

**MINUTES**  
**CITY COUNCIL ADJOURNED MEETING**  
**MONDAY, JULY 18, 2005**  
**5:30 P.M.**  
**COUNCIL CHAMBERS**

MEMBERS PRESENT: Mayor Rietz, Council Members Jorgenson, McAlister, Hecimovich and Nordin. Council Member-at-Large Christopherson.

MEMBERS ABSENT: None.

OTHERS PRESENT: Austin Daily Herald. Austin Post Bulletin. Mandi Lighthizer-Schmidt. Steven Lang and many other city employees. Scott Felten.

Added to the agenda: A resolution accepting terms and conditions of accepting federal dollars from Airport Improvement Program Grants, and a motion approving exchange of services in connection with the Mower County Fair.

Moved by Council Member Hecimovich, seconded by Council Member Nordin, approving the agenda as amended. Carried.

Moved by Council Member Jorgenson, seconded by Council Member Pacholl, approving the council minutes of July 5, 2005. Carried.

Mandi Lighthizer-Schmidt, Director of the United Way, introduced herself and spoke briefly to Council.

Assistant City Engineer Steven Lang spoke to the Mayor and Council on behalf of many city employees who were in attendance. He read a prepared statement to Mayor and Council regarding the proposed health insurance. The letter is attached to these minutes.

Mayor Rietz said this matter would be discussed as Mayor and Council.

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

Licenses:

Cab Driver: Clint Billings, 305 15<sup>th</sup> Street SE, Austin.

Food Transfer: Quizno's Subs, 1702 17<sup>th</sup> Street NW, Austin.

Claims:

- a. Pre-list of bills
- b. Finance Report and Investments
- c. James Wempe, 310 2<sup>nd</sup> Avenue NE, Apt. 122, Austin. This claim has been referred to the city attorney to protect the city's interest.

Carried.

City Engineer Jon Erichson recommended tabling awarding of bids for the Riverside Arena boards to the next council meeting.

Moved by Council Member Pacholl, seconded by Council Member Nordin, tabling the awarding of bids to August 1.

Moved by Council Member Dick Pacholl, seconded by Council Member Nordin, setting a public hearing for August 1, 2005 for HRA bond refinancing. Carried.

The City Council has discussed at its July 5<sup>th</sup> work session transferring JOBZ acreage to the City of Sargeant. In the original application for JOBZ, Sargeant was not included. Community Development Director Craig Hoium said there is a section in the state legislation which allows for the transfer. Mr. Hoium said the proposed project is a substantial project which may lead to 30 to 40 new positions for Mower County.

Council Member Dick Pacholl questioned if a simple majority vote was required. Mr. Hoium said after the City of Austin approves this, the Hayfield School District, the City of Sargeant, and the Sargeant City Council must give their approvals.

Council Member-at-Large Christopherson questioned if Sargeant would be required to pay for Craig Hoium's time. Mayor Rietz replied that most of the work of Mr. Hoium was done at the time of the application last year. We would not charge now for something that has already been done.

Council Member Scott Pacholl approved of the action, noting that the 30 to 40 new jobs is a definite benefit.

Mr. Hoium added that there is language in the resolution which says that if the other entities do not approve of this, the acreage would stay with the City of Austin.

Council Member Dick Pacholl questioned if this action is similar to what we did with Brownsdale. Mr. Hoium said yes.

Moved by Council Member Jorgenson, seconded by Council Member Nordin, adopting a resolution transferring JOBZ acreage to the City of Sargeant. 7-0. Carried.

Chief Paul Philipp said the Police Department has recommended the proposed ordinance regulating pawnshops and the licensing and regulation of pawnbrokers. This is a system being developed in Minnesota, which would allow participating members to monitor pawn transactions.

Council Member Dick Pacholl questioned the fee and the number of items. Chief Philipp said each time someone brings an item or items to a pawnshop, it would be considered a "billable transaction" and would engender a fee.

Council Member Dick Pacholl questioned what would be next. Would photos of people buying liquor be required? Government is becoming too controlling and aggressive in telling people what we can and can't do.

Mayor Rietz stated that the difference is the potential of stolen goods.

Council Member Hecimovich said this would be an added burden on the present pawnshop and a half. He said it is just too costly. This is just adding another layer of government to what are legitimately licensed pawnbrokers.

Council Member Scott Pacholl approved the proposed ordinance, noting it would be in the interest of reducing crime.

Council Member Jorgenson said this would not only benefit all of Austin, it would benefit all of Minnesota because it would help to find stolen property.

Council Member McAlister said if this would be grandfathered in until the end of the year or something, he would agree to that. But there is no sense of grandfathering it forever. He said he is concerned about the cost.

City Attorney David Hoversten said the grandfather clause would not be allowed. He has done research on this and this type of activity would require conformity. Grandfathering is usually used in the case of zoning and land use issues. The law can't discriminate between business owners.

Mayor Rietz questioned Chief Philipp about the 'Read Only' system. Chief Philipp said if we had that capability, we would be able to read items but not input anything into the system. He could see some benefit to this.

Council Member Nordin said she has heard from some people who believe this is placing a burden on a small business. She would like to see some kind of compromise, possibly through a \$2.50 fee per each transaction.

Chief Philipp said the City cannot purchase the computers but could perhaps buy the computers and lease them out.

City Attorney David Hoversten said the law is very particular on what a city can and can't spend its money on. The City *could* lease; however, there would have to be a complete recouping of the costs. In other words, he said, they're going to be paying for it anyway.

Council Member Jorgenson, seconded by Council Member Nordin, moved to table the ordinance for one more discussion. 3-4. Motion failed. Voting aye: Council Member Nordin, Council Member Jorgenson, and Council Member McAlister. Voting nay: Council Member Scott Pacholl, Council Member Hecimovich, Council Member Dick Pacholl, and Council Member-at-Large Pete Christopherson.

Moved by Council Member Scott Pacholl, seconded by Council Member Jorgenson, for the city attorney to prepare the ordinance. 2-5. Motion failed. Voting aye: Council Member Scott Pacholl and Council Member Jorgenson. Voting nay: Council Members Hecimovich, Nordin, McAlister, Dick Pacholl and Council Member-at-Large Christopherson.

Mayor Rietz has recommended Shirley Schlieve, resident of the Twin Towers, to replace Lisvel Valerio on the HRA Board.

Moved by Council Member Hecimovich, seconded by Council Member Nordin, approving the appointment to the HRA Board. Carried.

City Administrator Jim Hurm presented a resolution, which would authorize the expenditure of \$50,000 from the Capital Account for the Downtown Revitalization Program for architectural, professional services, and start-up costs to be overseen by the Port Authority.

Finance Director Tom Dankert clarified that these funds would run through the city's financial books, not through the Port Authority.

Council Member Dick Pacholl questioned what the architects would be doing. Mr. Hurm said the Design Committee is working with the architects towards the restoration of the storefronts. Council Member Dick Pacholl objected to this. This type of program was introduced a few years ago and no one went for it. Mr. Hurm said this would not be forced on the storeowners. The Design Committee is working with building owners and also with the Finance Committee. The finance package, for example, may not be available for those storeowners who want another design.

Mayor Rietz said this current program is much more organized; it is an actual program.

Council Member Jorgenson said there is a big difference between this and what was offered a few years ago because so many of the business people have been involved with the planning process.

Council Member Nordin said this is all about communication. There are many other ideas.

Council Member Dick Pacholl noted that the last time loans were offered, they were never extended outside of Main Street. What about the side streets?

Mayor Rietz said if others are interested, yes, they would be included.

Council Member McAlister noted the positive feedback that Council Member Jorgenson has received, which has helped form his opinion, although he does have some concern still. We need to give it a chance. The downtown is pretty bleak right now, he said.

Council Member Hecimovich noted we have to do anything we can to revitalize downtown. It looks shabby.

Council Member Scott Pacholl said he is all for getting the program started, but he would like to see some physical result in the near future.

Moved by Council Member Nordin, seconded by Council Member Jorgenson, adopting a resolution authorizing the expenditure of \$50,000 from the Capital Account for the Downtown Revitalization Program for architectural, professional services, and start-up costs to be overseen by the Port Authority. 6-1. Council Member Dick Pacholl voted nay.

City Engineer Jon Erichson requested Council approve a joint resolution for annexation for three property owners along 10<sup>th</sup> Drive SE that were not included in Mower County's Bellman's Addition project. In order for city services to be provided, the city requires annexation. Bids were let for sanitary sewer and water main. Assessments have been calculated and presented to the property owners, who still want annexation. The City Council is required to approve the resolution, as well as Austin Township. One hundred percent of the costs will be assessed.

Council Member Jorgenson questioned if there would be more properties interested in annexation. Mr. Erichson said these were the three property owners who were very interested in annexation; many were not interested. Also, these properties are contiguous and linear.

Moved by Council Member Jorgenson, seconded by Council Member Dick Pacholl, adopting a resolution approving orderly annexation. 7-0. Carried.

Moved by Council Member Hecimovich, seconded by Council Member Jorgenson, approving a Side Letter of Understanding with UAW – Wastewater Treatment Plant. Carried.

The City of Austin has received tentative approval of a grant award for the Austin Municipal Airport. The final grant is required before construction can proceed. The grant will be for the reconstruction of the existing runway and navigational lighting for the existing runway and runway extension. The grant award is for \$3,278,450, which will cover 95% of the engineering and construction costs. The grant was preliminarily approved and just received today. The project is tentatively scheduled to begin next Monday and be completed by November 1.

Moved by Council Member Nordin, seconded by Council Member Jorgenson, adopting a resolution accepting the airport grant for runway rehabilitation. 7-0. Carried.

The City of Austin has received a proposal from SEH for construction services for the airport grant rehabilitation of the airport runway and navigational aids.

Moved by Council Member Hecimovich, seconded by Council Member Nordin, adopting a resolution approving the agreement with SEH. 7-0. Carried.

Flood mitigation grants have been completed and submitted on the following projects:

- 1) Wildwood Park
- 2) Railroad Yard Revitalization
- 3) Scattered Site Acquisition
- 4) Infrastructure Repair
- 5) Turtle Creek

The North Main Street area is not covered by any of these grants. Through this study, the City would be able to identify flood control mitigation alternatives and use this information during the bonding bill process of 2006. It is very important to have this information. The estimated cost of the study is \$91,900 and would be funded as follows:

- \* Hormel Foundation grant                      \$30,000
- \* City of Austin                                      \$61,900 (Funds were previously designated by the City for study options)

Moved by Council Member Hecimovich, seconded by Council Member Nordin, adopting a resolution approving the agreement with SEH. 7-0. Carried.

For the City of Austin to accept Airport Improvement Program Grants, the City must accept the terms and conditions of receiving federal dollars. Mr. Erichson requested this be approved contingent on the City Attorney's approval.

Moved by Council Member Jorgenson, seconded by Council Member Christopherson, approving the terms and conditions. Carried.

The Fair Board has requested various city services and staff assistance in exchange for County services. These requests are similar to those asked in previous years.

Moved by Council Member Nordin, seconded by Council Member Jorgenson, approving the exchange of services. Carried.

REPORTS: Council Member-at-Large Christopherson questioned where we are on the downtown ordinance reviews. Community Development Director Craig Hoium said developing a standard for downtown is being included as part of the Design Committee's discussion in the interview process for an architect. As far as setbacks, the downtown properties are allowed to cover their entire property so setback standards are not possible for downtown. Design standards are possible for signs, however.

Council Member Dick Pacholl noted a Letter to the Editor regarding locked bathrooms at Todd Park. Parks and Rec Director Denny Maschka said those bathrooms have been destroyed and are closed temporarily.

Council Member Dick Pacholl thanked Council for the memorial to the library on behalf of his mother who recently passed away.

Moved by Council Member Hecimovich, seconded by Council Member Jorgenson, adjourning the meeting to August 1, 2005.

Adjourned: 6:39 pm

Approved: August 1, 2005

Mayor: \_\_\_\_\_

City Recorder: \_\_\_\_\_