

**M I N U T E S**  
**CITY COUNCIL ADJOURNED MEETING**  
**MONDAY, NOVEMBER 20, 2006**  
**5:30 P.M.**  
**COUNCIL CHAMBERS**

**MEMBERS PRESENT:** Mayor Rietz. Council Members McAlister, Baker, Dick Pacholl, Scott Pacholl, Hecimovich, and Nordin. Council Member-at-Large Christopherson.

**MEMBERS ABSENT:** None.

**OTHERS PRESENT:** Austin Post Bulletin, Austin Daily Herald.

Removed from the agenda: Approving minutes of November 6, 2006 and approval of pre-list of bills.

Added to the agenda: A resolution authorizing the submission of a Bioscience Business Development Public Infrastructure Grant Application, and a resolution amending Resolution No. 13049, approving final plat of Bustad Plehal Addition.

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

Newly hired firefighters, Brett Young and Tom Schulte, were introduced to Council.

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

Licenses:

Cab Driver: Angela Bailey, Albert Lea, MN

Exempt Gambling (raffle): Mower County Pheasants Forever @ Holiday Inn,  
February 17

Claims:

- a. Financial and investment reports
- b. Phyllis Prybelski, 300 19<sup>th</sup> Street SW. This claim has been referred to the city attorney to protect the city's interest.

Carried.

Formal bids were received on November 15<sup>th</sup> for asbestos abatement of the following properties: Jim Super Valu buildings (including the former Joe's Star Liquor and the former Sterling Barber Shop), the former Eagles Club, and the former City Warehouse. The bids received are as follows:

<u>Contractor</u>	<u>Amount</u>
Horsley Specialties, Inc.	\$65,319
Twell Environmental, Inc.	42,964
Mavo Systems	40,975
EnviroTech Remediation Services, Inc.	26,900
ESA, Inc.	58,000
VCI Asbestos Abatement Co., Inc.	37,166

Moved by Council Member Hecimovich, seconded by Council Member Nordin, adopting a resolution awarding the bid to EnviroTech Remediation Services, Inc.. 7-0. Carried.

Moved by Council Member Dick Pacholl, seconded by Council Member Nordin, resolving the City Council into the Board of Adjustments and Appeals. Carried.

A public hearing was held for a minimum front yard setback variance, petitioned by Gary Corcoran for his property located at 200 5<sup>th</sup> Street SW. This property is a residence in a business district. Mr. Corcoran is requesting to build a 6' x 30' deck in the front yard. Community Development Director Craig Hoium said a residential property in a business district must comply with residential standards. These standards include 25 feet of front yard clearance and 15 feet to the front property. The Planning Commission has recommended approval by a 5-0 vote.

Council Member Nordin asked if this is for a single family. Mr. Hoium noted this is an adult care facility with multiple individuals. He said a fence surrounds the property and the porch would be within this fenced area.

No other comments were made.

Moved by Council Member Hecimovich, seconded by Council Member-at-Large Christopherson, approving the variance. Carried.

Moved by Council Member Nordin, seconded by Council Member-at-Large Christopherson, adjourning the Board of Adjustments and Appeals and resolving back into the City Council.

Assistant City Engineer Steven Lang discussed the sidewalk assessments for 2006. A public meeting was held in the spring of 2006 for property owners of identified sidewalk to be replaced. The proposed and actual costs are as follows:

	Proposed Cost	Actual Cost
4" sidewalk	\$85-\$95	\$86.36
6" sidewalk	\$105-115	\$102.34
Grinding	\$50	\$16.25

The interest rate for the sidewalk panels is 6.5%. The number of parcels with sidewalk panels replaced is 450, with a total of 1350 sidewalk panels replaced. Mr. Lang explained the city's assessment payment options.

Council Member Nordin questioned if the grinding method would last. Mr. Lang said they have only done this the last couple of years so we do not have a good history for that yet; however, we do the grinding only under certain situations.

A public hearing was held on assessment for sidewalk reconstruction in the NE quadrant and miscellaneous sidewalk and indrive, Project 2-C-06.

No comments were made.

Moved by Council Member-at-Large Christopherson, seconded by Council Member Nordin, adopting a resolution declaring the cost to be assessed. 7-0. Carried.

Moved by Council Member Nordin, seconded by Council Member-at-Large Christopherson, adopting a resolution adopting the assessment roll. 7-0. Carried.

City Engineer Jon Erichson said the next two public hearings involve sewer and water in the Austin Acres area. This area was brought into the city by orderly annexation and assessments were deferred on the undeveloped property. The property is now developed.

A public hearing was held on assessment for 1987 & 1989 Sanitary Sewer.

No comments were made.

Moved by Council Member Hecimovich, seconded by Council Member-at-Large Christopherson, adopting a resolution declaring the cost to be assessed. 7-0. Carried.

Moved by Council Member Hecimovich, seconded by Council Member Scott Pacholl, adopting a resolution adopting the assessment roll. 7-0. Carried.

A public hearing was held on assessment for 1987 & 1989 Water.

No comments were made.

Moved by Council Member Nordin, seconded by Council Member Hecimovich, adopting a resolution declaring the cost to be assessed. 7-0. Carried.

Moved by Council Member Scot Pacholl, seconded by Council Member Nordin, adopting a resolution adopting the assessment roll. 7-0. Carried.

A public hearing was held on assessment for snow removal for 2005-2006.

City Engineer Jon Erichson explained the city policy on snow removal. The proposed assessments are for those property owners who have not paid on bills for snow removal from 2005-2006. Cost per linear foot is 50¢.

Council Member Baker indicated that these fees should be higher and noted that administrative costs are not included.

Council Member Dick Pacholl suggested the city impose a set rate for all parcels. Mr. Erichson said the city does need to show a correlation between benefit and assessed cost, and billing by linear foot is an easy way to show benefit. This manner of assessing protects our interest.

No other comments were made.

Moved by Council Member Nordin, seconded by Council Member Hecimovich, adopting a resolution declaring the cost to be assessed. 7-0. Carried.

Moved by Council Member Nordin, seconded by Council Member Hecimovich, adopting a resolution adopting the assessment roll. 7-0. Carried.

Moved by Council Member Scott Pacholl, seconded by Council Member-at-Large Christopherson, setting a public hearing for December 18, 2006 regarding the adoption of the 5-year Capital Improvement Plan. 7-0. Carried.

Moved by Council Member Hecimovich, seconded by Council Member Nordin, adopting a resolution granting off-sale liquor licenses, club on-sale licenses and wine on-sale licenses. 7-0. Carried.

Tom Dankert requested Council authorize the early redemption of our 1997 G.O. Improvement Bonds. There is enough funds in the Debt Service Fund from the collection of assessments and tax levies to completely pay them off.

Moved by Council Member Nordin, seconded by Council Member Hecimovich, adopting a resolution authorizing the call of certain outstanding G.O. Improvement Bonds. 7-0. Carried.

A request has been made to vacate an alley which was never developed. The final step for this requested vacation is approval of the report of commissioners for this vacation, along with the benefit of \$600.

Moved by Council Member Hecimovich, seconded by Council Member-at-Large Christopherson, adopting a resolution approving the final resolution and confirmation of report of commissioners for vacation of street right-of-way in Kenevan & Kings/Jacobs and Lacom Addition. 7-0. Carried.

City Attorney David Hoversten said the following ordinance is on the agenda so as to allow encroachment into the sidewalk of businesses that hold both a liquor license and café license; this is in conjunction with the downtown revitalization effort. The ordinance is at the second reading and therefore does not require a unanimous vote.

Moved by Council Member-at-Large Christopherson, seconded by Council Member McAlister, for the city attorney to prepare the ordinance. 6-1. Carried. Council Member Dick Pacholl vote nay.

Moved by Council Member-at-Large Christopherson, seconded by Council Member Nordin, for adoption and publication of the ordinance. 6-1. Carried. Council Member Dick Pacholl voted nay.

The second ordinance was discussed at work session. This ordinance would eliminate the requirement of a fee for a sidewalk café permit. Mr. Hoversten said this permit is for those establishments that serve alcohol and for those that don't. This ordinance would promote sidewalk cafes especially for the downtown area.

Moved by Council Member-at-Large Christopherson, seconded by Council Member Hecimovich, for the city attorney to prepare an ordinance to eliminate the requirement of a fee for a sidewalk café permit. 6-1. Carried. Council Member Dick Pacholl voted nay.

Moved by Council Member-at-Large Christopherson, seconded by Council Member Nordin, for adoption and publication of the ordinance. 6-1. Carried. Council Member Dick Pacholl voted nay.

Council has discussed at a recent work session the expenditure of city funds in cooperation with Mower County for the purchase and installation of a joint communications system. City staff has since reviewed the breakdown of expenditures for the Police and Fire Departments. They recommend \$75,000 from the Fire PERA fund and \$750,000 from the Police PERA fund for a total of \$825,000.

Moved by Council Member Hecimovich, seconded by Council Member-at-Large Christopherson, adopting and resolution authorizing the expenditure of city funds in cooperation with Mower County for the purchase and installation of a joint communications system. 7-0. Carried.

The Elks, for its gambling premises at Watts Cooking, is changing from pull tabs to a dispensing machine for pull tabs. The State requires a resolution for this.

Moved by Council Member Nordin, seconded by Council Member Hecimovich, adopting a resolution approving gambling lease application for Watts Cooking/Austin Truck Plaza at 1509 10<sup>th</sup> Place NE. 7-0. Carried.

In June 2002, Council approved a plat for redevelopment in the old railroad property. The plat was inadvertently recorded as *Milwaukee Roadhouse Addition*, rather than *Milwaukee Roundhouse Addition*. Council must amend that resolution.

Moved by Council Member Nordin, seconded by Council Member-at-Large Christopherson, amending Resolution 12089, Accepting Final Plat of Milwaukee Roadhouse Addition. (New final plat is amended to read *Milwaukee Roundhouse Addition*). 7-0. Carried.

A subdivision of property has been requested in relation to the development of the Silver Bullet building. The new property lines would separate ownership and allow for the encroachment into the adjacent municipal parking lot

Moved by Council Member-at-Large Christopherson, seconded by Council Member Hecimovich, adopting a resolution approving the subdivision. 7-0. Carried.

The Hormel Foundation has notified the City regarding a donation of \$16,000 for Christmas tree lights. The remainder of the cost of the new lights is estimated at \$17,400. In the past, the City has partnered with the Chamber of Commerce for the funding of the Christmas tree lights. The Chamber will

contribute \$3500 per year, as it has done in the past. The City's share would be \$8700, which would be taken from Capital Outlay.

Moved by Council Member Nordin, seconded by Council Member Hecimovich, adopting a resolution authorizing the purchase of holiday decorations for the downtown area. 7-0. Carried.

Moved by Council Member-at-Large Christopherson, seconded by Council Member Hecimovich, setting a public hearing for December 4, 2006 for final plat approval of *Nature's Ridge Addition*. 7-0. Carried.

Council must approve the general election results as verified by the canvassing board. Following is the election results:

<u># OF VOTES</u>		
MAYOR	Norman E. Hecimovich	4,261
	Thomas A. Stiehm	4,533
	Write-Ins	64
COUNCIL MEMBER-AT-LARGE	Janet Anderson	4,301
	Pete Christopherson	4,318
	Write-Ins	16
COUNCIL MEMBER FIRST WARD	Jeff Austin	1,511
	Geoff Baker	1,305
	Write-Ins	9
COUNCIL MEMBER SECOND WARD	Viril C. Layton	1,403
	Richard Pacholl	1,672
	Write-Ins	12
COUNCIL MEMBER THIRD WARD	Gregory A. Hartquist	992
	John Patrick Martin	1,302
	Write-Ins	16
UTILITY BOARD MEMBER	Ron Felten	5,774
	Jeanne F. Sheehan	4,860
	Write-Ins	57

The officers declared elected are as follows:

Mayor	Thomas A. Stiehm
Council Member-At-Large	Pete Christopherson
Council Member First Ward	Jeff Austin
Council Member Second Ward	Richard Pacholl
Council Member Third Ward	John Patrick Martin
Utility Board Member	Ron Felten
Utility Board Member	Jeanne F. Sheehan

Moved by Council Member Hecimovich, seconded by Council Member-at-Large Christopherson, adopting a resolution relative to the city election held on November 7, 2006. 7-0. Carried.

Council must also pass a resolution accepting the results of the city referendum for the local option sales tax. The question was as follows:

May the City of Austin, Minnesota impose by ordinance a sales and use tax of one-half of one per cent for the exclusive purpose of paying all or part of the capital or administrative costs of flood mitigation projects in the City of Austin, Minnesota, which tax shall terminate at the earlier of:

- 1) 20 years after the date of the initial imposition of the tax; or
- 2) When the Austin City Council determines that the costs of such flood mitigation projects and any financing of such costs have been paid in full.

The number of votes in favor and against the question are as follows:

Yes	5,465
No	3,186

Moved by Council Member Hecimovich, seconded by Council Member-at-Large Christopherson, adopting a resolution accepting results of the city referendum election. 7-0. Carried.

Council also must pass a resolution accepting the results of the recount for the At-Large position. There was originally a difference of 17 votes; the recount had the same difference of 17 votes.

Moved by Council Member Hecimovich, seconded by Council Member Scott Pacholl, adopting a resolution accepting results of the recount of the At-Large office. 7-0. Carried.

Infrastructure improvements have been identified in the CIP in connection with the Hormel Institute expansion. The proposed building expansion will be on the south side of the existing facility. The expansion will create challenges with the existing road system, drainage, and sanitary sewer system. The State has established a Bioscience Business Development Public Infrastructure Grant Program, which would fit our city's needs. Project improvements are expected to be:

Sanitary sewer lift station	\$ 75,000
Road reconstruction	800,000
Storm sewer	150,000
Total	\$1,025,000

The City Engineer is recommending the following improvements, local funding match and grant request:

Infrastructure	Local Funding	Grant Request	Total
16 <sup>th</sup> Avenue NE	Assessment bonds \$400,000	\$400,000	\$800,000

Sanitary Sewer & Lift Station	San.Sewer Capital Fund	\$37,500	\$ 75,000
		\$37,500	

Storm Sewer Upgrades	Storm Sewer Capital Fund	\$75,000	\$150,000
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The grant is limited to a maximum of 50% of the project cost, which would be \$512,500. The Council must pass a resolution which identifies the City as the sponsor, providing for matching funds.

Council Member Baker asked if the \$400,000 is in the CIP. Mr. Erichson said it is. Council Member Baker asked if the rest of the local funding is in the CIP. Mr. Erichson said it is either in the CIP, in the Sanitary Sewer Capital Fund, or in the Storm Sewer Capital Fund.

Moved by Council Member Nordin, seconded by Council Member Hecimovich, adopting a resolution authorizing the submission of a Bioscience Business Development Public Infrastructure Grant Application. 7-0. Carried.

Community Development Director Craig Hoium requested an amendment to Resolution No. 13049, which is the final plat approval of Bustad Plehal Addition. The City Council passed the resolution on October 16, 2006 with the understanding that that was the name of the plat. On November 17, 2006, staff met with the developer to sign the final plat with the plat titled as *Real Estate Equities Addition*. Mr. Hoium also said there are minor legal description amendments on this plat due to Walmart's acquisition of Wagner Hardware.

Moved by Council Member Hecimovich, seconded by Council Member-at-Large Christopherson, adopting a resolution approving the final plat for *Real Estate Equities Addition*. 7-0. Carried.

## REPORTS

City Administrator Jim Hurm said the City has received the Pay Equities Report and it is acceptable with the State.

Council Member-at-Large Christopherson thanked citizens for voting for the local option sales tax.

Council Member Nordin reported that she has submitted a petition to Parks and Rec Director Denny Maschka and Board Member Pete Christopherson for the re-installation of a tennis court at South Grove Park.

Council Member Hecimovich announced that Christmas in the City would be celebrated with a kick-off on Friday, November 24, beginning at 6:00 with the lighting of the Christmas lights. The Austin High School band will be playing, and there will be many activities. November 28 at 4:30-7:30 is the date and time for Christmas in the Northwest and November 30 will be Christmas in the Southwest at Sterling Mall from 4:00-7:00.

Council Member Dick Pacholl congratulated all the winners of the recent election.

January 18 in Mapleville is the date and time for the next League of Cities meeting.

Moved by Council Member Nordin, seconded by Council Member Hecimovich, adjourning the meeting to December 4, 2006. Carried.

Adjourned: 6:22 pm

Approved: Decmember 4, 2006

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

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