

M I N U T E S  
CITY COUNCIL MEETING  
August 1, 2022  
5:30 PM  
Council Chambers

MEMBERS PRESENT: Mayor King. Council Members Paul Fischer, Rebecca Waller, Jason Baskin, Michael Postma, Joyce Poshusta, Geoff Baker and Council Member-at-Large Jeff Austin

MEMBERS ABSENT:

STAFF PRESENT: City Administrator Craig Clark, Director of Administrative Services Tom Dankert, Police Chief David McKichan, Human Resources Director Trish Wiechmann, Public Works Director Steven Lang, Fire Chief Jim McCoy, Planning and Zoning Administrator Holly Wallace, Park and Rec Director Dave Merrill, City Attorney Craig Byram, Library Director Julie Clinefelter, and City Clerk Ann Kasel

APPEARING IN PERSON: Austin Daily Herald, KAUS Radio

Mayor King called the meeting to order at 5:30 p.m.

Moved by Council Member Fischer, seconded by Council Member Baskin, approving the agenda. Carried.

Moved by Council Member Fischer, seconded by Council Member Postma, approving Council minutes from July 18, 2022. Carried.

CONSENT AGENDA

Moved by Council Member Fischer, seconded by Council Member Poshusta, approving the consent agenda as follows:

Licenses:

Lodging: Sherry King, 810 19<sup>th</sup> Street SW  
Mobile Business: Original Hockey Mom Brownies, Andover  
Mobile Business: Pleasant Grove Pizza Farm, Waseca  
Mobile Business: The Wandering Scoop, Rochester  
Temporary Food: Salvation Army on August 20, 2022  
Temporary Liquor: Austin VFW Post 1216 on August 15, 2022

Claims:

- a. Credit Card Report

Events: Approving use of East Side Lake for the 2022 English Springer Spaniel National Open Championship

Carried.

## PUBLIC HEARING

A public hearing was held for a five-year tax abatement request from Bigelow & Lennon Construction. City Administrator Craig Clark stated the applicant is proposing to build a single family home at 803 24<sup>th</sup> Avenue NW valued at \$320,000. Mr. Clark recommended approval of the abatement.

Moved by Council Member Postma, seconded by Council Member Baskin, adopting a resolution approving a five-year tax abatement request from Bigelow & Lennon Construction. Carried 7-0.

## BID OPENING AND AWARD

The City received the following bids for the Waste Water Treatment Plant expansion and phosphorus reduction project:

Bidder	Base Bid	Alt. 1	Alt. 2	Total
Rice Lake Construction Group	\$ 99,124,600	\$318,800	\$564,600	\$100,008,000
Gridor Construction, Inc.	\$ 99,248,000	\$406,000	\$600,000	\$100,254,000
Knutson Construction	\$107,825,767	\$363,000	\$640,000	\$108,828,767

Public Works Director Steven Lang stated the project will consist of the construction of an activated sludge system, which will require the demolition of existing processes, modifications to existing processes and the construction of new treatment systems. The project will be funded in part via state grants, Hormel Foods funding, a PFA Loan and sewer user fees.

Mr. Lang recommended awarding the bid plus alternates one and two to Rice Lake Construction Group.

Moved by Council Member Fischer, seconded by Council Member Poshusta, for preparation of an ordinance to award the bid. Carried.

Moved by Council Member-at-Large Austin, seconded by Council Member Postma, for adoption and publication of the ordinance to award bid. Carried 7-0.

## PETITIONS AND REQUESTS

Public Works Director Steven Lang stated that the May 31, 1995 waste water agreement with Hormel Foods will need to be amended to account for the construction project. He presented a proposed addendum to the contract specifying both parties' obligations for the project with

Hormel Foods being responsible for 49.9% of the costs. He recommended approving the amendment to the agreement with Hormel Foods.

Moved by Council Member-at-Large Austin, seconded by Council Member Fischer, adopting a resolution approving an amendment to the Waste Water Treatment Plant agreement with Hormel Foods. Carried 6-0 with Council Member Baskin abstaining.

Public Works Director Steven Lang proposed sanitary sewer rate adjustments to generate additional revenue for the Waste Water Treatment Plant Expansion and phosphorous reduction project. In 2022, the sewer user fund is projected to generate \$5,330,000 but to make the payments on the PFA loan for the project, the fund will need to generate \$8,025,000. The yearly increases through 2026 will allow the necessary funds to be generated for the loan payments.

Mayor King noted there will be a rate increase to the citizens for the project but it's a necessary upgrade.

Moved by Council Member Fischer, seconded by Council Member Waller, adopting a resolution approving sanitary sewer rate adjustments. Carried 7-0.

Public Works Director Steven Lang stated construction inspection services will be required for the Waste Water Treatment Plant expansion project. Construction is anticipated to begin in the spring of 2023 with a completion date of June 2026. The City received a proposal from SEH in the amount of \$5,190,000 for construction inspection services on the project. Mr. Lang recommended awarding the contract to SEH, Inc.

Council Member Baker asked if any other firm bid on the project or if the City sought bids from any other firm.

Mr. Lang stated the City did not receive any other bids for the project.

Moved by Council Member Fischer, seconded by Council Member Poshusta, adopting a resolution approving a construction services contract with SEH, Inc. for the Waste Water Treatment Plant project. Carried 6-1 with Council Member Baker voting nay.

Public Works Director Steven Lang stated materials testing will be required for the Waste Water Treatment Plant expansion project. Construction is anticipated to begin in the spring of 2023 with a completion date of June 2026. The City received a proposal from American Engineering and Testing in the amount of \$269,300 for construction inspection services on the project. Mr. Lang recommended awarding the contract to American Engineering and Testing.

Moved by Council Member Fischer, seconded by Council Member Postma, adopting a resolution approving a material testing contract with American Engineering and Testing for the Waste Water Treatment Plant project. Carried 7-0.

Moved by Council Member Baskin, seconded by Council Member Poshusta, declaring the Austin ArtWorks Festival a community festival and approving festival requests. Carried.

Moved by Council Member Postma, seconded by Council Member Waller, appointing Geoff Baker to the Housing and Redevelopment Authority Board and the Community Advisory Council Board. Carried.

Moved by Council Member-at-Large Austin, seconded by Council Member Baskin, adopting a resolution accepting donations to the City of Austin. Carried 7-0.

Moved by Council Member Fischer, seconded by Council Member Waller, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 1203 11<sup>th</sup> Avenue NW, Dennison Property. Carried.

Moved by Council Member Fischer, seconded by Council Member Waller, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 1106 4<sup>th</sup> Avenue NW, Leif Property. Carried.

Public Works Director Stephen Lang requested the Council approve a contract with Hansen Hauling & Excavating for the 24<sup>th</sup> Street SW drain tile project.

Moved by Council Member Postma, seconded by Council Member Fischer, awarding a bid to Hansen Hauling & Excavating for the 24<sup>th</sup> Street SW drain tile improvements. Carried 7-0.

## REPORTS

Honorary Council Member Stephen Juenger stated he has enjoyed the experience of being an honorary Council Member.

Library Director Julie Clinefelter stated the summer reading program is wrapping up. She also introduced Evan Walker, the new library assistant.

City Clerk Ann Kasel reminded the Council of the upcoming primary on August 9<sup>th</sup>.

Council Member Poshusta stated National Night Out is August 2<sup>nd</sup> at the bandshell and family fun night at the pool is August 5<sup>th</sup>.

Council Member Postma stated she attended the Coalition of Greater MN Cities conference in Red Wing.

Council Member Baker noted that the agreement between Hormel Foods will allow for payment of almost half of the waste water treatment plant. He also noted on August 27<sup>th</sup> at noon the fall campaign for soccer begins.

Council Member-at-Large Austin noted that the waste water treatment plant is the most important asset in the City.

Council Member Fischer stated he also attended the Coalition of Greater Minnesota Cities conference.

Moved by Council Member-at-Large Austin, seconded by Council Member Waller, adjourning the meeting to August 15, 2022. Carried.

Adjourned: 6:02 p.m.

Approved: August 15, 2022

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

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