

MINUTES
COMMITTEE-OF-THE-WHOLE WORK SESSION
July 7, 2014
City Hall Conference Room

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

ABSENT: Council Members Roger Boughton and Michael Jordal

STAFF PRESENT: Director of Administrative Services Tom Dankert, Public Works Director Steven Lang, Police Chief Brian Krueger, Fire Chief Jim McCoy and City Clerk Ann Kasel

ALSO PRESENT: Austin Daily Herald, Marv Repinski, Paul Spyhalski, Jim Davis, Helen Gardner, Kathi Robe Scabby Parnet, James Jorgenson, Marian Clennon, Public

Mayor Stiehm opened the meeting at 6:22 p.m.

Item No. 1 – Beyond the Yellow Ribbon Annual Update

Paul Spyhalski, Chair of Beyond the Yellow Ribbon, provided the yearly update to Council stating that there were not any large events, troop send offs or homecomings, but there were lots of small ways the committee helped troops and families. The BYR committee is all about supporting family members while their loved one is deployed. They also had a good year of organizing and preparing for the new transportation unit to be stationed at the Armory. The Armory is also undergoing a remodel and is slated for a grand reopening in late fall.

Council Member Enright added that the American Legion and VFW are great supporters of the committee and frequently allow the use of their facilities and fundraisers.

For informational purposes only, no Council action needed at this time.

Item No. 2 – Sewer Availability Charge Update

Director of Public Works Steven Lang presented on the sewer access charge. He recommended that the fee would be broken down based into 3 criteria and proposed the fee schedule:

The first fee would be the Sanitary Sewer Permit Fee which is the cost to connect to the existing infrastructure and receive the benefit of the downstream sanitary sewer system, lift stations and waste water treatment plant. The fee structure will be based on a Residential Equivalent Unit (REU), which equates to approximately 300 gallons per day or 20 fixture units.

- 1) one REU = \$500
- 2) Single family houses, townhouses, Condominiums, duplex units and most Apartments each equal one REU per Dwelling Unit.
- 3) Non-Residential Properties will be charged one REU or one REU per 300 gpd or one REU per 20 fixture units, whichever is greater.

- 4) Commercial Properties are charged REU's based on estimated maximum potential daily wastewater proportionate to 300 gpd or 20 fixture units.
- 5) Industrial Properties are charged REU's based two components: i) Commercial criteria, and ii) the maximum daily Industrial Wastewater for process flow.

Anyone who comes into the City would be charged the sanitary sewer permit fee of \$500 per residential equivalency unit.

The second would be the Sewer Lateral Development Charge, which is the cost as determined by the Engineer to extend from a point on the existing sanitary sewer collection system to service the lot or development with sewer main, where the extension has not been paid for by a private developer or through prior assessments.

- 1) \$11,000 per connection (gravity system)
- 2) \$12,500 per connection (gravity system/grinder pump combo)
- 3) \$12,500 per connection (gravity system w/ lift station)

The last fee would be the Sewer Service Charge, which is the cost as determined by the Engineer to extend a dedicated sewer service from the sewer main to within 10 feet of the property line of a designated lot.

- 1) \$675 per connection (4" service)
- 2) \$850 per connection (6" service)

Mr. Lang provided the following examples of proposed Sewer Availability/Access Charges:

Sanitary Sewer Permit Fee

Construction of a Residential Home (1 REU)	\$ 500
Animal Control Building (21 fixture units)	\$1,000
Coffee Shop (1 REU)	\$ 500
8-unit Apartment (1 REU per dwelling)	\$4,000

Laundromat (based on estimated water usage @ 1 REU per 300 gpd)
 General Office (1 REU or 1 REU per 20 fixture units; whichever is greater)
 Retail Store (1 REU or 1 REU per 20 fixture units; whichever is greater)
 Restaurant (1 REU per 10 seats)

Mr. Lang provided the following examples of the Sanitary Sewer Permit Fee, Sewer Lateral Develop Charge & Sewer Service Charge in proposed specific projects.

Lansing Sewer Project, w/ lift station

Sanitary Sewer Permit Fee	\$ 500
Sewer Lateral Development Charge	\$12,500
Sewer Service Charge	\$ 675
Total	\$13,675

Turtle Creek 1,	Gravity	w/ Grinder Pump
Sanitary Sewer Permit Fee	\$ 500	\$ 500
Sewer Lateral Development Charge	\$11,000	\$12,500
Sewer Service Charge	\$ 675	\$ 675
Total	\$12,175	\$13,675

Turtle Creek 2, w/ lift station	
Sanitary Sewer Permit Fee	\$ 500
Sewer Lateral Development Charge	\$12,500
Sewer Service Charge	<u>\$ 675</u>
Total	\$13,675
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Sanitary Sewer Permit Fee	\$ 500
Sewer Lateral Development Charge	\$11,000
Sewer Service Charge	<u>\$ 675</u>
Total	\$12,175

Before the permit is issued, Staff would confirm that one of the following conditions exists:

- a. The lot has been assessed for most of the sanitary sewer construction adjacent to the property; or
- b. Special assessments are pending for the cost of the sanitary sewer construction adjacent to the property; or
- c. A lump sum cost equal to the assessment has been paid to the City for the cost of the sanitary sewer construction adjacent to the property; or
- d. The cost of the sanitary sewer construction has been paid to the City by a developer as part of creation of the lot.
- e. If none of the above conditions are met, no permit to connect to the sanitary sewer will be issued unless the applicants pays the connection fee.

Mr. Lang provided a proposed ordinance as drafted by the City attorney's office. He stated the rates would be set yearly by the City Council with the other City fees.

He noted there were no bids on the Turtle Creek 1 project this summer and the City plans to rebid project in winter when more contractors may be available. The Turtle Creek 1 proposed assessment amounts with the grant applied were similar to the amount of the sewer access charge.

Council Member King inquired with the sewer access charge, how would the City assess the water to residents in Turtle Creek 1.

Mr. Lang stated he would like to continue with the assessments on Turtle Creek 1. If the sewer access charge is used then Austin Utilities would have to assess the water services on their own.

Mayor Stiehm asked about the payment options with the sewer access charge.

Mr. Lang stated with assessments, residents are given the option to place the amount on their taxes for fifteen years. With the sewer access charge, the amount is due in full upon application.

Council Member King stated this would be a benefit to an empty lot in Lansing.

Mr. Lang confirmed that vacant parcels wouldn't be assessed until they were developed.

Jim Davis, a resident in the annexed area of Lansing Township, asked how this would apply if the property was sold.

Mr. Lang stated if the septic system located on the property is compliant with the Mower County Septic ordinance then it would not need to be hooked into the City system. However, if the system is non-compliant then it would be required to hook up to the City sewer system at that time.

Council Member Enright asked if the ordinance is adopted then would the annexed Lansing parcels be notified.

Mr. Lang stated letters could be sent out as a courtesy.

Helen Gardner, an annexed Lansing Township resident, asked if she would have a hookup fee on her property.

Mr. Lang stated the sewer access charge wouldn't apply on empty lot until that lot was developed.

Mr. Davis asked if interest would accrue over time.

Mr. Lang replied that no interest would accrue but the charges would be evaluated each year and may increase over time due to increased construction costs and inflation. He added that since the City is going to fund the infrastructure costs upfront, each annexation project will have to be carefully planned for the future.

Director of Administrative Services Tom Dankert added that small projects are fine to cash flow but larger project would not be able to be funded in full upfront by the City.

Council Member Carolan asked if there are any options for payment if a resident does not have the funds or cannot secure a loan.

Mr. Lang stated the City has not looked into any options at this time.

Marian Clennon inquired if a home is destroyed due to a natural disaster, would the property owner need to pay the fees again once that property is rebuilt.

Mr. Lang stated the property owner would not have to pay the sewer access charge again because they had already paid it for that parcel.

After additional discussion, moved by Council Member King, seconded by Council Member Austin, approving the sewer availability access charge fee schedule and proposed ordinance.

The item will be placed on the July 21, 2014 Council Meeting.

Item No. 3 – Hardy Geranium Discussion

Council Member King presented on the Hardy Geranium stating he felt it is a water table issue causing the problem in the Hardy Geranium, not a flood water issue. He has visited the shop in the spring and fall and there is water running through the basement. Vicky Trimble has

consulted a hydrologist and he feels the water is caused by the removal of the Oakland Avenue underpasses.

Vicky Trimble, the owner of the Hardy Geranium, presented a groundwater elevation map highlighting well MW-1. That well depth increased in 2009 after the Oakland Avenue underpasses were removed. This is also when she began experiencing constant water in the northeast corner of her basement. The water begins in the spring when the frost comes out of the ground and continues to fall when the ground freezes again. She also highlighted well MW-7 which does not come up very much at that same time. Well MW-1 is the closest to the former underpasses and the water flows under the building from that point. She noted that no other properties have been affected by the removal of the underpasses.

Ms. Trimble continued to state in the beginning she thought it was a Utilities problem so she had them check it out. They suggested she landscape and use rain barrels to catch her runoff. None of the suggestions she implemented made an impact on the water in the basement. She also has to pay for off-site storage since the basement is too wet and the only restroom in the facility is in the basement.

Ms. Trimble presented a proposal from City Concrete in the amount of \$8,290 where the floor would be cut out and tile installed which would run to a sump pump.

Council Member King stated if Steven Howard hadn't opted for the flood buyout, the City was prepared to execute an elaborate landscaping plan with cutouts in it for daylight windows. He stated the City has made unique accommodations for other residents and the same should be extended to this business.

Director of Public Works Steven Lang stated there was a pumping station located in the bottom of the Oakland Avenue underpass, which was installed for the benefit of the underpass. Whether the Hardy Geranium received benefit from this pumping station isn't a City problem.

Curt Hannah spoke on behalf of Ms. Trimble stating the pumping station didn't affect anything when the river wasn't flooding. Filling in the underpasses is what changed the water table and caused the water problem.

Mr. Lang continued to state there are many properties around town that are not flood properties but they do receive ground water seepage. The City does not have a program at this time to help these properties.

Mr. King stated Ms. Trimble's water issue was caused by a project the City completed that changed the water table in the ground. He felt the Council should do the right thing and help the business.

After additional discussion, moved by Council Member Enright, seconded by Council Member Carolan, for \$4,145 from contingency funds for concrete work at the Hardy Geranium. Carried.

The matter will be placed on the July 21, 2014 Council meeting.

Item No. 4 – Austin Police Department Squad Exchange with Riverland

Police Chief Brian Krueger requested the Council participate in an exchange with Riverland Community College's Law Enforcement Program and swap a 2011 Crown Victoria squad car for a 1994 and a 2004 Crown Victoria. The value of the 2011 squad is approximately \$5,900 and the value of the 1994 and 2004 cars is approximately \$3,300. Half of the Austin Police Department graduated from the Riverland Program, many officers teach in the program and the Austin PD is allowed to train in the Riverland facility so the exchange would be part of an ongoing mutually beneficial partnership.

Moved by Council Member Anderson, seconded by Council Member Enright, authorizing the City to participate in an exchange with Riverland Community College's Law Enforcement Program and exchange a 2011 Crown Victoria for a 1994 and a 2004 Crown Victoria. Carried.

The item will be placed on the July 21, 2014 Council Meeting.

Item No. 5 – Authorization to sell Fire Department Equipment

Fire Chief Jim McCoy requested Council approval to sell three XTL 1500 radios and one XTL 2500 radio that no longer have use to the Austin Fire Department. He requested the items be sold on the Fire Safety USA website.

Moved by Council Member Enright, seconded by Council Member Austin, for authorization to sell three XTL 1500 radios and one XTL 2500 radio that no longer have use to the Austin Fire Department. Carried.

The item will be placed on the July 21, 2014 Council meeting.

Item No. 6 – Contract for Private Redevelopment with Hormel Foods for the New Spam Museum

Director of Administrative Services Tom Dankert presented the proposed contract for redevelopment with Hormel Foods for the New Spam Museum. The City has worked with Hormel Foods, the HRA and Port Authority to come up with an agreement acceptable to all parties. The City's responsibilities include opening up Third Avenue and addressing the parking situation.

Council Member Enright asked how the road opening is being funded.

Director of Administrative Services stated it would be funded partially from the Hormel Foundation and partially from a State grant being applied for which will be on the July 21, 2014 Council meeting.

He noted the Port Authority approved the agreement.

Moved by Council Member Austin, seconded by Council Member Enright, approving the Contract for Private Redevelopment with Hormel Foods. Carried.

The item will be placed on the July 21, 2014 Council meeting.

Item No. 7 – Review Energy Efficiency Proposals

Director of Administrative Services Tom Dankert presented two energy conservation proposals submitted to the City. The first was from Class 5 Energy, who is the consultant for the Austin Public Schools. This proposal is targeted at behavior based conservation, estimated at \$11,100 and would require a 10 hours per month from a staff person.

The second proposal was from General Energy Brokerage & Consulting (GEBC) at \$17,700 for the first year. This proposal would require limited staff time and includes an additional option for review of facilities and equipment in addition behavior based conservation.

Mr. Dankert previously consulted with the Sustainability Task Force and it would approve of either consultant. He recommended a one year trial of the program with GEBC due to the fact that it does not require a dedicated staff person.

Council Member-at-Large Anderson noted hopefully the savings will pay for the services.

Council Member Enright noted she is on the Sustainability Task Force and has reviewed the proposals. She agreed with the selection of GEBC that it would work better for the needs of the City.

Council Member Carolan asked if the company provided a performance guarantee.

Mr. Dankert stated it does not provide that.

After additional discussion, moved by Council Member Enright, seconded by Council Member Austin, for a one year contract with General Energy Brokerage & Consulting for energy conservation at the City of Austin with funding coming from contingency funds. Carried.

The item will be placed on the July 21, 2014 Council meeting.

Item No. 8a – Administrative Report - Annual Performance Measurements Survey Results

Director of Administrative Services Tom Dankert presented the 2014 Performance Measurements Results stating there was a 60% increase from the previous year. The City will receive additional local government aid as a result of completing the survey.

For informational purposes only, no Council action needed at this time.

Item No. 8b – Administrative Report - 2014 Council Goals Update

Director of Administrative Services Tom Dankert reviewed the progress on the 2014 Council goals. He specifically noted the website proposals are in from several firms and they will be presented to Council soon.

For informational purposes only, no Council action needed at this time.

Open Discussion 9 - Vision 2020

Council Member Enright noted it was brought to her attention from Vision 2020 that the retiring Craig Hoium was the main contact person for the City on many committees. They inquired who that main person would be until the new City Administrator is hired. She noted she volunteered Mr. Dankert and Mr. Lang.

Mr. Dankert and Mr. Lang stated that would be fine and they would work it out amongst themselves to meet Vision 2020's needs.

Council Member Anderson questioned who would be the contact person for the bike trail.

Mr. Dankert noted that would go through Mr. Lang's Office.

Item No. 9a – Open Discussion – Sidewalk Café

Council Member Jordal requested the topic of sidewalk cafés be discussed at the July 7, 2014 work session, specifically the 70% food requirement of gross receipts to serve alcohol. Council Member Jordal was unable to attend the work session so the matter will be tabled to the July 21, 2014 work session.

Item No. 9b – Open Discussion – Forfeited Property Assessments, 204 South Main Street

Council Member Carolan requested the assessments on the property located at 204 South Main Street be discussed at the July 7, 2014 work session.

The property had a long history of zoning violations and was declared a hazardous structure by resolution on June 7, 2004. The City completed repairs on the structure in the amount of \$20,000 and obtained a Court judgment on March 6, 2007. That judgment was filed against the property on September 26, 2007. The property was forfeited to Mower County in 2010 for non-payment of real estate taxes. At the time of the forfeiture there were \$21,118.04 in outstanding assessments.

The Council discussed the matter in 2011 and determined it would be best to leave the assessments on the property as is until a future development is pending.

Council Member Austin noted Bell Liquor was the business requesting to purchase the property but had no plan for developing it. If they had a plan for the property, then the Council may have considered the request.

Council Member King noted the City will receive no benefit from a lot that is still for sale because it is not on the City's tax roll.

Council Member Carolan suggested the City come up with a policy which allowed a percentage of forgiveness of the assessments for each year until the property is sold.

Director of Administrative Services Tom Dankert stated it has been the City's policy to reassess all forfeited parcels. This parcel is a unique situation as the City put funds into improving the hazardous property and then it was forfeited to the State for delinquent taxes.

After additional discussion, it was decided to make no changes to the City's policy unless the Council is presented with a plan for development.

No additional Council action needed at this time.

Item No. 9c – Open Discussion – Downtown Parking Issues

Director of Public Works Steven Lang presented a downtown parking study from 2011 and 2014 at the request of Council Member Carolan who received a concern from a citizen that lives downtown. His conclusions determined that with the exception of the Justice Center lot, parking downtown has remained steady over the last three years and at any given time period there are at least 50% of the stalls available for parking in the downtown area.

Council Member-at-Large Anderson stated she does not believe we should encourage people to live downtown and then require them to move their vehicle every twelve hours.

Mr. Lang will complete additional research on parking permits and report at the August 5, 2014 work session.

Item No. 9d – Open Discussion – Mosquito Spraying

Council Member-at-Large Anderson would like the City to spray for mosquitoes again as she believes they are still a problem.

Director of Public Works Steven Lang stated the night of the last application was perfect conditions for spraying. He believes whatever was killed has replenished.

Mr. Dankert noted if the City sprays again it may be slightly over budget for the item.

Mayor Stiehm supported another application prior to the scheduled application around fair time.

Mr. Lang will coordinate with Mosquito Control of Iowa for an additional application as soon as possible.

Item No. 9e – Open Discussion – Train Whistle Noise

Council Member Enright questioned if it is mandatory for trains in town to blow their whistles at every intersection.

Mr. Lang noted he believes that is a railroad policy and doesn't know if contacting the railroad will help.

Moved by Council Member Austin, seconded by Council Member King, adjourning the meeting at 8:12 p.m.

Respectfully Submitted,

A handwritten signature in cursive script, reading "Ann M. Kasel". The signature is written in dark ink and is positioned above a horizontal line.

Ann M. Kasel, City Clerk