

M I N U T E S
CITY COUNCIL MEETING
January 22, 2019
5:30 PM
Council Chambers

MEMBERS PRESENT: Mayor Stiehm. Council Members Steve King, Laura Helle, Paul Fischer, Rebecca Waller, Jason Baskin, Joyce Poshusta Council Member-at-Large Jeff Austin

MEMBERS ABSENT:

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

OTHERS PRESENT: Bonnie Reitz, Eric Olson, Tom Klapperich, Honorary Council Member George Bass, Austin Daily Herald, Public

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

Director of Administrative Services Tom Dankert administered the oaths of office for the City Attorney and City Administrator.

Moved by Council Member King, seconded by Council Member Fischer, approving the agenda. Carried.

Moved by Council Member Fischer, seconded by Council Member King, approving the Council minutes from January 7, 2019. Carried.

AWARDS, RECOGNITIONS AND REPORTS

Mayor Stiehm expressed his appreciation for David Hoversten's 22 years of service as the City Attorney.

Moved by Council Member-at-Large Austin, seconded by Council Member Helle, adopting a resolution honoring David V. Hoversten for exemplary services as the City Attorney. Carried 7-0.

Mr. Hoversten thanked the Mayor and Council for their appreciation and he stated he will miss the staff, colleagues and friends he has made through the years.

CONSENT AGENDA

Moved by Council Member King, seconded by Council Member Baskin, approving the consent agenda as follows:

Licenses:

Concrete: Thiemann Construction, Dodge Center

Exempt Gambling: Austin Chamber of Commerce on March 8, 2019.

Food: Austin Park and Recreation at the Municipal Pool

Food: Austin Park and Recreation at the Todd Park North Diamonds

Food: Austin Park and Recreation at the Todd Park South Diamonds

Food: Schwan's Home Service, Inc.

Temporary Liquor: Mower County Ag Society – February 10, 2019, August 6, 7, 8, 9, 10 & 11, 2019 and September 21, 2019 at the Mower County Fairgrounds

Claims:

a. Pre-list of bills

b. Investment Report.

Carried.

PETITIONS AND REQUESTS:

Public Works Director Steven Lang presented the 2019 assessment rates stating it is the City's goal to assess adjacent property owners 50% of the costs of street projects and in 2018 the City assessed 32.3% of the project costs. He proposed increasing the assessment rates for urban and commercial streets 3%. Therefore, the rate for 2019 will increase from \$45.25 per lineal foot to \$46.75 per lineal foot for residential street reconstruction and \$64.75 per lineal foot to \$66.75 per lineal foot for commercial properties. Other rates would also be increased slightly. He noted that construction rates are increasing at a greater rate than the City has increased the assessment rates.

Moved by Council Member Helle, seconded by Council Member Fischer, adopting a resolution approving street assessment rates for 2019. Carried 7-0.

Public Works Director Seven Lang stated as part of the purchase of Oak Park Mall, the City needs to make improvements to the retention pond behind Shopko and bring it up to current stormwater standards. The City received a proposal from WHKS for analysis of the pond and a design for upgrades in the amount of \$9,800. Mr. Lang recommended approving the proposal.

Moved by Council Member Austin, seconded by Council Member King, adopting a resolution approving an agreement with WHKS for the refurbishment of the Oak Park Mall pond. Carried 7-0.

Moved by Council Member Austin, seconded by Council Member Poshusta, appointing the following Council Members to the Housing and Redevelopment Board, Laura Helle, First Ward; Jason Baskin, Second Ward and Paul Fischer, Third Ward. Carried.

Mayor Stiehm presented the recommendation that David McKichan would take over as the next police chief. He has been with the Austin Police Department for 21 years with the last eight as the captain of the department. Mayor Stiehm noted Police Chief Brian Krueger is retiring on February 20, 2019.

Captain McKichan stated it was an honor to work with Chief Krueger.

Moved by Council Member Austin, seconded by Council Member King, approving David McKichan as the Police Chief effective February 21, 2019. Carried.

City Administrator Craig Clark presented a new city attorney contract due to the retirement of David Hoversten. The agreement names Craig Byram as the City Attorney and is effective February 1, 2019.

Moved by Council Member Austin, seconded by Council Member Poshusta, adopting a resolution approving a revised City Attorney contract. Carried 6-0 with Council Member Helle abstaining.

City Administrator Craig Clark presented a proposed purchase agreement with First Heartland Surety & Casualty Insurance Company and a preliminary project agreement with KSMQ. The purchase agreement would acquire the property for \$285,000. Demolition of the building and additional site work on the property may need to be completed and the City's contribution, including acquisition, would be up to \$475,000.

The preliminary project agreement with KSMQ details the obligations of both parties for the construction of the public television station. KSMQ would be responsible for compliance with public bidding requirements, prevailing wage and other provisions of the State grant agreement. In addition, KSMQ would need to reimburse the City for its contribution to the project if they decide to move from the location in a predetermined amount of time.

Eric Olson, President of KSMQ, presented project information for the construction of a new public television station. He stated the estimated project cost is \$5.7 million. The Hormel Foundation approved \$2.3 million and the State of Minnesota approved \$2.5 million through bonding. The City of Austin is contributing \$475,000 for the purchase and demolition of the site and KSMQ is planning to raise \$3 million through a capital campaign.

He stated the site identified for acquisition is 107 West Oakland Avenue which is the Plunkett Law Office building. This is the preferred site due to its downtown exposure and ease of access. He stated their current location in the back of Riverland Community College isn't a good location due to lack of visibility.

Tom Klapperich, Home Federal Savings Bank, spoke in support of the KSMQ project stating the TV station is a good business partner. He stated he would like KSMQ to move into the downtown area.

Council Member-at-Large Austin stated he was disappointed the matter was not acted on with the previous Council or at least brought to a work session with the new Council. He felt that the \$475,000 contribution isn't a good investment of City of Austin funds at this time because there are other possible projects that may also need the funding. He added that it is not a requirement of the bonding bill that the City of Austin contribute to the project.

Council Member Austin stated he would like to see how the new facility is going to be maintained since the City will be the owner of the building. He also questioned what KSMQ's plan was if their capital campaign falls short of the \$3 million dollar fundraising goal.

City Administrator Craig Clark stated there were details that were being worked out and it wasn't able to come back to Council for a vote before the end of 2018. He stated there will be a lease agreement that will come forward with the project.

Council Member King spoke in support of the project being in downtown Austin. He stated the site is in need of renovation and is comfortable with the \$475,000 City contribution.

Council Member Helle stated she is in support of the project and feels it is a good investment for the City. She questioned if there will be large satellite dishes with the project and what is being done to help the small businesses that will be displaced.

Mr. Olson stated there will be one small satellite dish.

Mr. Clark stated the DCA is reaching out to the small businesses for relocation options.

Moved by Council Member King, seconded by Council Member Helle, authorizing \$475,000 in City participation for the KSMQ project. Carried 6-1 with Council Member-at-Large Austin voting nay.

Moved by Council Member King, seconded by Council Member Poshusta, adopting a resolution approving a purchase agreement with First Heartland Surety & Casualty Insurance Company. Carried 6-1 with Council Member-at-Large Austin voting nay.

Moved by Council Member King, seconded by Council Member Fischer, adopting a resolution approving a preliminary project agreement with KSMQ Public Service Media, Inc. Carried 6-1 with Council Member Austin voting nay.

Moved by Council Member Austin, seconded by Council Member Basking, appointing Rain Suereh as an Honorary Council Member – February to April 2019 term. Carried.

Public Works Director Steven Lang presented a modified feasibility report to Council for the 6th Street NE street construction project. He stated there was a modification to the project and will

have a total cost of \$125,000. Mr. Lang reviewed the project and requested a public hearing be held for the improvement on February 19, 2019.

Moved by Council Member King, seconded by Council Member Austin, adopting a resolution receiving a revised feasibility report and calling for a public hearing on February 19, 2018 for street improvements on 6th Street NE (30th Avenue to 36th Avenue NE). Carried 7-0.

HONORARY COUNCIL MEMBER COMMENTS

Honorary Council Member George Bass expressed his appreciation for the opportunity of being an honorary council member.

REPORTS

Council Member Helle stated there will be a free showing of the Mayo Brothers documentary on January 27th at 2 p.m. at the Paramount Theater.

Council Member Austin thanked Mr. Bass for being the first honorary council member.

Library Director Julie Clinefelter stated there will be a screening of Alice's Wonderful People on Monday, February 4th at 6:30 p.m. at the Library.

Police Chief Brian Krueger stated his last day in the office will be February 1st. He thanked the City Council and staff for their support and congratulated Captain McKichan.

Moved by Council Member Austin, seconded by Council Member King, adjourning the meeting to February 4, 2019. Carried.

Adjourned: 6:42 p.m.

Approved: February 4, 2019

Mayor: _____

City Recorder: _____