

MINUTES
COMMITTEE-OF-THE-WHOLE WORK SESSION
August 19, 2013
City Hall Conference Room

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

ABSENT: Council Member Steve King

STAFF PRESENT: Director of Administrative Services Tom Dankert, Community Development Director Craig Hoium, City Administrator Jim Hurm, Police Chief Brian Krueger, Park and Recreation Director Kim Underwood and City Clerk Ann Dunlap

ALSO PRESENT: KSMQ President Eric Olson, Austin Daily Herald, Peggy Young, Bob and Mary Rosenthal, Michael Haskins, Public

Mayor Stiehm opened the meeting at 7:16 p.m.

Item No. 1 Doggie Day Care Request—

Michael Haskins, 810 4th Street NW made a request to the Council for a doggy daycare to be allowed in his home. Mr. Haskins currently has two dogs and he would like to be able to care for additional animals. He feels that a majority of people buy pets out of impulse and then later don't want to take on responsibility therefore the pets end up in shelters. He also believes this is due to a lack of education about dogs and he is willing to work with dogs that have behavioral issues and will teach them how to be pack animals. Mr. Haskins has consulted with two of his neighbors and they have no objection to his proposed business.

City Administrator Jim Hurm consulted with the City Attorney on this issue. Currently the City ordinance Section 10.11 Subd. 7. does not allow more than three animals on a property. The ordinance states:

Section 10.11 Subd. 7. *Housing.* It is unlawful for any person to keep more than three of any one kind of domestic animal unless continuously confined within the property owner's dwelling and within a cage or aquarium. This provision allowing more than three of any one kind of domestic animal, if confined within the dwelling, does not apply to cats or dogs. It is also unlawful for any person to keep any animal in any structure infested by rodents, vermin, flies or insects.

David Hoversten believes it would be unwise to amend our ordinances to allow this kind of activity in a residential district. In effect this would allow commercial kennel facilities in residential districts which would be objectionable to a majority of residents.

Community Development Director Craig Hoium added that the current ordinance only allows three domesticated animals in a residential district. Clearly, this would not allow a doggie

daycare. A conditional land use permit would allow a home based business as long as it met specific requirements in the zoning regulations. The zoning code currently allows for the following occupations: handicrafts, dressmaking, millinery, laundry, beautician, professional offices of a physician, lawyer, architect, musician, teacher or other professional person on the premises with certain restrictions. Therefore Mr. Haskins does not qualify for a conditional land use permit.

Mr. Hoium also checked with the police department and there is a long standing history of dog barking complaints, approximately 373 in 2011 and over 400 in 2012. There is a high likelihood of barking dogs in a foreign environment. He also added he feels this would be poor community planning to have this type of business in a residential district.

Mayor Stiehm was supportive of the idea and would love to have a doggie daycare to take his two dogs to during the day if he was busy but he does not want to live next to one.

Council Member-at-Large Anderson asked Mr. Haskins what his plan for the business was? How many dogs he was proposing to have? Was he planning to build kennels or enclosures for the animals? Mr. Haskins did not have answers to any of those questions.

Council Member Enright did not feel comfortable considering the issue due to a previous request from a cat shelter that was denied.

Council Member Austin stated that the City Council cannot draft an ordinance specific to one person. The responsibility of the City Council is to protect the general welfare of the entire City. If the Council allowed the temporary permit or changed the ordinance for Mr. Haskins then they would have to allow everyone that opportunity.

Council Member Carolan inquired what zoning district would allow this type of business? Mr. Hoium stated that it would be allowed in a commercially zoned area.

Mr. Haskins then requested a trial period. He stated that he is starting a pet sitting business where he goes to client's houses but would like the option for the dogs to be able to come to his house if that is what they prefer. His goal is to save animals from shelters by correcting bad behaviors and due to his financial situation his home is the only place he can start the business.

Mayor Stiehm stated that it is a great idea but it needs to be started in a different place. There is a high likelihood of public opposition to this matter and the City Council isn't willing to change the ordinance at this time. He encouraged Mr. Haskins to seek out other people willing to invest in his business to make it a reality.

No further action needed.

Item No. 2 KSMQ Funding

Eric Olson, President and CEO of KSMQ presented to the Council in regard to their current 2014 funding request. Council Member-at-Large Anderson suggested he come to the meeting due to Council Member Austin's concerns about funding that the August 5, 2013 work session.

Council Member Austin stated that his recollection of funding for KSMQ was that when the school gave up the TV station, the City had a couple of years where they gave a large contribution to keep the station going. But those contributions were anticipated to end once KSMQ had the increased ability to generate revenue independently.

Mr. Olson thanked for all of the previous contributions. KSMQ is a regional broadcaster, serving Rochester, Mankato, Winona, Austin and Albert Lea areas. The headquarters are in Austin and they have 12 full time employees. KSMQ prides itself on its focus on the City of Austin and the Austin Community. They have increased their Austin-based content by 50% in the 2012 year, including establishing a public affairs program, "On Q." There have been thirty one fifteen minute segments produced. In addition, KSMQ dedicated three hours of primetime to air the Austin Artworks movie for the Austin Artworks Festival and has a Vision 2020 segment weekly.

Further, he proposed the City provide an additional \$7,000 for the production of two 30-minute feature programs specifically about Austin, with content determined by KSMQ and the City. These programs would air multiple times in the primetime broadcast schedule and posted to the KSMQ Facebook page and YouTube Channel. Also, the footage would be made available to the City at no cost and with no rights restrictions, for use in any way the City sees fit. KSMQ feels that the relationship with the City of Austin is ongoing commitment and partnership.

Council Member-at-Large Anderson inquired if the station had any other sources for funding? Mr. Olson stated that they do receive state and federal grants and collaborate on corporate grants.

Council Member Boughton expressed that Austin is very fortunate have KSMQ and supports continuing to contribute to the station.

After further discussion, motion by Council Member Austin, seconded by Council Member-at-Large Anderson to give \$7,000.00 as currently budgeted in the 2014 proposed budget to KSMQ. Carried 6-0.

No further action necessary as will be included in the 2014 budget.

Item No. 3 LMC-Public Education on City Services-Janet Anderson

Council Member-at-Large Anderson is working on finalizing the dates and cost for the League of Minnesota Cities to make multiple presentations to various community organizations in regard to how the public and access city services. The only cost to city is transportation and meals for the League employees.

This is for informational purposes only.

Item No. 4 Proposed Deer Ordinance Review

In response to a citizen complaint at the August 5, 2013 City Council meeting, Council Member Enright requested a deer ordinance be researched.

Jim Hurm provided materials including deer ordinances from Shorewood, Mankato, Burnsville, Owatonna, Red Wing, Grand Rapids and a draft deer ordinance for the City of Austin prepared by David Hoversten.

Bob and Mary Rosenthal, 1709 4th Street SW, were present in opposition to the deer ordinance. The Rosenthals live on ten acres in Southwest Austin near the Cedar River and Turtle Creek. They have been feeding the deer for nearly 25 years and enjoy it very much. They have been given financial support from friends and strangers to continue the practice.

Mayor Stiehm stated that he lives near the Rosenthal residence and enjoys watching the deer. He is not against a deer ordinance and if the deer ordinance did pass, he would be in support of a variance for Mr. and Mrs. Rosenthal.

Council Member-at-Large Anderson questioned if this ordinance would apply to the Nature Center since it is within the City of Austin.

Council Member Enright replied that it would not since the nature center does not feed the deer.

Council Member Boughton talked to the public and Nature Center director Larry Dolphin in regard to this issue. Larry stated it isn't healthy for the deer to be fed. Deer need to find their own sources of food. When they feed naturally, it controls their population. But the ordinance won't eliminate the deer from coming into the City. Council Member Boughton also spoke with a number of people at McDonalds, who were divided on the issue. He also was concerned about who would be enforcing the ordinance.

Peggy Young, who was opposed to the ordinance, stated that the deer are going to be in the areas where the rivers are whether they are being fed or not. It's their natural habitat.

After further discussion, motion by Council Member Carolan, seconded by Council Member Boughton, to take no action on the deer ordinance at this time. Carried. 4-2 Voting nay: Council Member Jordal and Council Member-at-Large Anderson.

No further action necessary.

Item No. 5. Pay Adjustments

Mr. Hurm presented a memorandum to the council in regard to pay adjustments for 2013 for four employees: Police Captain, Human Resources Director, Park and Recreation Director and MIS Administrator. These pay adjustments are necessary to bring them in line with reasonable comparisons of other cities. His recommendation was to adjust pay for the four positions in question, beyond the normal cost-of-living 2% increase which will take affect January 1, 2014. The recommended changes are:

	<u>Current Annual Salary</u>	<u>Raise</u>	<u>2014 Salary</u>
Police Captain	\$78,478.80	\$3,000.00	\$81,748.80
Human Resources Director	\$67,870.32	\$3,000.00	\$70,870.32

Park & Recreation Director	\$67,017.60	\$6,000.00	\$73,017.60
MIS Administrator	\$59,832.00	\$8,000.00	\$67,832.00

Like all City employees, that base will be increased by 2% on January 1, 2014.

The MIS Administrator position would change from non-exempt (eligible for overtime) to exempt (not compensated for hours more than 40 in a week).

In addition, Mr. Hurm recommended that the old pay study be redone. The funding for the pay study was removed from the 2014 budget and it could possibly be completed by taking funds from the contingency or be placed in the budget the following year.

Mayor Stiehm disagreed with Mr. Hurm's recommendation for the pay study and suggested that it could be revised or tweaked instead of the entire thing being redone.

Council Member Austin questioned why the human resources director was added in addition to the other three positions. He thought the Council had dealt with her pay at another time and there is no reason to bring it up again.

Mayor Stiehm noted that Park and Recreation Director Kim Underwood is paid substantially less than a male was making in the same position. Kim is a female and there may be an inequity there that the City wants to address.

Council Member Boughton questioned the MIS Director's increase of \$8,000.00 to which Mr. Dankert replied he was going from an hourly employee to a salaried employee as part of the increase.

Council Member Jordal wondered if this was strictly wages, what about benefit package each of the individuals receive? Mr. Dankert replied that most public employees receive the standard benefits under PERA, the only big difference would be which health insurance package they elect. In addition, Mr. Dankert noted that these increases are not in the current budget and the funds would need to be allocated appropriately.

After further discussion, motion by Council Member Boughton, seconded by Council Member-at-Large Anderson, for recommending to Council a resolution increasing the salary of the Police Captain to \$81,748.80. Carried. 6-0. Item will be added to the next council agenda.

After further discussion, motion by Council Member Boughton, seconded by Council Member Austin, for recommending to Council a resolution increasing the salary of the MIS Director to \$67,832.00. Carried. 6-0. Item will be added to the next council agenda.

After further discussion, motion by Council Member Austin, seconded by Council Member-at-Large Anderson, for recommending to Council a resolution increasing the salary of the Park and Recreation Director to \$77,000.00. Carried. 6-0. Item will be added to the next council agenda.

After further discussion, motion by Council Member Austin, seconded by Council Member Carolan, denying the salary increase of the Human Resources Director Recreation Director. Carried. 5-1. Voting Nay: Council Member Boughton. No further action needed.

Item No. 6 Proposed Budget and Tax Levy-Tom Dankert

Tom Dankert provided a memo on the changes to the proposed budget from the August 5th council work session. Those changes were:

- Addition of police officer, additional cost - \$74,037
- Contingency addition, additional cost - \$6,900
- DCA additional funding, additional cost - \$40,000
- Reduction of capital, savings - \$121,000
 - Eliminated job evaluation process - \$22,000
 - Eliminated NE Industrial Park signage - \$19,000
 - Reduced RMS software for LEC - \$75,000
 - Reduced water fountain at dog park - \$5,000
- Miscellaneous revenue decrease - \$63

There were also some additional items that changed from the original proposed budget. Those changes were:

- Loss of income from AMCAT for staff time - \$10,000
- Increase Austin Utilities' payment - \$10,000
- Reduction of LGA (estimate) - \$724
- Increase miscellaneous revenue -\$724

Mr. Dankert stated the 2014 budget is still balanced based on the modifications. However, due to the pay increases for the Police Captain and the Park and Recreation Director totaling \$13,000, additional funds need to be cut. He suggested that the contingency fund could be reduced by the \$13,000 or additional capital items could be reduced from the budget.

Police Chief Brian Krueger stated that in order to make the budget balance, he would be willing to start the new officer position on March 1st, 2014. That way the officer would be fully trained by summer.

After further discussion, motion by Council Member Austin, seconded by Council Member Enright, for recommending setting the start date of the new officer to March 1, 2014. Carried. 6-0.

Council Member-at-Large Anderson had additional questions on the radio tower that is currently budgeted at \$60,000. Chief Krueger stated that the Minnesota Department of Transportation wants the City to collaborate with the State, Austin Utilities and Mower County to build a 320 foot tower in downtown Austin. Tom Dankert noted that the current City ordinance does not allow a structure of that size in downtown Austin. Eric Olson of KSMQ stated that KSMQ is certified for a 450 foot tower and would be glad to work with the City if the tower could be placed there.

No further action necessary as will be included in the 2014 budget.

Item No. 7: Building Fund Investment Allocation Change Request

Tom Dankert provided information that the current investment policy of the City is the first \$450,000.00 of interest earnings from all investments gets allocated to the Building Fund. This policy was adopted in 1993. The Building Fund then uses this money to build libraries, arenas, justice centers, etc. Due to low interest rates the current rate of return on the investments is much lower, therefore the building fund would not receive the entire \$450,000.00. In order to fund it fully, different money would need to be allocated. Mr. Dankert's proposal is to suspend the current policy for a few years until interest rates recover. He proposed the \$450,000.00 of minimum earnings be reduced to \$300,000.00 for the 2013 year (retroactive to January 1, 2013.)

Council Member Enright questioned how much is currently in the building fund?

Mr. Dankert replied that there is approximately \$750,000 to \$800,000 in the fund and those funds will be used to remodel the ice arena.

Moved by Council Member Boughton, seconded by Council Member Austin, for recommending to Council a resolution Amending the Investment Interest Policy for the Allocation of the Building Fund. Carried. 6-0. Item will be added to the next council agenda.

Item No. 8 Administrative Report

No discussion.

Item No. 9. Open discussion

Council Member Carolan brought up the issue of having cars parked at intersections with garage sale signs in the windows. He felt that having signs placed in yards is safer than cars being parked on corners and suggested that the Council repeal the ordinance. He doesn't feel like it is very productive for police officers to be spending their time in this manner.

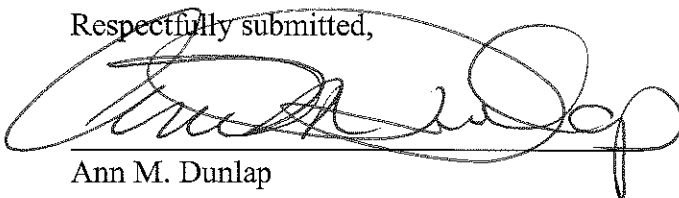
Council Member Austin stated that one of the goals of the 2013 City Council was to review ordinances. It is August and none have been review yet.

Mayor Stiehm suggested that a review of the swimming pool ordinances and the garage sale sign ordinance at next work session.

Item No. 10 Matters at Hand - No discussion.

Motion by Council Member Austin seconded by Council Member Carolan to adjourn the meeting at 8:50 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.

Ann M. Dunlap