

**MINUTES OF THE CITY COUNCIL  
WORKSHOP MEETING  
ST. AUGUSTA, MINNESOTA  
June 17, 2025**

**CALL TO ORDER:** The meeting was called to order by Mayor Schmitz at 7:00 PM with the Pledge of Allegiance.

**PRESENT:** Mayor Schmitz, Council Members, Hommerding, Genereux and Skaalerud; Engineer Hajicek and Clerk/Administrator McCabe.

**OTHERS PRESENT:**

**CONSENT AGENDA:** A motion was made by Mr. Hommerding, seconded by Mr. Skaalerud to approve the consent agenda. Motion carried 4-0.

The following items were approved with the consent agenda:

Bill Payable dated June 17, 2025 for ePayments #25313e – 25316e and Checks #24583 – 24604.  
City Council/Planning Commission Workshop Agenda, May 13, 2025

**CIP TASK  
ORDER:**

Mr. Hajicek presented the proposed task order to develop the formal capital improvement plan stating this is an hourly contract. He also reminded the Council how the tool will work and be able to tie into the financial CIP as well. Mr. McCabe stated it was for initial discussion and the intent would be to have on the July 1 consent agenda.

**INITIAL BUDGET  
DISCUSSION:**

Mr. McCabe indicated we will continue to lose Local Government Aid for more reasons than just the need portion of the formula. 2025 funding is approximately \$38,000 less than 2024 and 2026 is projected to be approximately \$38,000 than 2025. He also stated that the projections on revenues for the small cities road funding are coming in slower than anticipated and we will not get the budgeted amount this year. He stated he would like to present a proposed budget that will increase the levy and bring our tax rate closer to 30%. Mr. McCabe explained an 7-8% increase in the tax rate will cause an \$80 increase per \$100,000 of house value. The consensus was it is okay to present that proposal knowing the levy can only go down after the initial certified number and knowing that we will justify the increase by explaining the loss in LGA and showing the increased cost in road projects.

**ROAD CONDITION  
SURVEY:**

Mr. Hajicek reviewed drone footage to held establish a road priority list and started with Gaberdine Road/238<sup>th</sup> Street/240<sup>th</sup> Street as this project was already deemed priority number one. 28<sup>th</sup> Avenue from 215<sup>th</sup> Street to the

south was reviewed along with Vienna Hills, Gor-Ann and the Starlight Addition. Mr. Hajicek indicated their firm would review all the roads and update the road condition map and start building the CIP tool in their system. He anticipated we would have a new street condition map within a couple of weeks so we can start prioritizing major road projects and also look at establishing a city wide crack filling/seal coat program where each road is getting done every 4-8 years.

**ADJOURMENT:**      **A motion was made to adjourn at 8:30pm by Mr. Skaalerud seconded by Mr. Genereux.**

Approved this 3<sup>rd</sup> day of June, 2025.

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Jeff Schmitz, Mayor

Attest:

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William R. McCabe, Clerk/Administrator