

CITY OF MUSCATINE
REGULAR CITY COUNCIL MINUTES
Council Chambers – 7:00 p.m. – March 3, 2016

Mayor Broderson called the City Council meeting for Thursday, March 3, 2016, to order at 7:00 p.m. Councilmembers present were Rehwaldt, Fitzgerald, Saucedo, Bynum, Harvey, and Spread.

The meeting began with the Pledge of Allegiance.

Mayor Broderson welcomed John Wojtecki and students from his Principles of Management Class from Muscatine Community College.

Under Communications from Citizens, Roger Chapman, 1100 E. 8th Street, stated that Lombard Street is not a through street and asked if signage could be posted indicating it is a dead end.

Councilmember Spread, speaking in reference to Item 9C on the Consent Agenda, asked that it be acted upon separately.

#23306. Harvey, seconded by Councilmember Fitzgerald, moved the Consent Agenda be approved as follows:

- Budget Review Sessions – February 6, 9, 10 & 16 2016
- Regular City Council Minutes – February 18, 2016
- Renewal of a Class “C” Liquor License, Catering Privilege License, Outdoor Service and Sunday Sales for Boonie’s on the Avenue, 214 Iowa Avenue – Boonie’s on the Avenue LLC (pending inspections); and Cigarette Permit for Jayde’s Vapor Lounge, 2110-B Park Avenue – Jayde Tran
- Proclamation Recognizing Glad Cheng and Daniel Wang of China Windows, Chinese Consul General Zhao Weiping, the China Broadcasting Chinese Orchestra, the Muscatine-China Initiatives Committee, Sister Cities and Muscatine Symphony Orchestra
- Proclamation Declaring April 2016 as “Arbor Day”
- Filing of Communications 12A-E
- Approval of Bills for Approval totaling \$1,007,770.69

Vote – All ayes; motion carried.

Mayor Broderson read the proclamation recognizing Glad Cheng and Daniel Wang of China Windows, Chinese Consul General Zhao Weiping, the China Broadcasting Chinese Orchestra, the Muscatine-China Initiatives Committee, Sister Cities and Muscatine Symphony Orchestra.

PUBLIC HEARING

Mayor Broderson stated this public hearing concerns Amendment #1 to the City of Muscatine Budget for Fiscal Year 2015/2016.

There were no oral or written petitions for or against the proposed amendment.

#23307. Councilmember Harvey moved the public hearing be closed. Seconded by Councilmember Fitzgerald. All ayes; motion carried.

PUBLIC HEARING

Mayor Broderson stated this public hearing concerns the proposed adoption of the City of Muscatine Budget and Certification of City Taxes for Fiscal Year 2016/2017.

City Administrator Gregg Mandsager gave a power point presentation highlighting key points of the proposed 2016/2017 budget. He stated the proposed budget includes \$58,312,687 in operating and Capital Project expenditures and \$50,688,632 in revenues. He stated no new debt is budgeted to be issued during 2016/2017. He stated general property taxes (excluding TIF taxes) are \$13,063,348. He noted that the city tax rate once again will remain at \$15.67209 per \$1,000 valuation.

Finance Director Nancy Lueck then gave an overview of the pie charts entitled Where Does the Money Come From?, How are the Funds Used?, and City Tax Levy Rates by Type. She gave a brief overview of each chart.

City Administrator Mandsager stated this is the seventh year the city has held the tax levy rate at \$15.67209 per \$1,000 valuation. He stated the city was able to maintain the tax rate at this level even with increases in personnel costs, employee benefits costs, and other operating costs. He stated this budget includes four new firefighter positions and funding for the two police officers added in 2011 with 100% funding from a COPS grant for the first three years.

City Administrator Mandsager stated maintaining the same tax rate was due to offsetting the increase in the Employee Benefits levy with decreases in the Transit, Tort Liability, Levee, and Debt Service levies and by using \$66,637 of the General Fund balance. He stated the 2016/2017 property tax levy again reflects not funding 100% of the General Fund employee benefits from the Employee Benefits levy. He stated the Emergency Levy was eliminated in 2011/2012.

City Administrator Mandsager then explained how the \$15.67209 would affect home, commercial/industrial, and multi-residential properties. He noted that tonight's presentation only reflects the city's portion of property tax bills as the tax rates for the county and school district levies are not yet available. He stated that 38.4% of the property taxes go to the city, 38.7% to the Muscatine schools, and 23% to Muscatine County.

City Administrator Mandsager, during his overview of the General Fund Highlights, stated the budget projects an ending balance on June 30, 2017 of \$3,667,956 which is 19.5% of General Fund expenditures. He stated this more than meets the minimum of 16.7% required by the city's General Fund balance policy. He stated this compares favorably with the ending balances for the last seven years.

City Administrator Mandsager stated that for the City's Enterprise Funds, rate increases are budgeted for sewer, collection and drainage and the airport but not in other funds including the transfer station, landfill, refuse collection, golf, ambulance, transit, and parking.

City Administrator Mandsager ended his presentation with an overview of the Capital Projects summary stating the 2016/2017 budget includes a total of \$16,321,600 for capital projects.

Councilmember Saucedo asked if there were any changes needed, and Finance Director Lueck stated nothing significant.

There were no oral or written petitions for or against the proposed budget.

#23308. Councilmember Rehwaldt moved the public hearing be closed. Seconded by Councilmember Harvey. All ayes; motion carried.

PUBLIC HEARING

Mayor Broderson stated this public hearing concerns a proposed Essential Loan Agreement in a principal amount not to exceed \$3 million.

There were no oral or written petitions for or against the proposed agreement.

#23309. Councilmember Fitzgerald moved the public hearing be closed. Seconded by Councilmember Bynum. All ayes; motion carried.

PUBLIC HEARING

Mayor Broderson stated this public hearing concerns a proposed Urban Renewal Loan Agreement and the borrowing of money thereunder in a principal amount not to exceed \$1.4 million.

There were no oral or written petitions for or against the proposed agreement.

#23310. Councilmember Fitzgerald moved the public hearing be closed. Seconded by Councilmember Rehwaldt. All ayes; motion carried.

PUBLIC HEARING

Mayor Broderson stated this public hearing concerns a proposed General Purpose Loan Agreement and the borrowing of money thereunder in a principal amount not to exceed \$325,000.

There were no oral or written agreements for or against the proposed agreement.

#23311. Councilmember Fitzgerald moved the public hearing be closed. Seconded by Councilmember Spread. All ayes; motion carried.

PUBLIC HEARING

Mayor Broderson stated this public hearing concerns the proposed Muscatine Art Center HVAC Replacement and Miscellaneous Window Renovations Project.

There were no oral or written petitions for or against the proposed project.

#23312. Councilmember Spread moved the public hearing be closed. Seconded by Councilmember Bynum. All ayes; motion carried.

Mayor Broderson stated the next item requiring City Council's action was Item 9C pertaining to the appointments of Jordan Pahl and Steve Nienhaus to the Planning and Zoning Commission and Sue Johannsen to the Board of Water, Electric, and Communications Trustees for Muscatine Power & Water. She then gave an explanation on the purpose of the city's boards and commissions and her reasoning for her proposed appointments.

Councilmember Fitzgerald asked for separate votes on each proposed appointment.

Brandy Olson, 1214 E. 4th Street, who has been a resident of Muscatine for the past 15 years, voiced her concerns about how tonight's proposed appointments were handled. She stated diversity is very important. She further stated she would like to see more openness, fairness, and collaboration when making appointments to the city's boards and commissions.

#23313. Councilmember Spread moved to approve the appointment of Jordan Pahl to the Planning and Zoning Commission. Seconded by Councilmember Fitzgerald. All ayes; motion carried.

#23314. Councilmember Fitzgerald moved to approve the appointment of Steve Nienhaus to the Planning and Zoning Commission. Seconded by Councilmember Harvey. All ayes; motion carried.

#23315. Councilmember Fitzgerald moved to approve the appointment of Sue Johannsen to the Board of Water, Electric, and Communications Trustees for Muscatine Power & Water. Seconded by Councilmember Bynum.

#23316. Councilmember Spread moved this appointment be tabled until a later date. Seconded by Councilmember Harvey. All ayes: Councilmembers Rehwaldt, Fitzgerald, Saucedo, Bynum, Harvey, and Spread. Motion carried.

#23317. Councilmember Harvey moved the resolution be adopted approving Amendment #1 to the 2015/2016 City Budget. Seconded by Councilmember Bynum. All ayes: Councilmembers Rehwaldt, Fitzgerald, Saucedo, Bynum, Harvey, and Spread. Motion carried.

#23318. Councilmember Bynum moved the resolution be adopted adopting the City of Muscatine Budget and Certification of City Taxes for Fiscal Year 2016/2017. Seconded by Councilmember Fitzgerald. All ayes: Councilmembers Rehwaldt, Fitzgerald, Saucedo, Bynum, Harvey, and Spread. Motion carried.

#23319. Councilmember Spread moved the resolution be adopted authorizing and combining loan agreements, approving the future issuance of General Obligation Corporate Purpose and Refunding Bonds and providing for the levy of taxes to pay same. Seconded by Councilmember Harvey. All ayes: Councilmembers Rehwaldt, Fitzgerald, Saucedo, Bynum, Harvey, and Spread. Motion carried.

#23320. Councilmember Fitzgerald moved the resolution be adopted approving the plans, specifications, form of contract, cost estimate, and setting the bid opening date for the Muscatine Art Center HVAC Replacement and Miscellaneous Window Renovations Project. Seconded by Councilmember Harvey. All ayes: Councilmembers Rehwaldt, Fitzgerald, Saucedo, Bynum, Harvey, and Spread. Motion carried.

#23321. Councilmember Fitzgerald moved the resolution be adopted setting a public hearing for the Muscatine Municipal Housing Agency Annual Plan and Capital Funding for April 21, 2016 at 7:00 p.m. Seconded by Councilmember Harvey. All ayes: Councilmembers Rehwaldt, Fitzgerald, Saucedo, Bynum, Harvey, and Spread. Motion carried.

#23322. Councilmember Fitzgerald moved the resolution be adopted accepting the Capital Funding grant and approving amendments to the CFP Annual Statement and Five-Year Action Plan for the Muscatine Municipal Housing Agency. Seconded by Councilmember Bynum. All ayes: Councilmembers Rehwaldt, Fitzgerald, Saucedo, Bynum, Harvey, and Spread. Motion carried.

#23323. Councilmember Harvey moved the resolution be adopted setting a public hearing for the Mulberry Avenue Reconstruction Project for March 17, 2016 at 7:00 p.m. Seconded by Councilmember Fitzgerald.

Councilmember Fitzgerald when the bid letting will be taking place.

City Engineer Jim Edmond stated the project has a mid-May bid letting. He stated the paperwork is being reviewed by the Iowa Department of Transportation right now.

Vote – All ayes: Councilmembers Rehwaldt, Fitzgerald, Saucedo, Bynum, Harvey, and Spread. Motion carried.

#23324. Councilmember Fitzgerald moved the resolution be adopted setting a public hearing for the transit annual consolidated funding application for April 7, 2016 at 7:00 p.m. Seconded by Councilmember Spread. All ayes: Councilmembers Rehwaldt, Fitzgerald, Saucedo, Bynum, Harvey, and Spread. Motion carried.

#23325. Councilmember Harvey moved the resolution be adopted increasing fees for Muscatine Municipal Airport Hangars 9-14 to \$100 per month. Seconded by Councilmember Fitzgerald.

Councilmember Saucedo asked if this is the first time rates have been increased since 2011, and Community Development Planning Coordinator Adam Thompson answered yes.

City Administrator Mandsager stated this is the first time our lease agreements have had an escalating clause. He stated staff has been asked to put together a comparison of what other airports our size are charging for hangar fees to be presented at a future In-Depth session.

Mr. Thompson stated he has a list of 10 airports he will be contacting and will be compiling the information for a future In-Depth meeting.

Councilmember Rehwaldt asked how long it would take to pay for the hangars.

Councilmember Fitzgerald stated the fees are for existing hangars. He stated discussions have taken place in the past concerning the building of new hangars it but would be cost prohibitive unless grants were made available.

Councilmember Saucedo asked when the runway project would get underway.

Mr. Thompson stated work will begin in April.

Vote – All ayes: Councilmembers Rehwaldt, Fitzgerald, Saucedo, Bynum, Harvey, and Spread. Motion carried.

#23326. Councilmember Fitzgerald moved the resolution be adopted accepting the low bid and awarding the contract for the Community Development Block Grant Façade Project to Woodruff Construction in the amount of \$319,800. Seconded by Councilmember Spread. All ayes: Councilmembers Rehwaldt, Fitzgerald, Saucedo, Bynum, Harvey, and Spread. Motion carried.

#23327. Councilmember Harvey moved to approve Spring Cleanup Week for April 25-29, 2016. Seconded by Councilmember Bynum. All ayes; motion carried.

#23328. Councilmember Rehwaldt moved to approve the LIFTS grant award in the amount of \$80,000 for the Inter-Modal Port of Muscatine Study. Seconded by Councilmember Spread. All ayes; motion carried.

#23329. Councilmember Spread moved to approve the issuance of a purchase order to Valley Construction in an amount not to exceed \$11,900 for the REAP Grant Phase I – Trail Maintenance Project. Seconded by Councilmember Harvey. All ayes; motion carried.

#23330. Councilmember Harvey moved to approve the Interagency Agreement between the Iowa Department of Inspections and Appeals and the Muscatine Municipal Housing Agency. Seconded by Councilmember Rehwaldt.

Councilmember Saucedo asked for an explanation of the agreement.

City Administrator Mandsager stated the agreement will allow the DIA to investigate suspected fraud by clients on the city's housing program.

Housing Administrator Jodi Royal-Goodwin stated that if staff suspects a client of fraud, the department is required to have them investigated. The DIA provides investigation services for the Department of Human Resources as well.

Councilmember Saucedo asked if the city would receive a report, and Ms. Royal-Goodwin answered yes.

Mayor Broderson asked if it was complaint driven only.

Ms. Royal-Goodwin stated the request for DIA's services will come from staff only.

Vote – All ayes; motion carried.

#23331. Councilmember Fitzgerald moved to approve Change Order #1 for the Electrical Improvements Project at the Municipal Airport. Seconded by Councilmember Harvey.

Councilmember Harvey asked if this electrical work includes the runway.

Mr. Thompson stated that once the electrical work is completed, the runway project will get underway.

There was discussion concerning the additional items included on the change order.

Councilmember Fitzgerald asked if there were still critter problems.

Mr. Thompson stated there hasn't been a problem since the conduit was installed.

Councilmember Fitzgerald asked if they were boring holes along the runway, and Mr. Thompson stated it is still an issue but does not disrupt the runways.

Vote – All ayes; motion carried.

#23332. Councilmember Spread moved to approve changing the city's insurance broker to Arthur J. Gallagher (AJG). Seconded by Councilmember Fitzgerald.

Councilmember Harvey asked if there was any cost savings to the city.

City Administrator Mandsager stated the request has more to do with additional new services AJG can provide the city, especially where Human Resources is concerned.

Vote – All ayes; motion carried.

Under comments, Councilmember Saucedo thanked everyone for their help during the budget process.

City Administrator Mandsager echoed Councilmember Saucedo’s comment. He stated work on the budget is a long process. He recognized city staff for all the hard work they put forth during the budget preparation. He stated he feels it is a good budget going forward.

Mayor Broderson stated she was glad to see Councilmember Bynum back at the meetings. She also thanked the group of students and their teacher attending from Muscatine Community College.

Mayor Broderson then asked about the status of the Jayne House that was moved from Mulberry Avenue to Iowa Avenue.

City Administrator Mandsager stated staff would follow up on the house from a nuisance standpoint.

Mayor Broderson stated she has been receiving calls from people concerning truck traffic on Cypress Street.

Councilmember Spread that it is a concern that perhaps the Traffic Committee could look into.

The meeting adjourned at 7:55 p.m.

Diana Broderson, Mayor

ATTEST:

Gregg Mandsager, City Administrator