

MINUTES
CITY COUNCIL ADJOURNED MEETING
MONDAY, DECEMBER 15, 2008
5:30 P.M.
COUNCIL CHAMBERS

MEMBERS PRESENT: Mayor Stiehm. Council Members McAlister, Austin, Dick Pacholl, Scott Pacholl, Hecimovich and Martin. Council Member-at-Large Christopherson.

MEMBERS ABSENT: None.

STAFF PRESENT: Jon Erichson, Craig Hoium, Tom Dankert, Jeanne Howatt, David Hoversten, Kim Underwood, Paul Philipp and Ann Hokanson.

OTHERS PRESENT: Austin Post Bulletin, Austin Daily Herald. Janet Anderson, Marian Clennon and Steve King. Hank Freese and Jim Samuel. Mark Bjorlie and Tim Johnson. Lucy Johnson.

Moved by Council Member Hecimovich, seconded by Council Member Scott Pacholl, approving the agenda. Carried.

Moved by Council Member-at-Large Christopherson, seconded by Council Member Hecimovich, approving the council minutes of December 1, 2008 and Truth In Taxation minutes of December 2, 2008. Carried.

Mayor Stiehm recognized Hank Freese who had retired December 31, 2007. Mr. Freese worked for the Wastewater Treatment Plant for 41 years. His previous supervisor, Jim Samuel also recognized him with a few words.

Mayor Stiehm recognized the three outgoing council members – Council Member Scott Pacholl, Council Member Hecimovich, and Council Member-at-Large Christopherson with Keys to the City and with certificates.

Jeff Weaver, employee from Mower County presented the traveling plaque to Mayor Stiehm and the City of Austin as the winner of this year's Salvation Army City/County Food Drive.

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

Licenses:

2009 License Renewals (A copy of complete list is available in Council Chambers.)
Food Transfer: AWW Shucks Bar & Grill, 3301 W. Oakland Avenue
Sign: Schad-Tracy Signs, Inc., Oronoco, MN
Temporary Liquor: Austin Area Commission for the Arts at The Paramount, Dec. 31

Claims:

1. Financial and Investment Reports.
2. Pre-list of Bills.
3. Lawrence Patzer. This claim has been referred to the city attorney to protect the city's interest.

Carried.

A public hearing was held on the 5-year Capital Improvement Plan. The Plan identifies projected capital items for the next five years. This CIP represents approximately \$80M of capital expenditures, but this is all dependent on funding ability, including grant awards. City Administrator Jim Hurm said he has asked department heads to hold off on capital expenditures until the LGA amounts are known for this year's December payment and for next year. Finance Director Tom Dankert noted there are some exceptions to the "funding ability" clause, including three police squad cars, as well as some expenditures at the Wastewater Treatment Plant which operate on its own revenue source. Mr. Dankert noted that with the pending LGA cuts, the proposed plan would "probably massively change."

No other comments were made.

Moved by Council Member Hecimovich, seconded by Council Member-at-Large Christopherson, adopting a resolution approving the 5-Year Capital Improvement Plan. 7-0. Carried.

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

A public hearing was held for a variance requested by Our Savior's Church relating to the maximum 40% lot coverage in an R-1 Single Family Residential District. The petitioner has requested the variance to redevelop the property at 1600 West Oakland Avenue for a Sunday school building addition and to expand its off-street parking. Community Development Director Craig Hoium identified the expansion on a map. The Planning Commission has reviewed a conditional use permit request regarding the expansion and has approved it with the following two conditions:

1. The petitioner shall submit a landscape plan which will be reviewed and must be approved by the Planning Department, and
2. Proposed ingress and egress locations from 2nd Avenue NW shall meet the approval of the Austin Engineer and Fire Department. Consideration could be

taken in having drive access for new parking area ingress and egress drive on 16th Street NW.

The Planning Commission did hear objections expressed by Loren Bellrichard representing his mother, a nearby property owner. Mr. Bellrichard said the extra parking should be located to the south of the building, adjacent to Oakland Avenue instead of on the north side. Mr. Hoium noted his office has two challenges with that issue: drainage issues and the proximity to Oakland Avenue and a major intersection. The approval recommendation by the Planning Commission includes the findings that the variance is in keeping with the spirit and intent of the ordinance, and that undue hardship has been shown.

Council Member Dick Pacholl said he attended the Planning Commission meeting and agrees with the objection regarding the access issue. He said 16th Street is currently very busy; 2nd Avenue is not as busy. He does not know why 16th Street is a one-way and believes that that should be changed. He suggested Council re-think this plan. Mr. Hoium said the planned addition was reviewed by the Planning Commission and was approved as drawn by the project architect. After that action, 15 days appeal period occurred with no appeals submitted. The parking lot issue and church addition are already approved. City Attorney David Hoversten confirmed that the conditional use permit was submitted to the Planning Commission and unless it is appealed, it becomes final. Council has no opportunity to change that.

No other comments were made.

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

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

At the last work session, Council recommended approval in a 5-2 vote for participation in a feasibility study for a wellness center. The \$2000 funding for the feasibility study would come from the economic development partnership funds. City Administrator Jim Hurm said \$2000 has been committed by the Port Authority. The HRA Board has not yet committed funds.

Council Member Hecimovich requested, in light of the budget, that Council table action until the LGA budget cut amount is known. He added that the State is \$5.2 billion in debt, and the City may not even get its December payment.

Dr. Tim Johnson said they (Austin Medical Center and the YMCA) would rather have a delayed positive decision rather than a negative early decision, though they do prefer an early decision. He said the partners would like to get started by Jan 15.

At this point, Council Member Dick Pacholl welcomed the public to speak up on anything on the agenda (including this item).

Moved by Council Member Scott Pacholl, seconded by Council Member McAlister, approving participation of \$2000 from economic development partnership funds toward a feasibility study for a wellness center. 4-3. Motion denied. Voting nay: Council Members Austin, Hecimovich, Martin and Christopherson.

Council Member Dick Pacholl said the item could be brought up again later – not at the same council meeting – when we know more about potential LGA cuts.

Moved by Council Member Hecimovich, seconded by Council Member-at-Large Christopherson, adopting a resolution approving the tax levy for the year 2009. 6-1. Carried. Voting nay: Council Member Scott Pacholl.

Moved by Council Member Hecimovich, seconded by Council Member-at-Large Christopherson, adopting a resolution approving the budget for the year 2009. 6-1. Carried. Voting nay: Council Member Scott Pacholl.

Mr. Dankert recommends authorizing the cancellation of certain ad valorem tax levies as the City does have alternate sources to pay off bond issues.

Moved by Council Member Hecimovich, seconded by Council Member-at-Large Christopherson, adopting a resolution authorizing the cancellation of certain ad valorem tax levies. 7-0. Carried.

Council is requested to approve hard liquor licenses for 2009.

Council Member Dick Pacholl questioned the location of Salon Azteca at 324 N. Main Street. City Clerk Lucy Johnson said the location is where the PC store had been. The licensee received a liquor license last summer. They rent out space for parties.

Moved by Council Member Hecimovich, seconded by Council Member McAlister, adopting a resolution granting 2009 licenses for sale of hard liquor on-sale, Sunday hard liquor on-sale, Sunday wine on-sale, and 3.2 beer on and off-sale. 6-0. Council Member Martin abstained.

Moved by Council Member Dick Pacholl, seconded by Council Member-at-Large Christopherson, adopting a resolution adopting assessment for weeds and grass cutting. 7-0. Carried.

Moved by Council Member-at-Large Christopherson, seconded by Council Member Hecimovich, adopting a resolution adopting assessment for abatement of nuisance of garbage and debris.

Tom Dankert recommended Council pass a motion for an insurance waiver indicating that the city does not waive statutory tort limits. By doing so, a claimant could receive a maximum \$400,000 for a single occurrence, and a total single occurrence would be limited to awards of \$1,200,000.

Moved by Council Member Dick Pacholl, seconded by Council Member-at-Large Christopherson, authorizing the City Recorder to sign an insurance waiver, which states that the City does not waive statutory tort limits. Carried.

Council is requested to approve a resolution adding some items to the health plan exclusion list. According to our third party administrator for health insurance, these are standard items in exclusion lists.

Council Member Martin questioned why the item was not on a work session. Mr. Hurm said this could be put on a work session but was thought to be more of an administrative matter.

Moved by Council Member Hecimovich, seconded by Council Member McAlister, adopting a resolution amending the health insurance plan. 7-0. Carried.

Council is requested to pass a resolution approving wage rates for seasonal positions. The draft resolution is similar to past years' with some minor changes.

Moved by Council Member Hecimovich, seconded by Council Member-at-Large Christopherson, adopting a resolution setting positions and policy for 2009 for administration of wage rates of seasonal and part-time positions not covered by a labor agreement. 7-0. Carried.

Mr. Hurm noted that the new resolution includes a clause which states that the federal minimum wage increases to \$7.25 per hour effective July 24, 2009; at that time the lower rates would be raised accordingly.

Council is requested to approve a resolution approving wage increases to be in compliance with pay equity requirements from the Minnesota Department of Employee Relations. The Committee-of-the-Whole has recommended the increases at the last work session.

Moved by Council Member Hecimovich, seconded by Council Member-at-Large Christopherson, adopting a resolution approving the following wage increases:

Library Assistant II – increase from \$20.70/hour to \$21.63/hour
Fire Department Secretary – increase from \$20.70 to \$21.63/hour

7-0. Carried.

The owners of Murphy's Creek Homes, LLC are offering to donate to the City a lot in the Murphy's Creek Addition. The City could use this lot for a trail connection. The assessed value is \$20,900. Staff recommends accepting the donation.

Moved by Council Member Hecimovich, seconded by Council Member-at-Large Christopherson, adopting a resolution accepting the donation of Lot 6, Block 4, Murphy Creek Addition. 7-0. Carried.

The Attorney General has opined that cities must have written policies for employee programs and events. Council is requested to approve the policy as follows:

Employee Recognition Program and Events

The City of Austin intends to acknowledge employees and volunteers for their contributions to the City. From time to time, the City may provide a recognition meal/event (breakfast, picnic, etc.). All regular fulltime and part-time employees and/or committee/commission/board members may be invited to participate to thank them for their work throughout the year.

Employees retiring from the City of Austin may receive a plaque and be recognized at a council meeting for their dedicated years of service to the City and the community.

Outgoing council members may be recognized at the end of their term as determined by the mayor.

Moved by Council Member Dick Pacholl, seconded by Council Member-at-Large Christopherson, approving a recognition program and events policy. Carried.

Council is requested to approve a travel policy for elected officials. Council Member McAlister noted that Council just denied a request for \$2000 for business development, yet if two or three council people go to a convention, the cost could exceed \$2000. Mr. Hurm noted that included with a travel policy request is a stipulation that the mayor and city council could consider whether the council members are to briefly report on the trip to the full council.

Council Member Dick Pacholl said that in the past, council members were expected to bring back a report, but trips did not have to have approved by council. But he added that perhaps with the current financial situation, preapproval would be a good idea.

Mr. Hoversten said the law has changed and now these trips require approval. Mr. Hurm noted passage of this would also allow the City to reimburse Council Member Martin for his trip to the National League of Cities Conference.

Moved by Council Member Hecimovich, seconded by Council Member-at-Large Christopherson, approving the elected officials travel policy as follows:

Mayor and City Council Travel Policy

The mayor or city council member (elected official) shall be reimbursed for actual and necessary expenses incurred while on official business for the City. "Actual and necessary expenses" includes mileage, meals, lodging, registration fees, travel tickets, telephone calls and any other expenses necessarily incidental to

attendance at a meeting. It does not include any family expenses or any alcoholic beverages.

In order to receive such reimbursement, the elected official shall fill out the appropriate claim form and submit it to the finance department. Mileage allowance for the use by the elected official of his/her own automobile shall be at the rate established by council resolution. Expenses will be reimbursed for the actual amount upon providing a receipt attached to the claim form.

Out-of-state travel – a request for out-of-state travel shall be submitted to the mayor and city council representatives and approved at an official council meeting in advance. Expense reimbursement may not exceed a limit established by council for said activity.

When an out-of-state travel request is made, the mayor and city council members will consider the following:

- *Whether the elected official will be receiving training on issues relevant to the City or his/her role as a council member.*
- *Whether the elected official will be meeting and networking with other elected officials to exchange ideas on topics of relevance to the City or on the official's roles of local elected officials.*
- *Whether the elected official will be viewing a city facility or function that is similar in nature to one that is currently operating at, or under consideration by the City.*
- *Whether the City has sufficient funding available in the budget to pay for the cost of the trip.*
- *Whether council members are required to turn over materials from the approved trip to the City and briefly report on such a trip to the full council.*
- *Whether council members are required to use City- owned vehicles as available.*

Carried.

Moved by Council Member-at-Large Christopherson, seconded by Council Member Scott Pacholl, resolving into the Board of Adjustments and Appeals. Carried.

The Hormel Historic Home has requested an off-street parking appeal in connection with their planned 6800-square-foot addition. The property is located in a B-3 Central Business District. City Code §11.70 requires 41 stalls for the planned property addition. The petitioner may appeal up to 100 stalls. If there are adequate off-street parking spaces within 300 feet, this can be waived. Community Development Director Craig Hoium noted there are 72 spaces in the Austin Drug parking lot, which is southwest of the 4th Avenue and 1st Street NW intersection and 38 in the Nemitz parking lot, which is southeast of the 4th Avenue and 1st Street NW intersection. Mr. Hoium noted that the appeal was approved by the Planning Commission by a vote of 7-0.

Moved by Council Member McAlister, seconded by Council Member Dick Pacholl, approving the off-street parking appeal. Carried.

Moved by Council Member Hecimovich, seconded by Council Member-at-Large Christopherson, adjourning the Board of Adjustments and Appeals. Carried.

Mike Steichen has petitioned for a subdivision of property at 3405 West Oakland where the Mower County Shopper is located. The reason for the subdivision relates to property taxes. Tract 1 is approximately one acre, and Tract 2 is about 3.7 acres. Austin Utilities is requesting an easement around the perimeter.

Moved by Council Member-at-Large Christopherson, seconded by Council Member Austin, adopting a resolution approving the subdivision for Mike Steichen and including all necessary easements. 7-0. Carried.

There are currently three parking lots in the downtown area where parking is allowable during downtown snow emergencies. One of the parking lots -- the one on the southeast corner of 1st Street and 3rd Avenue -- will be displaced with the pending jail/justice center. City Engineer Jon Erichson suggests the parking lot north of Brick's Furniture to take its place. Council must pass an ordinance for the change.

Moved by Council Member Dick Pacholl, seconded by Council Member-at-Large Christopherson, for preparation of the ordinance. Carried.

Moved by Council Member Dick Pacholl, seconded by Council Member-at-Large Christopherson, for adoption and publication of the ordinance. 7-0. Carried.

Two DNR grants involving acquisition of flood properties are due to expire December 31. The projects are close to finalizing. Council is requested to approve extensions for six months. The projects will be finalized with the acquisition and demolition of the following properties:

1. 507 and 508 Oakland Avenue East
2. (Former) Dakota Joe's/KFC (1100 Oakland Place SE)
3. 100 8th Avenue SE

Moved by Council Member Hecimovich, seconded by Council Member-at-Large Christopherson, adopting a resolution extending a DNR agreement expiration date for six months for Scattered Site Acquisition Area. 7-0. Carried.

Moved by Council Member Hecimovich, seconded by Council Member-at-Large Christopherson, adopting a resolution extending a DNR agreement expiration date for six months Railroad Yard Revitalization Floor Recovery Area. 7-0. Carried.

Moved by Council Member-at-Large Christopherson, seconded by Council Member Scott Pacholl, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 611 7th Avenue NW, David Milton property. Carried.

Moved by Council Member-at-Large Christopherson, seconded by Council Member Austin, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 607 8th Avenue NW, James Thackeray. Carried.

Moved by Council Member Dick Pacholl, seconded by Council Member-at-Large Christopherson, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 609 10th Avenue NW, Ray Mallinger. Carried.

Moved by Council Member Dick Pacholl, seconded by Council Member Scott Pacholl, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 907 10th Avenue SW, Castlerock Investments. Carried.

Moved by Council Member Dick Pacholl, seconded by Council Member Scott Pacholl, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 910 11th Avenue SW, Brian Peterson. Carried.

REPORTS:

Council Member Scott Pacholl thanked the public for letting him serve them, and Council Member-at-Large Christopherson thanked them as well and said he appreciated all the people he has met and worked with.

City Administrator Jim Hurm reported that the Fire Department has received an additional \$1000 from Austin Utilities for the carbon monoxide detectors program. These detectors are for low income people.

Mr. Hurm also said the City received the official response from Hormel Foundation as to the awarding of grants. They are listed as follows:

	Requested	Approved
AMCAT – dialysis route	\$ 25,000	\$ 25,000
AMCAT – work route	35,000	35,000
AMCAT – new bus	6,200	0
Austin Main Street Project	105,000	100,000
Austin Fire Department	5,000	3,000
J.C. Hormel Nature Center	75,000	0
Park & Rec soccer fields (\$250,000 over 5 years)	50,000	50,000
Pedestrian bridge	51,900	49,400
Pool splash park (\$150,000 over 4 years)	150,000	40,000
Pool drop slide	50,000	0
Pool climbing wall	25,000	0
Spamtown USA Freedom Fest	15,000	15,000
Total	\$ 593,100	\$ 317,400

Mayor Stiehm thanked the outgoing council members for their service.

Moved by Council Member Scott Pacholl, seconded by Council Member Austin, adjourning the meeting to January 5, 2009. Carried.

Adjourned: 6:39 pm

Approved: January 5, 2009

Mayor: _____

City Recorder: _____