

M I N U T E S  
CITY COUNCIL MEETING  
September 16, 2024  
5:30 PM  
Council Chambers

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

MEMBERS ABSENT: Council Member Joyce Poshusta

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

APPEARING IN PERSON: Austin Daily Herald

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

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

Moved by Council Member Postma seconded by Council Member Baker, approving Council minutes from September 3, 2024. Carried.

#### AWARDS AND RECOGNITIONS

Police Chief McKichan recognized Officer Daniel Osborne on his recent promotion to Sergeant. Sergeant Osborne was recognized in front of the Council and his wife pinned him with his new rank. Mayor King congratulated Sergeant Osborne on his recent promotion.

Jeff Baldus presented the City purchase award that was chosen by Council Member's Postma and Poshusta. The painting, titled "Watching the Trees Grow" was created by Leah Bevington, will be hanging in the Mower County Senior Center.

#### CONSENT AGENDA

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

Licenses:

Temporary Liquor: St. Augustine's Catholic Church – Shamrocktoberfest on October 12 & 13, 2024

Temporary Liquor: Austin Area Arts – Tom’s Elton Tribute on October 6, 2024

Temporary Liquor: Austin Area Arts – Music in the Round on October 12, 2024

Temporary Liquor: Austin Area Arts – Scary Movie Double Feature – October 25, 2024

Temporary Liquor: Austin Area Arts – Brat Pack Double Feature – November 16, 2024

Temporary Liquor: Austin Area Arts – Davina & the Vagabonds – December 13, 2024

Temporary Gambling: United Catholic Schools Foundation of Austin, MN on October 12 & 13, 2024

Temporary Gambling: United Catholic Schools Foundation of Austin, MN on November 6, 2024

Claims:

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

Events:

Fire Station Open House on October 9, 2024

Hometown Christmas on November 29, 2024

Austin High School Homecoming Parade on September 27, 2024

Carried.

## PUBLIC HEARINGS

A public hearing was held for a tax abatement requested by Bigelow & Lennon Construction. They are proposing to build a single-family home at 1303 18th Street NE valued at approximately \$345,000.00. City Administrator Craig Clark stated the application is in conformance with the City’s policy for tax abatement.

There were no comments from the public.

Moved by Council Member Baker, seconded by Council Member-at-Large Austin, approving the tax abatement. Carried. 6-0.

## PETITIONS AND REQUESTS

Director of Administrative Services Tom Dankert presented an updated proposed tax levy. He stated the original 13% increase that have been proposed at the last work session was able to be reduce down to 11.97%, or a total tax levy of \$9.8 million.

Mayor King asked if there were any members of the public that wished to comment. No comments were made.

Mayor King asked if Council had any comments.

Council Member-at-Large Austin stated he still feels the levy increase is too high. He has heard from several citizens over the last couple weeks and they are not in favor of having their taxes increased. He is not in favor of adding the two addition positions requested.

Council Member Fischer made a motion to set the 2025 tax levy at 11.97%. Council Member Helle seconded the motion. Additional discussion ensued.

Council Member Baskin stated he appreciates the discussions they have had that have gotten them to this point. This is a Council that continues to look at ways to run the City fiscally responsible and continues to be involved and engaged in making sure there's a great workforce and a great community that we can serve. He does not agree with adding the housing inspector position; he does not see the return on investment in this position. He is not comfortable in the level that the tax levy is set at.

Council Member Helle stated the process of all the elected officials has been very thoughtful and they don't take the levy lightly. Her priority is to continue to support the employee healthcare at the same ratio the City was doing in 2024. That was delivered within this budget. She stated she continues to be open to ideas of where the community is being overserved by the City. She stated she is not hearing from people what services they want cut, she just hears that they don't want to pay the price tag. She stated the two positions that are being added are long term investments and we need to set ourselves up for the future.

Council Baker stated services will be the same even if the levy increases.

Mayor King stated his intention when he originally set out for the position of housing inspector last year was to address the dilapidated housing and junk housing issues before it's too late. He believes this would be a proactive position that would assist private property owners.

Moved by Council Member Fischer, seconded by Council Member Helle, adopting a resolution setting the 2025 proposed property tax levy at \$9,800,000 and adopting a proposed budget of \$49,767,805 for 2025 taxes. Council Member Baker, Baskin, and Council Member-At-Large Austin voted Nay. Council Member Postma, Fischer, and Poshusta voted Aye. Mayor King broke the tie, voting Aye. Carried 4-3.

Director of Public Works Steven Lang stated our funding package for the 10-Unit T-Hangar Project at the Austin Municipal Airport includes multiple different funding sources with federal grants totaling 90% of the overall project, state grants at 5% and local funds at 5%. These grants will come in at different stages of the project and to date we have received two federal grants as part of the \$1.8 million in federal grants. One grant is an AIP grant in the amount of \$1,229,958 and the other federal grant is a BIL grant in the amount of \$262,128.

Mr. Lang is presenting to Council tonight the 5% companion grants that we received from the state. He stated we need to pass a resolution and we need to authorize the Mayor and City Recorder to sign those grant documents. Items A and B include the 5% match to those two federal grants. He stated one state companion grant is in the amount of \$14,563 the other state companion grant is in the amount of \$68,331.50. Mr. Lang requests council approval of both of these companion state grants to go with our federal allocations for this project.

Moved by Council Member Baker, seconded by Council Member Postma approving the BIL matching grant. Carried 6-0.

Moved by Council Member Baker, seconded by Council Member Fischer approving the AIP matching grant. Carried 6-0.

City Administrator Craig Clark presented an amended TIF redevelopment plan for Stencil Group for the Mill on Main Apartments. He stated the developers are required to construct a 103 unit building with an estimated \$20.6 million of improvements. The City pledges TIF eligible expenses up to \$3.3 million. This project is expected to start by October 31, 2024 and is to be completed by July 1, 2026. These will be market rate unit apartments.

Council Member Baker asked why the interest rate was at 4% for this project.

Mr. Clark relayed that was what the City had done previously.

Mr. Dankert stated 4% was the negotiated rate and this allows for the Stencil Group to move forward with this project.

Moved by Council Member Baker seconded by Council Member-at-Large Austin to adopt a resolution approving a redevelopment agreement with the Stencil Group. Carried 6-0.

City Clerk Brienne Wolf requested Council approve a resolution establishing license fees for 2025.

Moved by Council Member Baker seconded by Council Member Fischer to adopt a resolution approving licensing fees for 2025. Carried 6-0.

Public Works Director Steven Lang gave an update on the Fall Yard Waste Program. He stated it will be open later this year. It will be open from September 21 to December 1, 2024. Carried.

Public Works Director Steven Lang received two bids for the demolition of the commercial building located at 310 2nd St NE, the former Austin Daily Herald. The low bid came in at \$97,900.00 from Hansen Hauling & Excavating, Inc. This work will consist of building demolition, east parking lot removal and disconnection of utility services. The project will be funded using the dollars set aside for the project. Mr. Lang recommends awarding the project to Hansen Hauling & Excavating, Inc.

Moved by Council Member Fischer, seconded by Council Member Postma awarding the bid for demolition to Hansen Hauling & Excavating, Inc. Carried 6-0.

## REPORTS AND RECOMMENDATIONS

City Administrator Craig Clark stated Hormel Foods is partnering with the United Way and the Hometown Food Security Project to address hunger. They will be doing a packing event on September 26 starting at 8:00 a.m. in anyone is interested in participating.

COUNCIL REPORTS

Council Member Fischer thanked the City of Austin staff for the hard work they do every day.

Council Member-at-Large Austin relayed the Library Board had their meeting last week. He stated the 2024 reading program was a success this year with 2,380 participants. The U of M extension program is hosting a LGBTQ workshop for professionals on October 3<sup>rd</sup> from 1 p.m. – 4 p.m. and again that evening for community members from 6:00 p.m. – 8:00 p.m. at the library. He recognized Julie Clinefelter, the Library Director and stated the community is fortunate to have her.

Council Member Baker congratulated the Police department on their recent promotion.

Council Member Postma thanked Hormel Foods for a great concert last week and the City employees that helped out with this event. He stated John Wright is hosting a podcast supported by Discover Austin that features information about Austin and he encourages citizens to tune in to listen to this. He also stated the HRA had a federal inspector in Austin and they were really impressed with our City. He gave kudos to the HRA.

Council Member Helle sends her support to Randy Hofner, Park and Recreation Supervisor, as he battles health issues. She reminded citizens to check out the upcoming Welcoming Week events. She stated this Thursday Mower County Government Center will be dedicating a mural and she invites the public to attend. Lastly, AAUW will be hosting a candidate Forum at the Community Action Building this Tuesday and Wednesday. She also stated she has high confidence in the election process in Mower County.

Mayor King commended the events of Welcoming week. He also stated the Hormel concert was amazing and thanked them for putting on this event. He thanked Jason Sehon, Park and Rec Director for inviting him to the Pickleball Event this last week. There was a good turnout to this event and they did a good job putting it on. He stated the VFW had their 100<sup>th</sup> anniversary this last weekend and he recognized Scott Wiechmann, the outgoing commander, on his work with the VFW and this event and his work transforming the VFW over the last couple of years. He also congratulated Jason Baskin on his recent award on becoming a distinguished alumnus.

Moved by Council Member Baker, seconded by Council Member Baskin, adjourning the meeting to October 7, 2024. Carried.

Adjourned: 6:08 p.m.

Approved: October 7, 2024

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

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