

M I N U T E S  
CITY COUNCIL MEETING  
December 18, 2017  
5:30 PM  
Council Chambers

MEMBERS PRESENT: Mayor Stiehm. Council Members Jeff Austin, Judy Enright, Steve King, David Hagen, Laura Helle, Paul Fischer and Council Member-at-Large Janet Anderson

MEMBERS ABSENT:

STAFF PRESENT: City Administrator Craig Clark, Director of Administrative Services Tom Dankert, Public Works Director Steven Lang, Fire Chief Jim McCoy, City Attorney David Hoversten, Police Chief Brian Krueger, Park and Rec Director Kim Underwood, Planning and Zoning Administrator Holly Wallace, Library Director Julie Clinefelter, City Clerk Ann Kasel and Human Resources Director Trish Wiechmann

OTHERS PRESENT: Steve Kime, Jerry McCarthy, Sandy Forstner, KAUS Radio, Austin Daily Herald, Public

Mayor Stiehm called the meeting to order at 5:30 p.m.

Moved by Council Member Enright, seconded by Council Member King, approving the agenda as amended. Carried.

Moved by Council Member-at-Large Anderson, seconded by Council Member Enright, approving the Council minutes from December 4, 2017 and the Truth-in-Taxation minutes from December 5, 2017. Carried.

AWARDS, RECOGNITIONS AND REPORTS

Mayor Stiehm recognized the following City retirements:

Ron Ripley, Building Department, March 3, 1997 to May 20, 2017  
Jay Carlson, Street Department, January 4, 1989 to May 31, 2017  
Loren Allas, Street Department, September 23, 2002 to May 31, 2017  
Joe Milli, Police Department, May 20, 1986 to July 8, 2017  
John Sauer, Street Department, December 16, 1991 to August 31, 2017  
Paul Jenkins, Waste Water Treatment Plant, May 24, 1982 to September 29, 2017  
Randy Tapp, Street Department, July 9, 1990 to September 30, 2017  
Mike Kanne, Sewer Maintenance Department, July 16, 1984 to December 29, 2017

Public Works Director Steven Lang stated the employees from the Public Works department had a combined 186 years of service with the City.

## CONSENT AGENDA

Moved by Council Member Enright, seconded by Council Member Fischer, approving the consent agenda as follows:

### Licenses:

2018 License Renewals (*see complete list in Council Chambers*)

Massage Therapist: Brooke Solland, 422 Court, Albert Lea

Taxicab Company: Austin Auto, 607 40<sup>th</sup> Street NW

Transfer to ATI Hotel LLC at 1701 4<sup>th</sup> Street NW

3.2 Beer Off-sale

Cigarette

Food

Hotel/Motel

Premise Amusement Device

### Claims:

a. Pre-list of bills.

b. Investment and Financial Report.

Carried.

## PUBLIC HEARING

A public hearing was held for the adoption of the five year capital improvement plan. Director of Administrative Services Tom Dankert stated the City prepares the plan to budget for needed future improvements. There are \$121 million in improvements planned over the five years.

Council Member Helle commended the City's capital improvement plan as a useful tool for public planning purposes.

Council Member Austin stated the plan is an example of the fine work the City staff completes.

Sandy Forstner, director of the Austin Area Chamber of Commerce, asked about the plan and the City's flood mitigation efforts. He asked if the sales tax would be ended early and expressed concerns that other projects had been added since the sales tax began.

Mayor Stiehm stated the City is looking at additional projects but expects the sales tax to be repealed prior to its 20 year limitation.

Public Works Director Steven Lang stated the City is looking at multiple projects and the tax may end in 2023. He added City staff gave a presentation to the Chamber group recently.

Director of Administrative Services Tom Dankert stated the City collects \$1.4 million annually in local option sales tax and that the City will want to make sure all flood projects are completed before the sales tax is ended.

Moved by Council Member Enright, seconded by Council Member King, adopting a resolution adopting the five year capital improvement plan. Carried 7-0.

#### PETITIONS AND REQUESTS:

Director of Administrative Services Tom Dankert requested the Council adopt a resolution certifying the tax levy for 2018 at \$5,941,000.

Moved by Council Member Enright, seconded by Council Member Austin, adopting a resolution approving the tax levy for the year 2018. Carried 7-0.

Director of Administrative Services Tom Dankert requested the Council adopt the 2018 budget. The Council reviewed the budget in multiple work sessions over the year. The total budget for 2018 is \$33,974,138. He thanked City staff for their work on the budget.

Moved by Council Member-at-Large Anderson, seconded by Council Member King, adopting a resolution approving the budget for the year 2018. Carried 7-0.

Moved by Council Member Austin, seconded by Council Member Hagen, adopting a resolution authorizing the cancellation of certain ad valorem tax levies. Carried 7-0.

Director of Administrative Services Tom Dankert stated the City received a request from Murphy's Creek Townhomes to participate in a refinance of the townhome property. The City has a \$2,184,000 loan on the townhomes and they would like to refinance and take out an additional \$2 million to complete renovations on the properties. They would pay down the City's interest on the loan which is approximately \$360,000. They City would need to subordinate its lien to the first and second loans and extend the maturity date to 2047.

Moved by Council Member Enright, seconded by Council Member Fischer, adopting a resolution approving the modification of the note and subordination of the mortgage with Murphy's Creek Townhomes. Carried 7-0.

Director of Administrative Services Tom Dankert requested the Council approve a collateral assignment of development agreement, tax increments and tax increment revenue note with Wells Fargo for the Fox Pointe housing project. Wells Fargo is the lender on the project and is requiring the HRA and the City to consent to the assignment in case the project is stalled or not completed. Mr. Dankert noted the HRA also needs to consent to the agreement.

Moved by Council Member Hagen, seconded by Council Member Fischer, adopting a resolution approving a collateral assignment agreement for Fox Pointe Townhomes contingent upon approval by the Austin Housing and Redevelopment Authority. Carried 7-0.

Planning and Zoning Administrator Holly Wallace requested Council authorization to use 2017 contingency funds in the amount of \$4,175 to purchase software to process rental registration fees. The Austin Area Landlord association requested an online payment option for the proposed ordinance.

Moved by Council Member Enright, seconded by Council Member-at-Large Anderson, adopting a resolution approving the use of 2017 contingency funds in the amount of \$4,175 for online payment and licensing software. Carried.

Moved by Council Member Austin, seconded by Council Member King, adopting a resolution granting 2018 licenses for the sale of hard liquor on-sale, Sunday hard liquor on-sale, Sunday wine on-sale and 3.2 beer on and off-sale. Carried 6-0 with Council Member Enright abstaining.

Moved by Council Member Austin, seconded by Council Member King, adopting a resolution accepting donations to the City of Austin. Carried 7-0.

Public Works Director Steven Lang requested the Council approve two ICM agreements with Hormel Foods. The agreement specify the limitations, conditions and requirements for the sanitary sewer discharges. One ICM is for the domestic plant and one for the industrial plant with both agreements having a five year term.

Moved by Council Member Enright, seconded by Council Member King, adopting a resolution approving an ICM agreement for the domestic plant. Carried 7-0.

Moved by Council Member Austin, seconded by Council Member Fischer, adopting a resolution approving an ICM agreement for the industrial plant. Carried 7-0.

Public Works Director Steven Lang requested the Council approve an agency delegated contracting process agreement with the State of Minnesota. The agreement allows MnDOT to act as the City's agent to accept federal aid for street reconstruction projects.

Moved by Council Member Enright, seconded by Council Member Austin, adopting a resolution approving an agency delegated contracting process agreement with MnDOT. Carried 7-0.

Park and Recreation Director Kim Underwood requested the Council approve a mountain bike trail easement donation agreement. The agreement would allow the public to access the trail which is owned by Hormel Foods but still allow the mountain bike club to hold competition events. The agreement was approved by the Park Board at their December 6, 2017 meeting.

Moved by Council Member Austin, seconded by Council Member King, adopting a resolution approving an agreement for the mountain bike trail. Carried 7-0.

Human Resources Director Trish Wiechmann requested the Council approve the extension of the voluntary furlough program for 2018.

Moved by Council Member Enright, seconded by Council Member King, approving the extension of the voluntary furlough program. Carried.

Human Resources Director Trish Wiechmann requested the Council approve additional sick leave payout to defray health care expenses. Currently employees can cash out up to \$750 of sick leave per year for health care expenses and for 2018 the City would like to double that amount to \$1,500.

Moved by Council Member Enright, seconded by Council Member Austin, approving additional sick leave payout for health insurance deductibles for 2018. Carried.

Moved by Council Member King, seconded by Council Member Enright, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 1008 1<sup>st</sup> Place NE, Ulwelling Property. Carried.

Moved by Council Member Enright, seconded by Council Member King, granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at 611 5<sup>th</sup> Avenue NW, CS & S Enterprises, LLC Property. Carried.

Planning and Zoning Administrator Holly Wallace provided Council an update to the Mower County All-Hazard Mitigation Plan. She reported on the City's flood mitigation efforts stating the City completed three buyouts in 2017 and continued to work on flood control projects.

#### CITIZENS ADDRESSING THE COUNCIL

Steve Kime thanked the Council, Hormel Foods, City staff and the Southern Minnesota Bike Club for approving the bike trail agreement.

Moved by Council Member Austin, seconded by Council Member King, adjourning the meeting to January 2, 2018. Carried.

Adjourned: 6:06 p.m.

Approved: January 2, 2018

Mayor: \_\_\_\_\_

City Recorder: \_\_\_\_\_