

COUNCIL PROCEEDINGS  
JANUARY 25, 2021

Charles City city council met in a budget/planning session on January 25, 2021 at 5:30 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 and city engineer John Fallis.

An expanded outdoor service request has been submitted from Lanie and Cort Sanvig who own St. Charles Brewery. Lanie Sanvig was present and stated that they are asking for this to be effective March 1 through October 2 and the perimeter will be the same as previous years. They may want to extend it even further out for other events, such as Chucktober Fest but will come back to council for those requests as needed. The use of food vendors was discussed and Sanvig was asked to try and get vendor permits for any food vendors she may be having at her business. She would also like to have food vendors park in the street for some of her larger events and she will talk to the police department about that prior to those events. Council member Freeseaman asked if she is planning on implementing COVID safety precautions if we are still in the pandemic for any of her events and reply was yes. This item will be on the next regular council agenda for action.

Fire chief Eric Whipple has received quotes for the replacing 10 overhead doors at the fire station. Three quotes were received for the doors and installation and one quote was received for the necessary electrical work. These doors would make the station more energy efficient since there is a lot of air loss now through the doors. Two of the quotes were from last year but when contacted, Overhead Door said to increase their previous quote by 3%. The quote from Double Z was low at \$35,011.68. The electrical quote was \$4610 from Perry Novak Electric which makes the total project cost of \$39,621.68. This project was budgeted for \$47,500. This project will be funded through one day borrowing proceeds. Fire chief Whipple is recommending accepting the bid from Double Z.

The Federal CARES act that mandated allowing workers up to 80 hours of COVID related leave expired on December 31. We have the option of extending this coverage for our employees to allow them to use up any of that original 80 hours they haven't utilized rather than using their own sick time. We have had some employees use this leave for their COVID related issues. Staff is recommending extending this leave through March 31. This would not give an additional 80 hours of leave, it only allows using up any hours they might have left from the original 80.

A request for reserved parking in one of the city's down town lots has been received. A governmental entity is looking to move into the old Mills building on Main Street and they are requesting to have some reserved parking spaces in the parking lot to the east for the government vehicles used by these employees. These vehicles would be parked there 24/7. Council has previously discussed this request and asked if the parking lot on the north side of Blunt Parkway could be utilized for these since the lot directly behind the Mills building is heavily used most of the time. Charles Chandler, representing the government entity, has asked them about this and they are agreeable to that but they now would like 7 reserved spots rather than the 4 they had originally requested. The 7 spots would be located in the middle of that parking lot and in the event of snow, they would be moved to the north along the edge of the parking lot so snow could be more easily removed. They are proposing painting an "X" on the ground of each spot and painting "reserved government parking" or something similar. Council member Freeseaman commented that it may be easier to just designate those spots along the north side right from the start rather than having to move them for snow. This would also allow for actual signs to be posted in the ground rather than having to paint on the ground. Anything painted would be covered by snow during winter and make it difficult to see. Other council members agreed with this. City administrator Diers commented that staff is still hesitant about allowing for reserved parking since other businesses downtown may make the same request. This item will be on the February 1 regular agenda for council consideration.

Jennifer Lantz, Foster Grandparent director, was present to discuss her budgets. The advisory fund is where fundraising revenue is received. We have received a mini grant for virtual training expenses and that was received into this fund. Grandparents who don't meet the requirements for the federal grant have their expenses coming out of here. The Foster Grandparent operating fund is covered by the Federal grant proceeds. There is a lot of uncertainty in budgeting for this program due to COVID-19. Many grandparents are not working in their sites now due to COVID and it is uncertain of when many of them will be going back. We have 40 grandparents currently and only 16 are actually working in their sites right now. The program is paying the grandparents right now if their site is closed due to COVID but it is uncertain if that will continue or not. The projected negative balance in this fund would be covered with advisory program funds if this program would ever cease to exist here in Charles City. Lantz stated that next year is the 50<sup>th</sup> anniversary of the program being in Charles City. She also reported that she has applied to add Butler County to our program. Some of the program requirements for age and income may also be changed possibly to make it easier to become a grandparent.

Current housing director Katie Nolte and former director Heidi Nielsen were present to review the housing budgets. The public housing operating fund did not have many changes from previous years. They did receive some COVID relief funds. The salaries here are budgeted for a 2.25% increase, same as other city employees. The legal expenses are estimated to be quite a bit higher due to the pending sale to the school of some land that housing owns. That is an involved process and could take some time. The reimbursement to the city for a portion of police officer wages for helping with fraud investigations is done as a transfer out to the General fund. The security deposits fund shows an increase in revenue due to increasing the deposits at Morningside to help offset damages that occur there. Section 8 fund shows an increase in revenue. HUD's reimbursements are based on the previous year's totals and the usage has increased here so the next year's revenues will increase. The salaries have been budgeted for a 2.25% increase for FY22 same as other city employees. The office staff also received an additional increase recently due to added responsibilities when a recent retirement position was not filled. The capital fund budgets are all just an in and out for money. The 2021 capital fund project will be replacing transformer at North Cedar Terrace, very similar to the same project done at South Cedar Terrace a few years ago. The 2018 Rehab grant fund is hard to budget since we don't know when those houses will be done for sure. This is the end of the grant cycle so they need to be done by August 31. We have 2 left and will be going out for bids soon on them. One change to this grant program is that they are only doing exterior work now, no inside work will be covered.

Engineering budget items in the General fund were reviewed. Not much change with them from last year.

Airport levy is used to help support the airport. We had included some payment in FY21 for the taxiway project but with the Federal government paying for that project 100%, we do not have to pay that.

We have included Crisis Intervention payment request of \$1500 for FY22. This will be decided on for sure at a later meeting. We also included the requests from museum (4440), arts center (6000) and depot (25000) as they have submitted but these will be decided at a future meeting.

Planning and zoning has expense included for both FY21(\$12000) and FY22 (\$15000) for the zoning rewrite being conducted right now.

Expenses for 401 N. Main building include an estimated \$70000 for that remodel project.

Payments to others-TIF is where we make our payments that we will be reimbursing from our TIF certifications for **things such as Façade/Cultural Entertainment grants and support to ADC and Community Revite**. One change here is the payments for Crown Point housing development. We will pay \$70000 this year and \$140000 next year for this project which we will then certify for TIF reimbursement.

For contract services for nuisance abatement, we have included \$52000 in FY21 for asbestos abatement and \$40000 for FY22. We have a couple of nuisance properties we are looking to purchase and demolish the structure as well.

The various TIF budgets were discussed. Riverside includes two tax rebate agreements, the Cedar Mall agreement has expired. There is a transfer out for both FY21 and FY22 to General fund for reimbursing **Façade,Cultural/Entertainment and support for ADC and Comm Revite** payments that were paid out of there. SW Bypass TIF has rebate payments to Trelleborg Cambrex scheduled. The Valero agreement has ended and Trelleborg will be ending soon as well. Those two agreements will be replaced by development agreements with Cambrex, Zoetis and Croell. We had received a request from Cambrex to amend their agreement since their ending valuation was much higher than what was estimated when the agreement was executed. The SW TIF administrative board has reviewed this request and are recommending this amendment, so we will work on getting that ready and approved. South Grand TIF has a development agreement with Molstead Motors, which is in year three of that agreement. The loan payments for the purchase of the certified site are also starting. East Park TIF has expired but there is still potential for development in this area so this may be renewed at some time. Park Avenue TIF expired in November 2020. We are still making loan payments here for the LMI components.

Emergency fund is just money in and money out for the emergency levy, which is \$.27/thousand. This amount gets transferred in to the General fund at the end of the year.

Employee Benefit fund is for benefits for RUT and general fund salaries. This is a special levy and we budget for approximately 95% of those allowed benefits for which to levy.

An updated levy sheet was distributed. The levy has been changed to \$16.27, which is a \$.25 increase from the current levy. That is understandable since we added quite a few larger items, such the ambulance remodel, fire station overhead doors and payment to TLC. To get closer to current levy, we would have to cut about \$80000 from our one day borrowing.

Telecom meeting is tomorrow at 4:00 and we will be discussion the transport routes and possible build partnerships.

There being no further business, meeting was adjourned.

Dean Andrews, Mayor

Attest:

Trudy O'Donnell, City Clerk