

COUNCIL PROCEEDINGS
JUNE 16, 2021

Charles City city council met in a planning session on June 16, 2021 at 6:00 p.m. via Zoom due to the COVID-19 pandemic. Mayor Dean Andrews presided and the following council members were present: Keith Starr, Jerry Joerger, DeLaine Freeseaman, Phoebe Pittman and Phillip Knighten. Also present was city administrator Steve Diers.

Mayor Andrews commented that he had attended the library's strategic planning meeting last night.

Doug Johnson and Paul Miller were in attendance to give an update on the water quality initiative. They are now working on the urban portion of this project. They noted that the city has already installed several blocks of permeable paving, which is a best management practice. Cities have more concrete which in turn causes more run off. The water from city streets goes straight to rivers and streams, so we should promote practices to help control these flows. We can promote the use of rain barrels, rain gardens and permeable paving for driveways to help capture surface water or divert the water into the subsoil. Utilizing social media, newsletters or presentations to civic groups, we can educate the public on these options. It was stated that having these water quality initiatives in place in the city could make us more attractive to young professionals and encourage them to live here.

Molstead Motors has submitted a request for a TIF rebate agreement for their planned expansion. ADC director Tim Fox reviewed their information, stating they have been a good stable employer here in the Charles City area. This addition will be used for service work, since their service department has seen such growth over the past few years. They currently have about 70 employees. We will amend the urban renewal plan to include this development agreement. At the next regular meeting, we will be setting a public hearing on this agreement.

A building that was owned by Vince Rottinghaus on 5th Street burned down a few months ago. He is asking for an extension to cap the water and sewer for a year to allow him time to determine if he will re build or not. If he rebuilds, he would want to access the current water and sewer services. Council member Freeseaman asked what the condition is of the foundation that is left, is it usable? Rottinghaus replied that he is waiting for the city to determine if he can reuse the concrete. If he can't reuse the concrete, he will probably cap the water and sewer and leave the lot empty.

Housing director Katie Nolte discussed the current owner occupied housing rehab project. This project has a deadline for completion of August 31. We put these last two houses out for bids 3 times and finally got a contractor to bid. It has been difficult during COVID to get supplies and contractors so we would like to request an extension to get this project done. And since we only got one bid, we also need to get a sole source procurement document approved, which will allow us to accept the only bid we received. These items will be on the next regular agenda for council approval.

The agreement with Circle K for their operation of the city transit service is up for renewal. They are requesting a 1.3% increase in their payment and that is the only change. The COVID money from the federal government stopped in May, so no more reimbursement for those wages. This will be on the next regular agenda for council action.

The city is ready to do it's annual one day borrowing. These funds are used for purchase of equipment for fire and police, tree removal, remodel expenses at 401 N. Main, nuisance abatement and clothing for street/police/fire employees. The total we are borrowing is \$309,000. Requests for quotes for this loan were sent to the 4 local banks with the following

quotes received: First Citizen's - \$150, First Security - \$115 and Fidelity Bank - \$95. The loan will be executed June 29 and this item will be on the next regular agenda for council consideration.

A property located on 6th Avenue has been a nuisance for several years. The owner is deceased and we have not located any relatives who want to take care of it. So staff is suggesting going through the 657A process for the city to take possession and hopefully re-sell it. The taxes have not been paid for two years. It could cost us around \$2,000 to go through this process. The house seems to be in fairly decent structural condition. We are looking for some council feedback on if we should proceed with this process. Consensus was to go forward with this.

City administrator Diers reported that the annual Chamber golf tournament was rescheduled. Tonight is the final night for the color changing on the water tower. A water tower lighting policy will be drafted so people can make requests for certain colors at certain times. We are working on going back to live meetings but still keeping the Zoom option. Equipment for this is being installed and cable/electrical lines will be ran to the council chairs to utilize the microphones there. We are hoping to have this ready for the July 6 meeting. Diers will update the survey monkey evaluation forms for himself, city clerk and city attorney and council should try to have those completed by June 28. We can then schedule the evaluations for a special meeting on July 6.

There being no further business, meeting was adjourned.

Dean Andrews, Mayor

Attest:

Trudy O'Donnell, City Clerk

COUNCIL MINUTES
REGULAR SESSION
JUNE 21, 2021

Charles City city council met in regular session on June 21, 2021 at 6:00 p.m. via Zoom due to the COVID-19 pandemic. Mayor Dean Andrews presided and the following council members were present: Keith Starr, Jerry Joerger, DeLaine Freeseaman, Phoebe Pittman and Phillip Knighten. Also present were city administrator Steve Diers, city engineer John Fallis and city attorney Brad Slotter.

Citizens Comments – none

Mayor Andrews welcomed everyone to the meeting.

Motion by Freeseaman, second Starr to approve the agenda. Ayes – 5

Motion by Joerger, second Starr to approve the minutes of the June 7 meeting. Ayes – 5

Motion by Freeseaman, second Starr to approve the consent calendar. Ayes – 5. Consent calendar consisted of the following items: approval of the 5/21 financials for city of Charles City and CC Public Employee Health Plan, approval of the following cigarette permits – Fareway, Casey's, Kwik Star 419, Kwik Star 468, Dollar General, HyVee Food, HyVee Gas, Rush Stop, Liquor Beer Tobacco Outlet and Buy Low North, and payment of claims (including those approved by other boards):

A proclamation for Relay for Life was presented. This event will be a virtual event again this year and is set for the week of June 21. Motion by Freeseaman, second Joerger to approve this proclamation. Ayes – 5. Mayor Andrews read the proclamation.

Mark Wicks was present to request street closures for the Firecracker 5 race. The route is the same as last couple of years and will be held July 3 starting at 7:30 a.m. It starts at the high school parking lot. Next year will be the 20th anniversary for this event. Volunteers will be used to direct traffic at Clark Street. They are asking for sections of the following streets to be closed: Salsbury, 1st Avenue (closed for only about 20 minutes), and half a lane of Clark Street for the return trip. Motion by Joerger, second Knighten to approve the request. Ayes – 5

Mayor Andrews opened the public hearing on proposed amendment to the South Grand Urban Renewal Area. Affidavit of publication dated 6/4/21 was informally filed. Mayor Andrews asked for written comments. There being none, he then asked for oral comments. There were none. Motion by Joerger, second Freeseaman to close the hearing. Ayes – 5. This amendment is for the addition of agreements with ADC and Molstead Motors. The payments for both of these agreements totals \$151,250. Council member Joerger introduced Resolution 70-21 entitled, "RESOLUTION TO APPROVE URBAN RENEWAL PLAN AMENDMENT FOR THE SOUTH GRAND URBAN RENEWAL AREA" and moved for adoption. Second to adopt Pittman. Resolution duly passed on roll call vote as follows: Ayes – Starr, Joerger, Freeseaman, Pittman, Knighten. Nays – none.

Mayor Andrews opened the public hearing on proposed amendment to the Riverside Urban Renewal Area. Affidavit of publication dated 6/4/21 was informally filed. Mayor Andrews asked for written comments. There being none, he then asked for oral comments. There were none. Motion by Joerger, second Pittman to close the hearing. Ayes – 5 This amendment is for the addition of agreements with ADC, Main Street Charles City, Cultural/Entertainment and Façade grant programs for the next three years for a total of \$296,250. Council member Joerger introduced Resolution 71-21 entitled, "RESOLUTION TO APPROVE URBAN RENEWAL

PLAN AMENDMENT FOR THE RIVERSIDE URBAN RENEWAL AREA” and moved for adoption. Second to adopt Pittman. Resolution duly passed on roll call vote as follows: Ayes – Starr, Joerger, Freeseaman, Pittman, Knighten. Nays – none.

Mayor Andrews opened the public hearing on proposed amendment to the Southwest Bypass Urban Renewal Area. Affidavit of publication dated 6/4/21 was informally filed. Mayor Andrews asked for written comments. There being none, he then asked for oral comments. There were none. Motion by Joerger, second Pittman to close the hearing. Ayes – 5. This amendment is for the agreement with ADC, legal and administrative fees and an amendment to Cambrex’s 2017 agreement to allow for a larger increase in valuations than originally projected. The SW Tif board has reviewed the amendment to the Cambrex agreement they are recommending approval by the council and the board of supervisors. The total amount of the amendment is \$662,000. Council member Joerger introduced Resolution 72-21 entitled, “RESOLUTION TO APPROVE URBAN RENEWAL PLAN AMENDMENT FOR THE SOUTHWEST BYPASS URBAN RENEWAL AREA” and moved for adoption. Second to adopt Freeseaman. Resolution duly passed on roll call vote as follows: Ayes – Starr, Joerger, Freeseaman, Pittman, Knighten. Nays – none.

Mayor Andrews opened the public hearing on proposed amended development agreement with Cambrex, Charles City, Iowa. Affidavit of publication dated 6/4/21 was informally filed. Mayor Andrews asked for written comments. There being none, he then asked for oral comments. There were none. Motion by Joerger, second Pittman to close the hearing. Ayes – 5. Cambrex has requested an amendment to their 2017 development agreement due to a much larger increase in valuation after their project was completed. They ended up doing more work. Their rebate would go from \$170,000 to \$575,000. Council member Freeseaman introduced Resolution 73-21 entitled, “RESOLUTION APPROVING AMENDED DEVELOPMENT AGREEMENT WITH CAMBREX CHARLES CITY, INC., AUTHORIZING TAX INCREMENT PAYMENTS AND PLEDGING CERTAIN TAX INCREMENT REVENUES TO THE PAYMENT OF THE AGREEMENT” and moved for adoption. Second to adopt Joerger. Resolution duly passed on roll call vote as follows: Ayes – Starr, Joerger, Freeseaman, Pittman, Knighten. Nays – none

The agreement with Zoetis also needs to be amended to change the start date of their payments. The construction period will be longer than originally anticipated so the start date for rebate payments needs to be pushed from FY21 to FY22. All of the other terms remain the same. Council member Joerger introduced Resolution 74-21 entitled, “RESOLUTION AMENDING DEVELOPMENT AGREEMENT WITH ZOETIS, INC.” and moved for adoption. Second to adopt Pittman. Resolution duly passed on roll call vote as follows: Ayes – Starr, Joerger, Freeseaman, Pittman, Knighten. Nays – none.

The owner occupied rehab grant has the final two homes, 313 7th Avenue and 207B 9th Avenue, ready to be completed. There were three attempts to get bids on these with only one contractor, Matt Construction, submitting a bid. Since we only got one bid, we need to secure sole source approval from IEDA. This grant program was set to expire in August of 2021 but we will request an extension from IEDA until May 2022 to allow plenty of time for completion. Council member Freeseaman introduced Resolution 75-21 entitled, “RESOLUTION APPROVING REHABILITATION ASSISTANCE FOR NICOLE SMITH, 304 9TH AVENUE AND JEAN RAGUE, 207B 9TH AVENUE, IN CONNECTION WITH THE CDBG HOUSING REHABILITATION PROGRAM” and moved for adoption. Second to adopt Starr. Resolution duly passed on roll call vote as follows: Ayes – Starr, Joerger, Freeseaman, Pittman, Knighten. Nays – none. Motion by Freeseaman, second Starr to request extension for the rehab program from August 2021 to May 2022. Ayes – 5

A salary resolution for wages for non-bargaining unit employees has been prepared using 2.25% increase for FY22, same as what the unions are receiving. This is what council has typically approved in the past. There are some exceptions noted by city administrator Diers as

follows that he would like the council to consider: 3.25% increase for Chief Anderson and Captain Franke and Lieutenant Mallory, transit driver wages increased more (part time increased 8% and full time increased 18%) and city engineer John Fallis 7% increase. Council member Joerger introduced Resolution 76-21 entitled, "RESOLUTION SETTING SALARIES/WAGES FOR APPOINTED OFFICERS AND NON-COLLECTIVE BARGAINING UNIT EMPLOYEES OF THE CITY FOR THE FISCAL YEAR BEGINNING JULY 1, 2021" and moved for adoption. Second to adopt Pittman. Resolution duly passed on roll call vote as follows: Ayes – Starr, Joerger, Freeseaman, Pittman, Knighten. Nays – none.

It is time to renew the agreement with Charles City Area Development Corporation. We have typically done a three year agreement with them and the current one expires after FY22. ADC is requesting funding of \$46,000/year for the next three years, an increase from \$42,000. A public hearing needs to be held before this agreement can be approved and this has been scheduled for the July 6 regular meeting. Council member Joerger introduced Resolution 77-21 entitled, "RESOLUTION SETTING A DATE OF MEETING AT WHICH IT IS PROPOSED TO APPROVE A DEVELOPMENT AGREEMENT WITH CHARLES CITY AREA DEVELOPMENT CORPORATION, INCLUDING ANNUAL APPROPRIATION TAX INCREMENT PAYMENTS" and moved for adoption. Second to adopt Pittman. Resolution duly passed on roll call vote as follows: Ayes – Starr, Joerger, Freeseaman, Pittman, Knighten. Nays – none

A development agreement has also been drafted for Mike Molstead Motors for their planned expansion of their facilities. This agreement also requires a public hearing, which has been scheduled for July 6 regular meeting. This agreement is for a total rebate amount of \$110,000 -over 5 years and will be paid out of the South Grand TIF area. Council member Joerger introduced Resolution 78-21 entitled, "RESOLUTION SETTING A DATE OF MEETING AT WHICH IT IS PROPOSED TO APPROVE A DEVELOPMENT AGREEMENT WITH MIKE MOLSTEAD MOTORS, INC. INCLUDING ANNUAL APPROPRIATION TAX INCREMENT PAYMENTS" and moved for adoption. Second to adopt Freeseaman. Resolution duly passed on roll call vote as follows: Ayes – Starr, Joerger, Freeseaman, Pittman, Knighten. Nays – none

The agreement with Main Street Charles City is also expiring at the end of FY22 and needs to be renewed. This agreement includes support for the Main Street program (\$25,000/year), Façade (\$35,000/year) and Cultural/Entertainment (\$25,000/year) grant programs. The aggregate total of these is \$225,000 over the next three years. A public hearing needs to be held on this agreement and that is scheduled for July 6. Council member Joerger introduced Resolution 79-21 entitled, "RESOLUTION SETTING A DATE OF MEETING AT WHICH IT IS PROPOSED TO APPROVE AN ECONOMIC DEVELOPMENT SUPPORT AGREEMENT WITH MAIN STREET CHARLES CITY, INCLUDING ANNUAL APPROPRIATION TAX INCREMENT PAYMENTS" and moved for adoption. Second to adopt Freeseaman. Resolution duly passed on roll call vote as follows: Ayes – Starr, Joerger, Freeseaman, Pittman, Knighten. Nays – none.

A memorandum of understanding has been drafted between Vince Rottinghaus and the city concerning the capping of utilities at his property located at 1105 5th Street. This structure burned down and our code states that if there is no building there, the utilities must be capped. Vince's insurance company has withheld a \$10,000 reserve to cover this expense if he does not complete it. Vince has indicated he may build another structure there. This agreement would give him a year to either build or cap the utilities. Council member Freeseaman introduced Resolution 80-21 entitled, "RESOLUTION APPROVING MEMORANDUM OF UNDERSTANDING" and moved for adoption. Second to adopt Joerger. Resolution duly passed on roll call vote as follows: Ayes – Starr, Joerger, Freeseaman, Pittman, Knighten. Nays – none.

The one day borrowing for the city is ready to be executed. An amount of \$309,000 will be borrowed to cover items such as police/fire equipment, nuisance abatement funds, tree removal expenses and repairs to 401 N. Main building. Quotes were requested from the four

area banks to conduct this transaction and Fidelity Bank was low at \$95. This loan will be executed on June 29. Council member Joerger introduced Resolution 81-21 entitled, "RESOLUTION AUTHORIZING AND APPROVING A LOAN AGREEMENT AND PROVIDING FOR THE ISSUANCE OF A \$309,000 GENERAL OBLIGATION CORPORATE PURPOSE NOTE" and moved for adoption. Second to adopt Pittman. Resolution duly passed on roll call vote as follows: Ayes – Starr, Joerger, Freeseaman, Pittman, Knighten. Nays – none

The agreement with Circle K for operation of the city transit service needs to be renewed. A new agreement has been drafted which includes a 1.3% increase in the payment to Circle K for FY22. The annual payment would be \$64,303.29. Council member Joerger introduced Resolution 82-21 entitled, "RESOLUTION APPROVING RENEWAL OF SUBCONTRACTED TRANSIT SERVICE AGREEMENT WITH CIRCLE K COMMUNICATIONS" and moved for adoption. Second to adopt Pittman. Resolution duly passed on roll call vote as follows: Ayes – Starr, Joerger, Freeseaman, Pittman, Knighten. Nays – none.

City staff have been negotiating with the owners of property located at 1701 Indiana to purchase it for future construction of a clear well for the water treatment plant. The offer of \$65,000 is ready to be approved by the council. Closing is scheduled to take place by July 30. Council member Joerger introduced Resolution 67-21 entitled, "RESOLUTION APPROVING OFFER TO BUY REAL ESTATE" and moved for adoption. Second to adopt Starr. Resolution duly passed on roll call vote as follows: Ayes – Starr, Joerger, Freeseaman, Pittman, Knighten. Nays – none

Pay estimate #20 for Portzen Construction for the WRRF project is ready for approval in the amount of \$378,812.97. Fox Engineering has reviewed this and is recommending approval. Council member Freeseaman introduced Resolution 83-21 entitled, "RESOLUTION APPROVING PAY ESTIMATE #20 FOR WATER RESOURCE RECOVERY FACILITY PROJECT" and moved for adoption. Second to adopt Joerger. Resolution duly passed on roll call vote as follows: Ayes – Starr, Joerger, Freeseaman, Pittman, Knighten. Nays – none.

A change order is necessary for the Southwest Development park water quality initiative improvement project. When construction started on this project, it was discovered that the existing water main under 11th Street would be in conflict with the culvert that was being installed there, so the water main needed to be lowered. This water main wasn't clearly indicated on the project plans, so this additional work was not included in the original bid specs. The amount of the change order is \$22,105.00. This extra cost will be covered by the city from storm water and/or water funds. Council member Freeseaman introduced Resolution 84-21 entitled, "RESOLUTION APPROVING CHANGE/EXTRA WORK ORDER FOR THE SOUTHWEST DEVELOPMENT PARK WATER QUALITY INITIATIVE IMPROVEMENT PROJECT, CHARLES CITY, IOWA" and moved for adoption. Second to adopt Pittman. Resolution duly passed on roll call vote as follows: Ayes – Starr, Joerger, Freeseaman, Pittman, Knighten. Nays – none.

City clerk O'Donnell reported that the next meeting will be a planning session on June 28 at 6:00 p.m. She also reminded council that as part of the Chamber Adopt a Lot program, the parking lot at city hall should be cleaned up prior to the July 4th city events. City hall will be closed July 5 for the holiday so the next regular meeting will be held July 6.

City administrator Diers reported that the evaluation surveys for him, Trudy and Brad are out on Survey Monkey so the council can fill theirs out now. The Chamber golf event was rescheduled to August 18. The Rural Summit is scheduled for August 18-20 in Cedar Rapids and he will be attending that. He will be out of the office July 12-19.

Council member Starr reported that the airport is going forward with their planned improvements. Council member Joerger reported that the landfill is done paving the road

going into the landfill. Council member Starr also commented that Cathy McGregor is retiring soon from her position at the Area Development/Chamber offices and he wished her well. An open house will be held for her this Thursday from 3:00 to 5:00 at the Chamber offices.

Motion by Starr, second Freeseaman to adjourn. Ayes – 5.

Dean Andrews, Mayor

Attest:

Trudy O'Donnell, City Clerk

COUNCIL PROCEEDINGS
JUNE 28, 2021

Charles City city council met in a planning session on June 28, 2021 at 6:00 p.m. via Zoom due to the COVID-19 pandemic. Mayor Dean Andrews presided and the following council members were present: Keith Starr, Jerry Joerger, DeLaine Freeseaman, Phoebe Pittman and Phillip Knighten. Also present were city administrator Steve Diers, city engineer John Fallis, city attorney Brad Sloter and police chief Hugh Anderson.

Wendy Gerber was present to discuss allowing UTVs to operate in the city limits. She commented that a UTV is safer than an ATV or golf cart. A UTV is a side by side unit and she would like them to be allowed for business uses in the city, such as for snow removal. Other cities allow this and require a permit yearly and she had submitted some examples for the council to review. Council member Knighten asked about insurance coverage and Gerber replied that anyone wanting a permit should provide proof of insurance. Council member Freeseaman asked if Chief Anderson had any thoughts about this and Anderson commented that use of UTVs is prohibited unless the city allows it. We can require turn signals, lights, etc. and they can't be driven on state highways. We have two such highways in the city. Council member Knighten asked if we could limit the hours or months of operation and Anderson replied that we can limit them to daytime operation only, especially since it would be more dangerous for them to operate at night. City attorney Sloter stated we can limit to daytime operation but would need to check to see if we can limit it to certain months. Chuck Meyer was present on the meeting and stated that Floyd County does allow licensed UTV use on secondary roads. They are allowed to cross state highways but can't travel on them. He explained that a UTV is a side by side unit to allow more than one person to ride and an ATV is made for a single rider. He did not think we should limit usage to just winter months since there is a lot of use of the units for summer recreation. He stated that Charles City is about the only city in this area that doesn't allow them. Council member Freeseaman expressed some concern over the high traffic flow we have in town, is that an issue? Meyer replied that if we require things such as a horn, traffic signals and lights, it should be safe to operate them in town. Requiring that the operator be at least 14 or 16 years old was discussed. Council member Starr also expressed concern over the fact that the city has a lot of uncontrolled intersections, unlike the county, and that could be a more dangerous situation. Council member Pittman agreed with Starr and Freeseaman, stating that our main focus needs to be on safety. After much discussion, Mayor Andrews asked if city staff should draft an ordinance, using other city samples and bring back to a future meeting. Council member Starr asked that a recommendation from staff and pros/cons of this be given to the council as well. Council member Freeseaman volunteered to work with staff on this if needed.

A request to build a garage on an empty lot on 6th Avenue was discussed again. This request is from a person that lives about 2 miles outside city limits and they want to build a garage on the empty lot. After the last discussion, it was decided that the council needed some time to think about it. Our current ordinance allows a resident in the city to build an accessory building on an empty lot but then the two lots need to be tied together and not be sold separately going forward. City engineer John Fallis commented that the council can either take no action on this or refer it to planning and zoning for their consideration to change the ordinance again to allow this. City administrator Diers stated that if we would be forced to abate any nuisances that might occur on this property, we could still assess those costs to the property. Much discussion on what other options might be available. It was decided that the only way to make any changes would be to refer this matter to planning and zoning for their review and recommendation. Council will then decide whether they will accept that recommendation or not. Fallis will contact the requestor to let him know what the process will be.

A request has been received to allow mules to be raised on property located on Cleveland Avenue. Current code allows this with special permission from the council. This property is located on the very edge on the north side of town and has a lot of wooded area. The council has allowed chickens to be raised on the outer edge of town in a couple of instances. It was asked if we could allow this for a limited length and also for a limited number of mules. It was stated that this area fits with the other requests we've granted. Councilmember Joerger was not interested in allowing mules in town. This item will be on the July 6 agenda for council consideration.

A request has been received from Vermeer Iowa and Northern Missouri for a waiver to the parking lot requirements at their building located at 1107 S. Grand. They are locating their implement dealer there and will be doing a lot of service work on equipment. They have plans to comply with the parking lot requirements but would like to have additional time to comply due to the large investment in making the building improvements. They plan to do the parking lot in 2-3 years but want to be sure they allow enough time so they are asking for a 5 year waiver. The cement will be thicker than the requirements due to the large implements that will be driven on it. Gravel will remain in the entrance area going in to their service department because turning equipment is rough on cement. Planning and zoning has reviewed this request and is recommending approval. This item will be on the next regular agenda for council action.

The transit agreement with NIACOG expires June 30 and needs to be renewed. The agreement has a couple of small changes which include extra liability insurance coverage and list of required training for each driver. New 2021 buses will be in operation soon. There are separate agreements for the city transit and the county transit.

City administrator Diers reported that we have had more interest in the transit driver positions due to the increase in wages the council recently approved. Interviews will be held tomorrow for the water operator position. A flag design committee meeting will be held this week. Evaluations for city administrator, city clerk and city attorney will be held during a closed session at the July 6 regular meeting.

There being no further business, meeting was adjourned.

Dean Andrews, Mayor

Attest:

Trudy O'Donnell, City Clerk