

MINUTES
COMMON COUNCIL ADJOURNED MEETING
MONDAY, AUGUST 20, 2001
5:30 P.M.
COUNCIL CHAMBERS

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

MEMBERS ABSENT: *None*

OTHERS PRESENT: Media. Public. Liz Bankes. Bruce Henricks.

Changes to the agenda: Moving Item No. 9 to follow Item No. 5. Addition to the agenda: Request from the County for a fifth attorney position in the County Attorney's office. Liz Bankes from Burr Oak Manor will speak to the Council under Citizens Addressing the Council. Michael Allen will speak to the Council. Also added to the agenda, a resolution authorizing to apply to the Minnesota Department of Trade and Economic Development for the flood buyout.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Nordin, approving the agenda as amended. Carried.

Council Member Jorgenson requested the minutes be amended on page 5, paragraph 3 to read, "The County Board has cut back funding to the Southern Minnesota Tour Association."

Council Member Christopherson requested the minutes be amended on page 5, paragraph 4 to read, "Park and Rec Director Denny Maschka said the recommendation to place the bike trail on the south side of the road is due to the higher elevation than on the *north* side where it is low."

Moved by Council Member-at-Large Chaffee, seconded by Council Member Jorgenson, approving the corrections to the minutes of August 6, 2001. Carried.

Liz Bankes of Burr Oak Manor updated Council on the closing of the nursing home. Ms. Bankes said they have been circulating petitions around Austin and Mower County; they currently have 470 signatures with about 50 petitions still circulating. The petition states that the people are opposed to losing the 82 beds in Mower County. Ms. Bankes said they do realize that there is not whole lot that they can do to stop this process. She said they are putting together an economic statement on the trickle-down effect on Austin and Mower County with 87 people being unemployed. Ms. Bankes said they started out on July 31 with

78 people needing to be placed. While some deaths have occurred, Ms. Bankes said they have only six people placed in Austin.

Council Member Jorgenson and George Brophy met with the director of Burr Oak Manor. Mr. Brophy said they visited with administrator Mr. Lindberg and heard a long, complicated story on the basis for closing. Burr Oak as a physical facility is inefficient. They claim that it requires more nursing stations than they are able to provide or would be cost effective to provide. Other than the physical facility being inefficient, Mr. Brophy said that assumably the basis for closing is that the State of Minnesota has a strong interest in reducing the total number of nursing home beds totally. Burr Oak is given 10 and 15% of annual sales if it will reduce its beds in the Austin area from 82 to zero. They are given an incentive on an annualized basis from the State, which in turn can be used in other nursing home facilities of theirs in other parts of the state. The cost to upgrade their facility would be high and not reimbursable. Their position is that it is appropriate as a business transaction to take the money, reduce the beds as the State would prefer, and get on with the facilities in other parts of the state. Nothing should be represented as wanting to harm the Austin area, but from their point of view as a business transaction, this is something that they have to do. The State did not require of them a plan for placing of the patients. They will be also given a period of time beyond November to hold those patients until such time that those patients can be placed. The administrator did not hold out any hope that they would keep this facility open. The Benedictine system did not seek any type of public assistance from Mower County or the City of Austin to improve the facility. They have been in touch with St. Mark's; they may be able to place as many as 16 people at St. Mark's. Generally speaking, they would like to place those clients, which are hardest to serve, usually Alzheimers' types of clients. A meeting will be taking place between the administrator and Mr. Newbrooks and State officials on a possibility of a grant that may be available to our County or to other facilities at which some of the clients could be placed.

Human Services Director Bruce Henricks added that the County Board did pass a resolution asking the State to hold these things in abeyance until they can be sorted out. Mr. Henricks said he was told there is "no legal mechanism to keep those beds alive." Mr. Henricks also referred to what Rep. Rob Leighton's called an 'moratorium exception' whereas an entrepreneur can come in and convince the State that these beds are necessary. Mr. Henricks also he found out that as long as residents are located in Mower County or a contiguous county, the State doesn't view that as a problem. Mr. Henricks also referred to the State's thrust on the closing long-term facilities like Burr Oak and the law is structured so as not to encourage them to stay open. Mr. Henricks said there appears there are places in Mower County where the residents could go. Mr. Henricks also said the County is mandated to start a gaps analysis, a long-range plan of the State to determine if there are, in fact, gaps. The County is then mandated to prepare a plan by December 1st. Mr. Henricks said Minnesota is among the highest in nursing home beds per capita. Council Member Jorgenson said that Mr. Lindberg said this would place Mower County from 56 beds per thousand down to 46, which will put us at the bottom 20% of the state. Council Member Nordin said she has received a lot of calls on this and she said perhaps they have not allowed enough time for the closing before a solution could be made. Council Member-at-Large Chaffee reiterated that some things could be done in Austin to at least help some of

the ramifications of the closing of Burr Oak, such as the additional beds at St. Mark's. Council Member Lang said we should talk about how we should never allow this to happen to our aged people. Council Member Nordin asked about the 16 beds to be opened at St. Mark's and that additional staffing is needed for that to happen. Mr. Henricks said that basically, people are now living a long time. A study was done about 10 years ago looking at the ramification to the State budget of continued nursing home growth. They thought that in a very short time, 2005 or so, the entire State budget could go for nursing home care. Mr. Henricks said they can't fault that, trying to do some planning. What Minnesota has done is trying to scale back gently and what has happened in the meantime is this business decision that has caught us all unaware.

Liz Bankes said the State is encouraging assisted livings, but it's a temporary solution. People should do their homework; how many are private pay, what happens when a person runs out of money and their living in assisted living. Are they allowed to continue living in assisted living? Chances are not. They don't have to come under the same kind of regulations as long-term care. Their state guidelines are a lot different.

Michael Allen, 800 8th Street SE, spoke to Council on a complaint of sod that has not grown on his boulevard after Utilities had done some work. Mr. Allen also said that the dirt was packed under the sidewalk making a gaping hole. The sod freely came away from the ground, and Mr. Allen seeded. City Engineer Jon Erichson said he believed this was a project of Austin Utilities and advised Mr. Allen to take the complaint to them.

Moved by Council Member Jorgenson, seconded by Council Member Nordin, approving the consent agenda:

Taxi driver: Melissa Anderson for AB Taxi, 108 2nd Street SW
 Food: Eve & Lucy's Giftstore – Tienda de Regalos, 400 N. Main St.
 Sign: JCT Signs, 1104 16th Avenue SW
 Massage establishment: Morgan Massage Therapy, 301 1st Avenue NW
 Massage therapist: Debra Morgan, 301 1st Avenue NW

Carried.

Cindy Samuel, Spam Museum Liaison for the museum's grand opening, has requested barricades and 'no parking' designations at certain locations during the museum's grand opening, September 11-16, 2001. Ms. Samuel said Sinclair, APC, Security Bank and adjacent businesses have been contacted regarding this. Ms. Samuel said Heartland Express plus two transportation buses will be shuttling visitors to the site along 10th and 12th Avenues and is asking for no parking there also. Mr. Erichson said that area is a residential area and should have alternate parking. He said he would expect them to migrate into the Pasture Heights area. Mr. Erichson said a notice could be sent out to those people on those streets. Council Member Christopherson questioned ambulance access. Chief Paul Philipp said the ambulance service and police would be notified as in other street barricade situations, e.g. Downtown Crazy Days, Sidewalk Days, and alternative plans are made to those locations.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Nordin, for providing barricades and 'no parking' designation at locations and dates during the Spam Museum Grand Opening, September 11-16, 2001 as per written request. Carried.

With the approval of TIF 10, the City Council approved the acquisition of various properties on Block 19, the B&E Café, the taxicab building, Spanky's Bar and the two-story portion of Steve's Pizza. Included with this project is the demolition in clean-up of the downtown area. Two of the necessary steps for demolition include having an asbestos analysis done and asbestos removal. If Council wishes to proceed, a resolution must be passed approving the bid from Mavo Systems or Veit Environmental. Community Development Director Craig Hoium recommends the low bid of Mavo Systems at \$17,360.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Christopherson, adopting a resolution approving the award of asbestos removal to Mavo Systems, Inc. 7-0. Carried.

The City of Austin received one bid today at 2:00 for the Cedar River Trail, Mill Pond to Community Park from Ulland Bros. at \$293, 219.80. Funding for this project is 80% federal and 20% local. The Commissioner of Transportation will enter into the contract with the contractor.

Moved by Council Member Christopherson, seconded by Council Member Nordin, adopting a resolution recommending to the Commissioner of Transportation as agent, the bid of Ulland Bros. as the contractor for the Cedar River Trail Project, Mill Pond to Community Park and approving city payment of twenty percent to the project. 7-0. Carried.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Jorgenson, adopting a final resolution and confirmation of report of commissioners appointed in the matter of the vacation of street right-of-way, Lone Oak Addition. 6-1. Carried. Council Member Christopherson voting nay.

Bonds were sold today, August 20th at 2:00 pm. for Austin Utilities in the amount of \$1,350,000. Four bids were received. The lowest bid came from Dain Rauscher Inc. for a true interest cost of 4.0216%. Estimation was at 4.55%. The Austin Utilities met at a board meeting this afternoon to approve these bids.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Nordin, adopting a resolution concurring in the action of Austin Utilities in providing for the sale and issuance of \$1,350,000 electric revenue bonds. 7-0. Carried.

In 1994 the City replaced the Christmas decorations in the community. Over the past years the Chamber of Commerce has helped fund the decorations. As of July 9, 2001, there remains \$17,772 still due the City from the Chamber for decorations the City paid

for. This current agreement will pay off the \$17,772 in the next five years. Council Member Christopherson asked regarding some wording in the agreement. City Attorney David Hoversten said that if someone donates for the purpose of paying off the debt, it would have to be paid immediately on that debt.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Jorgenson, adopting a resolution approving an agreement between the Austin Chamber of Commerce and the City of Austin for payment of \$17,772 for the Christmas decorations by the Chamber to the City. 7-0. Carried.

The Council must adopt a resolution approving the terms and conditions of accepting airport improvement program grants. The resolution must also appoint the Commissioner of Transportation to act as agent. These actions need to take place for Phase II Land Acquisition.

Moved by Council Member Goodnature, seconded by Council Member Nordin, adopting a resolution appointing and designating the Commissioner of Transportation as Agent for the City of Austin for project Land – Phase 2 (S.P. 5001-35) related to the Austin Municipal Airport expansion. 7-0. Carried.

Moved by Council Member Lang, seconded by Council Member Christopherson, approving the removal of garbage at 703 8th Street NE, Carol Conner property. Carried.

Moved by Council Member Jorgenson, seconded by Council Member Christopherson, approving the removal of garbage and illegal storage of inoperable vehicle at 1301 11th Avenue NW, Wendy Deters property. Carried.

Moved by Council Member Christopherson, seconded by Council Member Poppe, approving the removal of garbage accumulation at 409 2nd Street SE, Duane Kolb property.

Moved by Council Member Jorgenson, seconded by Council Member Christopherson, approving the removal of garbage accumulation and illegal storage of inoperable vehicle at 1908 6th Avenue NW, Earl Labrash property. Carried.

Moved by Council Member Poppe, seconded by Council Member Christopherson, approving the removal of garbage accumulation and illegal storage of inoperable vehicle at 1014 10th Avenue SW, Frank Karnes property. Carried.

Moved by Council Member Poppe, seconded by Council Member Christopherson, approving the removal of garbage accumulation and illegal storage of inoperable vehicles at 1016 11th Avenue SW, Brock Tufte property. Carried.

Moved by Council Member Jorgenson, seconded by Council Member Nordin, approving the removal of garbage accumulation and illegal storage of inoperable vehicle at 1708 4th Avenue NW, Kayle Gunderson. Carried.

Last month committees of the Council voted to recommend upgrading the siren system. The proposal involves an upgrade for two of the sirens and replacement of the six other sirens. Cost would exceed \$100,000 which, according to State Statutes, requires taking bids.

Moved by Council Member Lang, seconded by Council Member Jorgenson, adopting a resolution approving plans and specifications for an outdoor warning siren system and authorizing bids to be taken at 10:00 am on Friday, September 14, 2001. 7-0. Carried.

One of the priority projects of the Council is to enhance the area by accomplishing trails which are inter-city as well as intra-city. One of the priority projects of the trails is to connect the trails from Austin to Albert Lea. A joint powers agreement is a step in that direction in which the two cities will start and possibly the two counties will join. To receive state grants -- \$2.5M -- from two entities which are eligible would be a legal instrument to collect the funds if it passes the legislature process next year. A preliminary application has been sent it; November 1 is the deadline for the final application. Freeborn County has already approved this. It is hoped that Mower County will join.

Moved by Council Member Nordin, seconded by Council Member Goodnature, adopting a resolution approving execution of the Joint Powers Agreement for the Blazing Star Trail System, Albert Lea to Austin. 7-0. Carried.

Moved by Council Member Christopherson, seconded by Council Member Poppe, adopting a resolution setting a public hearing for September 4, 2001 for rezoning of property owned by Gary and Alvina LeTendre from an R-1 Single Family Residential District to an I-1 Limited Industrial District to accommodate a proposed commercial development on this site. 7-0. Carried.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Nordin, adopting a resolution setting a public hearing for September 4, 2001 for final plat approval of property to be known as Orchard Creek 2nd Subdivision. Said plat is located northwest of the intersection of 16th Avenue SW and 28th Street SW and is the proposed location of a 24-unit twinhome development. 7-0. Carried.

Moved by Council Member Christopherson, seconded by Council Member Nordin, setting a public hearing for September 4, 2001 for a 9-foot variance from City Code governing the minimum rearyard setback of 20 feet in an "R-1" Single Family Residence District, requested by William and Judy Renwick, 409 19th Street NW. This variance is for the construction of a 16-foot x 22-foot attached garage addition. Carried.

Moved by Council Member Christopherson, seconded by Council Member Nordin, setting a public hearing for September 4, 2001 for a 56-square-foot variance from City Code limiting accessory structures to no more than 1000 square feet in an "R-1" Single

Family Residence District, requested by Wallace Orth, 1818 3rd Street NE. This variance is for the construction of an 8-foot x 12-foot accessory structure. Carried.

City Administrator Patrick McGarvey discussed the Hormel Foundation requests for 2002. The Finance Committee has made recommendations to the City Council as to which requests to fund and in what priority. The following are the requests and their respective ranking by the Council:

1. \$800,000 for 66% of the ballfield at Riverland Community College.
2. \$450,000 for expansion of the Nature Center.
3. \$14,500 for a new telescope at the observatory.
4. \$3,000 for smoke detectors for the Fire Department.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Nordin, approving submittal of grant requests to the Hormel Foundation. Carried.

Mower County has asked the council to consider a fifth staff attorney position in the county attorney's office. The Finance Committee has decided not to honor their request. The City would then have to handle its own prosecution through its own staff attorney or contracting an attorney in the private sector. Most cities in the area have chosen to contract through the private sector. The Finance Committee has recommended to have the County continue to do the prosecution for the City at a four-person staff level. After one-year's time the County can re-evaluate to see if they need to hire an additional attorney.

Moved by Council Member Lang, seconded by Council Member-at-Large Chaffee, recommending the prosecution be continued with the county attorney's office at a four-person staff level for one year. Carried.

Moved by Council Member Lang, seconded by Council Member Nordin, adopting a resolution authorizing the mayor to apply to the Minnesota Department of Trade and Economic Development for flood funding. 7-0. Carried.

REPORTS:

HRA: The \$2.5M federal government request has been passed out of the House; it is hoped that that the Senate will pass this fall. With the accomplishment of receiving these funds, about 99% of the flooded homes will have been acquired.

DCA: The Heartland facility is in need of a terminal facility in downtown. The facility location has been identified – the Usems building. George Brophy said the council may want to consider asking MnDOT for the Heartland Express expansion and for the Senate to provide funding.

A Fire Committee reminder for August 29 at 4:30.

The architect for the arena and for the second sheet of ice have a preliminary report; a final report is due in late September.

A budget meeting reminder for August 29 at 6:00.

A Finance Committee meeting was set for September 4 at 3:30.

CVB: Revenues are 10% lower than they were a year ago. September and October are filling up for tour groups. Flowers/pots have been very well received.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Nordin, to adjourn the meeting to September 4, 2001. Carried.

Adjourned: _____ 7:04 pm _____

Approved: _____ September 4, 2001 _____

Mayor: _____

City Recorder: _____