

MINUTES
COMMITTEE-OF-THE-WHOLE WORK SESSION
JANUARY 18, 2011
City Hall Conference Room
5:00 pm - Closed Session
Immediately following council meeting – Open Session

PRESENT: Council Member-at-Large Anderson (acting mayor), Council Members Austin, McAlister, Boughton, King, Clennon, and Enright.

ABSENT: Mayor Stiehmer.

STAFF PRESENT: Human Resources Director Trish Wiechmann (5:00 to 5:30), Public Works Director Jon Erichson (6:40), City Attorney David Hoversten (5:00 to 5:30), Administrative Services Director Tom Dankert, and City Administrator Jim Hurm.

ALSO PRESENT: Austin Post Bulletin and Austin Daily Herald.

Acting Mayor Anderson opened the meeting at 5:15 pm.

Other Item – Closed Session.: Motion by Council Member Austin, seconded by Council Member King to close the meeting pursuant to M.S. § 13D.03 to discuss a proposed labor contract and also to discuss negotiations strategy.

See DVD of closed meeting.

Motion by Council Member Austin, seconded by Council Member King to re-open the meeting at 5:29. Carried 6-0.

Motion by Council Member Austin, seconded by Council Member King to continue the closed session after the council meeting. Carried 6-0.

Council meeting break from 5:30 to 6:40.

Motion by Council Member Austin, seconded by Council Member McAlister to close the meeting pursuant to M.S. § 13D.03 to discuss a proposed labor contract and also to discuss negotiations strategy at 6:40.

See DVD of closed meeting.

Motion by Council Member Austin, seconded by Council Member King to re-open the meeting at 7:00. Carried 6-0.

Immediately following council meeting - Open Session

A citizen approached Council on an immigration issue requesting their signature on a petition to stop illegal immigration in Minnesota. No action taken.

Item #1. – Stop sign request: Mr. Erichson outlined three requests for additional stop signs to be placed around the community. Signs are requested at the following intersections:

- 2nd Avenue & 2nd Street NE
- 5th Avenue & 6th Street NW
- 2nd/3rd Avenue & 18th Street SE

Mr. Erichson stated staff reviewed the accident history and noted the first two intersections have had eleven and eight accidents, respectfully, in the last six years. The third intersection listed has only had one accident in the same time period. Mr. Erichson noted that based on accident history and other factors, the first two would justify the placing of a stop sign, while the third intersection would not.

Council Member Clennon noted the area by the Oakland Avenue Bridge by East Side Lake needs to be looked at also. Mr. Erichson agreed that this intersection is a tough one as it is very wide and has traffic coming from three directions. In the near future, Mower County is scheduled to replace this bridge, for which we have some funds set aside to make some changes. Council Member Enright questioned if we have had a lot of accidents here. Mr. Erichson stated he did not know the history, but placing a stop sign there now may actually make the problem worse. Mr. Erichson stated it may also be difficult for Mower County to deliver this project in 2011.

Motion by Council Member King, seconded by Council Member Austin, to approve the two recommended stop sign installations, one at 2nd Avenue & 2nd Street NE and the other one at 5th Avenue & 6th Street NW. Carried 6-0. Item will be added to the next council agenda.

Item #2. – Flood acquisition requirements: Mr. Erichson outlined the process the City of Austin goes through anytime they are looking at flood acquisitions. In many cases, the funding from outside agencies will have their own grant requirements including preservation of jobs and job growth, property located in flood plain, cost/benefit ratio greater than 1, voluntary acquisition, and low to moderate income recipients. Additionally, if the acquisition allows us to remove public infrastructure and/or has repetitive losses, this is also considered in any acquisitions.

Mr. Erichson discussed the citizen request for a buyout, noting his property has had no impacts lately. Council Member Enright questioned if the flood plain could change. Mr. Erichson noted that re-mapping does occur, but one flood event doesn't move the flood plain.

Other Item: Mr. Erichson noted we have a federal \$413,025 flood grant that includes the purchase of the home at 1902 10th Place NE. This acquisition benefited a LMI (low to moderate income) applicant, but the grantor agency does not want us to reduce LMI housing, so we are proposing to move this acquired structure to another lot within the community. There are grant dollars to buy a lot and build the foundation to place this home on. Mr. Erichson noted his proposal to transfer the property to the HRA to sell to another LMI qualified resident.

Other Item: Council Member Clennon questioned the status of the North Main Flood Project. Mr. Erichson noted they have been working on this project, but the proposed CRWD rules could have an adverse affect on this project. We may be required now to get another permit, a permit above and beyond the state and federal approvals we have already received. Mr. Erichson stated

he does not believe this would be needed for Austin even if the CRWD approves the rules as proposed since we actually started this project a few years ago.

Acting Mayor Anderson questioned if we would be grandfathered in on the rules. Council Member Austin stated yes they would in his opinion, but some on the CRWD would not agree with this opinion. Mr. Erichson stated phases 2/9/12 would be bid in March of 2011, with construction starting in the summer. Phase 2 is from the library to the pool. Phase 9 is behind the Hormel plant, and Phase 12 is near Kuehn Motors.

Phases 3-7 include property acquisitions and easements before construction can begin. With the \$5 million federal grant on this phase, nothing can be released to us funding-wise until all of the properties/easements have been acquired.

Council Member Boughton noted APC would like to expand, but the flood situation is limiting what they can do for now. Mr. Erichson stated they have had many meetings with APC, including the location of where the flood wall would go. Mr. Erichson reiterated his past stance that easements will be needed from those properties that will benefit from this project.

Item #3. – Special Assessment rates.: Mr. Erichson stated it is that time of the year to review assessment rates for street projects for the 2011 construction year. Mr. Erichson noted the goal is to assess the benefitting properties 50% of the cost, with the remaining cost to be charged to the tax payers through the tax levy. Mr. Erichson stated the rates have not been increased since 2008; however, if we raise rates as proposed we will still *not* achieve a 50% assessment factor.

The proposed increase are as follows for **RESIDENTIAL** parcels:

- Sidewalk – no change from 2010
- Concrete curb and gutter – no change from 2010
- Street Reconstruction (Urban) – increase from \$36.00 per linear foot in 2010 to \$37.00 per linear foot in 2011
- Street Reconstruction (Rural) – increase from \$27.50 per linear foot in 2010 to \$28.00 per linear foot in 2011
- Mill and Overlay – increase from \$10.00 per linear foot in 2010 to \$12.00 per linear foot in 2011

The proposed increase are as follows for **COMMERCIAL/INDUSTRIAL** parcels:

- Sidewalk – no change from 2010
- Concrete curb and gutter – no change from 2010
- Street Reconstruction (Urban) – increase from \$51.50 per linear foot in 2010 to \$53.00 per linear foot in 2011
- Street Reconstruction (Rural) – increase from \$41.00 per linear foot in 2010 to \$42.00 per linear foot in 2011
- Mill and Overlay – increase from \$17.50 per linear foot in 2010 to \$20.00 per linear foot in 2011

Council Member Enright noted we have to maintain our streets and other infrastructure.

Motion by Council Member Austin, seconded by Council Member King to recommend approval of the assessment rates as proposed to Council. Carried 6-0. Item will be added to the next council agenda.

Other Item.: Council Member McAlister noted we have had many snow removal issues this year and we should seriously consider looking at calendar parking from November 15 to March 15. A proposal should be brought forward, along with a plan to advertise and get the word out to the citizens. Mr. Erichson stated if Council desires to do this, a clear definition of downtown needs to be made, as the downtown areas would not need to follow calendar parking while all other areas would be required to follow this rule. Mr. Erichson stated Captain McKichan is currently working on a traffic ticket study related to parking.

Council Member Enright voiced her approval of looking into calendar parking. Acting Mayor Anderson agreed, noting an increase in the parking tickets will also help this issue.

Item #4. – 2010 audit quote from LAWCO: Mr. Dankert discussed the audit quote from LAWCO for the 12/31/10 audit as required by state statutes. Mr. Dankert noted the rate increased 0.56% to \$41,160 for an audit of the City, Single Audit for federal grants, and the Port Authority.

Mr. Dankert further noted that if Council desires to change auditors, now would not be the time to do it. Council would want to make a decision to change in May or June so that an RFP process could then be undertaken for the next year's audit. No comments made from council on this.

Motion by Council Member Austin, seconded by Council Member King to recommend to council the approval of the audit by LAWCO for the 12/31/10 year-end. Carried 6-0. Item will be added to the next council agenda.

Council Member Austin stated LAWCO is a very reputable firm. Council Member King agreed, noting they employ local people and are very capable.

Item #5. – Council Retreat preparation: Mr. Hurm discussed proposed dates and an agenda for the council retreat, noting he has reserved 10-15 minutes for each department head to outline the status of 2010 goals and what is to be expected for 2011. Other items of discussion included how to get more budget input from citizens and having the Chamber of Commerce attend to work on goals and cooperation.

Council discussed the possibility of having staff outline 10%, 20%, and 30% cuts if LGA gets decimated. Mr. Dankert noted we have done this a few times and the data is still pretty pertinent. However, at the 10%, 20%, and 30% levels you are talking more than pens and pencils; we would be gutting entire programs and severely eliminating staff. Council Member King agreed, noting after about a 2% budget cut you will be talking about staff reductions.

Council Member Clennon stated the council should reserve at least two hours at the end of the retreat to discuss issues and have an open discussion.

On another note, Council Member Austin stated the council needs to have the discussions and make the decisions on staffing and program levels, not request the departments to come forward with those decisions. Council Member McAlister agreed, noting a few years ago we invited the employees to the library for their suggestions, and that was *not* a good idea.

After some general discussions it was requested that Jim Hurm contact the League of Minnesota Cities to come down to our retreat and discuss what other cities are doing to cut their budgets in these tough times. Additionally, it was requested that the Chamber of Commerce also be invited to the retreat to discuss open communication.

Item #6. Open discussion – Older Housing Stock: Acting Mayor Anderson noted in a prior Sunday paper there was an article on the need for updating older housing stock and ramblers to appeal to today's marketplace. Mr. Hurm stated this is probably more for the HRA Board to review.

Item #6. Open discussion – Term Limits: Council Member Boughton noted he is a proponent of term limits for elected officials. However, research has indicated that term limits in the State of Minnesota are not possible as it is not in our constitution (State of Minnesota).

Item #6. Open discussion – CRWD: Council Member Austin questioned if Council Member Clennon was representing the City of Austin or herself at the Cedar River Watershed Rules Committee. Council Member Clennon stated she applied for this Board as a citizen that is an elected official, not as an official of the City of Austin. Council Member Austin noted that Council Member Clennon seems to be worried about a lack of funds, yet her role on the CRWD would actually cost us more by requiring snow to not be stored at Marcusen Park but rather shipping it out to the Cook Farm site. Council Member Clennon stated it is her opinion she is expressing at the CRWD meetings, not the city council's. Council Member Austin stated she has voted against everything because of LGA issues, yet this could cost us a lot of dollars. In the board packet, Council Member Clennon is listed as an Austin City Council member. Council Member Clennon objected, noting she has never told Council Member Austin that his opinions were wrong. Council Member Austin clarified, that if you represent Austin, then represent us. Council Member Clennon disputed the additional cost and time to truck the snow to the Cook Farm site. Council Member Austin again reiterated that our complete council opinion should be represented on this Board, and we should be more informed of the direction they are taking. Council Member Austin stated his opinion was that council backed Mr. Erichson's opinion, but Council Member Clennon did not back that view.

Council Member King stated if these big things come up, council needs to be appraised of the situation. Council Member Enright agreed, noting council may have to put their personal bias behind them and bring back accurate information.

No further discussion noted.

Item #6. Open discussion – Chamber letter: Acting Mayor Anderson discussed a letter from the Chamber of Commerce regarding the flooding and council's priority. Acting Mayor Anderson noted maybe we need better communication with the Chamber on this issue. Council Member McAlister stated Mr. Erichson has met many times with the Chamber on this issue. The Chamber is just trying to keep pressure on Council to keep the flood projects moving forward.

Item #7. Matters In Hand: None.

Adjournment: Motion by Council Member McAlister, seconded by Council Member King, to adjourn the meeting. Motion passed unanimously. Meeting was adjourned at 8:50 pm.

Respectfully submitted,

Tom Dankert