

COUNCIL PROCEEDINGS
JANUARY 24, 2019

Charles City city council met in a budget session on January 24, 2019 at 5:30 p.m. in council chambers. Mayor Dean Andrews presided and the following council members were present: Keith Starr, Jerry Joerger, DeLaine Freeseman, Dan Mallaro and Michael Hammond. Also present were city administrator Steve Diers and city engineer John Fallis.

Sarah Merrifield, Foster Grandparent director, presented the budget for her department for FY20. There was a deficit in the program that was identified through a review by the state office. But a waiver was received for that so we won't have to reimburse that amount, which was approximately \$27,000. There is still a deficit due to a decreased number of grandparents, so lots of work has been done to bring the balance more in line. The Charles City school will be increasing their contribution by \$3000 to help cover the valuable services of the program to the school. The city has waived their \$3,000 for admin costs for FY19 to also help get this fund in better shape. There are changes going into effect on January 31 for this program and the 80/20 spending rule will go away. Staff will not be getting any raises for FY20 and this will hopefully also help get this fund back into line. The state requirement for minimum hours a week for each grandparent will also decrease from 15/week to 5/week, so Sarah hopes this may bring in more grandparents to the program. FGP Advisory fund budget was reviewed. The advisory fund is primarily used for expenses and revenues for fundraising activities such as sales of afghans, pillows, etc. Mini grants used to be deposited into this fund but those will now be included in the operating fund. A marketing campaign will be done soon to help increase this fund balance. This fund is used primarily for expenses that the federal grant doesn't cover.

Dirk Uetz, street superintendent, was present to review the budgets related to the street department and sanitary sewer collection department. Road use tax fund is used exclusively for street related expenses per state regulations. State pays into this fund on a per capita basis and for FY20 we are estimating \$121/capita for revenue. All salaries here have been set at 2.75% for FY20. Contracted services of \$210,000 for FY20 are for crack filling, pcc repairs and Main Street bridge evaluation. This evaluation of the bridge is deemed necessary by staff due to the tunnel that was found under it last summer when a big dip occurred and city crews went in to repair it. Capital expenditures for FY20 include a big loader for \$130,000, snow pusher for \$8500. Capital projects include way finding signage part one in FY19 for \$70,000 and part two in FY20 for \$230,000. Contracted services include a possible partnership with a tree contractor for trimming trees in the city ROW of \$70,000 for FY20. Transfer out to CVTC for city share of those expenses and also \$100,000 to Charley Western bridge project. CVTC fund is for revenue and expenses for the CVTC transportation center that is a shared facility with the state and county. The big change in this fund is a roof replacement project that will be need to be done in FY20, estimate for this project is \$125,000. Local option tax fund is used exclusively for streets as was voted on in the public referendum when the tax was implemented. Transfers out of this fund include: to Street related capital improvements-\$120,000 for FY20 for a sidewalk project on S. Main and \$100,000 for FY20 to Charley Western bridge. Much discussion on setting a precedent with the city paying to put in a sidewalk on South Main. It was noted that the city paid for a new sidewalk on First Avenue last summer but this was a safety issue due to heavy pedestrian traffic by school children there. The homeowners there will be responsible for maintenance of that sidewalk going forward. The South Main sidewalk project is planned for both sides from 9th Street to 13th Street. Staff feels this area has heavy pedestrian traffic that now has to walk in the street due to the absence of sidewalk there. And the difference here is that this is brand new sidewalk and not replacement of current sidewalk. This item will be on a future planning session for further discussion. The budget for Street Related Capital Improvements fund was reviewed. There were bigger projects planned for FY19 and so we scaled back a bit for FY20. The large one planned for FY20 is a federally funded project on N. Jackson/S. Main. Storm Water utility fund budget reviewed. Manhole repairs/replace and mapping of the storm water system with Midland GIS included here. Two storm water projects have been identified and include storm sewer extension on S. Grand by bowling alley to alleviate overloading of that system and work on S. Johnson/Oliver to alleviate heavy overland flow of water there by grading and putting in a retention pond to detain the water. We don't have enough funds to do both projects. This item will be put on a planning agenda in February for further discussion. Waste collection fund budget reviewed. Calculated the new rates for totes into the revenues, this is mostly an in and out fund with revenues and expenses. Street line

items in the General fund were reviewed. Not much change in these. Items include tree trimming, Shaw Avenue maintenance and monitoring agreement and city owned sidewalk repairs. Sanitary sewer collection budget line items also reviewed. Manhole rehab/repair items included here. Comment on a manhole that is heaving on a section of permeable paving. City engineer Fallis said there is nothing we can do about this because it's the street that is actually lowering around the manhole. Sewer lining is also included in this budget area and we have been doing about \$150,000 work annually the past few years.

McQuillen project fund includes costs that will be paid by the developer per the development agreement such as legal fees and building plan review fees.

Charley Western Bridge fund budget reviewed. It is estimated it will cost 1.35 million to replace this trail bridge that failed in 2017. We are applying for several grants, such as hotel/motel, TAP and REAP programs. The snowmobile association has pledged \$35,000 and a local fund drive is hoping to raise \$300,000. Transfers of \$100,000 from RUT and Option Tax will leave about \$400,000 that will need to be borrowed with a GO bond. Southwest Industrial Storm Water Drainage Project fund budget discussed. The total cost of this project is estimated at approximately \$400,000.

The SW TIF board has earmarked \$100,000 to go toward this and the city will put in \$80,000 for their culvert project that is part of this. Itemized bids will be requested for this project so that if we do not get any financial help from the businesses in this industrial park, we can pick the items that total \$180,000 for the funding we know we have available. Once we get definite bids, Tim Fox will go back out to the businesses there and ask if they will help fund this project.

Transit budget was reviewed. We only had 3 months of information to work with for budget as far as in city rides and only a month of operating the rides to Mason City. The service has been running pretty smoothly, people really like being able to buy tickets on the buses rather than having to come in to city hall to purchase. The business running the transit service has been doing an excellent job.

An updated levy sheet was handed out. It shows a proposed levy of \$15.93803 for FY20 which is an increase from \$15.83178 for FY19.

There being no further business, meeting was adjourned.

Dean Andrews, Mayor

Attest:

Trudy O'Donnell, City Clerk