

A G E N D A
CITY COUNCIL MEETING
TUESDAY, JANUARY 20, 2026
5:30 P.M.
COUNCIL CHAMBERS

Call to Order.

Pledge of Allegiance.

Roll Call.

(mot) 1. Adoption of Agenda

(mot) 2. Approving minutes from January 5, 2026

3. Recognitions and Awards

(mot) 4. *Consent Agenda

Licenses:

Massage Therapist: Katy Kelly, Austin, MN

Mobile Business: Cousins Maine Lobster, Minneapolis, MN

LPHE Retailer Registration: Star Liquor, Austin, MN

Tobacco: Austin Tobacco & Vape, Austin, MN

Tree Service: Olson Timber Company dba Schwebach Tree Service, Sioux Center, IA

Tree Service: PSquared LLC, Austin, MN

Right of Way: Consolidated Communications, Mattoon, IL

Sign Installer: La Crosse Sign Co., Inc, Onalaska, WI

Lodging Establishment: Bruno Andrade Pimenta Alves, Austin, MN

Claims:

a. Pre-list of Bills

b. Financial Report

Events:

Hockey Day Austin on January 31, 2026

Fall “Fun”raiser on September 19, 2026

Beyond the Shadows on September 19, 2026

Appointments to Boards and Commissions:

Daniel Zielke to the Parks, Recreation & Forestry Board – term expiring 12/31/2026

Emily Burns to the Part Time Fire Relief Trustees – term expiring 12/31/2026

PUBLIC HEARING:

- (res) 5. Public Hearing on the 5-year Capital Improvement Plan
a. Adopting the Capital Improvement Plan

PETITIONS AND REQUESTS:

6. Requesting approval of the amendment to the Point-of-Sale Ordinance

- (mot) a. For preparation of the ordinance
- (ord) b. For adoption of the ordinance
- (res) c. For summary publication of the ordinance

- (res) 7. Setting 2026 street assessment rates
- (mot) 8. Approving pool lot parking signage
- (res) 9. Approving an agreement with Mower County for the Law Enforcement Center
- (res) 10. Approving a mountain bike trail agreement
- 11. Approving labor agreements for 2026-2028:
 - (res) a. UAW – Street & Sewer
 - (res) b. UAW – WWTP
 - (res) c. UAW – Parks
- (mot) 12. Approving 2026 Council boards and commissions appointments
- (res) 13. Approving a resolution in support of Local Option Sales Tax

CITIZENS ADDRESSING THE COUNCIL

HONORARY COUNCIL MEMBER COMMENTS

REPORTS AND RECOMMENDATIONS:

City Administrator
City Council

- (mot) Adjourn to **Monday, February 2, 2025** 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.

MINUTES
CITY COUNCIL MEETING
January 5, 2026
5:30 PM
Council Chambers

MEMBERS PRESENT: Mayor King, Council Members Paul Fischer, Michael Postma, Rebecca Waller, Oballa Oballa, Jason Baskin (Arriving at 5:31 p.m.), and Council Member-at-Large Jeff Austin

MEMBERS ABSENT: Council Member Laura Helle

STAFF PRESENT: City Administrator Craig Clark, Police Chief David McKichan, Fire Chief Jim McCoy, Public Works Director Steven Lang, Planning and Zoning Director Holly Wallace, Library Director Julie Clinefelter, Park, Recreation and Forestry Director Jason Schon, City Attorney Craig Byram, Human Resources Director Tricia Wiechmann, Finance Director Emily Burns and City Clerk Brianne Wolf

APPEARING IN PERSON: Members of the Community, Officer Ryan McCormack and Michael Bednar

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

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

Moved by Council Member Fischer, seconded by Council Member Waller, approving Council minutes from December 15, 2025. Carried.

Mayor King gave Michael Bednar a key to the City for her service to the Port Authority. She was on the board for 26 years.

Mayor King and Chief McKichan recognized and congratulated Officer Ryan McCormack on his recent promotion to Sergeant.

CONSENT AGENDA

Moved by Council Member Fischer, seconded by Council Member Oballa, approving the consent agenda as amended. Carried.

Licenses:

Claims:

- a. Pre-list of bills

Making the following appointments to Boards and Commissions:
Steven Leif to the Port Authority – term expiring 12/31/31

Carried.

PUBLIC HEARINGS

A public hearing was held for a tax abatement requested by Curtis Sorenson for Wescott Apartments. He is proposing to build an apartment complex consisting of 23 units, thirteen two-bedroom units and ten one-bedroom units, located at 101 14th Street NW, parcel number 34.065.0090, valued at approximately \$3,200,000. City Administrator Craig Clark stated the applicant would be given a three-year tax abatement based on the property value of \$2,185,900. The estimated abatement would be 100% in year one, 66% in year two, and 33% in year three. The abatement application was approved with different terms by Mower County and denied by the School District. Council action is requested to approve the abatement based on the terms provided.

There were no comments from the public.

Moved by Council Member Baskin, seconded by Council Member Oballa, approving the tax abatement based on the terms provided. Carried. 6-0.

PETITIONS AND REQUESTS

Finance Director Emily Burns requested the Council adopt a resolution designating the City's deposit and investment accounts for 2026.

Moved by Council Member Fischer, seconded by Council Member Baskin, adopting a resolution designating depositories for checking and investment of public funds for 2026. Carried 6-0.

City Clerk Brianne Wolf requested the Council set the mileage reimbursement rate for 2026 at 72.5 cents per mile per IRS direction.

Moved by Council Member Fischer, seconded by Council Member Waller, adopting a resolution setting the mileage reimbursement rate for 2026. Carried 6-0.

Finance Director Emily Burns requested the Council approve a resolution delegating the ability to manage the organization's financial, banking and investment accounts and to manage the Northland Securities, Inc account.

Moved by Council Member Baskin, seconded by Council Member Oballa, adopting a resolution delegating Finance Director Emily Burns to manage the organization's financial, banking and investment accounts. Carried 6-0.

Moved by Council Member Fischer, seconded by Council Member Baskin, adopting a resolution delegating the Finance Director Emily Burns to manage the Northland Securities, Inc. Account. Carried 6-0.

Assistant City Engineer Andrew Sorenson presented a feasibility report to Council for street improvements on 8th Street SE (8th Avenue SE to 15th Avenue SE) Project 25104. Mr. Sorenson stated the project is feasible and will have a total cost of \$1,275,000. Mr. Sorenson reviewed the project and requested a public hearing be held for the improvement on February 17, 2026.

Moved by Council Member Fisher, seconded by Council Member Waller, adopting a resolution receiving a feasibility report and calling for a public hearing for February 17, 2026 for street improvements on 8th Street SE (8th Avenue SE to 15th Avenue SE) Project 25104. Carried 6-0.

Assistant City Engineer Andrew Sorenson presented a feasibility report to Council for street improvements on 7th Avenue SW (24th Street SW to 8th Avenue SW), 8th Avenue SW (7th Avenue SW to 27th Street SW) & 26th Street SW (5th Avenue SW to 8th Avenue SW) Project 26101. Mr. Sorenson stated the project is feasible and will have a total cost of \$130,000. He reviewed the project and requested a public hearing be held for the improvement on February 17, 2026.

Moved by Council Member Fisher, seconded by Council Member Postma, adopting a resolution receiving a feasibility report and calling for a public hearing for February 17, 2026 for street improvements on 7th Avenue SW (24th Street SW to 8th Avenue SW), 8th Avenue SW (7th Avenue SW to 27th Street SW) & 26th Street SW (5th Avenue SW to 8th Avenue SW) Project 26101. Carried 6-0.

Assistant City Engineer Andrew Sorenson presented a feasibility report to Council for street improvements on 9th Avenue NW (Blu Line Flats Apts to 11th Street NW) Project 26102. Mr. Sorenson stated the project is feasible and will have a total cost of \$825,000. He reviewed the project and requested a public hearing be held for the improvement on February 17, 2026.

Moved by Council Member Baskin, seconded by Council Member Postma, adopting a resolution receiving a feasibility report and calling for a public hearing for February 17, 2026 for street improvements on 9th Avenue NW (Blu Line Flats Apts to 11th Street NW) Project 26102. Carried 6-0.

Assistant City Engineer Andrew Sorenson presented a feasibility report to Council for street improvements on 5th Street NW (12th Avenue NW to 15th Avenue NW) and 7th Avenue NW (13th Avenue NW to 15th Avenue NW) Project 26103. Mr. Sorenson stated the project is feasible and will have a total cost of \$1,100,000. He reviewed the project and requested a public hearing be held for the improvement on February 17, 2026.

Moved by Council Member Baskin, seconded by Council Member Postma, adopting a resolution receiving a feasibility report and calling for a public hearing for February 17, 2026 for street improvements on 5th Street NW (12th Avenue NW to 15th Avenue NW) and 7th Avenue NW (13th Avenue NW to 15th Avenue NW) Project 26103. Carried 6-0.

Assistant City Engineer Andrew Sorenson presented a feasibility report to Council for street improvements on 14th Street NW (8th Avenue NW to 15th Avenue NW) Project 26104. Mr. Sorenson stated the project is feasible and will have a total cost of \$300,000. He reviewed the project and requested a public hearing be held for the improvement on February 17, 2026.

Moved by Council Member Fischer, seconded by Council Member Waller, adopting a resolution receiving a feasibility report and calling for a public hearing for February 17, 2026 for street improvements on 14th Street NW (8th Avenue NW to 15th Avenue NW) Project 26104. Carried 6-0.

Public Works Director Steven Lang stated the Austin Bruins lease space from the City in Riverside Arena and during an inspection, the Fire Department identified safety concerns in the Bruins' office area related to the excessive use of extension cords and power strips, creating a risk of overheating and potential fire.

Mr. Lang stated to correct this issue and bring the space into compliance, staff requested a proposal from Fox Electric. The contractor has provided a quote totaling \$1,675.00 to install three quad electrical receptacles, including all necessary conduit, wiring, and inspection fees. He requests Council approval to move forward with the City covering the full cost of repairs and to pay for it with 2026 contingency fund budget.

Moved by Council Member Baskin, seconded by Council Member-at-Large Austin, adopting a resolution approving the electrical upgrades at the Riverside Arena office area with funding coming from the 2026 contingency fund budget. Carried 6-0.

City Administrator Craig Clark requested Council approval for an agreement between the City and Mower County on a shared Law Enforcement Center. He stated the County requested some updates to the group working agreement. They would establish a new budget review committee, establish quarterly reimbursement to Mower County for items listed on attachment A in the agreement on a 14.89% basis, provide allocation of how records staff will be financially allocated with eventual migration of these positions being employees of the City of Austin, transition for the City to move off of Mower County's technology system, provides how joint efforts for a Computer Aided Dispatch system will be financially allocated and determined moving forward with the initial system being Pro-Phoenix, how data requests will be processed, required insurance and indemnification, termination and how any amendments can be made. Mr. Clark is looking for Council direction and for approval of the contract.

Council Member Baskin would like to know how this agreement is beneficial to the citizens of Austin.

Mr. Clark stated it provides a home for the Austin Police Department to set up shop. We are paying for the space we occupy vs. the overall facility.

Council Member Baskin asked if this raises the overall tax burden on taxpayers.

Mr. Clark stated the previous agreement was a fixed amount and now it will be for actual expenses. It creates a little uncertainty, but they would like to ensure costs are apportioned fairly.

Police Chief McKichan stated the agreement looks pretty neutral compared to the last two years.

Council Member Baskin asked if the police department breaks apart and has their own IT does this make us more or less effective.

Police Chief McKichan stated last summer Mower County had a bad actor infiltrate their system and the Austin Police Department would be better protected if they were on their own network. During this event last summer, had they already been on their own network, they would not have been affected and they would have been able to serve as a back-up system to Mower County.

Council Member Baskin stated there is still a level of uncertainty in this agreement and he would like to know if they should reject this agreement and request better clarification and present this to the County.

Mr. Clark stated this is the opportunity to get the agreement they would like to live with.

Police Chief McKichan would recommend approving this agreement, when he started with the Police department the City and County operated under a joint powers agreement with split costs. He stated the County has been a good working partner over the last few years. In October both City and County boards did approve a preliminary agreement prior to this.

Council Member Fisher moved to approve.

Council Member Postma stated he is not in favor of the inability to audit. He would like to feel confident that the City's finance team would be able to look at this agreement and financials to ensure this is a fair agreement. He requested input from City Attorney Craig Byram.

City Attorney Craig Byram stated this is an agreement where the City and County would require some level of trust as it is not specifically spelled out as the agreement sits.

Council Member-at-Large Austin asked if the budget review committee would be able to see more detailed documentation. The County is asking for a lot of trust and they have always been a good partner so he would think they would trust us to review some of these documents.

Mayor King called for a second motion approving the agreement with Mower County for the Law Enforcement Center. There was none. Motion dies for lack of a second.

Council Member Baskin moved to table the agreement, seconded by Council Member-at-Large Austin. Carried.

Police Chief McKichan stated due to the recent events last summer with the bad actor infiltrating the Mower County IT network the Austin Police Department is working to move to their own independent IT network. There are three areas they are looking at and they have met with three different vendors. They are going to work with Pantheon Computers out of Waseca. The estimated cost to move to their own external network will be \$69,052.01 and part of the funding will come from the General Fund's fund balance. They will be moving to their own phone system and the estimated cost for that project will be \$12,220 and would come from the General Fund's fund balance. Lastly, they would like to contract with Co-LASO managed service in lieu of hiring another

IT employee. The managed service would help give them ongoing network oversight, a wider availability of IT, and access to more IT professionals than a single employee would. The cost for this service would be \$8,750 a month or \$105,00 a year and would be funded via 42010.6414. He stated other Police Chiefs have recommended working with this company. Also, the Police department has different rules and regulations they must operate by and Co-LASO would be familiar with this.

Council Member Postma asked if there are hardware issues would this company come to assist or would the issue fall on our IT department.

Chief McKichan stated as part of this package they have remote and on site assistance. A lot of the issues they are encountering are connectivity issues and software issues.

Council Member Postma asked if it was cost effective to have the Police department on a separate phone system or would it be better to have them on the City's phone system.

Chief McKichan stated he and IT looked into this extensively and it was better for them to be on their own system.

Moved by Council Member Baskin, seconded by Council Member-at-Large Austin, adopting a resolution approving the Austin Police Department internal network upgrades in the proposed amount of \$69,052.01 with the funding coming from General Fund. Carried 6-0.

Moved by Council Member Fischer, seconded by Council Member Oballa, adopting a resolution approving the Austin Police Department phone system upgrades in the proposed amount of \$12,220 with funding coming from General Fund. Carried 6-0.

Moved by Council Member Postma, seconded by Council Member Oballa, adopting a resolution approving the Austin Police Department Co-LASO Management Services in the amount of \$8,750 monthly or \$105,00 annually. Carried 6-0.

City Administrator Craig Clark is working with Dave Unmacht to develop an outline for an agreement of his services to develop a work plan and process for the Strategic Planning Process. This would include a group session with the City Administrator and Department Heads, interviews with the eight elected officials, joint work sessions with Council and Department Heads, creation of summary documents outlining the findings of the interview sessions and development of a final strategic plan.

Mr. Clark stated the conclusion of this study would tentatively be set for April 20th. He is looking for Council approval for this agreement.

Moved by Council Member Baskin, seconded by Council Member-at-Large Austin, adopting a resolution approving the agreement with Dave Unmacht for Strategic Planning. Carried 6-0.

REPORTS AND RECOMMENDATIONS

City of Austin
Emily Burns,
Finance Director



500 Fourth Avenue N.E.
Austin, Minnesota 55912-3773
Phone: 507-437-9959
eburns@ci.austin.mn.us
www.ci.austin.mn.us

MEMO

To: Mayor and City Council Members
From: Emily Burns, Finance Director
Date: January 15, 2026
Subject: 2026-2030 Capital Improvement Plan

Attached you will find the Capital Improvement Plan for the years 2026-2030. The plan proposes spending of \$132,678,650 over the next five-year period, but as we have noted, if funding sources are not accessed for a particular project, then the project would need to be put on hold until all the funding sources are realized.

A big thanks to all of the department heads that participated in the creation of this document. Significant time is spent at the City of Austin planning for the future in many aspects of what staff do for the citizens on a daily basis, and this document should help in identifying the capital needs and the resources to pay for such over the next five years.

RESOLUTION NO.

ADOPTING THE 5-YEAR CAPITAL IMPROVEMENT PLAN (2026-2030)

WHEREAS, during the course of the preparation and review of the 5-Year Capital Improvement Plan 2026-2030 (the CIP), the City Council of the City of Austin, Minnesota (the City) has considered, for each capital improvement and for the CIP overall: the condition of the city’s existing infrastructure, including the projected need for repair and replacement; the likely demand for the improvement; the estimated cost of the improvement; the available public resources; the level of overlapping debt in the City; the relative benefits and costs of alternative uses of the funds; operating costs of the proposed improvements; and alternatives for providing services most efficiently through shared facilities with other cities or local government units; and

WHEREAS, the CIP covers at least a five-year period beginning with the date of this adoption; sets forth the estimated schedule, timing, and details of specific capital improvements by year, together with the estimated cost, the need for the improvement, and sources of revenue to pay for the improvement.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUSTIN, MINNESOTA, does ordain that the CIP is hereby adopted.

Passed by a vote of yeas and nays this 20th day of January, 2026.

YEAS

NAYS

ATTEST:

APPROVED:

City Clerk

Mayor

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



Steven J. Lang, P.E.
City Engr./Public Works Dir.
507-437-9949
Fax 507-437-7101
slang@ci.austin.mn.us

Memorandum

To: Mayor & Council
From: Steven J. Lang, P.E.
Date: January 14, 2026
Subject: Point of Sale Ordinance Revision

A working group was established to review the Point of Sale (POS) ordinance. The group consisted of city staff, restate professionals, and council representatives. Four meetings were held to work through ordinance language, inspection standards, and general requirements.

The working group included participation the following persons; Jerry Wolesky, Molly Cass, Tom Mork, Kris Heichel, Lisa Schara, Crystal Kittridge, Matt Laack, Eric Brownlow, Matt Bartholomew, Jacob Smith, Gene Dornink, Mayor King, Council Member Austin, Craig Clark, Craig Byram, Steven Lang, Mike Loucks and Joel Rachwitz.

Recommendations from the working group include the following Ordinance revisions:

- 1) Expanded definition of point of sale (will not apply to transactions that are exempt from payment of Mn Deed Tax)
- 2) Narrowed definition of what triggers non-compliance (eliminated roots and mineral deposits)
- 3) Eliminate licensed plumber requirement for service televising (maintained license plumber requirement for sump inspection)
- 4) 10-year time period for both sump and service inspection
- 5) 10-year time period for new home build, initiated at Cert. of Occupancy
- 6) Extended timeline to repair from 90 to 180-days.

We would recommend approval and adoption of the proposed ordinance changes. Please let me know if you have any questions.

Ordinance Revisions in RED

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF AUSTIN, MINNESOTA
AMENDING CHAPTER 3 OF THE CITY CODE CLARIFYING AND
UPDATING DEFINITIONS RELATED TO FATS, OILS AND GREASES;
CLARIFYING STANDARDS FOR OLD BUILDING SEWERS;
ALLOWING FOR ADJUSTMENT OF SURCHARGE RATES;
AND REQUIRING A COMPLAINT CERTIFICATE AT EACH POINT OF SALE

The Council of the City of Austin does ordain:

Edits: Deletions are in STRIKE THROUGH. Additions are UNDERLINED.

Section 3.30, Subd. 1(N) shall be revised as follows:

- N. ~~FLOATABLE OIL.~~ Oil, fat or grease FOG (Fat, Oil, Grease)- Fat, oil, grease in a physical state such that it will separate by gravity from wastewater by treatment in an approved pretreatment facility. A Wastewater shall be considered free of FOG if it is properly pretreated and ~~the wastewater~~ does not interfere with the collection system.

Section 3.30, Subd. 4(D) shall be revised as follows:

- D. Old building sewers may be used in connection with new buildings only when they are found, on examination and test by the approving authority, to meet all requirements of this section. Old building sewers shall be free of the following: joint degradation, as evidence by root intrusions and mineral staining, scaling and deposits; prohibited discharges or connections as defined in Subpart G below, misaligned joints obstructing the flow of wastewater causing blockages, exfiltration of the intrusion of roots or minerals; or holes, cracks or fractures, collapses or other structural defects. Additionally, sections defined as Building Drain which are from the inner wall to outside of the building shall meet the criteria above and all Connections to the public collection system.

Section 3.30, Subd. 5(D)(1) shall be revised as follows:

1. Wastewater from industrial plants containing ~~floatable~~ oil, fat or grease (FOG), in excess of concentrations permitted by the approving authority; discharges of FOG from food service establishments (FSEs) are regulated per Subdivision 15 below.

Section 3.30, Subd. 5(F) shall be revised as follows:

- F. For industrial users - Grease, oil FOG and sand interceptors shall be provided when, in the opinion of the approving authority, they are necessary for the proper handling of liquid wastes containing ~~floatable grease~~ FOG in excessive amounts, as specified in Subpar. D, ~~Item 3~~ Item 1 hereof, or any flammable wastes, sand or other harmful ingredients, except that the interceptors shall not be required for private living quarters or dwelling units. All interceptors shall be of a type and capacity approved

by the approving authority and shall be located as to be readily and easily accessible for cleaning and inspection. In the maintaining of these interceptors, the owner(s) shall be responsible for the proper removal and disposal by appropriate means of the captured material and shall maintain records of the dates and means of disposal which are subject to review by the approving authority. Any removal and hauling of the collected materials not performed by owner's personnel must be performed by currently licensed waste disposal firms.

Section 3.30, Subd. 7(A) shall be revised as follows:

- A. Duly authorized employees of the city bearing proper credentials and identification shall be permitted to enter all properties for the purposes of inspection, observation, measurement, sampling and testing pertinent to discharge to any public sewer or natural outlet in accordance with the provisions of this section. Sampling pertaining to industry will reflect the number of days an industry is not operating as well as the days in operation and discharging waste to a public sewer. The owner of any dwelling, building, or other structure shall have a period of 30 days from the date the city sends a written notice to the owner requesting admittance to the owner's property for an inspection, to either allow a city inspection of the property, or to contract with a licensed plumber to perform the inspection, and notify the city of the results thereof. Such inspection, whether performed by the city inspector, or by the licensed plumber hired by the property owner, shall be completed within said 30-day period. Upon completion of a city inspection of a property, or upon the city's receipt of an inspection form from the licensed plumber hired by the owner of the property, if the city determines that any such property is improperly discharging storm water into the city sanitary sewer system, or if the building sewer condition is not compliant as defined in § 3.30, Subd. 14, Subpart B then the owner shall have a period of 90 days from the date the city sends such written notice to the owner, to obtain a plumbing permit, and to disconnect the owner's sump pump or other prohibited discharge into the city sanitary sewer system, and to request re-inspection, certifying that all work necessary to disconnect the owner's sump pump or other prohibited discharge from said property into the city sanitary sewer system has been completed. All work that is necessary to comply with the provisions of this division which requires the issuance of any plumbing, building, or other permit under this code shall be inspected by the city inspection services division for compliance with all applicable city code requirements. If owner leases the subject property, owner has a duty to provide these notices to every tenant of the property. No lease or other contract purporting to shift maintenance or repair obligations to a tenant shall relieve owner's obligations to the city to comply with these regulations. Tenants in any property within the city have an obligation to cooperate with the owner and the city, utilities and their designees with respect to the completion of any required inspections or necessary modifications.

Section 3.30, Subd. 9(B)(10) shall be revised as follows:

10. **I/I Surcharge** = Any owner who fails to comply with the requirements of this code relating to prohibited clear water discharge to sanitary sewer shall pay a monthly

surcharge on the property owner's city sewer bill in the amount of \$100 per month set by City Council annually. Said surcharge shall commence on the first day of the month following the expiration of the 30 day period set forth for inspections, or the 90 day period set forth for correction of deficiencies, as applicable, when either the property owner has failed to timely allow a city inspection or has failed to timely correct any illegal connections to the city sanitary sewer system. Such surcharge shall continue to be imposed on the owner's city sanitary sewer bill for as long as the property owner continues to own the property without complying with the requirements of this code. This monthly surcharge is intended to offset the added cost to the city associated with having the city wastewater collection, conveyance, and treatment system process clear or clean water (Inflow/Infiltration) unnecessarily, when the status of the property owner's connection or non-connection to the city sanitary sewer system cannot be ascertained, or when the owner has failed to timely disconnect any discharge of storm water to the city sanitary sewer system.

A new Section 3.30, Subds. 14-15 are hereby adopted as follows:

Subd. 14 Point of Sale Inflow / Infiltration compliance

- A. No person shall sell, give or transact a change in title or property ownership of real property with one or more buildings or structures that is connected to the public sewer, without first obtaining a Certificate of Inflow / Infiltration (I/I) Compliance from the city. This requirement shall not apply to any transaction that is exempt from the payment of Minnesota Deed Tax under Minnesota Statutes § 287.22 (e.g, the recording of a mortgage, the passage of title pursuant to a will, a deed of distribution by a personal representative, the recording of a plat, the recording of a lease, a deed where the United States is the grantor, a deed to or from a co-owner partitioning their undivided interest in the same piece of real property, the redemption of the property from foreclosure sale, the creation or vacation of an easement, a deed issued between the parties to a dissolution pursuant to the terms of the divorce decree, the recording of a transfer on death deed or any document recorded to transfer title pursuant to a transfer on death deed, etc.).
- B. The applicant for a Certificate of I/I Compliance is responsible for completing an inspection of the property after making application and payment of fees. The inspection shall determine if the property has any prohibited discharges and if a sump pump exists that is it properly installed as stated in § 3.30, Subd. 4, Subpart G. The existing building sewer shall be inspected to determine if it is in accordance with § 3.30, Subd. 4, Subpart D. confirm the absence of structural deficiencies, such as misaligned joints, holes, cracks, fractures, collapses or other structural defects. Additionally, sections defined as Building Drain which are from the inner wall to outside of the building shall meet the criteria above and all connections to the public collection system.
- C. A licensed plumber shall complete the inspection requirement. The plumber must inspect the property's sump pump and building sewer, and upon completion, return an inspection form provided by the city documenting the results of the inspection. The building sewer inspection shall also include the portion of the building drain which is from inner face of the building wall to the connection. The date stamped video record

Expanded definition

Narrowed definition of non-compliance

shall be submitted to the city and reviewed and approved by the city for assessment of compliance with this section. All costs associated with an inspection by a privately retained plumber shall be the responsibility of the property owner.

Removed license plumber requirement for sewer service televising

As part of the inspection, a privately retained competent televisor shall televise the existing building sewer and produce a date-stamped video recording sufficient to allow the city to review said recording for the purposes of determining whether such sewer satisfies the requirements described in paragraph B above. The video recording shall include quality imaging of the building drain(s) from the drain's point of connection with the sewer main to the inner face of the building wall. At the time of application for the certification, the video recording shall be submitted to the city. The city will review the video recording as part of its approval or rejection of the application.

Retained license plumber requirement for sump inspection

A privately retained licensed plumber shall complete the inspection of the sump pump discharge system. The licensed plumber must inspect the property's sump pump and sump pump discharge system, and upon completion of the inspection, return an inspection form provided by the city documenting the results of the inspection. The completed and submitted inspection form will be attached to the application. The city will review the inspection form as part of its approval or rejection of the application.

All costs associated with the inspection and televising shall be the responsibility of the property owner.

D. Compliance and Expiration

1. Upon inspection, when the property use is in accordance with city sanitary sewer services regulations, a Certificate of I/I Compliance will be issued by the city.
2. A Certificate of I/I Compliance is valid to be used for the transfer of property. Once issued, a Certificate of I/I Compliance is valid for 10 years from the date of issuance.
3. The Certificate of Occupancy issued at the completion of construction of a new home build shall constitute and be considered the equivalent of a Certificate of I/I Compliance in all respects.

10-yr period for both service and sump inspection

10-yr for new home build

E. Corrections

1. Upon written notification that the property is not in compliance with this division, The property owner shall have a period of ~~90-days~~ 180-days to complete all work that is necessary to comply with the provisions of this section which requires the issuance of any plumbing, building, or other permit under this code shall be inspected by the city inspection services division for compliance with all applicable city code requirements.

Increase from 90 to 180-days to repair non-compliance

2. The City may issue a correction notice, as requested, permitting the transfer of the property without completing the corrections providing:
 - i. An agreement by the new owner or new owner's representative has been executed with the city, whereby the new owner or new owner's representative agrees to complete corrections to the property necessary to bring it within compliance of this division within 180 days of the transfer of property.
 - ii. The seller shall provide proof to the city that funds were placed in an escrow account at closing to cover the required repairs. The security shall be placed in an escrow with a licensed real estate closer, licensed attorney-at-law or a federal or state chartered financial institution. The amount escrowed shall be equal to 110 percent of a written estimate to correct the building sewer, drain, and/or connection by a licensed and certified installer. After a complying with division and a Certificate of I/I Compliance issued. This escrow requirement may be waived if the property contains a principal structure that will be demolished and the agreement referenced in paragraph (i) above includes an acknowledgment by the new owner that the demolition and reconstruction will result in the requirement for a new building sewer.
 - iii. The owner (or seller) or owner's representative involved in the transaction are responsible for disclosing the correction notice to the buyer and all other persons or entities involved in the transaction. The responsibility for repairing any nonconformance with the building sewer, drain and/or connection regulations runs with the land and not only rests with the owner or seller but is also an obligation of the buyer of the property. If repairs are not completed within one year of the first inspection, the inspection becomes invalid and the process starts again, which includes paying the applicable inspection fee.
3. Penalties –A monthly I/I surcharge as listed in § 3.30, Subd. 9, will be issued to any owner who fails to comply with the section.

Subd. 15 Discharges of Fats, Oil and Grease

- A. Purpose and Scope -The purpose of this subdivision shall be to aid in the prevention of sanitary sewer blockages and obstructions from contribution and accumulation of fats, oil, and grease (FOG) into the sanitary sewer system. Such discharges from licensed food service establishments (FSEs), where FOG of vegetable or animal origin are discharged directly or indirectly into the public sewer can contribute to line blockages and/or backups. This subdivision shall apply to all FSEs that are located within the limits of the city. FSEs located outside the city limits that receive sanitary sewer service from the wastewater utility or that discharge any liquids or solids into the public sewer shall be required to comply with this subdivision as a condition of continuing service. Industrial users shall be regulated per Subdivision 5, Subpart D.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF AUSTIN, MINNESOTA
AMENDING SECTION 3.30 OF THE CITY CODE CLARIFYING
STANDARDS FOR OLD BUILDING SEWERS; AND REQUIRING
A COMPLAINEE CERTIFICATE AT EACH POINT OF SALE

The Council of the City of Austin does ordain:

Edits: Deletions are in STRIKE THROUGH. Additions are UNDERLINED.

Section 3.30, Subd. 14 is hereby amended as follows:

Subd. 14 Point of Sale Inflow / Infiltration compliance

- A. No person shall sell, give or transact a change in title or property ownership of real property with one or more buildings or structures that is connected to the public sewer, without first obtaining a Certificate of Inflow / Infiltration (I/I) Compliance from the city. This requirement shall not apply to any transaction that is exempt from the payment of Minnesota Deed Tax under Minnesota Statutes § 287.22 (e.g, the recording of a mortgage, the passage of title pursuant to a will, a deed of distribution by a personal representative, the recording of a plat, the recording of a lease, a deed where the United States is the grantor, a deed to or from a co-owner partitioning their undivided interest in the same piece of real property, the redemption of the property from foreclosure sale, the creation or vacation of an easement, a deed issued between the parties to a dissolution pursuant to the terms of the divorce decree, the recording of a transfer on death deed or any document recorded to transfer title pursuant to a transfer on death deed, etc.).
- B. The applicant for a Certificate of I/I Compliance is responsible for completing an inspection of the property after making application and payment of fees. The inspection shall determine if the property has any prohibited discharges and if a sump pump exists that is it properly installed as stated in § 3.30, Subd. 4, Subpart G. The existing building sewer shall be inspected to ~~determine if it is in accordance with § 3.30, Subd. 4, Subpart D.~~ confirm the absence of structural deficiencies, such as misaligned joints, holes, cracks, fractures, collapses or other structural defects. Additionally, sections defined as Building Drain which are from the inner wall to outside of the building shall meet the criteria above and all connections to the public collection system.
- C. ~~A licensed plumber shall complete the inspection requirement. The plumber must inspect the property's sump pump and building sewer, and upon completion, return an inspection form provided by the city documenting the results of the inspection. The building sewer inspection shall also include the portion of the building drain which is from inner face of the building wall to the connection. The date stamped video record shall be submitted to the city and reviewed and approved by the city for assessment of compliance with this section. All costs associated with an inspection by a privately retained plumber shall be the responsibility of the property owner.~~

As part of the inspection, a privately retained competent televisor shall televise the existing building sewer and produce a date-stamped video recording sufficient to allow the city to review said recording for the purposes of determining whether such sewer satisfies the requirements described in paragraph B above. The video recording shall include quality imaging of the building drain(s) from the drain's point of connection with the sewer main to the inner face of the building wall. At the time of application for the certification, the video recording shall be submitted to the city. The city will review the video recording as part of its approval or rejection of the application.

A privately retained licensed plumber shall complete the inspection of the sump pump discharge system. The licensed plumber must inspect the property's sump pump and sump pump discharge system, and upon completion of the inspection, return an inspection form provided by the city documenting the results of the inspection. The completed and submitted inspection form will be attached to the application. The city will review the inspection form as part of its approval or rejection of the application.

All costs associated with the inspection and televising shall be the responsibility of the property owner.

D. Compliance and Expiration

1. Upon inspection, when the property use is in accordance with city sanitary sewer services regulations, a Certificate of I/I Compliance will be issued by the city.
2. A Certificate of I/I Compliance is valid to be used for the transfer of property. Once issued, a Certificate of I/I Compliance is valid for 10 years from the date of issuance.
3. The Certificate of Occupancy issued at the completion of construction of a new home build shall constitute and be considered the equivalent of a Certificate of I/I Compliance in all respects.

E. Corrections

1. Upon written notification that the property is not in compliance with this division, The property owner shall have a period of ~~90 days~~ 180-days to complete all work that is necessary to comply with the provisions of this section which requires the issuance of any plumbing, building, or other permit under this code shall be inspected by the city inspection services division for compliance with all applicable city code requirements.
2. The City may issue a correction notice, as requested, permitting the transfer of the property without completing the corrections providing:
 - i. An agreement by the new owner or new owner's representative has been executed with the city, whereby the new owner or new owner's representative agrees to complete corrections to the property necessary

to bring it within compliance of this division within 180 days of the transfer of property.

- ii. The seller shall provide proof to the city that funds were placed in an escrow account at closing to cover the required repairs. The security shall be placed in an escrow with a licensed real estate closer, licensed attorney-at-law or a federal or state chartered financial institution. The amount escrowed shall be equal to 110 percent of a written estimate to correct the building sewer, drain, and/or connection by a licensed and certified installer. After a complying with division and a Certificate of I/I Compliance issued. This escrow requirement may be waived if the property contains a principal structure that will be demolished and the agreement referenced in paragraph (i) above includes an acknowledgment by the new owner that the demolition and reconstruction will result in the requirement for a new building sewer.
 - iii. The owner (or seller) or owner's representative involved in the transaction are responsible for disclosing the correction notice to the buyer and all other persons or entities involved in the transaction. The responsibility for repairing any nonconformance with the building sewer, drain and/or connection regulations runs with the land and not only rests with the owner or seller but is also an obligation of the buyer of the property. If repairs are not completed within one year of the first inspection, the inspection becomes invalid and the process starts again, which includes paying the applicable inspection fee.
3. Penalties –A monthly I/I surcharge as listed in § 3.30, Subd. 9, will be issued to any owner who fails to comply with the section.

Passed by a vote of yeas and nays this ____ day of _____, 2026.

YEAS

NAYS

APPROVED:

Stephen M. King, Mayor

ATTEST:

Brienne Wolf, City Clerk

This ordinance was introduced on January __, 2026; approved on January __, 2026; was published in the Austin Daily Herald on _____, 2026, and becomes effective _____, 2026.

SUMMARY OF ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF AUSTIN, MINNESOTA
AMENDING SECTION 3.30 OF THE CITY CODE CLARIFYING
STANDARDS FOR OLD BUILDING SEWERS; AND REQUIRING
A COMPLAINEE CERTIFICATE AT EACH POINT OF SALE**

The Austin City Council adopted revisions, clarifications, and updates to Section 3.30 of the Austin City Code addressing rules and regulations of sewer connections, users, fees, and compliance. This action occurred at the City Council's _____, 2026, City Council meeting.

SUMMARY: Clarification of the definition of which conveyances of real property are subject to compliance requirements; clarification of the standard to be applied in determining a failure of an existing sewer; clarification of the certification process; and clarification of the duration of the certification of compliance.

COPIES OF ORDINANCE: The above is only a summary of the essential elements of the ordinance. A printed copy of the full ordinance is available for inspection by any person during regular office hours at the Clerk's Office located at 500 4th Avenue NE, Austin, Minnesota 55912, or at the Austin Public Library located at 323 4th Avenue NE, Austin, Minnesota 55912.

Passed by the Austin City Council this ____ day of _____, 2026

YEAS

NAYS

ATTEST:

APPROVED:

Brienne D. Wolf, City Clerk

Stephen M. King, Mayor

This ordinance was introduced on _____, 2026; approved on _____, 2026; was published in the Austin Daily Herald on _____ 2026; and becomes effective _____, 2026.

RESOLUTION NO. ___

SUMMARY ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF AUSTIN, MINNESOTA
AMENDING SECTION 3.30 OF THE CITY CODE CLARIFYING
STANDARDS FOR OLD BUILDING SEWERS; AND REQUIRING
A COMPLAINEE CERTIFICATE AT EACH POINT OF SALE**

**SUMMARY FOR PUBLICATION PURSUANT TO MINN.STAT. § 412.191.subd. 4.
A full copy of the Ordinance is available for pickup at the City Clerk’s Office
located at 500 4th Avenue NE, Austin, MN 55912,
or a copy may be requested to be mailed by USPS by calling 507-437-9940.**

The Austin City Council adopted revisions, clarifications, and updates to Section 3.30 of the Austin City Code addressing rules and regulations of sewer connections, users, fees, and compliance. This action occurred at the City Council’s _____, 2026, City Council meeting.

SUMMARY: Clarification of the definition of which conveyances of real property are subject to compliance requirements; clarification of the standard to be applied in determining a failure of an existing sewer; clarification of the certification process; and clarification of the duration of the certification of compliance.

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Passed by the Austin City Council this ____ day of _____, 2026

YEAS

NAYS

ATTEST:

APPROVED:

Brienne D. Wolf, City Clerk

Stephen M. King, Mayor

This ordinance was introduced on _____, 2026; approved on _____, 2026; was published in the Austin Daily Herald on _____ 2026; and becomes effective _____, 2026.

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: Andrew Sorenson, PE
Date: December 31, 2025
Subject: 2026 Street Project Assessment Rates

The City of Austin has developed a system of set assessment rates for street reconstruction projects. This process allows the city to develop the assessment amounts and present them to the property owners before the project begins. Ideally, 50% of the project costs would be assessed to the adjacent property owners. This is difficult to achieve due to corner lots, intersections and other factors, therefore our goal is to assess 40% of the project costs.

For the 2025 local street projects, we compared the actual construction costs to the assessments made to adjacent property owners. We determined that 30.7% of the local street project costs were assessed to adjacent property owners, the remainder of the project costs were paid by the capital revolving fund. In order to meet state requirements for assessments we need to assess a minimum of 20% of project costs.

We have seen a significant increase in project costs over the past several years. The City Council previously approved 7% assessment rate increases for the past 5 years. To continue to try keep pace with construction cost increases, without overburdening property owners, we would recommend another 7% increase to the paving assessment rates in 2026. This will likely keep our assessments close to 30% of the total street construction cost. This 7% increase would apply to the residential, commercial/industrial assessment rates and mill & overlay rates assessment rates. In addition, we have proposed rate adjustments for sidewalk and curb & gutter as shown on the attached sheets.

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

Please see attachments:

- Paving Assessment Policy (2/21/2023)
- Construction Costs Index, 2012-2025
- 2025 Project Costs and Assessments
- Assessment Rates, 2013-2025
- Projected 2026 Project Costs and Assessments

Paving Assessment Policy

Roadway Life Expectancy

A new fully reconstructed roadway completed under the direction of the City Engineer, is expected to last a minimum of 35 years. If the roadway is reconstructed prior to the 35 year life, adjacent property owners will receive a 1/35th reduction to the assessment rate for every year short of 35 (example; if a roadway is reconstructed 32 years after the previous reconstruction project, the assessment rate would be reduced by 3/35ths). A resurfacing project will have a life expectancy of 7 years and the same credit would apply accordingly.

Commercial Property

Commercially used property will be assessed based on a set rate adopted by the City Council at the first part of each year. The basis of the amount is the cost to reconstruct the street divided by four. One side pays $\frac{1}{4}$, the other side pays $\frac{1}{4}$, and the City pays the remaining $\frac{1}{2}$. If there is no existing curb and curb is installed, the property will be charged additional for curb at the designated rate.

In the case of a commercial corner lot that the owner maintains a residence, the assessment will be split accordingly:

The above-described situation will have the property owner paying a commercial assessment rate for the average length of the two sides and paying a residential rate for the remaining length. The commercial assessment rate will be the first rate applied if the two phases are done in different years.

Residential Property

Residential property will be assessed based on a set rate adopted by the City Council at the first part of each year. The basis of the amount is the cost to reconstruct the street divided by four. One side pays $\frac{1}{4}$, the other side pays $\frac{1}{4}$, and the City pays the remaining $\frac{1}{2}$. If there is no existing curb and curb is installed, the property will be charged additional for curb at the designated rate.

Schools & Churches

Property owned by the school district and churches shall be assessed at the residential rate, but do not receive the corner lot exemption.

Austin Utilities Property

Property owned by Austin Utilities shall be assessed at the residential rate, but do not receive the corner lot exemption.

Apartments

Property having a multiple dwelling use shall be assessed at the residential rate.

- 1) If owner maintains a residence in the building, it will receive the corner lot policy.

- 2) If owner does not live at residence, it will not receive the corner lot exemption.

Frontage Roads/Service Drives

Where a street and a frontage road/service drive exists, the property abutting the frontage road/service drive will only be assessed for improvements to the frontage road/service drive. They will not be assessed for improvements to the street.

Corner Lot

Corner lots will not be assessed for any more than the average length of both sides. The first side assessed against the property will continue to govern for future assessments. The corner lot policy only applies to residential parcels.

Interior Lot – Double Frontage

Interior lots which abut two parallel streets, the frontage shall be calculated on only one side of the lot, using the average of each end. The first side assessed against the property will continue to govern for future assessments. The interior lot policy only applies to residential parcels.

Curb & Gutter

A property will only be assessed for curb & gutter on the first initial installation. Corner lots will be assessed for curb & gutter using the corner lot policy.

Sidewalk

Property owners will be assessed for sidewalk repair or replacement for all panels adjacent to their property frontage. Owners will be assessed based on set assessment rates or actual construction costs. (refer to Sidewalk Assessment Policy)

Assessment Period

The assessment will be spread over a maximum 15-year period. The Council will set the interest rate on the unpaid balance at the time of the assessment hearing. The rate will be 2% above the rate of borrowing.

Annexations

When the City annexes a subdivision into the City, whether the subdivision be partially or totally improved, the assessments will be for total costs of the improvements, such as, the sanitary sewer, the water, and the street improvements to the abutting properties. Credit will be given for curb or curb & gutter or any street surfacing on place at the time of the annexation.

Construction Bid Items

Year	Common Excavation	Aggregate Base	Asphalt Paving	Concrete Paving	4" Sidewalk	Curb & Gutter	Catch Basins	Storm Manhole	Sanitary Manhole
2012	\$9.00	\$14.00	\$68.00	\$48.00	\$3.50	\$11.50	\$1,325.00		
2014	-11.1% \$8.00	7.1% \$15.00	4.4% \$71.00	10.9% \$53.25	17.1% \$4.10	8.7% \$12.50	13.2% \$1,500.00		
2016	12.5% \$9.00	6.7% \$16.00	-12.0% \$62.50	7.0% \$57.00	32.4% \$5.43	40.0% \$17.50	2.3% \$1,535.00	\$2,050.00	
2017	-4.1% \$8.63	2.6% \$16.42	4.0% \$65.00	-13.7% \$49.19	9.6% \$5.95	2.9% \$18.00	10.2% \$1,691.00	-4.2% \$1,963.00	\$3,130.00
2018	5.8% \$9.13	5.1% \$17.25	2.9% \$66.91	No Bids	-5.9% \$5.60	4.4% \$18.80	8.5% \$1,834.00	28.2% \$2,516.00	-11.5% \$2,769.00
2019	28.8% \$11.76	11.7% \$19.26	10.9% \$74.17	29.2% \$63.56	23.9% \$6.94	1.1% \$19.00	31.4% \$2,410.00	10.6% \$2,783.00	60.0% \$4,430.00
2020	3.0% \$12.11	-1.5% \$18.98	-7.0% \$69.00	-4.0% \$61.00	-7.8% \$6.40	2.3% \$19.43	-4.6% \$2,300.00	-0.1% \$2,780.00	9.5% \$4,850.00
2021	0.8% \$12.21	-1.1% \$18.78	-1.6% \$67.92	3.7% \$63.25	-4.4% \$6.12	0.6% \$19.54	15.4% \$2,655.00	4.0% \$2,890.00	-10.1% \$4,360.00
2022	13.3% \$13.83	17.1% \$22.00	16.3% \$79.00	10.0% \$69.58	1.3% \$6.20	1.5% \$19.84	-5.8% \$2,500.00	0.3% \$2,900.00	5.5% \$4,600.00
2023	4.8% \$14.50	9.1% \$24.00	20.3% \$95.00	5.1% \$73.10	11.3% \$6.90	10.9% \$22.00	38.0% \$3,450.00	89.7% \$5,500.00	53.8% \$7,075.00
2024	3.4% \$15.00	-10.4% \$21.50	-8.5% \$86.95	8.8% \$79.50	1.4% \$7.00	9.1% \$24.00	10.1% \$3,800.00	22.7% \$6,750.00	14.5% \$8,100.00
2025	8.3% \$16.25	0.0% \$21.50	-1.0% \$86.08	19.5% \$95.00	8.0% \$7.56	41.0% \$33.84	-17.3% \$3,142.00	-4.5% \$6,445.39	-45.2% \$4,437.00
2026	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%

2014 to 2025 Compound Annual Growth Rate									
6.7%	3.3%	1.8%	5.4%	5.7%	9.5%	7.0%	13.6%	4.5%	

2014 to 2025 % Change									
103.1%	43.3%	21.2%	78.4%	84.4%	170.7%	109.5%	214.4%	41.8%	

2025 Project Costs and Assessments

6th Ave & 18th PI NE

Street	\$435,900
Storm	\$155,260
Sanitary	\$169,800
Electrical	\$0
A.U. Billing	\$0
Assessment	\$152,477

% Assess. **35.0%**

21st Ave SW

Street	\$462,072
Storm	\$109,951
Sanitary	\$129,042
Electrical	\$0
A.U. Billing	\$0
Assessment	\$123,218

% Assess. **26.7%**

**Average Local
% Assessed 30.7%**

Oakland Ave

Street	\$5,685,000
Storm	\$925,000
Sanitary	\$555,000
Electrical	
A.U. Billing	\$0
Assessment	\$568,815

% Assess. **10.0%**

1st Avenue

Street	\$5,635,000
Storm	\$875,000
Sanitary	\$625,000
Electrical	\$0
A.U. Billing	\$0
Assessment	\$513,671

% Assess. **9.1%**

0.0% Not included in Ave. % Assessed

30.4% Increase in Assessment Rates needed to meet 40% assessment goal

Funding

Street	40% Assessments & 60% Fund 49, Tax levy, State Aid, Street Project Revenues
Storm	Fund 67, Stormwater Utility District, User Fees
Sanitary	Fund 61, WWTP, User Fees
Street Lighting	Funding same as Street category
A.U. Billing	Work performed for Austin Utilities, they are billed 100% of costs

Year	Residential Rate	Commercial Rate	Percent Assessed	Assessed Rate		Average Construction Rate	
				4" Sidewalk	6" Sidewalk	4" Sidewalk	6" Sidewalk
2013	\$40.00	\$57.25	24.7%	\$3.60	\$4.60	\$4.60	\$5.20
2014	3.8% \$41.50	3.9% \$59.50	33.7%	11.1% \$4.00	8.7% \$5.00	-10.9% \$4.10	17.3% \$6.10
2015	3.0% \$42.75	2.9% \$61.25	47.0%	2.5% \$4.10	10.0% \$5.50	24.6% \$5.11	12.1% \$6.84
2016	0.6% \$43.00	0.8% \$61.75	35.8%	3.7% \$4.25	4.5% \$5.75	6.5% \$5.44	9.4% \$7.48
2017	2.3% \$44.00	2.0% \$63.00	27.5%	11.8% \$4.75	8.7% \$6.25	9.4% \$5.95	21.9% \$9.12
2018	2.8% \$45.25	2.8% \$64.75	32.3%	10.5% \$5.25	12.0% \$7.00	-6.6% \$5.56	-9.4% \$8.26
2019	3.3% \$46.75	3.1% \$66.75	20.4%	0.0% \$5.25	7.1% \$7.50	24.8% \$6.94	33.2% \$11.00
2020	5.0% \$49.09	5.0% \$70.09	26.1%	14.3% \$6.00	13.3% \$8.50	-7.8% \$6.40	-17.6% \$9.06
2021	7.0% \$52.51	7.0% \$74.97	33.1%	8.3% \$6.50	5.9% \$9.00	-4.4% \$6.12	-1.7% \$8.91
2022	7.0% \$56.18	7.0% \$80.22	28.8%	3.8% \$6.75	2.8% \$9.25	1.3% \$6.20	-2.7% \$8.67
2023	7.0% \$60.11	7.0% \$85.84	27.4%	0.0% \$6.75	0.0% \$9.25	12.4% \$6.97	18.5% \$10.27
2024	7.0% \$64.32	7.0% \$91.85	32.9%	3.7% \$7.00	8.1% \$10.00	0.4% \$7.00	18.1% \$12.13
2025	7.0% \$68.82	7.0% \$98.28	30.7%	7.1% \$7.50	10.0% \$11.00	8.0% \$7.56	29.4% \$15.70
*2026	7.0% \$73.64	7.0% \$105.16		6.7% \$8.00	6.8% \$11.75		

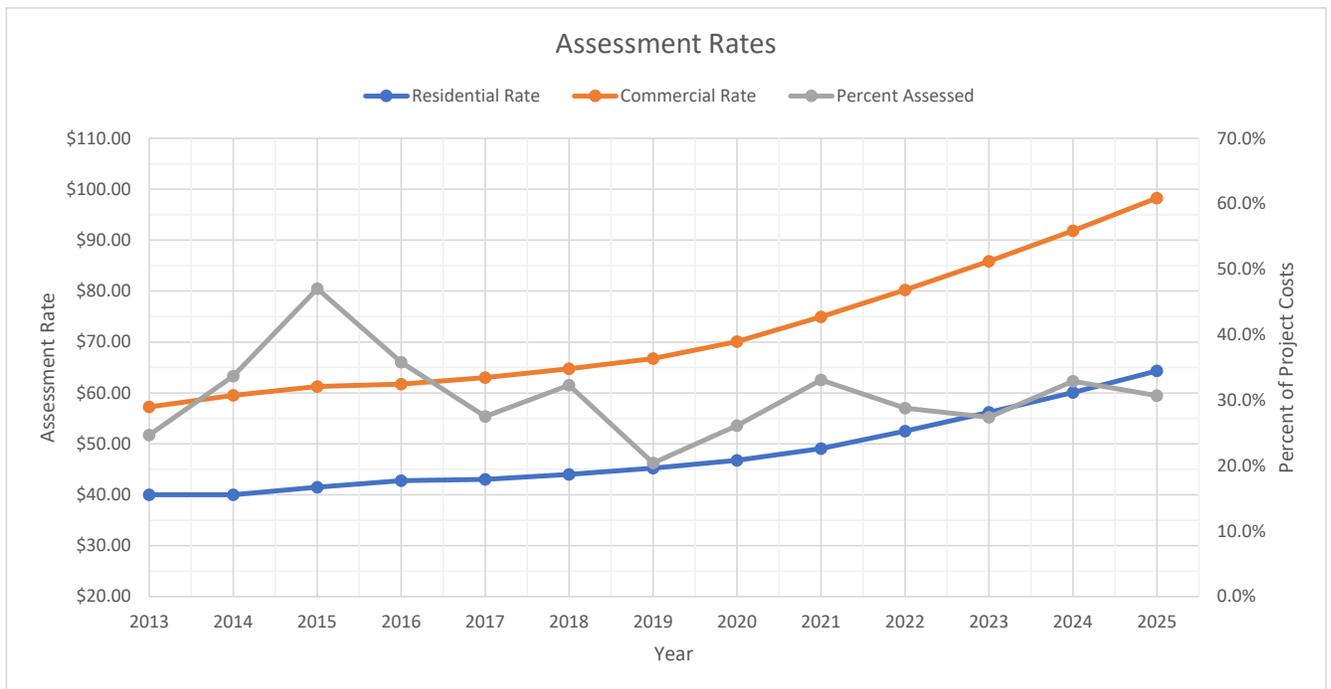
* Proposed

2015 to 2025 Compound Annual Growth Rate						
4.9%	4.8%		6.2%	7.2%	4.0%	8.7%

2015 to 2025 % Change						
61.0%	60.5%		82.9%	100.0%	47.9%	129.5%

Different Rate Increases for Reference

Rate Increase	Projected 2026 Rate		Property Owner Cost Example 75' Lot Frontage (*Does not include sidewalk assessment costs)	2026 Projected % Assessed
5%	Residential	\$72.26	\$5,419.58	29.2%
	Commercial	\$103.19	\$7,739.55	
10%	Residential	\$75.70	\$5,677.65	30.7%
	Commercial	\$108.11	\$8,108.10	
15%	Residential	\$79.14	\$5,935.73	32.2%
	Commercial	\$113.02	\$8,476.65	
20%	Residential	\$82.58	\$6,193.80	33.7%
	Commercial	\$117.94	\$8,845.20	
34.2%	Residential	\$92.36	\$6,926.73	40.0%
	Commercial	\$131.89	\$9,891.88	



City of Austin
Street/Sidewalk Reconstruction Assessment Rates

Land Use	Year	Sidewalk*		Concrete Curb & Gutter (Linear Foot)	Street Reconstruction Urban (Linear Foot)	Mill & Overlay (Linear Foot per inch)
		4" Thick (Square Foot)	6" Thick (Square Foot)			
Residential	2013	\$3.60	\$4.60	\$11.00	\$40.00	
	2014	\$4.00	\$5.00	\$12.00	\$41.50	
	2015	\$4.10	\$5.50	\$12.50	\$42.75	
	2016	\$4.25	\$5.75	\$13.00	\$43.00	
	2017	\$4.75	\$6.25	\$14.00	\$44.00	
	2018	\$5.25	\$7.00	\$15.00	\$45.25	
	2019	\$5.25	\$7.50	\$16.50	\$46.75	
	2020	\$6.00	\$8.50	\$17.33	\$49.09	
	2021	\$6.50	\$9.00	\$18.00	\$52.51	\$5.35
	2022	\$6.75	\$9.25	\$19.50	\$56.18	\$6.35
	2023	\$6.75	\$9.25	\$20.00	\$60.11	\$6.79
	2024	\$7.00	\$10.00	\$21.00	\$64.32	\$7.25
	2025	\$7.50	\$11.00	\$22.50	\$68.82	\$7.75
	2026	\$8.00	\$11.75	\$24.00	\$73.64	\$8.00
Commercial	2013	\$3.60	\$4.60	\$11.00	\$57.25	
	2014	\$4.00	\$5.00	\$12.00	\$59.50	
	2015	\$4.10	\$5.50	\$12.50	\$61.25	
	2016	\$4.25	\$5.75	\$13.00	\$61.75	
	2017	\$4.75	\$6.25	\$14.00	\$63.00	
	2018	\$5.25	\$7.00	\$15.00	\$64.75	
	2019	\$5.25	\$7.50	\$16.50	\$66.75	
	2020	\$6.00	\$8.50	\$17.33	\$70.09	
	2021	\$6.50	\$9.00	\$18.00	\$74.97	\$6.64
	2022	\$6.75	\$9.25	\$19.50	\$80.22	\$7.88
	2023	\$6.75	\$9.25	\$20.00	\$85.84	\$8.43
	2024	\$7.00	\$10.00	\$21.00	\$91.85	\$9.00
	2025	\$7.50	\$11.00	\$22.50	\$98.28	\$9.75
	2026	\$8.00	\$11.75	\$24.00	\$105.16	\$10.00

* Rate associated with street projects only.

** Rates for standalone sidewalk projects will be based on actual construction costs.

Example 2026			
Street Assessment Amounts			
Lot Frontage	Residential	Commercial	Sidewalk
50	\$3,682.00	\$5,258.00	\$2,132.00
75	\$5,523.00	\$7,887.00	\$3,198.00
100	\$7,364.00	\$10,516.00	\$4,264.00
125	\$9,205.00	\$13,145.00	\$5,330.00

Projected 2026 Project Costs and Assessments

8th Street SE

Street	\$975,000
Storm	\$115,000
Sanitary	\$185,000
Electrical	\$0
A.U. Billing	\$0
Assessment	\$297,303

% Assess. **30.5%**

9th Avenue NW

Street	\$485,000
Storm	\$70,000
Sanitary	\$270,000
Electrical	\$0
A.U. Billing	\$0
Assessment	\$150,172

% Assess. **31.0%**

**Average Local
% Assessed 29.8%**

5th & 7th Streets NW

Street	\$695,000
Storm	\$50,000
Sanitary	\$355,000
Electrical	
A.U. Billing	\$0
Assessment	\$194,591

% Assess. **28.0%**

Street	
Storm	
Sanitary	
Electrical	
A.U. Billing	
Assessment	

% Assess.

0.0% Not included in Ave. % Assessed

34.2% Increase in Assessment Rates needed to meet 40% assessment goal

Funding

Street	40% Assessments & 60% Fund 49, Tax levy, State Aid, Street Project Revenues
Storm	Fund 67, Stormwater Utility District, User Fees
Sanitary	Fund 61, WWTP, User Fees
Street Lighting	Funding same as Street category
A.U. Billing	Work performed for Austin Utilities, they are billed 100% of costs

RESOLUTION NO.

STREET RECONSTRUCTION ASSESSMENT RATES

WHEREAS, in order to determine support for a project and to provide actual costs versus estimates to property owners, the City of Austin proposes to adopt rates and hold public hearings for street reconstruction projects prior to the start of each project.

WHEREAS, this method of assessing will allow property owners to know their actual costs at the start of the project; and

WHEREAS, rates will be set based on the assessing policies as follows:

1. Corner lot policy
2. Interior lots with double frontage
3. Roadway Life expectancy
4. Credit for life expectancy
5. Credit for curb and gutter
6. Maximum width and thickness to be assessed based on property use
7. Assess a minimum of 20% of the project costs and a maximum of 50% for reconstruction projects

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Austin adopts the following rates which will be reviewed on an annual basis based on the City’s experience and a recognized measure of inflation.

Residential:

	<u>2026 Rate</u>
Sidewalk (4” thick)	\$ 8.00/ Sq. Ft.
Sidewalk (6” thick)	\$ 11.75/ Sq. Ft.
Concrete Curb	\$ 24.00/ Lin. Ft.
Urban Street Reconstruction	\$ 73.64/ Lin. Ft.
Mill & Overlay	\$8.00/Lin. Ft. per inch

Commercial/Industrial:

	<u>2026 Rate</u>
Sidewalk (4” thick)	\$ 8.00/ Sq. Ft.
Sidewalk (6” thick)	\$ 11.75/ Sq. Ft.
Concrete Curb	\$ 24.00/ Lin. Ft.
Urban Street Reconstruction	\$ 105.16/ Lin. Ft.
Mill & Overlay	\$10.00/Lin. Ft. per inch

Passed by a vote of yeas and nays this 20th day of January, 2026.

YEAS

NAYS

ATTEST:

APPROVED:

City Clerk

Mayor

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



Steven J. Lang, P.E.
City Engr./Public Works Dir.
507-437-9949
Fax 507-437-7101
slang@ci.austin.mn.us

Memorandum

To: Mayor & Council
From: Steven J. Lang, P.E.
Date: January 7, 2026
Subject: Overnight Parking Restriction Signage at Municipal Pool Lot

Council action is requested to approve the installation of signage restricting overnight parking in the Municipal Pool parking lot. The purpose of this additional signage is to reduce the occurrence of abandoned vehicles and vehicles parked for extended periods of time.

The proposed signage would prohibit parking between the hours of 10:00 p.m. and 6:00 a.m., except during snow emergencies. This restriction would allow the Police Department to enforce parking regulations and issue citations or arrange for towing as warranted.

This has been reviewed by Parks, PD and Admin to come to a consensus on the appropriate language. Please let us know if you have any questions or require additional information.



City of Austin
Craig Clark,
City Administrator



500 Fourth Avenue N.E.
Austin, Minnesota 55912-3773
Phone: 507-437-9941
craigc@ci.austin.mn.us
www.ci.austin.mn.us

January 14, 2026

TO: Honorable Mayor and City Council Members

FROM: Craig D. Clark, Administrator

RE: Law Enforcement Center (LEC) agreement with Mower County and update for audit of costs

Council considered a final contract with Mower County at our January 5th meeting. Concern was raised about our ability to audit costs associated with the agreement. Upon visiting with the County Administrator, he found accommodation to our request and you can find that in IV. A. paragraph 3 (Exhibit 1) in the red underlined language. This accommodates staffs request by having more detailed information so that we may do periodic spot checking.

All other items remain the same as was previously presented.

Council action is requested to approve the LEC agreement included as Exhibit 1 and authorize the Mayor, Administrator and Police Chief to sign on behalf of the City.

**AGREEMENT BETWEEN MOWER COUNTY AND THE CITY OF AUSTIN,
MINNESOTA ON THE OPERATION OF THE LAW ENFORCEMENT CENTER**

THIS CONTRACT, and amendments and supplements thereto, is between the County of Mower, Minnesota, acting through its Board of Commissioners (hereinafter COUNTY), and the City of Austin, Minnesota, acting through its City Council (hereinafter CITY).

WHEREAS, the parties have ascertained the need for an updated agreement regarding the shared use of the Mower County Law Enforcement Center (LEC) that will establish updated cost-reimbursement, staffing IT, CAD system, infrastructure, and termination provisions consistent with Minnesota law.

WHEREAS, the parties entered into a Pre-Contract Summary of Terms in October 2025 to establish preliminary terms for a contract to be entered into before November 30, 2025. The Pre-Contract Summary of Terms is attached hereto as Attachment B.

NOW, THEREFORE, it is hereby agreed by and between Mower County, Minnesota and the City of Austin, Minnesota, as follows:

I. TERM OF CONTRACT

This Agreement shall become effective on January 1, 2026, and shall remain in effect unless terminated pursuant to the provisions contained in this Agreement. The terms and obligations set forth herein shall continue in full force until properly terminated in accordance with Section X or any other applicable termination provisions agreed upon by the parties.

II. PRIOR AGREEMENTS

This Agreement shall replace and supersede all prior agreements related to the Law Enforcement Center (LEC), except for the provision contained in the 1994 agreement granting the Austin Police Department the right to use its agreed-upon designated space, identified common areas, and shared spaces within the LEC. That specific provision shall remain in full force and effect for as long as the Austin City Council elects to participate with the County under the terms of this agreement. The provision shall terminate only upon the City's decision to discontinue participation.

III. BUDGET REVIEW COMMITTEE

A. Dissolution of Prior Commission

The former LEC Communications, Budget, and Operations Commission is hereby dissolved. City and County staff shall meet as needed to provide analysis, coordination, and recommendations to their respective governing bodies regarding matters related to Law Enforcement Center operations, budgeting, and interagency administrative functions.

B. Establishment and Purpose of the Joint Budget Review Committee

The City and County shall establish a Joint Budget Review Committee for the purpose of reviewing projected shared costs, evaluating anticipated capital or operational needs, and establishing expected budget contributions for the upcoming fiscal year. The Committee

shall meet annually during the month of June, with the goal of finalizing a proposed shared budget no later than August 1 of each calendar year.

C. Committee Composition and Meetings

The Committee shall be composed of designated representatives from each jurisdiction, including executive leadership, finance staff, one County Board Member, and the Mayor or one City Council Member. The Committee may also convene at any time during the year, upon written request by either party, to address joint projects, unplanned expenses, or emergency funding needs requiring coordinated review.

D. Advisory Nature of Recommendations

All recommendations made by the Joint Budget Review Committee shall be advisory only and shall not be binding on either party. Final approval of all budget contributions, cost allocations, and financial commitments shall require formal action by the County Board and the City Council.

IV. **COSTS, BILLING AND BUILDING ALTERATIONS**

A. Quarterly Cost Reimbursement

The County shall invoice the City on a quarterly basis for the City's proportional share of all actual operating costs, calculated using the agreed-upon percentage based on occupied space. The breakdown of space allocation and cost-apportionment methodology is included in Attachment A.

Operating costs subject to reimbursement include, but are not limited to: utilities (gas, electricity, water, sewer), IT facility use (power, rack space, connectivity), janitorial services, general building maintenance, building insurance, parking lot maintenance, HVAC and boiler systems, elevator services, and security access systems.

The County shall provide access to one user appointed by the City to its GovAP system (or such other appropriate system as may be necessary) for the purpose of reviewing and confirming information and documentation supporting the costs allocated in any invoice to verify the calculations and allocations contained or reflected in the invoice. Should the City challenge or object to any specific charge or allocation, the City shall submit such challenge or objection to the County in writing stating the basis for the challenge or objection. The parties shall cooperate, in good faith and in a timely fashion, to resolve such challenge or objection. During such period, the amount so challenged or objected to may be withheld by the City pending resolution of the challenge or objection. The remainder of the amounts invoiced shall be paid. Upon resolution of the challenge, the City shall pay the amount reflected in the resolution of the challenge.

B. Facility Modifications and Alterations

If the City requests any structural, functional, or operational changes within the Law Enforcement Center—including but not limited to poles for squad readers, antenna mounts, cable routing, or equipment installations—the City must obtain prior written approval from the County. The City shall be responsible for arranging and paying for all such modifications using qualified, licensed contractors, and all work must meet

applicable codes, standards, and County requirements.

The County may require the City to restore affected areas to original condition if modifications are later removed or found to be noncompliant. The County agrees that any request by the City for alterations, improvements, or changes that are reasonably necessary for the City's use of the space shall not be unreasonably withheld, conditioned, or delayed.

V. RECORDS DIVISION

A. The City and County will share the costs to staff the records division during the transition phase listed in this agreement. The costs will be shared at a rate of 50% for each party. The City is not cost-sharing in any dispatch-related expenses.

B. Effective on or before March 1, 2026, the County shall continue to employ Records staff and shall assign two (2) County employees to perform Records work under the daily direction of the City Police Department. These employees shall remain County employees for all employment-related purposes, including but not limited to hiring, discipline, termination, benefits, and payroll administration.

The City shall reimburse the County for the actual personnel costs associated with the two assigned employees, including salaries, benefits, mandated programs, and employer-paid taxes.

Vacancies and Hiring Rights

1. City's Right to Hire Its Own Staff:

If either of the two City-assigned Records positions becomes vacant (due to resignation, retirement, reassignment, termination, or any other separation), the City shall have the exclusive right to fill that position through its own hiring process.

○ The County shall not assign another County employee to the City-designated positions unless the City specifically requests or approves such an assignment.

2. County Records Vacancies:

If a County Records employee who is not assigned to City duties separates from County employment, the County may fill that County position through its normal hiring process. However, this shall not affect the City's right to hire its own staff for the City-designated positions if either of those positions becomes vacant.

3. Employee Movement Between County Positions:

If the County has a vacancy in a County Records position and one of the County employees assigned to the City wishes to apply for or transfer into that County position, the County may consider such a request under its normal personnel procedures.

○ If the County fills that County position by selecting a City-assigned employee, that action creates a vacancy in a City-designated Records position, and the City shall retain its right to hire its own employee for that role.

Backfill Exceptions

If the County elects not to backfill a vacated County Records position (reducing its County Records staffing from two (2) employees to one (1) employee), then both employees currently assigned to City duties shall remain assigned to the City. In that circumstance, no staff transition or City hiring will be required until one of the two City-assigned employees separates or is reassigned.

Operational Coordination

The City shall be consulted before any reassignment of County personnel who are serving City functions. However, the City may not require the County to reassign, remove, or terminate any County employee, nor may the City withhold or reduce payment for County-assigned staff who remain in City-designated roles

VI. Information Technology Transition Requirements and Post-Deadline Cost Recovery

A. Transition Deadline

The City shall fully transition to its own independent information technology systems, including servers, networks, storage, workstations, software licensing, connectivity, and support systems, no later than March 1, 2026 or as soon as practical. (“Transition Deadline”)

B. Acceptable Delays

Only delays caused by circumstances beyond the direct control of the City shall be considered acceptable for purposes of extending the Transition Deadline. Acceptable delays include, but are not limited to:

1. Unforeseen vendor failure or insolvency after contract award
2. Cost escalations or schedule constraints imposed by vendors where compliance with the Transition Deadline would require expedited services or pricing materially higher than standard delivery, or documented supply chain disruptions affecting hardware delivery
3. Natural disasters or declared emergencies that materially impact the transition schedule
4. State or federal system dependencies that cause unavoidable delays despite the City’s timely efforts

All acceptable delays must be documented in writing, and the City must demonstrate that it is actively pursuing timely completion of the transition.

C. Fees for Temporary Transitional Hosting

During any Temporary Transitional Hosting Period, commencing January 1, 2026 and continuing through the Transition Date (estimated March 1, 2026), the City shall pay the County a fee calculated in accordance with the Technology Monthly Fee set forth in Attachment A, prorated as applicable for partial months.

D. Right to Limit or Discontinue Services

If the City fails to make substantial good-faith progress toward completing the transition, incurs unacceptable delays, or fails to pay monthly invoices within thirty (30) days, the

County may, upon sixty (60) days' written notice, limit or discontinue IT services provided under this Agreement. The County shall not be liable for any impacts or damages arising from the City's delay or failure to complete the transition.

E. Liability and Indemnification

The City acknowledges that continued use of County systems beyond the Transition Deadline increases technical, cybersecurity, and operational risks. The City agrees to indemnify, defend, and hold harmless the County from any claims, damages, liabilities, or costs arising from the City's continued use of County systems during a Temporary Transitional Hosting Period.

VII. Computer Aided Dispatch (CAD)

A. CAD Cost Recovery and User Fees

Beginning January 1, 2026, the City shall reimburse the County annually for use of the Computer Aided Dispatch (CAD) system based on a per-user fee calculated by the County. The fee shall be determined using the actual costs of providing, maintaining, and operating the CAD system, including vendor licensing fees and system maintenance. The City shall pay its proportional share of all initial setup, configuration, and onboarding costs upfront and prior to activation of City users on the system.

B. Future System Investment and Opt-Out Provisions

Beginning in the year 2031, the City may choose either to continue paying the applicable surcharge associated with long-term capital investment in the next CAD system or to opt out of participation in such future investment. If the City elects to opt out, it is expressly understood that the City shall remain responsible for paying its proportional share of the initial startup, acquisition, configuration, and onboarding costs at the time the next CAD system is purchased or implemented, and such payment shall be made prior to gaining access to any replacement system.

C. Vendor Selection and System Changes

The CAD system expected to be used during the term of this Agreement is Pro-Phoenix. Any subsequent change in vendor, platform, or CAD system architecture shall be reviewed by the Joint Budget Review Committee prior to implementation. The City agrees to cooperate in providing timely input, data, and participation necessary for the County to complete vendor evaluations, cost allocations, and transition planning.

D. System Reliability, Degradation, and Emergency Procedures

If the CAD system or dispatch operations experience degradation, outages, failures, cybersecurity incidents, or other service disruptions, the County retains the authority to establish, implement, and modify emergency backup procedures necessary to ensure continuity of public safety operations. The City shall be included in discussions regarding such procedures to the extent feasible and shall collaborate with the County in the development, testing, and implementation of emergency and contingency measures. Both parties acknowledge the critical nature of coordinated response operations and commit to

reciprocal support, timely communication, and operational alignment in the event of an emergency affecting either jurisdiction's public safety systems.

VIII. DATA

A. Data Classification, Requests, and Compliance

Each party shall serve as the designated point of contact for public data requests related to its own data, including requests submitted under the Minnesota Government Data Practices Act, the Freedom of Information Act, or any other applicable state or federal data-access legislation. Each party shall be solely responsible for reviewing, classifying, and responding to such requests in accordance with its own legal obligations, policies, and retention requirements. Neither party shall be responsible for responding to public data requests directed at or involving data created, stored, or controlled by the other party.

B. Data Ownership and Control

Each party shall retain sole ownership, custody, and control over all data it creates, receives, collects, or stores in the course of its operations, except where data resides within or is processed through the County-provided CAD system. For CAD-related data, the terms, access standards, security obligations, and data-handling requirements established by the CAD system vendor shall apply. Both parties acknowledge that vendor-imposed restrictions may limit access, storage, retention, or export of CAD-related data, and the parties agree to comply with all such requirements.

C. Data Security and Responsibility

Each party is responsible for safeguarding, securing, and managing its own data in accordance with applicable laws, regulations, and recognized cybersecurity standards. When data is exchanged between systems or shared for operational purposes, each party shall use reasonable measures to ensure the confidentiality, integrity, and availability of the data while in its possession. Neither party shall be liable for breaches or compromises occurring within the other party's environment.

D. Coordination on Shared or Interdependent Data

Where operational needs result in the sharing, syncing, or transfer of data between the parties, such as incident information, dispatch records, or interagency reports, each party agrees to coordinate in good faith to ensure accurate exchange and proper handling. The parties shall notify each other promptly of any known data errors, access issues, or security concerns affecting shared data to maintain reliable public-safety operations.

IX. INSURANCE AND INDEMNIFICATION

A. Workers' Compensation Coverage

Each party shall maintain all workers' compensation insurance required by state law for its own employees. Each party shall be solely responsible for claims, benefits, and obligations arising from injuries, illnesses, or incidents involving its personnel, whether occurring on-site or while performing responsibilities under this Agreement.

B. Property Insurance for Equipment and Assets

Each party shall maintain property insurance covering its own equipment, hardware,

furnishings, and physical assets located within any County facility or otherwise used in connection with this Agreement. Neither party shall be responsible for insuring, repairing, or replacing property owned by the other party, regardless of where such property is located or utilized.

C. Cyber Liability Insurance

Both parties should maintain cyber liability insurance in an amount reasonably sufficient to cover risks associated with cybersecurity incidents, data breaches, unauthorized access, system failures, or compromised information within their respective systems or environments. Each party is responsible for securing its own networks and data, and neither party shall be liable for breaches occurring within the other party's systems.

D. Indemnification

Each party shall remain liable for its own acts, omissions, and obligations to the extent provided by law. Each party agrees to indemnify, defend, and hold harmless the other party, including its officers, employees, and agents, from and against any and all claims, losses, liabilities, damages, costs, expenses, or actions, including attorney's fees and expenses of litigation, arising out of or resulting from the indemnifying party's negligence, wrongful acts, omissions, or failure to perform its obligations under this Agreement. This indemnification requirement applies to acts or omissions by the party's officers, employees, contractors, or agents acting within the scope of their duties. Nothing in this section shall be construed as a waiver of any immunities, limitations, or defenses available to either party under applicable law.

X. TERMINATION

A. Duration of Agreement

This Agreement shall remain in full force and effect for as long as the City continues to occupy designated space within the Law Enforcement Center (LEC) and continues to utilize County-provided facilities or services covered under this Agreement.

B. Termination Upon Vacating the LEC

This Agreement shall automatically terminate once the City permanently vacates its assigned space at the LEC. For purposes of this section, "permanently vacated" means that all City personnel, equipment, records, and operational activities have been removed from the premises and the City no longer utilizes County facilities or infrastructure under this Agreement.

C. Notice of Intent to Vacate

The City shall provide the County with written notice at least ninety (90) days prior to the anticipated date of vacating the space. The parties shall coordinate in good faith regarding timelines, facility access, equipment removal, security procedures, and any required transition activities.

D. Final Reconciliation and Outstanding Obligations

Termination of this Agreement shall not relieve either party of any outstanding financial obligations, including cost recovery, transitional hosting fees, surcharges, or other

charges accrued pursuant to this Agreement prior to the date of termination. All such amounts shall remain due and payable within thirty (30) days of final invoicing.

E. Return of County Property

Upon termination, the City shall return any County-owned equipment, access cards, keys, or materials issued for City use. Any loss or damage to County property shall be addressed prior to final settlement.

XI. AMENDMENTS

A. Written Amendments Required

No change, modification, amendment, or addition to this Agreement shall have any force or effect unless it is reduced to writing, dated, and executed by both parties. Any such amendment shall expressly state that it is intended to modify this Agreement and shall be incorporated as an official addendum.

B. Approval by Governing Bodies

All amendments to this Agreement must be formally approved and authorized by both the County Board and the City Council prior to execution. No verbal agreements, informal understandings, or unauthorized modifications shall be valid or binding on either party.

CITY OF AUSTIN

MOWER COUNTY

Mayor Date

Board Chair Date

City Administrator Date

County Administrator Date

Police Chief Date

County Sheriff Date

ATTACHMENT B

PRE-CONTRACT SUMMARY OF TERMS REGARDING THE LAW ENFORCEMENT CENTER OPERATION BETWEEN THE CITY OF AUSTIN AND THE COUNTY OF MOWER

The parties have ascertained the need for an updated agreement regarding the shared use of the Mower County Law Enforcement Center, intended to establish updated cost-reimbursement, staffing, IT, CAD system, infrastructure, and termination provisions consistent with Minnesota law. The parties also recognize that preliminary budgets and levies need to be set before a full contract can be completed. Therefore, these preliminary terms are agreed upon by the parties with a contract to follow before November 30, 2025:

1. This agreement will replace all prior Law Enforcement Center (LEC) agreements, except to the extent that the 1994 agreement granted the Austin Police Department the right to use its designated space, as well as identified common and shared space within the LEC, for as long as the Austin City Council chooses to participate with Mower County under terms agreed to by both boards. That provision shall remain in effect. Both parties acknowledge that the City of Austin's continued right of use is consistent with the intent of the 1994 agreement and reflects the City's historical financial contributions toward certain remodeling and improvements to City-controlled areas of the LEC. The existing City-County jail use agreement, dated May 1, 1957, as amended by the County Resolution on November 4, 1958, is no longer in effect. The City and County maintain their agreement for 2025 for all associated services at \$450,000.
2. The former Law Enforcement Center Communications, Budget, and Operations Commission is dissolved. City and County staff shall meet as needed to make recommendations to their respective governing bodies, the Mower County Board of Commissioners and the Austin City Council, for matters relating to law enforcement center operations, budgeting, and interagency coordination.
3. The County and City shall establish a Joint Budget Review Committee for the purpose of reviewing projected shared costs and establishing expected budget contributions for the upcoming fiscal year. The Committee shall meet annually during June, with the goal of finalizing a proposed shared budget no later than August 1 of each calendar year. The Committee shall be composed of designated representatives from each jurisdiction, including executive leadership, finance staff, one County Board Member, and the Mayor or one City Council Member. The Committee may also convene at any time during the year, upon request by either party, to address joint projects, unexpected costs, or emergency funding needs. All Committee recommendations are advisory and subject to formal approval by each governing body.
4. The County shall invoice the City quarterly for its portion of all actual operating costs (at the agreed-upon percentage linked to the space). The breakdown of costs and space is attached as Exhibit A. The costs shall include: utilities (gas, electricity, water, sewer), IT facility use (power, rack space, connectivity), janitorial expenses and general maintenance, building insurance, parking lot maintenance, HVAC and boiler systems, elevator, security access, and access systems.

5. The City and County will share the costs of records staff during the transition phase listed in this agreement. The costs will be shared at a rate of 50%. The City is not cost-sharing in any dispatch-related expenses.
6. By March 1, 2026, or as soon as practical, the City shall fully transition to its own independent IT systems, including servers, networks, workstations, and support systems. From that date forward, the County shall not be responsible for maintaining or supporting the City's technology environment. The City will be responsible for its share of IT expenses incurred by the County until the transition occurs.
7. Beginning January 1st, 2026, the City shall reimburse the County annually for use of the Computer-Aided Dispatch system based on a per-user fee, calculated by the County for apportionment and based on the actual costs of providing and operating the system, including vendor license fees and system maintenance. The City shall pay its proportional share of the initial setup and configuration costs up front, rather than over a five-year period. For the first five years (through the 2030 billing cycle), the apportionment for other user groups will include a surcharge to recover the initial startup costs incurred by Mower County. Beginning in year six, each user group will have the option to continue paying the surcharge to contribute toward future investment in the next system or to opt out. If a user group chooses to opt out in year six, it is understood by all parties that the group will be responsible for paying its proportional share of the initial startup costs at the time of purchase for the next system. If, after year six, the current system (Pro-Phoenix) is replaced and the City elects to participate in the new system, the City shall be responsible for paying its proportional share of the new system's startup costs at that time. The County shall invoice the City quarterly for this service. Currently, it is expected that the system will be Pro-Phoenix; however, the system may change over time. Any change in vendor shall be reviewed by the Joint Budget Review Committee prior to implementation.
8. If the City requests structural or functional changes (e.g., poles for squad readers, antenna mounts) at the Law Enforcement Center, they must seek prior County approval. The City must arrange and pay for such modifications using qualified contractors. The County may require restoration or compliance with applicable standards. The County agrees that any request by the city for alterations, improvements, or changes to the building that are reasonably necessary for the use shall not be unreasonably withheld, conditioned, or delayed.
9. Effective on or before March 1, 2026, the County shall continue to employ Records staff and shall assign two (2) employees to perform work under the direction of the City Police Department. These employees will remain County employees for all employment matters, including hiring, termination, discipline, benefits, and payroll administration. The City shall reimburse the County for the actual personnel costs associated with the two assigned employees, including salaries, benefits, and employer-paid taxes. In the event that a County Records employee not assigned to City duties separates from employment (due to resignation, retirement, or termination), or if one of the City-assigned Records positions becomes vacant, the City shall retain the right to fill its designated position(s) through its own hiring process. The County shall not assign a County-designated employee to the City's designated roles unless specifically requested or approved by the City. Similarly, if a County-assigned employee serving City functions is reassigned or leaves the position, the City shall be consulted before any replacement is made; however, the City shall not require the County to reassign or remove County personnel, nor withhold or reduce funding for County staff assigned to City duties. This provision ensures

RESOLUTION NO.

**APPROVING AN AGREEMENT WITH MOWER COUNTY FOR A
JOINT LAW ENFORCEMENT CENTER**

WHEREAS, the City wishes to collaborate with Mower County to establish a joint law enforcement center; and

WHEREAS, the parties have identified the need for an updated agreement concerning the shared use of the Mower County Law Enforcement Center (LEC) that will establish updated cost-reimbursement, staffing IT, CAD system, infrastructure, and termination provisions consistent with Minnesota law; and

WHEREAS, the parties entered into a Pre-Contract Summary of Terms in October 2025 to establish preliminary terms for a contract to be entered into before November 30, 2025; and

WHEREAS, The Pre-Contract Summary of Terms and updated agreement is attached; and

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Austin approves the updated agreement with Mower County for the Joint Law Enforcement Center, effective January 1, 2026.

Passed by a vote of yeas and nays this 20th day of January, 2026.

YEAS

NAYS

ATTEST:

APPROVED:

City Clerk

Mayor

City of Austin
Jason Sehon, Director
Parks, Recreation & Forestry
507-433-1881
jsehon@ci.austin.mn.us



500 Fourth Avenue NE
Austin, Minnesota 55912-3773
Phone: 507-437-9940
www.ci.austin.mn.us

MEMORANDUM

TO: Honorable Mayor and Council

FROM: Jason Sehon, Director of Parks, Recreation & Forestry 

DATE: January 20, 2026

SUBJECT: Mountain Bike Course Easement Donation Agreement

Austin Utilities (AU) has requested a Mountain Bike Course Easement Donation Agreement be brought to City Council for approval.

Staff has reviewed the proposed Agreement drafted by City Attorney Craig Byram. This Agreement mirrors the Agreement previously approved for the Hormel Property located south of the AU property.

Staff has met with representatives from AU and the Southern Minnesota Bicycling Club (SMBC) to discuss the proposed Agreement. While there were initial concerns regarding maintenance responsibilities, following additional review and discussions with AU and SMBC, staff is comfortable with the Agreement as written.

The Agreement was brought to the Parks, Recreation & Forestry Board at its January 7, 2026 meeting. The Board voted unanimously to recommend City Council approve the proposed Agreement as submitted.

Attachments:

- DRAFT Mountain Bike Course Easement Donation Agreement

Recommendation:

Staff recommends that the City Council approve the proposed Agreement and authorize the Mayor and City Recorder to execute the Agreement on behalf of the City.

Please let me know if you have any questions.

MOUNTAIN BIKE COURSE EASEMENT DONATION AGREEMENT

This Mountain Bike Course Easement Donation Agreement (“**Agreement**”) is made this ____ day of _____, 2026 (the “**Effective Date**”), by and among Austin Utilities, a Minnesota Municipal corporation (“**AU**”), the City of Austin, Minnesota, a municipal corporation under the laws of the State of Minnesota (“**City of Austin**”), and Southern Minnesota Bicycling Club, a non-profit corporation organized under the laws of the State of Minnesota (the “**Club**”).

RECITALS

WHEREAS, AU owns the property described on **Exhibit A** (“**Subject Property**”);

WHEREAS, The Club, with permission from AU, has established a mountain biking course on the Subject Property, that will be used for the activities of the Austin Cycling Team, organized under the City of Austin Park and Recreation Department (“**Austin Cycling Team**”);

WHEREAS, AU desires to give to the City of Austin an easement for a publicly accessible recreational mountain bike course area over and across the Subject Property, and the City of Austin, together with AU, desire to permit the Austin Cycling Team to use the course area for regular practices and team events.

AGREEMENT

NOW, THEREFORE in consideration of the mutual promises and benefits to be derived by the parties hereto, the parties agree as follows:

AUSTIN UTILITIES’ DUTIES

Easement Donation: AU hereby donates to the City of Austin an easement over and across the Subject Property, for use as an unpaved recreational mountain bike course area, located as clearly marked on the area shown on the Map attached hereto as part of **Exhibit A**, (the “**Course Area**”). No motorized bicycles or vehicles are allowed on the Bike Course. No pedestrian traffic is allowed on the Course Area. Priority use of the Course Area is for mountain biking activity. Use of motorized vehicles is permitted in limited circumstances for maintenance, repairs, and medical emergencies. The Course Area must remain unpaved, with the addition of construction materials such as wood, dirt, stone/gravel to construct Course Area features. The location of the Course Area on the Subject Property may be changed from time to time, only with the written consent of AU and the City of Austin. Any such change shall be recorded in the public records. Use of the Course Area outside the area defined on Exhibit A is prohibited.

Delivery of Memorandum: At the date of closing, AU shall deliver to the City of Austin, Minnesota, a Memorandum of Agreement in the form attached hereto as **Exhibit B**, conveying said easement subject to existing easements and encumbrances of record. Closing of the transaction must take place on or before January 31, 2026, at a time and place agreed upon by the parties. The time for closing may be extended for a reasonable time by written agreement signed by all parties.

Club Activities: The City of Austin may suspend public use of the Course Area for limited periods of time in the event of flooding or other hazards, or in the case of Austin Cycling Team events to be held in or on the Course Area that are approved by the City of Austin. AU acknowledges the City of Austin will permit the Club and Austin Cycling Team to conduct training and practice activities on the Course Area and that the Austin Cycling Club may use the Course Area for one or more cycling events involving riders from other clubs.

Exclusivity: The easement granted to City of Austin under this Agreement is exclusive. This means that AU has no rights to enter or use the Course Area except to exercise rights accorded to the general public and except as provided in this Agreement.

Limitations on Improvements: Improvements within the Course Area are limited to the following:

(a) Course Area

(i) Features to be constructed by the Club include rollers or pump tracks, berms, skinnies, drop offs, and table top jumps, as examples. Final construction plan and layout is subject to review by AU property manager and City of Austin Parks and Recreation manager.

(ii) The Course Area will be built to IMBA or current mountain bike skills parks standards.

(iii) The Course Area may be covered by wood chips or gravel, or other porous surface if required by applicable law to prevent erosion. In addition, dirt, rocks, logs, wood planking, or other man-made materials may be used in construction.

(b) Accessory Facilities

(i) Bicycle racks may be provided at the discretion of the City of Austin.

(ii) Signs to mark the Course Area and provide information regarding applicable time, place, and manner restrictions must be supplied by the City of Austin.

(iii) Signs to indicate the interest of AU and prohibit trespassing off and outside the Course Area

(iv) Gates or and barriers to control access, if necessary.

No Further Obligations: AU shall have no obligation to provide any maintenance, security or emergency services with respect to the Course Area or any persons or property (including vehicles and bicycles) using the Course Area or adjacent parking. AU shall have no obligation to provide parking or traffic control for activities on the Course Area. The Course Area may only be accessed only by use of the City of Austin mountain bike trails located on the parcel directly south of the easement area and such access is limited to the Course Area.

No Liability for AU: This Agreement is intended to be interpreted so as to convey to AU full immunity for any liability associated with the Course Area, and to provide all of the protections from liability provided by Minn. Stat. §§ 604A.20-27 (as may be amended, from time to time).

CITY OF AUSTIN DUTIES

Maintenance Obligations: The City of Austin will assist the Club with maintenance by providing general oversight and facilitating the maintenance work that will be performed by Club volunteers, but will not be responsible for monitoring the day-to-day Course Area except for routine safety inspections. The City of Austin will routinely inspect the Course Area to address general safety concerns. The City of Austin will assist with and fund any repairs or clean-up that requires use of large equipment resulting from storm or flood damage. The City of Austin will provide adequate insurance coverage for Club volunteers that perform work on behalf of the Club and the City of Austin. The City of Austin will require the Club to obtain appropriate waivers of liability for any Club volunteers performing maintenance or Course Area repairs or construction that will run in favor of AU, the City of Austin and the Club.

Course Area Building: If at any time the Club should decide to extend, change or re-build current Course Area outside of normal routine maintenance the Club will be required to obtain the proper liability insurance to cover such work.

General Safety: The City of Austin will be responsible for all reported general public safety concerns involving the Course Area, and will make a determination of any appropriate signage, gates or barriers addressing general public safety concerns. The Club will provide adequate signage for Course Area markings as well time, place and manner of use restrictions. Nothing herein shall be interpreted as any waiver of any immunity held by the City of Austin whether under Minn. Stat. §§ 604A.20-27, Chapter 466, or otherwise.

Club Activities: The City hereby grants a license for the Club and Austin Cycling Team to conduct training and practice activities on the Course Area and also gives permission for the Austin Cycling Club to use the Course Area for one or more cycling events involving riders from other clubs.

Recording Fees and Taxes: AU shall pay all costs for recording, filing and deed taxes relating to this transaction and the parties shall each pay their Own attorney fees.

Indemnification: The City of Austin shall defend, indemnify and hold harmless, AU, and its directors, employees, agents, successors and assigns, from any and all claims losses, liabilities, damages, costs and expenses (including, without limitation, reasonable attorneys' fees and costs), whether direct or indirect, in law or equity, arising out of any of the activities relating to the subject of this Agreement, the Course Area, or the Club's performance or failure to perform any of its obligations under this Agreement, including but not limited to, claims arising out of the creation, construction, operation, maintenance, supervision, inspection, removal or use of the Course Area. The obligations under this paragraph shall survive the termination of this Agreement. The City of Austin acknowledges that neither AU nor the Club shall be liable for any injury or damage to property incurred or caused by members of the public who are not participating in a Club event.

No Reliance: The easement being donated by AU shall be accepted by the City of Austin on an "AS IS" basis with all faults. The property has been fully inspected by the City of Austin. THE CITY OF AUSTIN ACKNOWLEDGES THAT THE CITY OF AUSTIN IS NOT RELYING ON ANY REPRESENTATIONS OR WARRANTIES WHATSOEVER BY AU REGARDING THE PROPERTY, INCLUDING WITHOUT LIMITATION OF ANY WARRANTY OR REPRESENTATION WITHOUT REGARD TO ITS PHYSICAL CONDITION AND THE NATURE AND CONDITION OF ANY IMPROVEMENTS, ITS COMPLIANCE WITH LAWS INCLUDING ENVIRONMENTAL LAWS, OR THE ABSENCE OF HAZARDOUS SUBSTANCES THEREON, AU EXPRESSLY DECLINES ANY AND ALL SUCH REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED.

CLUB AND AUSTIN CYCLING TEAM DUTIES

Course Area–Maintenance: The Club will be responsible for day-to-day inspections of the Course Area for general maintenance concerns, and will provide volunteers who will coordinate with the City of Austin to maintain and keep the Course Area safe for public use, all in accordance with International Mountain Bike Association (IMBA) or current mountain bike skills park standards. The parties agree that AU shall have no responsibility, duty, or liability relating to those obligations. In the event that the Club or the City of Austin fails to reasonably maintain the Course Area, AU may proceed to perform or correct any nonperformance and collect from the Club or the City of Austin any additional, reasonable expenses.

Volunteers: The Club will coordinate with the City of Austin to provide volunteers assigned to work on the Course Area under this Agreement. The Club must coordinate with the City of Austin to specifically recognize these volunteers in writing as being volunteers of the City and as such, the Club recognizes that they will be under the direction and control of the City’s Parks Supervisor. These volunteers are not employees of the City of Austin.

Vandalism: The Club shall report vandalism to the Austin Police Department for handling. The City shall not be responsible to provide security or to prevent vandalism to the users of the Course Area.

No Interest in Real Property: The property to be used for the Course Area is available under this Agreement on an “AS IS” basis, and is not subject to any representation or warranty by AU of any kind or nature. The Club acknowledges that this Agreement does not convey any right, title or interest in real property to the Club. The Club has no rights as an owner, purchaser, or lessee of the Course Area by virtue hereof.

Public Use: It is understood that all members of the public may use the mountain bike Course Area for general non-motorized recreational mountain biking use. No gates or other barriers shall be installed on the mountain bike–Course Area to restrict usage by the general public, except for special events sponsored by Club or third parties, or to address safety concerns such as flooding or other hazards. The Club will not interfere with the enjoyment of other park and trail users and must abide by City of Austin Ordinances and Minnesota State laws, as applicable.

Rules and Applicable Law: AU and the City of Austin reserve the right, from time to time, to impose rules, and to modify such rules, with regard to the use of and access to the Course Area.

The Club is responsible for ensuring that all participants comply with all rules. The Club will cooperate with AU and reimburse it for all direct expenses in connection with any permits or inspections required in connection with the operation or maintenance of the Course Area. The Club agrees to comply with all applicable laws and statutes and maintain all data required by the City of Austin in the same manner as the City of Austin is required under the Minnesota Data Practices Act, Minnesota Statutes, Chapter 13.

Indemnification: The Club shall defend, indemnify and hold harmless, AU, and its directors, employees, agents, successors and assigns, from any and all claims losses, liabilities, damages, costs and expenses (including, without limitation, reasonable attorneys' fees and costs), whether direct or indirect, in law or equity, arising out of any of the activities relating to the subject of this Agreement, the Course Area or the Club's performance or failure to perform any of its obligations under this Agreement, including but not limited to, claims arising out of the creation, construction, operation, maintenance, supervision, inspection, removal or use of the Course Area. The obligations under this paragraph shall survive the termination of this Agreement. Notwithstanding the foregoing, the Club shall not be liable for any injury or damage to property incurred or caused by members of the public who are not participating in a Club event.

Club Events; Waivers; Insurance: The City will require the Club or any other third party sponsoring or otherwise putting on an event using the Course Area to agree to (a) repair, to the IMBA or current mountain bike skills park standards, any damage to the mountain bike Course Area and features, that may occur during the event; (b) obtain a written waiver from all participants in such event waiving and releasing any and all claims against the City of Austin, AU, and the Club, including their respective employees and volunteers, in a form reasonably acceptable to the City of Austin, AU and the Club; (c) defend, indemnify and hold the City of Austin and AU harmless from and against any claims by the participants in such event; (d) maintain commercial general liability insurance covering the event and any Club rides or Austin Cycling Team practice sessions, with a minimum coverage of \$1,000,000 per occurrence; \$2,000,000 annual aggregate, and name the City of Austin and AU as an additional insured under the policy; (e) provide a Certificate of Insurance to the City of Austin and AU before the event occurs demonstrating that the requirements of clause (d) are satisfied.

Removal Upon Termination: Upon termination of this Agreement for any reason, the Club shall, at its sole cost and expense, restore the Course Area to its original condition to the extent possible by removing all signage, bridges, and other construction material.

GENERAL TERMS

Term: The grant of this easement to the City of Austin is limited in time as set forth in this paragraph. The term of this Agreement and corresponding easement shall start on the Effective Date, and extend through December 31, 2026. Thereafter, this Agreement and the related easement will be automatically extended for successive calendar years unless either AU or City of Austin gives written notice to the other parties at least 30 days prior to the beginning date of the automatic extension that it does not want to automatically extend this Agreement and corresponding easement. The easement will terminate upon termination of this Agreement, and the City of Austin agrees to cooperate with AU to revoke the easement at such time. Any party may terminate this

Agreement in the event that another party is in default of performing its obligations under this Agreement to become effective after thirty (30) days prior written notice to the other party if the defaulting party has not cured its failure to perform during that 30-day period.

(a) In addition to the rights granted above, AU may immediately terminate this Agreement and the corresponding easement or suspend access to the Course Area by notice to the City of Austin in the event it is required to limit access to the Course Area in order to comply with applicable law or at the request or direction of any regulatory authority.

(b) No termination or expiration of this Agreement shall relieve the Club or the City of Austin of their obligations to perform those acts required to be performed hereunder or which, by their terms, are intended to survive the termination of this Agreement.

Assignment: Neither this Agreement, nor any rights or obligations hereunder, are assignable or transferable by any party to this Agreement. This Agreement is binding on any successors of the parties.

Severability: If any portion of this Agreement is found to be void or unenforceable, the remaining portions shall remain in full force and effect.

Entire Agreement: There are no verbal or other agreements which modify or affect this Agreement. This Agreement constitutes the full understanding between the parties and cannot be amended or modified except by written agreement signed by the parties.

No Employer Relationship: Nothing contained in this Agreement is intended to, or may be construed in any manner, as creating or establishing an employer/employee relationship between or among the parties. The Club will at all times remain an independent contractor with respect to the services to be performed under this Agreement. The City of Austin and AU are exempt from the payment of all unemployment compensation, FICA, retirement, life/and/or medical insurance and workers' compensation insurance, and any other statutory or contractual employment related obligations because Club is an independent contractor hereunder.

Notices: All notices, reports and receipts must be in writing and will be deemed duly given on (a) the date of personal, courier or overnight delivery, or (b) 3 days after the date of deposit in the United States mail, by postage-paid, certified mail, return receipt requested, addressed as follows:

Austin Utilities
1908 14th Street NE
Austin, MN 55912
Attn: General Manager

Southern Minnesota Bicycling Club
219 N Main Street
Austin, MN 55912
Attn: President

City of Austin
500 4th Ave. NE

Austin, MN 55912
Attn: Director of Parks

No Waiver: Nothing in this Agreement shall constitute a waiver of the statutory limits on liability set forth in Minnesota Statutes, Chapter 466, or a waiver of any available immunities or defenses for the City or Austin Utilities.

Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota, without giving effect to principles of conflict of laws.

The parties have executed this Agreement on the ____ day of _____, 2026.

Austin Utilities

By: Steve Greenman
Title: President
Date:

By: Tom Dankert
Title: General Manager
Date:

City of Austin, Minnesota

By: Steven M. King
Title: Mayor
Date:

By: _____
Title: City Recorder
Date:

Southern Minnesota Bicycling Club

By: Brian Andrews
Title: President
Date:

EXHIBIT A --SUBJECT PROPERTY and COURSE AREA

The Course Area is limited to all that area shaded in light pink on the attached Map, that lies within the following parcels (outlined in dark pink) (the “Subject Property”), all of which are in the County of Mower, State of Minnesota:

(Parcel no: 34-888-0020)

All that part of the SW ¼ of Section 23, Township 103, Range 18, lying east of the centerline of the Cedar River and west of the right-of-way of the Chicago, Milwaukee, St. Paul & Pacific Railroad Company.

(Parcel nos: 34-890-0040, 34-890-0041, and 39-890-0165)

All that part of the North Half of the Northwest Quarter and the North 600 feet of the South Half of the Northwest Quarter, all of Section 26, Township 103 North, Range 18 West, which lies East of the centerline the Cedar River and west of the right-of-way of the Chicago, Milwaukee, St. Paul & Pacific Railroad Company.

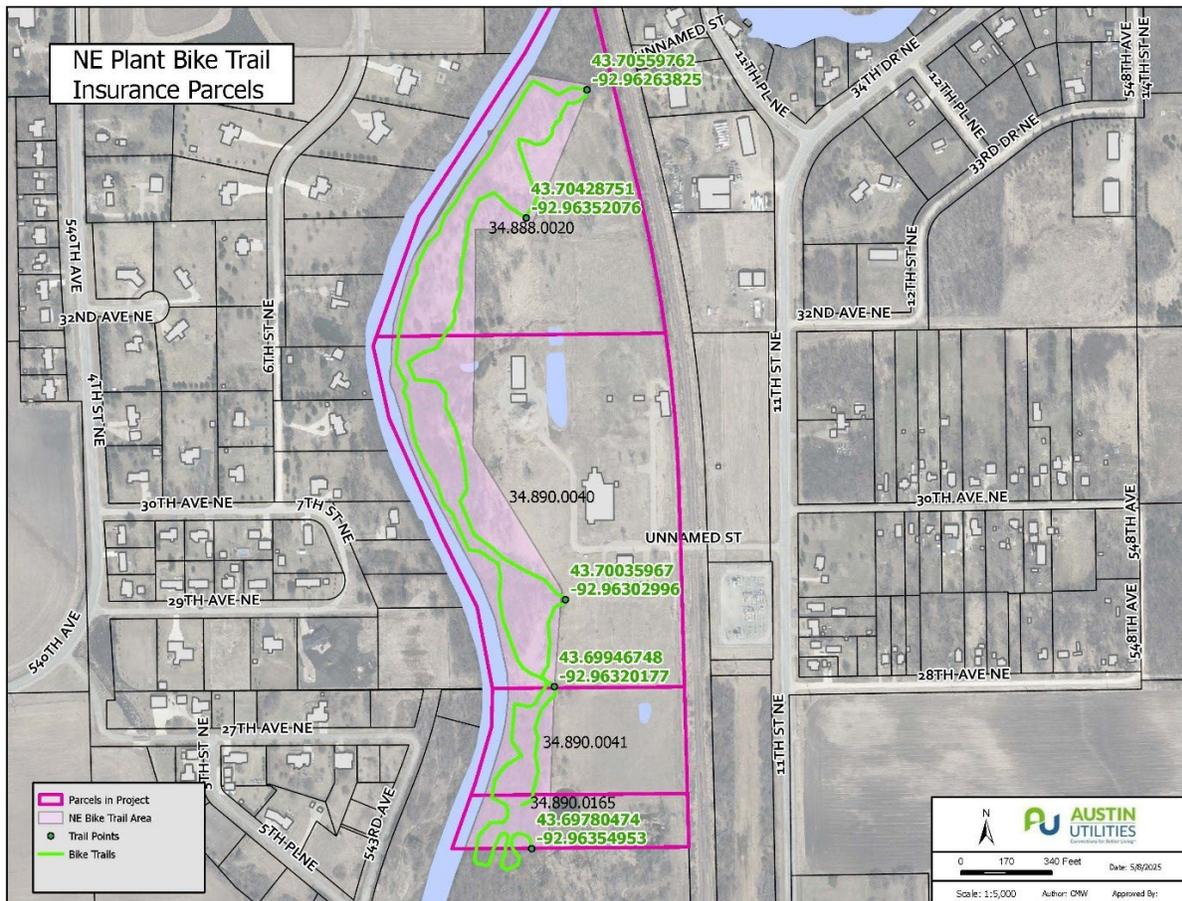


EXHIBIT B – MEMORANDUM OF AGREEMENT

MEMORANDUM OF AGREEMENT

THIS MEMORANDUM OF AGREEMENT is made and entered into as of this _____ day of _____, 2026, by and between Austin Utilities, a Minnesota Municipal Corporation (“AU”) and the City of Austin, Minnesota, a Minnesota Municipal Corporation (“**City of Austin**”) and Southern Minnesota Bicycling Club, a non-profit corporation organized under the laws of the State of Minnesota (“**the Club**”).

Recitals

The parties hereto entered into that certain Mountain Bike Course Easement Donation Agreement (the “**Agreement**”) dated _____. 2026, under which City of Austin has been granted an easement interest over and across portions of the land located in Mower County, Minnesota, legally described on Exhibit A attached hereto, together with the exclusive right to use, or permit the use of, for the purpose of a publicly accessible recreational mountain bike course area. Said land and easement area are referred to collectively herein as the “**Easement Premises.**”

NOW, THEREFORE, in consideration of the mutual covenants contained in the Agreement and for other good and valuable consideration, AU hereby grants an easement to the City of Austin, upon the terms and conditions set forth in the Agreement, which is hereby incorporated herein and made a part hereof, of the Easement Premises for a term commencing _____, 2026, and terminating upon termination of the Agreement. The parties will cooperate to revoke the easement at the time of termination of the agreement.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first written above.

[SIGNATURE PAGES TO FOLLOW]

[SIGNATURE PAGE OF AUSTIN UTILITIES
TO MEMORANDUM OF AGREEMENT]

AUSTIN UTILITIES

By: _____

Its: _____

STATE OF MINNESOTA)
)ss.
COUNTY OF MOWER)

The foregoing instrument was acknowledged before me this _____ day of
_____, 2026, by _____ the
_____ of Austin Utilities, a Minnesota Municipal Corporation, on
behalf of Austin Utilities.

(SEAL)

Notary Public

[SIGNATURE PAGE OF CITY OF AUSTIN TO
MEMORANDUM OF AGREEMENT]

CITY OF AUSTIN

By: Stephen M. King
Its: Mayor

By: _____
Its: City Recorder

STATE OF MINNESOTA)
)ss.
COUNTY OF MOWER)

The foregoing instrument was acknowledged before me this _____ day of _____, 2026, by Stephen M. King and _____, the Mayor and City Recorder of the City of Austin, a Minnesota municipal corporation, on behalf of the City of Austin.

(SEAL)

Notary Public

[SIGNATURE PAGE OF SOUTHERN MINNESOTA BICYCLING CLUB TO
MEMORANDUM OF AGREEMENT]

SOUTHERN MINNESOTA BICYCLING CLUB

By: Brian Andrews
Its: President

STATE OF MINNESOTA)
)ss.
COUNTY OF MOWER)

The foregoing instrument was acknowledged before me this _____ day of
_____, 2026, by Brian Andrews the President of the Southern Minnesota Bicycling
Club.

(SEAL)

Notary Public

Craig M. Byram
Hoversten, Johnson, Beckmann & Hovey
807 W. Oakland Ave
Austin, MN 55912
(507) 433-3483

EXHIBIT A --SUBJECT PROPERTY

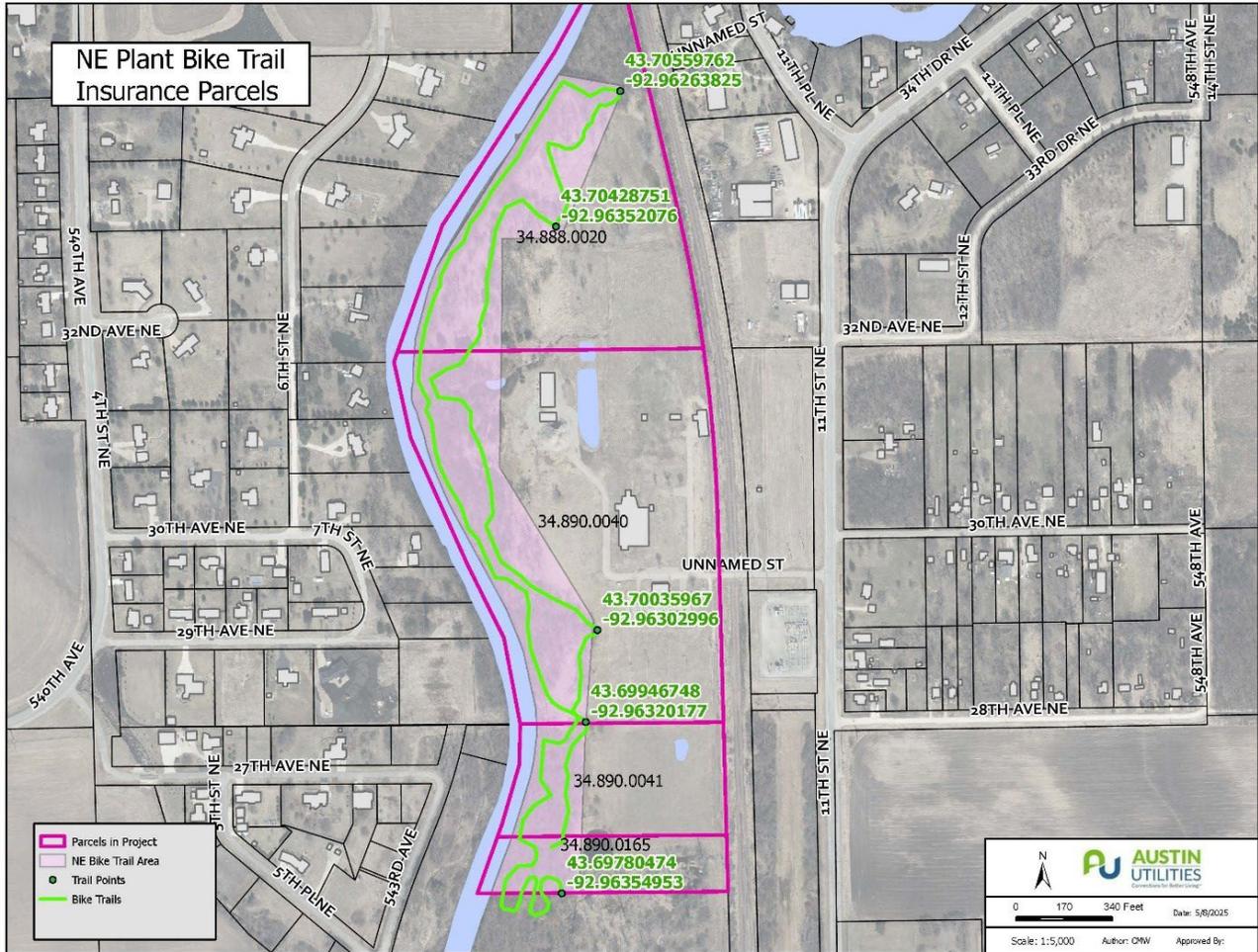
The Course Area is limited to all that area shaded in light pink on the attached Map, that lies within the following parcels (outlined in dark pink) (the “Subject Property”), all of which are in the County of Mower, State of Minnesota:

(Parcel no: 34-888-0020)

All that part of the SW ¼ of Section 23, Township 103, Range 18, lying east of the centerline of the Cedar River and west of the right-of-way of the Chicago, Milwaukee, St. Paul & Pacific Railroad Company.

(Parcel nos: 34-890-0040, 34-890-0041, and 39-890-0165)

All that part of the North Half of the Northwest Quarter and the North 600 feet of the South Half of the Northwest Quarter, all of Section 26, Township 103 North, Range 18 West, which lies East of the centerline the Cedar River and west of the right-of-way of the Chicago, Milwaukee, St. Paul & Pacific Railroad Company.



RESOLUTION NO.

RESOLUTION APPROVING A MOUNTIAN BIKE COURSE EASEMENT

WHEREAS, Austin Utilities, a Minnesota municipal corporation (“AU”), owns certain real property legally described in Exhibit A attached to and incorporated into this resolution (the “Subject Property”); and

WHEREAS, the Southern Minnesota Bicycling Club, a non-profit corporation organized under the laws of the State of Minnesota (the “Club”), with permission from AU, has established a mountain biking course on the Subject Property; and

WHEREAS, the mountain biking course is used for the activities of the Austin Cycling Team, organized under the City of Austin Park and Recreation Department (“Austin Cycling Team”); and

WHEREAS, AU desires to donate to the City of Austin, Minnesota (the “City”), a non-exclusive easement for a publicly accessible recreational mountain bike course area over and across the Subject Property; and

WHEREAS, the City of Austin and AU desire to permit the Austin Cycling Team to use the mountain bike course area for regular practices and team events; and

WHEREAS, the City Council finds that the donation of the easement and the continued use of the Subject Property for recreational purposes serves a valid public purpose and promotes health, recreation, and community engagement within the City.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Austin approves of the donation of the easement and Authorizes the Mayor and City Administrator to sign the attached agreement.

Passed by a vote of yeas and nays this 20th day of January, 2026.

YEAS

NAYS

ATTEST:

APPROVED:

City Clerk

Mayor

City of Austin
Craig Clark,
City Administrator



500 Fourth Avenue N.E.
Austin, Minnesota 55912-3773
Phone: 507-437-9941
craigc@ci.austin.mn.us
www.ci.austin.mn.us

MEMORANDUM

TO: Mayor & City Council

FROM: Craig D. Clark
City Administrator

RE: Outline of terms – 2026 – 2028
United Auto Workers (UAW) Street and Sewer Department, Wastewater
Treatment Plant Department and Parks Department

DATE: January 14, 2026

Members of the United Auto Workers (UAW) Street and Sewer Department, Wastewater Treatment Plant Department and Parks Department met recently and approved a contract extension for years 2026 – 2028. The contract has been signed by the bargaining unit stewards of the union and are inclusive of the details of the MOA we have approved/visited about previously related to health care. I want to personally thank Mr. Frickson, their UAW business agent, Mr. Dudycha, their local union contact as well as the various stewards who were a part of a cordial process where we were able to come to an agreement that values our relationships and supports our strong and critical workforce.

Below is a summary of the agreement which would be pending your consideration and approval. Continued implementation of the Base Pay Structure (BPS) is also a part of the contract approval. Details for the Street and Sewer Maintenance Department Contract (Exhibit 1) include but are not limited to the following:

- No change to the health care contributions by the employer on a 75/25 dollar allocation between the employer and employee;
- Increases of 3.75%, 3.75% and 3% to the wage schedule;
- Update of Juneteenth as a recognized holiday;
- Establishment of a more flexible work schedule that could include a 10 hour work day during summer months 6.3;
- Adjustment for the Minnesota's Earned Sick and Safe Leave law while instituting a new cap of 720 hours of sick leave for employees hired after 1/1/26, hires after Jan. 1 2006 will have time accrued paid out at the same 50% and new accruals at 100% payout from Jan. 1 2026, while those hired before Jan. 1 2006 will continue to get 100% payout as they have;

- Provide vacation at time of hire and accelerate the years of service vacation schedule and eliminate the 240 hours of vacation for any new hires after Jan. 1, 2026;
- Provide carry forward of up to 40 vacation hours;
- Make out year contributions for health care the same as provided to non-union employees to avoid the end of the year MOU scramble;
- Increase the amount of sick leave bank that can be used for health care deductible costs from \$750-\$1,000;
- Elimination of the requirement to provide a long-term care disability program that had little use;
- Clarify when call back pay is incurred;
- Provide uniforms for sewer maintenance employees and provide a separate boot allowance while increasing the clothing allowance for street maintenance employees from \$225-\$275
- Adjust the use of “red hours” from 32 to 24 and
- Establish a duration of three years through 2028.

Details of the for the Wastewater Treatment Plant Department Contract (Exhibit 2) include but are not limited to the following:

- No change to the health care contributions by the employer on a 75/25 dollar allocation between the employer and employee;
- Increases of 3.75%, 3.75% and 3% to the wage schedule;
- Update of Juneteenth as a recognized holiday;
- Adjustment for the Minnesota’s Earned Sick and Safe Leave law while instituting a new cap of 720 hours of sick leave for employees hired after 1/1/26, hires after Jan. 1 2006 will have time accrued paid out at the same 50% and new accruals at 100% payout from Jan. 1 2026, while those hired before Jan. 1 2006 will continue to get 100% payout as they have;
- Provide vacation at time of hire and accelerate the years of service vacation schedule and eliminate the 240 hours of vacation for any new hires after Jan. 1, 2026;
- Provide carry forward of up to 40 vacation hours;
- Make out year contributions for health care the same as provided to non-union employees to avoid the end of the year MOU scramble;
- Increase the amount of sick leave bank that can be used for health care deductible costs from \$750-\$1,000;
- Elimination of the requirement to provide a long-term care disability program that had little use;
- Modify “on call” pay from a dollar amount of \$1.50 per hour to 4 hours of compensatory time for each week employees have to be ready to respond to alarm calls;
- Adjust “red hours” from 32 down to 24;
- Provide uniforms for employees and a separate boot allowance of \$125 and
- Establish a duration of three years through 2028.

Details of the for the Parks Department Contract (Exhibit 3) include but are not limited to the following:

- No change to the health care contributions by the employer on a 75/25 dollar allocation between the employer and employee;
- Increases of 3.75%, 3.75% and 3% to the wage schedule;
- Update of Juneteenth as a recognized holiday;
- Adjustment for the Minnesota's Earned Sick and Safe Leave law while instituting a new cap of 720 hours of sick leave for employees hired after 1/1/26, hires after Jan. 1 2006 will have time accrued paid out at the same 50% and new accruals at 100% payout from Jan. 1 2026, while those hired before Jan. 1 2006 will continue to get 100% payout as they have;
- Provide vacation at time of hire and accelerate the years of service vacation schedule and eliminate the 240 hours of vacation for any new hires after Jan. 1, 2026;
- Provide carry forward of up to 40 vacation hours;
- Eliminate April 1 vacation list according to seniority;
- Make out year contributions for health care the same as provided to non-union employees to avoid the end of the year MOU scramble;
- Increase the amount of sick leave bank that can be used for health care deductible costs from \$750-\$1,000;
- Elimination of the requirement to provide a long-term care disability program that had little use;
- Provide flexibility for scheduled hours with less than 7 hour notice where mutually agreed to by the employee and employer;
- Adjust "red hours" from 32 down to 24 and
- Establish a duration of three years through 2028.

Let me know if you have any questions. Should Council concur, we would ask for the following motion to approve the three resolutions for each group which covers all three bargaining groups.

Approve Exhibits 1-3 for the contracts with UAW Street and Sewer, Wastewater and Parks for 2026 – 2028 and authorize the Mayor to sign and Administrator to attest the agreement.

AGREEMENT BETWEEN

**INTERNATIONAL UNION, UNITED AUTOMOBILE,
AEROSPACE, AGRICULTURAL IMPLEMENT WORKERS OF
AMERICA
(UAW), LOCAL 867**

STREET AND SEWER MAINTENANCE DEPARTMENT

AND

THE CITY OF AUSTIN, MINNESOTA

2026 – 2028

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ARTICLE 1

INTENT AND PURPOSE

- 1.1 This Agreement, entered into between the City of Austin, hereinafter referred to as the Employer, and the International Union, United Automobile, Aerospace, Agricultural Implement Workers of America (UAW), and its Local 867, hereinafter referred to as the Union, contains the terms of the negotiated agreement to conform with the Public Employment Labor Relations Act, as amended.

ARTICLE 2

RECOGNITION

- 2.1 The Employer recognizes the Union as the exclusive representative for the collective bargaining purposes and to have a representative of their choosing for all employees of the Street Maintenance and Sewer Maintenance, hereinafter referred to as Employee(s) in the following classifications:

Street:

Street Maintenance

Machine Operator

Mechanic

Sewer Maintenance:

Machine Operator

Maintenance

ARTICLE 3

EMPLOYER AUTHORITY

- 3.1 The Employer retains the full and unrestricted right to operate and manage all manpower, facilities, and equipment; to establish functions and programs; to set and amend budgets; to determine the utilization of technology; to establish and modify the organizational structure; to select, direct and determine the number of personnel; to establish work schedules; shifts and hours; to contract for goods or services; to make and enforce reasonable rules and regulations; to take any and all actions necessary to carry out the operations of the Employer in situations involving a disaster or emergency consistent with the terms and conditions listed in this Agreement to the extent practicable; to hire, promote, assign and transfer employees; to demote, suspend, discipline and discharge employees; to lay off employees; to assign duties, tasks, jobs, hours, shifts and overtime to employees; and to perform any inherent managerial function not specifically limited by this Agreement.

- 3.2 Any term and condition of employment not specifically established or modified by this Agreement shall remain solely within the discretion of the Employer to modify, establish, or eliminate.

ARTICLE 4

WAIVER

- 4.1 Any and all prior agreements, resolutions, practices, policies, rules and regulations regarding terms and conditions of employment, to the extent inconsistent with the provisions of this Agreement, are hereby superseded.

- 4.2 The parties mutually acknowledge that during the negotiations, which resulted in the Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any terms or conditions of employment not removed by law from bargaining. All agreements and understandings arrived at by the parties are set forth in writing in the Agreement for the stipulated duration of this Agreement. The Employer and the Union each voluntarily and unqualifiedly waives the right to meet and negotiate regarding any and all terms and conditions of employment referred to or covered in this Agreement or with respect to any term or condition of employment not specifically referred to or covered by this Agreement, even though such terms or conditions may not have been within the knowledge or contemplation of either or both parties at the time this contract was negotiated or executed.

ARTICLE 5

EMPLOYEE RIGHTS – GRIEVANCE PROCEDURES

5.1 DEFINITION OF A GRIEVANCE

A grievance is defined as a dispute or disagreement as to the interpretation or application of the specific terms and conditions of this Agreement.

UNION REPRESENTATIVES

The Employer will recognize representatives designated by the Union as the grievance representatives of the bargaining unit having the duties and responsibilities established by this Article. The Union shall notify the Employer in writing of the names of such Union representatives and of their successors when so designated.

PROCESSING OF A GRIEVANCE

It is recognized and accepted by the Union and the Employer that the processing of grievances hereinafter provided is limited by the job duties and responsibilities of the employees and shall therefore be accomplished during normal working hours only when consistent with such employee duties and responsibilities. The aggrieved employee and the Union Representative shall be allowed a reasonable amount of time without loss in pay when a grievance is investigated and presented to the Employer during normal working hours provided the employee and the Union Representative have notified and received the approval of the designated supervisor who has determined that such absence is reasonable and would not be detrimental to the work programs of the Employer.

PROCEDURE

Grievance, as defined by Section 5.1, shall be resolved in conformance with the following procedure:

Step 1. An employee claiming a violation concerning the interpretation or application of this Agreement shall, within fourteen (14) calendar days after such alleged violation has occurred, present to and discuss such grievance to the employee's supervisor as designated by the Employer. The Employer-designated representative will give an answer to such Step 1 grievance within ten (10) calendar days after the discussion. A grievance not resolved in Step 1 and appealed to Step 2 shall be placed in writing setting forth the nature of the grievance, the facts on which it is based, the provision or provisions of the

ARTICLE 5

EMPLOYEE RIGHTS – GRIEVANCE PROCEDURES (continued)

Agreement allegedly violated, and the remedy requested and shall be appealed to Step 2 within ten (10) calendar days after the Employer-designated representative's final answer in Step 1. Any grievance not appealed in writing to Step 2 by the Union within ten (10) calendar days shall be considered waived.

Step 2. If appealed, the written grievance shall be presented by the Union and discussed with the City Administrator or designee. The City Administrator or designee shall give the Union the Employer's Step 2 answer in writing within the (10) calendar days after receipt of such Step 2 grievance. A grievance not resolved in Step 2 may be appealed to Step 3 within ten (10) calendar days following the City Administrator or designee final Step 2 answer. Any grievance not appealed in writing to Step 3 by the Union within ten (10) calendar days shall be considered waived.

Step 3. A grievance unresolved in Step 2 and appealed in Step 3 shall be submitted to arbitration. The Employer and the Union representative shall endeavor to select a mutually acceptable arbitrator to hear and decide the grievance. If the parties cannot agree on an arbitrator, the selection of an arbitrator shall be made in accordance with the Rules established by the Bureau of Mediation Services.

ARBITRATOR'S AUTHORITY

- A. The arbitrator shall have no right to amend, modify, nullify, ignore, add to, or subtract from the terms and conditions of this Agreement. The arbitrator shall consider and decide only the specific issue(s) submitted in writing by the Employer and the Union, and shall have no authority to make a decision on any other issue not so submitted.
- B. The arbitrator shall be without power to make decisions contrary to, or inconsistent with, or modifying or varying in any way the application of laws, rules, or regulations having the force and effect of law. The arbitrator's decision shall be submitted in writing within thirty (30) days following the close of the hearing or the submission of briefs by the parties, whichever be later, unless the parties agree to an extension. The decision shall be binding on both the Employer and the Union and shall be based solely on the arbitrator's interpretation or application of the express terms of this Agreement and to the facts of the grievance presented.

ARTICLE 5

EMPLOYEE RIGHTS – GRIEVANCE PROCEDURES (continued)

- C. The fees and expenses for the arbitrator's services and proceedings shall be borne equally by the Employer and the Union provided that each party shall be responsible for compensating its own representatives and witnesses. If either party desires a verbatim record of the proceedings, it may cause such a record to be made, providing it pays for the record. If both parties desire a verbatim record of the proceedings the cost shall be shared equally.

WAIVER

If a grievance is not presented within the time limits set forth above, it shall be considered "waived". If a grievance is not appealed to the next step within the specified time limit or any agreed extension thereof, it shall be considered settled on the basis of the Employer's last answer. If the Employer does not answer a grievance or an appeal thereof within the specified time limits, the Union may elect to treat the grievance as denied at that step and immediately appeal the grievance to the next step. The time limit in each step may be extended by mutual agreement of the Employer and the Union.

ARTICLE 6

HOURS OF WORK

- 6.1 The normal work year for regular fulltime City employees will be 2080 hours.
- 6.2 Employees may cash out accumulated compensatory time at their base rate of pay established in 17.1 of this Agreement and paid out as budget allows. Employees that wish to cash out compensatory time, must elect to do so; sign-up will be offered for pay outs by June 30 and December 15.

Employees will be allowed to carry over a maximum of 40 hours of compensatory time from calendar year to calendar year. Employees with less than five years of employment may carry over a maximum of 80 hours from calendar year to calendar year.

For those employees who fail to make an election as to how many hours, they will carry over into the next calendar year, the entire balance of accrued compensatory time will be paid out at the employee's base rate of pay specified in 17.1 of this Agreement and paid by December 15 of that year.

Compensatory time accrued after payment of compensatory time may be allowed to be carried over to the next calendar year provided the employee remains under the applicable maximum carry over. Hours in excess of the applicable maximum carry over will be paid out on the payroll for the pay period that included December 31.

For those compensatory hours which were the direct result of a snow removal event, following the required December 15 payout election, and were otherwise unable to utilize this time within the remaining calendar year, individuals may exceed the maximum carry over by this amount.

- 6.3 The Employer may establish work schedules, including workdays exceeding eight (8) hours, in order to meet operational needs and maintain service coverage. The specific scheduling of hours and days of work shall be determined at the sole discretion of the Employer.

ARTICLE 7

SENIORITY

- 7.1 The Employer agrees to recognize the principles of seniority giving preference of employment, jobs, and advancement to employees and former employees on the basis of length of seniority.
- 7.2 In the case of layoff for lack of work, the youngest in point of seniority shall be the first layoff. When the force is increased, those formerly laid off shall be rehired before others are hired. They shall be rehired in the order of their seniority – the oldest first, etc. As vacancies occur, notice of the same shall be posted giving the employees the opportunity, on the basis of seniority, to fill the vacant job. This article shall not be construed in such a way as to give anyone claim to a job, the duties of which he or she is clearly unable to perform. The exceptions to seniority as provided in this paragraph shall be by mutual agreement of the parties hereto
- 7.3 Layoffs: A fulltime permanent non-probationary employee who is laid off shall have first option to fill any other vacant fulltime, permanent position which the Employer posts for filling in the Austin Street and Sewer Maintenance Department and Park and Recreation Department, subject to Department seniority provisions, provided the employee is qualified and has had a satisfactory work record and meets the qualifications of the vacant position. The positions for which this agreement covers are those positions listed in the labor agreement for Park and Recreation Department and Street and Sewer Maintenance Department.
- 7.4 Any employee who is laid off for lack of work and who, before being called back to work, would get another job either temporarily or permanently, will be granted ten (10) days (after being notified by the City) without any loss of their seniority rights.
- 7.5 All job vacancies will be posted within ten (10) days following the vacancies, if the Employer plans to fill the vacant position. When the job is filled, a notice shall be posted with the employee's name and starting date.
- 7.6 The first six (6) months after employment shall be considered as a probationary training period, and no seniority shall be held during such time. During the probationary period, the Employee may be disciplined, demoted, transferred or discharged at the sole discretion of the Employer. Upon completion of the probationary period, seniority shall date back to the original date of hire.
- 7.7 All job openings shall be posted for a period of seventy-two (72) hours. The job shall first be filled by seniority in the applicable Street or Sewer Department, and then the position will be open for hire to both internal and external applicants or appointments.

ARTICLE 7

SENIORITY (continued)

- 7.8 All employees receiving jobs in accordance with their seniority shall be given thirty (30) days in which to qualify for the job. In the event of disqualification, said employee shall, without impairment of seniority rights, return to the job they left immediately preceding the set up. All vacated jobs shall be re-posted within ten (10) days.
- 7.9 An understanding and explanation of each job opening in regard to the rate of pay, classification, length of job, and starting date of job, shall be included and made a part of the job posting list at all times.
- 7.10 The seniority list of all employees in the Street and Sewer Maintenance Department shall be posted on the bulletin board at the Public Works Warehouse at all times.
- 7.11 The Employer may direct the employee to perform any daily duty or responsibility including the duties and responsibilities of higher classification provided, however, that if they perform the daily duties and responsibilities of a higher classification, they shall be entitled to the rate of pay for the higher classification provided further that they work a minimum of one (1) hour. They will be paid for work in addition to the first hour in one-half hour increments.
- 7.12 In order to promote efficiency in the utilization of Employer employees, the Employer may assign employees from the Street and Sewer Maintenance Department or the Park and Recreation Department to work in the other department to perform the work as directed and scheduled by the Employer in the other department within their qualifications to the best of their ability.
- 7.13 Postings are to be signed by regular fulltime employees only. Any person signing a job posting must accept if they get the job.
- 7.14 For the purposes of 7.2 and 7.3 only, "seniority" means an employee's length of continuous employment with the Employer.

ARTICLE 8

SICK LEAVE

- 8.1 All sick and safe leave usage and administration under this section shall be consistent with Minnesota's Earned Sick and Safe Leave law, as amended from time to time.
- 8.2 Regular fulltime employees working forty (40) hours per week will accrue sick and safe leave at the rate of eight (8) hours per month of service, for a total of ninety-six (96) hours per calendar year, pro-rated as necessary based on a 2,080-hour work year. Sick and safe leave may be used as it is accrued.
- 8.3 Employees hired before January 1, 2026 may accrue sick and safe leave without any accumulation limit. Employees hired on or after January 1, 2026 will be subject to an accumulation threshold of 720 hours. Sick and safe leave will not accrue beyond this threshold until the employee's balance falls below 720 hours.
- 8.4 Sick and safe leave may be used when an employee is unable to perform their regular duties due to illness, injury, or for any purpose permitted under applicable state or federal law. Sick and safe leave may be used as it is accrued in the smallest increment of time tracked by the City's payroll system. Employees shall properly designate their use of sick and safe leave on their timesheet, and used leave will be deducted on a first-in, first-out basis. The Employer may request reasonable documentation if an employee's absence exceeds two consecutive scheduled workdays.
- 8.5 Payment of accumulated unused sick and safe leave, together with accumulated vacation leave, shall not exceed an amount equivalent to one (1) year of the employee's present rate of pay at the time of retirement or involuntary layoff. Layoff includes any termination enacted by the City that is not a disciplinary action.

Employees hired before January 1, 2006 shall have their accumulated sick and safe leave paid out at one hundred percent (100%) of accumulation.

Employees hired on or after January 1, 2006 and prior to January 1, 2026 shall have all sick leave hours accrued and unused as of December 31, 2025 paid at fifty percent (50%) of accumulation, and all sick and safe leave hours accrued on or after January 1, 2026 paid at one hundred percent (100%) of accumulation.

Employees hired on or after January 1, 2026 shall have their accumulated sick and safe leave paid out at one hundred percent (100%) of accumulation and remain subject to the accrual limits outlined in Section 8.3.

To qualify for payment of unused sick and safe leave upon retirement, the employee must submit a written notice of retirement to their department head at

ARTICLE 8

SICK LEAVE (continued)

least fourteen (14) calendar days prior to the retirement date, must actually retire, and must meet the applicable PERA retirement requirements.

If death occurs before retirement, accumulated sick and safe leave will be paid to the employee's designated beneficiary; if none is designated, payment will be made to the spouse, and if no spouse survives, to the employee's estate.

- 8.4 An employee disabled by an accident arising out of and in the course of their employment, may, upon their return to work, apply any unused portion of their sick leave or vacation upon any part of their period of disability for which they are not entitled to draw workers' compensation.

ARTICLE 9

JURY DUTY

- 9.1 All of the employees shall be granted a leave of absence for jury duty or if subpoenaed as a witness in court. The employee shall be compensated the difference of their regular rate of pay and that received for such duty, by the Employer. If the employee reports for jury duty/witness in court and is subsequently excused from such duty, they shall return at once to their regular work.
- 9.2 The employee, in order to receive the difference in their regular pay and that received for jury duty or witness in court, shall present their jury duty/witness check to the Employer for verification.

ARTICLE 10

LEAVE OF ABSENCE

- 10.1 Per Minn. Stat. §179A.07, subd. 6, the Employer will afford reasonable time off to elected officers or appointed representatives of the exclusive representative to conduct the duties of the exclusive representative.
- 10.2 Seniority shall accumulate while employees are on leave of absence without pay.
- 10.3 Paid leave time will not accrue during unpaid leaves of absence except as otherwise provided by law.
- 10.4 Failure of an employee to return to work after expiration of their leave may result in termination of employment at the discretion of the Employer.

ARTICLE 11

HOLIDAYS

11.1 All regular, fulltime employees in each contract year shall be permitted twelve (12) paid holidays (96 benefit hours), as follows,

New Year's Day	Independence Day
Martin Luther King, Jr. Day	Labor Day
President's Day	Veterans Day
Good Friday	Thanksgiving Day
Memorial Day	Day After Thanksgiving Day
Juneteenth	Christmas Day

11.2 If a holiday falls on Saturday, Friday before shall be observed as a holiday.

11.3 If a holiday falls on Sunday, the following Monday shall be observed as a holiday.

ARTICLE 12

VACATIONS

- 12.1 Employees shall begin accruing vacation on their date of hire. Vacation for the initial partial year of employment shall be prorated from the date of hire through December 31, using an annual allotment of 80 hours as the basis for calculation.

Effective the following January 1, employees shall receive the full 80-hour vacation allotment. Thereafter, employees shall continue to receive vacation in accordance with the ongoing vacation accrual schedule.

- 12.2 Employees will be awarded vacation annually on January 1 based on years of service.
- 1 year of service – 80 hours
 - 4 years of service – 120 hours
 - 8 years of service – 160 hours
 - 12 years of service – 200 hours
 - 22 years of service – 240 hours

Employees hired prior to January 1, 2026, remain eligible to accrue up to 240 hours of vacation annually at 22 years of service, while employees hired on or after January 1, 2026 will have a maximum accrual limit of 200 hours.

Vacation increases based on years of service will be awarded according to the following schedule:

If an employee's anniversary date falls between January 1 and June 30, the vacation increase will be credited on January 1 of that same year.

If an employee's anniversary date falls between July 1 and December 31, the vacation increase will be credited on January 1 of the following year.

Employees may carry over up to 40 hours of unused vacation into the following calendar year.

- 12.3 The maximum number of hours an Employee is allowed to use vacation in a calendar year is 240 hours, except vacation time used by an employee during FMLA leave does not count towards this maximum. An employee with twenty-two (22) years of seniority shall only be entitled to 240 consecutive hours of vacation during the months of November, December, January and February. During the months of March, April, May, June, July, August, September and October, employees are only allowed to use a maximum 80 hours of vacation, except that vacation time use by an employee during FMLA leave does not count towards this maximum. (Any deviation from the above clause shall be arranged mutually in writing between the City Engineer, the Department, and the employee.)

ARTICLE 12

VACATION (continued)

- 12.4 Vacation time used must be approved by the supervisor.
- 12.5 The supervisor shall prepare a vacation list by the 1st of April and arrange the vacations according to seniority. Employees may change their vacation time with another employee if mutually agreed upon between themselves and the supervisor.
- 12.6 Employees may take their vacation a day at a time upon notification and approval of the supervisor in their respective departments. The above is limited to one week of their vacation and shall apply to one person in each department.
- 12.7 Employees with broken service will be allowed to bridge back time at the rate of one (1) month for each year of service for vacation purposes only.

ARTICLE 13

BEREAVEMENT LEAVE

- 13.1 Bereavement leave will be granted to regular fulltime employees for a maximum of two (2) days for the purpose of bereaving the death of a member of their immediate family, provided the employee makes the arrangements with and it is approved by the supervisor of their department. This leave must be used within 30 calendar days of the death of the family member.
- 13.2 For purpose of the above paragraph, a member of the immediate family means the employee's spouse, child, stepchild, grandchild, mother, father, stepparent, sister, brother, step sibling, mother-in-law, father-in-law, employee's and spouse's grandparents, spouse's stepparent, brother-in-law and sister-in-law.

ARTICLE 14

EMPLOYEE'S INSURANCE PROGRAM

- 14.1 The employer agrees to continue to make a base medical insurance program available, similar to the one in effect on the date of this agreement, subject to the limitations, benefits and conditions established by the contract between the employer and the insurance carrier, or a plan with a comparable or increased aggregate value of benefits, as determined by an actuarial value. The employer reserves the right to change from a fully-insured health plan to a self-insured plan provided that the aggregate value, as determined by an actuarial value, is not changed.

In the event the City offers additional health insurance plans, these optional plans are not negotiated plans and changes to these plans may be made at the employer's discretion, including changing from a self-insured health plan to a fully insured health plan. Employees who choose an optional plan, must pay any difference if the cost is greater than the cost of the negotiated plan. These optional plans shall not be negotiated nor subject to M.S. 471.6161 and any additional plans may be added at the City's sole discretion.

Employee premium contributions for health insurance coverage shall be the same as those approved by the City Council for non-union employees. Any changes to premium contribution levels or plan options approved by the City Council shall apply equally to all eligible employees.

City contribution shall not exceed the total monthly premium payment.

There will be an enrollment period each year for coverage effective January 1 of the next year. Employees may change plans during this enrollment period with their choice effective January 1st through December 31st. The coverage for the insured employee and family must be by the same plan each year.

- 14.2 In the event the health insurance provisions of this agreement fail to meet the requirements of the Affordable Care Act, the Bargaining Unit and Employer will meet and confer over alternative provisions so as to comply with the Act.
- 14.3 The Employer shall pay the Employer's share of the premium for six (6) months for all employees who are on leave of absence because of sickness. Leaves of absence for military service or other reasons will not be covered.
- 14.4 The Employer shall pay the Employer's share of the premium for twelve (12) months for all employees who are disabled with compensable disability.
- 14.5 The Employer shall pay the premium for a \$40,000 term life insurance policy with accidental death and dismemberment.

ARTICLE 14
EMPLOYEE'S INSURANCE PROGRAM
(continued)

- 14.6 New employees will sign authorization cards for insurance benefits, excluding health insurance, on the first day of fulltime employment and the insurance will be in effect the first day of the month following the third (3rd) month. Health insurance benefits will be effective the first of the month following one (1) month of employment.
- 14.7 For hours an employee is compensated under the Worker's Compensation Act, the employee will be paid the difference between their regular base pay and worker's compensation wage benefits for the first thirty (30) calendar days after the injury.
- 14.8 The Employer will allow for use of up to a maximum of \$1,000 per year from the employee's accumulated sick and safe leave account of equal or greater value, which can be applied each year toward satisfying deductible costs. Payment to be in the form of reimbursement after the deductible cost has been paid by the insured and receipts submitted to the Employer showing payment.
- 14.9 All employees will participate in a Post-Employment Health Care Savings Plan through the Minnesota State Retirement System (MSRS). Per Minn. Stat. §352.98, the Employer will setup and administer the program as defined and determined by MSRS. Employees will contribute one percent (1%) of their salary to the Post Employment Health Care Savings Plan.

ARTICLE 15

PREMIUM PAY

- 15.1 Where an employee's regular job requires that they must work on one of the observed holidays established in 11.1, they will receive another day off in lieu thereof.
- 15.2 Employees will be paid at a rate of one and one-half times their base rate of pay in 17.1 for all hours worked:
- A. Between 7:00 PM and 5:00 AM, except for such hours worked that were scheduled by Employer at least 7 calendar days prior to the day the hours are worked.
 - B. Between 5:00 AM and 7:00 AM if the employee began working 12:00 AM or later the same calendar day, except for hours worked that were scheduled by Employer at least 7 calendar days prior to the day the hours are worked.
 - C. Over the employee's scheduled workday, which may be eight (8) or ten (10) hours depending on the assigned schedule. When an employee is assigned to and scheduled for a ten-hour workday, as determined at the sole discretion of the Employer, overtime compensation shall be paid for hours worked in excess of ten (10) hours in one day.
 - D. On Saturday except regularly scheduled personnel.
- 15.3 Employees will be paid at a rate of twice their base rate of pay in 17.1 for all hours worked:

On Sunday, except (i) during snow removal, or (ii) for those employees on a seven (7) day operation, on holidays.

- 15.4 Employees who are recalled to work after having completed and left from their regularly scheduled shift, and who physically report to work for hours that were not scheduled by the Employer at least seven (7) calendar days in advance, shall receive a minimum of two (2) hours of call-in pay for work performed beginning at 3:00 PM or after the end of the employee's regularly scheduled shift, whichever is later.

If the employee works more than one and one-quarter (1.25) hours, they shall be paid at one and one-half (1½) times the employee's base rate of pay as provided in 17.1 of this Agreement. This provision shall apply only to hours worked between 3:00 PM and 5:00 AM, Monday through Saturday.

Call-in pay shall not apply to:

- A. Work that is a continuation or extension of an employee's regular scheduled shift.

ARTICLE 15

PREMIUM PAY (continued)

- 15.5 For the purpose of computing premium pay in 15.2 through 15.4. time worked shall not be pyramided, compounded or paid twice for the same hours worked.
- 15.6 For the purpose of reducing the total yearly average of an employee, or when because of the weather or some other conditions, there is no suitable work available, the supervisor may give an employee either full days or part days off. Such "time off" will not be considered vacation; sick and safe leave, holidays or accumulated time and the employee will not be deducted in pay for such time off. If a fiscal emergency is declared by the City Council, Employer reserves the right to be able to send employees home (layoff) and accumulated time cannot be used.
- 15.7 When, in the opinion of the supervisor, the Employer's work will not be negatively impacted, then for the convenience of the employee, "off time" that will not be considered as vacation, sick and safe leave or holidays can be arranged between the supervisor and the employee. However, the Council feels that there is a danger of this privilege being misused by the supervisor and the employee and asks both to use good judgment in asking for the granting of this privilege.
- 15.8 An efficiency allowance of \$10.00 will be provided to employees for those times when working through a mealtime or after 5:00 PM of continuous work following their regularly scheduled hours at the discretion of the Employer. This provision does not apply to snow removal.
- 15.9 The maximum number of red hours shall not exceed 24 hours. Overtime hours earned will reduce red hours by the same amount. No employee will receive cash or compensatory time for overtime hours to the extent they have accumulated red hours. Red hours must be deducted from accumulated vacation time, whenever an employee terminates employment unless it is due to retirement or death

ARTICLE 16

GENERAL

- 16.1 Upon presentation of an authorized check-off dues card to the Employer, the Employer shall make the necessary deductions and remit the same to Local 867, United Auto Workers of Austin, Minnesota.
- 16.2 Street maintenance and machine operators shall be held responsible for the operation of their respective trucks and machines, in as much as it will be the duty of the street maintenance and machine operators to check their truck or equipment before leaving the garage on the beginning of their tour of duty as to water, gas, oil and tires. On return of the truck or equipment to the garage, they will report all defects of operations to the Shop Supervisor.
- 16.3 All fulltime employees are required to have a Commercial Driver's License. Failure to maintain such a license may be cause for termination.
- 16.4 Employer will contribute up to \$200.00 every two years toward the purchase of prescription safety glasses according to the following rules:
 - A. Glasses must meet OSHA regulations.
 - B. Glasses must include side clamps.
 - C. Employee must receive an estimate and get approval prior to purchase.
 - D. A plastic lens will be used and it shall be coated with a scratch-proofing compound.
 - E. Employer contribution shall be available on an every-other year basis.
 - F. The payment paid to vendor by Employer or reimbursed to employee from appropriately detailed receipt.
 - G. No carry-over beyond the two-year time period.
- 16.5 Any employee wishing experience on an operator's job will submit a letter to that effect, with one copy to the supervisor, one to the Union and one for their own record.
- 16.6 Any time the Employer conducts an investigatory interview that the employee reasonably believes may result in discipline, they have the right to have the steward present.
- 16.7 Post accumulated hours on the bulletin board weekly.

ARTICLE 17

PAY PLAN

- 17.1 In calendar years 2026, 2027 and 2028, respectively, employees will be paid the base pay as provided in employer's base pay schedule for the respective calendar years, which are attached hereto as reference:

Job Title	Pay Grade
Street	
Street Maintenance	6
Street - Machine Operator	10
Street - Mechanic	13
Sewer Maintenance	
Sewer Maintenance	7
Sewer Maintenance - Machine Operator	10

ARTICLE 18

DISCIPLINARY PROCEDURES

18.1 When it becomes necessary to take disciplinary action as to any Employee, the following procedures shall be followed:

- A. Notify the employee and Union of the deficiency by written notice and of the disciplinary action proposed to be taken.
- B. If not corrected, or deficiency persists, notify employee and Union of disciplinary action taken.

The above does not apply to flagrant abuses or cases where immediate dismissal or other disciplinary action is required or for immediate termination for just cause.

ARTICLE 19

HOURLY EMPLOYEES

- 19.1 This Article of the Agreement covers only the temporary employees, generally known as the hourly employees. Employees under this classification do not gain seniority rights and the following regulations and rate of pay govern them.
- 19.2 All hourly rated employees must complete 2,080 hours of work for the Employer, before they are entitled to any vacation.. They shall then be entitled to six (6) hours and forty (40) minutes vacation for every month of service they work from the beginning month immediately following 2,080 hours of service. Employee's service does not have to be continuous service for them to be entitled to vacation.
- 19.3 When an Employee qualifies for a change in classification, in the opinion of the Employer and the head of the department, they shall be paid the rate for the new classification they are qualified for upon notification to the Employer.
- 19.4 Hourly employees who have worked in excess of 2080 hours cumulative as street maintenance will be moved over to the street maintenance rate of a fulltime employee
- 19.5 Vacation will be based on time worked after employee has completed 2080 hours. When an hourly employee becomes fulltime the time worked pro-rata since having completed 2080 hours, as an hourly employee would count for vacation rate based on time worked.

Example: Employee works as an hourly employee 4160 hours in a five (5) year period then is hired as fulltime employee. Employee would have one-year credit to the next vacation rate change. Next vacation rate change is after five (5) years; this employee's next vacation rate change is after four (4) years.

- 19.6 The Employer may hire "temporary" and "seasonal" employees as those terms are defined by M.S.A. §179A.03, Subd. 14(e) and 14(f). It is understood and agreed that this Collective Bargaining Agreement with Austin Street and Sewer Maintenance does not apply to those employees. The Employer shall be permitted to determine such work schedules, working conditions, wages, hours, and benefits as the Employer deems appropriate for the "temporary" and "seasonal" employees as above defined and such employees shall not be subject to this collective bargaining agreement. This article shall not be interpreted to permit displacing regular fulltime workers with seasonal employees (for example, laying off regular employees and replacing such employees with seasonal employees).

ARTICLE 20

SAVINGS CLAUSE

- 20.1 This agreement is subject to law. In the event any provisions of this agreement shall be held to be contrary to law by a Court of competent jurisdiction or administrative body from whose final judgment or decree and no appeal has been taken within the time provided, such provisions shall be voided. All other provisions of this agreement shall continue in full force and effect. The voided provisions may be renegotiated at the written request of either party.

ARTICLE 21

CLOTHING, UNIFORM AND BOOT ALLOWANCE

- 21.1 The Employer shall provide required work uniforms for employees assigned to sewer maintenance classifications and mechanics. The selection, issuance, replacement, and method of providing uniforms shall be determined at the sole discretion of the Employer.

Employees who are provided uniforms shall receive an annual boot allowance of one hundred twenty-five dollars (\$125.00). The Employer will reimburse the employee upon submission of a receipt. Unused boot allowance funds may roll over from year to year without limitation.

Employees who are not provided Employer-issued uniforms shall receive an annual clothing allowance of two hundred seventy-five dollars (\$275.00) for the purchase of approved work clothing items. Unused clothing allowance funds may roll over from year to year without limitation.

Employees required to wear Employer-provided uniforms shall be permitted reasonable paid time during the workday to change into and out of uniforms. Such time shall be limited to the amount reasonably necessary for changing clothes.

The Employer may establish reasonable rules regarding the timing and location of uniform changing to prevent abuse and ensure efficient operations.

An employee terminating employment during the year will reimburse the Employer up to the current annual allowance on a pro-rated basis for any month in which he/she has not worked.

- 21.2 Approved clothing allowance list for street maintenance:

Work shirts, pants, coveralls, jackets, coats, gloves, caps and boots/shoes.

ARTICLE 22

DURATION

22.1 This Contract shall remain in full force and effect from January 1, 2026 to December 31, 2028

IN WITNESS WHEREOF, the parties hereto have executed this contract on the latest date affixed to the signatures hereto.

SIGNATURE OF UNION
REPRESENTATIVES
UAW, LOCAL 867
REPRESENTATIVES

SIGNATURE OF CITY
REPRESENTATIVE
CITY OF AUSTIN, MINNESOTA

Mayor

ATTEST:

City Administrator

Date: _____

Date: _____

RESOLUTION NO.

RESOLUTION APPROVING A LABOR AGREEMENT BETWEEN THE CITY OF AUSTIN AND INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE, AGRICULTURE IMPLEMENT WORKERS OF AMERICA (UAW), LOCAL 867 – STREET & SEWER MAINTENANCE

WHEREAS, UAW – Street & Sewer Maintenance is the exclusive representative for certain City of Austin employees; and

WHEREAS, the current labor agreement between the City of Austin and UAW – Street & Sewer Maintenance expired on December 31, 2025;

WHEREAS, the City of Austin and UAW – Street & Sewer Maintenance met and negotiated over the terms of the new labor agreement between the parties;

WHEREAS, the City of Austin and UAW – Street & Sewer Maintenance have reached an agreement for a contract between the parties for the calendar years 2026 – 2028; and

WHEREAS, the contract sets forth items for calendar years 2026 – 2028, which sets standard conditions of employment for employees covered under the UAW – Street & Sewer Maintenance labor agreement.

WHEREAS, the Public Employment Relations Act requires that the City of Austin execute a labor agreement and implement it in the form of a resolution.

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

1. The Labor Agreement between the City of Austin and UAW – Street & Sewer Maintenance for January 1, 2026 through December 31, 2028 is approved.
2. The City of Austin’s Mayor and City Administrator be authorized to sign the labor agreement between the City of Austin and UAW – Street & Sewer Maintenance for calendar years 2026 – 2028.
3. The City of Austin shall implement the agreement.

BE IT FINALLY RESOLVED the Approval of and Implementation of the UAW – Street & Sewer Maintenance agreement.

Passed by a vote of Yeas and Nays this 20th day of January 2026

Yeas

Nays

ATTEST:

APPROVED:

City Clerk

Mayor

AGREEMENT BETWEEN

**INTERNATIONAL UNION, UNITED AUTOMOBILE,
AEROSPACE, AGRICULTURAL IMPLEMENT WORKERS OF
AMERICA
(UAW), LOCAL 867**

WASTEWATER TREATMENT PLANT DEPARTMENT

AND

THE CITY OF AUSTIN, MINNESOTA

2026 – 2028

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INTENT AND PURPOSE

- 1.1 This Agreement, entered into between the City of Austin, hereinafter referred to as the Employer, and the International Union, United Automobile, Aerospace, Agricultural Implement Workers of America (UAW), and its Local 867, hereinafter referred to as the Union, contains the terms of the negotiated agreement to conform with the Public Employment Labor Relations Act, as amended.

ARTICLE 2

RECOGNITION

- 2.1 The Employer agrees to recognize the employees' right to bargain collectively in regard to wages, hours and working conditions and to have representation of their own choosing.

ARTICLE 3

EMPLOYER AUTHORITY

- 3.1 The Employer retains the full and unrestricted right to operate and manage all manpower, facilities, and equipment; to establish functions and programs; to set and amend budgets; to determine the utilization of technology; to establish and modify the organizational structure; to select, direct and determine the number of personnel; to establish work schedules shifts and hours; to contract for goods or services; to make and enforce reasonable rules and regulations; to take any and all actions necessary to carry out the operations of the Employer in situations involving a disaster or emergency consistent with the terms and conditions listed in this Agreement to the extent practicable; to hire, promote, assign and transfer employees; to demote, suspend, discipline and discharge employees; to lay off employees; to assign duties, tasks, jobs, hours, shifts and overtime to employees; and to perform any inherent managerial function not specifically limited by this Agreement.

- 3.2 Any term and condition of employment not specifically established or modified by this Agreement shall remain solely within the discretion of the Employer to modify, establish, or eliminate.

ARTICLE 4

WAIVER

- 4.1 Any and all prior agreements, resolutions, practices, policies, rules and regulations regarding terms and conditions of employment, to the extent inconsistent with the provisions of this Agreement, are hereby superseded.
- 4.2 The parties mutually acknowledge that during the negotiations, which resulted in the Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any terms or conditions of employment not removed by law from bargaining. All agreements and understandings arrived at by the parties are set forth in writing in the Agreement for the stipulated duration of this Agreement. The Employer and the Union each voluntarily and unqualifiedly waives the right to meet and negotiate regarding any and all terms and conditions of employment referred to or covered in this Agreement or with respect to any term or condition of employment not specifically referred to or covered by this Agreement, even though such terms or conditions may not have been within the knowledge or contemplation of either or both parties at the time this contract was negotiated or executed.

ARTICLE 5

EMPLOYEE RIGHTS – GRIEVANCE PROCEDURES

5.1 DEFINITION OF A GRIEVANCE

A grievance is defined as a dispute or disagreement as to the interpretation or application of the specific terms and conditions of this Agreement.

UNION REPRESENTATIVES

The Employer will recognize representatives designated by the Union as the grievance representatives of the bargaining unit having the duties and responsibilities established by this Article. The Union shall notify the Employer in writing of the names of such Union representatives and of their successors when so designated.

PROCESSING OF A GRIEVANCE

It is recognized and accepted by the Union and the Employer that the processing of grievances hereinafter provided is limited by the job duties and responsibilities of the employees and shall therefore be accomplished during normal working hours only when consistent with such employee duties and responsibilities. The aggrieved employee and the Union Representative shall be allowed a reasonable amount of time without loss in pay when a grievance is investigated and presented to the Employer during normal working hours provided the employee and the Union Representative have notified and received the approval of the designated supervisor who has determined that such absence is reasonable and would not be detrimental to the work programs of the Employer.

PROCEDURE

Grievance, as defined by Section 5.1, shall be resolved in conformance with the following procedure:

Step 1. An employee claiming a violation concerning the interpretation or application of this Agreement shall, within fourteen (14) calendar days after such alleged violation has occurred, present to and discuss such grievance to the employee's supervisor as designated by the Employer. The Employer-designated representative will give an answer to such Step 1 grievance within ten (10) calendar days after the discussion. A grievance not resolved in Step 1 and appealed to Step 2 shall be placed in writing setting forth the nature of the grievance, the facts on which it is based, the provision or provisions of the

ARTICLE 5

EMPLOYEE RIGHTS – GRIEVANCE PROCEDURES (continued)

Agreement allegedly violated, and the remedy requested and shall be appealed to Step 2 within ten (10) calendar days after the Employer-designated representative's final answer in Step 1. Any grievance not appealed in writing to Step 2 by the Union within ten (10) calendar days shall be considered waived.

Step 2. If appealed, the written grievance shall be presented by the Union and discussed with the City Administrator or designee. The City Administrator or designee shall give the Union the Employer's Step 2 answer in writing within the (10) calendar days after receipt of such Step 2 grievance. A grievance not resolved in Step 2 may be appealed to Step 3 within ten (10) calendar days following the City Administrator or designee final Step 2 answer. Any grievance not appealed in writing to Step 3 by the Union within ten (10) calendar days shall be considered waived.

Step 3. A grievance unresolved in Step 2 and appealed in Step 3 shall be submitted to arbitration. The Employer and the Union representative shall endeavor to select a mutually acceptable arbitrator to hear and decide the grievance. If the parties cannot agree on an arbitrator, the selection of an arbitrator shall be made in accordance with the Rules established by the Bureau of Mediation Services.

ARBITRATOR'S AUTHORITY

A. The arbitrator shall have no right to amend, modify, nullify, ignore, add to, or subtract from the terms and conditions of this Agreement. The arbitrator shall consider and decide only the specific issue(s) submitted in writing by the Employer and the Union, and shall have no authority to make a decision on any other issue not so submitted.

B. The arbitrator shall be without power to make decisions contrary to, or inconsistent with, or modifying or varying in any way the application of laws, rules, or regulations having the force and effect of law. The arbitrator's decision shall be submitted in writing within thirty (30) days following the close of the hearing or the submission of briefs by the parties, whichever be later, unless the parties agree to an extension. The decision shall be binding on both the Employer and the Union and shall be based solely on the arbitrator's interpretation or application of the express terms of this Agreement and to the facts of the grievance presented.

ARTICLE 5

EMPLOYEE RIGHTS – GRIEVANCE PROCEDURES (continued)

C. The fees and expenses for the arbitrator's services and proceedings shall be borne equally by the Employer and the Union provided that each party shall be responsible for compensating its own representatives and witnesses. If either party desires a verbatim record of the proceedings, it may cause such a record to be made, providing it pays for the record. If both parties desire a verbatim record of the proceedings the cost shall be shared equally.

WAIVER

If a grievance is not presented within the time limits set forth above, it shall be considered "waived". If a grievance is not appealed to the next step within the specified time limit or any agreed extension thereof, it shall be considered settled on the basis of the Employer's last answer. If the Employer does not answer a grievance or an appeal thereof within the specified time limits, the Union may elect to treat the grievance as denied at that step and immediately appeal the grievance to the next step. The time limit in each step may be extended by mutual agreement of the Employer and the Union.

ARTICLE 6

HOURS OF WORK

- 6.1 The normal work year for regular fulltime City employees will be 2080 hours.
- 6.2 Employees may cash out accumulated compensatory time at their base rate of pay established in 17.1 of this Agreement and paid out as budget allows. Employees that wish to cash out compensatory time, must elect to do so; sign-up will be offered for pay outs by June 30 and December 15.

Employees will be allowed to carry over a maximum of 40 hours of compensatory time from calendar year to calendar year. Employees with less than five years of employment as an employee may carry over a maximum of 80 hours from calendar year to calendar year.

For those employees who fail to make an election as to how many hours, they will carry over into the next calendar year, the entire balance of accrued compensatory time will be paid out at the employee's base rate of pay specified in 17.1 of this Agreement and paid by December 15 of that year.

Compensatory time accrued after payment of compensatory time may be allowed to be carried over to the next calendar year provided the employee remains under the applicable maximum carry over. Hours in excess of the applicable maximum carry over will be paid out on the payroll for the pay period that included December 31.

- 6.3 It will be the policy of the Employer as far as practical, to maintain a five (5) day work week for employees. It is understood, however, that there may be times when this cannot be done, and the supervisor may call upon the employees to work extra hours.
- 6.4 Shift Assignment. It is agreed that once an employee is assigned to a definite shift, they shall not be required to work another shift. When it is necessary to change the posted work schedule, the employee on maintenance who is assigned to the shift shall be notified to fill in. If there is not an employee on maintenance for the shift requiring a change of personnel, then the Superintendent shall call in an operator or relief operator from that shift that is off duty in accordance with seniority and the labor contract shall govern rate of pay. If the Superintendent cannot contact an operator or relief operator who is off duty, another employee may be assigned to the shift.

The above will be void in case of illness or unforeseen situations where a person will be off for a long period of time. Any absence for one week or more will void the above paragraph, and the grievance steward and Superintendent shall make the necessary arrangements.

ARTICLE 6

HOURS OF WORK (continued)

- 6.5 All fulltime help with excessive hours can be replaced with part time help. Any requests for time off must be approved by the Employer.
- 6.6 A recess of fifteen (15) minutes shall be granted in the first four (4) hours of the shift and a recess of fifteen (15) minutes in the second four (4) hours.

ARTICLE 7

SENIORITY

- 7.1 The Employer agrees to recognize the principles of seniority giving preference of employment, jobs, and advancement to employees and former employees on the basis of length of seniority.
- 7.2 In the case of layoff for lack of work, the youngest in point of seniority shall be the first layoff. When the force is increased, those formerly laid off shall be rehired before others are employed. They shall be rehired in the order of their seniority - the oldest first, etc. As vacancies occur, notice of the same shall be posted giving the employees the opportunity, on the basis of seniority, to fill the vacant job. This article shall not be construed in such a way as to give anyone claim to a job, the duties of which he or she is clearly unable to perform. The exceptions to seniority as provided in this paragraph shall be by mutual agreement of the parties hereto.
- 7.3 In the event that an employee's position is eliminated, either temporarily or permanently, then the said employee may assume the position of any other employee with less seniority. The said employee must have the qualifications for any job they assume according to 7.7. Any employee affected by the above mentioned transfer shall also have the same rights. When a job that has been temporarily eliminated is reinstated, all employees shall return immediately to the position held preceding the step down.
- 7.4 Any employee who is laid off for lack of work and who, before being called back to work, would get another job either temporarily or permanently, will be granted ten (10) working days (Monday through Friday), after being notified by the City, without any loss of their seniority rights.
- 7.5 All job vacancies will be posted within ten (10) days following the vacancies, if the Employer plans to fill the vacant position. When the job is filled, a notice shall be posted with the employee's name and starting date.
- 7.6 All newly hired employees shall serve a six (6) month probationary period. The Employer shall have a right to discharge without cause any new employee during the six (6) month probationary period. No seniority shall be held during such time. Upon completion of the probationary period, seniority shall date back to the original date of hire.
- 7.7 All job openings shall be posted for a period of seventy-two hours excluding Saturday and Sunday. The job shall first be filled by seniority in the Wastewater Treatment Plant before outside help is hired.

ARTICLE 7

SENIORITY (continued)

- 7.8 All employees receiving the jobs in accordance with their seniority shall be given thirty (30) days in which to qualify for the job. In the event of disqualification, said employee shall, without impairment of seniority rights, return to the job they left immediately preceding the step up. All vacated jobs shall be re-posted within ten (10) days.
- 7.9 An understanding and explanation of each job opening in regard to the rate of pay, classification, length of job, and starting date of job, shall be included and made a part of the job posting list at all times.
- 7.10 A vacancy that exists because of sickness, accident or for a leave of absence shall be considered a temporary vacancy. This vacancy shall be filled at a posting meeting of the employees, at which time all union employees will have the opportunity to bid for the temporary job by raising their hand. The seniority system shall rule as to who gets the job. All temporary postings shall be handled in the same manner. A written posting must also be signed to provide a written record as to who receives the job. No less than a fourteen (14) day written notice of such a meeting will be displayed on the bulletin board at the Wastewater Treatment Plant. There shall be no posting meeting for the first thirty (30) days unless mutually agreed upon by the Union and the City. The posting will be filled no more than seven (7) days following the posting meeting. The employee that receives the job shall receive the rate of pay of that job. When the employee that caused the vacancy returns to work, they shall receive their original job. The temporary employee shall return to their previous position. Any deviation from this shall be by mutual agreement between the Union and the City of Austin only.

This provision shall not be construed to be a waiver of any rights reserved to the employer under M.S.A. §179.66, Subd. (1).

- 7.11 The seniority list of all employees in the Wastewater Treatment Plant Department shall be posted on the bulletin board at the Wastewater Administration Building at all times.
- 7.12 The Employer may direct the employee recognizing seniority and qualifications to perform any other job including a job of higher classification provided, however, that if they work in the higher classification they shall be entitled to the rate of pay for the higher classification provided further that they work a minimum of one (1) hour. They will be paid for work in addition to the first hour in one-half hour increments.

ARTICLE 7

SENIORITY (continued)

- 7.13 The Employer may assign the employees of Wastewater Treatment Plant to work in the Streets, Sewer Maintenance and Park Maintenance Departments to perform work as directed and scheduled by the Employer in these departments within the employee's qualifications and ability to perform the work.
- 7.14 When employees are assigned to perform certain tasks on a temporary basis within a different department, seniority will be based on date of hire with the Employer.
- 7.15 For the purposes of 7.2 and 7.3 only, "seniority" means an employee's length of continuous employment with the Employer.

ARTICLE 8

SICK LEAVE

- 8.1 All sick and safe leave usage and administration under this section shall be consistent with Minnesota's Earned Sick and Safe Leave law, as amended from time to time.
- 8.2 Regular fulltime employees working forty (40) hours per week will accrue sick and safe leave at the rate of eight (8) hours per month of service, for a total of ninety-six (96) hours per calendar year, pro-rated as necessary based on a 2,080-hour work year. Sick and safe leave may be used as it is accrued.
- 8.3 Employees hired before January 1, 2026 may accrue sick and safe leave without any accumulation limit. Employees hired on or after January 1, 2026 will be subject to an accumulation threshold of 720 hours. Sick and safe leave will not accrue beyond this threshold until the employee's balance falls below 720 hours.
- 8.4 Sick and safe leave may be used when an employee is unable to perform their regular duties due to illness, injury, or for any purpose permitted under applicable state or federal law. Sick and safe leave may be used as it is accrued in the smallest increment of time tracked by the City's payroll system. Employees shall properly designate their use of sick and safe leave on their timesheet, and used leave will be deducted on a first-in, first-out basis. The Employer may request reasonable documentation if an employee's absence exceeds two consecutive scheduled workdays.
- 8.5 Payment of accumulated unused sick and safe leave, together with accumulated vacation leave, shall not exceed an amount equivalent to one (1) year of the employee's present rate of pay at the time of retirement or involuntary layoff. Layoff includes any termination enacted by the City that is not a disciplinary action.

Employees hired before January 1, 2006 shall have their accumulated sick and safe leave paid out at one hundred percent (100%) of accumulation.

Employees hired on or after January 1, 2006 and prior to January 1, 2026 shall have all sick leave hours accrued and unused as of December 31, 2025 paid at fifty percent (50%) of accumulation, and all sick and safe leave hours accrued on or after January 1, 2026 paid at one hundred percent (100%) of accumulation.

Employees hired on or after January 1, 2026 shall have their accumulated sick and safe leave paid out at one hundred percent (100%) of accumulation and remain subject to the accrual limits outlined in Section 8.3.

ARTICLE 8

SICK LEAVE (continued)

To qualify for payment of unused sick and safe leave upon retirement, the employee must submit a written notice of retirement to their department head at least fourteen (14) calendar days prior to the retirement date, must actually retire, and must meet the applicable PERA retirement requirements.

If death occurs before retirement, accumulated sick and safe leave will be paid to the employee's designated beneficiary; if none is designated, payment will be made to the spouse, and if no spouse survives, to the employee's estate.

- 8.6 If an operator should become sick, the employee shall contact someone, as directed by the Employer.
- 8.7 An employee disabled by an accident arising out of and in the course of their employment, may upon their return to work, apply any unused portion of their sick leave or vacation upon any part of the period of disability by which they are not entitled to draw workers' compensation.

ARTICLE 9

JURY DUTY

- 9.1 All of the employees shall be granted a leave of absence for jury duty or if subpoenaed as a witness in court. The employee shall be compensated the difference of their regular rate of pay and that received for such duty/witness, by the Employer. If the employee reports for jury duty/witness in court and is subsequently excused from such duty, they shall return at once to their regular work.
- 9.2 The employee, in order to qualify under 9.1, shall present the jury/witness check to the Employer for verification.

ARTICLE 10

LEAVE OF ABSENCE

- 10.1 Per Minn. Stat. §179A.07, subd. 6, the Employer will afford reasonable time off to elected officers or appointed representatives of the exclusive representative to conduct the duties of the exclusive representative
- 10.2 Seniority shall accumulate while employees are on leave of absence without pay.
- 10.3 Paid leave time will not accrue during unpaid leaves of absence except as otherwise provided by law.
- 10.4 Failure of an employee to return to work after expiration of their leave may result in termination of employment at the discretion of the Employer..

ARTICLE 11

HOLIDAYS

11.1 Each regular fulltime employee will be entitled to twelve (12) paid holidays (96 benefit hours), as follows:

New Year's Day	Independence Day
Martin Luther King, Jr. Day	Labor Day
President's Day	Veterans Day
Good Friday	Thanksgiving Day
Memorial Day	Day After Thanksgiving Day
Juneteenth	Christmas Day

11.2 If a holiday falls on Sunday, the following Monday shall be observed as the holiday.

11.3 The Superintendent shall try to rotate operators so that all have the same number of holidays off, but it is agreed that only Thanksgiving, Christmas and New Year's Day rotation must be followed.

11.4 When a holiday falls upon a weekend, the employee who is scheduled to work that weekend shall also work the holiday. The employee shall have the right to take the hours worked on the holiday off within 30 days it is earned.

11.5 President's Day will be considered as one (1) floating holiday to be scheduled to be taken at a time mutually acceptable between department head and employee.

ARTICLE 12

VACATIONS

- 12.1 Employees shall begin accruing vacation on their date of hire. Vacation for the initial partial year of employment shall be prorated from the date of hire through December 31, using an annual allotment of 80 hours as the basis for calculation.

Effective the following January 1, employees shall receive the full 80-hour vacation allotment. Thereafter, employees shall continue to receive vacation in accordance with the ongoing vacation accrual schedule.

- 12.2 Employees will be awarded vacation annually on January 1 based on years of service.
- 1 year of service – 80 hours
 - 4 years of service – 120 hours
 - 8 years of service – 160 hours
 - 12 years of service – 200 hours
 - 22 years of service – 240 hours

Employees hired prior to January 1, 2026, remain eligible to accrue up to 240 hours of vacation annually at 22 years of service, while employees hired on or after January 1, 2026 will have a maximum accrual limit of 200 hours.

Vacation increases based on years of service will be awarded according to the following schedule:

If an employee's anniversary date falls between January 1 and June 30, the vacation increase will be credited on January 1 of that same year.

If an employee's anniversary date falls between July 1 and December 31, the vacation increase will be credited on January 1 of the following year.

Employees may carry over up to 40 hours of unused vacation into the following calendar year.

- 12.3 The maximum number of hours an Employee is allowed to use vacation in a calendar year is 240 hours, except vacation time used by an employee during FMLA leave does not count towards this maximum. An employee with twenty-two (22) years of seniority shall be entitled to 240 consecutive hours of vacation during the months of January and February. During the months of March, April, May, June, July, August, September and October, employees are only allowed to use a maximum 80 hours of vacation, except that vacation time used by an employee during FMLA leave does not count towards this maximum. During the months of November and December, the maximum number of consecutive hours off shall be

ARTICLE 12

VACATIONS (continued)

160 hours for both months. (Any deviation from the above clause shall be arranged mutually in writing between the City Engineer, the Department, and the employee.)

- 12.4 Vacation time used must be approved by the supervisor.
- 12.5 The supervisor shall prepare a vacation list by January 1st and arrange the vacations according to seniority up until April 1st. After April 1st, vacations will come on a first come, first service basis. Employees may change their vacation time with another employee if mutually agreed upon between themselves and the supervisor. All employees shall have their vacation posted by October 15th.
- 12.6 Employees may take their vacation a day at a time upon notification and approval of the supervisor.
- 12.7 No operator shall take vacation on assigned weekend to work.

ARTICLE 13

BEREAVEMENT LEAVE

- 13.1 Bereavement leave will be granted to regular fulltime employees a maximum of two (2) days for the purpose of bereaving the death of a member of their immediate family, provided the employee makes the arrangements with and gets approval from the supervisor. This leave must be used within 30 calendar days of the death of the family member.
- 13.2 For the purpose of Section 13.1 above, a member of the immediate family means the employee's spouse, child, stepchild, grandchild, mother, father, stepparent, sister, brother, step sibling, mother-in-law, father-in-law, employee's and spouse's grandparents, spouse's stepparent, brother-in-law, and sister-in-law.

ARTICLE 14

EMPLOYEE'S INSURANCE PROGRAM

- 14.1 The employer agrees to continue to make a base medical insurance program available, similar to the one in effect on the date of this agreement, subject to the limitations, benefits and conditions established by the contract between the employer and the insurance carrier, or a plan with a comparable or increased aggregate value of benefits, as determined by an actuarial value. The employer reserves the right to change from a fully-insured health plan to a self-insured plan provided that the aggregate value, as determined by an actuarial value, is not changed.

In the event the City offers additional health insurance plans, these optional plans are not negotiated plans and changes to these plans may be made at the employer's discretion, including changing from a self-insured health plan to a fully insured health plan. Employees who choose an optional plan, must pay any difference if the cost is greater than the cost of the negotiated plan. These optional plans shall not be negotiated nor subject to M.S. 471.6161 and any additional plans may be added at the City's sole discretion.

Employee premium contributions for health insurance coverage shall be the same as those approved by the City Council for non-union employees. Any changes to premium contribution levels or plan options approved by the City Council shall apply equally to all eligible employees.

City contribution shall not exceed the total monthly premium payment.

There will be an enrollment period each year for coverage effective January 1 of the next year. Employees may change plans during this enrollment period with their choice effective January 1st through December 31st. The coverage for the insured employee and family must be by the same plan each year.

- 14.2 In the event the health insurance provisions of this agreement fail to meet the requirements of the Affordable Care Act, the Bargaining Unit and Employer will meet and confer over alternative provisions so as to comply with the Act.
- 14.3 The Employer shall pay the Employer's share of the premium for six (6) months for all employees who are on leave of absence because of sickness. Leaves of absence for military service or other reasons will not be covered.
- 14.4 The Employer shall pay the Employer's share of the premium for twelve (12) months for all employees who are disabled with compensable disability.
- 14.5 The Employer shall pay the premium for a \$40,000 term life insurance policy with accidental death and dismemberment.

ARTICLE 14

EMPLOYEE'S INSURANCE PROGRAM (continued)

- 14.6 New employees will sign authorization cards for insurance benefits, excluding health insurance, on the first day of fulltime employment and the insurance will be in effect the first day of the month following the third (3rd) month. Health insurance benefits will be effective the first of the month following the one month of employment.
- 14.7 For hours an employee is compensated under the Worker's Compensation Act, the employee will be paid the difference between their regular base pay and worker's compensation wage benefits for the first thirty (30) calendar days after the injury.
- 14.8 The Employer will allow for use of up to a maximum of \$1,000 per year from the employee's accumulated sick and safe leave account of equal or greater value, which can be applied each year toward satisfying deductible costs. Payment to be in the form of reimbursement after the deductible cost has been paid by the insured and receipts submitted to the Employer showing payment.
- 14.10 All employees will participate in a Post-Employment Health Care Savings Plan through the Minnesota State Retirement System (MSRS). Per Minn. Stat. §352.98, the Employer will setup and administer the program as defined and determined by MSRS. Employees will contribute two percent (2%) of their salary to the Post Employment Health Care Savings Plan.

ARTICLE 15

PREMIUM PAY

- 15.1 Where an employee's regular job requires that they must work on one of the observed holidays established in 11.1, they will receive another day off in lieu thereof.
- 15.2 Employees will be paid at a rate of one and one-half times their base rate of pay in 17.1 for all hours worked:
- A. Between 7:00 PM and 5:00 AM, except for such hours worked that were scheduled by Employer at least 7 calendar days prior to the day the hours are worked.
 - B. Between 5:00 AM and 7:00 AM if the employee began working 12:00 AM or later the same calendar day, except for hours worked that were scheduled by Employer at least 7 calendar days prior to the day the hours are worked.
 - C. Over the employee's scheduled number of work hours for each workday they are scheduled eight (8) hours or more in any one-day
 - D. On Saturday, except regularly scheduled personnel
 - E. During a recall on their day off
 - F. Required to work on either New Year's Day, Memorial Day, Fourth of July, Labor Day, Veteran's Day, Thanksgiving or Christmas Day at the Wastewater Treatment Plant and, in addition, receive another day off in lieu of the holiday.
- 15.3 Employees will be paid at a rate of twice their base rate of pay in 17.1 for all hours worked:
- A. On Sunday, except scheduled personnel and snow removal.
 - B. On holidays not identified in 15.2 above..
- 15.4 Employees, who are recalled to work and physically report to work for hours that were not regularly scheduled after their regular workday hours, or on days off, shall receive a minimum of two hours call-in pay. If the employee works more than one and one-quarter hours, they shall be paid at a rate of one and one-half times their base rate of pay in 17.1 of this Agreement for all hours worked. This will apply only to hours worked from 7:00 PM to 5:00 AM, Monday through Saturday.
- 15.5 For the purpose of computing premium pay in 15.2 through 15.4. time worked shall not be pyramided, compounded or paid twice for the same hours worked.

ARTICLE 15

PREMIUM PAY (continued)

- 15.6 Night differential of forty cents (.40¢) per hour shall be paid employees for all regularly scheduled hours worked on second shift. Night differential hours are during the period from 3:00 PM to 11:00 PM.
- 15.7 For the purpose of reducing the total yearly average of an employee, or when because of the weather or some other conditions, there is no suitable work available, the supervisor may give an employee either full days or part days off. Such "time off" will not be considered vacation, sick and safe leave or holidays, and the employee will not be deducted in pay for such time off.
- 15.8 When, in the opinion of the supervisor, the Employer's work will not be negatively impacted, then for the convenience of the employee "off time" that will not be considered as vacation, sick and safe leave or holidays can be arranged between the supervisor and the employee. However, the Council feels that there is a danger of this privilege being misused by the supervisor and the employee and asks both to use good judgment in asking for the granting of this privilege.
- 15.9 An efficiency allowance of \$10.00 will be provided to employees for those times when working through a mealtime, after 5:00 PM, of continuous work following their regularly scheduled hours at the discretion of the Employer. This provision does not apply to snow removal.
- 15.10 For those three employees required by the department head and supervisor to have a valid State Boiler License on a regular basis will be paid an additional fifteen (.15¢) per hour.
- 15.11 Posted work schedules shall be for fourteen (14) calendar days. The fourteen (14) calendar days shall be firm. Any changes in the fourteen (14) calendar days shall be time and one-half pay unless mutually agreed upon between Employer and employee. If a mistake is made in scheduling, employee shall not be entitled to time and one-half pay, but if a mistake goes undiscovered and employee reports for work, employee shall be entitled to be paid two hours call-in time.
- 15.12 Sunday differential at twenty-five cents (.25¢) per hour shall be paid employees for all regularly scheduled hours worked on Sundays.

ARTICLE 15

PREMIUM PAY (continued)

- 15.13 Employer may require not more than two Employees while off duty to be "on call" during any hours there are no personnel on duty at the Wastewater Treatment Plant. During such hours, the Employer will call the on-call employee to respond by using whatever means determined by the Employer to be appropriate (i.e., home phone, pager, cell phone).

The employee is required to be ready to respond to an alarm call. The employee(s) shall earn four (4) hours of compensatory time for each full week they are on-call. The employee on call shall be accessible by the means determined by the Employer (at home, range of pager, range of cell phone, etc.) during such hours.

Employees will be paid from the time they punch in until the time they punch out.

The on call person will be rotated weekly. Seniority on the maintenance crew will be used for pre-scheduled maintenance hours. Employees will be called by seniority regardless of schedule status.

- 15.14 The maximum number of red hours shall not exceed 24 hours. Overtime hours earned will reduce red hours by the same amount. No employee will receive cash or compensatory time for overtime hours to the extent they have accumulated red hours. Red hours must be deducted from accumulated vacation time, or sick leave if there is no accumulated vacation time, whenever an employee terminates employment, unless it is due to retirement or death.

ARTICLE 16

GENERAL

- 16.1 Upon presentation of an authorized check-off dues card to the Employer, the Employer shall make the necessary deductions and remit the same to Local 867, United Auto Workers of Austin, Minnesota. This deduction shall be from the employees' payroll.
- 16.2 The Employer may hire "temporary" and "seasonal" employees as those terms are defined by M.S.A. §179A.03, Subd. 14(e) and 14(f). It is understood and agreed that this Collective Bargaining Agreement with Austin Wastewater Treatment Plant does not apply to those employees. The Employer shall be permitted to determine such work schedules, working conditions, wages, hours, and benefits as the Employer deems appropriate for the "temporary" and "seasonal" employees, as above-defined and such employees shall not be subject to this Collective Bargaining Agreement. This article shall not be interpreted to permit displacing regular fulltime workers with seasonal or temporary employees. (For example, laying off regular employees and replacing such employees with seasonal employees or temporary employees).
- 16.3 Employer will contribute up to \$200.00 every two years toward the purchase of prescription safety glasses according to the following rules:
- A. Glasses must meet OSHA regulations.
 - B. Glasses must include side clamps; either permanent or removable.
 - C. Employee must receive an estimate and get approval prior to purchase.
 - D. A plastic lens will be used and it shall be coated with a scratch-proofing compound.
 - E. Employer contribution shall be available on an every-other year basis.
 - F. The payment paid to vendor by Employer or reimbursed to employee from appropriately detailed receipt.
 - G. No carry-over beyond the two-year time period.

ARTICLE 17

PAY PLAN

- 17.1 In calendar years 2026, 2027, and 2028, respectively, employees will be paid the base pay as provided in employer's base pay schedule for the respective calendar years, which are attached hereto as reference:

Job Title	Pay Grade
Relief Operator	10
Machinist	12
Operator	14
Maintenance Technician-Electrician-Level	15

- 17.2 Operators shall be paid their base hourly rate in 17.1 for vacation, holiday and accumulated time off.

ARTICLE 18

HOURLY EMPLOYEES

- 18.1 This Article this Agreement covers only the temporary employees, generally known as the hourly employees. Employees under this classification do not gain seniority rights, and the following regulations and the rate of pay schedule listed below govern them:
- 18.2 All hourly rated employees must complete 2,080 hours of work for the Employer, before they are entitled to any vacation. They shall then be entitled to six (6) hours and forty (40) minutes vacation for every month of service they work from the beginning of the month immediately following 2,080 hours of service. Employee's service does not have to be continuous service for them to be entitled to vacation.
- 18.3 In the event that an hourly employee receives a job as regular time employee, they shall, upon completion of thirty (30) days probationary period, become regular employee in said department. The above sentence shall not apply until the six (6) month probationary period as stated in Section 7.6 of the contract has been completed.
- 18.4 When an employee qualifies for a change in classification, in the opinion of the Employer and the head of the Department, they shall be paid the classification of the classification they have qualified for upon notification to the Employer.
- 18.5 The Employer will follow the approved seasonal/temporary hourly wage schedule as established by Council resolution
- 18.6 Vacation will be based on time worked after employee has completed 2080 hours. When hourly employee becomes fulltime, the time worked pro-rata since having completed 2080 hours, as an hourly employee would count for vacation rate based on time worked.

EXAMPLE: Employee works as hourly employee 4160 hours in five (5) year period then is hired as a fulltime employee. Employee would have one-year credit to the next vacation rate change. Next vacation rate change is after five years, this employee's next vacation rate change is after four (4) years.

ARTICLE 19

UNIFORM AND BOOT ALLOWANCE

- 19.1 The Employer shall provide required work uniforms for employees. The selection, issuance, replacement, and method of providing uniforms shall be determined at the sole discretion of the Employer.

Employees who are provided uniforms shall receive an annual boot allowance of one hundred twenty-five dollars (\$125.00). The Employer will reimburse the employee upon submission of a receipt. Unused boot allowance funds may roll over from year to year without limitation.

Employees required to wear Employer-provided uniforms shall be permitted reasonable paid time during the workday to change into and out of uniforms. Such time shall be limited to the amount reasonably necessary for changing clothes.

The Employer may establish reasonable rules regarding the timing and location of uniform changing to prevent abuse and ensure efficient operations.

An employee terminating employment during the year will reimburse the Employer up to the current annual allowance on a pro-rated basis for any month in which he/she has not worked.

- 19.2 Items such as, hip boots, coveralls and rubber gloves which are currently provided to employees of the Wastewater Treatment Plant shall continue and not be part of the employee's clothing allowance.

ARTICLE 20

DURATION

20.1 This Contract shall remain in full force and effect from January 1, 2026 to December 31, 2028.

IN WITNESS WHEREOF, the parties hereto have executed this contract on the latest date affixed to the signatures hereto.

SIGNATURE OF UNION
REPRESENTATIVES
UAW, LOCAL 867
REPRESENTATIVES



Jim Erickson LD

Jeff Dudyshka

SIGNATURE OF CITY
REPRESENTATIVE
CITY OF AUSTIN, MINNESOTA

Mayor

ATTEST:

City Administrator

Date: 1/15/26_____

Date: _____

2026 BPS - Step System

Job Evaluation Point Range		Grade	Pay Range						
			Step 1 Start	Step 2 6 mos.	Step 3 12 mos.	Step 4 24 mos.	Step 5 36 mos.	Step 6 48 mos.	Step 7 60 mos.
Min	Max	1-36	75.00%	79.17%	83.33%	87.50%	91.67%	95.83%	100.00%
150	163	1	\$24.19	\$25.53	\$26.87	\$28.22	\$29.56	\$30.91	\$32.25
164	178	2	\$24.90	\$26.28	\$27.67	\$29.05	\$30.43	\$31.82	\$33.20
179	193	3	\$25.65	\$27.08	\$28.50	\$29.93	\$31.35	\$32.77	\$34.20
194	209	4	\$26.42	\$27.88	\$29.35	\$30.82	\$32.29	\$33.75	\$35.22
210	225	5	\$27.21	\$28.72	\$30.23	\$31.75	\$33.26	\$34.77	\$36.28
226	241	6	\$28.03	\$29.59	\$31.14	\$32.70	\$34.26	\$35.81	\$37.37
242	258	7	\$28.87	\$30.47	\$32.07	\$33.68	\$35.28	\$36.88	\$38.49
259	276	8	\$29.73	\$31.38	\$33.03	\$34.69	\$36.34	\$37.99	\$39.64
277	294	9	\$30.63	\$32.33	\$34.03	\$35.74	\$37.44	\$39.14	\$40.84
295	313	10	\$31.55	\$33.30	\$35.05	\$36.80	\$38.56	\$40.31	\$42.06
314	332	11	\$32.50	\$34.30	\$36.11	\$37.91	\$39.72	\$41.52	\$43.33
333	352	12	\$33.47	\$35.33	\$37.18	\$39.04	\$40.90	\$42.76	\$44.62
353	372	13	\$34.46	\$36.38	\$38.29	\$40.21	\$42.12	\$44.03	\$45.95
373	393	14	\$35.51	\$37.48	\$39.45	\$41.42	\$43.40	\$45.37	\$47.34
394	415	15	\$36.57	\$38.60	\$40.63	\$42.67	\$44.70	\$46.73	\$48.76
416	437	16	\$37.67	\$39.77	\$41.86	\$43.95	\$46.05	\$48.14	\$50.23
438	460	17	\$38.79	\$40.95	\$43.10	\$45.26	\$47.41	\$49.56	\$51.72
461	484	18	\$39.96	\$42.18	\$44.40	\$46.62	\$48.84	\$51.06	\$53.28
485	508	19	\$41.16	\$43.45	\$45.73	\$48.02	\$50.31	\$52.59	\$54.88
509	533	20	\$42.39	\$44.75	\$47.10	\$49.46	\$51.81	\$54.16	\$56.52
534	559	21	\$43.66	\$46.08	\$48.51	\$50.93	\$53.36	\$55.78	\$58.21
560	585	22	\$44.98	\$47.48	\$49.97	\$52.47	\$54.97	\$57.47	\$59.97
586	613	23	\$46.32	\$48.90	\$51.46	\$54.04	\$56.62	\$59.18	\$61.76
614	641	24	\$47.72	\$50.37	\$53.01	\$55.67	\$58.32	\$60.97	\$63.62
642	670	25	\$49.15	\$51.88	\$54.61	\$57.34	\$60.07	\$62.80	\$65.53
671	700	26	\$50.62	\$53.43	\$56.24	\$59.05	\$61.87	\$64.68	\$67.49
701	731	27	\$52.14	\$55.04	\$57.93	\$60.83	\$63.73	\$66.62	\$69.52
732	763	28	\$53.70	\$56.69	\$59.66	\$62.65	\$65.64	\$68.61	\$71.60
764	795	29	\$55.31	\$58.39	\$61.46	\$64.53	\$67.61	\$70.67	\$73.75
796	829	30	\$56.97	\$60.14	\$63.30	\$66.47	\$69.63	\$72.79	\$75.96
830	864	31	\$58.67	\$61.93	\$65.19	\$68.45	\$71.71	\$74.97	\$78.23
865	899	32	\$60.44	\$63.80	\$67.15	\$70.51	\$73.87	\$77.22	\$80.58
900	936	33	\$62.25	\$65.71	\$69.16	\$72.63	\$76.09	\$79.54	\$83.00
937	974	34	\$64.12	\$67.68	\$71.24	\$74.80	\$78.37	\$81.93	\$85.49
975	1013	35	\$66.04	\$69.71	\$73.37	\$77.04	\$80.72	\$84.38	\$88.05
1014	1054	36	\$68.03	\$71.81	\$75.58	\$79.36	\$83.14	\$86.92	\$90.70

Notes:

- 2026 represents 3.75% base increase over 2025
- Employees starting in a position may be placed on any step at the discretion of the City Administrator.
- Employees promoted to a position that is in a higher pay grade, will be placed on a step that is at least equivalent to, but not less than, their base wage before they were promoted.
- No step increases will be awarded under this structure after December 31, 2026

2027 BPS - Step System

Job Evaluation Point Range		Grade	Pay Range						
			Step 1 Start	Step 2 6 mos.	Step 3 12 mos.	Step 4 24 mos.	Step 5 36 mos.	Step 6 48 mos.	Step 7 60 mos.
Min	Max	1-36	75.00%	79.17%	83.33%	87.50%	91.67%	95.83%	100.00%
150	163	1	\$25.10	\$26.49	\$27.88	\$29.28	\$30.67	\$32.06	\$33.46
164	178	2	\$25.84	\$27.27	\$28.71	\$30.14	\$31.58	\$33.01	\$34.45
179	193	3	\$26.61	\$28.09	\$29.57	\$31.05	\$32.52	\$34.00	\$35.48
194	209	4	\$27.41	\$28.93	\$30.45	\$31.97	\$33.50	\$35.02	\$36.54
210	225	5	\$28.23	\$29.80	\$31.37	\$32.94	\$34.50	\$36.07	\$37.64
226	241	6	\$29.08	\$30.69	\$32.31	\$33.92	\$35.54	\$37.15	\$38.77
242	258	7	\$29.95	\$31.61	\$33.27	\$34.94	\$36.60	\$38.26	\$39.93
259	276	8	\$30.85	\$32.56	\$34.27	\$35.99	\$37.70	\$39.41	\$41.13
277	294	9	\$31.78	\$33.54	\$35.31	\$37.07	\$38.84	\$40.60	\$42.37
295	313	10	\$32.73	\$34.55	\$36.37	\$38.19	\$40.00	\$41.82	\$43.64
314	332	11	\$33.71	\$35.59	\$37.46	\$39.33	\$41.21	\$43.08	\$44.95
333	352	12	\$34.72	\$36.65	\$38.57	\$40.50	\$42.43	\$44.36	\$46.29
353	372	13	\$35.75	\$37.74	\$39.72	\$41.71	\$43.70	\$45.68	\$47.67
373	393	14	\$36.84	\$38.89	\$40.93	\$42.98	\$45.03	\$47.07	\$49.12
394	415	15	\$37.94	\$40.05	\$42.16	\$44.27	\$46.38	\$48.48	\$50.59
416	437	16	\$39.08	\$41.26	\$43.42	\$45.60	\$47.77	\$49.94	\$52.11
438	460	17	\$40.25	\$42.48	\$44.71	\$46.95	\$49.19	\$51.42	\$53.66
461	484	18	\$41.46	\$43.77	\$46.06	\$48.37	\$50.68	\$52.97	\$55.28
485	508	19	\$42.71	\$45.08	\$47.45	\$49.82	\$52.20	\$54.57	\$56.94
509	533	20	\$43.98	\$46.43	\$48.86	\$51.31	\$53.76	\$56.19	\$58.64
534	559	21	\$45.29	\$47.81	\$50.32	\$52.84	\$55.36	\$57.87	\$60.39
560	585	22	\$46.67	\$49.26	\$51.85	\$54.44	\$57.04	\$59.63	\$62.22
586	613	23	\$48.06	\$50.73	\$53.40	\$56.07	\$58.74	\$61.41	\$64.08
614	641	24	\$49.51	\$52.26	\$55.01	\$57.76	\$60.51	\$63.26	\$66.01
642	670	25	\$50.99	\$53.83	\$56.66	\$59.49	\$62.33	\$65.15	\$67.99
671	700	26	\$52.52	\$55.43	\$58.35	\$61.27	\$64.19	\$67.10	\$70.02
701	731	27	\$54.10	\$57.11	\$60.11	\$63.11	\$66.12	\$69.12	\$72.13
732	763	28	\$55.72	\$58.82	\$61.91	\$65.00	\$68.10	\$71.19	\$74.29
764	795	29	\$57.39	\$60.58	\$63.76	\$66.96	\$70.15	\$73.33	\$76.52
796	829	30	\$59.11	\$62.39	\$65.67	\$68.96	\$72.25	\$75.52	\$78.81
830	864	31	\$60.87	\$64.25	\$67.63	\$71.02	\$74.40	\$77.78	\$81.16
865	899	32	\$62.70	\$66.19	\$69.66	\$73.15	\$76.64	\$80.11	\$83.60
900	936	33	\$64.58	\$68.17	\$71.76	\$75.35	\$78.94	\$82.52	\$86.11
937	974	34	\$66.53	\$70.22	\$73.91	\$77.61	\$81.31	\$85.00	\$88.70
975	1013	35	\$68.51	\$72.32	\$76.12	\$79.93	\$83.74	\$87.54	\$91.35
1014	1054	36	\$70.58	\$74.50	\$78.41	\$82.34	\$86.26	\$90.18	\$94.10

Notes:

- 2027 represents 3.75% base increase over 2026
- Employees starting in a position may be placed on any step at the discretion of the City Administrator.
- Employees promoted to a position that is in a higher pay grade, will be placed on a step that is at least equivalent to, but not less than, their base wage before they were promoted.
- No step increases will be awarded under this structure after December 31, 2027

2028 BPS - Step System

Job Evaluation Point Range		Grade	Pay Range						
			Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
			Start	6 mos.	12 mos.	24 mos.	36 mos.	48 mos.	60 mos.
Min	Max	1-36	75.00%	79.17%	83.33%	87.50%	91.67%	95.83%	100.00%
150	163	1	\$25.85	\$27.28	\$28.72	\$30.15	\$31.59	\$33.02	34.46
164	178	2	\$26.61	\$28.09	\$29.57	\$31.05	\$32.52	\$34.00	35.48
179	193	3	\$27.41	\$28.93	\$30.45	\$31.97	\$33.50	\$35.02	36.54
194	209	4	\$28.23	\$29.80	\$31.37	\$32.94	\$34.50	\$36.07	37.64
210	225	5	\$29.08	\$30.69	\$32.31	\$33.92	\$35.54	\$37.15	38.77
226	241	6	\$29.95	\$31.61	\$33.27	\$34.94	\$36.60	\$38.26	39.93
242	258	7	\$30.85	\$32.56	\$34.27	\$35.99	\$37.70	\$39.41	41.13
259	276	8	\$31.77	\$33.54	\$35.30	\$37.07	\$38.83	\$40.59	42.36
277	294	9	\$32.73	\$34.55	\$36.37	\$38.19	\$40.00	\$41.82	43.64
295	313	10	\$33.71	\$35.59	\$37.46	\$39.33	\$41.21	\$43.08	44.95
314	332	11	\$34.73	\$36.66	\$38.58	\$40.51	\$42.44	\$44.37	46.30
333	352	12	\$35.76	\$37.75	\$39.73	\$41.72	\$43.71	\$45.69	47.68
353	372	13	\$36.83	\$38.87	\$40.92	\$42.96	\$45.01	\$47.05	49.10
373	393	14	\$37.94	\$40.05	\$42.16	\$44.27	\$46.38	\$48.48	50.59
394	415	15	\$39.08	\$41.26	\$43.42	\$45.60	\$47.77	\$49.94	52.11
416	437	16	\$40.25	\$42.49	\$44.72	\$46.96	\$49.20	\$51.43	53.67
438	460	17	\$41.45	\$43.76	\$46.06	\$48.36	\$50.67	\$52.97	55.27
461	484	18	\$42.71	\$45.08	\$47.45	\$49.82	\$52.20	\$54.57	56.94
485	508	19	\$43.99	\$46.43	\$48.87	\$51.32	\$53.76	\$56.20	58.65
509	533	20	\$45.30	\$47.82	\$50.33	\$52.85	\$55.37	\$57.88	60.40
534	559	21	\$46.65	\$49.24	\$51.83	\$54.43	\$57.02	\$59.61	62.20
560	585	22	\$48.07	\$50.74	\$53.41	\$56.08	\$58.75	\$61.42	64.09
586	613	23	\$49.50	\$52.25	\$55.00	\$57.75	\$60.50	\$63.25	66.00
614	641	24	\$50.99	\$53.83	\$56.66	\$59.49	\$62.33	\$65.15	67.99
642	670	25	\$52.52	\$55.44	\$58.36	\$61.28	\$64.20	\$67.11	70.03
671	700	26	\$54.09	\$57.10	\$60.10	\$63.11	\$66.11	\$69.11	72.12
701	731	27	\$55.72	\$58.82	\$61.91	\$65.00	\$68.10	\$71.19	74.29
732	763	28	\$57.39	\$60.58	\$63.76	\$66.96	\$70.15	\$73.33	76.52
764	795	29	\$59.12	\$62.40	\$65.68	\$68.97	\$72.25	\$75.53	78.82
796	829	30	\$60.88	\$64.26	\$67.64	\$71.02	\$74.41	\$77.79	81.17
830	864	31	\$62.69	\$66.18	\$69.66	\$73.14	\$76.63	\$80.10	83.59
865	899	32	\$64.58	\$68.17	\$71.76	\$75.35	\$78.94	\$82.52	86.11
900	936	33	\$66.52	\$70.22	\$73.91	\$77.60	\$81.30	\$84.99	88.69
937	974	34	\$68.52	\$72.33	\$76.13	\$79.94	\$83.75	\$87.55	91.36
975	1013	35	\$70.57	\$74.49	\$78.41	\$82.33	\$86.25	\$90.17	94.09
1014	1054	36	\$72.69	\$76.73	\$80.76	\$84.81	\$88.85	\$92.88	96.92

Notes:

- 2028 represents 3% base increase over 2027
- Employees starting in a position may be placed on any step at the discretion of the City Administrator.
- Employees promoted to a position that is in a higher pay grade, will be placed on a step that is at least equivalent to, but not less than, their base wage before they were promoted.
- No step increases will be awarded under this structure after December 31, 2028

RESOLUTION NO.

RESOLUTION APPROVING A LABOR AGREEMENT BETWEEN THE CITY OF AUSTIN AND INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE, AGRICULTURE IMPLEMENT WORKERS OF AMERICA (UAW), LOCAL 867 – WASTEWATER TREATMENT PLANT

WHEREAS, UAW – Wastewater Treatment Plant is the exclusive representative for certain City of Austin employees; and

WHEREAS, the current labor agreement between the City of Austin and UAW – Wastewater Treatment Plant expired on December 31, 2025;

WHEREAS, the City of Austin and UAW – Wastewater Treatment Plant met and negotiated over the terms of the new labor agreement between the parties;

WHEREAS, the City of Austin and UAW – Wastewater Treatment Plant have reached an agreement for a contract between the parties for the calendar years 2026 – 2028; and

WHEREAS, the contract sets forth items for calendar years 2026 – 2028, which sets standard conditions of employment for employees covered under the UAW – Wastewater Treatment Plant labor agreement.

WHEREAS, the Public Employment Relations Act requires that the City of Austin execute a labor agreement and implement it in the form of a resolution.

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

1. The Labor Agreement between the City of Austin and UAW – Wastewater Treatment Plant for January 1, 2026 through December 31, 2028 is approved.
2. The City of Austin’s Mayor and City Administrator be authorized to sign the labor agreement between the City of Austin and UAW – Wastewater Treatment Plant for calendar years 2026 – 2028.
3. The City of Austin shall implement the agreement.

BE IT FINALLY RESOLVED the Approval of and Implementation of the UAW – Wastewater Treatment Plant agreement.

Passed by a vote of Yeas and Nays this 20th day of January 2026

Yeas

Nays

ATTEST:

APPROVED:

City Clerk

Mayor

AGREEMENT BETWEEN

**INTERNATIONAL UNION, UNITED AUTOMOBILE,
AEROSPACE, AGRICULTURAL IMPLEMENT WORKERS OF
AMERICA
(UAW), LOCAL 867**

PARKS DEPARTMENT

**AND
THE CITY OF AUSTIN, MINNESOTA**

2026 – 2028

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ARTICLE 1

INTENT AND PURPOSE

- 1.1 This Agreement, entered into between the City of Austin, hereinafter referred to as the Employer, and the International Union, United Automobile, Aerospace, Agricultural Implement Workers of America (UAW), and its Local 867, hereinafter referred to as the Union, contains the terms of the negotiated agreement to conform with the Public Employment Labor Relations Act, as amended.

ARTICLE 2

RECOGNITION

- 2.1 The Employer recognizes the Union as the exclusive representative for the collective bargaining purposes and to have a representative of their own choosing for all regular fulltime Employees.

ARTICLE 3

EMPLOYER AUTHORITY

- 3.1 The Employer retains the full and unrestricted right to operate and manage all manpower, facilities, and equipment; to establish functions and programs; to set and amend budgets; to determine the utilization of technology; to establish and modify the organizational structure; to select, direct and determine the number of personnel; to establish work schedules; shifts and hours; to contract for goods or services; to make and enforce reasonable rules and regulations; to take any and all actions necessary to carry out the operations of the Employer in situations involving a disaster or emergency consistent with the terms and conditions listed in this Agreement to the extent practicable; to hire, promote, assign and transfer employees; to demote, suspend, discipline and discharge employees; to lay off employees; to assign duties, tasks, jobs, hours, shifts and overtime to employees; and to perform any inherent managerial function not specifically limited by this Agreement.

- 3.2 Any term and condition of employment not specifically established or modified by this Agreement shall remain solely within the discretion of the Employer to modify, establish or eliminate.

ARTICLE 4

WAIVER

- 4.1 Any and all prior agreements, resolutions, practices, policies, rules and regulations regarding terms and conditions of employment, to the extent inconsistent with the provisions of this Agreement, are hereby superseded.

- 4.2 The parties mutually acknowledge that during the negotiations, which resulted in the Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any terms or conditions of employment not removed by law from bargaining. All agreements and understandings arrived at by the parties are set forth in writing in the Agreement for the stipulated duration of this Agreement. The Employer and the Union each voluntarily and unqualifiedly waives the right to meet and negotiate regarding any and all terms and conditions of employment referred to or covered in this Agreement or with respect to any term or condition of employment not specifically referred to or covered by this Agreement, even though such terms or conditions may not have been within the knowledge or contemplation of either or both parties at the time this contract was negotiated or executed.

ARTICLE 5

EMPLOYEE RIGHTS – GRIEVANCE PROCEDURES

5.1 DEFINITION OF A GRIEVANCE

A grievance is defined as a dispute or disagreement as to the interpretation or application of the specific terms and conditions of this Agreement.

UNION REPRESENTATIVES

The Employer will recognize representatives designated by the Union as the grievance representatives of the bargaining unit having the duties and responsibilities established by this Article. The Union shall notify the Employer in writing of the names of such Union representatives and of their successors when so designated.

PROCESSING OF A GRIEVANCE

It is recognized and accepted by the Union and the Employer that the processing of grievances hereinafter provided is limited by the job duties and responsibilities of the Employees and shall therefore be accomplished during normal working hours only when consistent with such employee duties and responsibilities. The aggrieved employee and the Union Representative shall be allowed a reasonable amount of time without loss in pay when a grievance is investigated and presented to the Employer during normal working hours provided the employee and the Union Representative have notified and received the approval of the designated supervisor who has determined that such absence is reasonable and would not be detrimental to the work programs of the Employer

PROCEDURE

Grievance, as defined by Section 5.1, shall be resolved in conformance with the following procedure:

Step 1. An Employee claiming a violation concerning the interpretation or application of this Agreement shall, within fourteen (14) calendar days after such alleged violation has occurred, present to and discuss such grievance to the employee's supervisor as designated by the Employer. The Employer-designated representative will give an answer to such Step 1 grievance within ten (10) calendar days after the discussion. A grievance not resolved in Step 1 and appealed to Step 2 shall be placed in writing setting forth the nature of the grievance, the facts on which it is based, the provision or provisions of the

ARTICLE 5

EMPLOYEE RIGHTS – GRIEVANCE PROCEDURES (continued)

Agreement allegedly violated, and the remedy requested and shall be appealed to Step 2 within ten (10) calendar days after the Employer-designated representative's final answer in Step 1. Any grievance not appealed in writing to Step 2 by the Union within ten (10) calendar days shall be considered waived.

Step 2. If appealed, the written grievance shall be presented by the Union and discussed with the City Administrator or designee. The City Administrator or designee shall give the Union the Employer's Step 2 answer in writing within the (10) calendar days after receipt of such Step 2 grievance. A grievance not resolved in Step 2 may be appealed to Step 3 within ten (10) calendar days following the City Administrator or designee final Step 2 answer. Any grievance not appealed in writing to Step 3 by the Union within ten (10) calendar days shall be considered waived.

Step 3. A grievance unresolved in Step 2 and appealed in Step 3 shall be submitted to arbitration. The Employer and the Union representative shall endeavor to select a mutually acceptable arbitrator to hear and decide the grievance. If the parties cannot agree on an arbitrator, the selection of an arbitrator shall be made in accordance with the Rules established by the Bureau of Mediation Services.

ARBITRATOR'S AUTHORITY

A. The arbitrator shall have no right to amend, modify, nullify, ignore, add to, or subtract from the terms and conditions of this Agreement. The arbitrator shall consider and decide only the specific issue(s) submitted in writing by the Employer and the Union, and shall have no authority to make a decision on any other issue not so submitted.

B. The arbitrator shall be without power to make decisions contrary to, or inconsistent with, or modifying or varying in any way the application of laws, rules, or regulations having the force and effect of law. The arbitrator's decision shall be submitted in writing within thirty (30) days following the close of the hearing or the submission of briefs by the parties, whichever be later, unless the parties agree to an extension. The decision shall be binding on both the Employer and the Union and shall be based solely on the arbitrator's interpretation or application of the express terms of this Agreement and to the facts of the grievance presented.

ARTICLE 5

EMPLOYEE RIGHTS – GRIEVANCE PROCEDURES (continued)

C. The fees and expenses for the arbitrator's services and proceedings shall be borne equally by the Employer and the Union provided that each party shall be responsible for compensating its own representatives and witnesses. If either party desires a verbatim record of the proceedings, it may cause such a record to be made, providing it pays for the record. If both parties desire a verbatim record of the proceedings the cost shall be shared equally.

WAIVER

If a grievance is not presented within the time limits set forth above, it shall be considered "waived". If a grievance is not appealed to the next step within the specified time limit or any agreed extension thereof, it shall be considered settled on the basis of the Employer's last answer. If the Employer does not answer a grievance or an appeal thereof within the specified time limits, the Union may elect to treat the grievance as denied at that step and immediately appeal the grievance to the next step. The time limit in each step may be extended by mutual agreement of the Employer and the Union.

ARTICLE 6

HOURS OF WORK

- 6.1 The normal work year for the regular fulltime City employees will be 2080 hours.
- 6.2 Employees may cash out accumulated compensatory time at their base rate of pay established in 17.1 of this Agreement and paid out as budget allows. Employees that wish to cash out compensatory time, must elect to do so; sign-up will be offered for payout by June 30 and December 15.

Employees will be allowed to carry over a maximum of 40 hours of compensatory time from calendar year to calendar year. Employees with less than five years of employment may carry over a maximum of 80 hours from calendar year to calendar year.

For those employees who fail to make an election as to how many hours, they will carry over into the next calendar year, the entire balance of accrued compensatory time will be paid out at the employee's base rate of pay specified in 17.1 of this Agreement and paid by December 15 of that year.

Compensatory time accrued after payment of compensatory time may be allowed to be carried over to the next calendar year provided the employee remains under the applicable maximum carry over. Hours in excess of the applicable maximum carry over will be paid out on the payroll for the pay period that included December 31.

- 6.3 It will be the policy of the Employer as far as practical, to maintain a five (5) day work week for employees. It is understood, however, that there may be times when this cannot be done, and the supervisor may call upon the employees to work extra hours.

ARTICLE 7

SENIORITY

- 7.1 The Employer agrees to recognize the principles of seniority giving preference of employment, jobs and advancement to employees on the basis of length of service.
- 7.2 In the case of lay-off for lack of work, the youngest in point of seniority shall be the first layoff. When the force is increased, those formerly laid off shall be rehired before others are employed. They shall be rehired in the order of their seniority - the oldest first, etc. As vacancies occur, notice of the same shall be posted giving the straight time employees the opportunity, on the basis of seniority, to fill the vacant job. Any employee shall have the right to waive his or her seniority to any job. This article shall not be construed in such a way as to give anyone claim to a job the duties of which he or she is clearly unable to perform. The exceptions to seniority as provided in this paragraph shall be by mutual agreement of the parties hereto.
- 7.3 Any employee who is laid off for lack of work and who, before being called back to work, would get another job either temporarily or permanently, will be granted ten (10) working days (after being notified by the City) without any loss of their seniority rights.
- 7.4 Layoffs: A fulltime permanent non-probationary employee who is laid off shall have first option to fill any other vacant fulltime permanent position which the Employer posts for filling in the Austin Street and Sewer Maintenance Department and Park and Recreation Department, subject to Department seniority provisions in the respective collective bargaining agreements, provided the employee is qualified and has had a satisfactory work record and meets the qualifications of the vacant position. The positions for which this agreement covers are those positions listed in the labor agreement for Park and Recreation Department and Street and Sewer Maintenance Department.
- 7.5 The first six (6) months of employment shall be considered a probationary training period and no seniority shall be held during such time. During the probationary period, the Employee may be disciplined, demoted, transferred or discharged at the sole discretion of the Employer. Upon completion of the probationary period, seniority shall date back to original date of hire.
- 7.6 All job openings shall be posted for a period of seventy-two (72) hours (or thereafter until all employees have an opportunity to sign). The job shall first be filled by seniority in the Parks Department before outside help is hired.

ARTICLE 7

SENIORITY (continued)

- 7.7 All employees receiving jobs in accordance with their seniority shall be given thirty (30) days in which to qualify for the job. In the event of disqualification said employee shall, without impairment of seniority rights, return to the job they left immediately preceding the step up.
- 7.8 An understanding and explanation of each job opening in regard to rate of pay, classification, length of job, and starting date of job shall be included and made a part of the job posting list at all times.
- 7.9 Employees shall perform their duties and in no way be insubordinate to any member of the supervisory or administration staff or consistently use profane language.
- 7.10 The Employer may direct the employee to perform any duty or responsibility including the duties and responsibilities of higher classification provided, however, that if they perform the duties and responsibilities of a higher classification, they shall be entitled to the rate of pay for the higher classification provided further that they work a minimum of two (2) hours. They will be paid for work in addition to the two hours in one-half hour increments.
- No more than two employees will be paid at this rate for a specific calendar day for performing qualifying tree maintenance duties and responsibilities.
- 7.11 The Employer may assign the employees of Park and Recreation Department to work in the Street and Sewer Maintenance Department to perform the work as directed and scheduled by the Employer in the other department within the employee's qualifications and ability to perform the work.
- 7.12 When employees are assigned to perform certain tasks on a temporary basis at the sole discretion of the Employer within a different department, seniority will be based on date of hire with the Employer.
- 7.13 A signed job posting means the employee will complete all work within that posting before they can use their seniority to bump to another assignment. When the Employer deems that tasks within a posting are not a priority, at that time the employee may use their seniority to accept other job assignments
- 7.14 Postings are to be signed by regular fulltime employees only.
- 7.15 Any person signing a job posting must accept if they get the job.

ARTICLE 7

SENIORITY (continued)

- 7.16 For the purposes of 7.2 and 7.4 only, “seniority” means an employee’s length of continuous employment with the Employer.

ARTICLE 8

SICK LEAVE

8.1 All sick and safe leave usage and administration under this section shall be consistent with Minnesota's Earned Sick and Safe Leave law, as amended from time to time.

8.2 Regular fulltime employees working forty (40) hours per week will accrue sick and safe leave at the rate of eight (8) hours per month of service, for a total of ninety-six (96) hours per calendar year, pro-rated as necessary based on a 2,080-hour work year. Sick and safe leave may be used as it is accrued.

Employees hired before January 1, 2026 may accrue sick and safe leave without any accumulation limit. Employees hired on or after January 1, 2026 will be subject to an accumulation threshold of 720 hours. Sick and safe leave will not accrue beyond this threshold until the employee's balance falls below 720 hours.

8.3 Sick and safe leave may be used when an employee is unable to perform their regular duties due to illness, injury, or for any purpose permitted under applicable state or federal law. Sick and safe leave may be used as it is accrued in the smallest increment of time tracked by the City's payroll system. Employees shall properly designate their use of sick and safe leave on their timesheet, and used leave will be deducted on a first-in, first-out basis. The Employer may request reasonable documentation if an employee's absence exceeds two consecutive scheduled workdays.

8.4 Payment of accumulated unused sick and safe leave, together with accumulated vacation leave, shall not exceed an amount equivalent to one (1) year of the employee's present rate of pay at the time of retirement or involuntary layoff. Layoff includes any termination enacted by the City that is not a disciplinary action.

Employees hired before January 1, 2006 shall have their accumulated sick and safe leave paid out at one hundred percent (100%) of accumulation.

Employees hired on or after January 1, 2006 and prior to January 1, 2026 shall have all sick leave hours accrued and unused as of December 31, 2025 paid at fifty percent (50%) of accumulation, and all sick and safe leave hours accrued on or after January 1, 2026 paid at one hundred percent (100%) of accumulation.

Employees hired on or after January 1, 2026 shall have their accumulated sick and safe leave paid out at one hundred percent (100%) of accumulation and remain subject to the accrual limits outlined in Section 8.3.

ARTICLE 8

SICK LEAVE (continued)

To qualify for payment of unused sick and safe leave upon retirement, the employee must submit a written notice of retirement to their department head at least fourteen (14) calendar days prior to the retirement date, must actually retire, and must meet the applicable PERA retirement requirements.

If death occurs before retirement, accumulated sick and safe leave will be paid to the employee's designated beneficiary; if none is designated, payment will be made to the spouse, and if no spouse survives, to the employee's estate.

- 8.5 An employee disabled by an accident arising out of and in the course of their employment, may, upon their return to work, apply any unused portion of their sick leave or vacation upon any part of their period of disability for which they are not entitled to draw workers' compensation.

ARTICLE 9

JURY DUTY

- 9.1 All of the employees shall be granted a leave of absence for jury duty or if subpoenaed as a witness in court. The Employee shall be compensated the difference of their regular rate of pay and that received for such duty, by the Employer. If the employee reports for jury duty/witness in court and is subsequently excused from such duty, they shall return at once to their regular work.
- 9.2 The employee, in order to qualify under 9.1, shall present the jury/witness check to the Employer for verification.

ARTICLE 10

LEAVE OF ABSENCE

- 10.1 Per Minn. Stat. §179A.07, subd. 6, the Employer will afford reasonable time off to elected officers or appointed representatives of the exclusive representative to conduct the duties of the exclusive representative
- 10.2 Seniority shall accumulate while employees are on leave of absence without pay.
- 10.3 Paid leave time will not accrue during unpaid leaves of absence except as otherwise provided by law.
- 10.4 Failure of an employee to return to work after expiration of their leave may result in termination of employment at the discretion of the Employer.
- 10.5 When an employee is off work with a compensable injury, the employee shall receive the difference between his compensable check and their regular check for the first thirty (30) days.

ARTICLE 11

HOLIDAYS

11.1 Each regular fulltime employee will be entitled to twelve (12) paid holidays (96 benefit hours), as follows:

New Year's Day	Independence Day
Martin Luther King, Jr. Day	Labor Day
President's Day	Veterans Day
Good Friday	Thanksgiving Day
Memorial Day	Day After Thanksgiving Day
Juneteenth	Christmas Day

11.2 If a holiday falls on Saturday, the Friday before will be observed as the holiday.

11.3 If a holiday falls on Sunday, the following Monday will be observed as the holiday.

11.4 If a holiday falls on a regularly scheduled workday, employees on a seven (7) day operation shall be granted an additional day off, except Christmas and New Year's Day will be observed as a holiday.

ARTICLE 12

VACATION

- 12.1 Employees shall begin accruing vacation on their date of hire. Vacation for the initial partial year of employment shall be prorated from the date of hire through December 31, using an annual allotment of 80 hours as the basis for calculation. Effective the following January 1, employees shall receive the full 80-hour vacation allotment. Thereafter, employees shall continue to receive vacation in accordance with the ongoing vacation accrual schedule.

Employees will be awarded vacation annually on January 1 based on years of service.

- 1 year of service – 80 hours
- 4 years of service – 120 hours
- 8 years of service – 160 hours
- 12 years of service – 200 hours
- 22 years of service – 240 hours

Employees hired prior to January 1, 2026, remain eligible to accrue up to 240 hours of vacation annually at 22 years of service, while employees hired on or after January 1, 2026 will have a maximum accrual limit of 200 hours.

Vacation increases based on years of service will be awarded according to the following schedule:

If an employee's anniversary date falls between January 1 and June 30, the vacation increase will be credited on January 1 of that same year.

If an employee's anniversary date falls between July 1 and December 31, the vacation increase will be credited on January 1 of the following year.

Employees may carry over up to 40 hours of unused vacation into the following calendar year.

- 12.2 The maximum number of hours an employee is allowed to use vacation in a calendar year is 240 hours, except vacation time used by an employee during FMLA leave does not count towards this maximum. An employee with twenty (20) years of service shall only be entitled to 200 consecutive hours of vacation during the months of November, December, January and February. During the months of March, April, May, June, July, August, September and October, employees are only allowed to use 80 hours of vacation, except that vacation time used by an employee during FMLA leave does not count towards this maximum. (Any deviation from the above clause shall be arranged mutually in writing between the Director of Park and Recreation and the employee.)

ARTICLE 12

VACATION (continued)

- 12.3 Vacation time used must be approved by the supervisor.
- 12.5 Employees may take their vacation a day at a time upon notification and approval of the supervisor in their respective departments. The above is limited to one week of their vacation and shall apply to one person in each department

ARTICLE 13

BREAVEMENT LEAVE

- 13.1 Paid Bereavement leave will be granted to regular fulltime employees up to two (2) scheduled work days for the purpose of bereaving the death of a member of their immediate family, provided the employee makes the arrangements with and gets approval from the supervisor.
- 13.2 For the purpose of Section 13.1 above, a member of the immediate family means the employee's spouse, child, grandchild, stepchild, mother, father, stepparent, sister, brother, step sibling, mother-in-law, father-in-law, employee's and spouse's grandparents, spouse's stepparent, brother-in-law and sister-in-law.

ARTICLE 14

EMPLOYEE'S INSURANCE PROGRAM

- 14.1 The employer agrees to continue to make a base medical insurance program available, similar to the one in effect on the date of this agreement, subject to the limitations, benefits and conditions established by the contract between the employer and the insurance carrier, or a plan with a comparable or increased aggregate value of benefits, as determined by an actuarial value. The employer reserves the right to change from a fully-insured health plan to a self-insured plan provided that the aggregate value, as determined by an actuarial value, is not changed.

In the event the City offers additional health insurance plans, these optional plans are not negotiated plans and changes to these plans may be made at the employer's discretion, including changing from a self-insured health plan to a fully insured health plan. Employees who choose an optional plan, must pay any difference if the cost is greater than the cost of the negotiated plan. These optional plans shall not be negotiated nor subject to M.S. 471.6161 and any additional plans may be added at the City's sole discretion.

Employee premium contributions for health insurance coverage shall be the same as those approved by the City Council for non-union employees. Any changes to premium contribution levels or plan options approved by the City Council shall apply equally to all eligible employees.

City contribution shall not exceed the total monthly premium payment.

There will be an enrollment period each year for coverage effective January 1 of the next year. Employees may change plans during this enrollment period with their choice effective January 1st through December 31st. The coverage for the insured employee and family must be by the same plan each year.

- 14.2 In the event the health insurance provisions of this agreement fail to meet the requirements of the Affordable Care Act, the Bargaining Unit and Employer will meet and confer over alternative provisions so as to comply with the Act.
- 14.3 The Employer shall pay the Employer's share of the premium for six (6) months for all employees who are on leave of absence because of sickness. Leaves of absence for military service or other reasons will not be covered.
- 14.4 The Employer shall pay the Employer's share of the premium for twelve (12) months for all employees who are disabled with compensable disability.

ARTICLE 14

EMPLOYEE'S INSURANCE PROGRAM (continued)

- 14.5 The Employer shall pay the premium for a \$40,000 term life insurance policy with accidental death and dismemberment.
- 14.6 New employees will sign authorization cards for insurance benefits, excluding health insurance, on the first day of fulltime employment and the insurance will be in effect the first day of the month following the third (3rd) month. Health insurance benefits will be effective the first of the month following one month of employment.
- 14.7 The Employer will allow for use of up to a maximum of \$1,000 per year from the employee's accumulated sick and safe leave account of equal or greater value, which can be applied each year toward satisfying deductible costs. Payment to be in the form of reimbursement after the deductible cost has been paid by the insured and receipts submitted to the Employer showing payment.

ARTICLE 15

PREMIUM PAY

- 15.1 Where an employee's regular job requires that they must work on one of the observed holidays established in 11.1, they will receive another day off in lieu thereof.
- 15.2 Unless mutually agreed upon in advance by the employee and their supervisor, employees will be paid at a rate of one and one-half times their base rate of pay in 17.1 for all hours worked:
- A. Between 7:00 PM and 5:00 AM, except for such hours worked that were scheduled by Employer at least 7 calendar days prior to the day the hours are worked.
 - B. Between 5:00 AM and 7:00 AM if the employee began working 12:00 AM or later the same calendar day, except for hours worked that were scheduled by the Employer at least 7 calendar days prior to the day the hours are worked.
 - C. Over the employee's scheduled number of work hours for each workday they are scheduled eight (8) hours or more in any one-day
 - D. On Saturday except regularly scheduled personnel.
 - E. During a recall on their day off.
- 15.3 Employees will be paid at a rate of twice their base rate of pay in 17.1 for all hours worked:
- A. On Sunday, except scheduled personnel and snow removal
 - B. On Holidays
 - C. On the seventh (7th) day following six (6) continuous work days.
- 15.4 Employees who are recalled to work and physically report to work for hours that were not scheduled by Employer at least 7 calendar days prior to the day the employee is recalled, shall receive a minimum of two (2) hours call-in pay. If the employee works more than one and one-quarter hours, they shall be paid at a rate of one and one-half times their base rate of pay in 17.1 of this Agreement for all hours worked. This will apply only to hours worked from 4:00 PM to 5:00 AM, Monday through Saturday.
- 15.5 For the purpose of computing premium pay in 15.2 through 15.4 time worked shall not be pyramided, compounded or paid twice for the same hours worked.

ARTICLE15

PREMIUM PAY (continued)

- 15.6 For the purpose of reducing the total yearly average of an employee, or when because of weather or some other conditions, there is no suitable work available, as judged by the supervisor, the supervisor can order an employee either full days or part days off. Such "time off" will not be considered vacation, sick and safe leave, or holidays, and the employee will not be deducted in pay for such time off.
- 15.7 When, in the opinion of the supervisor, the Employer's work will not be negatively impacted, then for the convenience of the employee "off-time" that will not be considered as vacation, sick and safe leave, or holidays, can be arranged between the employee and the Director of Parks and Recreation. However, the Council feels that there is danger of this privilege being misused by the Director and/or the employee and asks both to use good judgment in asking for the granting of this privilege.
- 15.8 An efficiency allowance of \$10.00 will be provided to employees for those times when working through a mealtime or after 5:00 PM of continuous work following their regularly scheduled hours at the discretion of the Employer. This provision does not apply to snow removal.
- 15.9 The maximum number of red hours shall not exceed 24 hours. Overtime hours earned will reduce red hours by the same amount. No employee will receive cash or compensatory time for overtime hours to the extent they have accumulated red hours. Red hours must be deducted from accumulated vacation time, or sick leave if there is no accumulated vacation time, whenever an employee terminates employment, unless it is due to retirement or death.

ARTICLE 16

GENERAL

- 16.1 Upon presentation of an authorized check-off for dues card to the Employer, the Employer shall make the necessary deduction and remit the same to Local 867, United Auto Workers of Austin, Minnesota. This deduction shall be from the employees' payroll.
- 16.2 Employees shall be responsible for the operation of their respective trucks and machines, inasmuch as it will be the duty of employees to check their truck or equipment before leaving the garage on the beginning of their tour of duty as to water, gas, oil and tires. On return of the truck or equipment to the garage, they will report all defects of operations to the supervisor.
- 16.3 All drivers are required to have a Commercial Driver's License. Failure to maintain such a license may be cause for demotion or termination.
- 16.4 Safety glasses will be furnished by the Employer, corrective or not. Employer will contribute up to \$200.00 every two years toward the purchase of prescription safety glasses according to the following rules:
- A. Glasses must meet OSHA regulations.
 - B. Glasses must include side clamps, either permanent or removable.
 - C. Employee must receive an estimate and get approval prior to purchase.
 - D. A plastic lens will be used and it shall be coated with a scratch-proofing compound. Glass lenses will be allowed where applicable and with prior approval (for such jobs as welding, etc.).
 - E. Employer contribution shall be available on an every-other year basis.
 - F. The payment paid to vendor by Employer or reimbursed to employee from appropriately detailed receipt.
 - G. No carry-over beyond the two-year time period.

ARTICLE 17

PAY PLAN

- 17.1 In calendar years 2026, 2027 and 2028 respectively, employees will be paid the base pay at the following pay grades as provided in employer's base pay schedule for the respective calendar year, which are attached hereto as reference:

Job Title	Pay Grade
Equipment Operator/Park Maintenance	8
Park Maintenance & Facility Technician	8
Park Maintenance/Pool Maintenance	8
Construction Maintenance	9
Tree Maintenance	11
Parks and Recreation-Mechanic	13

- 17.2 Park Department employees will be paid a differential equivalent to the base pay for the Operator job classification in the Employer's base pay schedule at the same step the employee is at in their job classification and their base pay when they are operating Street Department equipment while performing work in the Street or Park Departments.

ARTICLE 18

HOURLY EMPLOYEES

- 18.1 This Article of this Agreement covers only the temporary employees, generally known as the hourly employees. Employees under this classification are governed by the following regulations and rate of pay schedule listed below:
- 18.2 All hourly rated employees must complete 2,080 hours of work for the Employer, before they are entitled to any vacation. They shall then be entitled to six (6) hours and forty (40) minutes vacation for every month of service they work from the beginning of the month immediately following 2,080 hours of service. Employee's service does not have to be continuous service for them to be entitled to vacation.
- 18.3 In the event that an hourly employee receives a job as a regular full-time Employee, they shall, upon completion of thirty (30) days probationary period, be recognized as a regular full-time Employee. However, for purposes of establishing seniority under Article 7, no seniority shall commence accruing until the hourly employee who becomes a regular full-time Employee has completed 6 months of employment, at which time seniority shall date back to the date said hourly employee became a regular full-time Employee.
- 18.4 When an employee qualifies for a change in classification, in the opinion of the Employer, they shall be paid the rate of the new classification they are qualified for.
- 18.5 The Employer will follow the approved seasonal/temporary hourly wage schedule as established by Council resolution., which will be at least that of the rate of the national minimum wage.
- 18.6 Vacation will be based on time worked after employee has completed 2080 hours. When hourly employee becomes fulltime, the time worked prorated since having completed 2080 hours, as an hourly employee would count for vacation rate based on time worked.

Example: Employee works as an hourly employee 4160 hours in a five (5) year period and then is hired as a fulltime employee. Employee would have one-year credit to the next vacation rate change. Next vacation rate change is after five years. This employee's next vacation rate change is after four (4) years.

ARTICLE 19

CLOTHING ALLOWANCE

- 19.1 Each employee shall be reimbursed up to \$225.00 annually toward the purchase of work clothing items, including but not limited to work boots, on an approved list from the Employer. The Employer will reimburse the employee upon submission of a receipt from the vendor that has been paid for an approved item. Balance may be carried forward from year to year. The Human Resources Department will administer the account.

In addition, employees who regularly hold the positions of Tree Trimmer or Chipper Operator will receive \$25.00 annually toward the purchase of steel-toed boots. The Employer will reimburse the employee upon submission of a receipt from the vendor that has been paid for the approved item. Steel-toed boot allowance does not carry over from calendar year to calendar year.

An employee terminating employment during the year will reimburse the Employer up to the current annual allowance on a pro-rated basis for any month in which he/she has not worked.

- 19.2 Approved clothing allowance list:

Work shirts (including safety t-shirts, if preferred over provided safety vests), pants, coveralls, jackets (including safety jackets, if preferred over provided safety vests), coats, gloves, caps and boots/shoes.

- 19.3 Mechanics will be provided coveralls.

ARTICLE 20

DURATION

20.1 This Contract shall remain in full force and effect from January 1, 2026, to December 31, 2028.

IN WITNESS WHEREOF, the parties hereto have executed this contract on the latest date affixed to the signature hereto.

SIGNATURE OF UNION
REPRESENTATIVES
UAW, LOCAL 867
REPRESENTATIVES

SIGNATURE OF CITY
REPRESENTATIVE
CITY OF AUSTIN, MINNESOTA

Mayor

Jim Frickson PD

ATTEST:

Jeff Dudycha

City Administrator

Date: 1/15/24

Date: _____

RESOLUTION NO.

RESOLUTION APPROVING A LABOR AGREEMENT BETWEEN THE CITY OF AUSTIN AND INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE, AGRICULTURE IMPLEMENT WORKERS OF AMERICA (UAW), LOCAL 867 – PARKS DEPARTMENT

WHEREAS, UAW – Parks Department is the exclusive representative for certain City of Austin employees; and

WHEREAS, the current labor agreement between the City of Austin and UAW – Parks Department expired on December 31, 2025;

WHEREAS, the City of Austin and UAW – Parks Department met and negotiated over the terms of the new labor agreement between the parties;

WHEREAS, the City of Austin and UAW – Parks Department have reached an agreement for a contract between the parties for the calendar years 2026 – 2028; and

WHEREAS, the contract sets forth items for calendar years 2026 – 2028, which sets standard conditions of employment for employees covered under the UAW – Parks Department labor agreement.

WHEREAS, the Public Employment Relations Act requires that the City of Austin execute a labor agreement and implement it in the form of a resolution.

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

1. The Labor Agreement between the City of Austin and UAW – Parks Department for January 1, 2026 through December 31, 2028 is approved.
2. The City of Austin’s Mayor and City Administrator be authorized to sign the labor agreement between the City of Austin and UAW – Parks Department for calendar years 2026 – 2028.
3. The City of Austin shall implement the agreement.

BE IT FINALLY RESOLVED the Approval of and Implementation of the UAW – Parks Department agreement.

Passed by a vote of Yeas and Nays this 20th day of January 2026

Yeas

Nays

ATTEST:

APPROVED:

City Clerk

Mayor

2026 BOARDS & COMMISSIONS – Council Representation

AUSTIN/MOWER COUNTY HOMEOWNERSHIP BOARD

Meets January, May, October – 5:30, City Hall Conference Room B

1. Jeff Austin
2. Paul Fischer

BLAZING STAR TRAIL JOINT POWERS BOARD

No set meeting times

1. Oballa Oballa
2. Steve King
3. Jeff Austin

CABLE TV COMMITTEE

No set meeting times

1. Steve King

CHAMBER OF COMMERCE BOARD

*Meets fourth Wednesday of the month – 7:30 am, Town Center Conference Room
Government Affairs/Voice of Business meeting meets second Tuesday of the month – 8:00 am;
Town Center Conference Room – City Liaison only attends when requested to give a City
update*

1. Craig Clark

CITY/COUNTY HEALTH BOARD (County Appointment)

Meets at least three times per year, Health and Human Services

1. Steve King

COMMUNITY EDUCATION ADVISORY COUNCIL

Meets every other month at 3:00 pm

1. Rebecca Waller

CULTURE AND ARTS

Meets the third Thursday of the month – 12pm, City Hall Conference Room B

1. Laura Helle

DISCOVER AUSTIN, MINNESOTA

Meets the fourth Tuesday of the month – 1:00 pm, various business locations

1. Mike Postma

DCA BOARD

*Meets the second Tuesday in March, June, September and December – 12:00 pm, various
locations*

1. Jason Baskin

FAMILY CONNECTIONS

Meets as needed, ARC-Mower County

1. Steve King

HOUSING AND REDEVELOPMENT AUTHORITY BOARD

Meets the fourth Tuesday of the month – 3:30 pm, HRA Office

1. Rebecca Waller, First Ward
2. Mike Postma, Second Ward
3. Paul Fischer, Third Ward

HUMAN RIGHTS COMMISSION

Meets the fourth Wednesday of the month – 5:30 pm, City Hall Conference Room B

1. Oballa Oballa

LEC COMMITTEE

No set meeting times

1. Mayor King
2. Jeff Austin
3. Craig Clark
4. David McKichan
5. Jim McCoy

LIBRARY BOARD

Meets the second Monday of the month – 4:30 pm, Library

1. Jeff Austin

ONE WATERSHED ONE PLAN ADVISORY COMMITTEE

Mower County Soil and Water Conservation District

1. Steve King

PARK AND RECREATION BOARD

Meets the first Wednesday of the month – 5:15 pm, Jay C. Hormel Nature Center

1. Laura Helle

PORT AUTHORITY OF AUSTIN

Meets fourth Wednesday of the month in January, April, July, October (plus special meetings as needed) – 4:30 pm, Council Chambers

1. Jason Baskin
2. Jeff Austin

SALVATION ARMY BOARD

1. Mike Postma

SENIOR CENTER BOARD OF DIRECTORS

Meets the third Friday of the month – 9:00 am, Mower County Senior Center

1. Paul Fischer

SMART Transit Advisory Committee

Meets quarterly, various times & locations

1. Oballa Oballa

YELLOW RIBBON COMMITTEE

1. Oballa Oballa

City of Austin
Craig Clark,
City Administrator



500 Fourth Avenue N.E.
Austin, Minnesota 55912-3773
Phone: 507-437-9941
craigc@ci.austin.mn.us
www.ci.austin.mn.us

MEMORANDUM

TO: Mayor & City Council

FROM: Craig D. Clark
City Administrator

RE: Local Option Sales Tax (LOST) Resolution of support

DATE: January 14, 2026

As you know, the State of Minnesota will often require a resolution of support for various grants and other requests. For Local Option Sales Taxes governed under Minnesota Statutes section 297A.99 there is a similar need for a resolution of support that is to be forwarded to legislative leaders for capital projects which have a “clear and demonstrated regional benefit beyond the local jurisdiction.” This is required to be submitted by January 31st.

We previously had discussions related to a new law enforcement center for the Austin Police Department which had subsided as the result of a legislative moratorium enacted two years ago. That moratorium has now expired, and requests may be made in the 2026 legislature. The legislative opposition has not significantly dissipated so LOST requests will be difficult.

I propose that we adopt a resolution of support which includes the following state necessitated items:

- The proposed tax rate;
- A detailed description of no more than five capital projects to be funded by the proposed tax;
- The amount of revenue from the sales tax that would be used for each project and the estimated time needed to raise that amount; and
- The total revenue that will be raised for all projects before the tax expires, and the estimated length of time that the tax will be in effect if all proposed projects are funded.

These details are answered as part of the resolution of support included as Exhibit 1. The resolution includes a .05 sales tax request that would be used solely for the construction of an estimated 36,000 square feet law enforcement facility for the City of Austin to pay the costs of collecting and administering the tax, finance up to \$28,400,000 with the associated bonding costs, be inclusive of our previous purchase of land, utilities, site work, design and operation of a law enforcement center. This overall amount of \$28.4 million is derived from revenue raised by the sales tax over a 20 year collection period for all cost associated with the project.

The enactment of a LOST is dependent on legislative approval, voter approved referendum held within two years of the legislative authority and filing the resolution of approval with the Secretary of State if it meets the public's support. The legislative intention would be the effective date of the sales tax for a law enforcement facility would only be collected at the expiration of our current flood control projects being completed.

Please let me know if you have any questions.

Approve the Resolution included as Exhibit 1 and authorize the Mayor to sign and Clerk attest the resolution.

RESOLUTION NO.

**A RESOLUTION OF SUPPORT FOR LOCAL OPTION SALES TAX AUTHORITY FOR A
LAW ENFORCEMENT FACILITY WITH CLEAR REGIONAL BENEFIT
PURSUANT TO MINNESOTA STATUTES SECTION 297A.99**

WHEREAS, the City of Austin, Minnesota (“City”) is a regional hub that services a substantially broader population than its municipal residents; and

WHEREAS, the City of Austin experiences an influx of approximately 5,700 workers during the daytime hours. Additionally, more than forty percent (40%) of the City's sales tax revenue is generated by visitors to the community. The city also sees over 21,500 vehicles daily on I-90; and

WHEREAS, the Austin Police Department provides public safety services not only to City residents but to all individuals who live, work, shop, conduct business, or otherwise visit the community, thereby serving a clear and demonstrated regional purpose beyond the City’s local jurisdiction; and

WHEREAS, Minnesota Statutes section 297A.99 requires that capital projects funded through a Local Option Sales Tax (“LOST”) demonstrate a clear and documented regional benefit and be supported by a resolution of the governing body for submission to legislative leaders by January 31; and

WHEREAS, the City proposes the adoption of a Local Option Sales Tax at a rate of 0.5 percent, the proceeds of which would be used solely for the planning, design, construction, equipping, and financing of a new law enforcement facility for the Austin Police Department; and

WHEREAS, the proposed law enforcement facility is anticipated to consist of approximately 36,000 square feet and would include costs related to land acquisition already completed, utilities, site work, design, construction, operational needs, bonding, and administrative expenses; and

WHEREAS, the City proposes to finance up to \$28,400,000, inclusive of associated bonding and financing costs, through the proceeds of the proposed sales tax; and

WHEREAS, the City plans to collect the sales tax over a 20-year collection period for all costs associated with the project; and

WHEREAS, the City’s legislative intent is that collection of the proposed sales tax for the law enforcement facility would commence only upon the expiration of the City’s existing Local Option Sales Tax for flood control projects currently being completed and would be in effect for a 20 year duration.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN, MINNESOTA, THAT The City Council hereby supports the request for legislative authorization to impose a 0.5 percent Local Option Sales Tax pursuant to Minnesota Statutes section 297A.99 for the sole purpose of funding a new law enforcement facility for the Austin Police Department.

Passed by a vote of yeas and nays this 20th day of January, 2026.

YEAS

NAYS

ATTEST:

APPROVED:

City Clerk

Mayor