

M I N U T E S
CITY COUNCIL MEETING
July 15, 2024
5:30 PM
Council Chambers

MEMBERS PRESENT: Mayor Steve King. Council Members Paul Fischer, Laura Helle, Michael Postma, Geoff Baker, Joyce Poshusta, Jason Baskin and Council Member-at-Large Jeff Austin

MEMBERS ABSENT:

STAFF PRESENT: City Administrator Craig Clark, Director of Administrative Services Tom Dankert, Police Chief David McKichan, Public Works Director Steven Lang, Planning and Zoning Administrator Holly Wallace, Park and Rec Director Jason Sehon, City Attorney Craig Byram, Assistant City Engineer Mitch Wenum, and City Clerk Brianne Wolf

APPEARING IN PERSON:

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

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

Moved by Council Member Baker, seconded by Council Member Postma, approving Council minutes from July 1, 2024. Carried.

CONSENT AGENDA

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

Licenses:

Mobile Business: The Wandering Scoop, Rochester, MN
Mobile Business: Pleasant Grove Pizza Farm, Waseca, MN
Taxicab Driver: Ashley Sanden, Austin MN
Massage Therapist: Eh Kmler Soe, Austin, MN

Claims:

- a. Pre-list of Bills
- b. Investment Report

Event Applications:

Hormel Finance, IT & Strategy Corporate Office Employee Appreciation
Summer Event on July 16, 2024
Oaxaca Basketball Tournament on July 20, 2024

Dammen Family Fun Day on July 20, 2024

Carried.

PUBLIC HEARINGS

A public hearing was held for a tax abatement requested by Bigelow and Lennon Construction. They are proposing to build a single-family home at 1800 13th Place NE valued at approximately \$330,000.00. City Administrator Craig Clark stated the application is in conformance with the City's policy for tax abatement.

There were no public comments.

Moved by Council Member Baker, seconded by Council Postma, approving the tax abatement application from Bigelow and Lennon Construction. Carried 7-0

City Administrator Craig Clark stated the Stencil Group is proposing a phase two for the Mill on Main Apartment project. In phase one they completed 93 units and in phase two they are proposing to complete 103 units. The phase two units would be the same style building as phase one. There would be \$20.6 million in construction value.

Mr. Clark stated this is an amendment to TIF District #16 which was payable in 2024. The Stencil Group is looking to make an amendment to their agreement with the City of Austin.

Director of Administrative Services Tom Dankert stated this amendment does not expand the location as the parcels are still located together. This allows us to amend the budget for the additional revenue that will be coming in to the developer and will also allow for the same 4% interest rate for the expenses the developer would incur in the amount of \$3.3 million.

Nate Stencil, developer on the project spoke to the council. Mr. Stencil stated this project has been very successful and there is a waitlist for people looking for this type of property in downtown Austin.

Council Member Postma asked what the timeline was for completion.

Mr. Stencil stated the estimated construction start time would be late September to early October and that the completion date would be the first part of 2026. They made adjustments in phase two to have less studios and more two-bedroom and three-bedroom apartments.

Moved by Council Member Baker, seconded by Council Baskin, approving the amendment to the TIF District #16 – Mill on Main. Carried 7-0.

PETITIONS AND REQUESTS

City Administrator Craig Clark reviewed the cable television franchise ordinance with MetroNet. He stated MetroNet would like to discontinue with their cable television provision and repeal the cable television franchise ordinance. Mr. Clark clarified MetroNet will still be providing their fiber streaming services but not their cable television services. MetroNet also requested approval

of a settlement agreement related to the discontinuation of the cable franchise agreement with the City of Austin.

Mr. Clark requested Council approval for the repeal of the ordinance and approval of the settlement agreement.

Council Member Baskin asked if we repeal this, will it take away leverage that we have over MetroNet. He stated community members have reached out to him about how upset they are with their MetroNet services. Council Member Baskin asked if we should keep this in place until MetroNet has carried through with their agreement or does this have nothing to do with that.

Mr. Clark stated the right of way issues that we are concerned with, we are still cognizant of and are inclusive in the settlement agreement. Our leverage over this area is increasingly diminished. Telecommunication law allows them access into our right of way so long as they abide by our right of way provisions. He stated to force them to maintain a cable subscription is an option without leverage. He stated he shares the same concerns but this is the best that we can hope for moving forward.

Council Member Poshusta stated they have a right to access the right of way but they have left a lot of disrepair. Is this going to be part of this settlement to correct these issues.

Mr. Clark stated yes, this is still in the agreement. There are references to the Memorandum of Understanding that we have with them and they are still agreeing to comply to those terms.

Council Member Postma asked if there a time frame on that.

Mr. Lang stated MetroNet indicated they would start in the upcoming months with televising storm lines and tile lines and if needed, repair any damage. He stated Austin Utilities also has concerns about their gas systems, if there have been any damages to those systems. The representative from MetroNet stated they will stand behind their work and will be here in the future to make necessary repairs.

Mr. Lang stated if anyone has any questions or concerns about MetroNet, they should let the Engineering Department know so they can communicate with MetroNet and address the problem.

Council Member Baskin asked if we voted this down or table this for a couple months, does this give Mr. Clark any more opportunity to work with MetroNet to correct their issues with their fiber services and the issues they have created in the right of ways throughout the community or does this not make much of a difference.

Mayor King stated there have been negotiations with their attorney and this may be the best deal that the City will get.

Mr. Clark stated the City uses Brian Grogen as our legal representative and he has expertise in this field. If Council wishes, we can postpone this to the next meeting. If they would like, Mr. Clark can reach out to Mr. Grogen and see if he can join us. Mr. Clark stated Council can vote no and we can carry forward as such, that is their decision.

Mayor King requested a motion for repeal of the ordinance for MetroNet.

Council Member Helle stated holding up this process isn't going to give us any leverage and is going to create more work for staff. She does agree with Jason's concerns that this particular business has not done right by Austin residents.

Moved by Council Member Helle, seconded by Council Member-At-Large Austin, for repeal of the ordinance. Council Member Helle, Council Member-at-Large Austin-Aye Council Member Postma, Baker, Baskin, Fischer, Poshusta-Nay. Failed

Moved by Council Member Postma, Seconded by Council Member Baker for continuation of the ordinance and settlement agreement to the next council meeting on August 5, 2024. Carried.

Director of Administrative Services Tom Dankert requested approval of an ordinance in conjunction with Austin Utilities to extend the existing power sales contract through April 1st, 2050 with Southern Minnesota Municipal Power Agency (SMMPA).

Mayor King requested a motion for preparation of the ordinance for SMMPA.

Moved by Council Member Baker, seconded by Council Member-at-Large Austin, for preparation of the ordinance. Carried.

Moved by Council Member Baker, seconded by Council Member Fischer, for adoption of the ordinance. Carried 7-0.

Moved by Council Member Baker, seconded by Council Member Fischer, for summary publication of the ordinance. Carried 7-0.

Planning and Zoning Administrator Holly Wallace stated Michael & Holly Flanders are requesting a fence appeal due to their request not being in compliance with the City's ordinances. The Planning and Zoning Commission approved the request and Ms. Wallace is requesting approval from Council.

Moved by Council Member Baker, seconded by Council Member Fischer. Carried.

Planning and Zoning Administrator Holly Wallace stated Moose 701 Properties, also known as Games People Play, is requesting a sign appeal due to their new signage not being in compliance with the City's ordinances. The Planning and Zoning Commission approved the request and Ms. Wallace is requesting approval from Council.

Moved by Council Member Baker, seconded by Council Member Poshusta. Carried. Baskin Abstained.

Assistant City Engineer Mitch Wenum discussed the next steps for the Whitewater project is to complete a preliminary design. He stated they have received a bid for the preliminary design work from Recreation Engineering and Planning (REP) and it will cost \$83,575. They have raised \$85,000. The work that will be done will get them to the point where they can have more

in-depth discuss with permitting agencies and design agencies. The process will take 3-6 months and once completed we can decide whether or not to move forward with the final design and construction of the project.

Moved by Council Member Baskin, seconded by Council Postma, approving a preliminary design proposal for the Whitewater project. Carried 6-1(Council Member Baker-Nay)

Moved by Council Member Baker, seconded by Council Member Fischer, accepting donations to the City of Austin. Carried 6-0. Baskin Abstained.

REPORTS AND RECOMMENDATIONS

Park and Rec Director Jason Sehon stated there are two Park and Rec events coming up this weekend. These are free events. On Thursday, July 18, there is a Kiwanis Track and Field event for ages 3 and up at Wescott Field at 5:30 p.m. On Friday, July 19, the pool is hosting a free family fun night from 7 p.m. to 9 p.m.

COUNCIL REPORTS

Council Member Helle thanked the community for their patience while we get the contaminated parks cleaned. She stated National Night Out is August 6th. She has had various contacts about violations throughout the City regarding junk or high grass. She stated that citizens are able to visit the City of Austin's website to report the violation.

Council Member Postma stated it was great to hear about more multi-family units coming to Austin. He stated Discover Austin had a great weekend with the swim meet and the youth baseball tournament. He gave Kudos to all that make these events happen. He gave a sincere thank you to the Chamber of Commerce for their work on the parade and the Austin Enhancement Group for their work on the 4th of July events.

Council Member Baker asked when the City would be spraying for mosquitoes. Mr. Lang stated the previous dates for spraying we were rained out. They are currently not able to get in contact with the spraying company but will continue to try.

Council Member-at-Large Austin gave an updated from the Library Board meeting. He stated there will be a change of leadership on the SELCO Board. He stated they made changes to several policies, including the way the public announcement board is used for postings. The summer reading program is doing very well and has had higher sign ups than last year. He stated they are doing good work on the upcoming budget.

Council Member Baskin echoed Council Member Postma on his comments on the July 4th events. He stated this is one of the best events that we do all year. He also denounced the political violence that occurred over the weekend.

Council Member Fischer thanked Chief McKichan for the Friday night ride along with Officer Osborne. It was very informative and a learning experience.

Mayor King stated the amount of work that the City employees do to keep their eye on the ball and the amount of talent we have in the city is remarkable. He appreciates all the work that the employees are doing. Kudos to the City staff.

CITIZENS ADDRESSING THE COUNCIL

Leonard Germer 1508 6th Ave NW – Mr. Germer wanted to know when the red lights are going to be turned on throughout town. Currently there are blinking red lights on and he believes they are a bad idea.

Mayor King stated there was an assessment done and these are going to be replaced with four way stop signs in the future. They are no longer going to be stop lights.

Mr. Lang stated they will be updated once they have the budgets confirmed for 2025 and if they are able to get funding allocated for those projects.

Moved by Council Member-at-Large Austin, seconded by Council Member Baskin, adjourning the meeting to August 5, 2024. Carried.

Adjourned: 6:11 p.m.

Approved: August 5, 2024

Mayor: _____

City Recorder: _____