

COUNCIL PROCEEDINGS
JANUARY 13, 2021

Charles City city council met in a planning/budget session on January 13, 2021 at 5:30 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 and city engineer John Fallis.

Mayor comments - the Lions Club would like to install flags at Central Park and would like to include a city flag. It has been decided to do a contest to design a city flag, so a committee needs to be formed to pick the winning design. Mayor Andrews will be on the committee and he would like at least one more city representative. A ceremony to unveil this project is planned for May 3 so the flag needs to be done by then.

More discussion on the naming of Yorkshire. A letter was sent to the residents living on Yorkshire and of the 26 homes located there, we heard back from about 75% of them. Eleven preferred Drive, 5 preferred Boulevard and 3 had no preference. Larry Hibbs had sent a letter since he couldn't attend the meeting and he prefers Boulevard. Council member Joerger stated that this street had been platted as Boulevard and the street sign says Boulevard so it should stay Boulevard. Council member Pittman asked if this is an issue with 9-1-1 and response was that it would not. There are certain parameters for using Boulevard as a designation and this street fits those. Council member Starr commented that we should also try to find out how the GPS locating programs will be affected. City administrator Diers stated that we should have action by council to make this determination once and for all. It was decided to have a motion on the next regular agenda to decide which designation to use and a resolution will be drafted for the following regular meeting for formal council action.

A minor plat for Birkwood Village has been presented to planning and zoning. This will be a senior living development and is divided in to two lots: Lot 1 and Outlot A. The first phase will be built on Lot 1 and will have access on South Main Street. Independent living units are planned to be built on Outlot A and at that time, it have to be replatted. It will be 5 to 10 years before the independent living phase is built. Planning and zoning reviewed this minor plat and they are recommending council approval. A public hearing was held by the council in July 2020 to amend the urban renewal area for this project. A hearing was also held on the development agreement itself but a legal description was needed so it has not been approved yet by council. The legal description is now ready so council can approve the agreement. Staff has been working really closely with the county assessor to determine the estimated valuation as accurately as possible so the rebate amounts can be accurate. Mark Holtkamp commented that there will be 40 beds for skilled nursing and a total of 82 beds. This is slightly bigger than originally planned. Council member Pittman asked how this project will impact our current nursing home facilities. Holtkamp replied that all his rooms will be private rooms, the other facilities here don't have that many private rooms. The needs analysis showed a need for both. Diers commented that the rebate agreement is for two million dollars over 10 years. Sue Ayers, owner of Chautauqua guest homes here in Charles City, commented that they have recently converted some rooms to private in their facilities. The information she has shows that there is an expected 30% decline in the need for these types of facilities in the coming years.

A Façade application has been received from Dr. VanGilder for a new business she has opened inside the Main Street Drug building. It is a med spa and she is requesting funding for signs on the front and back of the building. Total project is expected to cost \$1128.15 and she is requesting \$564.08 of funding. Mark Wicks commented that we are out of Façade funding for the year but in the past, council has approved using cultural/entertainment funding amounts to go toward Façade grants if needed.

Request from Tony Lessin for connection to the city sewer system was next on the agenda. This item was discussed at a previous meeting and council asked staff to draft an agreement to give to Tony with the city's requirements to get his feedback. Tony has requested some changes to the agreement and those changes have been noted on the agreement and given to council. Tony is asking that the annexation clause be changed so that annexation won't be considered for at least ten years. He is also wanting to eliminate any type of oversight, inspection, observation or mapping of the sewer system on his private property. Staff is trying to do what's best for the city and therefore they are recommending that the

changes not be made. Council member Joerger commented that he doesn't feel the city's requirements are unreasonable. Mayor Andrews stated that an annexation study was discussed as part of our strategic planning, so the council is thinking about this process. Diers commented that the possibility of tax abatement for annexed property was broached with Lessin but was not favored. This item will drop if council leaves the agreement as it is and Tony doesn't accept it. Discussion will continue between staff and Lessin to see if an agreement can be reached.

Funding request from The Learning Center (TLC) was discussed next. Pam Oost, director, was present as well as board members Danielle Ellingson and Lisa garden to review their request. They want to grow this business but to do so, they need a larger area. They have been researching using a portion of the building at 500 N. Grand. They reviewed some information on their current operations. In March 2020, they had 35 kids. In January 2021, they had grown to 91 kids with their maximum capacity at 93. They did not close during the pandemic. They are asking the school, who owns the portion of the building that they are interested in using, for a 5 year lease with an option to purchase. The school is committing \$750,000 over the next 5 years to improve and maintain this 1970's portion of the building. TLC has received several other large donations toward this project they are calling The Grand Plan. They are requesting the same amount from the county as they are from the city, which is \$150,000. If they can get the funding they need, they would like to open at the North Grand location in September 2021. Full capacity at the new location would be 190 kids. One big plus is that they would have access to the gym, which is across the hall from where they would be located. Council member Starr asked if they had talked to other day care centers on their operations and reply was that they have toured the childcare facility recently built in Osage and also Charlie Brown center in Mason City. A question on the sustainability going forward, will they still have a need for donations? Oost replied that they will focus on becoming self sustained. The rent will be lower and they will be able to add more kids since they are at the peak capacity now in their current location. Oost also stated that they will go out to large local employers to try and secure donations from them in exchange for holding spots open for their current and future employees. Council member Freeseaman asked if they are planning to purchase this space after five years. Reply was that they would prefer to secure a long term lease instead if possible. Council member Starr asked if they foresee any issues with the housing development that is planned for the 1930 section of this building. Oost sees that as a positive, there will be families living there that might need childcare. Council member Pittman commented that this sounds like a great project and very much needed. The current building is so limited for growth and we need quality childcare to attract new people to town. Mayor Andrews stated that a lot of the recent growth with TLC has been with before and after school programs. This move would allow them to grow more for older kids programs. The proposal they have prepared includes an increase in the fees but not too much so that it would become a hardship for families. Their intent is that this request for funding from the city will be a one time request. Mayor Andrews stated that this request will be discussed at a future budget meeting.

New signals are being installed at Clark Street/North Grand and a new pedestrian crossing at Lincoln School as part of the DOT's Hwy 18 street project. They are requesting that new traffic control agreements be approved for these changes. City attorney Slotter has looked at these and says they are okay. Mayor Andrews asked if there will be video detection to change the signals. City engineer Fallis replied yes, they lights will turn depending on traffic but the lane configurations won't change. Mayor Andrews asked if there will be a left turn signal and Fallis replied that he will check on that.

A new water usage agreement has been drafted with Valero. Their previous agreement ended in December 2020 with the transmission of the main line to their facility being deeded over to the city. Staff wants to make their water rate to be closer to other rates we now have. Staff is recommending \$1.80/thousand starting 1/1/21 for 6 months. On July 1, 2021, the rate will be increased by the CPI index and will do so every year thereafter. A one hundred million minimum usage clause has been included in the agreement as well. Their normal usage is around 350 million. This new agreement will add approximately \$33,000 to our monthly water sales. Council member Freeseaman asked about pressurizing that line to allow other people to hook up to it. Diers replied that SEH's water study had addressed this and it can happen without needing a water tower. Water superintendent Cory Spieker added that one concern would be to cover the cost of pressuring this line with the few people that might be added. He stated we could handle new people with what we currently have with very few modifications.

The water tower painting project is complete and ready for council acceptance. There is a second change order adding a second set of lettering that needs to be approved. Dixon Engineering has inspected these documents and the project and are recommending approval. The change order is for \$4500. Spieker has talked to Musco on the lighting and was told that should be easy to do. Could have it lit up this spring.

Temporary easements for the CW Trail crossing over Hwy 18 are needed for the DOT Hwy 18 street project. The trail approaches need to be rebuilt to meet ADA requirements and will need temporary construction easements to do so. There were some issues encountered with the deed holders for the trail. It seems that the city and ADC are shown as deed holders in separate deeds. Since this is a temporary easement and not a permanent one, city attorney Slotter's opinion is that this will not cause any future title issues. The DOT has concurred with writing these easements in both names to expedite the Hwy 18 project.

Quotes have been requested for the house demolition at 806 N. Grand. Bids are due tomorrow and staff will have a recommendation ready for the regular council meeting on Tuesday.

City administrator Diers stated that he had pulled the agenda item on bids for the 401 N. Main/fire station/arts center project because the fire station portion came in much higher than expected. So we are looking at making some changes to that project. It was asked if we could consider purchasing the Vac Shack building and reply was that there is some concern with the roof condition there. Diers has received an annual report on the Avenue of the Saints development park and he will forward that on to the city council. We closed on the loans for the CW Bridge yesterday. First Security Bank kept the rate the same despite some last minute changes that needed to be made to the structuring of the loan and the city is grateful for that. Staff continues to work hard on the FY22 budget.

There being no further business, meeting was adjourned.

Dean Andrews, Mayor

Attest:

Trudy O'Donnell, City Clerk