

A G E N D A
CITY COUNCIL MEETING
TUESDAY, JANUARY 2, 2024
5:30 P.M.
COUNCIL CHAMBERS

Call to Order.

Pledge of Allegiance.

Roll Call.

(mot) 1. Adoption of Agenda.

(mot) 2. Approving minutes from December 18, 2023.

3. Recognitions and Awards.

(mot) 4. *Consent Agenda

Licenses:

Exempt Gambling (raffle): Austin Area Chamber of Commerce on March 1, 2024

Exempt Gambling (raffle): Austin Area Chamber of Commerce on April 25, 2024

Massage Establishment: DS Massage, 2105 3rd Avenue SE

Massage Therapist: Daniel Stallkamp, 2105 3rd Avenue SE

Mobile Business: On the Hook Fish and Chips, Laramie, Wyoming

Mobile Business: Stage Coach BBQ & Grill, Brownsdale

Right of Way: Dobbs Construction, Inc., Dodge Center

Right of Way: Husemoller Excavating, 26375 555th Avenue

Right of Way: JJD Companies, LLC, Blooming Prairie

Right of Way: S & S Drainage, 1705 16th Street SW

Taxi Driver: Antonio Patino, Jr., 1015 4th Avenue NE

Temporary Liquor: Austin Catholic Schools on January 27, 2024

Claims:

a. Pre-list of bills

b. Credit Card Report.

PETITIONS AND REQUESTS:

(res) 5. Designating depositories for checking and investment of public funds for 2024.

(res) 6. Approving budget adjustment number 1.

(res) 7. Approving budget adjustment number 2.

(res) 8. Setting the mileage reimbursement rate for 2024.

(res) 9. Receiving feasibility report and calling for a public hearing for February 20th for street improvements on 8th Street NE (16th Avenue to 18th Avenue NE) and lift station construction, Project 23104 & 23201.

- (res) 10. Receiving feasibility report and calling for a public hearing for February 20th for street improvements on 9th Street SW (17th Avenue to 22nd Avenue SW) and 12th Street SW (17th Avenue to 21st Avenue SW), Project 24101.
- (res) 11. Receiving feasibility report and calling for a public hearing for February 20th for street improvements on 4th Avenue NE (17th Street to 19th Street NE), Project 24102 and 1st Avenue NE (8th Street to 10th Street NE), Project 24103.
- (res) 12. Receiving feasibility report and calling for a public hearing for February 20th for street improvements on 2nd Avenue NW (14th Street to 19th Street NW), 16th Street NW (Oakland Avenue West to 2nd Avenue NW) and 17th Street NW (Oakland Avenue West to 2nd Avenue NW), Project 24104.
- (res) 13. Accepting donations to the City of Austin.

CITIZENS ADDRESSING THE COUNCIL

HONORARY COUNCIL MEMBER COMMENTS

REPORTS AND RECOMMENDATIONS:

City Administrator
City Council

- (mot) Adjourn to **Tuesday, January 16, 2024** at 5:30 pm in the Council Chambers.

All items listed with an asterisk () are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a council member or citizen so requests in which event the item will be removed from the general order of business and considered in its normal sequence on the agenda.

M I N U T E S
CITY COUNCIL MEETING
December 18, 2023
5:30 PM
Council Chambers

MEMBERS PRESENT: Mayor King. Council Members Paul Fischer, Laura Helle, Jason Baskin, Michael Postma, Joyce Poshusta, Geoff Baker 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, Human Resources Director Trish Wiechmann, Public Works Director Steven Lang, Fire Chief Jim McCoy, City Attorney Craig Byram, Library Director Julie Clinefelter, and City Clerk Ann Kasel

APPEARING IN PERSON: Austin Daily Herald, Paul Manocchio, Paul Swan, Walt Alms, Public

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

Addition to the agenda:

Licenses:

See additional upload in Consent Agenda folder

Appointment:

Valerie Sheedy to the Library Board – term expiring December 31, 2026

Melissa Bonorden to the Library Board – term expiring December 31, 2024

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

Moved by Council Member Fischer, seconded by Council Member Baker, approving Council minutes from December 4, 2023 and December 6, 2023. Carried.

RECOGNITIONS AND AWARDS

Council Member Geoff Baker recognized Steven Lang for the sale of a 2006 plow stating it was sold for more than he anticipated.

CONSENT AGENDA

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

2024 License renewals (*complete list in the consent agenda folder*)

Claims:

- a. Pre-list of bills
- b. Credit Card, Investment and Financial Report.

Making the following appointments and reappointments to Boards and Commissions:

- a. Gregg Gaffney to the Cable TV Committee – term expiring 12/31/2026
- b. Paul Spyhalski to the Fire Civil Service Commission – term expiring 12/31/2026
- c. Vickie Spyhalski to the Human Rights Commission – term expiring 12/31/2026
- d. Bridget Halvorson to the Human Rights Commission – term expiring 12/31/2026
- e. Arkaysia Hampton to the Human Rights Commission – term expiring 12/31/2026
- f. ~~Melissa Bonorden to the Library Board – term expiring 12/31/2026~~
- g. Jwokamer Debok to the Library Board – term expiring 12/31/2026
- h. Edward Hinchcliffe to the Library Board – term expiring 12/31/2026
- i. Nicholas Johnsen to the Park and Recreation Board – term expiring 12/31/2028
- j. Kelsie Ritchie to the Pillars of the City Board – term expiring 12/31/2026
- k. Daphne Wagner to the Pillars of the City Board – term expiring 12/31/2026
- l. Steve Kime to the Pillars of the City Board – term expiring 12/31/2026
- m. Melissa Swenson to the Planning Commission – term expiring 12/31/2027
- n. Brent Gunderson to the Police Civil Service Commission – term expiring 12/31/2026
- o. Lee Bjorndal to the Port Authority – term expiring 12/31/2029
- p. Matthew Talmadge to the Culture and Arts Commission – term expiring 12/31/2026
- q. Geoff Smith to the Culture and Arts Commission – term expiring 12/31/2026
- r. Stephen King to the Part Time Fire Relief Trustees – term expiring 12/31/2024
- s. Tom Dankert to the Part Time Fire Relief Trustees – term expiring 12/31/2024
- t. James McCoy to the Part Time Fire Relief Trustees – term expiring 12/31/2024
- u. Valerie Sheedy to the Library Board – term expiring December 31, 2026
- v. Melissa Bonorden to the Library Board – term expiring December 31, 2024

Carried 6-0 with Council Member Helle abstaining.

PUBLIC HEARINGS

A public hearing was held for the adoption of the five-year capital improvement plan. Director of Administrative Services Tom Dankert stated the plan sets forth \$176,567,170 of purchases over the next five years. Adoption of the plan give staff specific authorization to purchase the items specified for 2024.

Mayor King noted there were some residents in the audience that were concerned about the installation of sidewalk on their properties in 2024.

Paul Manocchio, 1910 9th Street SW, was concerned about the possibility of sidewalk in his neighborhood. He stated he surveyed 35 homeowners and of the responses he received, 29 were against it, one was for it and one was on the fence. He stated he does not see the need for sidewalk in the neighborhood.

Paul Swan, *no address given*, stated he is happy with the feel of their lot and doesn't want it changed. He also was concerned about maintenance of the sidewalk.

Walt Alms, 1912 9th Avenue SW, stated none of the sidewalks in the area are complete and doesn't feel the need for additional sections of incomplete sidewalk.

There were no additional public comments.

Moved by Council Member Baker, seconded by Council Member Postma, adopting a resolution authorizing the 2024-2028 Capital Improvement Plan. Carried 7-0.

BID OPENING AND AWARD

The City received bids for EQ digester cover #1 replacement. The following bids were received:

Bidder	Base Bid	Alternate #1
Wapasha Construction Co.	\$2,764,000	(\$20,000)
The Joseph Company, Inc.	\$3,131,000	No Bid
Market & Johnson	\$3,499,000	No Bid

Public Works Director Steven Lang stated work will consist of removal of the existing damaged cover and replacement with a new metal floating cover and mixers. Mr. Lang recommended awarding the base bid to Wapasha Construction Co. Inc. with funding coming from the industrial plant budget.

Moved by Council Member Baker, seconded by Council Member Postma, adopting a resolution awarding the base bid for EQ Digester cover # 1 to Wapasha Construction Company, Inc. Carried 7-0.

Public Works Director Steven Lang requested the Council approve an amendment to an agreement with Hormel Foods for the waste water treatment plan agreement. The amendment states Hormel Foods would be 100% responsible for the costs arising from the design, planning, engineering, construction and financing of the EQ digester #1 West replacement project.

Moved by Council Member Fischer, seconded by Council Member Poshusta, adopting a resolution approving an amendment to the waste water treatment plant agreement with Hormel Foods. Carried 6-0 with Council Member Baskin abstaining.

Public Works Director Steven Lang requested the Council approve a contract with SEH, Inc. for construction management and inspection on the EQ Digester project in the amount of \$120,000. He stated the cost for the work would be covered by industrial plant funds.

Moved by Council Member Baker, seconded by Council Member Postma, adopting a resolution approving a consulting services contract with SEH, Inc. for construction inspection services on the EQ Digester project. Carried 7-0.

PETITIONS AND REQUESTS

Director of Administrative Services Tom Dankert requested the Council approve the 2024 tax levy in the amount of \$8,752,000.

Moved by Council Member-at-Large Austin, seconded by Council Member Poshusta, adopting a resolution approving the tax levy for 2024. Carried 6-1 with Council Member Baskin voting nay.

Director of Administrative Services Tom Dankert requested the Council approve the 2024 budget in the amount of \$46,002,529.

Moved by Council Member Fischer, seconded by Council Member Helle, adopting a resolution adopting the budget for 2024. Carried 7-0.

Director of Administrative Services Tom Dankert requested the Council cancel certain ad valorem tax levies for 2024 because there is sufficient fund balance to cover the payments on the bonds.

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

Director of Administrative Services Tom Dankert stated during the last legislative session \$210 million was approved for public safety aid with \$1,159,298 expected to come to the City of Austin. The Police Department has requested \$104,300 for new squad car cameras and the remainder of the funds would be deposited into the Fire Fleet fund to help pay for the \$1.6 million dollar fire truck in 2024. He stated if the Council agrees with that proposal then they would move \$725,000 out of the Fire Fleet Fund into the CIP Revolving Fund for other Council approved projects. He stated those changes would be on the next Council meeting.

Moved by Council Member Fischer, seconded by Council Member Postma, adopting a resolution approving budget adjustment number 5 – public safety aid transfers. Carried 7-0.

Moved by Council Member Baker, seconded by Council Member Postma, adopting a resolution granting renewals of 2024 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 7-0.

Moved by Council Member Baker, seconded by Council Member Poshusta, adopting a resolution granting a 2023 Sunday hard liquor on-sale license to Cuatro Copas Bar and Lounge, LLC. Carried 7-0.

Director of Administrative Services Tom Dankert requested the Council designate the official newspaper for 2024. He stated the rate for 2024 is frozen at \$5.64 per column inch.

Moved by Council Member Postma, seconded by Council Member Fischer, designating the Austin Daily Herald as the official newspaper for 2024. Carried.

Moved by Council Member Baker, seconded by Council Member Postma, adopting a resolution approving an agreement for transfer of service territory rights between Austin Utilities and Freeborn Mower Electric Cooperative. Carried 7-0.

Public Works Director Steven Lang detailed the change orders to the Waste Water Treatment Plant project. He stated the total change orders will result in a \$361,462.13 cost increase to the domestic budget and a \$113,175.87 increase to the industrial budget. He stated the change orders have been approved by SEH and Hormel Foods.

Moved by Council Member Baker, seconded by Council Member Postma, adopting a resolution approving change order number two for the Waste Water Treatment Plant project. Carried 7-0.

Public Works Director Steven Lang requested the Council approve an individual control mechanism agreement with WCI Lansing Landfill. He stated the City accepts leachate from the landfill at the waste water treatment plant. He stated the Landfill will need to develop a PFAS management plan by July 1, 2024 with implementation of the plan completed by December 31, 2025. The ICM agreement specifies the pollutant level limits for the leachate and established flow limits.

Moved by Council Member Baker, seconded by Council Member Fischer, adopting a resolution approving an ICM agreement with WCI Lansing Landfill. Carried 7-0.

Public Works Director Steven Lang requested the Council approve an individual control mechanism agreement for Nu-Tek Biosciences. He stated the agreement sets forth the limitations, conditions and requirements for the company's sanitary sewer discharge. He stated the City has been doing 6-month ICM's for the company since they are new to Austin and haven't developed a long discharge history. Mr. Lang recommended approving the agreement which runs through June 30, 2024.

Moved by Council Member Postma, seconded by Council Member Baskin, adopting a resolution approving an ICM agreement with NuTek Biosciences. Carried 7-0.

Public Works Director Steven Lang requested the Council approve an individual control mechanism agreement for G & R Truck Wash. He stated the agreement sets forth the limitations, conditions and requirements for the company's sanitary sewer discharge. Mr. Lang recommended approving the agreement which runs through December 31, 2026.

Moved by Council Member Postma, seconded by Council Member Poshusta, adopting a resolution approving an ICM agreement with G & R Truck Wash. Carried 7-0.

Public Works Director Steven Lang requested the Council approve an individual control mechanism agreement for International Paper. He stated the agreement sets forth the limitations, conditions and requirements for the company's sanitary sewer discharge. Mr. Lang recommended approving the agreement which runs through December 31, 2025.

Moved by Council Member Baskin, seconded by Council Member Fischer, adopting a resolution approving an ICM agreement with International Paper. Carried 7-0.

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

Human Resources Director Trish Wiechmann requested the Council adopt a resolution setting the 2024 seasonal, temporary and part-time wage rates.

Moved by Council Member Baker, seconded by Council Member Baskin, adopting a resolution approving the 2024 seasonal and part time wage resolution. Carried 7-0.

Human Resources Director Trish Wiechmann stated the City is required to change its sick leave policy to comply with new Minnesota laws. The proposed earned sick and safe leave policy will replace the City's current policy. The new policy states that anyone who works at least 80 hours a year is entitled to sick leave. The policy would be effective January 1, 2024.

Council Member Baskin asked if it applies to part time employees.

Ms. Wiechmann affirmed it does and applies to all employees that work over 80 hours in a year.

Moved by Council Member Fischer, seconded by Council Member Helle, adopting an earned safe and sick policy. Carried.

Human Resources Director Trish Wiechmann presented a revised vehicle use and take home policy. He stated the supervisors that respond to emergency situations will now be required to be taxed on \$3.00 per day for their use of the vehicle. Previously, supervisors were not taxed anything for the use of the vehicles.

Council Member Postma stated he has heard concerns from employees that this change will impact them financially. However, if the Council doesn't approve the policy then the employees would need to pay tax on the mileage as the federal reimbursement rate so adopting the policy is the better option. He stated the Council will be working on making employees whole.

Moved by Council Member Helle, seconded by Council Member Baskin, adopting a revised vehicle use policy and new take home vehicle policy. Carried 7-0.

Mayor King read a summary of the closed meetings held on December 5, 2023 for the evaluation of Craig Clark and Trish Wiechmann. The Council generally supported Mr. Clark and suggested additional training and communications assistance. Mr. Clark will also have a 360 degree evaluation. The Council stated Ms. Wiechmann reports to Mr. Clark and concerns about her job performance should be directed to him.

REPORTS

City Administrator Craig Clark thanked the Council and employees for attending the department meetings. He stated he took many things away from the meetings such as the need for professional development, staff recognition, organizational trust and better communication. He acknowledged that the City will need outside support to make things better.

Council Member Poshusta stated she has goals for 2024 for the City which include excellence, engagement, communications and transparency and to enhance culture. She thanked Ann Kasel for her ten years of service to the City.

Council Member Fischer thanked city employees for their dedication to the feedback meetings.

Council Member Baskin thanked Ann Kasel for her services and read the work anniversaries for the City of Austin.

Council Member-at-Large Austin thanked the City employees for their participation in the group sessions and Ann Kasel for her time at the City.

Council Member Baker noted the employee meetings were painful but he was very impressed with how well prepared the employees were.

Council Member Postma stated the Discover Austin 2024 visitors guide is now available and he thanked the employees for attending the meetings.

Council Member Helle reported that the Hormel Nature Center Interpretive Center will now be closed on Sundays. Jason Schon will come on as the Parks and Recreation Director at the end of the year and there will be a public reception for him on January 2nd at City Hall at 4 pm. She thanked employees for taking the time to come to the department meetings. She noted the leadership team is out of balance and is missing communication and interpersonal relationships at the highest level at the City.

Mayor King thanked the Council for making the department meetings a priority and thanked the employees for attending. He noted that he appreciated the entire waste water treatment plant department showed up to the holiday mixer and thanked all employees that attended.

Moved by Council Member-at-Large Austin, seconded by Council Member Baskin, adjourning the meeting to January 2, 2024. Carried.

Adjourned: 6:33 p.m.

Approved: January 2, 2024

Mayor: _____

City Recorder: _____

RESOLUTION NO.**RESOLUTION DESIGNATING DEPOSITORIES FOR
CHECKING AND INVESTMENTS OF PUBLIC FUNDS FOR 2024**

WHEREAS, the depositories for public funds are designated annually for the City of Austin, Minnesota.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN,

1. Checking accounts for the City of Austin shall be as follows:

The legal depository for the City of Austin General Account shall be Wells Fargo of Austin, Minnesota for 2024. The City Recorder/Treasurer is hereby authorized to deposit all receipts of the City of Austin in Wells Fargo of Austin, Minnesota. All payroll transfers shall be deposited to Wells Fargo of Austin, Austin, Minnesota. The Direct Deposit of Retiree Benefits or Employee Payroll shall be processed through First Farmer's & Merchants Bank. All receipts of the Library, Police Department and Park and Recreation operations shall be deposited in the General Account.

BE IT FURTHER RESOLVED,

2. Investment of city funds shall be made with:

Wells Fargo, US Bank, Home Federal Savings Bank, Bremer Bank, First Farmers & Merchants State Bank, Sterling State Bank and Farmers & Merchants State Bank, all of Austin, Minnesota, are hereby declared to be legal depositories for the City of Austin's savings, money market savings, savings certificates and certificates of deposit. The market value of collateral filed by these institutions shall at all times exceed by 10% the City of Austin's deposits in these institutions. Wells Fargo Investment Services, Inc., US Bank Investment Services, RBC Dain Rauscher, UBS PaineWebber, Inc., Northland Securities, Wells Fargo Investment Advisors, Accentra Credit Union and the League of Minnesota Cities-sponsored 4M Fund are hereby declared to be firms with whom the City of Austin may do business for the purpose of purchasing and selling investments and for safekeeping such investments.

3. BE IT FURTHER RESOLVED, that all depositories, firms, agents and external managers acting as such for the City of Austin shall at all times comply with all provisions of Minnesota State Statutes applicable to the deposits and investments of public funds, and to the City of Austin's adopted investment policy and sound financial management practices.

Passed by a vote of yeas and nays this 2nd day of January, 2024.

YEAS

NAYS

ATTEST:

APPROVED:

City Recorder

Mayor

City of Austin
500 Fourth Avenue N.E.
Austin, Minnesota 55912-3773



Thomas Dankert
Director of
Administrative Services
507-437-9959
Fax 507-433-1693
tdankert@ci.austin.mn.us

TO: Mayor King and Council Members
FROM: Tom Dankert ^{TD}
DATE: January 2, 2024
RE: **Budget Adjustment #1 – 2024 Budget Adjustment**
U:\Word\2024\Miscellaneous\2024 Budget Adjustment #1.doc

On December 18, 2023 Council approved Resolution #16910 to transfer some funds out of the Fire Fleet Fund 73 into the CIP Revolving Fund 49 for future capital purchases due to the receipt of some Public Safety Aid as approved by the Minnesota legislature during the 2023 session.

We are now into phase two of this resolution whereby we would like to close out the Fire PERA Fund 29 into the Fire Fleet Fund 73 in order to eliminate one fund and account for both fire fleet purchases and major equipment purchases. The intent of this would allow us to pool up resources to now also fund SCBA's as they need replacement every 15 years or so, at a cost that could approach \$500,000 every 15-year replacement cycle.

What we propose is as follows:

1. Transfer all of the fund balance from the Fire PERA Fund 29 into the Fire Fleet Fund 73. This is currently estimated at about \$230,000 as we close out the 2023 year.
2. Rename Fund 73 into the Fire Equipment Fund 73.
3. Amend the budget for 2024 to allow for the SCBA decontamination unit to be purchased out of the newly named Fire Equipment Fund 73 instead of the now closed out Fire PERA Fund 29.
4. Future annual budgeted allocations into the Fire Equipment Fund 73 will now include coverage not only not only for fleet vehicles, but also funds to pool up such that the next time SCBA's are purchased, we would have the funds banked up to acquire such.

I have attached a proposed resolution to handle this transaction all in one resolution.

Please do not hesitate to give me a call if you have any questions.

Obj Acct Sub	Description	L D	P E	Budg Patt	2024 Budget	2023 Amended Budget	5/31/2023 YTD	2022 Actual	2021 Actual	2020 Actual
4000	Revenues / Expenditures	3	N		-	-	11,149	3,266	(166)	27,626
4001	Revenues	4	N		(35,000)	(33,000)	(3,647)	3,266	(166)	(1,594)
4500	INTERGOVERNMENTAL REVENUES	5	N		-	-	-	-	-	-
4514	Federal/State Grants	6			-	-	-	-	-	-
5100	MISCELLANEOUS REVENUES	5	N		(2,000)	(300)	(3,647)	3,266	(166)	(1,594)
5119	Market Value Gain/Loss	6		ANN	-	-	-	8,217	14	(323)
5121	Interest Earnings	6		ANN	(2,000)	(300)	(3,647)	(4,951)	(180)	(1,271)
5135	Contributions - Private	6		ANN	-	-	-	-	-	-
5172	Sale of Fixed Assets - City	6		ANN	-	-	-	-	-	-
5400	OTHER FINANCING SOURCES	5	N		(33,000)	(32,700)	-	-	-	-
5490	Use of Fund Balance	6		ANN	(33,000)	(32,700)	-	-	-	-
6000	Expenditures	4	N		35,000	33,000	14,796	-	-	29,220
6300	PROFESSIONAL SERVICES AND UTIL	5	N		-	-	-	-	-	-
6309	Professional Services	6		ANN	-	-	-	-	-	-
6500	CAPITAL OUTLAY	5	N		35,000	33,000	14,796	-	-	25,675
6520	Buildings	6		ANN	-	-	-	-	-	-
6540	Machinery	6		ANN	35,000	33,000	14,796	-	-	25,675
6550	Vehicles	6		ANN	-	-	-	-	-	-
6560	Furniture and Fixtures	6		ANN	-	-	-	-	-	-
7000	TRANSFERS	5	N		-	-	-	-	-	3,545
7711	Transfers to General Fund	6		ANN	-	-	-	-	-	3,545
7999	Source of Fund Balance	6		ANN	-	-	-	-	-	-

Move to Fire Equipment Fund 73

RESOLUTION NO.

BUDGET ADJUSTMENT #1

**RESOLUTION AMENDING THE 2024 OPERATING BUDGET
OF FUND 29 – FIRE PERA FUND
AND FUND 73 -FIRE FLEET REPLACEMENT FUND AND RENAMING FUND 73 TO FIRE
EQUIPMENT FUND**

WHEREAS, the City Council of the City of Austin adopted Resolution No. 16908 on December 18, 2023 approving the 2024 operating budgets for the various city operations; and

WHEREAS, the City Council desires to close out the Fire PERA Fund 29 and transfer this balance into the Fire Fleet Fund 73; and

WHEREAS, for long-term planning purposes the City of Austin would like to fund some specific equipment purchases out of this Fund 73 besides fleet; and

WHEREAS, generally accepted accounting principles and reporting practices call for the amendment of the adopted budget to properly reflect these authorizations:

NOW THEREFORE, BE IT RESOLVED that the City Recorder shall transfer the balance of the Fire PERA Fund 29 into the Fire Fleet Fund 73 and record these authorized budget amendments upon the City's 2024 financial records and rename Fund 73 into the Fire Equipment Fund 73.

Passed by a vote of yeas and nays this 2nd day of January 2024.

YEAS

NAYS

ATTEST:

APPROVED:

City Recorder

Mayor

City of Austin
500 Fourth Avenue N.E.
Austin, Minnesota 55912-3773



Thomas Dankert
Director of
Administrative Services
507-437-9959
Fax 507-433-1693
tdankert@ci.austin.mn.us

TO: Mayor King and City Council Members
FROM: Tom Dankert ^{TD}
DATE: January 2, 2024
RE: **Budget Adjustment #2 – 2024 Budget Adjustment**
U:\Word\2024\Miscellaneous\2024 Budget Adjustment #2.doc

I would request the approval of some changes within our budget for 2024 as part of Budget Adjustment #2 related to Hormel Foundation grants that were not originally included as part of the 2024 proposed budget (or were not fully funded by Hormel Foundation grants), as follows:

General Fund (11000):

- Hormel Nature Center handheld radios, \$13,000 (not budgeted for).
- Bandshell Community Park ADA & Access Improvements, \$71,250 funded of original request of \$95,000 (original budget included full \$95,000 of contributions).

	Debit	Credit
49011.5138 Contributions (add radios)		\$ 13,000
49011.5138 Contributions (reduce Bandshell)	\$ 23,750	
49011.6540 Capital Outlay (net)		\$10,750
Total General Fund	\$ 23,750	\$ 23,750

Capital Improvements Revolving Fund (49000):

- Emerald Ash borer treatment and planting, \$40,000 (not budgeted for).

	Debit	Credit
48245.6530 Improve. Other Than Bldg.	\$ 40,000	
49000.5135 Private Contributions		\$ 40,000
Total Capital Improve. Revolving Fund	\$ 40,000	\$ 40,000

By passing a Resolution, council will have then officially amended the budget for the 2024 year to account for The Hormel Foundation grants. There are other grants that were approved by The Hormel Foundation for 2024, but those grants were already accounted for in the 2024 budget.

Please do not hesitate to give me a call if you have any questions.

RESOLUTION NO.

BUDGET ADJUSTMENT #2

**RESOLUTION AMENDING THE 2024 OPERATING BUDGET
OF FUND 11 - GENERAL FUND AND FUND 49 - CAPITAL
IMPROVEMENTS REVOLVING FUND**

WHEREAS, the City Council of the City of Austin adopted Resolution No. 16908 on December 18, 2023 approving the 2024 operating budgets for the various city operations; and

WHEREAS, the following items have been approved for funding and require an amendment to the 2024 budget:

General Fund (11000):

1. Hormel Nature Center handheld radios, \$13,000 (not budgeted for).
2. Bandshell Community Park ADA & Access Improvements, \$71,250 funded of original request of \$95,000 (original budget included full \$95,000 of contributions).

	<u>Debit</u>	<u>Credit</u>
49011.5138 Contributions (add radios)		\$ 13,000
49011.5138 Contributions (reduce Bandshell)	\$ 23,750	
49011.6540 Capital Outlay (net)		\$10,750
Total General Fund	\$ 23,750	\$ 23,750

Capital Improvements Revolving Fund (49000):

1. Emerald Ash borer treatment and planting, \$40,000 (not budgeted for).

	<u>Debit</u>	<u>Credit</u>
48245.6530 Improve. Other Than Bldg.	\$ 40,000	
49000.5135 Private Contributions		\$ 40,000
Total Capital Improve. Revolving Fund	\$ 40,000	\$ 40,000

And;

WHEREAS, generally accepted accounting principles and reporting practices call for the amendment of the adopted budget to properly reflect these authorizations.

NOW THEREFORE, BE IT RESOLVED that the City Recorder shall record these authorized budget amendments upon the City's 2024 financial records.

Passed by a vote of yeas and nays this 2nd day of January, 2024.

YEAS

NAYS

ATTEST:

APPROVED:

City Recorder

Mayor

City of Austin
500 Fourth Avenue N.E.
Austin, Minnesota 55912-3773



Phone: 507-437-9940

www.ci.austin.mn.us

MEMO

TO: Mayor and City Council

FROM: Tom Dankert *TMD*

DATE: January 2, 2024

SUBJECT: Mileage Reimbursement Rate – January 1, 2024
U:\Word\2024\Miscellaneous\2024 Mileage Rate.doc

Effective January 1, 2024 the federal mileage reimbursement rate is increasing from the current rate of 65.5 cents per mile to a new rate of **67.0** cents per mile (increasing 1.5 cents per mile).

The City of Austin has followed the federal rate for our reimbursement policy, and as such a resolution setting the mileage reimbursement rate should be set by Council. Please see the attached for the announcement from the IRS.

If you have any questions, please do not hesitate to give me a call at 437-9959.

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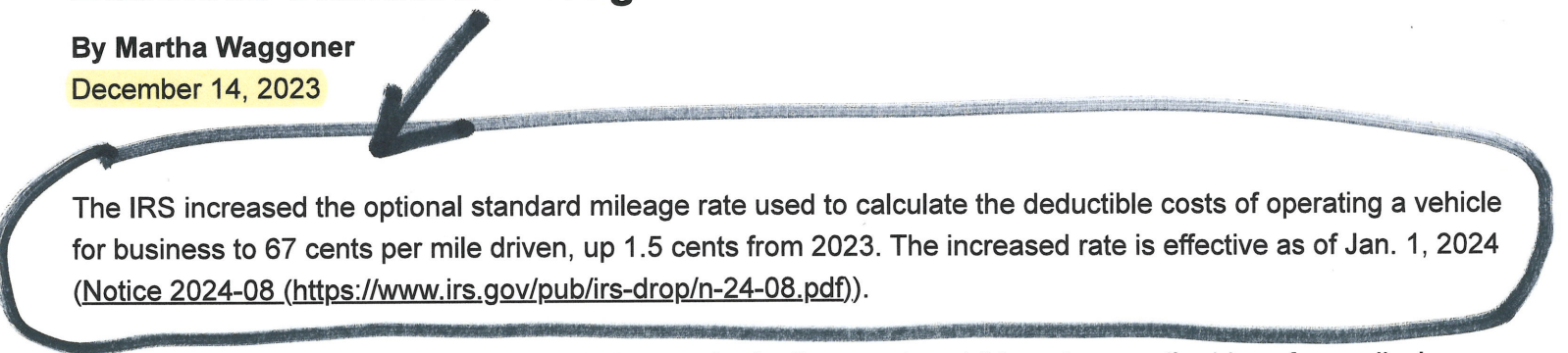


Journal of Accountancy

Business standard mileage rate increases for 2024

By Martha Waggoner

December 14, 2023



The IRS increased the optional standard mileage rate used to calculate the deductible costs of operating a vehicle for business to 67 cents per mile driven, up 1.5 cents from 2023. The increased rate is effective as of Jan. 1, 2024 ([Notice 2024-08](#) (<https://www.irs.gov/pub/irs-drop/n-24-08.pdf>)).

The notice, released Thursday, sets the 2024 standard mileage rates at 21 cents per mile driven for medical or moving purposes for qualified active-duty members of the armed forces, 1 cent less than the previous year.

The rate per mile driven in service of charitable organizations is 14 cents, which is set by statute and unchanged from 2022.

The rates apply to electric and hybrid-electric automobiles, as well as gasoline- and diesel-powered vehicles.

The portion of the business standard mileage rate that is treated as depreciation for purposes of calculating reductions to basis will be 30 cents per mile for 2024.

Taxpayers can calculate the actual costs of using their vehicle rather than using the standard mileage rates.

Notice 2024-08 also provides the maximum standard automobile cost under a fixed-and-variable-rate (FAVR) plan of \$62,000 for automobiles (including trucks and vans), up \$1,200 from 2023. Under a FAVR plan, a standard amount is deemed substantiated for an employer's reimbursement to employees for expenses they incur in driving their vehicle in performing services as an employee for the employer.

For purposes of the fleet-average valuation rule in Regs. Sec. 1.61-21(d)(5)(v) and the vehicle cents-per-mile rule under Regs. Sec. 1.61-21(e), \$62,000 is also the maximum fair market value of automobiles (including trucks and vans) first made available in calendar year 2024.

— To comment on this article or to suggest an idea for another article, contact Martha Waggoner at Martha.Waggoner@aicpa-cima.com (<mailto:Martha.Waggoner@aicpa-cima.com>).

RESOLUTION NO.

RESOLUTION SETTING THE MILEAGE REIMBURSEMENT RATE

WHEREAS, effective January 1, 2024, the federal mileage reimbursement rate will increase to 67¢ cents per mile; and

WHEREAS, the City of Austin has followed the federal rate for its reimbursement policy; and

NOW THEREFORE, BE IT RESOLVED THAT:

The mileage reimbursement rate for official business use of private vehicles will be 67¢ per mile effective January 1, 2024.

Passed by a vote of yeas and nays this 2nd day of January, 2024.

YEAS

NAYS

ATTEST:

APPROVED:

City Recorder

Mayor

City of Austin
500 Fourth Avenue N.E.
Austin, Minnesota 55912-3773



Steven J. Lang, P.E.
City Engineer/P.W. Director
507-437-9950
Fax 507-437-7101
slang@ci.austin.mn.us

Memorandum

To: Mayor & Council
From: Mitch Wenum, PE
Date: December 28, 2023
Subject: 2024 Construction Projects Feasibility Reports

In preparation for 2024 construction projects, we have prepared the following feasibility reports:

<u>Project</u>	<u>Project #</u>
1) 8th Street NE & Institute Lift Station Construction	23104 & 23201
<ul style="list-style-type: none"> • 8th St NE – 16th Ave to 18th Ave NE • Lift Station Construction at 16th Ave & 8th St NE 	
2) 9th Street SW & 12th Street SW	24101
<ul style="list-style-type: none"> • 9th St SW – 17th Ave to 22nd Ave SW • 12th St SW – 17th Ave to 21st Ave SW 	
3) 4th Avenue NE	24102
<ul style="list-style-type: none"> • 4th Ave NE – 17th St to 19th St NE 	
4) 1st Avenue NE	24103
<ul style="list-style-type: none"> • 1st Ave NE – 8th St to 10th St NE 	
5) 2nd Avenue NW, 16th Street NW & 17th Street NW	24104
<ul style="list-style-type: none"> • 2nd Ave NW – 14th St to 19th St NW • 16th St NW – Oakland Ave W to 2nd Ave NW • 17th St NW – Oakland Ave W to 2nd Ave NW 	

If you have any questions, please feel free to contact me.

DATE: December 28, 2023
PROJECT NO: 23104

REPORT ON FEASIBILITY OF PROPOSED LOCAL IMPROVEMENTS

Honorable Mayor & Members of the City Council
City of Austin, Minnesota

A resolution requesting a feasibility study for the reconstruction of 8th Street NE (15th Ave to 18th Ave NE) and the construction of the Institute Lift Station was referred to this office on December 4, 2023 for the Engineer's Preliminary Report.

We report that the improvements are feasible.

8th Street NE is a roadway made concrete pavement that was constructed in 1978. The street is currently 44' wide and parking is allowed on both sides. There is a shared use trail on the west side of the road and sidewalk on the east side. The proposed project will consist of the following:

8th Street NE (15th Ave to 18th Ave NE) Institute Lift Station Construction

- 1) Removal of the existing concrete pavement.
- 2) Realignment of the curve at the 8th St and 15th Ave NE intersection.
- 3) Replace concrete pavement and aggregate base.
- 4) Replacement of storm sewer laterals and catch basins
- 5) Removal of "Weyerhaeuser" lift station.
- 6) Replacement of gravity sanitary sewer main
- 7) Construction of new "Institute" lift station.
- 8) Construction of sanitary sewer force main to 8th St & 10th Ave NE, under I-90 using trenchless construction methods.
- 9) Construction of sanitary sewer gravity main under I-90 using trenchless construction methods for future connection to the new lift station from the south side of I-90
- 10) Installation of drain tile and sump pump service stub outs.
- 11) Provide ADA pedestrian ramps at intersections.
- 12) Austin Utilities will perform water and electrical work on the project.

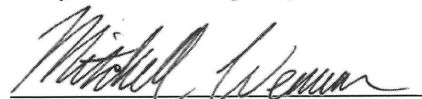
The estimated construction costs are as follows:

8 th Street NE and Institute Lift Station	\$2,400,000
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The total estimated costs would be funded as follows:

Municipal State Aid	\$1,050,000
Assessment Bonds	\$ 150,000
WWTP Fund 61	\$1,200,000

Abutting property owners would be assessed based on the City's assessment policy.


Assistant City Engineer

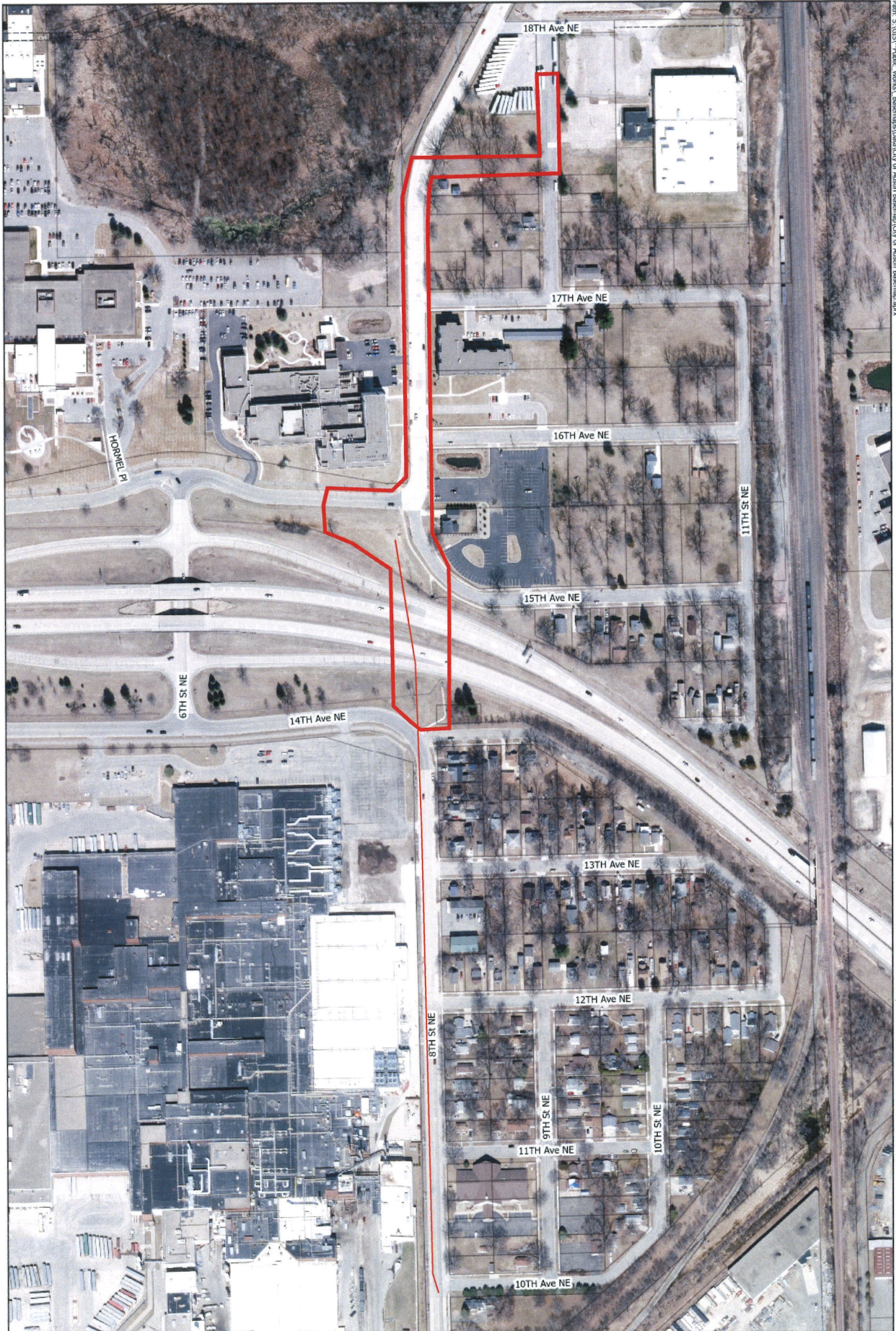
The Council has considered the above project and recommends that a public hearing be scheduled for February 20, 2024, to consider the proposed project.



23104-8th Street NE & Institute Lift Station



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0 230 460 FT

Date: 12/28/2023

RESOLUTION NO.

**RESOLUTION CALLING
HEARING ON IMPROVEMENT**

WHEREAS, a report has been prepared by the City Engineer, with reference to the following improvement:

8th Street NE (16th Avenue to 18th Avenue NE), Project 23104
Lift Station construction at 16th Avenue & 8th Street NE, Project 23201

and said report was received by the City Council on January 2, 2024.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of Austin, Minnesota:

- A. The Council will consider the improvement on the following street improvement project in accordance with the reports and assessments of abutting property for all or a portion of the cost of the improvement pursuant to Minnesota Statutes Section 429.011 and 429.111 as amended, at an estimated total cost of the improvements as follows:

\$2,400,000

- B. A public hearing shall be held on such proposed improvement on the 20th day of February, 2024 in the Council Chambers of the Municipal Building at 5:30 p.m., and the City Clerk shall give mailed and published notice of such hearing on improvement as required by law.

Passed by the Austin City Council on the 2nd day of January, 2024.

YEAS

NAYS

ATTEST:

APPROVED:

City Recorder

Mayor

DATE: December 28, 2023
PROJECT NO: 24101

REPORT ON FEASIBILITY OF PROPOSED LOCAL IMPROVEMENTS

Honorable Mayor & Members of the City Council
City of Austin, Minnesota

A resolution requesting a feasibility study for the reconstruction of 9th Street SW (17th Ave to 22nd Ave SW) and 12th Street SW Service Road (17th Ave to 21st Ave SW) was referred to this office on December 4, 2023 for the Engineer's Preliminary Report.

We report that the improvements are feasible.

9th St SW and 12th St SW are both made of asphalt pavement. 9th St SW is 36 feet wide and has curb and gutter on both sides. 12th St SW is 30 feet wide with curb and gutter on one side. Parking is allowed on both sides of each street. There are currently no sidewalks on 9th St SW, while 12th St SW has sidewalks on the east side. These streets were originally constructed in the 1970's. The proposed project will consist of the following:


9th Street SW (17th Ave to 22nd Ave SW)
12th Street SW Service Road (17th Ave to 21st Ave SW)

- 1) Removal of the existing asphalt pavement.
- 2) Removal of ash trees, unhealthy trees and trees impacted by construction activities.
- 3) Curb and gutter will be removed and replaced on 9th St SW. Spot repairs to the existing curb and gutter will be made on 12th St SW.
- 4) Replacement of pavement with 4.5" of asphalt pavement and 6" aggregate base.
- 5) Consider the connection of 19th Ave SW to 12th St SW/Highway 105.
- 6) Propose to construct sidewalks and ADA pedestrian ramps on both sides of 9th St SW.
- 7) Construct ADA pedestrian ramps and replace deficient sidewalk panels on 12th St SW.
- 8) Storm sewer on 9th St SW will be replaced with larger diameter pipe and new structures.
- 9) Sanitary sewer will be replaced on 9th St SW from 19th Ave to 22nd Ave SW. The remaining sanitary mains will be spot repaired, as needed. All sanitary sewer manholes will be replaced.
- 10) Installation of drain tile and sump pump service stub outs.
- 11) Austin Utilities will also perform water and electrical work on the project.

The total estimated costs would be funded as follows:

Funding Source	Amount
Assessment Bonds	\$1,125,000
WWTP Fund 61	\$340,000
SWUD Fund 67	\$260,000
Total for 9th St SW & 12th St SW	\$1,725,000

Abutting property owners would be assessed based on the City's assessment policy.


Assistant City Engineer

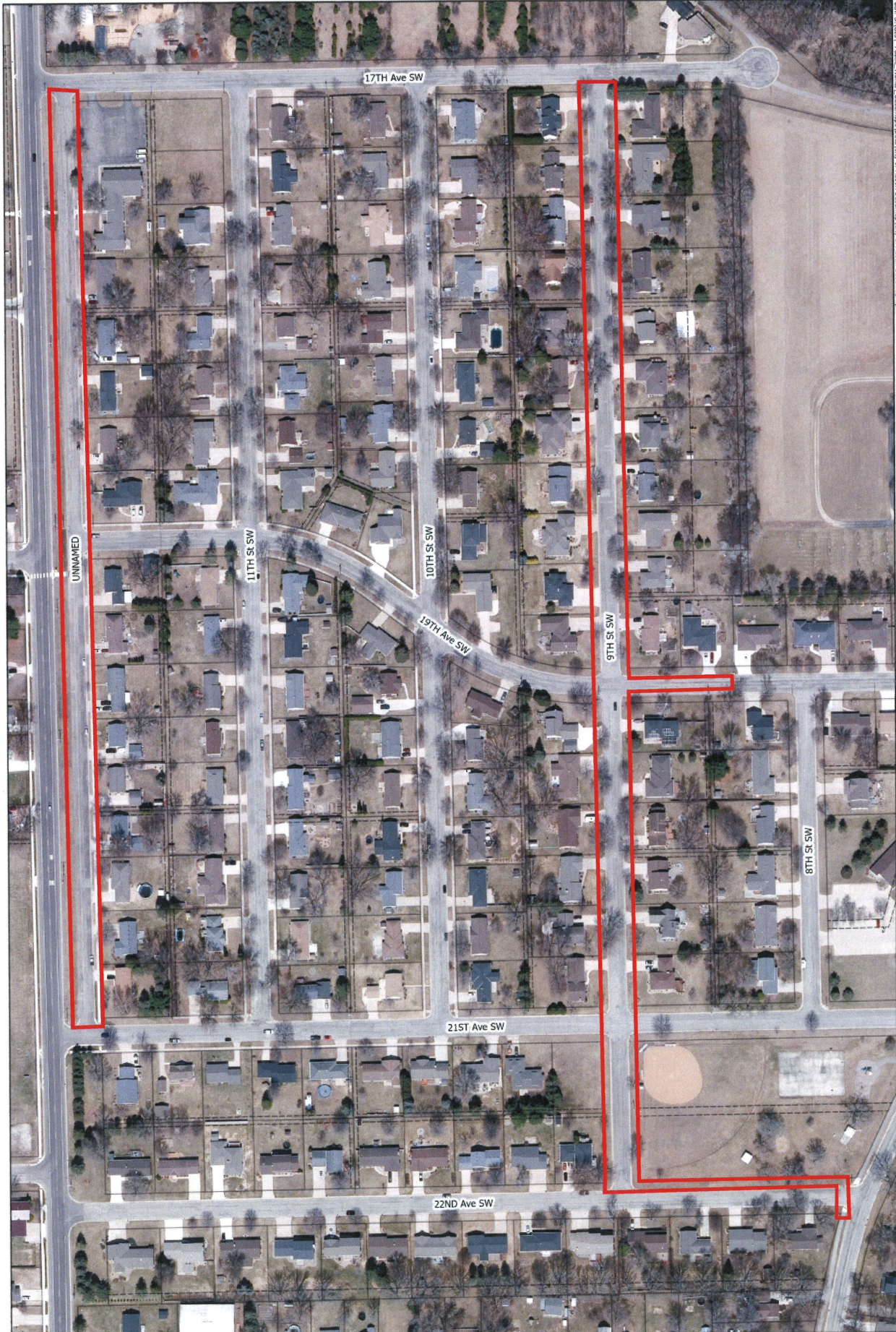
The Council has considered the above project and recommends that a public hearing be scheduled for February 20, 2024, to consider the proposed project.



24101-9th Street SW & 12th Street SW



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0 160 320 FT

Date: 12/28/2023

RESOLUTION NO.

**RESOLUTION CALLING
HEARING ON IMPROVEMENT**

WHEREAS, a report has been prepared by the City Engineer, with reference to the following improvement:

9th Street SW (17th Avenue to 22nd Avenue SW) and
12th Street SW Service Road (17th Avenue to 21st Avenue SW), Project 24101

and said report was received by the City Council on January 2, 2024.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of Austin, Minnesota:

- A. The Council will consider the improvement on the following street improvement project in accordance with the reports and assessments of abutting property for all or a portion of the cost of the improvement pursuant to Minnesota Statutes Section 429.011 and 429.111 as amended, at an estimated total cost of the improvements as follows:

\$1,725,000

- B. A public hearing shall be held on such proposed improvement on the 20th day of February, 2024 in the Council Chambers of the Municipal Building at 5:30 p.m., and the City Clerk shall give mailed and published notice of such hearing on improvement as required by law.

Passed by the Austin City Council on the 2nd day of January, 2024.

YEAS

NAYS

ATTEST:

APPROVED:

City Recorder

Mayor

DATE: December 28, 2023
PROJECT NO: 24102 & 24103

REPORT ON FEASIBILITY OF PROPOSED LOCAL IMPROVEMENTS

Honorable Mayor & Members of the City Council
City of Austin, Minnesota

A resolution requesting a feasibility study for the reconstruction of 1st Avenue NE (8th St to 10th St NE) and 4th Avenue NE (17th St to 19th St NE) was referred to this office on December 4, 2023 for the Engineer's Preliminary Report.

We report that the improvements are feasible.

1st Ave NE and 4th Ave NE are both made of asphalt pavement. Both streets are 36 feet wide and have curb and gutter on both sides. Parking is allowed on both sides of each street. There are sidewalks on both sides of 4th Ave NE, while 1st Ave NE only has sidewalks on the south side. These streets were likely last reconstructed in the 1960's. The proposed project will consist of the following:

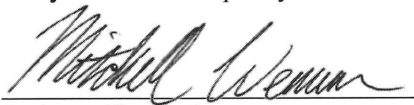
1st Avenue NE (8th St to 10th St NE)
4th Avenue NE (17th St to 19th St NE)

- 1) Removal of the existing asphalt pavement and curb and gutter.
- 2) Removal of ash trees, unhealthy trees and trees impacted by construction activities.
- 3) Replacement streets with aggregate base, new curb and gutter and 4.5" of asphalt pavement.
- 4) Construct ADA pedestrian ramps and replace deficient sidewalk panels. It is not feasible to add sidewalk to north side of 1st Ave NE due to the existing topography.
- 5) Storm sewer main and structures will be replaced on 1st Ave NE.
- 6) Sanitary sewer mains and manholes will be replaced on 4th Ave NE.
- 7) Installation of drain tile and sump pump service stub outs.
- 8) Austin Utilities will also perform water and electrical work on the project.

The total estimated costs would be funded as follows:

Funding Source	Amount
Assessment Bonds	\$875,000
WWTP Fund 61	\$260,000
SWUD Fund 67	\$80,000
Total for 9th St SW & 12th St SW	\$1,215,000

Abutting property owners would be assessed based on the City's assessment policy.


Assistant City Engineer

The Council has considered the above project and recommends that a public hearing be scheduled for February 20, 2024, to consider the proposed project.



24103 - 1st Avenue NE

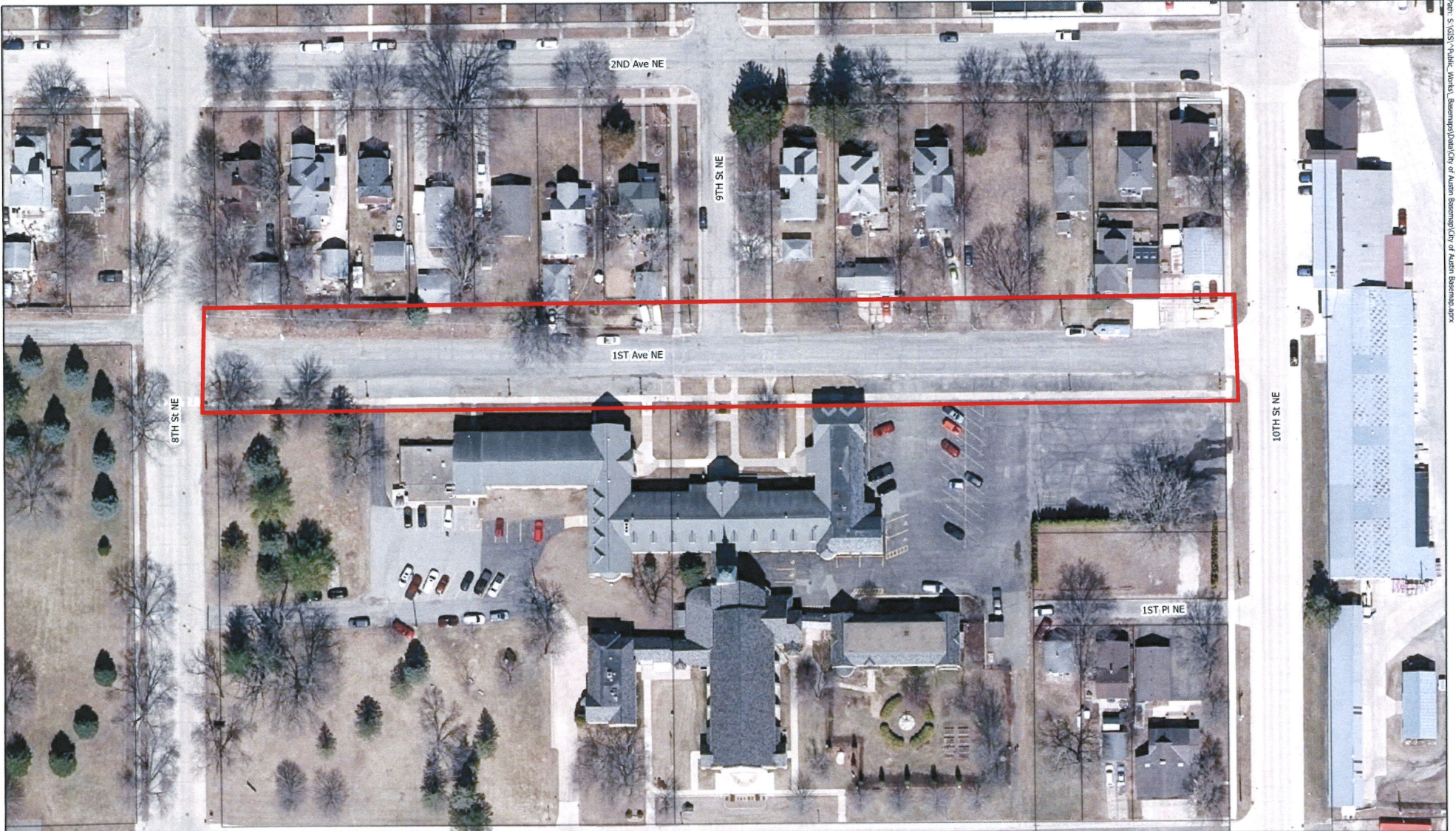
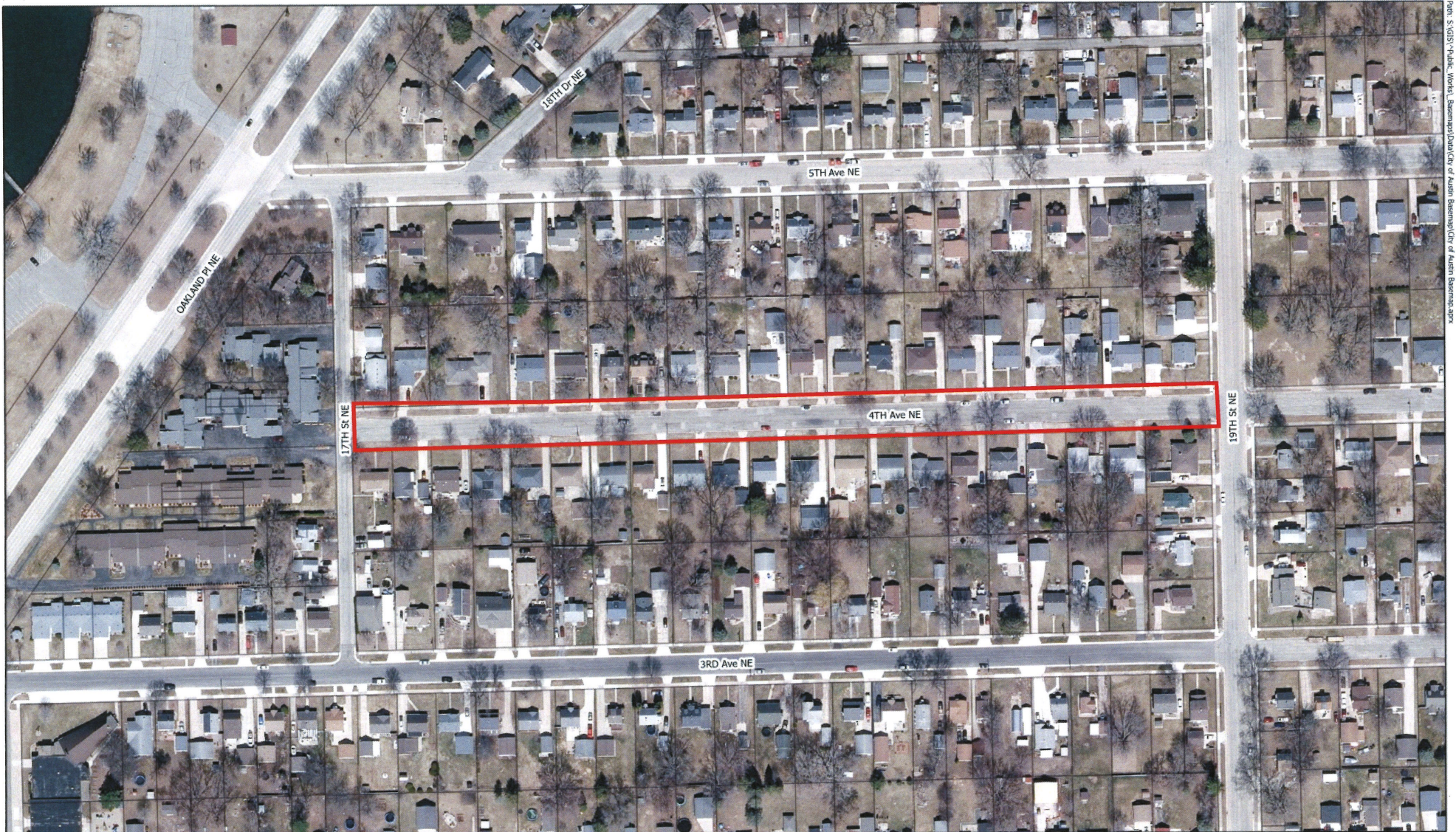


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Date: 12/28/2023



24102 - 4th Avenue NE



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Date: 12/28/2023

RESOLUTION NO.

**RESOLUTION CALLING
HEARING ON IMPROVEMENT**

WHEREAS, a report has been prepared by the City Engineer, with reference to the following improvement:

1st Avenue NE (8th Street to 10th Street NE), Project 24102
4th Avenue NE (17th Street to 19th Street NE), Project 24103

and said report was received by the City Council on January 2, 2024.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of Austin, Minnesota:

- A. The Council will consider the improvement on the following street improvement project in accordance with the reports and assessments of abutting property for all or a portion of the cost of the improvement pursuant to Minnesota Statutes Section 429.011 and 429.111 as amended, at an estimated total cost of the improvements as follows:

\$1,215,000

- B. A public hearing shall be held on such proposed improvement on the 20th day of February, 2024 in the Council Chambers of the Municipal Building at 5:30 p.m., and the City Clerk shall give mailed and published notice of such hearing on improvement as required by law.

Passed by the Austin City Council on the 2nd day of January, 2024.

YEAS

NAYS

ATTEST:

APPROVED:

City Recorder

Mayor

DATE: December 28, 2023
PROJECT NO: 24104

REPORT ON FEASIBILITY OF PROPOSED LOCAL IMPROVEMENTS

Honorable Mayor & Members of the City Council
City of Austin, Minnesota

A resolution requesting a feasibility study for the reconstruction of 2nd Avenue NW (14th St to 19th St NW), 16th Street NW (Oakland Ave to 2nd Ave NW) and 17th Street NW (Oakland Ave to 2nd Ave NW) was referred to this office on December 4, 2023 for the Engineer's Preliminary Report.

We report that the improvements are feasible.

2nd Ave NW is composed of both asphalt and concrete pavement and varies between 36-42 feet in width. Parking is allowed on both sides of the street. 16th St and 17th St NW are both made of asphalt and are 36 feet in width. 16th St NW is one way traffic and features angled parking on both sides of the street. 17th St NW has angled parking on one side and parallel parking on the other. 2nd Ave, 16th St and 17th St NW all have sidewalks on both sides of the street. These streets were likely last reconstructed in the 1950's and 1960's. The proposed project will consist of the following:

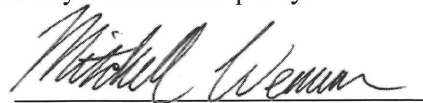
2nd Avenue NW (14th St to 19th St NW)
16th Street NW (Oakland Ave to 2nd Ave NW)
17th Street NW (Oakland Ave to 2nd Ave NW)

- 1) Removal of the existing concrete and asphalt pavements and curb and gutter.
- 2) Removal of ash trees, unhealthy trees and trees impacted by construction activities.
- 3) Replacement streets with aggregate base, new curb and gutter and 4.5" of asphalt pavement.
- 4) Construct ADA pedestrian ramps and replace deficient sidewalk panels.
- 5) Replacement of deteriorated storm mains and structures
- 6) Sanitary sewer mains and manholes will be replaced on 17th St NW. All other sanitary sewer manholes will be replaced, and repairs to mains will be made as necessary.
- 7) Installation of drain tile and sump pump service stub outs.
- 8) Consideration will be made for parking modifications on 16th St & 17th St NW.
- 9) Consideration will be made for conversion of 16th St NW to two-way traffic.
- 10) Consideration will be made for the removal of 16th St NW.
- 11) Austin Utilities will also perform water and electrical work on the project.

The total estimated costs would be funded as follows:

Funding Source	Amount
Assessment Bonds	\$1,400,000
WWTP Fund 61	\$160,000
SWUD Fund 67	\$40,000
Total for 9th St SW & 12th St SW	\$1,600,000

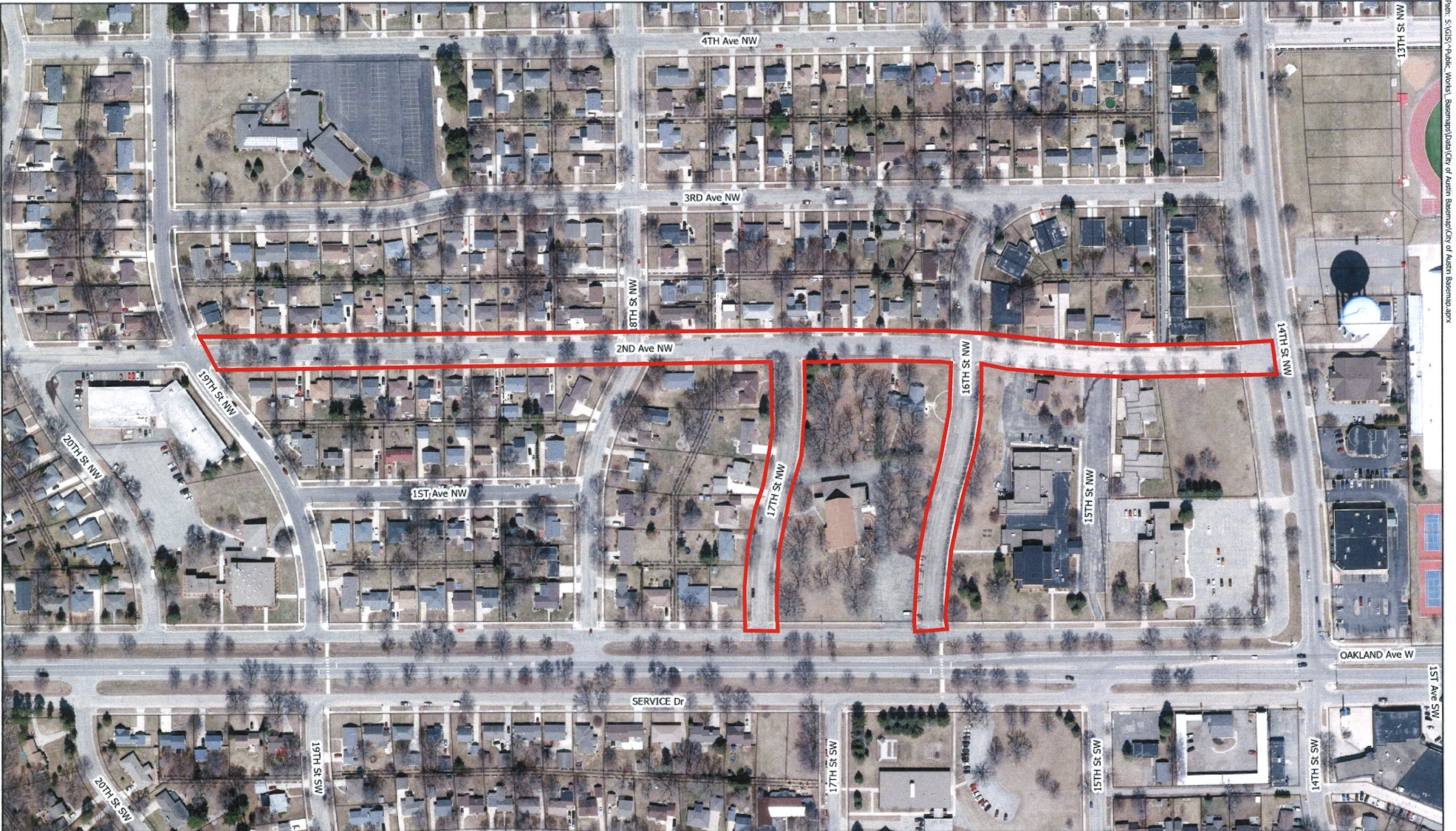
Abutting property owners would be assessed based on the City's assessment policy.


Assistant City Engineer

The Council has considered the above project and recommends that a public hearing be scheduled for February 20, 2024, to consider the proposed project.



24104 - 2nd Avenue, 16th Street & 17th Street NW



0 190 380 FT

Date: 12/28/2023

RESOLUTION NO.

**RESOLUTION CALLING
HEARING ON IMPROVEMENT**

WHEREAS, a report has been prepared by the City Engineer, with reference to the following improvement:

2nd Avenue NW (14th Street to 19th Street NW),
16th Street NW (Oakland Avenue to 2nd Avenue NW) and 17th Street NW, (Oakland
Avenue to 2nd Avenue NW), Project 24104

and said report was received by the City Council on January 2, 2024.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of Austin, Minnesota:

- A. The Council will consider the improvement on the following street improvement project in accordance with the reports and assessments of abutting property for all or a portion of the cost of the improvement pursuant to Minnesota Statutes Section 429.011 and 429.111 as amended, at an estimated total cost of the improvements as follows:

\$1,600,000

- B. A public hearing shall be held on such proposed improvement on the 20th day of February, 2024 in the Council Chambers of the Municipal Building at 5:30 p.m., and the City Clerk shall give mailed and published notice of such hearing on improvement as required by law.

Passed by the Austin City Council on the 2nd day of January, 2024.

YEAS

NAYS

ATTEST:

APPROVED:

City Recorder

Mayor

RESOLUTION NO.

ACCEPTING DONATIONS TO THE CITY OF AUSTIN

WHEREAS, the City has received gift as follows:

Gift	Donor	For
\$1,500	Austin Masonic Lodge	Fire Suppression Tools

NOW THEREFORE, BE IT RESOLVED that the Austin City Council accepts said gifts to the City of Austin.

Passed by a vote of yeas and nays this 2nd day of January, 2024.

YEAS

NAYS

ATTEST:

APPROVED:

City Recorder

Mayor