

Minutes of the Meeting of the Avon Township Supervisors

April 7, 2010

Avon City Hall

Call to Order: The meeting of the Avon Township Supervisors was called to order by Chairman Gondringer at 7:30 P.M.

Pledge: Saupe lead the Pledge of Allegiance.

Roll Call: Present – Kelly Martini, Richard Bresnahan, LeRoy Gondringer, Stephen Saupe. Absent – John Merdan.

Approval of Agenda: Added to the agenda were: (a) appointments to the Planning Board; (b) election of officers and responsibilities. Bresnahan moved to approve the agenda as amended. Gondringer second. All in favor. Motion carried.

Minutes: Minutes of the March 3 meeting were corrected by adding claims numbers (February – 1296-1308; March – 1309-1320). Bresnahan moved to approve the minutes of the March 3 meeting as amended. Gondringer second. All in favor. Motion carried. No changes were suggested to the minutes of the March 17 meeting. Bresnahan moved to approve the minutes of the March 17 meeting. Gondringer second. All in favor. Motion carried.

Treasurer's Report: : Martini presented the treasurer's report for approval (below). Bresnahan moved to accept the Treasurer's report. Gondringer second. All in favor. Motion carried.

	General Revenue	Road & Bridge	Fire	Road Damage Deposit	Capital Improvement Fund	Total
Balance from 02/28/10	\$411.64	\$201,703.94	\$26,542.45	\$400.00	\$195,752.05	\$424,810.08
Receipts	\$20.58	\$25,833.58	\$0.00	\$0.00	\$0.00	\$25,856.15
Total	\$432.22	\$227,537.52	\$26,542.45	\$400.00	\$195,752.05	\$450,666.24
Disbursements	\$11,968.05	\$17,696.60	\$1,165.83	\$0.00	\$0.00	\$30,830.48
Ending balance (3/31/10)	-\$11,535.83	\$209,840.62	\$25,376.62	\$400.00	\$195,752.05	\$419,835.76

Claims: Martini presented the claims (1321 – 1342) for the signature of the Supervisors. There is still a payment due to the church. Martini is waiting for the bill. Bresnahan moved to approve the claims. Gondringer second. All in favor. Motion carried.

Road Report: Mr. Jeff Lange was present. He stated that roads have been bladed once and that a few signs are down. Street sweeping may need to be done in a few areas. A few stumps will need to be cut lower and sprayed (if they haven't been already). Mr. Lange was questioned about a charge for blades used during plowing. The cost will be split. Mr. Lange stated that dual trucks were needed for safety (one with lights). State law changes have gone into effect in which all roads are considered 10-ton roads unless otherwise posted. Bids for cutting ditches will be out in June. Mr. Lange has a truck he'd consider

selling to the township (ca. \$12K, '88, sander and box replaced about 5 years ago, 'one-way' plow). Road inspection will be April 17th at 1:00 PM.

Planning Board Report: Chair Ken Mergen presented the Planning Board Report: (a) Mr. Chance Haakonsen requested a public hearing for a variance. The PB supports the request. Bresnahan moved to set a public hearing on April 28 at 8:15 PM to consider a request by Mr. Haakonsen to enclose a patio and complete renovations that would be 27 feet from the road right-of-way instead of the 30 feet specified by current ordinance. Gondringer second. All in favor. Motion carried; (b) the PB will meet at 7:30 PM instead of 8:00 PM beginning with the April 28 meeting; (c) Bids were opened for the 182nd Ave road project. The low bid was by Knife River; (d) the final plat for the township facility was approved by the Planning Board and signed by the Chair and Clerk.

Public Hearings: Bids for the Avon Township Facility were opened at 8:15 PM in the City Hall meeting room. This occurred during the Supervisors meeting. Representatives from RA Morton supervised the process.

Business:

1. **182nd Street Road Project** – Mr. Dale Swanson from Bonestroo appeared with the bid summary for the 182nd Ave. project. It was the closest bidding he'd seen. Bonestroo recommends awarding the bid to Knife River for \$106,341.81. The Supervisors will hold off on a decision about this project until costs for the township facility project are known.
2. **Building Project Financing** – David Drown appeared to answer questions about financing issues related to the township facility project. There was a question about the difference between Build America and taxable bonds. The advantage of Build America bonds is that investors don't pay tax on interest and that they have a lower interest (usually 0.5%) after receiving a rebate of 35%. The disadvantage is the possibility that the government will change the tax code. They will save between \$15-16K over the life of the loan. Once the bid amounts are known it will become clear how much bonding will be required. Mr. Drown will attend the April 21 meeting to initiate the funding process.
3. **Board of Audit** – The Supervisors examined the 2009 financial records maintained by the treasurer and clerk. Bresnahan moved to approve the Board of Audit for Avon Township's 2009 finances. Gondringer second. All in favor. Motion carried.
4. **CAPX2020 Report** – Bresnahan indicated that all minutes have been forwarded to the Office of Energy and Security for analysis. They will narrow down route selection and forward the remainder to the judge by the end of May. It goes to the PUC in June and any contested court hearings will occur in June/July. A decision could come as early as August. The township and attorneys are tracking the process.
5. **Fee Schedule** – The Supervisors examined the fee and salary schedule. Bresnahan moved to approve the existing fee and salary schedule. Gondringer second. All in favor. Motion carried. The hourly salary for the plow driver will need to be reviewed.
6. **Planning Board Appointments** – Mergen was reappointed to the Planning Board for a three-year term. Saupe will remain on the Planning Board, at least until a Deputy Clerk is appointed.
7. **Public Comments About the Township Facility** – Several residents appeared to ask questions and express concerns about the township facility. Mr. Mark Casey asked if the project would be

tax-neutral. The Supervisors stated that the facility should not cause a tax increase. For the past several years the township has put \$50K into a capital fund. These monies, and savings of roughly \$30K per year by plowing our own snow, should be adequate to pay for the project. Mr. Eric Linn stated that RA Morton, the project construction manager, was being paid too much money (ca. \$60K) and that they had made the bidding process unnecessarily complex and intimidating. Mr. Linn said he didn't bid the project in protest. The Supervisors agreed that Morton's fee were high, but they were hired because: (a) the Supervisors didn't have the time/expertise to oversee the project; (b) they hoped to recoup most of the expenses by breaking the bids down as far as possible; (c) an independent third party is now looking out for the township; and (d) the overall cost wasn't too much greater than the profit for a general contractor. Mr's. Linn and Casey also stated that hiring the firm looked like a conflict of interest. Mr. Stanley Streit asked what is the cap for the project \$400K? The Supervisors indicated that the township approved \$400-600K at the special meeting in October. If the Supervisors decide to cancel the project, the township still must pay the architect, land cost, and construction manager. An architect is required because it is a public project.

8. **Plat Approval** – Attorney Adam Ripple appeared to seek approval for the final plat. Bresnahan moved to approve the final plat for the Avon Township Facility. Gondringer second. All in favor. Motion carried. The township chair and clerk signed the plat. Ripple indicated that the closing will be April 14th and that an extension of the purchase agreement is required. Bresnahan moved to accept the extension of the purchase agreement. Gondringer second. All in favor. Motion carried.
9. **Banking** - Martini announced that a CD is due tomorrow. She will cash it in and put it in our capital account. The Supervisors suggested a shorter term (3-month) CD if possible. Martini will look into this possibility. Bresnahan suggested that the township should explore interest rates at both Avon State Bank and the new Central Minnesota Federal Credit Union. Bresnahan moved to ask the treasurer to initiate a township membership to the CMFC Union. Gondringer second. All in favor. Motion carried. Unless there is a significantly better interest rate at the credit union, it was generally agreed to keep the funds at the Avon bank.
10. **Insurance** – Martini reported that builder coverage insurance is available through the Township Association.
11. **Donations** – Martini obtained the paperwork required if the township receives any donations or memorials.
12. **Pelican Lake Association Fundraiser** - Mergen stated that the Avon Lakes Association wants to hold a fundraiser to help pay for legal fees related to CAPX2020.
13. **Facility Roof** – There were comments that the roof of the maintenance building is ugly and the structure will look out of place. The possibility of a different roof will be examined.

Reports/Announcements:

- **Township Officials meeting** – will be held in Freeport on April 23.
- **Property Values** – There is an interactive map on the County website that enables a user to locate any property and determine taxes, property values, etc. The Board of Equalization meetings are scheduled for later in the spring.

Adjournment: Bresnahan moved to adjourn the meeting at 10:45 PM. Gondringer second. All in favor.
Motion carried.

Next Meeting: The next meeting is April 21, 2010.

Respectfully submitted,
Stephen Saupe, Clerk

Approved: May 5, 2010