

M I N U T E S
COMMITTEE-OF-THE-WHOLE WORK SESSION
SEPTEMBER 20, 2010
City Hall Conference Room
4:30 pm

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

ABSENT: None.

STAFF PRESENT: Assistant City Attorney Steve Hovey (until 5:05 p.m.), Public Works Director Jon Erichson, Administrative Services Director Tom Dankert, and City Administrator Jim Hurm.

ALSO PRESENT: Other staff (until 5:05 p.m.), Austin Post Bulletin, and Austin Daily Herald.

Mayor Stiehm opened the meeting at 4:36 pm.

Item #1. – Closed session for the purpose of discussing medical records that are not public data pursuant to Minnesota Statutes 13D.05, Subd. 2(a)(4).: Motion by Council Member Austin, seconded by Council Member McAlister to close the meeting under Minnesota Statutes 13D.05, Subd. 2(a)(4) for the purpose of discussing medical records that are not public data. Carried 7-0.

See DVD of closed meeting.

Motion by Council Member McAlister, seconded by Council Member Austin to re-open the meeting at 5:04 p.m. Carried 7-0.

Motion to adjourn the meeting by Council Member Pacholl, seconded by Council Member Austin at 5:05 p.m. Carried 7-0.

Mayor Stiehm re-opened the meeting (after the city council meeting) at 6:05 p.m.

Item #1. – Cell tower leases: Mr. Dankert discussed a request by md7 a business partner with T-Mobile. T-Mobile currently has a lease at our Wastewater Treatment Plant for a site for which they built a cell phone tower on. Our current lease allows for a \$575 monthly base rate plus a 15% rate increase every 5-year term. However, the current lease can be terminated by T-Mobile on September 30, 2012. md7 is now negotiating for T-Mobile to reduce the lease rate, but extend the guaranteed payments out for either 7 or 10 years, depending on what lease rate we want to accept.

Discussion ensued from council regarding the comparative rates of other municipalities and within the City of Austin that had been provided as part of the backup for this discussion.

Motion by Council Member Austin, seconded by Council Member King, to recommend to Council the denial of the change in lease terms with T-Mobile. Carried 7-0. Item will be added to the next council agenda.

Item #2. – Administrator’s Report: Mr. Hurm noted that at future council work sessions we will be having some discussions on the following:

- Driver training
- Snow emergency ordinance
- Sidewalk snow removal
- Snow storage
- Green initiatives (council goal)
- Budget work session update is tentatively scheduled for 10/20/10 along with the CIP.

Item #5. Matters In Hand: None.

Item #6. Open Discussion: Council Member McAlister noted both he and Mr. Dankert received a phone call from a citizen noting they were questioning the employee benefits given as a budget item. Mr. Dankert noted her big question was the City paying for retiree health insurance, for which Mr. Dankert noted the City of Austin does not provide such benefit to our employees.

Council Member Clennon questioned an update on the landlord/rental property issue. Council Member Clennon noted she was under the understanding that this would be discussed in September, but there is a meeting tonight for the landlord association at 7:30 to discuss a rough draft. Mayor Stiehm noted Mr. Hoium gave the landlords some information that is used by other cities on this issue. Council Member Martin noted there are some major landlord issues here in town. Mayor Stiehm agreed, stating that the upkeep of those properties and knowing who lives in each property need to get resolved. Mr. Hurm stated we also need to educate the tenants.

Council Member-at-Large Anderson questioned the proposed 6% increase in the tax levy and the growth of the community. Mr. Dankert noted that historically, on average, roughly 3% of our tax levy increase is covered via new construction or higher valuations on improved property. For example, a new house built in 2009 would actually see taxes for the first time in payable 2011, so this is considered part of the growth. Additionally, Mr. Dankert stated he may have a TIF District (Hormel/Accentra Credit Union) that will expire. This translates into the city no longer receiving 100% of the taxes to pay off tax increment debt, but the taxes they pay are now going to be split between city/county/school much like any parcel. This is considered growth also. Mr. Dankert noted the best thing to look at may be the 2009 building report to see what amounts of new buildings were completed in Austin that will no be paying full taxes in 2011. Mr. Dankert noted growth is just an estimate as at this point Mower County cannot give us any real reports to show what the actual growth is.

Adjournment: Motion by Council Member McAlister, seconded by Council Member King, to adjourn the meeting. Motion passed unanimously. Meeting was adjourned at 6:28 pm.

Respectfully submitted,

Tom Dankert