

MINUTES
COMMITTEE-OF-THE-WHOLE WORK SESSION - BUDGET
August 11, 2025
Austin Public Library – Large Meeting Room

MEMBERS PRESENT: Mayor King. Council Members Rebecca Waller, Laura Helle, Oballa Oballa, Michael Postma, and Council Member-at-Large Jeff Austin

MEMBERS ABSENT: Council Member Jason Baskin and Paul Fischer

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

APPEARING IN PERSON: Staff Members from the Street, Sewer, and Wastewater Treatment Plant, Planning and Zoning Director Holly Wallace, and Library Director Julie Clinefelter

Director of Administrative Services Tom Dankert opened the meeting at 5:33 p.m. He relayed Public Works Director Steven Lang has prepared a presentation for Council regarding his budget requests for the Public Works Department.

Item #1 Public Works Department Discussion – Public Works Director Steven Lang

Public Works Director Lang stated he is requesting eight capital items via the tax levy. Mr. Lang would like to add a graduate engineer to his staffing requests. He estimates his total tax levy increase would be \$25,000 on top of the \$3 million operating budget.

Mr. Lang is requesting engineering and survey equipment in the amount of \$5,000 and an aerial photography update in the amount of \$7,500. Mr. Lang stated this would create a 0.8% increase in his operating budget.

Mr. Lang is requesting the following capital items to be purchased from the tax levy:

Bandshell Park Rain Garden	\$75,000
Riverside & Packer Arena Fans	\$15,000
Packer Arena Cabinet Heater	\$ 6,000
Riverside Arena Rubber Flooring Replacement	\$15,000
Riverside Arena Entry Sidewalk Replacement	\$50,000
Riverside Arena Replace Steel Service Doors	\$15,000

Mr. Lang stated he is looking to fill a graduate engineering tech position. They would add this position by not backfilling a Street Maintenance position. This position would be right out of college, and would work under the Assistant City Engineer, and would decrease some of the consultant fees. He stated the five-year average they are spending on consultants is approximately \$261,000 per year.

Council Member Postma would like to know if there is an estimate for 2026 on the amount of money they would be spending on consultants. Would they save if they were to hire the graduate engineer?

Mr. Lang stated the new hire would start by catching up on paperwork and other work they are behind on. However, he does not believe that for 2026, this will result in a decrease or savings in consultant fees.

Council Member Postma asked about the vacant housing permit fee and its current rate.

Planning and Zoning Director Holly Wallace stated this fee is \$120.00 per year per house. Council Member Postma asked how the City determines if a property is vacant.

Ms. Wallace stated they look for long grass, non-shoveled areas, and they try to check with Austin Utilities for services to the property.

Council Member Helle asked how many vacant properties are currently on this list.

Ms. Wallace stated approximately fifty.

Council Member Postma stated \$120.00 does not force property owners to correct the situation.

Mr. Lang stated the Building Department generates revenue through building permits. Flat rate permits were increased last in 2020.

Mr. Lang stated the Rental Department started in 2019 and that is when the permit rates were set. They are spending more than their revenue. The fees from this department help to offset the Planning and Zoning Director's salary and the Rental Inspector's salary.

Mr. Lang stated the Engineering Department uses funds from other areas to offset the levy burden. This is where they would be requesting the graduate engineer position.

Mr. Lang explained the Street Department has large expenditures for 2026. This department is in charge of maintaining the roads throughout the City.

Mr. Dankert also expanded on this and stated the costs of equipment rental have significantly increased, as well as the cost for vehicles over the last couple of years.

Council Member Postma asked why there was an increase in subscription request costs.

Mr. Lang stated this is for the GPS mapping for the snowplows.

Mr. Lang touched on street lighting. In 2018, they started the LED program, and since starting this program, they have used less electricity each year.

Mr. Lang stated the sign department has been a volatile position, and they are working on filling this position.

Council Member Postma would like to know more about what this job entails.

Mr. Lang stated if there is a bent or faded sign, this position maintains it. There are approximately 4,800 street signs within the City. In the winter, they have to repair any signs that are hit. In the summer, they paint crosswalks, turn arrows, parking stalls, and street curbs.

Mr. Lang stated at the Municipal Airport, a ten-unit T-Hangar was built, and currently only three are being leased. They have tried mailers, advertised in a flyer magazine, and advertised on Facebook. They need Council to reevaluate the lease agreements and see if they would like to lower the lease amounts or if they are happy with the amounts at this time.

Council Member Oballa asked what cities have the Public Works Department compared the lease rent against for the T-Hangars?

Mr. Lang stated they have been looking at other communities and they are \$50 higher than Owatonna, but they are competitive with Rochester.

Council Member Postma asked if the City could lease these units for items other than airplanes.

Mr. Lang stated no, as they received federal dollars to build this unit, and they must be used for airplane rentals.

Mr. Lang stated they have been doing significant projects at Riverside Arena over the past year. They recently updated the roof, which has helped them maintain good “summer” ice. He stated Parks and Recreation is doing a good job of renting out Packer Arena, but this also means that the lights are on more, and the utility costs remain.

Council Member Postma requested to see a budget with both Packer Arena and Riverside Arena utilities.

Mr. Dankert stated he would be able to provide that.

Mr. Lang stated there needs to be a \$1.63 million tax levy to supplement street reconstruction projects. They would like to reconstruct 2.3 miles per year. If they try to drop a project and extend the replacement schedule, the roads would not handle it.

Council Member-at-Large Austin stated if they delay street projects then maintenance costs will increase.

Mr. Lang stated in 2026, and the sewer collection fees will generate approximately \$8 million. They have already identified \$7 million in total expenses.

Mr. Dankert stated that it is a very healthy fund and can have potential additional revenue in the event of an additional project coming up.

City Administrator Craig Clark asked, how are we in line with other municipalities? What if the City were to increase the fund by an additional percentage?

Mr. Lang believes we are in the top 25% communities within the state.

Council Member Oballa asked about the leaf collection fee and why it increased from \$250 to \$500.

Mr. Lang stated that this is to assist with the advertisement of the leaf dump collection site, and they share the cost with Mower County.

Mr. Lang stated that in 2026, they are looking to replace the roof over the central garage. They would also like to purchase a plow truck, a loader, two pickups, a Kubota, and an Ice resurfacer. They were not successful in obtaining a grant for an ice resurfacer.

Council Member Helle asked if the tariff impact is being accounted for, or if this is still coming.

Shop Supervisor Neal Goergen stated in 2027 there will be a cost increase of \$15,000 for diesel engines. The EPA has dictated this increase.

Council Member Helle stated there are opportunities to accelerate fees for the bad actors. If you have consistent violators, then fee violations should increase. She would like the City staff to review this. She would like to be a little more aggressive.

Mayor King stated this has been a very thoughtful and thorough look into this department's budget. He doesn't believe that increasing fees will make a difference. The City is 145 people, which is equivalent to the work of 250 people. They are an incredible lean City, and they are doing a great job of keeping costs down.

Council Member Postma agrees and stated this presentation has been very helpful.

Mr. Lang reiterated all the areas the Public Works Department is performing cost saving measures and stated he is looking for more flexibility in the sign, traffic, and maintenance position, as street maintenance requires the CDL, and the candidate pool has been very small when trying to recruit for this position.

Council Member Helle requested whenever department heads or staff have this type of information, they bring it to Council, as it is very useful to have this.

Item#5 Open Discussion

None

Moved by Council Member-at-Large Austin, seconded by Council Member Oballa, to adjourn the meeting at 7:01 p.m. Carried.

Respectfully Submitted,

Brianne D. Wolf, City Clerk