

MINUTES
COMMITTEE-OF-THE-WHOLE WORK SESSION
January 2, 2018
City Hall Conference Room

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

ABSENT:

STAFF PRESENT: City Administrator Craig Clark, Director of Administrative Services Tom Dankert and Public Works Director Steven Lang

ALSO PRESENT: Austin Daily Herald

Mayor Stiehm opened the meeting at 5:56 p.m.

Item No. 1 – Critical Water Usage Ordinance

Austin Utilities General Manager Mark Nibaur is not feeling well so we will push this item off until the January 16 Council work session.

Item No. 3 – Setting 2017 Assessment Rates

Director of Public Works Steven Lang presented the 2018 assessment rates stating it is the City's goal to assess adjacent property owners 50% of the costs of street projects and in 2017 the City assessed 27.5% of the project costs. The major reason for this decrease was an extraordinary number of corner lot credits we needed to give in 2017 because of a recent street project a few years ago in the same neighborhood. He proposed increasing the assessment rates for urban and commercial streets 3%. Therefore, the rate for 2018 will increase from \$44.00 per lineal foot to \$45.25 per lineal foot for residential street reconstruction and \$63.00 per lineal foot to \$64.75 per lineal foot for commercial properties. The sidewalk rate will also increase from \$4.75 to \$5.25 per lineal foot. Mr. Lang noted 6" sidewalk has an average construction rate of \$9.12 but we don't pass that rate on as this more deals with the cost of ADA ramps that the city pays for. Other rates would also be increased slightly.

After additional discussion, moved by Council Member Austin, seconded by Council Member Enright, to recommend approval of the Engineering Department's proposed 2018 assessment rates. Carried.

The matter will be placed on the January 16, 2018 Council Meeting.

Item No. 2 – Retterath Water Issue Update

Director of Public Works Steven Lang discussed some history of the area north of town where Mr. Retterath lives, noting the following:

- June of 2017 – Mr. Retterath approaches Council on paying for some tile lines for his and some neighbors.
- July of 2017 – Mr. Retterath filed a claim with our insurance company for coverage.
- September of 2017 – The League of Minnesota Cities (insurance company) denies claim noting a water issue has occurred in this area for many years before it was annexed, and that last year our area experienced heavier than normal rains.

Mayor Stiehm noted at a prior Council meeting the group offered to pay for a portion of the project. Council Member Enright noted they agreed to pay up to half of the cost if the City would pay the other half.

Council Member Austin noted the insurance carrier said we are not liable, so why should we pay anything towards this. Council Member Enright stated that the residents claim the water issue has gotten worse since we disturbed the soil in the area with the sewer extensions. Council Member King noted the Hardy Geranium had water issues after the overpass was removed, and the City eventually agreed to pay half of her costs for a new beaver system.

Council Member Hagen noted if the City Attorney can draft some sort of liability waiver then we should be covered for future claims in the area. Council Member Fischer questioned this, noting the insurance results show that the City had nothing to do with this.

Council Member Enright noted that Dave Unverzagt ran his own tile line and never had any issues. Mr. Retterath installed a geo-thermal system in his house and disturbed the soil. The City then did the sewer project and disturbed the soil, and now it gets flooded.

Council Member Helle stated we should handle this case-by-case. A resident, however will need to do these things on their own and some may have issues approaching the city because they don't speak English, can't get time off of work, etc. Council Member Helle noted we need to help them advocate for themselves. Council Member Austin noted they should be able to find their own advocates.

After further discussion, motion by Council Member Enright, seconded by Council Member King to offer to pay \$7,000 towards the low bid on the tile line contingent on getting all affected residents to sign a waiver crafted by the City Attorney and contingent upon the City Attorney's approval that we can legally do this, to be funded by Contingency. Carried 6-1 (Council Member Austin – Nay).

The matter will be placed on a Council meeting once direction from David Hoversten is received.

Item No. 4 – Administrative Report

None.

Item No. 5 – Open Discussion

Council Members Helle and Enright questioned what the proposed fee would be if the Critical Water Usage Ordinance was violated. This wasn't discussed in the memo from Mr. Nibaur. Mr.

Dankert noted he would reach out to Mr. Nibaur to ensure Mark could answer that question at the next work session.

Council Member Hagen noted he has spoken with a few residents out in the newly annexed Turtle Creek 2 that were promised sewer access. Council Member Hagen noted the property values and tax rates have gone up and they are paying even more than before they were annexed with no access to city services. Staff noted they are not paying for sewer fees since the sewer is not connected, but they are paying part of our property tax levy for access to city services (police, fire, parks, etc.). After further discussion, it was requested that we get an opinion from City Attorney David Hoversten if there is any statute that would allow us to “rebate” some of their property taxes back.

Council Member Helle noted we need to do a better job of informing the citizens as to what services they get for the taxes they pay.

Moved by Council Member Austin, seconded by Council Member Hagen, adjourning the work session at 6:26 p.m.

Respectfully Submitted:

Ann M. Kasel
City Clerk