M I N U T E S
COMMITTEE-OF-THE-WHOLE WORK SESSION
November 17, 2008
City Hall Conference Room
6:45 p.m.

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

ABSENT: Council Member Hecimovich.

STAFF PRESENT: Human Resources Director Trish Wiechmann, Park and Recreation Director Kim Underwood, Police Chief Paul Philipp, City Administrator Jim Hurm, and Administrative Services Director Tom Dankert.

ALSO PRESENT: Steve King, Janet Anderson, Marian Clennon, Park and Recreation Board Members, Public, Austin Post Bulletin, KAAL TV-6, and Austin Daily Herald.

Mayor Stiehm opened the meeting at 6:45 p.m.

Item No. 1 – Discussion on direction of Park and Rec director position. Ms. Underwood noted her Board is here tonight at the request of Council Member McAlister and other council members to discuss the status of the hiring for the vacated position of Parks and Recreation Director.

Council Member McAlister stated that given the mystery of our financial future with the potential reductions in LGA and the general overall economy slumping, do we need this replacement now, or can we wait into the future to see how our funding comes out first. Bob Wilson (Board Member) stated the Parks and Recreation has nearly a $2.8 million budget, and somebody needs to be in charge of that. Kim Underwood is currently doing a great job over seeing these expenditures. Council Member McAlister questioned if we should be hiring people now, with the fact that we may be laying people off in the near future.

Dan Heins and Gretchen Ramlo (Board Members) stated that Parks and Recreation will not be entirely cut out of the city, and in these tough times kids need our services even more to stay out of trouble.

Mr. Wilson also questioned the lower pay scale that was determined for this position. Ms. Wiechmann noted a comp worth study was done so that we pay city employees accordingly. Ms. Underwood completed the review and the points came back lower. Ms. Wiechmann noted she reviewed the information with Mr. Hurm to determine an appropriate pay scale. Mr. Wilson stated if we want a qualified person, the pay scale should not go down to a range of $52,000 to $62,000. Ms. Ramlo stated there are additional duties to her job description, and it should not be paid less. Mr. Wilson noted the Park and Recreation Board determined the interim salary for Ms. Underwood based on 84% of the former director's salary, which ended up then at the current $62,000 base.

Don Fox (Board Member) stated Ms. Underwood has helped former directors' Bob Auer and Denny Maschka with their vision of the park system. Ms. Underwood is a very capable person and I think we can end this process now. Dave Ruzek (Board Member) noted the Board agreed to do a limited search in this case.

Council Member Dick Pacholl stated he agrees with Mr. Fox, in that Ms. Underwood has been there in excess of twenty years. She is well qualified and I can't understand why we are even going through this process. Mr. Hurm noted it was the city's policy on hiring that this process needed to be followed.

Council Member McAlister stated we would need to check with Mr. Hurm and Ms. Wiechmann on the salary issue. However, we owe it to ourselves to see what else is out there. Council Member McAlister questioned if the Board has worked directly with Ms. Wiechmann on the questions for candidates. Mr. Ruzek stated they have not worked directly with Ms. Wiechmann, but she has discussed the new director with staff members. Ms. Wiechmann noted she met with the personnel committee of the Park and Recreation Board in order to determine some supplementary questions. We needed to do this quickly in order to stick with the timeline for hiring that was established by the Park and Recreation Board.

Council Member Austin thanked the Park and Recreation Board members and noted they should continue on the current path, as council has had ample opportunity to give our input on the position.

Mr. Ruzek questioned when we could meet and discuss the salary range. Mr. Hurm noted that Ms. Underwood, Ms. Wiechmann, and the personnel committee could set up another meeting to discuss this range. Ms. Wiechmann noted the current range is $53,424 (84% of top) to $63,600.

Item No. 2 – Dog Park update. Mayor Stiehm noted we told the public that we would have a public meeting on this before we determined an official site.

Ms. Underwood noted her staff has reviewed the different areas, reviewed costs and the Board has determined that the 12th Avenue SW site (near the Wastewater Treatment Plant) would be the best location. The bid on the fence came in at $12,000, instead of the $10,000 that was budgeted. After the fact however, the Austin Utilities called about the possibility of us wanting the Ponderosa site for the dog park.

Mr. Hurm noted the Austin Utilities will not be moved by next spring, so the questions is do we want to talk to the Utilities about a trial basis in a part of their property.

Ms. Ramlo noted this was to be evaluated in a couple of years. Mr. Ruzek noted we wanted an interim site to test the demand.

Mayor Stiehm stated he will set up a public meeting to discuss the location by the Wastewater Treatment Plant.

Item No. 5 – Operating budget review. Mr. Dankert discussed the cover letter outlining the changes that have been made to the Operating Budget for 2009 since the last meeting on the issue (August 18, 2008). Mr. Dankert noted the following changes have been made:

- Reduce the DCA annual appropriation from $80,000 to $60,000, a **$20,000 reduction in expenditures.**
- Reduce the Symphony Orchestra appropriation from $5,000 to $2,500, a **$2,500 reduction in expenditures.**
- Reduce the Welcome Center appropriation from $15,000 to $7,500, a **$7,500 reduction in expenditures.**
- Increase Contingency Line Item by the total of numbers (1 through 3), a **$30,000 increase in expenditures.**
- Add the additional Professional Engineering position, a **$53,812 increase in expenditures** (position is budgeted to start April 1, 2009).

The above changes are being financed via the following:

- Increase the tax levy in the General Fund from $2,157,998 to $2,192,998, a **$35,000 increase in revenue.**
- Increase in the Transfers from the S.W.U.D. from $50,000 to $60,500, a **$10,500 increase in revenue.**
- Increase the Miscellaneous Revenue by $**312.**
- Reduce the Contingency Line Item by **$8,000.**

Additionally, Mr. Dankert noted a change in the LEC joint budget with Mower County is needed if council would like to add an additional dispatcher; the net affect is an additional $7,500 or so from the budget. Mr. Dankert noted the joint LEC Committee made up of Mayor Stiehm, Council Member-at-Large Christopherson, Council Member McAlister, and Mr. Hurm, Chief Philipp, and Mr. Dankert heard the request last week.

Motion by Council Member-at-Large Christopherson, seconded by Council Member Dick Pacholl to include the additional dispatch position in the 2009 budget. Carried 6-0.

On another note, Council Member Scott Pacholl stated he could not see hiring an additional engineering position with the doubts over the economy and state budget. Council Member Martin agreed, noting we should not be adding this position if LGA may be cut in the near future. Mr. Hurm clarified that the original budget did not have the position funded; however council determined that they wanted the position funded in August. Council Member Dick Pacholl also noted his agreement with not hiring for the position. Mayor Stiehm stated at the time of the budget discussion council was not aware of the magnitude of the state's problems. Council Member Austin questioned why we just not wait until we hire the position in 2009, dependent on the LGA forecast.

After further discussion, motion by Council Member Scott Pacholl, seconded by Council Member Dick Pacholl to remove the additional engineering position, and associated tax levy increase of $35,000 from the 2009 operating budget. Motion failed 3-3 (Council Member-at-Large Christopherson, Council Member McAlister and Austin – Nay). Item will remain as is in the 2009 budget; however, we will not request the actual hiring of the position until we have further discussion with council once the LGA number is known for 2009, which may be in the May time frame. No objections noted.

Council Member-at-Large Christopherson questioned when the new rate structure for the Wastewater Treatment Plant and Storm Water Utility District would be brought to council. Mr. Hurm noted he would work with Public Works Director Jon Erichson to get something to council soon.

Item No. 3 – Proposed policy change to the employee handbook. Mr. Hurm discussed the new issue with part-time firefighter pay. Ms. Wiechmann noted we recently were made aware of a League of Minnesota Cities article stating that if full-time employees of the city are also part-time firefighters, than a blended rate of pay must be used for their hour worked as a part-time firefighter. This would be needed since they are now working their regular 40 hours for the city, plus another few hours as part-time firefighters. With this in mind, the pay rate for our five employees that are also part-time firefighters will increase significantly. However, the League of Minnesota Cities is urging us to stop paying them the extra $12.50 per hour for response and training. This would require a change to the employee policy. Ms. Wiechmann noted they have met with two of the city employees and both of them agreed with the change in the policy.

Motion by Council Member Scott Pacholl, seconded by Council Member McAlister to recommend to council the change in the policy on city employees that are also part-time firefighters. Carried 6-0. Item will be added to the next council agenda.

Item No. 4 – Request from Riverland for banner installations. Mr. Hurm noted the request for some banners to be installed (at their cost) in front of Riverland Community College. Mr. Erichson also approves of this request, according to Mr. Hurm.

Council Member-at-Large Christopherson questioned if these would be permanent banners. Mr. Hurm noted he did not know the answer to this question.

After further discussion, motion by Council Member Austin, seconded by Council Member Scott Pacholl to recommend to council the approval of Riverland Community College to hang banners on our street light poles. Carried 6-0. Item will be added to the next council agenda.

Item No. 6 – 5-Year Capital Improvement Plan. Mr. Dankert discussed the proposed changes to the 5-Year Capital improvement Plan (CIP) since we last met on September 16. Mr. Dankert noted the following changes:

- Unscheduled Projects (Page 69) – Animal Shelter to replace the current pound at the Wastewater Treatment Plant. The estimated cost of this project is $250,000 and is unfunded at this time. **(ADDITION)**
- Unscheduled Projects (Page 69) – East Side Business Parking Lot. The Public Works Director has recommended the removal of this project. **REMOVAL)**

Council Member-at-Large Christopherson questioned if anybody has contacted the Humane Society. Mr. Hurm stated no, follow up has occurred yet, as we need to get through the budgets and CIP first, then we will call them.

No other changes noted by Council.

Item No. 7 – Review Matters In Hand. Mr. Hurm stated that the item relating to Austin Packaging Company (APC) and their ability to expand on the current site can actually be done. By raising up the land where they would build an addition onto is allowed by our flood plain management. However, we will do some more investigating of this issue and report back to council.

As far as the DCA being on our website and are they paying for such, the answer is we receive no payments from the DCA for their site being linked to ours. Mr. Hurm noted he would follow up with Council Member Martin on the subject.

Item No. 8 – Discussion on 2009 council retreat date/subject for 2009. Mr. Hurm discussed possible options for a 2009 council retreat, throwing out a few dates that council might want to hold the event on.

Further discussion ensued regarding the format of the retreat, with a general consensus being that no guest speaker is needed. Additionally, department heads are coming to monthly work sessions to present the status of their goals, so we would not need to hear that again at the retreat.

After further discussion, January 27 and February 3 were chosen as the dates for the retreat, with the event to start at 5:30 and end around 8:30 each night.

Mayor Stiehm urged council to discuss the format at a later date. Council Member McAlister stated if council has some pressing issues to discuss, let staff know ahead of time such that adequate materials may be presented.

Item No. 9 – Other Item – State Fire Aid. Mr. Dankert noted the Austin Part-time Firemen's Relief Association (AFRA) has finally gotten everything into the state for them to release our state aid, however they are working on some questions to get resolved. The state will not release our state aid for 2008 now until March of 2009 (at the earliest). This is for informational purposes only.

There being no further business, motion by Council Member Austin, seconded by Council Member McAlister, to adjourn the meeting. Motion passed unanimously. Meeting was adjourned at 8:20 pm.

Respectfully submitted,

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Tom Dankert
Director of Administrative Services