

**MINUTES**  
**CITY COUNCIL SPECIAL MEETING**  
**MONDAY, MAY 24, 2010**  
**5:30 P.M.**  
**COUNCIL CHAMBERS**

MEMBERS PRESENT: Mayor Stiehm. Council Members McAlister, Austin, Pacholl, King, Clennon and Martin. Council Member-at-Large Anderson.

MEMBERS ABSENT: None.

STAFF PRESENT: Jon Erichson, Tom Dankert, Jim Hurm, and Craig Byram.

OTHERS PRESENT: Austin Post Bulletin.

The meeting was called to order at 5:30 pm.

Moved by Council Member Austin, seconded by Council Member Pacholl, approving the agenda. Carried.

Public Works Director Jon Erichson discussed the next steps in the Lansing Township annexation process. Mr. Erichson noted bids have been taken and assessments have been calculated at \$15,590.17 per residential equivalency unit. This is approximately \$3,000 below the original estimated assessment amount. Mr. Erichson stated two meetings were held last week with the affected property owners, of which 25 residents attended each of the two sessions. Mr. Erichson stated the next step is for Council to have the assessment hearing and at that time the public would be invited to attend to discuss their proposed assessment.

Council Member Martin questioned why the 5% interest rate is not included with the resolution setting the public hearing. Mr. Erichson stated that would be part of the resolution assessing the properties at the next meeting.

Moved by Council Member Austin, seconded by Council Member-at-Large Anderson, to set the public hearing for June 21 at 5:30 on the proposed assessments for the Lansing Township annexation sanitary sewer project. 7-0. Carried.

City Administrator Jim Hurm reviewed a proposed resolution by the City of Austin involving Austin Main Street Inc. and their funding. Mr. Hurm noted the City of Austin has allocated \$1 million since 2005 for their projects in our downtown area, and that another \$250,000 is earmarked for 2010. However, Mr. Hurm noted the HRA has been positive on discussions of the HRA taking over the funding of this program as is consistent with their mission. The thought is that the HRA would put aside \$100,000 per year for three years for the downtown redevelopment, instead of asking the city for the

2010 allocation (final year) of \$250,000. Mr. Hurm noted the next step is to get formal approval from the HRA Board, if the City is agreeable to this change.

Council Member Clennon stated she is not comfortable with telling the HRA what to do, and is not sure why we need this resolution. Council Member Austin questioned if the proposed resolution actually came from the HRA. Mr. Hurm stated the HRA Board discussed this at the last meeting.

Council Member Pacholl stated he agrees with the proposal, and there may be some minor changes, but the HRA wants the City Council to vote to see what action they are willing to take before the HRA formally approves anything. Council Member Pacholl stated the HRA Board is willing to preliminarily accept the change in operations, but has not yet voted on the official resolution.

Mr. Hurm stated the HRA will make the formal determination on the funding also.

Council Member Martin stated the \$250,000 allocation from the 2010 CIP will then stay at the city, and that we would then give no dollars towards this program. Mr. Hurm stated there would be no capital contribution from the city (\$250,000), but the City of Austin also has given operational dollars in the past. Council Member Martin stated the City of Austin will save \$250,000 by making this change.

Moved by Council Member Austin, seconded by Council Member Pacholl, approving of a resolution for the HRA Board to provide funding to the Austin Main Street Project. 7-0. Carried.

Moved by Council Member Austin, seconded by Council Member King, adjourning the meeting to June 7, 2010. Carried.

Adjourned: 5:41 pm

Approved: June 7, 2010

Mayor: \_\_\_\_\_

City Recorder: \_\_\_\_\_