

**MINUTES**  
**COMMITTEE-OF-THE-WHOLE WORK SESSION**  
**August 15, 2016**  
**City Hall Conference Room**

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

**ABSENT:** Council Member Judy Enright

**STAFF PRESENT:** City Administrator Craig Clark, Director of Administrative Services Tom Dankert, Public Works Director Steven Lang, Planning and Zoning Administrator Holly Wallace, Park and Recreation Director Kim Underwood, Police Chief Brian Krueger, Fire Chief Jim McCoy, City Clerk Ann Kasel

**ALSO PRESENT:** Austin Daily Herald, Public

Mayor Stiehm opened the meeting at 5:52 p.m.

**Item No. 1 – Wayfinding Directional Signage**

Public Works Director Steven Lang provided an update with the City's progress on the wayfinding directional signage. He stated the City received a quote in the amount of \$32,512 from Innovative Signs. The sign size increased to 54 inches tall by 40 inches wide to make sure people can adequately view the signs. The increased size increased the project cost to \$42,574 which is still within the budget of \$45,155 from the Hormel Foundation. He stated they are working with MnDot to meet the State requirements for the signage within the right of way.

For informational purposes only; no Council action required.

**Item No. 2 –City Hall Basement Repair**

Director of Administrative Services Tom Dankert requested Council authorize the repair of the north wall of the City hall basement. When it rains heavily the wall leaks and leaves puddles. Mr. Dankert proposed a fix where American Waterworks would install a beaver system along with fabric to drain water away from the wall. This would require a contractor to remove the existing wall and replace it 6 inches further out once the beaver system is installed.

American Waterworks quoted \$4,158 for the beaver system and JD Driver quoted \$21,910 for the removal and replacement of the wall. Mr. Dankert stated some additional funds may be needed for a building permit and electrical and he requested \$30,000 from the Building Fund for the repairs.

Moved by Council Member King, seconded by Council Member Austin, to authorize \$30,000 from the Building Fund for City Hall basement repairs. Carried.

The item will be placed on the September 6, 2016 Council Agenda.

### **Item No. 3 –2017 Budget Discussion**

Director of Administrative Services Tom Dankert presented the proposed 2017 budget and tax levy. City staff prepared the budget based on Council's plan for 2017 after a review with each department head's current budget and new requests earlier in the year. Mr. Dankert stated the budget includes a 3% wage increase for all bargaining units even though only two units are settled at this time. He added that the proposed compensation plan study has not been factored in the budget.

The certified local government aid for 2017 is \$7,996,510. However, if the legislature calls a special session it may increase.

To accommodate the current budget the tax levy would need to be increased 9% or \$441,000. However, that does not mean that taxes are going to increase that much because community growth accounts for an average of 2-3% and that will bring the actual tax increase down to approximately 6-7%. An average home in the City would see an increase of approximately \$30-\$40 a year. The total tax levy would be \$5,341,000. The City has until September 30<sup>th</sup> to certify the levy by resolution.

Mr. Dankert stated the outside agency allocations are the same for 2017 as they were for 2016 with the exception that the Mower County Historical Society and the Austin Area Commission for the Arts are not included.

He reviewed staffing levels stating that the request for the Fire Department administrative assistant to be increased to full time is not included in the 2017 budget and would be an additional .75% tax levy increase. Also not included is a building maintenance person for all city buildings. If that person would be staffed it would create a 1.6% levy increase.

Mr. Dankert stated contingency for 2017 is proposed at \$150,000. He also reviewed the capital outlay items stating some items are funded through the tax levy and others are funded through other sources, such as the Police PERA funds.

Council Member Austin would like to plan for the building maintenance person in the 2018 budget.

Council Member-at-Large Anderson spoke in support of increasing the part time Fire support position to full time. Mayor Stiehm also spoke in support of this.

Mr. Dankert stated the positions could be added if the State certifies more LGA.

Council Member King spoke in support of the building position as long as the right person is in the job.

Moved by Council Member King, seconded by Council Member-at-Large Anderson to increase the Fire Department support to full time with funding coming from 2017 contingency. Carried 4-2 with Council Members Austin and Jordal voting nay.

Moved by Council Member Austin, seconded by Council Member Jordal, to include the building manager position in the 2018 budget unless additional 2017 LGA is certified. Carried.

After additional discussion, moved by Council Member Austin, seconded by Council Member King to not include the Mower County Historical Society in the 2017 agency allocations. Carried.

After additional discussion, moved by Council Member-at-Large Anderson, seconded by Council Member Hagen, to not include the Austin Area Commission for the Arts in the 2017 agency allocations.

The general consensus of Council was they were okay with a 9% levy increase for 2017.

Mr. Dankert requested the Council e-mail him on any specific items they may have questions on.

The item will be placed on the September 6, 2016 Council Agenda for additional discussion.

#### **Item No. 4 – Administrative Report**

None.

#### **Item No. 5 – Open Discussion**

Moved by Council Member Austin, seconded by Council Member King, adjourning the work session at 6:36 p.m.

Respectfully Submitted:

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Ann M. Kasel  
City Clerk