

CITY OF CHARLES CITY
COUNCIL PLANNING SESSION
January 14, 2026

Charles City City Council met in a planning session on January 14, 2026, at 6:00pm, in the Zastrow Room of the Public Library. Mayor Dean Andrews presided and the following council members were present: Phillip Knighten, Patrick Lumley, Krista Noah, Jeff Otto, and Phoebe Pittman. Also present was City Administrator Tyler Trout, City Engineer John Fallis, City Attorney Brad Sloter, Water Superintendent Cory Spieker, and Chief Anderson.

Mayor Andrews opened the planning session by welcoming those in attendance and providing an update regarding Senator Sandy Salmon's upcoming Town Hall meetings. The Senator is scheduled to speak at the Floyd Co. Museum on Saturday, January 17, at 11:30 a.m., followed by a meeting in Nashua on Saturday, February 7, at 11:00 a.m.

Art Center Director Emily Kiewel reported moisture-related concerns at the city-owned historic Carnegie library, including mold, cracking plaster, ineffective gutters, and a leaking foundation. Upon investigation, City Engineer Fallis consulted RDG Planning and Design. RDG Partner Scotney Fenton conducted an on-site review and proposed a \$33,900.00 agreement to design remediation and prepare bidding documents. Art Center Board Member Ashley Schmidt attended the session, recommending radon testing and noting that a neighboring oak tree requires trimming to prevent leaves from clogging the building's drainage system. During the ensuing discussion, Council Member Lumley questioned why this was the first time the Council was being informed of the situation. Council Member Otto questioned the immediate necessity of the agreement, suggesting the city explore whether maintenance—such as installing new gutters and downspouts, trimming the tree, cleaning roof drains, installing a radon mitigation system, and adding dehumidifiers—could be performed first as an initial step. Ultimately, the Council felt more research was needed before making a decision.

The Council reviewed a proposal from Rustin Lingbeek, Engineer with Short Elliott Hendrickson Inc. (SEH) for a comprehensive utility rate study covering water, sewer, and stormwater. The review is prompted by rising operational costs, SRF loan compliance (1.10 debt coverage ratio), etc. Discussion focused on the current "declining block" water rate model, which may fall below the cost of service for high-volume users. Council members expressed interest in seeing how uniform and inclining rate models would compare to the current structure. The study will evaluate revenues and expenditures to provide sustainable rate options for future consideration.

Water Superintendent Spieker and a representative from Dixon Engineering presented a five-year (2026-2030) professional services agreement for annual security, health, and maintenance inspections of City water storage facilities. While City staff conduct routine checks, AWWA standards recommend professional evaluations every three to five years to ensure infrastructure longevity. This budgeted agreement facilitates long-term fiscal planning and ensures priority scheduling. A resolution for approval will be placed on the January 21 regular meeting agenda.

Water Superintendent Spieker presented a request for the emergency purchase of a replacement lime sludge discharge pump after the current unit sustained significant internal damage. Three quotes were presented for Council review for the replacement, which is necessary to maintain the water-softening process by moving byproduct from the clarifier to the lime lagoon. As this was an unbudgeted and unexpected expense, an FY26 budget amendment will be required. Following a review of all proposals, Superintendent Spieker recommended the quote from Iowa Pump Works for a Vogelsang VX136-210 pump and motor assembly in the amount of \$35,882.26 plus freight.

The Council reviewed three interconnected railroad crossing projects scheduled for completion this summer: the North Grand Avenue crossing improvement at the CPKC Railroad, the closure and realignment of the North Iowa Street and Lane Street intersection, and the regrading of the Brackett Street crossing at the CN Railroad. The realignment of North Iowa and Lane Street requires the acquisition of right-of-way from Steve and Lori Litterer at 808 North Iowa Street to move the intersection away from the railroad. Additionally, the Brackett Street crossing improvements necessitate temporary easements from T and C Machine and Farmers Feed & Grain for roadway regrading, as well as a permanent easement from Farmers Feed & Grain for storm sewer construction. City Engineer Fallis presented the final report for the 2025 11th Street Sidewalk Extension Project, recently completed by Larry Elwood Concrete. The project included a five-foot-wide sidewalk along 11th Street and an aggregate trail connecting 11th and 13th Streets on land conveyed to the city by the Floyd County Medical Center (FCMC). Engineer Fallis noted that while the City and FCMC split the sidewalk costs. The final project cost of \$42,722.95 represented a 2.8% increase over the original bid, which Fallis attributed to the necessity of importing soil to match grade with the hospital's new construction.

City Engineer Fallis reported on the successful completion of the eight-foot-wide aggregate trail extension by Mehmert Tiling. This specific segment, located on the western edge of the former FCMC property, was a city-funded requirement of the recent land conveyance to provide a connection between 11th and 13th Streets. Fallis noted that the project concluded under budget at a final cost of \$28,103.50, a 1.4% decrease from the original bid resulting from final quantity measurements.

City Engineer Fallis reviewed the project documentation and close-out report with Council for the Main Street Rehabilitation work performed by Heartland Asphalt. The project, which spanned Main Street from Gilbert Street to North Grand Avenue, was funded through a STBG/SWAP grant and local option sales tax. Following the completion of construction and Iowa DOT audits, the final cost was \$2,367,230.11—approximately 5% under the original bid. Engineer Fallis attributed these savings to successful value engineering with the contractor and the removal of the bridge mill and overlay due to new load restrictions.

City Engineer Fallis reviewed the project documentation and final audit for the 2024 11th Avenue Trail Extension Project completed by Heartland Asphalt. This project extended the Charley Western Trail from F Street to North Grand Avenue and was supported by a Federal TAP grant through NIACOG. The final cost of \$326,119.32 was 20% over the original bid, due in part to an \$18,000 change order (Resolution 147-24) required to align the trail with CN Railroad work at the E Street crossing. Additional cost increases were attributed to as-constructed quantities for rock base, asphalt, sidewalk, and seeding exceeding the initial estimated bid quantities.

City Engineer Fallis introduced a proposed \$30,000 professional services agreement with Calhoun Burns and Associates (CBA) to conduct a scoping study for the Main Street bridge. This study would build on feedback from the November 12, 2025, public forum and potentially support a citizen design committee through the spring. To ensure fiscal responsibility, City Administrator Trout presented a detailed outlook on funding, highlighting the \$1.5 million already secured while noting the importance of managing the City's debt capacity.

Chief Anderson and Attorney Slotter reviewed proposed amendments to Chapter 159 regarding rental property regulations. The revisions to Section 159.03 mandate property registration within 30 days and set an annual renewal deadline of December 31. Changes to Section 159.05 clarifies interior inspections. Additionally, Section 159.06 transitions properties to a five-year inspection cycle and establishes guidelines for new or re-registered units. These updates take effect upon publication, with the exception of registration renewals, which begin October 31, 2026.

City Administrator Trout presented a transition plan for engineering services following City Engineer Fallis' upcoming retirement. Staff recommends contracting with Crawford Engineering & Surveying, Inc. as the City's designated municipal engineer under a monthly retainer model for general consultation and capital planning. Engineer Fallis noted that he connected with Mark Crawford at a SUDAS meeting and spoke in favor of the firm's "quality over quantity" approach as a smaller operation. This retainer model ensures predictable costs and continuity, with larger projects remaining under separate contracts. Trout noted that while an alternative proposal was received, it was not advanced because it did not align with the requested retainer-based service model.

City Administrator Trout presented a review of employee compensation and benefit allocations across City funds. The updated schedule adjusts the cost-split percentages for positions shared between the General Fund, Road Use Tax, and various enterprise funds to more accurately reflect actual time spent on specific duties. Trout noted that these revisions account for changes in organizational structure—including the proposed Development Services Director position—and ensure that enterprise funds are appropriately charged for the services they receive. This update aligns with accounting best practices to improve transparency and budgeting accuracy across all City operations. Mayor and Council commended Trout for all the work he put in preparing the distributions.

Council reviewed a proposal from City Administrator Trout to create a Development Services Department to streamline the city's organizational structure following Engineer Fallis' upcoming retirement. This new department would consolidate community development, planning and zoning, building inspections, and code enforcement into a single administrative unit, allowing the Public Safety Director to focus more exclusively on police and fire oversight. Managed by a new Development Services Director reporting to the City Administrator, the department will oversee regulatory programs, coordinate engineering needs, and serve as a liaison to the Planning and Zoning Commission and Board of Adjustment. Trout noted that this consolidated structure is common in comparable cities and will improve coordination and accountability across development and long-range planning efforts. Councilmember Noah requested that City Attorney Slotter thoroughly review the proposed job description before finalization.

City Administrator Trout and Mayor Andrews presented a recommended slate of appointments for the City's boards, commissions, and committees based on Council member preferences. The recommendations aim to balance assignments and align individual interests with the needs of each body. Mayor Andrews noted that preferences

were well-dispersed, allowing for a balanced distribution without significant overlap, and stated his intention to appoint Councilmember Pittman as Mayor Pro Tem.

City Administrator Trout provided a report on the ongoing budget process and several key initiatives, including a current ambulance feasibility study and a request for a proposal from AMR for emergency medical services. Trout also updated the Council on Governor Reynolds' 2026 property tax reform bill, which includes shifting property assessments to a three-year cycle, limiting Tax Increment Financing (TIF) projects to a 20-year duration, and implementing a property tax freeze for seniors. Additionally, the Governor is strongly encouraging local governments to consolidate services and positions. Councilmember Knighten questioned how these changes would affect the salary structure regarding the TIF administrative account; Trout stated he may have to redevelop the allocation a bit but believes it should remain viable, noting that Dorsey & Whitney would need to review the plan before implementation.

City Attorney Slotter gave an update on the 109 N. Main property, noting that the lender has exercised its option to purchase the formerly vacated Main Street portion. Per the existing agreement, the lender will pay the City \$34,000, at which point the City will issue the deed. Regarding the special assessment lien on the property, Slotter reported that while the initial settlement was paid by the December 31 deadline, it excluded delinquent penalties and interest. Following negotiations, the lender agreed to pay an additional \$15,504 (approximately half of the accrued interest). Although the second payment arrived after the deadline, it will be presented to Council for ratification to officially rescind the lien. City Clerk Lentz confirmed receipt of both payments totaling \$554,386.57, which will be applied to fulfill the outstanding utility accounts.

There being no further business, the planning session was adjourned at 8:48 p.m.

Dean Andrews, Mayor

Attest: _____
Brittney Lentz, City Clerk