

MINUTES
CITY COUNCIL ADJOURNED MEETING
MONDAY, DECEMBER 16, 2002
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: Jeff Austin. Dick Pacholl. George Brophy. Jon Boyer. Bob Knauer. Public. Media.

Added to the agenda:

Request from CGMC to participate in a TMDL lawsuit; Funding for the promotional brochure *Someplace Special*; Authorizing Public Works Director to execute state and federal grants; Authorized use of fire apparatus.

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

Moved by Council Member-at-Large Chaffee, seconded by Council Member Nordin, approving the council meeting minutes of December 2, 2002 and the Truth In Taxation Hearing Minutes of December 3, 2002. Carried.

Jim Middleton of the Salvation Army gave an update on the city/county bell-ringing challenge, which the city won (\$731.34 vs. \$243.95). Mr. Middleton also noted the increase in food baskets made for the holidays and the need for toys for the Sharing Tree.

The City has received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for 2002. Austin has received this award every year since 1981. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting. With the report, the Association advised the city on a couple revisions. Council Member-at-Large Chaffee credited City Finance Director Tom Dankert. Mr. Dankert credited the department heads for their input on the yearly budget as well as the city's auditor, Larson Allen.

Moved by Council Member Christopherson, seconded by Council Member Nordin, approving the consent agenda as follows:

Consent Agenda:

Licenses: 2003 License Renewals. Attached to these minutes.

Exempt Gambling: Mower County Pheasants Forever, Austin Country Club,
Feb. 22, 2003

Claims:

- a. Financial and Investment Reports.
- b. Pre-list of Bills.
- c. Jaye Adams, 1709A Carriage Homes Dr. This claim has been referred to the city attorney to protect the city's interest.

Carried.

A Truth In Taxation meeting was held on December 3, 2002 at City Hall. The levy amount is \$2,222,441; the City will not increase taxes. Council Member-at-Large Chaffee noted this was good, especially for people on fixed incomes. He added that this is a tax reduction from last year.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Jorgenson, adopting a resolution approving the tax levy for the year 2003, as follows:

<u>PURPOSE</u>	
GENERAL	\$538,471
LIBRARY	729,045
DEBT SERVICE	511,028
PORT AUTHORITY	25,000
CAPITAL IMPROVEMENTS	225,095
STORM WATER	
MANAGEMENT DISTRICT	<u>193,802</u>
	<u>\$2,222,441</u>

7-0. Carried.

At the Truth In Taxation Hearing, City Finance Director Tom Dankert reported the total operating budget for the year at \$25,214,203, and the General Fund budget at \$11,902,859.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Jorgenson, adopting a resolution approving the city budget for 2003 as follows:

General Government Services	
General Administration	\$1,611,773
Public Safety	4,318,521
Highways and Streets	3,136,851
Park and Recreation	1,884,679
Arena	425,995

Business Development	183,000
Other General	342,040
Debt Service	1,065,951
Recreation Programs	106,024
Library	980,289
Library Building and Improve.	19,143
Police PERA Refund	265,200
Fire PERA Refund	<u>111,050</u>
Total General Government Services	14,450,516
Tax Increment Revenue Pool	515,536
Capital Project Funds	
Capital Improvements Revolving	535,000
Enterprise Funds	
Sewer User	4,003,511
Waste Transfer Station	73,670
Economic Development	24,975
Storm Water Management Dist.	323,802
Port Authority Operations	<u>595,632</u>
Total Enterprise Funds	5,021,590
Internal Service Funds	
Equipment Garage	1,595,164
Management Information System	176,575
Fire Equipment Services	95,737
Risk Management	<u>2,824,085</u>
Total Internal Service Funds	<u>4,691,561</u>
Total Budgets	<u>\$25,214,203</u>

SECTION 2. The estimated gross revenues of the City of Austin for all sources, including ad valorem tax levies as hereinafter set forth for the year 2003, as the same are more fully detailed in the official copy of the 2003 budget, are hereby found and determined as follows:

Revenues and Sources for all Funds:

Current Local Property Taxes	\$2,222,441
Intergovernmental Revenues	8,402,298

Charges for Services	402,225
Licenses and Permits	308,540
Miscellaneous	3,015,512
Other taxes	462,500
Fines and Forfeits	<u>172,000</u>
Total for General Government Funds	14,985,516
Tax Increment Funds	515,536
Enterprise Funds	5,021,590
Internal Service Funds	<u>4,691,561</u>
Total Budgets	<u>\$25,214,203</u>

When the city issues G.O. bonds, the City must have the authority to tax these bonds onto the entire city; however, bonds are usually paid through T.I.F. monies or the Building Fund. The City is then required to annually cancel the amount of these potential tax levies. The tax levies authorized to be made in 2002 and collectible in 2003 are as follows:

<u>Resolution #</u>	<u>Issue</u>	<u>Cancellation Amount</u>
9837	Tax Increment 1993	\$62,612
9838	Taxable Tax Increment 1993	\$35,123
10117	Tax Increment 1994	\$122,394
10118	Taxable Tax Increment 1994	\$134,524
5-95APA	Port Authority Library	\$158,175
8-94APA	Port Authority Speculative Building	\$99,603
10771	Taxable Tax Increment 1997	\$113,789
1-96APA	Port Authority Refunding	
	Development Bonds of 1997	\$436,428
11665	Tax Increment 2000	\$2,486

Moved by Council Member-at-Large Chaffee, seconded by Council Member Lang, adopting a resolution authorizing cancellation of certain ad valorem tax levies, listed above. 7-0. Carried.

City Finance Director Tom Dankert noted the discussions on the 5-year Capital Improvement Plan over the last several months and at the Finance/Personnel meeting prior to this meeting. These are upcoming projects that the City hopes to fund in the next year and following years. This document is renewed and adopted annually. Mr. Dankert noted the problems with LGA funding in the near future which effects this Plan. These projects are considered quality of life, and much of the funding is from the building fund. The Finance/Personnel Committee has approved this Plan; however, funding these projects in the amount of \$575,000 is uncertain. Council Member-at-Large Chaffee noted that it is the responsibility of the Council to identify/plan for the capital improvement projects and that the Plan is subject to change.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Lang, adopting a resolution approving the 5-Year Capital Improvements Plan. 7-0. Carried.

Moved by Council Member Poppe, seconded by Council Member Nordin, granting licenses for on-sale hard liquor, Sunday hard liquor on-sale, Sunday wine on-sale, and 3.2 beer on and off-sale for 2003. 6-0. Carried. Council Member Lang abstained.

The Park and Rec Department has sent out notification to certain property owners to cut noxious weeds. Those property owners who have not complied are now being assessed for the work which the city has done. This assessment creates a lien on the property until it the assessment is paid.

Moved by Council Member Nordin, seconded by Council Member Christopherson, adopting a resolution on the assessment for cutting noxious weeds. 7-0. Carried.

The Planning and Zoning Department has sent out notification to certain property owners for the removal of garbage and debris. Those property owners who have not complied are now being assessed for the work done by the city. This assessment creates a lien on the property until it the assessment is paid.

Moved by Council Member Lang, seconded by Council Member Nordin, adopting a resolution on assessment for abating the nuisance of garbage and debris. 7-0. Carried.

The Park and Rec Department has also sent out notification to certain property owners for removal of diseased elm trees. Those property owners who have not complied are now being assessed for the removal.

Moved by Council Member Nordin, seconded by Council Member Christopherson, adopting a resolution on assessment for removal of diseased elm trees. 7-0. Carried.

Chief Paul Philipp has requested authority to extend conditional offers of employment to three officer candidates. The openings for employment are due to a retirement, a council-approved agreement in August, 2002 for a 29th officer, and a grant from the federal government for a school liaison officer. One officer candidate has already been hired elsewhere and has withdrawn their application. This matter has been reviewed and approved by both the Police and Finance/Personnel Committees.

Moved by Council Member Jorgenson, seconded by Council Member Lang, granting authority to extend conditional offers of employment to three officer candidates. Carried.

The city has received a quote from its auditor, Larson Allen, to perform the 2002 financial statement audit of the City of Austin. The total quote is \$24,000, which is 1.7% higher than the previous year's audit. This is required on an annual basis.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Lang, adopting a resolution approving the Mayor and City Recorder to sign the engagement letter for Larson Allen for the 2002 audit. 7-0. Carried.

The Library Board has unanimously voted to recommend Technical Services Librarian Gayle Heimer to act as Interim Director effective Monday, December 30, 2002. Ms. Heimer acted as Interim Director in 1998 before Chris McArdle Rojo was hired. Ms. McArdle Rojo is leaving at this time. The Board also recommended compensation of an additional \$2.75 per hour for Ms. Heimer.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Jorgenson, approving Gayle Heimer to act as Interim Director, with compensation. Carried.

On October 7, 2002, the city council reviewed a request by Community Development Director Craig Hoium for demolition of hazardous structures located at 129 1st Avenue NW and 104 W. Oakland Avenue owned by Robert Knauer. The Planning Department has had numerous phone calls on this. Mr. Hoium noted that there is specific state statute on the process for the removal of hazardous structures if the matter has not been resolved. Mr. Hoium referred to a picture of the old livery stable, which is leaning toward the 100 Building. Mr. Hoium also noted pictures of the inside of the structure, which indicate that the building is not plumb and is leaning. Council Member Goodnature said he had visited the site of the old livery stable from the inside of the 100 Building. Mr. Goodnature is very concerned that if the building were to fall, it would land in some of the 100 Building's offices. As for the brick structure (the old smokehouse), Mr. Goodnature said he would like to see someone or some entity save the building for historical preservation. Council Member Lang said he has spoken to Mr. Knauer at different times to get this done now. Mr. Knauer noted he had spoken to the Historical Society to preserve the buildings. Regarding the barn, which was the old Austin Livery Stable, he said he realized this building might need to come down for safety. Mr. Knauer has received a quote from Dave Spinler of \$2100 for demolition of this building. He said repairing of the brick building, the old smokehouse, requires mudjacking, which would need to be done in the spring. Council Member Lang said the council is concerned with setting dates. He said he would like to give Mr. Knauer 60 days to remove the structures, which is the window of time the legal process would take anyway. Council Member Goodnature reiterated his concern with "life threatening" conditions. Council Member Jorgenson said she is concerned with the impending weight of a snowfall on the building. Council Member Lang noted he would like advice from the city attorney. City Attorney David Hoversten said this is a court procedure. The statute allows the property owner 30 days to remove the structure at the owner's expense. If nothing is done, the matter goes to court, after which the owner is allowed an additional time to remove the structure. After this time, the city can proceed with demolition and the costs are reported to the court. Mr. Hoversten said that with the court process, the property owner is allowed 60 days here anyway. Council Member Lang said that in defense of the city and in defense of Knauer, he would like to have the old livery stable removed only. Community Development Director said his more urgent concern is the wood structure.

Moved by Council Member Lang, seconded by Council Member Jorgenson, adopting a resolution approving the removal of a hazardous building at 104 W. Oakland, owned by Robert Knauer. 7-0. Carried.

City Engineer Jon Erichson presented feasibility reports for four 2003 street projects, which have been consolidated into two. The first step is for Council to request the feasibility reports. The Council then accepts the feasibility reports and sets a public hearing on the projects. Prior to the public hearings, information meetings will be held for adjacent property owners. After the public hearings, contracts are awarded. Assessments hearings are then held, after which property owners have 30 days to object.

Project 1-A-03 and 4-A-03 includes 7th Street NW (Oakland Avenue to 4th Avenue NW), and 8th Avenue SW (4th to 12th Street NW). Seventh Street NW and 8th Avenue SW are local streets. The 7th Street NW project would consist of the following:

- 1) Remove the existing concrete street and replace with B624 curb and gutter, 4" asphalt, and 6" of aggregate base.
 - 2) Improve drainage infrastructure which would include a tile system
 - 3) Provide handicap accessible intersections
 - 4) Upgrade existing deficient sidewalks
 - 5) Austin Utilities will replace the existing water main and some minor gas and electric
- Estimated cost for this project is \$280,000.

The 8th Avenue SW project would consist of the following:

- 1) Remove existing street and curbs and replace with B624 curb and gutter. 4" of asphalt and 6" of aggregate base
 - 2) Improve drainage infrastructure
 - 3) Provide handicap accessible intersections
 - 4) Upgrade existing deficient sidewalk
 - 6) Austin Utilities will upgrade the existing gas and water systems
- Estimated cost for this project is \$480,000.

Moved by Council Member Christopherson, seconded by Council Member Nordin, adopting a resolution approving the feasibility report for Projects 1-A-03 and 4-A-03 and calling a public hearing for February 3, 2003. 7-0. Carried.

Project 4-A-02 and 2-A-03 includes 8th Street NW (4th Avenue to 8th Avenue) and 14th Street NE (Todd Park Trail to 21st Street). 8th Street NW consists of the following:

- 1) Remove the existing street and replace with 8" of concrete at 40 feet
 - 2) Improve drainage infrastructure, including a tile system
 - 3) Provide handicap accessible intersections
 - 4) Upgrade existing deficient sidewalks
 - 5) Austin Utilities will upgrade the existing gas and water systems.
- Estimated cost for this project is \$400,000.

14th Street NE will consist of the following:

- 1) Remove the concrete pavement and asphalt shoulders and replace with 8" of concrete with curb at 40 feet
- 2) Improve drainage infrastructure at 16th Avenue NE, + tiling system
- 3) Austin Utilities will upgrade the existing gas and water systems.

Estimated cost for this project is \$600,000.

City Engineer Jon Erichson said the traffic count on 8th Street is about 800 a day, First Drive NW is 18,000 per day, and 14th Street NW is 10,000-12,000 per day. Initial work has begun for 14th Street NW. This will include widening on the college (west) side. The electrical lines are being moved back. Start date for that project is scheduled for May 27.

Moved by Council Member Christopherson, seconded by Council Member Nordin, adopting a resolution approving feasibility reports for Street Improvement Projects 2-A-03, 14th Street NE and 4-A-02, 8th Street NW. 7-0. Carried.

Mayor Rietz asked Jon Erichson if he foresees any problems with state aid and the gas tax for these projects. Mr. Erichson said the larger portion is designated funding; the lesser portion is dedicated funding, which is a portion of the Motor Vehicle excise tax. This is included into our general funding, and it could have an impact. The monies received through the gas tax is needs and population-driven. He anticipates a minor setback, if there is one.

The president/owner of D&R Star has agreed to purchase two acres of Lot 6, Block 3 in the Austin Northeast Industrial Park for \$20,000. Construction is set to begin in March for a 10,000-s.f. office/warehouse facility.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Lang, adopting a resolution approving the sale and conveyance of certain real property from the City of Austin to Richard Hawkins, without the use of TIF funds. 7-0. Carried.

The City of Austin has been asked to participate in a lawsuit with the Coalition of Greater Minnesota Cities against the MPCA regarding the recently adopted Total Maximum Daily Load (TMDL) Rule. City Engineer Jon Erichson said the CGMC is not against the rule, but he believes that the right science needs to be applied. He recommends participation in the lawsuit at a cost of \$7,013 to the City of Austin, with funding to come from the Sewer User Fund .

Moved by Council Member-at-Large Chaffee, seconded by Council Member Jorgenson, adopting a resolution for the City of Austin to participate in a lawsuit against the MPCA regarding the recently adopted TMDL Rule. 7-0. Carried.

The City of Austin has been asked to financially support an updated publication of *Somplace Special*, a Chamber of Commerce promotional brochure. This publication has many uses, including the promotion of tourism and drawing potential employees. The City purchased a full-page ad in the first publication and would do the same for this

publication. The Finance/Personnel reviewed and approved \$5000 to be taken from the Contingency account for this publication. In return, the City receives copies of the brochure.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Jorgenson, approving the financial support for *Someplace Special*. Carried.

The Minnesota Department of Transportation is requesting that a designated person be assigned to sign applications and agreements. These agreements would still be brought to Council for approval.

Moved by Council Member Christopherson, seconded by Council Member Poppe, adopting a resolution appointing Jon Erichson to be the designated signer for MnDOT. 7-0. Carried.

The Fire Committee has reviewed a Draft Authorized Uses of Fire Department Vehicles. Committee Chair Jeanne Poppe said the list is almost complete and is asking the council to approve prior to completion. Council Member Lang said usually the Committee makes the recommendation. He asked Fire Chief Dan Wilson if he was aware of the proposed changes. Chief Wilson said he was.

Moved by Council Member Poppe, seconded by Council Member Jorgenson, approving the Authorized Uses of Fire Department Vehicles policy. Carried.

REPORTS:

No report from DCA

A special HRA meeting will be held tonight at 7:15.

CVB: Council Member Jorgenson said the CVB is looking at making changes in their own visitors guide.

Council Member Nordin noted an event at the Paramount Theatre, *Mike Veldman and Friends*, which brought \$14,000 to the Paramount.

Council Member Nordin also noted the Youth Activity Center located in the side rooms at Riverside Arena and the Tobacco Cessation Program sponsored by the Austin Medical Center.

A Public Works Meeting will be held December 19 at 4:30.

City Engineer Jon Erichson said Packer Arena is scheduled to open Thursday, Dec. 19, and the WWTP expansion is scheduled to be completed at the same time.

A Finance/Personnel Committee meeting was set for January 6 at 3:30.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Nordin,
adjourning the meeting to January 6, 2003.

Adjourned: 7:07 pm

Approved: January 6, 2003

Mayor: _____

City Recorder: _____