved, seconded by Councilor Evens, to authorize the purchase of the new ScadaGuard Professional Web Based Alarm Notification System at a cost of \$6,900. Motion passed.

Jon also updated the Council on the rising costs of repairing the lift station pumps. To date we have spent over \$5,000 in 2012 for pump repairs. He would like to have the City look at getting another Flygt pump, a far superior pump, put in at Lift Station # 7. This would be like the pump that we are being allowed to test through the summer and fall of 2012. We will have to pay for that pump in late 2012. Council members reviewed with Jon the options of obtaining another trial pump and directed him to work with this vendor on another trial pump for 2013.

Chief of Police Corey Nellis reported that Officer Casey Jansky was on site helping rescue the driver of a truck who had a seizure and drove into a swamp near St. Johns University I-94 exit/entrance ramp area. He took off his uniform and jumped into the swamp to help this individual. The article in the Star-Tribune named him specifically whereas the St. Cloud Times did not. He should be recognized at this meeting for his efforts.

City Clerk/Administrator Thares asked Ray if he wanted to clarify the large Parks' invoices; do they need to be approved by City Council? Ray explained about the recent \$6,000 invoice for painting of the Trail head shelters and facilities. Council members discussed this and the consensus is that when the Parks committee presents its full plan for repairs and improvements each year and Council approves the items with estimated costs, they view it as have given approval to pay those bills.

CLOSED MEETING – To Discuss Purchase offer for 112 Avon Avenue, Avon, MN

Motion by Councilor Knox, second by Councilor Marthaler to close the meeting at 8:15 p.m. to discuss real estate purchase offer and formulate a response. Motion passed.

Motion by Councilor Knox, second by Marthaler, to end the Closed Meeting session and reopen the Council Meeting at 8:28 p.m. Motion passed.

Motion by Councilor Knox, second by Councilor Stang, to reject the purchase offer for 112 Avon Avenue, Avon, MN. Motion passed.

OTHER: None

COUNCIL ISSUES/REPORTS: None

MEETING ADJOURNMENT:

Motion by Councilor Knox, second by Councilor Evens to adjourn the meeting at 8:31 p.m. Motion passed.

Respectfully Submitted,
Jim Thares, City Clerk/Administrator