

**MINUTES**  
**COMMITTEE-OF-THE-WHOLE WORK SESSION**  
**March 2, 2026**  
**City Council Chambers**

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

MEMBERS ABSENT:

STAFF PRESENT: City Administrator Craig Clark, Police Chief David McKichan, Fire Chief Jim McCoy, Public Works Director Steven Lang, Planning and Zoning Director Holly Wallace, Parks, Recreation, & Forestry Director Jason Schon, Library Director Julie Clinefelter, Human Resource Director Trish Wiechmann, Finance Director Emily Burns, City Attorney Craig Byram and City Clerk Brianne Wolf

APPEARING IN PERSON: Austin Utilities General Manager Tom Dankert and Utilities Operations Director Alex Bumgardner, Whitewater representative Nathan Smit, AMAPA Founding Member Bob Rosel

Mayor Steve King opened the meeting at 6:40 p.m.

**Item #1 Austin Utilities/SMMPA Energy Station Ground Lease – Tom Dankert/Alex Bumgardner**

Austin Utilities General Manager Tom Dankert and Utilities Operations Director Alex Bumgardner requested the Council approve an ordinance based on a resolution they had just passed regarding the equipment needed for the proposed Austin Energy Station at the Northeast Industrial Plant. Mr. Dankert explained that Austin Utilities has approved a lease with the Southern Minnesota Municipal Power Agency (SMMPA) and since the lease is for a term of over five years, it must be presented to the Council for approval through an ordinance.

Mr. Bumgardner mentioned that the potential power plant would have the capability to produce just under 50 megawatts of power, which would be sufficient to meet the customer load for Austin Utilities on any given day. This facility would also be integrated into their grid system. While they do not anticipate using this site regularly, it would serve as a valuable resource for the community in emergencies or disaster situations.

Mr. Dankert stated SMMPA plans to invest approximately \$85 million in this project. He noted the Austin Utilities board supports the initiative. They requested this ordinance be added to the agenda for the next Council meeting for official approval.

Moved by Council Member Baskin, seconded by Council Member Oballa to place the ordinance on the March 16, 2026, Council meeting.

### **Item #2 – Flood Property Acquisition – Steven Lang**

Public Works Director Steven Lang presented an update on the flood property acquisition project to Council. Mr. Lang stated at the end of last year they discussed a \$490,000 grant from the Minnesota Department of Natural Resources (DNR). The grant requires a 50% local match, which will be funded through local option sales tax (LOST). Mr. Lang stated the project scope has expanded from one property to two. The proposed acquisitions include 410 4th Street NE and 500 Oakland Avenue East.

Mr. Lang stated the project budget accounts for acquisition, environmental remediation, and demolition of both structures, with eligible costs split evenly between the DNR grant and local funding. They initially planned the project to cost roughly \$980,000. Updated cost estimates and negotiations have increased the total projected cost to approximately \$1,023,500, including \$533,500 in LOST funding. Some project costs, such as appraisals, inspections, and asbestos abatement oversight, are not eligible for DNR reimbursement and will be fully covered by local funds. Mr. Lang wanted to get Council's input before finalizing any purchase agreements.

Council Member Baskin stated this is good work and he is in favor of this. He would like to know the plan for the Terp Ballroom. If there would be any other viable option for this building vs demolition.

Mr. Lang stated with this structure no one has come forward with ideas for reuse. They are slated to demo this property in the fall unless the Council has any other ideas to consider.

Council Member Postma stated he is favor of this. He would like to communicate this to the public they will be demolishing it and see if they would be able to conduct one final say goodbye to the terp event.

Council Member Baskin asked if they would be able to place a plaque or statue in that location in the future.

Mr. Lang stated this can be informal, he just needs to know if he should proceed and bring the purchase agreements back to Council.

Council Members were in agreement.

**Item #3 – Whitewater 30% Design Presentation – Andrew Sorenson/Nathan Smit**

Assistant City Engineer Andrew Sorenson presented an update to Council on the Whitewater Design project noting that (REP) Recreational Engineering and Planning has completed the 30% design phase, marking the first major milestone. This preliminary design includes completed topography, initial engineering line work, and conceptual layouts for river features, allowing for more accurate cost estimates and project visualization. The 30% design enables the project team to begin discussions with stakeholders, funding partners, and the community, transitioning from feasibility into early engineering and planning.

Mr. Sorenson stated the next steps include continued coordination with the Minnesota Department of Natural Resources (DNR), including meetings with area hydrologists and fisheries representatives to evaluate project feasibility and permitting requirements. They anticipate that final design and permitting could take approximately two years, with potential construction occurring in late 2027 or 2028. Updated project cost estimates remain in the range of \$8–10 million, consistent with earlier projections. The project team also highlighted anticipated benefits, including improved safety by addressing the existing low-head dam, enhanced fish passage, environmental improvements, tourism opportunities, and overall economic development.

Nathan Smit emphasized the importance of collaborating with the DNR and updating the community on their progression. This is the first type of project like this in the State of Minnesota.

Council Member Postma would like to know how long the conversations with the DNR are going to take.

Mr. Sorenson stated he is unsure.

Council Member Postma stated, in this design, a portion of the Riverside Arena parking lot would be removed for this project, and he would like to know more about this and whether this is the final decision.

Mr. Smit stated there is concern about parking spaces being removed, but community partners have been looking into other options for the future.

Council Member Baskin stated he is in favor of this. He believes it will be important, when delivering this to the public, to let people know they will be protecting the Mill Pond and the benefits to the town and the environment from this project.

Council Member Helle is in favor of this. She stated having the downtown so close to this water is an asset and they need to leverage it.

Mr. Smit stated he would like to keep this project high level and keep the community informed once they get back from speaking with the DNR.

No further action needed at this time.

#### **Item #4 – Pickleball Bid Discussion – Jason Sehon**

Parks, Recreation, and Forestry Director Jason Sehon provided an update on the pickleball court project, noting that as of January 1, 2026, sufficient funding had been secured to move forward. This includes City Council support of \$150,000, a 50% matching contribution from the Hormel Foundation, and additional funds raised by the Austin Area Pickleball Association (AMAPA) in the amount of \$100,000. Staff have been working with Larson Engineering to complete design and bidding, and in coordination with AMAPA throughout the process.

Mr. Sehon stated the proposed project includes the construction of pickleball courts at Rotary Centennial Park, located east of the existing playground. The design currently includes options for either six or eight courts, along with additional site improvements such as parking, grading, fencing, sidewalks, and other project-related expenses. He stated they would make the sidewalk improvements ADA-compliant as well. He stated a new parking area is proposed to accommodate increased usage, as existing parking near the basketball courts and playground is already at capacity during peak times.

Mr. Sehon presented the bids to Council for the six courts and the eight courts with additional site improvements. He stated the bid for six courts is within budget at \$494,568. The bid for eight courts is out of budget at \$580,555. He is requesting Council direction on which option they would support.

Council Member Baskin asked for the recommendation.

Mr. Sehon stated the recommendation is to build the six courts with no bid alternates. He stated they may ask to approve some of the bid alternates at a later date.

Council Member Postma stated he wasn't aware they were going to build another parking lot and asked why they couldn't use the existing parking in that area.

Mr. Sehon stated the Parks master plan has included doing more with this park due to its location. Also, this summer, they are going to add to the playground located at this park. He stated in the future they may also add additional basketball courts. He stated the current parking lot is always full due to the utilization of the gazebo and the basketball courts. By creating another parking lot, it would alleviate congestion.

Council Member Postma asked whether they would be installing anything to provide shade between the courts for observers.

Mr. Sehon stated when they can close in on all the costs for this project, they can consider these items.

Council Member Baskin asked whether the consensus is that the Parks and Recreation Board and the AMAPA group are leaning toward the eight courts.

AMAPA Founding Member Bob Rosel spoke to the Council and stated the group is in favor of eight courts.

Council Member-at-Large Austin stated it will be cheaper to build the eight courts now than in the future, but asked where the additional \$80,000 of funding would come from. He suggested the \$15,000 for parking lot materials be taken out of the Park and Recreation budget, as this will serve more than just the Pickleball Group.

Mr. Sehon stated he agrees with AMAPA that if the funding were available, he would build eight courts. He stated there are a few other reductions they would be able to make.

Council Member Baskin is open to the Park and Recreation Board's recommendations but favors the eight courts and funding them as they go along.

Council Member Postma suggested delaying the sidewalk project until next year's budget and possibly the parking lot.

Council Member Helle asked whether they have time to amend their budget to get the eight courts done; if so, she would be in favor of this.

Mr. Sehon stated at the Council meeting on March 16 that he can bring more details on where they would need to do some fine-tuning to the budget so they would be able to award the bid.

Council Member Postma stated Mr. Sehon should meet with AMAPA to discuss the details and request additional funding to help meet the budgeted amount.

Mr. Sehon stated AMAPA has reported continued fundraising success, exceeding its initial \$100,000 commitment, and expressed willingness to contribute additional funds toward expanding to eight courts.

Council Member Postma stated the goal should be to build the eight courts at this time.

Council Member Baskin would look to Mr. Sehon and the Parks and Recreation Board's recommendation.

This item will be on the March 16, 2026 Council agenda.

**Item #5 – Administrative Report**

None

**Item #6 – Open Discussion**

None

Moved by Council Member Helle, seconded by Council Member Oballa, to adjourn the meeting at 7:51 PM. Carried.

Respectfully Submitted,

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Brianne D. Wolf, City Clerk