

M I N U T E S
CITY COUNCIL MEETING
June 17, 2013
5:30 pm
Council Chambers

MEMBERS PRESENT: Mayor Stiehm. Council Members Judy Enright, Steve King, Jeff Austin, Michael Jordal, Roger Boughton, Jeremy Carolan and Council Member-at-Large Janet Anderson.

MEMBERS ABSENT: None.

STAFF PRESENT: Jim Hurm, Craig Hoium, Tom Dankert, Jeanne Howatt, Steven Lang, David Hoversten, Kim Underwood, Brian Krueger.

OTHERS PRESENT: Marv Repinski. Garth Carlson and Mitch Peterson. Ryan and Amanda Corey. Austin Daily Herald. Public.

Moved by Council Member Carolan, seconded by Council Member-at-Large Anderson, adopting the agenda. Carried.

Moved by Council Member King, seconded by Council Member Boughton, approving the minutes of June 3. Carried.

Marvin Repinski, 1005 4th Street SW and chairperson of the Austin HRA Board, asked Council to consider a combined city and county HRA. He estimated a savings of \$50,000 - \$100,000 for a combined HRA.

Moved by Council Member Boughton, seconded by Council Member Austin, approving the consent agenda as follows:

Licenses:

Cab Driver: Larry Welch: Austin, MN

Cab Driver: Richard Underdahl, Austin, MN

Exempt Gambling (raffle): Riverland Community College Foundation @ Holiday Inn, July 27, 2013

Massage Therapist: Cara Ramsey, Blooming Prairie, MN

Master Plumber: Bohlen Plumbing, Heating & Air Conditioning, New Richmond, MN

Temporary 3.2 Beer: Chamber of Commerce @ Mower Co. Fairgrounds, July 16

Temporary 3.2 Beer: Marcusen Park Baseball Association @ Marcusen Park, June 27-30

Temporary 3.2 Beer: Marcusen Park Baseball Association @ Marcusen Park, Aug 25

Tree Removal: Johns Handyman & Tree Service, Blooming Prairie, MN

Tree Removal: Ted Janning Tree Service, Blooming Prairie, MN

Claims:

- a. Pre-list of bills
- b. Credit Card, Financial & Investments Reports.

- c. Jon Masching, Hayfield, MN. This claim was forwarded to the city attorney to protect the city's interest.

Carried.

Bids were received on June 13 for building demolition at 900 N Main, the former Sinclair gas station. City Engineer Steven Lang said asbestos abatement will take place this week. They will work with the demolition company to establish a firm demolition date. They will schedule it for mid July.

Moved by Council Member Boughton, seconded by Council Member-at-Large Anderson, awarding the bid to RDS Trucking, Inc. 7-0. Carried.

The Minnesota Department of Public Safety has requested the extension of a lease for the use of the Todd Park north complex parking lot for motorcycle safety testing. Park & Rec Director Kim Underwood said this does not really impact Park & Rec – markers are set up, is all. The agreement was recommended for approval by the Park & Rec Board.

Moved by Council Member Austin, seconded by Council Member Boughton, extending the lease agreement with the Minnesota Dept of Public Safety for use of Todd Park for motorcycle safety training. 7-0. Carried.

The 2012 audit is complete. Council Member-at-Large Anderson complimented Tom Dankert and staff for their work and another good report.

Moved by Council Member-at-Large Anderson, seconded by Council Member Austin, approving the 2012 audit ending December 31, 2012. Carried.

Council has discussed the refunding of G.O. Government-backed housing bonds for the HRA (Chauncey and Courtyard Apartments).

Moved by Council Member Boughton, seconded by Council Member Austin, adopting a resolution for the refunding of G.O. Housing Bonds for the HRA. 7-0. Carried.

The two UAW contracts are finally agreed upon by all parties. Council Member Enright stated she hoped the next round would not take so long.

Moved by Council Member King, seconded by Council Member Austin, adopting a resolution approving a contract agreement with UAW – WWTP for 2011 – 2013. 7-0. Carried.

Moved by Council Member Austin, seconded by Council Member King, adopting a resolution approving a contract agreement with UAW – Street & Sewer Maintenance for 2011 – 2013. 7-0. Carried.

Public Works Director Steven Lang stated each year the departments and Fair Board collaborate together on a few projects. The Fair Board is asking for City assistance in supplying bleachers and partitions, and Park & Rec employees to water the grand stand area, and in return, the City uses the fairgrounds facility for the electronics collection and also used it for the branch collection site this year. The City maintains a good relationship with the Fair Board.

Moved by Council Member Austin, seconded by Council Member-at-Large Anderson, approving requests in connection with the Mower County Fair August 6-11, requested by the Mower County Fair Board. Carried.

The move of the 5th graders from the elementary schools to the new IJ Holton School will affect the school safety program. Because of that, Sumner Elementary is requesting stop signs at 7th Street NW and 7th Avenue to create a 4-way stop.

Moved by Council Member Boughton, seconded by Council Member King, approving the installation of stop signs on 7th Street NW at 7th Avenue. Carried.

Moved by Council Member Enright, seconded by Council Member King, approving a street closing of 9th Place SW (Main Street to 4th Street) on July 27 and 28 for Relay for Life. Carried.

Community Development Director Craig Hoium reported on two properties for authorization for junk removal which are on tonight's agenda. The zoning violation issues for 1801 1st Avenue NE (Morgan property) have been mostly resolved. The property at 1405 28th Avenue NE (the Robe-Parnett property) sustained much damage during the last tornado. Mr. Hoium said some improvements have been made but violations are not totally resolved. He told the property owner that we would monitor the property every two weeks. Mr. Hoium asked Council to still act on all these properties and not remove them from the agenda, but with the understanding that the City would continue to work with the two property owners.

Moved by Council Member Austin, seconded by Council Member King, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 1801 1st Avenue NE, Morgan property. Carried.

Moved by Council Member Austin, seconded by Council Member King, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 1817 3rd Avenue NE, Orth property. Carried.

Moved by Council Member Austin, seconded by Council Member King, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 1405 28th Avenue NE, Robe-Parnett property. Carried.

Moved by Council Member Austin, seconded by Council Member King, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 1701 5th Avenue NW, Norris property. Carried.

Moved by Council Member Austin, seconded by Council Member King, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 206 3rd Avenue SE, Anderson property. Carried.

Moved by Council Member Austin, seconded by Council Member King, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 611 11th Avenue SW, Hommerding property. Carried.

Council Member Enright said she has seen that last name a number of times and asked if that was the same parcel. Mr. Hoium said the property owner owns two parcels side by side. The other issues of that property owner have been resolved.

Moved by Council Member Austin, seconded by Council Member King, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 1008 Oakland Avenue W., Drees property. Carried.

Moved by Council Member Austin, seconded by Council Member King, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 1207 30th Avenue NE, Briggs property. Carried.

Moved by Council Member Austin, seconded by Council Member King, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 1211 30th Avenue NE, Peterson property. Carried.

Moved by Council Member Austin, seconded by Council Member King, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 1301 30th Avenue NE, Jorgenson property. Carried.

Moved by Council Member Austin, seconded by Council Member King, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 100 12th Street SE, NC Real Estate. Carried.

Mr. Lang stated that over the past weeks, staff has been working with G&R Truck Wash on a verbal agreement before being allowed to open again. The action before Council would give authorization to move forward. A letter from City Attorney David Hoversten to G&R summarizes the key points of the agreement:

- \$45,000.00 paid as a down payment
- \$190,913.52 paid as a promissory note at 6% spread over 10 years with a balloon payment after 24 months. This would amount to \$2,124.06 per month with \$162,439.05 due on August 1st, 2015.
- G&R must stay current on all new utility bills, strong waste charges and promissory note payments. If any payments are past the due date, the City of Austin will have the right to terminate the service without notice.
- G&R will waive all rights to other notice and hearings.
- The City will adopt a resolution deferring the original amount of the assessment to 2016.
- G&R has installed a dissolved air flotation system. The system will have to be tested for this application to verify that it will produce the anticipated results to meet the ICM agreement regulations.
- The City has developed an ICM agreement for this G&R Truck Wash, similar to the requirements of other like facilities.
- G&R shall complete all necessary requirements of the development agreement and comply with all City of Austin zoning requirements.
- The City will consider adjustments to the future effluent flow volume, but only on the condition that G&R install a meter to accurately measure the effluent flow from the facility.

Mayor Stiehm thought the original \$60,000 down payment request was too low. This seems like we're giving too much, especially with the low payments over the first two years.

Council Member Enright asked for the clarification of the 6% interest for 10 years and the balloon payment after 24 months. Administrative Services Director Tom Dankert said we would ask for \$45,000 down payment. The remaining amount would be amortized for 120 months, but that at the end of 24 months, G&R would have to go and get further financing elsewhere to make the final payment of \$162,439.05.

Mayor Stiehm asked about the sawdust pile that may have been moved inside the building. Mr. Lang stated that the agreement compels G&R to comply with all of the city zoning requirements. The majority of the sawdust has been cleaned up; he suggested that the wet weather possibly had a play in that.

Council Member Boughton congratulated the owner, Garth Carlson, as well as the City's ability to keep that business going knowing that it keeps jobs intact.

Council Member Enright asked how the "future effluent flow volume" would be monitored if adjustments were required. Mr. Lang said G&R would need to install a sewer line meter.

Council Member King thought that if the total due is \$236,000 and the initial payment is \$45,000, then that is a set-up for failure. He thought it would show a better faith effort if at least half was paid upfront.

Council Member Carolan asked if G&R has mowed. Mitch Peterson, counsel for G&R, said earlier today 90% had been mowed; it should be all mowed by now. Council Member Enright confirmed with Mr. Peterson that G&R is doing the mowing.

Mr. Peterson thanked the City Administration for the compromise solution. This is no loss to the City. The City will receive a Letter of Credit for \$10,000 along with the \$45,000 or they cannot open. If on Day 32 G&R has not paid, the City will be \$45,000 ahead. Another plus is that the business will be open resulting in jobs. Currently swine disease is requiring a lot of disinfecting so there is higher demand. This action of Council, he said, is a supporting piece of the community. It is a pro-business decision.

Council Member-at-Large Anderson asked how many jobs this involves, to which Mr. Carlson said it means six full-time and two part-time.

Mayor Stiehm said he would like to see the business open but "good faith" no longer exists here. There have been a lot of complaints from residents. Is this going to stop? He noted the odor complaints. Garth Carlson said Hormel's odors overpower the odor from his business. Council Member Enright said she lives near and drives by every day and from her experience, the odor is not from the business but rather from the trucks running that are lined up all the way back to 8th Street and around the corner.

Mayor Stiehm apologized for his last statement. Council Member Carolan stated his agreement with Council Member Enright about the smell, and that Hormel is overpowering.

Council Member Carolan asked about other zoning issues coming up. Mr. Peterson said they would certainly work on any future issues. Mr. Carlson hopes to pay off the debt in two years, he added.

Mayor Stiehm said he believed there were adequate safeguards for the City with the proposed agreement.

Council Member Boughton moved to adopt a resolution and accepting the proposed agreement. The motion was seconded by Council Member Jordal. Council Member Enright stated that at least this way we will see some money, and added that there are a lot of safeguards. 6-1. Carried. Council Member King voted nay.

Chief Krueger asked Council to approve another school liaison officers agreement. The agreement provides for the services of two police liaison officers for the purpose of student retention at Ellis and Austin High School from September 3, 2013 through June 4, 2014. The School District agrees to reimburse the City 83% of their salary and benefits.

Moved by Council Member Austin, seconded by Council Member King, adopting a resolution approving the agreement with Austin School District 492 for police liaison officers. 7-0. Carried.

Moved by Council Member Austin, seconded by Council Member-at-Large Anderson, adopting a resolution accepting donations to the Austin Public Library. 7-0. Carried.

Community Development Director Craig Hoium presented an appeal to the denial of a fence permit from Ryan and Amanda Corey for their property at 1207 3rd Avenue SW. Mr. Hoium stated the ordinance limits fence height here to 30 inches which relates to traffic visibility, though the ordinance also allows submitted appeals for a variance. Mr. Hoium noted the property is on 12th Street; to the south is a public alley. He noted on a map a storage building in the southwest corner, and he pointed out the existing 6-foot privacy fence. Mr. Hoium received an email from a council member who has noted other properties in the area that have 6-foot high fences. He stated that prior to 2004, 6 feet was a permitted height in residential districts. Mr. Hoium referred to the site line of the proposed fence which allows for more visibility at the intersection. He stated that there was some miscommunication in compliance and now the petitioners have purchased the fence materials and the fence posts are in place. Notices have been sent to surrounding property owners, but no one has voiced approved or disapproval. The fence appeal was not in front of the Planning Commission.

Ryan Corey stated that there had been phone calls and visits to the Planning office, and there were no indications that there would be a problem. They have taken the suggested diagonal design from Mr. Hoium for the fence appeal proposal. Mr. Corey said the protection of their children is their foremost consideration being that they are right on 12th Street SW.

Council Member King said the City should bear some burden as the Coreys were told okay initially. My feeling, he stated, is that this is not their fault. He added that 12th Street is like a freeway. Also, whether this fence is four feet high or six feet should not make a difference with its effect on traffic visibility.

Council Member-at-Large Anderson told the Coreys she appreciated them making adjustments for the site lines.

Council Member Boughton said he was the one who visited the property and identified three other properties with 6-foot high fences. He finds it hard to not approve the appeal now that they have purchased the fence.

Council Member Austin stated he understands the ordinance but in looking at the adjustments, he is inclined to be in favor.

Moved by Council Member Austin, seconded by Council Member Enright, approving the fence appeal as proposed. Carried.

In January, the City Council approved a \$550,000 DNR grant for flood mitigation for Turtle Creek and \$450,000 for Dobbins Creek. The grant is a 50/50 cost share with the City's portion to come out of the local option sales tax. The funds will go toward property acquisition. In the Turtle Creek area, funds will also be needed for flood berms and flood walls. Public Works Director Steven Lang stated the DNR was aware of our future requests and now has made some additional funding available. A grant amendment will provide an additional \$1,311,700 for the Turtle Creek area to be matched 50/50. Mr. Lang noted that \$714,700 would need to be expended by June 30, 2014.

Council Member Enright commended the Engineering Department for acquiring this grant and for managing the grants prior to this; it shows we are in good standing with the DNR.

Moved by Council Member Austin, seconded by Council Member Boughton, adopting a resolution approving a grant amendment with the DNR for the Turtle Creek Flood Mitigation project. 7-0. Carried.

REPORTS

Council Member Enright reported on the third Conversations with the Council for this year. They had a very good turnout with a lot of good ideas and comments. They will be reviewing them with staff and Council. July 20th is the date for the next Conversations with the Council. Council Member Enright said she had an opportunity to drive by Todd Park and noted all the activity and people. She commended the Park & Rec for the tournaments they bring in and this extra work.

Mayor Stiehm stated that many of the comments at the Conversations with the Council related to dilapidated housing; Craig Hoium will update on this. Mayor Stiehm stated that there was much praise for Mr. Hoium's office, and that the citizens do get responses and letters back from that office. Mayor Stiehm said that the message here is that it's everyone's community, and the City is receptive to receiving calls from neighbors or strangers (regarding ordinance violations). After a point, however, Mr. Hoium's hands are tied.

Council Member Austin read former Mayor Svejkovsky's obituary. Roger was a former business man and former mayor. He stated he knew him personally, having had washed his windows for him. He was a fine gentleman, he said. Mayor Stiehm stated Roger Svejkovsky began as mayor in 1962 and served one term (two years). He also owned Roger's Jewelry.

Council Member-at-Large Anderson said she was one of four council members at the Conversations with the Council. Judy Enright, Roger Boughton and Michael Jordal also attended. It was a positive group, she said. Council Member-at-Large Anderson said the second Tuesdays on Main is scheduled for tomorrow. She has also been at the dog park; it is a very busy place and she appreciates it. Council Member-at-Large Anderson will be attending the Annual LMC Conference with other council members and the mayor this week; they will report on this later.

Council Member Boughton stated Mr. Hoium's efforts are appreciated. His name was mentioned several times during the Conversations with the Council.

Police Chief Brian Krueger said Captain McKichan received an award from the Department of Transportation for TZD (Toward Zero Death). Captain McKichan lines up county personnel and sets up waves.

Park & Rec Director Kim Underwood said the Kiwanis tract meet is scheduled for tomorrow evening at 6:00 at Wescott Field.

Administrative Services Director Tom Dankert stated that along with the bond issuance Council approved tonight, Moody's has reaffirmed the City's Aa2 rating.

Mayor Stiehm announced that the Minnesota Association of County Probation Officers has presented Council Member Steve King with the Al Reker Distinguished Service Award.

Moved by Council Member King, seconded by Council Member Austin, adjourning the meeting to July 1, 2013.

Adjourned: 6:22 pm

Approved: July 1, 2013

Mayor: _____

City Recorder: _____