

MINUTES
COMMITTEE-OF-THE-WHOLE WORK SESSION
September 2, 2025
City Council Chambers

MEMBERS PRESENT: Mayor King, Council Members Rebecca Waller, Laura Helle, Oballa Oballa, Paul Fischer, Michael Postma, Jason Baskin 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, Fire Chief Jim McCoy, Public Works Director Steven Lang, Planning and Zoning Director Holly Wallace, Library Director Julie Clinefelter, Parks, Recreation, & Forestry Director Jason Schon, Human Resources Director Trish Wiechmann and City Clerk Brianne Wolf

APPEARING IN PERSON: Austin Daily Herald, Public

Item #1 Wastewater Treatment Plant Change Order #9 – Steven Lang

Public Works Director Steven Lang stated they had a Change Order #9. He spoke about tariffs on a piece of equipment coming from Canada.

Moved by Council Member Fischer, seconded by Council Member Postma recommending approval of Change Order #9. This will be added to the September 15, 2025 Council Meeting.

Item # 2 Budget Discussion – Tom Dankert

Mayor King stated this is the fifth budget discussion meeting the City has held. They have all been open to the public. He stated the Council will hold another meeting on Monday, September 8, at 5:30 pm, at the library, to discuss the budget, and it is open to the public.

Director of Administrative Services Tom Dankert presented the proposed changes to the budget that Council had previously requested. Mr. Dankert stated by September 15, the Council will have to set a proposed tax levy and have it adopted. He stated during the first four budget discussion meetings, the Council went through and made some additional changes, and they still ended up with a levy increase of 33.81% to start this process.

Mr. Dankert stated they have gone through and preliminarily moved the following items to be requested to come out of the building fund. Pickleball courts, the translucent panels in the Park and Recreation office, the Fire Department bathroom, and staining the Interpretive Center.

Mr. Dankert proposed to reduce contingency from \$150,000 to \$120,000. He stated when filling his position, as he is leaving the City, the Council would bring in a person at a lower step, which would be a cost savings of approximately \$30,000. They have increased the police insurance aid up \$50,000 for 2026; this is the same as fire aid. They have increased fire aid by an additional \$10,000. He stated the community rec center contract is based on CPI increases on an annual basis, and they have reduced this \$25,000. This leaves the levy increase at 30.48%.

Mr. Dankert stated in consultation with City Administrator Craig Clark, the new state Paid Family Medical Leave Act allows the City to split the cost 50/50 with employees, by statute. They have examined this and removed \$55,000 from the budget, effectively lowering the cost. As of today, the tax levy is 30%, which includes an estimate for cost-of-living increases for employees.

Mr. Dankert requested Council focus first on staffing levels and requests. He stated there have been requests for three new firefighters, a graduate engineer, and a forester position. Additionally, there have been requests for an assistant Parks and Recreation Supervisor, a swap for an unfilled police officer for an administrative assistant or IT, depending on what happens at the County, an increase in the payout pension for \$4,500, and additional temporary salaries at the Public Library.

Council Member Postma asked Chief McCoy if there was a way to decrease the costs of the request for the bathroom remodel at the Fire Station.

Chief McCoy stated it's tough to work in commercial buildings, and it's hard to get contractors to bid on these types of jobs—especially a smaller project like this.

Mayor King stated in the late 1900s and early 2000s, the City had 190 employees, and over the years, they have decreased the number of employees and currently have 146, and are running very lean. Mayor King stated he would be in favor of adding a graduate engineer.

Council Member Helle stated she would be in favor of hiring an assistant Park and Recreation Supervisor, as this would be a modest request at \$16,000. This would be a promotion, not a new position. This would also assist in succession planning. She stated the Council has been hearing about adding additional firefighters for years and would like to know if there is a way to add one firefighter, and if this would be beneficial to their department.

Chief McCoy stated yes, this would assist.

Council Member Baskin stated he struggles with adding any positions. He stated he would be ok with the swap for the police officer to the IT position. He wants to ensure they are taking care of the current employees.

Mayor King asked if the Council said no to all the new employees, what would the new tax levy be?

Mr. Dankert stated 5% to 6% less.

Council Member Fischer stated regarding the Fire Department's request for three new positions, he would be in favor of at least granting them one; he would find it hard to say no to one new firefighter.

Council Member Postma stated he doesn't believe he can support any new positions. He might be able to support the police officer swap for an IT position. He might be ok with the supervisor position, as this is a promotion.

Council Member Helle asked if the City could use the fund balance to support the forestry position on a temporary basis until the Emerald Ash Borer is eliminated.

Mr. Dankert stated it is an option, but other agencies have learned it can create greater ramifications down the road.

Mr. Dankert asked if there were any objections to first ten items on the proposed reduction being removed.

Council Member Baskin moved to remove the requests from the budget for any new positions, except for the swap of a police officer for an IT position, seconded by Council Member Oballa. Carried 6-1. (Council Member Fischer, Nay)

Council Member Helle moved to include in the budget the Assistant Parks and Recreation Supervisor, an increase in the payout pension for \$4,500, and additional temporary salaries at the Public Library. No objections from other Council Members on these suggestions. They may revisit this in the future.

Council Member Postma stated he would like to remove one street project in 2026. He is open to discussion on which project engineering would like to remove.

Mr. Dankert stated in 2026, it is proposed to spend \$175,000 on street reconstruction.

Council Member-at-Large Austin stated by doing this, the City is just kicking the project down the road for a later date. The City is already pushing 50 to 60 years for each road replacement, and by removing projects, they would be delaying them further. Mr. Lang has already explained this.

Council Member Helle stated by delaying projects, costs will continue to rise. A road replacement will cost more in 2027 than it will cost in 2026.

Council Member Baskin stated he is in agreement with Council Member Postma on delaying a street project in 2026.

Council Member-at-Large Austin stated they will spend more money in the future trying to maintain these roads.

Council Member Postma stated he would only anticipate this happening for 2026.

Mr. Lang stated if this is a long-term change it will be hard to change to this model to maintain the roadways within the City.

Council Member Postma moved to remove one road project for 2026, seconded by Council Member Baskin. (Council Member Fischer, Council Member Waller, Council Member-at-Large Austin, Nay) Carried 4-3.

Mayor King asked what the largest capital item in the budget is.

Mr. Dankert stated in Conference Room A they had requested a new audio-visual system, but they could cut this item and work out of a different conference room. He stated the next large item would be the improvement and repair requests for the baseball diamonds, and softball diamonds at Todd Park.

Mr. Sehon stated there are hazards at these fields. The goal is to improve these fields to encourage people to play there more and also not to stop playing there. They would like to make upgrades to the diamonds, as well as to the backstops and turf grass. They would also like to lift the irrigation heads.

Council Member Baskin stated he is in favor of removing these projects from the budget.

Council Member Baskin moved to remove the audio-visual upgrades to Conference Room A and the upgrades to the Todd Park Diamonds, seconded by Council Member Postma. Carried 7-0.

Mr. Dankert requested Mr. Sehon speak about the \$75,000 requested pool repairs.

Mr. Sehon stated the Parks crew will be performing the majority of the pool maintenance repairs in-house to cut costs on this project, but the boiler on the tot lot will need to be replaced.

Mr. Dankert stated if the requested amount was not included in the budget, they would be able to take the funds from the building fund if it were needed in 2026 for repairs.

Council Member Postma stated if the City closed the pool for a season, they would save \$94,000.

Council Member Baskin stated he would gamble on the repairs, but he is not prepared to close the pool.

Council Member-at-Large Austin stated the City spends \$100,000 to have the pool open for 50 to 60 days of the summer, and from what they have seen from the studies, the attendance has not been great.

Council Member Postma asked if it would be possible to only have the splash pad open for the summer.

Mr. Sehon stated yes, this could be a possibility.

Council Member Fischer agrees with Council Member Baskin that the pool should not be closed.

Council Member Helle would like to keep the potential of closing the pool on the table.

Council Member Baskin questioned the Bandshell rain garden and whether it was necessary.

Mr. Lang stated this garden is to address a problem area of the park. This is an area that is very wet and cannot be mowed or maintained. They are exploring options for what they can plant there. They are addressing an eyesore in the City's most heavily used park.

Council Member Postma requested information on what it costs to operate our arenas.

Mr. Dankert stated \$314,000 in costs to operate the arenas.

Council Member-at-Large Austin stated they have maximized the efficiencies of these two buildings. He stated he has received multiple emails, and after review, he is not in favor of closing the arenas.

Mr. Dankert stated Packer arena is the most energy efficient arena, but this does not work for the Bruins or the High School. He also stated that he failed to mention the economic impact of the tournaments on the community.

Council Member Baskin asked if it was possible to sell the Packer Arena to the Youth Hockey Association for them to operate, schedule, and maintain.

Mr. Dankert stated usually when this happens the City will receive the building back and it will be in very poor shape.

Council Member Postma stated the City is not trying to pit hobby vs hobby. They have to decide to trim real things from the budget. The cost of maintaining these arenas falls on the City. In the long term, the

City must maintain these arenas. The City will need to look to form partnerships with businesses, clubs, and other organizations to help support the arenas.

Council Member Oballa agreed with Council Member Postma and thanked all the citizens in attendance who have a passion for the arenas.

Brandon Schafer, 1906 2nd Avenue NW, president of Austin Youth Hockey, stated he wants the rinks to stay open for the teams and the public. He would like to know how much Albert Lea youth hockey was charged for rink rental, as he heard they were charged a lesser amount than the youth sports team in town.

Council Member Postma agrees and feels people utilizing facilities from out of town should have a different rate.

Micah Lockie 2505 16th Avenue SW, Steve's Pizza business owner, stated having tournaments in town brings in a large amount of revenue to his business. He is able to host large groups when they come to Austin and this assists in keeping his revenue numbers up. Having any sports facility close would greatly impact his business.

Christine Amy 36196 290th Street, Lanesboro, MN, Riverside Figure Skating Club, stated last year they had over 60 kids in their program. If packer arena closes it would hurt their program. Their skaters also utilize the open skate times for practice.

Mayor King stated City amenities do cost money so he hopes he has the support of the public moving forward with the budget.

Kaylee Butts 303 14th Place NW, stated she is a part of the figure skating club and read a letter to Council on the importance of skating to her. She stated she would like to see the City spend less on flowers.

Mayor King clarified the Packer Arena will stay open and funded as part of the 2026 budget process.

Council Member Postma stated when he reviews the budget and looks at other cities, he sees the City is funding a Nature Center and Austin is unique as other cities do not have this.

Council Member Baskin stated a fair question to ask is if there are different approaches the City could take to look at how the Nature Center operates. Would this entity be able to operate independently?

Mr. Sehon stated, yes, there should be a discussion about the possibility of other options for how the nature center operates.

Council Member Postma stated this is something the City should discuss.

Council Member Helle stated the Nature Center has grown to be a very large and impactful organization, and it is outgrowing the City.

Council Member Postma is concerned that the City is bearing too much of the impact. These types of parks are usually part of the County.

Council Member Helle asked if the City has ever looked at capping overtime?

Chief McKichan stated in public safety, they have to have a minimum staffing level. To ensure they are meeting their minimums, they have to allow for overtime. If they were fully staffed, they would see less overtime trying to cover their shortages.

Council Member Postma asked how many open positions are still available in the police department.

Chief McKichan stated for the budgeted year, they are approved for 36. If all the hiring goes as planned over the next couple of months, and they are approved to do a swap out for an IT position, they would be almost fully staffed. Likely one officer short.

Council Member Postma asked if they were to change the officer position to a CSO position would they be able to handle more administrative position duties.

Chief McKichan stated no, as they are not licensed officers, they cannot arrest or be available 24/7 like a police officer would.

Council Member Postma asked the Human Resources Director Trish Wiechmann if there are any open positions at the moment.

Ms. Wiechmann stated the open positions included a Police Officer, a Director of Administrative Services, a Part-Time CSO, a Street Maintenance position, a Library Page, and a Library Clerk.

Council Member Baskin would like more options for how to get to a lower budget when Council reconvenes on September 8, 2025.

Mr. Clark asked what Council would like the department heads to work on and where they would want them to try and trim.

Mayor King asked about insurance premiums and the numbers on that.

Mr. Clark stated they have received information on a 29% increase from one broker, they are also looking to use the same broker the County uses.

Council Member Helle wanted to know what we pay towards employee's health insurance.

Mr. Clark stated the City pays a 75/25 split.

Mr. Dankert stated it would be \$1.6 million.

Council Member Baskin would like to get a recommendation on three different budget levels. He would like to have a more productive conversation other than having line item conversation.

Council Member Fischer stated by doing this they would have to cut employees, and he is not willing to do this.

Council Member Helle agreed with Council Member Baskin and she would like to know what they are choosing to keep.

Council Member Postma is aligning with a proposed 12%, 15%, 18% budget preview.

Mayor King stated the City of Austin is not unique, every City is dealing with this. There are only 11 communities with lower tax levies than Austin.

Lindsey Compton 2502 W. Oakland Ave., stated the city has opportunities to create revenue. She would like to see an entrance fee at the Nature Center. She would like to create a committee that would come up with revenue ideas for the City. She also questioned if the police need new vehicles.

Council directive was for department heads to examine their budgets to come up with cuts to 12%, 15%, and 18%.

The meeting was moved to Conference Room A at 7:51 pm for a closed session.

M I N U T E S
COMMITTEE-OF-THE-WHOLE WORK SESSION – CLOSED MEETING
September 2, 2025
7:52 PM
Conference Room A

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

MEMBERS ABSENT:

STAFF PRESENT: City Administrator Craig Clark, Human Resources Director Trish Wiechmann, Director of Administrative Services Tom Dankert

Motion by Council Member-at-Large Austin, seconded by Council Member Postma to close the meeting pursuant to Minnesota Statute 13D.03 subdivision 1 (b) – Labor Negotiations at 7:52 PM. Roll call conducted with eight elected officials in attendance and voting Aye.

[See Recording of closed meeting.](#)

Moved by Council Member-at-Large Austin, seconded by Council Member Oballa, to open the meeting at 7:55 PM. Carried.

Moved by Council Member-at-Large Austin, seconded by Council Member Oballa to adjourn the meeting at 7:55 PM. Carried.

Respectfully Submitted,

Brianne D. Wolf, City Clerk

