

MINUTES
COMMITTEE-OF-THE-WHOLE WORK SESSION
November 6, 2023
City Council Chambers

MEMBERS PRESENT: Mayor King. Council Members Paul Fischer, Laura Helle, Michael Postma, Joyce Poshusta and Council Member-at-Large Jeff Austin

MEMBERS ABSENT: Council Member Jason Baskin

STAFF PRESENT: City Administrator Craig Clark, Director of Administrative Services Tom Dankert and Police Chief David McKichan
Public Works Director Steven Lang, Assistant City Engineer Mitch Wenum, Fire Chief Jim McCoy, Planning and Zoning Administrator Holly Wallace, Nature Center Director Luke Reese, Park and Rec Supervisor Randy Hofner, Human Resources Director Trish Wiechmann and City Clerk Ann Kasel

APPEARING IN PERSON: Austin Daily Herald, KAUS Radio

Mayor King opened the meeting at 5:54 p.m.

Item No. 1 – Final Discussion on 2024 Budget

Director of Administrative Services Tom Dankert inquired if the Council had additional discussion on the 2024 budget. He stated the truth in taxation meeting is set for December 6, 2024.

There was no Council discussion.

Item No. 2 – 5 Year Capital Improvement Plan

Director of Administrative Services Tom Dankert presented the 2024-2028 Capital Improvement Plan. The plan identifies approximately \$177 million dollars in capital improvements for the City, some of which are contingent on receiving grant funds. The purpose of the work session was to review and ask questions about any of the proposed items. Then the Council will approve the document in December 2023 which authorizes the staff to purchase the 2024 items that are indicated in the CIP. For years 2025 and beyond, the document serves as a guide for the future but is subject to change as the City's needs change.

Police Chief David McKichan discussed the Police Department's capital improvement plan and noted that it is budgeted to replace two to four marked police cars in 2024. The Department has been using funds from the forfeited vehicle reserve balance to outfit the vehicles. He also noted other computer upgrades and other equipment purchases over the next five years, including the possibility of adding body cameras.

Fire Chief Jim McCoy presented the Fire Department's capital improvement items. The Fire Department is planning to replace the ladder truck in 2024 at a cost of \$1.645 million along with the replacement of fire rescue equipment.

Library Director Julie Clinefelter stated the Library will be replacing the self-check machines in 2024 and the HVAC controls. The rubber roof is scheduled for replacement in 2025.

Director of Administrative Services Tom Dankert reviewed Parks and Recreation requests at the Nature Center stating the Ruby Rupner Auditorium is in need to a new roof and audio-visual upgrades in 2024 at an estimated cost of \$75,000. Handheld radios and trail maintenance are also scheduled for 2024. Those upgrades are Hormel Foundation Grants.

Director of Administrative Services Tom Dankert discussed Administration's capital improvement projects stating that funds are being budgeted for public works equipment, new computers and other engineering equipment. In 2024, \$30,000 is being set aside for computers and associated equipment. There is \$100,000 for asbestos removal and flooring in 2024 and \$3,000 for replacement iPads. The City is also replacing the electronic poll books for elections at a cost of \$7,500. There is also \$20,000 set aside for the employee survey and \$60,000 for employee improvement.

Steven Lang reviewed the Waste Water Treatment Plant (WWTP) noting the large Waste Water Treatment Plant improvement project with an estimated \$36 million in costs in 2024. The EQ digester is scheduled for replacement in 2024 at a cost of \$2.55 million, the Hope Street lift station pump and water line are also scheduled for replacement, with funding coming from the industrial plant budget. The SW lift station water line will also be replaced with funding from the domestic plant budget. Also, four office computers are being replaced at the WWTP.

Steven Lang presented on the proposed improvements to the Central Garage including computer upgrades, automatic vehicle locating and concrete wall panel joint repairs.

Steven Lang stated the Waste Transfer Station is in need to some repairs over the next few years including a furnace in 2023. The City entered into an agreement for the lease of the transfer station so additional improvements may be made in the future.

Steven Lang stated the airport is hangar lighting upgrades, the construction of a multi-unit T Hangar and fuel tank upgrades. Many of the airport projects are contingent upon grants from the FAA or MnDOT.

Steven Lang reviewed the non-MSA streets, noting that these are not supported by the state gas tax. These are local projects paid for with local tax dollars and assessments in order to fund the construction. Each year the street department looks at the proposed streets to see if they need to be reprioritized based on deterioration. In 2024, \$3.4 million dollars in projects are scheduled.

Steven Lang discussed the MSA streets that are funded with approximately \$1 million of state gas tax money each year. The City assesses all of these property owners under the same

assessment policy as non-MSA residents. This assessment policy eliminates the favoritism for one street of homeowners versus another. The projects scheduled for 2024 total \$2.1 million dollars

Steven Lang discussed the upcoming trail projects. There are two additional trails slated for the City of Austin through 2026.

Steven Lang noted the Sanitary Sewer capital improvement plans. Each year funds are allocated for manhole replacements; for inspection of all City mains and inspection of all private lines and plumbing; and for replacement of mains with street construction projects. Lift stations are also scheduled for reconstruction. He also stated the Cedar River siphon will be replaced in 2024-2025.

Steven Lang discussed the items under Miscellaneous Other Projects including tile line installation, sidewalk and pedestrian upgrades, hazardous building removal, Ramsey Dam. Other arena improvements are also scheduled.

Steven Lang discussed the storm water utility district noting that there are various projects scheduled over the next five years to the current system. There have been drainage issues identified that will be addressed through these projects. Mr. Lang also noted some flood mitigation items that may be completed if a bonding bill is passed at the legislative level.

The Parks and Recreation plan was discussed with repairs at the Municipal Pool, repairs at the Bandshell and equipment purchases making up the \$548,000 budgeted for 2024.

Council Member Postma stated he would like pickleball or caneball courts added to the CIP.

Mr. Dankert noted those items are on the unscheduled items area.

Mr. Dankert noted the Senior Citizens center budget and stated they will be replacing carpet in 2024 along with HVAC upgrades.

Mr. Lang stated the DNR provided the City a grant in the amount of \$4 million to create a levee at the Waste Water Treatment Plant. That grant will be paired with local option sales tax funding. He also stated there is a study being completed for water surface elevations at Wildwood Park.

Mr. Dankert presented some economic development areas including 8th Avenue NE redevelopment and Port Authority property clean up. He also noted funding for daycare projects has been set aside.

Mr. Dankert concluded the discussion stating he would make minor modifications to the capital improvement plan and bring it back to the Council for adoption in late 2024. No additional Council action needed at this time.

Item No. 3 – Alternative Employee Engagement Plan

City Administrator Craig Clark stated Council Member Baskin suggested an alternative for the 360 assessments. He reviewed a proposal from Assessments International for 360 assessments for all the 33 City supervisors at a cost of \$52,840. He stated if there was interest from Council in staying within the \$45,000 previously authorized budget then the fire department commanders and the sergeants at the police department could be eliminated to stay within budget. They suggested a minimum of 25 supervisor assessments.

Mr. Clark stated Kristy Blix with Assessments International wanted to call in the meeting but had a scheduling conflict for the current time. She would be available later in the evening if the Council wanted to wait to review the item.

Mayor King stated he would like to discuss the item and opened the floor for employee comments.

Parks Supervisor Randy Hofner suggested the assessments be completed for the upper management first.

Council Member Baker felt the results would be the same if the reviews were scattered or everyone done at once.

Council Member Postma stated the 360's will produce individual results and will be different from the survey results.

Police Chief David McKichan spoke in support of the leadership training for all supervisors.

Library Director Julie Clinefelter stated her staff was concerned about moving away from the original survey group to do the 360 assessments. She suggested the City communicate to employees why the change of companies.

Council Member-at-Large Austin stated he likes the Assessments International option because it includes more leaders and would be good feedback.

Council Member Helle stated she is hearing from employees that moving to a different consultant would mean that the new company wouldn't know the results of the survey and the employees taking the survey would be a waste. She stated that could be mitigated by making sure Assessments International receives the survey information. Also, she is hearing that employees feel the survey was clear that the issues are at the upper management level and now the blame is being shifted to all supervisors. She stated she doesn't necessarily think those things are accurate but there is a trust issue at the City and if there isn't clear information provided to employees then they may be uncomfortable. Her recommendation was to start with the City Administrator then in eight weeks do the next level of supervisors with the Assessments International company.

City Clerk Ann Kasel stated she spoke with a variety of employees on this matter and stated they built trust with the Employee Strategies company. There was a plan set at the October 16th work session and now that has changed. She stated that she agreed that the more training and evaluations for employees are a good thing. However, there is an appearance that something happened in the previous weeks and that makes employees not trust what changed in that time.

Council Member Postma stated he can understand why the employees would feel that way but the 360-degree plan is not intended to be punitive. He stated Employee Strategies will still be involved in other aspects.

Council Member Poshusta asked if Employee Strategies was approached to see if they would match the price or come down on their pricing for the 360 evaluations.

City Administrator stated Employee Strategies was asked about the cost and if there was some economy of scale and they said no.

Council Member Poshusta stated she understands the value in doing more but she was concerned about participation with the new company because the trust with employees may be lost. She stated she was concerned about how this message is going to be conveyed to employees.

Council Member-at-Large Austin stated the department heads need to pass the information to their employees.

Council Member Baker encouraged people to read the proposal by Assessments International.

Planning and Zoning Administrator Holly Wallace stated she appreciates the opportunity for more employees to have the experience with the 360 evaluation.

Nature Center Director Luke Reese stated the City has an employee satisfaction problem and employees put themselves out there with the survey to say how they feel then the first response to that survey is to have the lower level employees be evaluated. He stated he is happy to be evaluated as a leader but the culture for leadership starts at the top. He encouraged Council to think about the perception of how this looks.

Fire Chief Jim McCoy stated it's troubling that the commanders of the fire department and the sergeants of the police department would be eliminated from the proposal.

Assistant City Engineer Mitch Wenum stated whatever is decided, someone from Council needs to tell the City employees by clearly laying out the reason the decision is being made.

Mayor King encouraged staff to positively report Council decisions to employees.

Council Member Helle stated that trust is built over time and more communication the better.

Moved by Council Member Helle, seconded by Council Member Poshusta, to approve switching to Assessments International for the 360-degree evaluations with the larger budget of

approximately \$52,840 so everyone in the City with supervisory roles gets a review in the next six months. Assessments International will receive the results of the employee survey upfront with the top of leadership being evaluated first. Carried.

The item will be on the November 20, 2023 Council agenda.

Item No. 4 – Cooperative Construction Agreement

Public Works Director Steven Lang provided a proposed agreement with MnDOT for a contract agreement for the I 90 bridge replacement project. The agreement details the City's cost of \$828,082.92 which includes 4th Street NW reconstruction, sanitary sewer replacement, a community entrance sign, 4th Street NW signal light and construction engineering costs. He stated the community entrance sign is going to be paid for via a Hormel Foundation grant in the amount of \$139,300. He detailed additional aesthetic improvements with the project and ongoing maintenance for the future.

Mr. Lang stated there will be an entrance sign with a gate and the City will be responsible for maintenance of the sign.

Moved by Council Member Baker, seconded by Council Member Postma, recommending approval of a cooperative construction agreement with MnDOT for the I –90 bridge replacement project. Carried.

The item will be on the November 20, 2023 Council Agenda.

Item No. 5 – Construction Update

Mr. Lang stated an update will be coming for the Waste Water Treatment Plant.

Assistant City Engineer Mitch Wenum provided a street reconstruction update stating the center of 1st Street NW was paved last Saturday and the crew will be back at the end of the week to finish paving.

He stated the 10th Ave, 11th Ave, and 2nd St SW just finished curb and gutter and will be paved Wednesday.

Mr. Lang stated there will be a Public Open House, Wednesday, November 8th 5:30 at Austin Public Library for the Oakland Avenue/1st Avenue SW.

Item No. 6 - Administrative Report

City Administrator Craig Clark stated department meetings are being set up with the various department.

Item No. 7 – Open Discussion

None.

Moved by Council Member Baker, seconded by Council Member-at-Large Austin, adjourning the meeting at 7:29 p.m.

Respectfully Submitted,

Ann M. Kasel
City Clerk