M I N U T E S
CITY COUNCIL MEETING
September 15, 2025
5:30 PM
Council Chambers

MEMBERS PRESENT: Mayor King. Council Members Paul Fischer, Rebecca Waller, Laura Helle, Michael Postma, Oballa Oballa, 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, Public Works Director Steven Lang, Planning and Zoning Director Holly Wallace, Library Director Julie Clinefelter, Nature Center Director Luke Reese, City Attorney Craig Byram, Human Resources Director Trish Wiechmann and City Clerk Brianne Wolf

APPEARING IN PERSON: Members of the Community

Mayor King called the meeting to order at 5:30 p.m. Mayor King apologized to the audience for the previous meeting and for not allowing the public to be able to comment. He would like to allow the public to comment prior to any discussion ensuing.

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

Moved by Council Member Oballa, seconded by Council Member Postma, approving Council minutes from September 2, 2025. Carried.

CONSENT AGENDA:

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

Licenses:

Massage Therapist: Elizabeth Wagner, Austin, MN
Temporary Liquor: Mower County Historical Society on October 10, 2025
Temporary Liquor: VFW Post 1216 on October 11, 2025
Temporary Liquor: UCS Foundation of Austin, MN on October 11 & 12, 2025
Exempt Gambling (raffle): UCS Foundation of Austin, MN on November 5, 2025

Claims:

a. Pre-list of Bills
b. Investment Report

Events:

Austin High School 2025 Homecoming Parade

Carried.

PETITIONS AND REQUESTS

Tim Sorgine, Austin, MN, thanked the Mayor for his sincerity. He would like to get a copy of the budget and a copy of all employee salaries.

Director of Administrative Services Tom Dankert stated the budget is available on the City's website. To request salaries, Mr. Sorgine will need to complete a data request.

Jack Wilson, 811 4th Ave SE, stated he noticed large amounts of money being paid to consultants and he would like to see less of this being done and he would like more of this work done in-house, by City employees.

Public Works Director Steven Lang stated the City uses consultants because they need specific designs. A few things they have used consultants for are the sump pump inspection program and the sanitary sewer collection research.

Scott Soderberg, 2408 16th Avenue SW, stated he would like to know why the City is purchasing properties and removing them from the tax rolls and using tax dollars to do so. Mr. Soderberg referenced the church on 4th Street NW, the Austin Daily Herald Building, and the Salvation Army. He stated the City is giving companies that build affordable housing tax breaks and thinks this is unfair.

Mayor King stated the Austin Housing & Redevelopment Authority bought the church; the Austin Daily Herald building was purchased by the City and is being looked at for future redevelopment. He stated the Salvation Army was purchased with local option sales tax dollars that are specifically earmarked to be used to purchase properties that are located in flood zones.

Council Member Baskin stated the City would like to avoid being in the property buying business. He would rather purchase an entity and develop the property.

Council Member Helle stated the affordable housing developments do, in fact, pay property taxes.

Jack Wilson, 811 4th Ave SE, would like the Council to drive through Owatonna to see why they have more retail businesses than Austin does. He would also like to see a movie theater in the City of Austin.

Council Member Helle stated the median income is lower in Austin than in other communities and that this is not something the City Council can control.

Kris Heichel, 2011 13th Avenue NE, asked if the $500,000 pickleball courts are still being considered.

Council Member-at-Large Austin stated yes, and the courts were supported by money coming from the building fund, money raised by the pickleball club, and The Hormel Foundation. He stated if The Hormel Foundation doesn't approve the grant, the courts would not be built and then the funding would stay with the City.

Ms. Heichel asked where the building fund gets its funding.

Mr. Dankert stated the building fund comes from the first 45% of investment earnings.

Council Member Helle stated the City doesn't have a lot of facilities that serve the full community. The playgrounds don't serve the whole community. The baseball fields don't serve the whole community and pickleball courts won't serve the whole community either. She doesn't think this necessarily is the measuring stick. She stated any amenity the City adds will bring in an economic impact. She stated the pickleball group, which has worked hard for two years and collaborated with the Parks Board. Council Member Helle stated maintaining relationships with partners like the Hormel Foundation is vital and if the City doesn't fund the courts, they risk alienating key supporters. While she recognizes it may not serve everyone, she believes reallocating some funds from the park's budget could help support this initiative and strengthen our parks and recreation programs.

Mark Harber, 1508 18th Avenue SW, and owner of City Concrete stated his background is in construction. He stated the City is spending $0.70 of every $1.00 on wages and benefits. He would like the Council to revisit the capital improvement plan and look at the replacement of vehicles and equipment. He would like the City to use vehicles and equipment longer than they currently are.

Mr. Lang stated the new wastewater treatment plant needs a loader as that location does not currently have one. He stated the City will be buying the street department a new loader and the loader that it is replacing will go to the wastewater treatment plant for biosolids call out. As an individual, looking at the equipment schedule that is posted, it's a little bit deceiving because the way the City rotates pickup trucks, for instance, is a pickup truck will be used by a supervisor for eight years and then that pickup truck will be rotated into the fleet. When it's rotated in it, it'll show up on the C.I.P. as an 8- to 10-year-old pickup truck. It looks like that pickup truck is being replaced, but actually it's going into the fleet, and the truck is 16 to 20 years old.

Mr. Lang noted the Jetter truck is a $700,000 piece of equipment and the City must have one. They utilize this truck when a sewer backup occurs in front of anyone's home. This Jetter truck must be in good working condition to solve the problem as it is occurring. This piece of equipment is on a nine-year rotation. A piece of equipment like that must be ready to go out the door when needed.

He also stated when they look to trade in a vehicle they are always looking for the best possible avenue where they can get our most revenue from a trade in.

Council Member-at-Large Austin stated the capital improvement project for 2026 has already been set but the Council does review it annually.

Council Member Postma requested Mr. Lang speak about the piece of equipment that the City and County purchased together.

Mr. Lang stated they purchased a chip sealer used to maintain the roadways, and they share that with the county. They negotiated a cost share agreement with the county and the City paid 33% cost share on this piece of equipment. He also stated the cost of a snowplow in 2020 was $180,000 and in 2025 it was $305,000. This is a 69% increase. He stated a half ton pickup truck in 2020 was $28,000 and in 2024 it was $43,000. This was a 54% increase.

Mr. Dankert stated the capital improvement plan for 2026-2030 has been created. For 2026 the amounts will be set in stone and the next four years will be used as guides. If there is a large purchase that will need to be made, they will put dollars aside each year to avoid big spikes each year.

Council Member Postma stated the City has slowly tipped more and more of their percentages towards wages versus capital, and at some point, you get a little bit out of whack. Council has recognized this. He stated Council will for the next year or more, be the ones to authorize any open positions within the City. Any open positions will be brought to Council before it gets posted and they are going to review that position to see if it needs changing.

Mary Ann Goergen, Oak Park Village, stated she has concerns about the growing population of retirees in Austin, as they face increasing medical expenses. She suggests considering tax reductions for those on a fixed income, especially retirees with low income.

Council Member Postma stated the Council cannot pick which properties they would decrease taxes on.

Rebecca Dyer, 2010 2nd Avenue SE, would like the budget document to be more searchable to be indexable. She would like to be able to understand more of the decision-making process.

Council Member Helle stated the City uses a paper system for purchase orders. They are not at the scale, and they may never be able to base everything on data, the way it might be handled in a larger city or a business. She stated they should engage in defining a mission, vision, and values as a community and discuss what they are here for. Are they trying to have a city with the lowest possible tax burden? Are they trying to have a city that’s growing? Are they trying to create a city with an exceptional quality of life? The Council, as living leadership, has not done that work. She thinks this is key. If they had more data, these decisions they become less emotional. She also noted Council has been working on the budget since June, but it did not get the public’s attention until about September 1st. She would like to encourage more engagement regarding the budget over the summer. The public needs to meet Council halfway and stay engaged. They can do this by occasionally reviewing the Council agenda and speaking with their council representatives. She is happy to talk about budget all year long.

Lindsey Compton, 2502 West Oakland Avenue, stated she would like the Council to consider small businesses and respect the sales taxes they produce. She stated losing our valuable property downtown to another nonprofit is unfortunate. She would like to create a culture of shopping local and would like to have Council consider this when looking at projects moving forward. She would like Council to look at ways to create revenue.

Mayor King stated small business owners in Austin should be commended for the hard work and risk they take in running their businesses.

Council Member Postma stated the City is assisting in funding a downtown master plan and when this comes to fruition, they will have to look at spending monies to fund these projects.

Council Member Baskin asked if the City is to continue to spend less on capital and more on structural costs, are they moving in the wrong direction?

Council Member Oballa stated the Council does support small businesses and he thanked Ms. Compton for being a small business owner and all her work she puts into the community. He appreciates all the small businesses in Austin.

Scott Soderberg, 2408 16th Avenue SW, stated the community is not being served by the media to let the citizens know what is going on. The radio station has cut staffing, the television station has left the area, and the newspaper is trying to cover as much as they can, but the citizens need to be informed of what is happening.

Mr. Dankert stated there is a resolution being proposed to Council this evening with the tax levy at 10.29% and the truth and taxation hearing will be held on December 3, 2025.

Council Member-at-Large Austin stated he would like to get the budget reduced further. He stated he would like to not open the pool for the 2026 season. He stated attendance has reduced year after year and they are not able to staff the pool. The community is looking for a different option vs what the City offers for a pool at this time.

Council Member Oballa is in support of closing the pool. He stated a 10.29% tax levy is too high. He would like to see the tax levy at 7.73%.

Mayor King stated the City has already taken repair costs for the pool out of the budget and they have requested funding from the Hormel Foundation for a new pool.

Council Member Baskin stated he is in favor of closing the pool. He would like to know how much they would have to cut out of the budget to get to 7%. He would like to know how many employees they would have to cut to get to that FTE $250,000.

Mr. Dankert advised not to put that burden on department heads as the City has recently spent $150,000 on employee engagement. The council can set the levy amount at this time and decrease it later. He is opposed to budget committees. He believes these discussions should be discussed in open forum.

Moved by Council Member Baskin to approve a 7.5% tax levy, seconded by Council Member Oballa.

Council Member Helle is not opposed to closing the pool or reducing the tax levy but she does not want to back the Council into a corner and go with a 7.5% tax levy when they do not know how they will get there.

Council Member Baskin stated he would like to see Council eliminate two FTE positions, and reimaging positions and what they look like.

Council Member Postma would not be in favor of passing a levy that they do not understand. He would like to have more discussion on this as he is not opposed to going lower, but he would like to be able to figure out how they would achieve this.

Council Member-at-Large Austin stated a lot of the capital items will be things that the City will eventually have to pay for and it will not get any cheaper.

Moved by Council Member Baskin to approve a 7.5% tax levy seconded by Council Member Oballa. Carried. 4-3. (Council Member Fischer, Postma, and Helle – Nay)

City Administrator Craig Clark presented City Charter changes to the Council. The City Charter changes were never noticed as a public hearing per statute, and Council Member Helle never received a red line version as requested. These items presented are related to Charter changes for civil penalties, the Parks, Recreation, and Forestry Department and the Police Department.

Moved by Council Member Postma, Seconded by Council Member Baskin to be continued to another meeting. Carried.

City Administrator Craig Clark asked Council approval to move forward with redistributing the duties of the Director of Administrative Services to the position of the Finance Director, additionally allocating some of the duties to the City Clerk and City Administrator.

Council Member-at-Large Austin asked about the salary, as it was mentioned that they would be saving money and assuming additional duties; would there be any additional financial impact?

Mr. Clark stated they did send it out for pointing but he would not expect any additional changes and there would be no impact.

Council Member Helle stated the Council is being shown the impact to the Director of Administrative Services, but they are not being shown the impact to the City Administrator or the

City Clerk with the additional duties to their job descriptions. She is disappointed this did not go into work session first to be discussed. She wished Council could have taken more time on this.

Council Member Baskin agrees with the change of position title.

Moved by Council Member Baskin, seconded by Council Member Postma, approving the request to change the Director of Administrative Services to the position of Finance Director and redistribute duties to proceed with the job posting. Carried. 5-2. (Council Member Waller and Helle – Nay)

Moved by Council Member Baskin, seconded by Council Member Oballa, approving the reassignment of City Recorder duties to the City Clerk and City Administrator. Carried 6-1. (Waller-Nay)

Moved by Council Member Postma, seconded by Council Member Oballa, approving the City fall yard waste program. Carried.

Public Works Director Steven Lang requested approval of Change Order 009 in the amount of $218,130.72, which includes 8 work change directives. Mr. Lang stated there was an $80,712.32 cost increase to the Domestic budget and a $137,418.40 cost increase to the Industrial budget.

Moved by Council Member Postma, seconded by Council Member Fischer, approving wastewater treatment plant project change order number nine. Carried. 7-0.

Public Works Director Steven Lang requested Council approve a two-year grant agreement with MnDOT Aeronautics for operations and maintenance activities at the Austin Municipal Airport. The proposed reimbursement allotment of up to 75% of eligible costs or up to $51,289.58 per year.

Moved by Council Member Fischer, seconded by Council Member Oballa, approving an airport maintenance and operations agreement. Carried. 7-0.

Planning and Zoning Administrator Holly Wallace requested approval to work with STANTEC to address further contaminated sites for potential redevelopment in Austin, assist the City in applying for, and if successful, implementing the grant at no cost to the city and approve the proposed new task order agreement.

Moved by Council Member Baskin, seconded by Council Member Oballa, approving a task order agreement with STANTEC. Carried. 7-0.

Public Works Director Steven Lang stated Apple Valley Foods, Inc. operates a food packaging facility including production and distribution of pies to customers throughout North America. The discharge from the facility is regulated by an Individual Control Mechanism (ICM). Mr. Lang requests Council approve a three-year ICM agreement with Apple Valley Foods, Inc. with an expiration date of December 31st, 2028.

Moved by Council Member Fischer, seconded by Council Member Oballa, approving an agreement for an ICM with Apple Valley Foods. Carried. 6-0. (Council Member Postma not present at vote)

Public Works Director Steven Lang requested Council approve a Local Road Improvement Project grant agreement in the amount of $1,500,000 for the Oakland Avenue & 1st Avenue SW project.

Moved by Council Member Baskin, seconded by Council Member Postma, approving an agreement for a local road improvement program grant. Carried. 7-0.

Public Works Director Steven Lang requested Council approve an active transportation grant agreement in the amount of $300,000 for the Oakland Avenue & 1st Avenue SW project.

Moved by Council Member Fischer, seconded by Council Member Oballa, approving an agreement for an active transportation grant. Carried. 7-0.

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

Moved by Council Member Fischer, seconded by Council Member Helle, to grant the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 503 8th Avenue SE, Wakefield Property. Carried.

REPORTS AND RECOMMENDATIONS

Council Member Helle thanked the public that came to engage this evening as well as the public that have engaged with her over the last couple of weeks.

Council Member Oballa wished Council Member-at-Large Austin a Happy Birthday. He stated as a council member he works for the citizens of Austin, but he also has a family. He works together with citizens to make Austin a better place.

Council Member Fischer thanked the citizens that attended this evening and stated he will not be voting for any staffing cuts during the upcoming budget discussions.

Council Member-At-Large Austin appreciates the work that the boards and commissions do, and he appreciates the citizens that came to the meeting this evening as it is his birthday.

Council Member Baskin wished all a happy Homecoming week.

Mayor King congratulated Chief McKichan on the recent announcement of his retirement. He also wished everyone a Happy Welcoming Week.

Moved by Council Member-at-Large Austin, seconded by Council Member Oballa, adjourning the meeting to October 6, 2025. Carried.

Adjourned: 7:50 p.m.

Approved: October 6, 2025

Mayor: ______________________________

City Clerk: __________________________