

M I N U T E S
COMMITTEE-OF-THE-WHOLE WORK SESSION
March 15, 2010
City Hall Council Chambers (Google presentation) and
City Hall Conference Room
(Immediately following council meeting)

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

ABSENT: Council Member Martin.

STAFF PRESENT: Public Works Director Jon Erichson, Community Development Director Craig Hoium, Assistant City Attorney Craig Byram, and Administrative Services Director Tom Dankert.

ALSO PRESENT: Public, John Garry of the DCA, Austin Post Bulletin, and Austin Daily Herald.

Mayor Stiehm opened the meeting at 6:45 pm.

Other Item. – Google Internet Application: Mr. Hoium gave council a brief overview of an application we would like to send to Google on behalf of the community. Google is offering to build, install, and test ultra high speed broadband internet networks in a small number of trial locations across the country. This proposed internet will deliver speeds more than 100 times faster than what most Americans have access to today. However, as a community the application has to be in within the next two weeks. Mr. Hoium stated he would like to have some level of Council support for this application before we jump in and do it. Mr. Hoium had Council watch the approximately 3-minute Google presentation on the internet.

John Garry stated we are in competition with other cities on this. We are trying to rally community support around this cutting edge technology. This is a long shot and is highly competitive to get the grant.

Shawn Reilly, Director of IT at Austin Medical Center, noted this is an extraordinary unique initiative being offered by Google. This could allow, for example, Austin Medical Center to do immediate interactive communication with experts around the world in seconds. Google is looking to engage citizens to say that our community really needs this. The application is due by March 26, 2010.

Mayor Stiehm questioned if this would compete with Charter or SMIG. Mr. Reilly stated these “competitors” will allow existing companies to use their installed fiber. Mayor Stiehm questioned who would submit the application. Mr. Hoium stated he would be responsible to complete the on-line application.

Council Member Pacholl stated this seems more for business use than personal for the citizens. Why should the City go through this process if it benefits the business community more? Mr. Reilly stated that businesses have the most to save here, but on a personal note, he said the internet access here in Austin does not allow for him to download video at the same time as he

listens to the internet radio and download a DVD for the kids to watch. This proposed offering by Google would easily allow all of this to happen for a citizen.

Mr. Reilly stated there is no cost here for the City, only staff time to complete the application.

Motion by Council Member-at-Large Anderson, seconded by Council Member King, to endorse the application submittal. Carried 6-0.

Item #1. – Closed Session: Motion by Council Member King, seconded by Council Member-at-Large Anderson to close the meeting under Minnesota Statute 13D.05 Subd. 3(b) pertaining to attorney-client privilege to discuss the Leon property. Carried 6-0.

See DVD of closed meeting.

Item #2. – Wind turbine ordinance presentation: Mr. Hoium discussed the past issues relating to the wind turbine ordinance as it relates to the Planning Commission and City Council meetings. Mr. Hoium stated he would like some direction from council before further revisions are made and presented to both bodies. It seems one of the big hang-ups relates to wind turbines in residential areas, specifically as they relate to potential future uses by educational facilities. It would be relatively easy to massage the language in a proposed ordinance to allow for such use at these educational facilities.

Council Member Austin stated that too many citizens think that these turbines are going to show up everywhere in our community. With the cost of such turbines and the setback requirements, there are very few people, if any, that are going to install such turbines on their property. It is more likely that a five-foot turbine on top of a house will be here before anybody installs a larger tower. Council Member Austin stated we need to better educate the citizens on this ordinance and wind turbines in general.

Council Member King stated he is stuck on his stance for allowing turbines in R1 districts. The sight, sound, and view of these turbines are the biggest complaint I am hearing about them. Council Member King questioned if the school is even inclined to install such a turbine. Council Member Austin stated that Riverland Community College is looking to partner on this with one of our schools.

Council Member-at-Large Anderson noted we need experts like Dennis Boik (retired Hormel engineer) and Steve Vietor (Riverland Community College instructor) to present to the public.

Mr. Hoium stated the current draft of the ordinance is very restrictive, but in Austin Acres for example many people have 300 feet of frontage, so they may be eligible to install such a turbine.

Council Member Pacholl stated there are two schools in the entire town (Riverland Community College and Ellis Middle School) that could possibly qualify as an educational facility that may want these. Otherwise nobody else can afford such items. Eventually a smaller one may come out, but right now that is not even an option.

Council Member McAlister stated we are trying to make logical arguments here, but the fact is that people just don't want them in their neighborhoods. Council Member McAlister stated he

does not believe these should be allowed in residential districts, and it is not due to noise or education; neighbors just don't want them.

Mr. Erichson stated he went to the Pleasant Valley wind farm discussion a few weeks ago. Ninety-five percent of the participants were opposed to the plan. They don't want the noise, the flicker, the declining property values, TV reception, you name it.

After further discussion Mr. Hoium stated he still needed some direction from Council to proceed. Mayor Stiehm polled the council members for their thoughts, as follows:

Council Member Pacholl – Another meeting with the Planning Commission will not change much. We should bring the ordinance forward and either pass it or vote it down.

Council Member King – Not allowed in R1 at all.

Council Member McAlister – Not allowed in R1 at all.

Council Member-at-Large Anderson – A joint meeting with the Planning Commission is needed.

Council Member Austin – A joint meeting with the Planning Commission is needed, and then we could give Mr. Hoium some direction.

Council Member Clennon – Agree with the joint Planning Commission meeting as we may hear something new on this.

Mr. Hoium stated it would be nice to have council opinions on the issue before the April 13 Planning Commission meeting.

After further discussion, motion by Council Member Austin seconded by Council Member Pacholl to attend the next Planning Commission meeting (scheduled for April 13) to discuss the issue. Carried 4-2. Council Members McAlister and King – Nay. The Planning Commission meeting is an open meeting so no further action will be needed by the City Council to attend the meeting.

Item #3. – Community Development update – building projects: Mr. Hoium briefly reviewed the projects that are on tap for our community or are seriously being discussed for the next year. Mr. Hoium noted nearly \$40 million of potential projects that may come forward this year. Mr. Hoium noted some of the projects are vaguely described as the developer does not want some items publicly stated yet.

This is for informational purposes only.

Other Item. – NE Industrial Park land sale: Mr. Hoium noted that recently he has been approached by H & L Brothers, Inc. to purchase a parcel of land out by Todd Park. This land originally had a purchase agreement with Randy South of Tec Tool for his expansion, but he has since declined to follow through on the purchase agreement. Mr. Hoium noted the purchase agreement with H & L Brothers, Inc. is on the same terms as the Randy South agreement was except that in this case the earnest money is not refundable if the purchase does not go through (Randy South will get his \$1,000 earnest money refunded to him since he did not follow through with the purchase). Mr. Hoium stated they would like to construct the building this fall, and have 5-6 employees during the summer months. The \$15,000 purchase price for the 1.5 acres seems kind of low, but Mr. Hoium pointed out that over 75% of this acreage is wetland and

cannot be built on. If Council recommends approval, it would still take a 7-0 vote at the April 5, 2010 council meeting to sell the land.

Council Member McAlister questioned if any land was still available in the NE Industrial Park. Mr. Hoium stated there is not much left as it is nearly fully developed.

Motion by Council Member King, seconded by Council Member-at-Large Anderson to recommend to Council the approval of the land sale to H & L Brothers, Inc. for \$15,000. Carried 6-0. Item will be added to the next council agenda.

Item #4. – Lansing Township project discussion: Mr. Erichson noted this area has been within the city limits now for one year. We have had six meetings with the different neighborhoods to discuss the project, as this will now provide for sanitary sewer in the area. Mr. Erichson stated the meetings actually went surprisingly well, and we have proposed the project be broken out into three areas, one for the east side, one for the west side, and finally one for a low pressure system. Mr. Erichson stated some properties need extra work (pumps, etc.) to get the sewage into the gravity system, and those parcels should pay additional for those added costs. The estimated cost of the entire project is \$3,646,250 and 100% of this will be assessed to the residents. Mr. Erichson stated we are still talking internally if we should fund this through a bond issue or through cash that exists within the Sewer Fund.

Mr. Erichson discussed the assessment policy noting the following:

- All parcels have the same base cost regardless of location.
- Parcels will be assessed based on a Residential Equivalency Ratio.
- Large parcels will be subdivided based on the potential of additional lots being developed in the future.
- Undeveloped lots will be able to defer assessments for five years with interest.
- Developed lots that have compliant systems will not be required to hook up for five years but assessments would start immediately.
- Assessments shall be for fifteen years at a projected rate of 5.5%. Mr. Dankert clarified that this rate is equal to approximately 2% above the rate of the bonds. The extra percentages are added to all street improvement projects as there is a cost to cover for delinquencies, etc.
- Low Pressure Systems will have an additional \$1,500/parcel charge due to required extension of property service.

Mr. Erichson stated water will not be installed now, but it could in the future. Some neighborhoods may petition for this in the future, but the extra \$15,000-\$20,000 of cost was too much for many to afford.

Mr. Erichson stated we will take bids, have another hearing, and declare the assessments. We are hoping to start digging in July of this year.

This is for informational purposes only.

Item #5. – Update on Mower County's 4th Street NW project: Mr. Erichson stated this is a large project for Mower County and they will need a "Municipal Consent Agreement" with the City of Austin in order to get the project started due to how the project is being funded. Mr.

Erichson stated this project is in five phases and will include sidewalk, curb and gutter, turn lanes, etc.

There will be a city cost of \$30,000 for this project for some underground work. Mower County is also planning on starting this project in June this year, but that may be delayed due to the review process required on this project.

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Item #7. – Matters In Hand: Council Member Pacholl stated we can remove the open discussion item of “Report on vehicles being hit by plows” as it was adequately reported on at the last work session. Motion by Council Member Pacholl seconded by Council Member McAlister to remove this item from Open Discussion Matters. Carried 6-0. No further action needed by Council as this was added at a work session.

Item #6. – Open Discussion: None.

Adjournment: Motion by Council Member King, seconded by Council Member Pacholl, to adjourn the meeting. Motion passed unanimously. Meeting was adjourned at 8:37 pm.

Respectfully submitted,

Tom Dankert