

**Minutes  
Avon City Council  
February 06, 2023**

**THE FOLLOWING MEMBERS WERE PRESENT**

Jeff Manthe – Mayor, Katie Reiling, Aaron Goebel, Doug Schaefer, Mark Schulzetenberge - City Councilors  
Chuck Pelkey – Public Works Foreman, Justin Kurtz – Water Wastewater Foreman, Casey Jansky – Police Officer  
Jodi Austing-Traut, City Clerk-Administrator

The Pledge of Allegiance was recited and the meeting was opened at 6:30 pm.

**OPEN FORUM**

**Neil Linscheid**, a PhD student of the University of Minnesota Extension is conducting a study about entrepreneurship in small towns and has chosen to include four cities in Stearns County in this research. Those cities are Avon, Cold Spring, Richmond, and Sauk Centre. The research will describe the assets in each community available to entrepreneurs and will also involve sending out a survey to community residents about entrepreneurship, as well as interviewing a few entrepreneurs in each community. There is no cost to the city. Linscheid will get back to council with the results of the research.

**Matt Imdieke** of Central MN Realty was present with an updated contract for listing the city owned lots in Avon Estates. Staff had suggested that council consider repricing the lots in Serenity since they have been inactive for years. Imdieke stated that he believes they are over priced and should be priced closer to \$15,000 - \$19,000 per lot. Austing-Traut stated that it would be more beneficial to the city to have these properties on the tax rolls, paying water, sewer, and access fees, then to sit empty for a long time.

***Motion Goebel to enter into contract with Central MN Realty and that the pricing for lots in Serenity Court be as follows: 100, 102, 112, 116 Serenity Ct at \$14,900 - - - and 101, 104, 106, 119 Serenity Ct at \$19,900 second Schaefer and carried unanimously.***

Imdieke also presented an idea for a potential storage unit facility in the area of Avon Estates. Council expressed that there is a need for this type of project, but considerations should be made for any increased traffic as well as other competing interests.

**Janelle Kendall, County Attorney** was present with contract updates related to criminal prosecution activities for the Avon Police Department. In the City of Avon, no adults or juveniles qualified for diversion in 2022. Kendall praised the Avon Police Department for their investigative work as well as their general police work. Kendall stated that not only is the Avon PD getting criminals and drugs off the streets, they are bringing very good cases to prosecution so the courts can follow through on them.

**Dan Zimmermann**, representing the Avon Lions Betterment Committee, was present to get further direction from the city council on the community center project. There are many considerations to be made regarding the operations, maintenance, and ongoing financing of the community center. Goebel stated that another consideration is the final footprint of the Fire Hall expansion and parking. Zimmermann suggested a memorandum of understanding to begin with that would lay out who is responsible for the various aspects of operations, maintenance, financing, etc... Zimmermann will continue to work with the senior group, Lions Club, and city to bridge these questions.

**CONSENT AGENDA**

1. Council Minutes of January 9<sup>th</sup>, 2023
2. Receive Fire Department Minutes of December, 2022
3. Paid Check Register, Manual Claims, Capital Expenditures, Payroll Deposits, Quarterly Reports (email only)
4. Legal Fees, Engineering Fees, Auditor/Acct. Fees
5. Resolution 2023-03 Accepting a Donation
6. FYI – Letter of Support for Stearns County for Maintenance of Wobegon Trail

***Motion Goebel to approve consent agenda second Reiling and carried unanimously.***

## COUNCIL BUSINESS

### **Engineer Update – Jeremy Mathiasen, Stantec**

Mathiasen presented an engineering update along with several action items including a Resolution 2023-04 Ordering Assessment Roll and Calling Hearing for Streets 2023. Public hearing will be held March 6<sup>th</sup> at 6:30 pm. Notice will be posted as well as mailed to affected property owners.

***Motion Goebel to approve Resolution 2023-04 Ordering Assessment Roll and Calling for Public Hearing for 2023 Streets/CIP Project second Schulzetenberge and carried unanimously.***

Mathiasen brought up several points for council consideration related to the 1<sup>st</sup> Street SE project including the planned street width, possibility for parking on one side only, sidewalk location, etc... for feasibility study purposes. Council consensus was to start with the general plans that were in the original grant application and possibly scaling down from there if necessary once estimates are received.

## ISSUES BY STAFF

### **Fire Hall Update**

Chuck Swenson, Assistant Chief presented a few key fire department statistics. The AFD ended 2022 with 329 calls. There have been 38 calls in 37 days already this year.

Swenson stated that the Building Committee had met and interviewed the top four candidates for construction management services. Swenson expressed that the committee was overall very impressed with each of the companies that presented and while it was a difficult decision, the Building Committee's recommendation is for the City of Avon to enter into contract with W Gohman for Construction Management Services for the Avon Fire Hall Expansion Project.

Bill Trout of W Gohman was present to introduce himself and answer any questions the council might have. Trout explained each phase of the design, construction document preparation, bidding, and construction administration.

***Motion Goebel to appoint W Gohman Construction Manager for Fire Hall Project and authorize City Attorney to review contract and authorize Mayor and City Clerk/Administrator to execute contract upon approval of City Attorney second Reiling and carried unanimously.***

### **Administration**

Capital accounts in the general fund, sewer fund, and water fund were reviewed to determine the amount of funds that were left unspent at the end of 2022. Council had given prior direction to staff regarding their intention to move any unspent capital dollars in to Capital Fund 550. Austing-Traut presented a resolution authorizing staff to make those transfers.

***Motion Schaefer to adopt Resolution 2023-05 Authorizing Fund Transfers from General Fund to Capital Fund 550 second Goebel and carried unanimously.***

### **Sewer and Water Rate Study**

Staff once again presented the water and sewer rate study that had been developed by MN Rural Water staff. Austing-Traut reiterated the expected shortfall in the sewer fund of (\$ -175,000) which is primarily caused by the assessment revenues dropping off the property tax rolls in 2023. Additionally, the outlook for new construction over the next fiscal year is likely to be less robust than the prior year. To help balance the budget for 2023, city council voted to increase the sewer debt service levy from \$40,000 to \$90,000 to offset a portion of the shortfall. In addition to the significant sewer deficit, there is an anticipated deficit of (\$ -6,000) in the water fund. Council has not raised water or sewer rates since 2018 and the deficit has continued to grow over the past several years. Council consensus to leave the \$90,000 levy to offset the wastewater bond payments. Council discussed several scenarios for dealing with budgetary shortfalls including increasing sewer and water rates, increasing levy, and transferring from other funds. General practice has been that notification of any rate increase would be put in the newsletter before it would take effect.

~~*Motion Schaefer to increase the water rate 37 cents per 1,000 gallons and to increase the sewer rate 2.29 per 1,000 gallons second Goebel with Schulzettenberge against. \*\*\*revised 3/6/2023*~~

Staff received an estimate of around \$100,000 for the initial site prep for a possible future baseball field. This number will be used for grant applications and funding requests. If the funds are received, the project would be bid / quoted according to legal requirements in state statute.

**Public Works**

Chuck Pelkey presented his written report.

Justin Kurtz presented his written report.

Kurtz requested approval for the purchase of a Dissolved Oxygen (DO) probe. Council requested staff obtain quotes.

*Motion Reiling to authorize purchase of a DO probe for up to \$2,800 second Goebel and carried unanimously.*

**Police Department**

A written report was offered by Chief Nellis who was not in attendance. Officer Casey Jansky was present to update the council.

**ISSUES BY COUNCIL**

None

**Adjourn**

*Adjourned at 9:45 pm.*

Respectfully Submitted,  
Jodi Austing-Traut  
City Clerk/Administrator