

MINUTES
COMMITTEE-OF-THE-WHOLE WORK SESSION
November 2, 2009
City Hall Conference Room
6:00 pm / Immediately following council meeting

PRESENT: Mayor Stiehm, Council Member-at-Large Anderson, Council Members Austin, McAlister, Martin, King, Clennon, and Pacholl.

ABSENT: None.

STAFF PRESENT: Community Development Director Craig Hoium, Administrative Services Director Tom Dankert and City Administrator Jim Hurm.

ALSO PRESENT: Harry Stevens, Brad Fjelsta, KIMT TV-3, Austin Post Bulletin, and Austin Daily Herald.

Mayor Stiehm opened the meeting at 6:05 pm.

Item #4. – Providing a first right of refusal for Cooperative Response Center (CRC) development site at the Cook Farm Industrial Park: Mr. Hoium noted CRC is looking at expanding their business operations and would like to gain the first right of refusal on a parcel of property the city owns in the Cook Farm Industrial Park. The proposed site is just north of the Murphy Creek townhome project. Council Member McAlister clarified that the first right of refusal means that if somebody else offers to buy this parcel of property, then we need to notify CRC and give them the first right to match or best the original offer. Mr. Hoium also clarified that Austin Medical Center owns a lot in the Cook Farm, with an option on another lot.

Council Member-at-Large Anderson questioned some of the background on CRC, noting that they would like to expand into bilingual services. Brad Fjelsta, controller at CRC, noted that they do business in 40 states. The company has found a great need for bilingual services at the call centers in the southern area of the United States.

Council Member-at-Large Anderson also noted that it appears we are in competition with Albert Lea for the business expansion. Mr. Fjelsta stated that the CRC has found the Cook Farm site the best location for CRC, which is why they want the first right of refusal on the property.

After further discussion, motion by Council Member Pacholl, seconded by Council Member McAlister, to allow staff to proceed with drafting an agreement with CRC for the first right of refusal on the Cook Farm site. Carried 7-0. Item will be added to a future council meeting.

Item #2. – Wind turbine ordinance: Mr. Hoium discussed the draft of a proposed ordinance that will be discussed at the upcoming Planning Commission meeting. Mr. Hoium drafted this ordinance based on the council discussion at the last work session and the need to put something in place as we now have a moratorium on wind turbines in the community. Mr. Hoium stated the proposed ordinance would allow wind turbines in certain areas of the community through a conditional use permit (CUP).

Council Member-at-Large Anderson questioned what would be the implications for Super Fresh. Mr. Hoium stated they are zoned I-1, so a small wind energy conversion system (WECS) would be allowed with a CUP. Small WECS's would be limited to 150 feet in height, and that includes the top of the blade. He said the rotor size is regulated in all of the zones also, noting that the rotor size on Wally Bustad's commercial property is 35 feet in diameter. Additionally, Mr. Hoium stated a professional state engineer would need to be retained by anybody wanting to erect such a wind turbine. Mr. Hoium stated personally he would also require that such systems be erected without guide wires, meaning the structure must be able to stand alone.

Council Member-at-Large Anderson questioned if blade turbines are the only option. Chicago, for example, has roof mounted wind turbines. Mr. Hoium stated his research indicates that less than 1% of all wind turbines are roof top units, as the houses are not designed for these heavier turbines. Additionally, Mr. Hoium stated wind turbines are not all that quiet if they are attached to a structure.

Harry Stevens questioned if these would be allowed in a residential area. Mr. Hoium stated that under the proposed draft of the ordinance, wind turbines would not be allowed in any residential area. Mr. Hoium discussed the need for significant space on a homeowner's property to ensure that if the wind turbine fell during a storm that no structures would be damaged by the debris. Having a wind turbine stretch 150 feet into the air means that there would need to be hundreds of feet surrounding the turbine in order for it to meet the safety concerns.

Council Member-at-Large Anderson questioned that instead of not allowing it in the residential district; why not allow them with the spacing limitations as discussed. Council Member King stated based on what he is hearing, there is a small chance that anybody would even want to do this in their back yards. Council Member Martin stated that changing technology will someday make this thought process more feasible, noting the United States in 10 years behind the rest of the world in utilizing this technology. Council Member Martin agreed with Council Member-at-Large Anderson, noting if a resident wants to spend their own money on this, what do we care. Council Member-at-Large Anderson stated they would still need to meet all of the setback requirements.

Mr. Hoium stated he would talk to Mr. Stevens, and will include the comments made today in his discussions with the Planning Commission next week.

Council Member McAlister stated that in most residential areas these would not be built, but he also questioned the removal of these structures and what would happen there. Mr. Hoium stated that Subdivision 9 of the proposed ordinance could deem a structure as a public nuisance, which then would necessitate the removal or repair of such a structure.

Mr. Hoium noted this is for informational purposes only, and more will come back to Council after the Planning Commission has a discussion on the subject.

Item #3. – Wood burning furnaces ordinance: Mr. Hoium noted our community has four of these type structures, and two of them have received numerous complaints. The proposed ordinance would prohibit further outdoor solid fuel burning appliances, with enforcement by the Fire Department. Mr. Hoium stated the existing furnaces would be grandfathered in, but they would then have to comply with the existing ordinance.

No objections noted. Item will be discussed with the Planning Commission and will then be brought back to council.

Item #5. – Update on demonstration permit ordinance: Mayor Stiehm noted he and Chief Philipp had a discussion on a way to better let the Police Department know ahead of time when demonstrations are coming. This is not an effort to ban such demonstrations, but an attempt to get better forewarning that this is coming. Mayor Stiehm stated Chief Philipp and Mr. Hoversten have not had time to meet to discuss the issue, so it will be brought up at a later date.

Council Member Pacholl noted his agreement with former Council Member Norm Hecimovich, stating that they should require a permit and that we should not allow them to demonstrate at the Veteran's Memorial. Mayor Stiehm stated it may not be legal to ban them from demonstrating at the Veteran's Memorial. Additionally, Mayor Stiehm stated if we require a permit for demonstrations, we would also likely need to require the Boy Scouts, for example, to get permits for similar activities. All would have to comply with this.

This is for discussion purposes only.

Item #6. – Update on 2010 budget: Mr. Dankert noted we are nearing our December 1 Truth In Taxation meeting. The following are proposed minor changes to the budget since the last budget discussions we have had. Mr. Dankert noted we have refinanced some bonds, which have resulted in a lower interest rate. This allows us to reduce the debt service portion of our levy by \$27,159 due to the interest savings, a direct benefit to the tax payers of the community. Mr. Dankert also discussed the other changes as follows:

- Fire PERA Fund (Fund 29) – Change the capital outlay from “Replace back lot” to “Energy audit and building improvements”. Same allocation of \$22,000 is budgeted for this endeavor.
- General Fund (Fund 11) – Reduce Capital Outlay and Contributions a total of \$10,000 as estimated costs on two projects that are being requested to be funded by the Hormel Foundation (Trail Access Vehicle and Overlay Chipault Trail) have been reduced by the Nature Center.
- General Fund (Fund 11) – Reduce Fire Amortization Aid Revenue as new estimates from the State of Minnesota indicate a lower state aid here. We will reduce Capital Outlay for the Senior Center/Library HVAC repairs by the \$15,000 also to balance the budget.
- General Fund (Fund 11) – Increase the line item for Property Tax Revenue by the \$52,436 estimate for the portion of Lansing Township that will now be paying taxes in Austin for the first time. Increase Property Taxes under Economic Development to account for the payment out of \$47,192 (90%), and the remaining \$5,244 (10%) will be added to available Contingency.
- General Fund (Fund 11) – Reduce LGA by \$1,018 as the certification is officially here. We will reduce the Contingency line item by \$1,018 to balance the budget.

Mr. Dankert noted that with the above \$27,159 debt service reduction, rounding the final tax levy to \$3,900,000 would be his proposal. No objections noted.

Mr. Dankert also noted the recent change at the Library for an employee that has enrolled into the Phased Retirement Program through PERA will reduce her hours to half time. We have kept

the original budget here as the Library believes they will still need additional staff help to cover the shortfall in staff hours.

Finally, Mr. Dankert noted we are still waiting for some of the capital outlay numbers, as the Library has not yet gotten back to us on the status of their mechanical systems. Mr. Dankert noted the Senior Center has sent over something from their mechanical contractors to indicate that within the next two to five years the 18 year old furnaces will need replacement/repairs.

Council Member-at-Large Anderson stated that in her discussions at other cities, more unallotment of LGA may be coming.

Item #7. Administrative Matters – Matters In Hand: Mr. Hurm stated evaluations are in process. The review of liquor license violation penalties may be scheduled for the next work session, depending on timing.

Adjournment: Motion by Council Member Pacholl, seconded by Council Member King, to adjourn the meeting. Motion passed unanimously. Meeting was adjourned at 6:57 pm.

Respectfully submitted,

Tom Dankert