

COUNCIL MINUTES
REGULAR SESSION
JANUARY 21, 2019

Charles City city council met in regular session on January 21, 2019 at 6:00 p.m. in council chambers. Mayor Dean Andrews presided and the following council members were present: Keith Starr, Jerry Joerger, DeLaine Freeseaman, Michael Hammond and Dan Mallaro. Also present were city administrator Steve Diers, city engineer John Fallis and city attorney Brad Sloter.

Citizen's Comments - none

Mayor Andrews welcomed everyone to the meeting.

Motion by Freeseaman, second Mallaro to approve the agenda. Ayes - 5

Motion by Joerger, second Starr to approve the minutes of the January 7, 9 and 10 minutes. Ayes - 5

Motion by Freeseaman, second Mallaro to approve the consent calendar. Ayes - 5. Consent calendar consisted of the following: approve 12/18 financials for city of Charles City and CC Public Employees health plan, approve Class LE liquor license for Fareway Stores Inc., #501 and payment of claims (including those approved by other boards):

63079-63123	PAYROLL ENDING 01/05/19	\$94,030.07
63124	CITY OF CHARLES CITY, payroll liabilities	\$1,441.00
63125-63126	CC PUBLIC EMP HEALTH PLAN, payroll liabilities	\$9,193.26
ACH	COLLECTION SERVICE CENTER, payroll liabilities	\$212.76
ACH	EFTPS, payroll liabilities	\$24,911.33
63127	EMC NATIONAL LIFE COMPANY, PR liabilities	\$6.00
ACH	FAMILY COMM CREDIT UNION, PR liabilities	\$1,508.00
ACH	ICMA, payroll liabilities	\$1,506.92
ACH	AUXIANT, serv.	\$436.71
ACH	BANCORPSV, serv.	\$806.93
ACH	FIRST CITIZENS-CC, serv.	\$15.49
63128	ANGELIQUE BOUCHER, utility deposit refund	\$10.02
63129	STORMIE DANA, utility deposit refund	\$39.26
63130	JUSTIN FRAZER, utility deposit refund	\$16.86
63131	MATTHEW PICHT, utility deposit refund	\$39.33
63132	MATTHEW RETZ, utility deposit refund	\$31.87
63133	DEBORAH BRUMMEL, utility deposit refund	\$90.00
63134	MACKENZIE DETTMER, utility deposit refund	\$90.00
63135	BRADY GARDEN, utility deposit refund	\$90.00
63136	RONALD HELLMAN, utility deposit refund	\$90.00
63137	HANS HENNINGS, utility deposit refund	\$90.00
63138	DUSTYN KABELE, utility deposit refund	\$90.00
63139	DAVE LINDAMAN, utility deposit refund	\$90.00
63140	WILLIE NORMAN, utility deposit refund	\$90.00
63141	ANN E MCGREGOR, serv.	\$139.10
63142	BAKER & TAYLOR BOOKS	**VOIDED**
63143	BAKER & TAYLOR BOOKS	**VOIDED**

63144	BAKER & TAYLOR BOOKS, supp.	\$2,968.70
63145	BAKER & TAYLOR ENTERTAINMENT, supp.	\$266.10
63146	CAROL CASE, serv.	\$1,100.00
63147	CC PUBLIC EMP HEALTH PLAN, serv.	\$3,355.32
63148	COREY HAWKE, serv.	\$339.00
63149	CUSTOM COMMUNICATIONS, serv.	\$364.20
63150	DREES CO, serv.	\$808.25
63151	GALE, supp.	\$1,030.55
63152	HOCKENSON PLUMBING, serv.	\$543.96
63153	HY-VEE INC, supp.	\$17.45
63154	INGRAM LIBRARY SERVICES, supp.	\$58.16
63155	IOWA LIBRARY ASSOCIATION, serv.	\$95.00
63156	LEAF, serv.	\$72.30
63157	LOGAN O'BRIEN, serv.	\$300.00
63158	MATILDA ANDRES IRREVOCABLE TRUST, serv.	\$5,522.50
63159	MEDIACOM, serv.	\$320.96
63160	MICK GAGE PLUMBING & HEATING, serv.	\$512.58
63161	MIDAMERICAN ENERGY, serv.	\$2,910.33
63162	NEWBAUER INC, serv.	\$44.25
63163	RECORDED BOOKS, serv.	\$1,251.82
63164	TRENT PARKER, serv.	\$1,433.75
63165	VISA, serv.	\$246.39
63166	CENTURYLINK, serv.	\$234.00
63167	CENTURYLINK, serv.	\$392.54
63168	MARCO, serv.	\$114.00
63169	WINDSTREAM, serv.	\$62.86
63170	CAMBREX, serv.	\$36,250.00
63171	LEAF, serv.	\$139.40
63172	BUSINESSS CARD, serv.	\$386.49
63173	C NABER & ASSOCIATES, serv.	\$395.00
63174	CATHERINE MARIE OTT, serv.	\$240.00
63175	CENTURYLINK, serv.	\$157.24
63176	CINTAS CORPORATION, serv.	\$55.22
63177	CITY OF CHARLES CITY, serv.	\$3,093.11
63178	CRAIG ROALSON, serv.	\$275.00
63179	HEIDI J NIELSON, mileage reimbursement	\$77.14
63180	HILLEGAS FLOORING, serv.	\$1,563.73
63181	HOCKENSON PLUMBING, serv.	\$148.38
63182	HOMETOWN SECURITY, serv.	\$883.17
63183	IDOT-CASHIER'S OFFICE, supp.	\$109.14
63184	JENDRO SANITATION SERVICES, serv.	\$790.00
63185	JOHN DEERE FINANCIAL, supp.	\$23.56
63186	KWIK TRIP INC, supp.	\$53.53

63187	LEAF, serv.	\$232.18
63188	LEAH HEGGBO, security deposit refund	\$250.00
63189	MEDIACOM, serv.	\$136.90
63190	MIDAMERICAN ENERGY, serv.	\$9,183.68
63191	MILLS-INC, serv.	\$156.30
63192	MRI SOFTWARE, serv.	\$1,620.00
63193	NAN MCKAY & ASSOCIATES, serv.	\$199.00
63194	NOAH, SMITH, SCHUKNECHT & SLOTER, serv.	\$176.00
63195	ON-SITE INFO DESTRUCTION SERVICES, serv.	\$45.00
63196	PERRY NOVAK ELECTRIC, serv.	\$1,811.96
63197	PHADA MEMBERSHIP, serv.	\$665.00
63198	PITNEY BOWES SUPPLIES, supp.	\$161.48
63199	PITNEY BOWES-LEASE ACCT, serv.	\$54.09
63200	PLUNKETT'S PEST CONTROL, serv.	\$1,250.00
63201	RON WELLS, security deposit refund	\$175.00
63202	SCHUETH ACE HARDWARE	**VOIDED**
63203	SCHUETH ACE HARDWARE, supp.	\$816.38
63204	STOCK GLASS/GRAPHIC GALLERY, serv.	\$387.55
63205	SUPERIOR LUMBER, supp.	\$197.24
63206	T-J SERVICE INC, supp.	\$1,154.95
63207	TENANT PI LLC, serv.	\$65.00
63208	TITUS LOCK SERVICES, serv.	\$70.00
63209	TRENT PARKER, serv.	\$385.00
63210	UNITED STATES CELLULAR, serv.	\$139.83
63211	VEENSTRA & KIMM INC, serv.	\$3,825.00
ACH	BARBARA BROWN (FGP), mileage	\$68.48
ACH	BETTY HANSON (FGP), mileage	\$6.40
ACH	CAROLYN LAVONNE KACER (FGP), mileage	\$12.10
ACH	DARLENE TOYNE (FGP), mileage	\$13.20
ACH	JACQUELINE FERCH (FGP), mileage	\$17.92
ACH	JANET NIESS (FGP), mileage	\$53.76
ACH	LADONNA NORRIS (FGP), mileage	\$6.40
ACH	LINDA BETELS (FGP), mileage	\$11.00
ACH	MAVIS BEENEN (FGP), mileage	\$7.68
ACH	PATRICIA SINNWELL (FGP), mileage	\$10.56
ACH	VICKI INMAN (FGP), mileage	\$36.92
ACH	TREASURER, STATE OF IOWA, sales tax	\$23.62
ACH	TREASURER, STATE OF IOWA, sales tax	\$16,523.28
ACH	US POSTAL SERVICE, supp.	\$1,000.00
63212	ALEC M GOODSITE, serv.	\$30.00
63213	ATCO INTERNATIONAL, supp.	\$68.03
63214	AUTO-JET MUFFLER CORP, supp.	\$486.05
63215	AUTOZONE, supp.	\$9.98

63216	AXON ENTERPRISE INC, supp.	\$84.00
63217	BEAL'S ENTERPRISES INC, serv.	\$300.00
63218	BLUE TARP CREDIT SERVICES, serv.	\$39.99
63219	BUSINESS CARD, serv.	\$787.83
63220	C H MCGUINESS CO INC, serv.	\$576.12
63221	CARQUEST AUTO PARTS, supp.	\$163.61
63222	CHARLES CITY AREA DEV CORP, serv.	\$230.00
63223	CEDAR CREEK TREE SERVICE LLC, serv.	\$1,500.00
63224	CENTRAL IOWA DISTRIBUTING, supp.	\$119.70
63225	CENTRAL LOCK & SECURITY, serv.	\$361.00
63226	CENTURYLINK, serv.	\$119.84
63227	CERRO GORDO COUNTY PUBLIC HEALTH, serv.	\$40.00
63228	CHARLES CITY PRESS INC, serv.	\$1,276.00
63229	CINTAS CORPORATION, serv.	\$55.30
63230	CINTAS, supp.	\$136.98
63231	CITY OF CHARLES CITY, serv.	\$610.77
63232	CJ COOPER & ASSOCIATES INC, serv.	\$35.00
63233	CROELL INC, supp.	\$214.00
63234	DIRK UETZ, safety glasses reimbursement	\$40.00
63235	DO IT ALL SERVICES LLC, serv.	\$135.00
63236	NORM ZIMMERMAN-DBL Z CONSTRUCTION, serv.	\$170.00
63237	ENVIRONMENTAL RESOURCE ASSOCIATES, serv.	\$246.83
63238	FLOYD COUNTY RECORDER, serv.	\$7.00
63239	GALLS LLC, supp.	\$52.00
63240	GHD SERVICES INC, serv.	\$112.50
63241	GILLIAN KING, serv.	\$30.00
63242	GRAINGER, supp.	\$220.90
63243	HACH COMPANY, supp.	\$1,883.23
63244	HAWKINS INC, supp.	\$1,987.36
63245	HY-VEE INC, supp.	\$36.37
63246	IOWA ASSOC OF PROF FIRE CHIEFS, serv.	\$100.00
63247	IDOT-CASHIER'S OFFICE	**VOIDED**
63248	IDOT-CASHIER'S OFFICE, supp.	\$2,353.70
63249	IDOT-CASHIER'S OFFICE, supp.	\$573.51
63250	IOWA LAW ENFORCEMENT ACADEMY, serv.	\$150.00
63251	IMAGETEK INC, serv.	\$988.05
63252	INTERNATIONAL CODE COUNCIL INC, serv.	\$435.00
63253	INTERSTATE ALL BATTERY CENTER, supp.	\$33.75
63254	IOWA DEPT OF PUBLIC SAFETY, serv.	\$1,788.00
63255	IOWA GOLF ASSOCIATION, serv.	\$540.00
63256	ISAIAH JAY TILTON, serv.	\$60.00
63257	JENDRO SANITATION SERVICES, serv.	\$43,186.81
63258	JENDRO SANITATION SERVICES, serv.	\$238.00

63259	JOHN DEERE FINANCIAL, supp.	\$295.97
63260	JOHN DEERE FINANCIAL, supp.	\$1.78
63261	KEYSTONE LABORATORIES, serv.	\$470.90
63262	KIRKWOOD COMMUNITY COLLEGE, serv.	\$155.00
63263	L&J INDUSTRIES INC, supp.	\$154.75
63264	LAW ENFORCEMENT SYSTEMS INC, supp.	\$375.00
63265	LESSIN SUPPLY COMPANY, supp.	\$124.62
63266	LODGE CONSTRUCTION INC, serv.	\$58,979.80
63267	LOOKOUT POINT COMMUNICATIONS, serv.	\$138,693.20
63268	MAINSTAY SYSTEMS INC, serv.	\$714.00
63269	MASON CITY RENTALS LLC, serv.	\$695.95
63270	METERING TECHNOLOGY SOLUTIONS, supp.	\$12,867.46
63271	MI-T-M EQUIPMENT SALES & SERVICE, supp.	\$6,000.00
63272	MICK GAGE PLUMBING & HEATING, serv.	\$2,847.11
63273	MICK GAGE PLUMBING & HEATING, serv.	\$675.21
63274	MIDAMERICAN ENERGY, serv.	\$3,380.48
63275	MIKE'S C&O TIRE INC, serv.	\$145.92
63276	MILLS-INC, supp.	\$40.13
63277	MISSISSIPPI LIME COMPANY, supp.	\$6,392.17
63278	MTI DISTRIBUTING INC, supp.	\$124.23
63279	NEW HAMPTON ELECTRIC, serv.	\$485.00
63280	NEWBAUER INC, serv.	\$99.37
63281	NEWBAUER INC, serv.	\$188.75
63282	NIACOG, serv.	\$27,194.80
63283	NOLT'S CUSTOM CONCRETE, serv.	\$4,367.84
63284	NORTH IOWA BROADCASTING, serv.	\$80.00
63285	JAMES NORTON dba NORTON SAW, supp.	\$132.00
63286	OFFICE DEPOT, supp.	\$64.98
63287	ON-SITE INFO DESTRUCTION SERVICES, serv.	\$45.00
63288	PAUL HUGHES, mileage reimbursement	\$88.16
63289	POSTMASTER, serv.	\$905.00
63290	QUALITY PUMP & CONTROL, supp.	\$22.00
63291	RONALD HILLEGAS/R&S MOWING LLC, serv.	\$1,100.00
63292	ROTARY CLUB OF CHARLES CITY, serv.	\$148.50
63293	SCHUETH ACE HARDWARE, supp.	\$19.96
63294	SHORT ELLIOTT HENDRICKSON INC, serv.	\$8,774.22
63295	SELAH FAITH FUBAI OPP, serv.	\$90.00
63296	SISSON & ASSOCIATES INC, serv.	\$170.00
63297	STAPLES ADVANTAGE supp.	\$375.52
63298	STEWART M DALTON, serv.	\$30.00
63299	T&C MACHINE, serv.	\$135.00
63300	TITUS LOCK SERVICES, serv.	\$359.95
63301	JAMES ZIMMERMAN-TRIUMPH SURPLUS, serv.	\$37.92

63302	UNITED STATES CELLULAR, serv.	\$1,011.10
63303	WICKS CONSTRUCTION INC, serv.	\$17,902.90
63304	WISCONSIN INDEPENDENT NETWORK, serv.	\$1,200.00
63305	YOUNG CONSTRUCTION LTD, serv.	\$5,047.29

TOTAL \$610,840.00

Business of the mayor- Mayor Andrews is recommending re-appointment of Jeremy Heyer and Linda Klemesrud to the housing board. Motion by Starr, second Joerger to approve. Ayes - 5
 Katie Jarvill was present to request a proclamation for Catholic Schools week for January 27 to February 2. Motion by Starr, second Joerger to approve. Ayes - 5

Mayor Andrews opened the public hearing on the 2019 Sanitary Sewer Lining project. Affidavit of publication dated 1/9/19 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 Mallaro to close the hearing. Ayes - 5. City engineer Fallis reviewed this project, which includes lining of approximately 8400 lineal feet of sanitary sewer main on the north part of the city. There were no changes from the preliminary plans. Council member Freeseaman introduced Resolution 3-19 entitled, "RESOLUTION APPROVING FINAL PLANS, SPECIFICATIONS AND FORM OF CONTRACT FOR THE 2019 SANITARY SEWER LINING PROJECT, CHARLES CITY, IOWA" and moved for adoption. Second to adopt Starr. Resolution duly passed on roll call vote as follows: Ayes - Starr, Joerger, Freeseaman, Hammond, Mallaro. Nays - none. Bids were opened for this project on January 17 with five bids received. Low bid was \$183,520.00 from Visu-Sewer. Engineer's estimate of cost was \$189,000. We have worked with this company in the past and they have done good work. Council member Joerger introduced Resolution 4-19 entitled, "RESOLUTION APPROVING AWARD AND CONTRACT AND BOND FOR 2019 SANITARY SEWER LINING PROJECT" and moved for adoption. Second to adopt Mallaro. Resolution duly passed on roll call vote as follows: Ayes - Joerger, Freeseaman, Hammond, Mallaro, Starr. Nays - none.

Housing director Heidi Nielsen presented a renewal of a 28E agreement that the housing department has with the state Department of Inspections and Appeals for fraud investigation in the Section 8 voucher and public housing programs. This is billed on a per hour basis when it is used. This has been a very successful partnership since the state has access to much more information than our local office. This agreement has not changed. Council member Hammond introduced Resolution 5-19 entitled, "RESOLUTION APPROVING AGREEMENT BETWEEN IOWA DEPARTMENT OF INSPECTIONS AND APPEALS AND CHARLES CITY HOUSING AND REDEVELOPMENT AUTHORITY" and moved for adoption. Second to adopt Starr. Resolution duly passed on roll call vote as follows: Ayes - Freeseaman, Hammond, Mallaro, Starr, Joerger. Nays - none

The housing department has solicited quotes for fee accountant services and received two proposals back. Both looked good but when references were checked, one had some unfavorable feedback. So the housing board is recommending contracting with HA Accounting Specialists as per the fee schedule they provided. Council member Starr introduced Resolution 6-19 entitled, "RESOLUTION APPROVING AGREEMENT BETWEEN THE HOUSING AUTHORITY ACCOUNTING SPECIALISTS AND THE CHARLES CITY HOUSING AND REDEVELOPMENT AUTHORITY" and moved for adoption. Second to adopt Mallaro. Resolution duly passed on roll call vote as follows: Ayes - Hammond, Mallaro, Starr, Joerger, Freeseaman. Nays - none.

Preliminary plans have been prepared for the 2019 Southwest Development Park Drainage Improvement Project and a public hearing is scheduled for February 19. This project is geared toward improving the drainage channels in the SW district to better convey water and construction of a new culvert crossing under 11th Street. The estimate of cost of this entire project is \$380,000 with \$80,000 coming from the city for the culvert and \$100,000 from the SW Tif district. The businesses in this district have been

approached to help fund this project but with little success. So this entire project will be bid out and \$180,000 worth of work will be done until more funding can be secured. Council member Joerger introduced Resolution 07-19 entitled, "RESOLUTION SETTING PUBLIC HEARING ON PROPOSED PLANS, SPECIFICATIONS, FORM OF CONTRACT AND ESTIMATE OF CONSTRUCTION COST FOR SOUTHWEST DEVELOPMENT PARK DRAINAGE PROJECT AND ORDERING THE ADVERTISEMENT FOR BIDS" and moved for adoption. Second to adopt Mallaro. Resolution duly passed on roll call vote as follows: Ayes - Mallaro, Starr, Joerger, Freeseaman, Hammond. Nays - none.

In preparing for the sale of 500 N. Grand, the school discovered a discrepancy regarding properties that had previously been city ROW and were now included in the school's property. The city had approved vacation of these ROW portions by ordinance in 1931 but the proceedings weren't recorded and no conveyance documents were prepared. In addition, the legal description of the alley located in Block 3 is incorrect and only a portion of that alley was vacated when the entire alley should have been vacated. To correct these errors, staff is proposing that the original right of ways be re-vacated and then convey the property to the school district following approval of the new ordinance. A surveyor has done a boundary survey and has prepared a legal description of the entire site. Planning and zoning has reviewed this vacation request and is recommending approval of the re-vacate and conveyance of the following right of ways: Sixth Avenue between North Grand Avenue and B Street, the alley in Block Four and the alley lying between Lots Four and Five in Block Three. A public hearing for the council will be held February 4 for the vacation. Council member Starr introduced Resolution 08-19 entitled, "RESOLUTION SETTING PUBLIC HEARING ON PROPOSED VACATION AND CONVEYANCE OF A CERTAIN PUBLIC STREETS AND ALLEYS" and moved for adoption. Second to adopt Freeseaman. Resolution duly passed on roll call vote as follows: Ayes - Starr, Joerger, Freeseaman, Hammond, Mallaro. Nays - none

The sidewalk project at 100 N Main Street is ready to be accepted. Nolts Custom Concrete has completed this project which included construction of a 6" thick PCC sidewalk next to the McQuillen Place building, decorative brick pavers next to the curb to match the existing streetscape on Main Street, ADA compliant curb ramps at the intersection of Main/Clark and the parking lot entrance on Clark Street. Street light bases, wiring and streetlights were also a part of this project. The final cost was \$45,927.49 with the original bid being \$49,878.05. Staff is recommending acceptance of this project. Council member Freeseaman introduced Resolution 09-19 entitled, "RESOLUTION ACCEPTING THE 2018 MAIN STREET SIDEWALK REPLACEMENT PROJECT AND AUTHORIZING FINAL PAYMENT" and moved for adoption. Second to adopt Joerger. Resolution duly passed on roll call vote as follows: Ayes - Starr, Joerger, Freeseaman, Hammond, Mallaro. Nays - none

This sidewalk project had an assessment agreement executed so the costs could be assessed to the property at 100 N. Main Street. It was to include all reasonable and appropriate costs needed for the construction and contained a waiver of the notices and hearings usually required for special assessment projects. A notice will be sent to the property owner giving him 30 days to pay. If not, then the cost will be assessed to the property and paid in the same manner as property taxes. The total amount to be assessed is \$47,058.24. Council member Starr introduced Resolution 10-19 entitled, "RESOLUTION LEVYING A SPECIAL ASSESSMENT AGAINST PRIVATE PROPERTY FOR SIDEWALK REPLACEMENT BY THE CITY OF CHARLES CITY, IOWA, IN ACCORDANCE WITH SECTION 136.05 OF THE CITY CODE OF THE CITY OF CHARLES CITY, IOWA" and moved for adoption. Second to adopt Freeseaman. Resolution duly passed on roll call vote as follows: Ayes - Starr, Joerger, Freeseaman, Hammond, Mallaro. Nays - none.

Due to increasing costs of processing recycling caused by the recent tariffs, Alan Powell from Jendro Sanitation is requesting an increase in the fees paid to him for solid waste collection. Proposed per month increases are as follows: 35 gallon totes increase by \$1.00, 65 gallon totes increase \$1.75 and 95 gallon totes increase by \$2.50. The agreement with Jendro allows for council to change the fees by resolution as deemed necessary. These changes will become effective February 1 and will be reflected in the March 10 bills. Council member Hammond introduced Resolution 11-19 entitled, "RESOLUTION APPROVING AMENDMENT TO RESIDENTIAL SOLID WASTE AND RECYCLABLE MATERIALS COLLECTION AGREEMENT BY INCREASING THE MONTHLY RESIDENTIAL TOTE RATES" and moved for adoption. Second to adopt Mallaro. Resolution duly passed on roll call vote as follows: Ayes - Starr, Joerger, Freeseaman, Hammond, Mallaro. Nays - none

Ordinance 1124 to re-zone properties at 101 and 111 S. Jackson Street was presented for a second reading. These properties are currently zoned R-3 but the county is requesting they be re-zoned to a B-3 to accommodate the law enforcement center project. There are abutting B-3 properties so this would not be spot zoning. Planning and zoning held a hearing on this and are recommending council approval. City council held a public hearing on this on January 7. Motion by Freeseeman, second Mallaro to approve the second reading of Ordinance 1124 AN ORDINANCE AMENDING THE ZONING CLASSIFICATION OF PARCELS LOCATED IN KELLY AND COMPANY'S ADDITION TO ST. CHARLES, NOW INCORPORATED IN AND AS A PART OF CHARLES CITY, FROM R-3, MULTI-FAMILY RESIDENCE DISTRICT, TO B-3, SERVICE BUSINESS DISTRICT. Ayes - 5. Council member Freeseeman read the ordinance.

Ordinance 1125 to vacate a section of S. Jackson Street was presented for a second reading. This ordinance will vacate a section of S. Jackson to allow for construction of the county's new law enforcement center. Planning and zoning has reviewed this request and is recommending approval by the council. Motion by Starr, second Mallaro to approve the second reading of Ordinance 1125 AN ORDINANCE VACATING A PORTION OF SOUTH JACKSON STREET IN CHARLES CITY, IOWA. Ayes - 5. Council member Starr read the ordinance.

Ordinance 1126 amending the current sewer charges was presented for it's first reading. With the upcoming wastewater treatment plant expansion, an increase in the rates is required to cover the bond costs. The total cost of the plant is estimated at twenty million and is expected to last 50 years. Due to more stringent DNR regulations, we are forced to update our current treatment plant to comply. We have been granted a lower interest rate of 1.75% on a 30 year SRF loan. The increase in rates proposed is 20% immediately on the base rate and variable rates. The annual set increase that was approved about 12 years ago helped keep the 20% increase from being much higher. It was asked if commercial rates would also increase and reply was yes. We do have a couple of businesses that have a negotiated rate based on flow so changes will take into account the loads of these businesses. Council member Starr asked if we don't do this plant update, will we be able to add more houses and businesses onto our sewer system. Reply was that in order to add very many more users to the system, we need this update. Motion by Starr, second Freeseeman to approve the first reading of Ordinance 1126 AMENDING SECTION 99.06 - USER CHARGES OF THE CHARLES CITY CODE OF ORDINANCES FOR THE PURPOSE OF INCREASING THE MINIMUM MONTHLY CHARGE AND USER CHARGE RATE FOR THE CITY OF CHARLES CITY'S WASTEWATER TREATMENT WORKS. Ayes - 5. Council member Starr read the ordinance.

City attorney Slotter reported that he will be getting an updated abstract for the property at Shaw Avenue recently purchased by the city.

City Clerk O'Donnell reported that the next budget meeting will be held January 24 at 5:30 p.m. Packets for this meeting will be delivered tomorrow. Next regular planning session is January 28 combined with budget session.

City Administrator Diers reported that he is applying for a couple of grants, one is for water quality initiatives and the other is a hotel/motel grant for the work to be done at 401 N. Main.

Motion by Freeseeman, second Joerger to adjourn. Ayes - 5

Dean Andrews, Mayor

Attest:

Trudy O'Donnell, City Clerk