

**MINUTES**  
**COMMITTEE-OF-THE-WHOLE WORK SESSION**  
**August 5, 2013**  
**City Hall Conference Room**

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

**ABSENT:**

**STAFF PRESENT:** Public Works Director Steven Lang, Director of Administrative Services Tom Dankert, Community Development Director Craig Hoium, City Administrator Jim Hurm, Police Chief Brian Krueger, and City Clerk Ann Dunlap

**ALSO PRESENT:** Chamber Executive Director Sandy Forstner, Austin Daily Herald, Tedd Maxfield

Mayor Stiehm opened the meeting at 6:20 p.m.

**Item No. 1 Flood Plain Ordinance and Flood Plain Map–**

Mr. Hoium opened the presentation with the new proposed flood plain map. He emphasized that the Council is not to take any action at this point; the purpose of this meeting was to inform them of what is lying ahead. The DNR has mandated that about half of the counties in state modify their Flood Plain Maps and Ordinances and Mower County is one of the required counties. The current flood data and map is from 1988 and there have been many changes to the topography of the land. Steven Lang added that this mapping was a result of the 2007 floods, which Austin was not severely impacted by. The major impact from that flooding was to the East of Austin. Federal money was given to fly over the area and take 2 foot contours of the land for a more accurate flood zone map. The study was completed prior to 2010, which was prior to Austin's flood control work. Mr. Hoium explained the map's color coding as follows: Blue areas are waterways or floodways when we have flooding there will be water rushing through these areas. The green areas on the map are the "flood fringe" areas. This area is where the flood waters overflow into but there is not a current of water during a flooding event. The dark green areas are an expansion of the flood plain. There are about 2 dozen homes that are brought into the flood plain. These homes are located west of the corporate office along 2<sup>nd</sup> Street NE and one home on 22<sup>nd</sup> Street SW. However, overall, most flood plain areas have decreased in width.

Council Member Enright inquired if someone living in the newly created flood zone in the corporate office area would have higher insurance premiums due to the new map? Or if they would be required to purchase flood insurance? Mr. Hoium stated that the additional properties may need to purchase flood insurance, however, the homeowners get a 25% discount on the premium because of the flood programs that the City participates in.

Council Member Boughton asked if a homeowner put up a wall or berm would they still be required to be in the flood zone? And would that property still need insurance? Mr. Hoium

explained that a letter of map amendment (LOMA) can be completed if a certificate is issued by an engineering firm stating that the property is protected or no longer in the flood plain. The wall or berm would need to be inspected and certified by FEMA.

Council Member Boughton also asked if the classification of being in a flood zone would need to be disclosed if a property is sold? Mr. Hoium stated that is a Seller obligation to disclose that information on the Seller's property disclosure in the purchase agreement.

The next steps for the approval would be to update the ordinance with the new map. This is going in front of the planning commission on August 13, 2013. Then the DNR has to review and approve the draft ordinance. The matter is set for a public hearing on August 19, 2013. Mr. Hoium is going to work with the IT department to get the map available online for public viewing.

### **Item No. 2 LMC presentation: Public Education on City Services – Janet Anderson**

Council Member-at-Large Janet Anderson provided a handout regarding the League of Minnesota Cities and their offer to come speak to groups to increase the public's understanding of City services and how those services are paid for. Members of the League would come to the designated meetings and educate residents. It is suggested to have as many sessions as possible in a 2 to 3 day period. The City would provide food and transportation only to the League staff. Council Member-at-Large Janet Anderson asked the Council to review the information and discuss potential dates for these meetings at the August 19, 2013 work session.

### **Item No. 3 Hormel Foundation Grants**

City Administrator Jim Hurm presented the Hormel Foundation grant applications that have been submitted through the City. There are a total of 14 grants for a total of \$411,246.00. They have to be submitted by September 1st. Mr. Hurm asked the Council to rank each grant from 1 to 14 with 1 being the highest priority and 14 being the lowest priority. He would then compile the results and provide them at the next work session to determine the final rankings.

During the ranking time there was discussion on multiple grant applications. Council Member-at-Large Janet Anderson inquired about the increase from \$5,000 to \$15,000 on the dialysis route application and if Mayo Clinic contributed to the funding for that route? Mr. Dankert responded that Mayo does not contribute to the route and that the way the route was funded in previous years changed, thus requiring additional funding to keep it going.

Council Member Enright questioned why the community entrance sign was also listed on the budget? Steven Lang stated that there are multiple signs being proposed and this grant would cover half of the cost with the other half coming from the proposed City of Austin budget.

Council Member Austin stated that the Main Street project hadn't been active lately in completing new easements and questioned why they needed an additional \$100,000 in funds. Council Member Jordal stated that the Hill-Larson accounting building on Main Street may be a project in the near future. Council Member-at-Large Janet Anderson wondered if the Main Street project received other funding sources? Council Member Austin inquired if anyone knew of the balance in the Main Street fund at the current time? Mr. Dankert researched and found that their current balance is about \$249,000.00.

Mayor Stiehm had concerns with electric charging station and that there is only one electric vehicle in town.

#### **Item No. 4 Reports from Annual LMC Meeting**

Janet provided a written report from LMC meeting from June 20 to June 22, 2013. A copy of which is attached to the work session materials.

#### **Item No. 5. Discussion of 2014 Proposed Budget and Tax Levy**

Administrative Services Director Tom Dankert presented the proposed 2014 budget and tax levy. For 2014, local government aid increased by \$750,000 but the tax levy was reduced by \$52,000; therefore there is approximately \$700,000 worth of new money in 2014. \$210,000 of this goes to wages and benefits; \$300,000 for the City's portion of the new records management system at the LEC (this amount is projected to decrease to approximately \$240,000); \$60,000 for a new radio tower for the police department and \$125,000 for street projects.

Beginning January 1, 2014, municipalities are exempt from sales tax. However, it only classified as exempt if the City orders the materials. Therefore, on street projects the City will need to make arrangements to have the materials ordered directly through the Engineering office, not the contractor.

The police department has requested a Monday through Friday day shift officer. The approximate cost for that officer is \$74,000.00 for a full year salary. That is not included in the current budget so modifications would have to be made to provide funding for that officer is the Council decides to do so. That officer could also start mid-year to save on budget expense.

Council Member King supports hiring the officer due to Austin's high arrest rate. He has also seen an increase in violent criminals and may not have his probation officers take criminals into custody at the probation office, therefore which would create additional increased demand for the police during the day shift.

Mayor Stiehm stated that the police department had more officers when he started in 1978 than they do now. He is in full support of hiring another officer.

Chief Kreuger provided a handout sheet itemizing calls for service by shift. The day shift receives the most calls and generates the most reports. He also provided a SE Minnesota Crime Statistics Comparison showing that Austin's crime rate per capita is considerably higher than surrounding communities. He requested the Council's support in the creation of specialized position to specifically handle day calls where the demand is the greatest. He added that last week the Fire Department handled three medical calls for the Police Department and the Sheriff's Department took someone into custody for the Police Department because there were no officers available to handle these tasks.

Council Member Boughton questioned the difference between Owatonna and Austin's crime rates? Chief Krueger responded that there is more drug activity in Austin than Owatonna.

Council Member Austin stated that he was leaning towards hiring the officer but would like the Council to consider that the salary will need to be funded in all subsequent years. He was concerned about that the Council had taken the position of no new employees and that if they divert from that position, other departments may also request to add staff.

Mr. Dankert added that the Council cannot increase tax levy after first meeting in September. \$4,108,000 is the maximum that the City can fund through the tax levy. It is up to the Council if they want to fund that levy to the fullest. Austin ranks the fourth out of five cities of similar size for lowest taxes.

The Welcome Center has increased funding request to \$21,840.00 and KSMQ doubled their funding request from \$7,000.00 to \$14,000.00. Council Member King suggested the Council maintain the 2013 levels of funding which were \$5,000.00 to the Welcome Center and \$7,000.00 to KSMQ. Mayor Stiehm expressed that the City needs more services out of the Welcome Center and that more funding may be needed to meet those service levels. Council Member Austin suggested cutting off all funding for KSMQ since it is not strictly located in the City of Austin. Council Member Boughton was in opposition to that request.

Council Member Carolan inquired how the DCA was funding in the past. Mr. Dankert provided that prior to 2009 the DCA was funded by the City. Then in 2010 it was fully funded by the HRA but now the HRA has cut that funding. Council Member-at-Large Janet Anderson wanted to fund the DCA the \$40,000.00. Council Member Boughton expressed he would like to fund the \$40,000.00 also. Mr. Hurm stated the importance of having a strong private partner in economic development.

Council Member-at-Large Janet Anderson stated that Vision 2020 is a great asset to the community and needs to be funded. Mr. Dankert added that this is their first request for City funds. Council Member Enright is hesitant to fund Vision 2020 because of the lack of progress seen so far.

Council Members Austin and Enright wanted removal of the dog park fountain. Mayor Stiehm was in opposition to that.

The overall consensus of the Council was to fund the DCA with \$40,000 from the City and \$20,000 through the HRA and to hire a full time police officer for the entire 2014 year at a cost of \$74,000.00. This will be accomplished by eliminating Human Resources request for \$22,000 for a job evaluation/comprehensive plan review; eliminating the NE Industrial Park signage of \$19,000; reducing the dog park water fountain to \$5,000 and the savings of approximately \$60,000 in the records management system for the LEC.

Mr. Dankert is making modifications based on the Council's decision and the matter was placed on the agenda for the August 19, 2013 work session.

#### **Item No. 6. Administrative Report**

Mr. Hurm provided an update that the City is currently seeking a Fire Chief and the conversion to bi-weekly payroll has been targeted for mid-October. There are meetings with all City staff this week to explain the process.

**Item No. 7. Open discussion**

Council Member Enright provided a letter from Valaria Maloney, 204 7<sup>th</sup> Street NW, in regard to registering landlords in the city and her opinions on conversations with the council. Council Member Enright also suggested that the city staff check with other communities in regard deer feeding ordinances as brought up at the council meeting by a citizen earlier in the evening.

Council Member Carolan expressed that he shared the same deer concerns. He also had heard some complaints about graffiti in town.

Mayor Stiehm added that graffiti has been worse in the past and it goes in cycles.

Chief Krueger stated that officers are patrolling more in the areas most impacted by graffiti and he is hopeful to get some names of the individuals responsible once school starts.

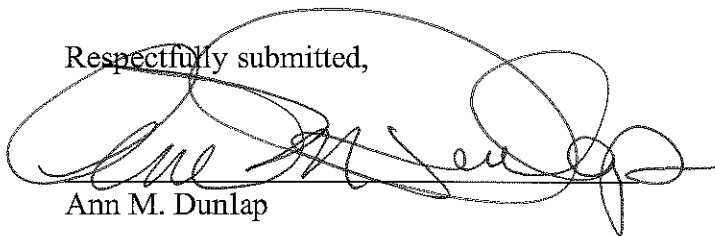
Council Member-at-Large Janet Anderson stated she would be available for the next conversations with the council on August 17<sup>th</sup> at 10:00 a.m. Council Member Enright and Council Member Boughton also stated they could attend.

**Item No. 8 Matters at Hand**

No discussion.

Motion by Council Member King seconded by Council Member Austin to adjourn the meeting at 8:12 p.m. Motion passed unanimously.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ann M. Dunlap", is written over a horizontal line. The signature is fluid and cursive, with the first name "Ann" being particularly prominent.

Ann M. Dunlap