

**MINUTES**  
**COMMITTEE-OF-THE-WHOLE CLOSED WORK SESSION**  
**August 4, 2014**  
**City Hall Conference Room**

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

**ABSENT:**

**STAFF PRESENT:** Director of Administrative Services Tom Dankert, Public Works Director Steven Lang, Assistant City Attorney John Beckmann, Assistant City Attorney Steve Hovey, City Clerk Ann Kasel, Director of Human Resources Tricia Wiechmann (5:57 p.m.)

**ALSO PRESENT:** None

Mayor Stiehm opened the meeting at 4:45 p.m.

Motion by Council Member Austin, seconded by Council Member Boughton to close the meeting pursuant to Minn. Stat. 13D.05, subd. 3 (b) on the basis of attorney-client privilege. Carried.

See DVD of closed meeting.

Moved by Council Member Austin, seconded by Council Member King, to reopen the meeting at 5:26 p.m. Carried.

Moved by Council Member King, seconded by Council Member Austin, to adjourn the meeting at 5:26 p.m. to attend the City Council meeting. Carried.

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**ABSENT:**

**STAFF PRESENT:** Director of Administrative Services Tom Dankert, Director of Public Works Steven Lang, Police Chief Brian Krueger, Park and Recreation Director Kim Underwood and City Clerk Ann Kasel

**ALSO PRESENT:** Sandy Forstner, Austin Daily Herald, Post Bulletin, Public

Mayor Stiehm reopened the meeting at 5:56 p.m.

**Item No. 1 – Downtown Parking Permits**

Director of Public Works Steven Lang proposed a new parking permit to accommodate apartment dwellers in the downtown area. The new permit would be good for any public lot in the downtown area and would not have a time limit but the permit holder would be required to abide by the snow emergency parking ordinance. One permit would be issued per apartment unit and the vehicle would be required to have a City issued tag on the rear view mirror of the vehicle.

The City will still offer the option of a dedicated parking stall lease in the Nemitz or Austin Drug lots. This lease would assign a specific stall and would be marked with a sign for the specific business. This lease has been modified to also eliminate the 12 hour restriction and the lessee would be required to abide by the snow emergency parking ordinance. City staff will have the existing lease holders sign a new lease with the modified language in the next quarterly billing period.

Permit parking in the south half of Methodist Lot would remain unchanged. The City has 44 stalls available with 16 currently leased.

After further discussion, moved by Council Member-at-Large Anderson, seconded by Council Member Enright, approving new and modified downtown parking leases. Carried.

The item will be placed on the August 18, 2014 Council meeting.

**Item No. 2 – Hormel Foundation Grant Application Review**

Director of Administrative Services Tom Dankert presented the 2015 Hormel Foundation grant requests. There were a total of eleven requests with eight of those coming from the City. The grants are:

### City of Austin applications

|  |           |
|--|-----------|
| Library - Redesigning for learning                             | \$ 37,000 |
| Park and Rec – Arena Curling Program                           | \$ 25,000 |
| Nature Center Education Program                                | \$ 36,972 |
| HRA - Business Encouragement/Enhancement<br>Partnership (BEEP) | \$ 75,000 |
| Public Works – LED Street light conversion                     | \$ 20,000 |
| Public Works – Riverside Area renovations                      | \$500,000 |
| Public Works – Senior Center A/C west side                     | \$ 30,000 |
| Fire Department – Swift/flood water rescue                     | \$ 17,000 |

### Outside applications being submitted through the City of Austin

|   |           |
|---|-----------|
| Chamber of Commerce – Freedom Fest      | \$ 20,000 |
| Chamber of Commerce – Leadership Austin | \$ 1,500  |
| AACA-2105 Austin ArtWorks Festival      | \$ 15,000 |

TOTAL \$777,472

Mr. Dankert reviewed each grant and asked the Council to rank the City applications in order from 1-8 with 8 being the grant supported most and 1 being the grant supported least.

The rankings results were as follows:

|  |           |
|--|-----------|
| 1 - Public Works – Riverside Area renovations                      | \$500,000 |
| 2 - Public Works – LED Street light conversion                     | \$ 20,000 |
| 3 - Nature Center Education Program                                | \$ 36,972 |
| 3 - HRA - Business Encouragement/Enhancement<br>Partnership (BEEP) | \$ 75,000 |
| 5 - Library - Redesigning for learning                             | \$ 37,000 |
| 6 - Fire Department – Swift/flood water rescue                     | \$ 17,000 |
| 7 - Public Works – Senior Center A/C west side                     | \$ 30,000 |
| 8 - Park and Rec – Arena Curling Program                           | \$ 25,000 |

Moved by Council Member-at-Large Anderson, seconded by Council Member Enright, approving the rankings of the 2015 Hormel Foundation Grant applications. Carried.

The item will be placed on the August 18, 2014 Council Meeting.

### **Item No. 5a – Open Discussion – Election Canvassing Board meeting**

City Clerk Ann Kasel noted the individuals not up for reelection on the Council need to meet as the Canvassing Board on August 14<sup>th</sup>. Council Members King, Boughton and Carolan and Mayor Stiehm will be able to attend at 8:00 a.m.

The matter will be placed on the public meeting notice.

### **Item No. 3 – 2015 Budget Discussion**

Director of Administrative Services Tom Dankert presented the proposed 2015 budget and tax levy. City staff prepared the budget based on Council's plan for 2015 after a review with each department head's current budget and new requests earlier in the year. The Council indicated it wished to maintain current levels of operation with the addition of a new librarian and moving the zoning inspector position from half time to a full time position. Chief McCoy requested funds for two of the fire engineers to be moved into inspector positions and a storm water position was also added. The storm water position would be funded from storm water fees. Mr. Dankert noted that 58% of the City's budget is for salaries and benefits.

To accommodate the requests, the tax levy will need to be tentatively increased \$205,000 or 4.98%. This would equate to a \$1.50 to \$2.00 per month raise in taxes on an average (\$102,000) home in the City.

The City has until September 30<sup>th</sup> to pass the levy by resolution. This is different from prior year deadlines as the statute has been changed to match school district tax levy deadline.

According to the Office of the State Auditor, the City of Austin ranks 223<sup>rd</sup> out of 227<sup>th</sup> for the lowest tax per capita. Only four other cities in the State of Minnesota have lower per capita taxes. In comparison with four other cities in the region of comparable size, only Winona has a lower tax base.

Mr. Dankert reviewed the 2015 proposed agency allocations stating that the majority of the allocations remained the same from the 2014 budget. The Human Rights Commission request increased from \$3,500 to \$4,500 and the Welcome Center requested \$10,000 with \$5,000 currently funded in the budget. Council Member-at-Large Anderson requested the Welcome Center present their budget request to Council.

Mayor Stiehm requested the City pay for club membership for Council Members and Department Heads to promote community involvement. The funds for the memberships are included in the 2015 budget.

Mr. Dankert noted the Council could review each department's line item budgets on pages 19-194 if they wished to do so. Mr. Dankert reviewed in detail each department's capital outlay requests for 2015.

Council Member Enright would like the Council to consider adding a Park and Rec employee, as requested by the Director of Parks and Recreation Kim Underwood. She noted the City has acquired a large amount of flood properties and trails and this creates additional work for the Park and Rec department.

Council Member King noted that lawn mowing is seasonal work and would this be something the City could contract out.

Mr. Dankert stated the City tried to contract the service out in prior years but it was difficult to coordinate and wasn't cost effective.

Mr. Dankert stated there are internal issues with human resources that need to be worked out in the department before hiring would take place.

Council Member-at-Large Anderson asked what would that full time position be helping with in the winter.

Mrs. Underwood stated that person would plow snow and help the street department.

Council Member Enright questioned when the City will receive the tax dollars from the Lansing annexation.

Mr. Dankert stated the entire tax amount will be allocated to the City 8 to 10 years after the annexation. It has been four years so the City has a couple more years before those funds are available. However, in 2016 a tax increment financing district expires and there will be an additional \$300,000 to \$400,000 in new tax dollars which will be split by the City, County and School district.

Mr. Dankert answered various questions from the Council regarding individual budget items and future City and Vision 2020 projects.

The general consensus by the Council was to set the tax levy with a 4.98% increase. The Council will continue to review the budget documents and come forth with additional questions, if desired. Mr. Dankert stated he would add the budget discussion to the August 18, 2014 agenda.

After additional discussion, moved by Council Member Boughton, seconded by Council Member King, to accept the preliminary tax levy increase of 4.98% and to continue budget discussions on August 18, 2014 with the Welcome Center in attendance. Carried.

**Item No. 4a- Administrative Report – 2014 Council Goals**

Mr. Dankert reviewed the progress on the 2014 Council goals noting that the city administrator hiring process is moving forward. The candidates will be presented to Council at either the August 18<sup>th</sup> or September 2<sup>nd</sup> work session.

Moved by Council Member Austin, seconded by Council Member King, adjourning the meeting at 7:02 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