

MINUTES
COMMON COUNCIL ADJOURNED MEETING
MONDAY, APRIL 17, 2000
5:30 P.M.
COUNCIL CHAMBERS

MEMBERS PRESENT: Mayor Rietz, Council Member-at-Large Chaffee, Council Members Fedson, Jorgenson, Boughton, Poppe, Nordin and Lang.

MEMBERS ABSENT: None.

OTHERS PRESENT: News Media. Public. Kermit Mahan of the HRA.

Added to the agenda: A resolution ordering improvement, approving plans and specifications and ordering advertisement for bids on street improvement Project No. 11-A-00, 8th Street NW, 18th Avenue NW to 800' North; a resolution approving gambling premises permit renewal for the Mower Council for the Handicapped at Hiawatha Bar; a resolution approving gambling premises permit renewal for the Mower Council for the Handicapped at Danny's; an ordinance relating to a housing development project to be undertaken by the Housing and Redevelopment Authority in and for the City of Austin, MN; approving the appropriation of certain funds to aid the project; approving a restated operating deficit guaranty agreement with respect to the project and related matters; and a resolution related to parking restrictions on 12th street SE (Project 2-A-00).

Council Member-at-Large Chaffee stated that he would like to remove Item #19, a resolution approving \$125,000 for the multipurpose arena in the event the second Mighty Ducks grant is declined. Mr. Chaffee said that Council has met with the County Commissioners and a cap of \$650,000 had been offered to the County for the multipurpose arena. The Council should continue with the proposal that is already on the table. Council Member Lang objected to the removal of the item saying the Mayor has the right to set the agenda. City Attorney David Hoversten then ruled that the Council has the right by a majority vote to remove an item from the agenda. Council Member Poppe said the item merits discussion by the Finance Committee before it is brought to full Council. Council Member Nordin said she thought it best to remove the item.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Nordin, to remove Item #19, a resolution approving \$125,000 for the multipurpose arena in the event the second Mighty Ducks grant is declined. 4-3. Carried. Council Members Lang, Jorgenson and Poppe voted nay.

Moved by Council Member Nordin, seconded by Council Member-at-Large Chaffee, to adopt the agenda. 5-2. Council Members Lang and Poppe voted nay.

Moved by Council Member Lang, seconded by Council Member Nordin, approving the minutes of April 3, 2000. Carried.

Moved by Council Member Lang, seconded by Council Member Boughton to approve the consent agenda as follows:

Licenses:

Temporary gambling (bingo): American Legion Post 91 @ the Mower County Fairgrounds,
August 8 – 13, 2000

Food: American Legion Post 91 @ Marcusen

Massage Therapy: Jodi Johanns, RR #5, Box 109, Albert Lea, MN 56007

Jill Kvam, 2104 1st Avenue SE, Austin, MN 55912

Claims:

(a) Financial and Investment Reports.

(b) Pre-list of Bills.

(c) Property of Bob Mallory, 402 19th Street NE, referred to the City Attorney to protect the City's interest.

Moved by Council Member Lang, seconded by Council Member Nordin, for the Common Council to adjourn into a Sign Board of Appeals. Carried.

Planning and Zoning Administrator Craig Hoiu presented a sign appeal from Oak Park Mall, 1301 18th Avenue NW and Precision Signs, 207 South Main Street.

Moved by Council Member Lang, seconded by Council Member Nordin, approving the sign appeal. Carried.

Planning and Zoning Administrator Craig Hoiu presented a sign appeal from the Paramount Theatre, 125 4th Avenue NE and Precision Signs, 207 South Main Street.

Council Member Jorgenson stated for the record that the funding for the sign was a gift in the amount of \$50,000 from Virginia Wilder.

Moved by Council Member Nordin, seconded by Council Member Boughton, approving the sign appeal. Carried.

Motion by Council Member Lang, seconded by Council Member Nordin to resolve the the Sign Board of Appeals back into a Common Council. Carried.

The City received 3 bids for seasonal asphalt supplies as follows:

<u>Bidder</u>	<u>Base Bid</u>	<u>Mileage</u>	<u>Total</u>
Ulland Bros.	\$140,250/5500 = 25.50/ton	(21.4) (.15) = 3.21	\$28.71
Shamrock	\$120,800/5500 = 21.96/ton	(51)(.15) = 7.65	\$29.61
Crane Creek	\$147,200/5500 = 26.76/ton	(37.4) (.15) = 5.61	\$32.37

Bids are 22% over last year's bids due to the cost of oil supplies.

Moved by Council Member Jorgenson, seconded by Council Member Nordin, adopting a resolution awarding the bid to Ulland Bros. 7-0. Carried.

The City of Austin received bids for 2000 oil as follows

Koch Materials \$64,567.10

Moved by Council Member Jorgenson, seconded by Council Member Fedson, adopting a resolution awarding the 2000 oil bid to Koch Materials. 7-0. Carried.

A public hearing was held for submission of a grant application to the State of Minnesota Economic Investment Fund. The application will provide for the site acquisition, debris cleanup and removal, and Phase II investigation of the abandoned 14-acre railroad yard on the east side of town. This is in an effort to convert this polluted property into light commercial and industrial use. Otto Volkert, owner of a small (195' x 130') parcel that could be included in the grant application, asked if the HRA would consider including it. Kermit Mahan, director of HRA, said he would investigate including the parcel in but that the owners must clean it up before it is transferred. Mr. Mahan said that the City didn't pollute that parcel so they shouldn't be responsible for cleaning it up. Mr. Mahan also said there was a similar situation with the library.

Moved by Council Member Lang, seconded by Council Member Fedson, to adopt a resolution approving the submission of a grant application to the State of Minnesota Economic Investment Fund. 7-0. Carried.

Public hearings were held on seven street projects. City Engineer Jon Erichson reported that street information meetings were held on April 10

Project 1-A-00 – 12th Street NE (Oakland Avenue to 8th Avenue NE): Removal of all existing asphalt pavement and part of curb and gutter. Street will be widened south of 5th Avenue. New storm sewer. Deficient sanitary sewer pipes replaces. Rehabilitated utilities. Estimated assessments \$32 - \$34 per linear foot for residential, \$43 - \$45 per linear foot for commercial.

Carolyn Munoz, co-owner of property on the street, questioned the widening of the street for improving the traffic situation. Ms. Munoz also brought the concern of her mother who would be unable to walk to the side street. Mr. Erichson said the construction would be in

phases. Mayor Rietz stated that the City could look into the availability of wheelchairs through Senior Advocacy.

Moved by Council Member Jorgenson, seconded by Council Member Poppe, adopting a resolution ordering improvement, approving plans and specifications and ordering advertisement for bids for Project 1-A-00. 7-0. Carried.

Project 2-A-00 – 12th Street SE, Oakland Place to 4th Avenue SE. This is a State Aid street; the City will get partial funding, but criteria for the street will be changed somewhat. All streets must be 38 feet in width. All existing asphalt pavement and curbs will be removed and replaced. Width will be increased to 38 feet from 4th avenue SE to the bridge. Storm sewer will be upgraded. Deficient pipe for sanitary sewer to be replaced. Utilities will be rehabilitated. Estimated cost is \$32 - \$34 per linear foot, residential; \$43 - \$45 for commercial.

Moved by Council Member Jorgenson, seconded by Council Member Fedson, adopting a resolution ordering improvement, approving plans and specifications and ordering advertisement for bids for Project 2-A-00. 7-0. Carried.

Project 3-A-00 – South Main Street (3rd Avenue to 9th Place): This project will include the closing of 1st Street SW. Concrete pavement and curb will be removed and replaced. Width of the street will be increased from 30 to 32 feet. Decorative street lights to be installed. Storm sewer will be upgraded. Deficient sanitary sewer pipe to be replaced. Utilities will be rehabilitated. Estimated cost is \$32 - \$34 per linear foot, residential; \$43 - \$45 for commercial.

Moved by Council Member Jorgenson, seconded by Council Member Poppe, adopting a resolution ordering improvement, approving plans and specifications and ordering advertisement for bids for Project 3-A-00. 7-0. Carried.

Project 5-A-00 – 2nd and 3rd Avenue NE (8th Street NE to 10th Street NE) and 9th Street (1st Avenue to 4th Avenue): Existing pavement and concrete curbs will be replaced. 2nd Avenue will be widened from 36 to 38 feet. 3rd Avenue will be widened from 30 to 36 feet. Part of 9th Street will be widened. Storm sewers to be upgraded. Deficient sanitary sewer pipe to be replaced. Utilities will be rehabilitated. Estimated cost \$32 - \$34 per linear foot, residential; \$43 - \$45, commercial.

Moved by Council Member Jorgenson, seconded by Council Member Nordin, adopting a resolution ordering improvement, approving plans and specifications and ordering advertisement for bids for Project 5-A-00. 7-0. Carried.

Project 7-A-00 – 15th Avenue NE (1st Street to 4th Street NE): Concrete pavement to be removed and replaced. Curbs will be saved. Upgraded storm sewer. Deficient sanitary sewer pipe to be replaced. Utilities will be rehabilitated. Estimated cost: \$32 - \$34 per linear foot, residential; \$43 - \$45, commercial.

Moved by Council Member Jorgenson, seconded by Council Member Poppe, to adopt a resolution ordering improvement, approving plans and specifications and ordering advertisement for bids for Project 7-A-00. 7-0. Carried.

Project 8-A-00: Concrete pavement and curb will be removed and replaced. Width of the street to increase from 40 to 44 feet. Decorative street lights to be installed. Storm sewer to be upgraded. Deficient sanitary sewer pipe to be replaced. Utilities will be rehabilitated. Estimated cost: \$43 - \$45, commercial.

Moved by Council Member Jorgenson, seconded by Council Member Nordin, orderint improvement, approving plans and specifications and ordering advertisement for bids for Project 8-A-00. 7-0. Carried.

Project 11-A-00: Total estimated cost of the project is \$434,000 and the majority of the property is owned by the Port Authority through the City. Mr. Mark Heise, property owner on part of the proposed street improvement raised objection to his estimated \$82,000 proposed assessment. Mr. Heise stated that he will get nothing for the value of the property and that the street construction is basically a driveway to the new incoming business, C.R.C. City Engineer Jon Erichson said that the City had looked at other options for the street construction but ended with this design. The proposed street curves to make a 4-way intersection at 18th Avenue NW. Council Member Lang expressed his opposition to the proposed improvement saying it was a bad business deal for a developer who has been in the City for years compared to C.R.C., a brand new Austin business. Council Member Jorgenson asked if the matter could be tabled so as to look for another way to handle the situation. Council Member Lang told Mr. Heise he would be paying \$82,000 in assessments compared to C.R.C.'s bill of \$1. Finance Director Tom Dankert added that the assessment to C.R.C. would be paid through tax increment financing. City Engineer Jon Erichson also stated that all properties would be assessed, but with the situation was unique with the TIF district. Erichson also added that C.R.C. would be adding a lot of jobs for Austin. Council Member Poppe understood Mr. Heise's concerns. She agreed with Council Member Jorgenson's idea of tabling the matter for another solution but at the same time, would like to see the street constructed. Mayor Rietz asked Mr. Erichson's opinion on tabling the matter. Mr. Erichson thought it would be appropriate to table the matter for two weeks for summer street construction to still be possible. Council Member Boughton asked if the assessment could be considered for deferral until the property was sold. In doing so, the City would be making principal and interest payments from internal funds, and would therefore be losing interest for as long as the assessment is deferred.

Moved by Council Member Jorgenson, seconded by Council Member Nordin, to table this hearing to the May 1st council meeting.

A public hearing was held for the final platting of property to be known as Burbank Addition. The area to be platted is 10.6 acres north of 18th Avenue next to 8th Street NW. The land would be subdivided in to five commercial lots of approximately .9 acres to 2.2 acres in area.

The Planning Commission and City Council approved the pre-platting in March with 15 separate conditions, four of which have not yet been completed but are in the process. The Engineering Dept. is working on one condition regarding road design, one condition is regarding application to the MPCA, another condition is on the storm water management plan and another is regarding elevation of 8th Street NW.

Moved by Council Member Jorgenson, seconded by Council Member-at-Large Chaffee, adopting a resolution approving the final plat. 6-1. Carried. Council Member Lang voting nay.

Decorative lighting was not included in on the feasibility report for street improvements for South Main Street. A report on street improvement for lighting on South Main Street (Oakland Avenue to 3rd Avenue SW) is now requested.

Moved by Council Member Jorgenson, seconded by Council Member Boughton, adopting a resolution ordering preparation of report on street improvements for lighting on South Main Street (Oakland Avenue to 3rd Avenue SW). 7-0. Carried.

Moved by Council Member Jorgenson, seconded by Council Member Boughton, adopting a resolution receiving a report and calling a hearing for May 15, 2000 on street improvements for lighting on South Main Street (Oakland Ave. to 3rd Ave. SW). 7-0. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, adopting a resolution approving gambling premises permit renewal application for the Church of Queen of Angels, 912 1st Avenue NE. 7-0. Carried.

Moved by Council Member Poppe, seconded by Council Member-at-Large Chaffee, authorizing the Mayor to sign the League of Minnesota statutory tort limits waiver, indicating the City does not waive the statutory limits.. 7-0. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, adopting a resolution approving a quit claim deed to Vera Bongard. 7-0. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, adopting a resolution approving gambling premises permit renewal for the Mower Council for the Handicapped at Hiawatha Bar, 433 10th Street NE. 7-0. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, adopting a resolution approving gambling premises permit renewal for the Mower Council for the Handicapped at Danny's, 613 10th Drive SE. 7-0. Carried.

A hearing was requested to be set for annexation by ordinance of David and Patricia Morse's property (55 acres) located in Lansing Township. Council Member Lang stated he was environmentally opposed to the annexation.

Moved by Council Member Poppe, seconded by Council Member Nordin, adopting a resolution setting a hearing for annexation by ordinance of David and Patricia Morse. 5-2. Carried. Council Members Boughton and Lang opposed.

Moved by Council Member Nordin, seconded by Council Member Boughton, adopting a resolution authorizing the Mayor and City Recorder to enter into an agreement with the Department of Natural Resources for the ski trail assistance grant. 7-0. Carried.

An ordinance for part of the documentation for the bond sale for Austin Courtyard II (name to be changed) was put before Council. This is a bond sale which will be on top of the first bond sale.

Moved by Council Member Lang, seconded by Council Member Poppe, that the City Attorney prepare the ordinance. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, to move the ordinance to the first reading. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, for adoption of the first reading. 7-0. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, to move the ordinance to the second reading. 7-0. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, to move the ordinance to the third and final reading. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, for adoption and publication of the ordinance. 7-0. Carried.

Moved by Council Member Jorgenson, seconded by Council Member Fedson, for adoption of a resolution related to parking restrictions on 12th street SE. 7-0. Carried.

REPORTS

HRA – Kermit Mahan said the HRA is looking at housing for market rate and affordable housing for single-room occupancy for people just coming in to Austin. The HRA will be putting together a concept plan and feasibility report in applying for a grant to be submitted by July 1st.

CVB – Director Jeanne Sheehan was featured in an issue of Minnesota Monthly promoting Austin. The Minnesota Office of Tourism also has a 30-second commercial promoting Spam Jam.

Council Member Boughton announced a special library task force for the next two weeks at 9:30 a.m. on Wednesdays for presentation prior to the County's 2000 budget cycle.

The Spam Town Belle will hold a meeting of captains at 10:00 on Tuesday, April 18 at the Town Center.

A Bicycle meeting is set for 5:15 on Wednesday, April 19 in the lower level conference room.

Council Member Nordin reminded everyone of the League of Minnesota Cities safety meeting at the Holiday Inn.

Mayor Rietz announced that Austin won the Albert Lea/Austin rivalry for the March of Dimes.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Lang to adjourn. Carried.

Adjourned: 7:31 pm

Approved: May 1, 2000

Mayor: _____

City Recorder: _____