M I N U T E S
COMMITTEE-OF-THE-WHOLE WORK SESSION
August 21, 2017
City Hall Conference Room A

PRESENT: Mayor Thomas Stiehm, Council Members Paul Fischer, Jeff Austin, Steve King, Judy Enright, Laura Helle and Council Member-at-Large Janet Anderson

ABSENT: Council Member David Hagen

STAFF PRESENT: City Administrator Craig Clark, Director of Administrative Services Tom Dankert, Public Works Director Steven Lang, City Clerk Ann Kasel, Assistant City Engineer Mitch Wenum, Fire Chief Jim McCoy, Police Chief Brian Krueger, Planning and Zoning Administrator Holly Wallace, Park and Recreation Director Kim Underwood and Library Director Julie Clinefelter

ALSO PRESENT: Austin Daily Herald, Public, Sandy Forstner, Gretchen Ramlo, Belita Schindler, Randy Kramer, Public

Mayor Stiehm opened the meeting at 6:02 p.m.

Item No. 1 – Sanitary Sewer Collection System

Public Works Director Steven Lang stated the City is looking for assistance with developing a plan to maintain the City’s 120 miles of sanitary sewer. There are many improvements that need to be made to the system due to its age and improvement requirements. The plan would include ordinance review and updating, GIS development, inflow and infiltration management plan, replacement plan for sanitary sewer lines, lift station repair or rehab and funding rate structure to implement plans. Mr. Lang stated he met with WHKS, SEH and Bolton and Menk and staff recommends moving forward with WHKS for the developments and implementation of the sanitary sewer collection system project. Mr. Lang stated he would bring contracts back individually for Council approval.

Moved by Council Member Austin, seconded by Council Member King, for moving forward with development and implementation of a sanitary sewer collection program with WHKS. Carried.

The item will be placed on the September 5, 2017 Council Agenda.

Item No. 2 – 2018 Budget Information

Director of Administrative Services Tom Dankert presented the proposed 2018 budget and tax levy. City staff prepared the budget based on Council’s plan for 2018 after a review with each department head’s current budget and new requests earlier in the year. Mr. Dankert stated the
The budget includes a 3% wage increase for all bargaining units. He added that the proposed compensation plan study has not been factored in the budget.

The certified local government aid for 2018 is $8,151,133 which is an increase of about $150,000 over 2017.

To accommodate the current budget the tax levy would need to be increased 9.9% or $529,000. However, that does not mean that taxes are going to increase that much because community growth accounts for an average of 2-3% and that will bring the actual tax increase down to approximately 7-8%. The total tax levy would be $5,870,000. The City has until September 30th to certify the levy by resolution.

Mr. Dankert stated the outside agency allocations are the same for 2018 as they were for 2017 with the exception that the Mower County Historical Society (requested $10,000) and the Austin Area Commission for the Arts (requested $10,000) are not included. Vision 2020 also requested an increase but that was not included.

Also not included again for 2018 is a building maintenance person for all city buildings. If that person would be staffed it would create a 1.6% levy increase. Mayor Stiehm noted that job position has not been defined yet. He noted Police Chief Krueger laid the ground work for an additional .5 position for a community service officer. A rental inspection position is also not included and it would have to be determined how that position would be funded.

Mr. Dankert stated contingency for 2018 is proposed at $223,000. This is higher than a typical year in case the City needs to pay the Austin Parttime Firefighters Relief Association the full state aid amount. He also reviewed the capital outlay items stating some items are funded through the tax levy and others are funded through other sources, such as the Police PERA funds.

Mr. Dankert reviewed modifications from the departments’ original funding requests. There were many changes to get down to the 9.9% budget request. He compared the City’s tax with other comparable cities stating Austin ranked 4th place out of 5 cities with the lowest taxes.

Mary Ann Wolesky, on behalf of the Austin Area Commission for the Arts (AACA), requested a $10,000 appropriation for the AACA. She believes the AACA positively contributes to the local economy and provides a competitive edge to local employers. She added the funding will help stabilize the AACA’s budget since their budget is based largely on grants. She stated there are also improvements that need to be completed on the building.

Council Member Austin asked why they are asking for City funding now since the organization is successful and growing without city contribution.

Mrs. Wolesky stated their revenue fluctuates tremendously and the City contribution would provide some additional stability in the budget.

Council Member King stated it would be a shame not to support the Arts Center.
Moved by Council Member King, seconded by Council Member Fischer, to include $10,000 in funding for the Austin Area Commission for the Arts in the 2018 budget coming from contingency. Carried 5-1 with Council Member Austin voting nay.

Moved by Council Member Austin, seconded by Council Member-at-Large Anderson to approve funding in for the Mower County Historical Society coming from contingency. Carried.

Moved by Council Member Austin, seconded by Council Member Helle, to deny a funding increase for Vision 2020 for the 2018 budget. Carried.

Mr. Dankert noted that there will be sewer rate increases in the future to help fund the proposed improvements at the Waste Water Treatment Plant. There will be discussions with the Council in the near future.

Council Member Helle asked how much a 9.9% levy increase would be on an average Austin home.

Mr. Dankert stated it would be $30-40 per home per year.

Moved by Council Member Enright, seconded by Council Member-at-Large Anderson funding the agency allocations of $15,000 from 2018 contingency and adding a maintenance position with funding from the tax levy. Carried.

Mr. Dankert requested the Council e-mail him on any specific items they may have questions on.

The item will be placed on the September 5, 2017 Work Session Agenda for additional discussion.

**Item No. 3—2017 Council Goals / Administrative Report**

City Administrator Craig Clark stated the painting is completed on the on city hall remodel, the three UAW contracts have been forwarded to the unions for signatures, the slides for the pool are being bid out, the rental housing inspection group will meet this coming week and the Nature Center is working on an amphitheater in conjunction with the Friends of the Nature Center.

**Item No. 4 - Open Discussion**

Director of Administrative Services Tom Dankert thanked staff for their work on the budget.

Moved by Council Member King, seconded by Council Member Austin, adjourning the work session at 7:19 p.m.

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Ann M. Kasel
City Clerk