

CITY OF MUSCATINE  
REGULAR CITY COUNCIL MINUTES  
Council Chambers – 7:00 p.m. – December 15, 2016

Mayor Broderson called the City Council meeting for Thursday, December 15, 2016, to order at 7:00 p.m. Councilmembers present were Rehwaldt, Fitzgerald, Natvig, Saucedo, Bynum, Harvey, and Spread.

The meeting began with the Pledge of Allegiance.

Gary Carlson of HNI was present to provide City Council with an update on HNI's expansion projects, investment in the community, and a proposed TIF request.

Mr. Carlson stated that since 2012, HNI's strategy has been to put a lot of investment in Muscatine. He stated HNI has had an excellent working relationship with the city, county, and people of Muscatine. He stated Muscatine is a great place to do business.

Mr. Carlson stated that HNI is transitioning to smart technology and is working to create a better working environment for its members. He stated the investments in Muscatine have allowed HNI to retain jobs and to even see a slight increase in jobs.

Mr. Carlson then talked about improvements that have been taking place since 2012 in the various HNI facilities.

Mr. Carlson stated the upcoming improvements are called modernization. He stated HNI operates in a very competitive market and it is important that its members be trained to operate the equipment housed in the various facilities. He stated that part of the modernization will take place at the Highway 61 facility located across from Walmart which is a very large facility.

Mr. Carlson stated that since 2012, HNI has invested approximately \$117 million in its Muscatine facilities. He stated that other industries in Muscatine are doing the same thing. He stated the strength of Muscatine is its industrial operations.

Mr. Carlson stated he was present tonight to ask for additional consideration for the establishment of a TIF District. He stated that before making that request, he wanted to provide City Council with an overview of what HNI has been doing.

City Administrator Gregg Mandsager stated that City Council received a copy of the proposed TIF schedule. He stated the next step will be the preparation of the TIF agreement and adding it to the city's Urban Renewal Plan. He stated that if there are no objections from City Council, staff will proceed with both of these items for action at a future date.

There was further discussion concerning HNI's facilities as well as its standing in the world market.

#23672. Councilmember Spread, seconded by Councilmember Harvey, moved the Consent Agenda be approved as follows:

- Regular City Council Minutes – December 1, 2016
- In-Depth City Council Minutes – December 8, 2016
- Request approved for use of city property for Muscatine Area Farmers Market beginning in May 2017 and ending in October 2017

- Request approved for use of city property for Senior Resources Fundraiser on May 6, 2017 in conjunction with the opening of the Muscatine Area Farmers Market
- Approval of Application for Revitalization Property Tax Abatement for Jerry and Karen Gridley
- Filing of Communications 12A-B
- Bills for Approval totaling \$3,209,993.95

Vote – All ayes; motion carried.

#23673. Councilmember Natvig moved the ordinance be adopted amending the zoning ordinance for the proposed rezoning of 922 Hancock Street and directed for its publication as required by law. Seconded by Councilmember Spread. All ayes: Councilmembers Rehwaldt, Fitzgerald, Natvig, Saucedo, Bynum, Harvey, and Spread. Motion carried.

#23674. Councilmember Rehwaldt moved the ordinance be adopted amending the zoning ordinance for the proposed rezoning of the former Washington Elementary School (610 Maiden Lane) and directed for its publication as required by law. Seconded by Councilmember Spread. All ayes: Councilmembers Rehwaldt, Fitzgerald, Natvig, Saucedo, Bynum, Harvey, and Spread. Motion carried.

#23675. Councilmember Harvey moved to approve the second reading of an ordinance correcting scrivener’s errors in Ordinance Nos. 93109-0715 and 93568-0816. Seconded by Councilmember Natvig. All ayes: Councilmembers Rehwaldt, Fitzgerald, Natvig, Saucedo, Bynum, Harvey, and Spread. Motion carried.

#23676. Councilmember Natvig moved to approve the first reading of an ordinance correcting scrivener’s errors, typographical errors, and/or omissions in City Code Sections Title 4, Chapter 4, Title 7, Chapter 5, Title 7, Chapter 9, Title 9, Chapter 4, Title 13, Chapter 5, and Title 15, Chapter 2. Seconded by Councilmember Rehwaldt. All ayes: Councilmembers Rehwaldt, Fitzgerald, Natvig, Saucedo, Bynum, Harvey, and Spread. Motion carried.

#23677. Councilmember Harvey moved the resolution be adopted declaring certain real estate owned by the public as having no public benefit and authorizing the sale of said real estate. Seconded by Councilmember Fitzgerald.

It was stated that disposal of any or all of the surplus property will require City Council approval.

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

#23678. Councilmember Spread moved the resolution be adopted approving a real estate contract and authorizing the purchase of real estate located at 207 Green Street (TeStrake Bros.) in relation to final design and construction of the Mississippi Drive Corridor Project. Seconded by Councilmember Harvey. All ayes: Councilmembers Rehwaldt, Fitzgerald, Natvig, Saucedo, Bynum, Harvey, and Spread. Motion carried.

#23679. Councilmember Fitzgerald moved the resolution be adopted authorizing the assessment of unpaid abatement costs and rental inspection fees to private properties. Seconded by Councilmember Bynum.

There were questions and comments from City Council that were addressed by Community Development Director David Gobin.

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

At this time, City Administrator Gregg Mandsager, referring to Item 11H pertaining to the City/CP Rail Funding Agreement, stated this agreement has been a long time in the making. He stated the agreement as presented in the agenda information, is a draft format. He stated the next step is to forward the agreement and attachments to CP Rail for their signature. He stated that once a signed document is received, it will be brought back to City Council for consideration and approval.

City Administrator Mandsager stated the agreement addresses the areas impacted from the railroad raising the tracks which includes a portion of the Mississippi Drive roadway, the railroad crossings at Cedar Street and Iowa Avenue, and a portion of the riverfront. He stated the agreement provides for three payments totaling \$4 million. He stated that CP Rail has proposed three payments over 2017/2018 with the third payment due when 85% of the Mississippi Drive Corridor Project has been completed.

City Administrator Mandsager stated that staff is comfortable with the agreement as submitted to City Council. He stated that essentially the \$4 million is to be paid by CP Rail to cover the areas impacted by the raising of the tracks.

There were questions and comments from City Council that were addressed by City Administrator Mandsager, Community Development Director David Gobin, and City Engineer Jim Edgmond.

Under comments, Councilmember Bynum stated he had received an email about CP Rail blocking traffic for more than 30+ minutes. He asked what discussions have taken place with the railroad concerning this issue.

City Administrator Mandsager stated that since last Friday, the city has been flooding their lines with complaints. He stated that Fire Chief Jerry Ewers and Public Works Director Stineman are working on the problem. He stated the railroad is looking to move its operations further south of town; however, trains have been very long. He stated we will have to wait and see if moving operations south of town will make a difference.

City Administrator Mandsager stated staff is encouraging residents to contact the railroad with their complaints by calling 1-800-766-7912 or by emailing them at [community\\_connect@cpr.ca](mailto:community_connect@cpr.ca). He encouraged residents to continue contacting the city with their complaints.

Councilmember Harvey asked what is happening with the building at 610 Orange Street that needs demolished.

Community Development Director David Gobin stated the bidding process has been completed and the building should be down within the next couple of weeks.

Councilmember Natvig complimented City Engineer Jim Edgmond for his work on the Mulberry Avenue Renovation Project.

Councilmember Rehwaldt asked when the final design for the Mississippi Drive Corridor Project will be done.

City Administrator Mandsager stated City Council will be viewing the final design at the end of January when the bid letting will take place.

City Engineer Jim Edgmond stated the city has not seen the final design yet but is expecting to very soon. He stated the delay in preparing the final design has not been the engineer's fault.

There was then discussion concerning the TeStrake and Carver properties and the Puritan Ice building as well as the property located at 500 Mulberry Avenue.

Mayor Broderson congratulated the students at Central Middle School for the success of their recent Cultural Fair.

Mayor Broderson then wished everyone a safe and Merry Christmas and Happy New Year. She stated she will be off for a couple of weeks. She stated that if residents call her at City Hall, it will go straight into her cell phone.

#23680. Councilmember Rehwaldt moved to exclude the Mayor from the Closed Session pursuant to provisions of the Iowa Code Section 21.5.3A because the City Council finds that her presence at this meeting creates a conflict of interest as she is a potential adverse party to the pending/threatened litigation and her presence could waive the city's attorney/client privilege. Seconded by Councilmember Spread. All ayes: Councilmembers Rehwaldt, Fitzgerald, Natvig, Saucedo, Bynum, Harvey, and Spread. Motion carried.

City Council took a brief recess at 8:17 p.m.

#23681. Councilmember Rehwaldt moved to enter Closed Session at 8:22 p.m. pursuant to: (a) Iowa Code Section 21.5.1.c, to discuss strategy with counsel in matters that are presently in litigation or where litigation is imminent where its disclosure would be likely to prejudice or disadvantage the position of the governmental body in that litigation; and per Iowa Code Section 622.10 to (b) discuss attorney/client privileged and attorney work product matters with legal counsel. Seconded by Councilmember Spread. All ayes: Councilmembers Rehwaldt, Fitzgerald, Natvig, Saucedo, Bynum, Harvey, and Spread. Motion carried.

City Administrator Gregg Mandsager called the Closed Session to order at 8:23 p.m. Councilmembers present were Rehwaldt, Fitzgerald, Natvig, Saucedo, Bynum, Harvey, and Spread. Also present was City Attorney Matt Brick participated by telephone.

#23682. Councilmember Saucedo moved to leave Closed Session at 9:25 p.m. Seconded by Councilmember Natvig. All ayes: Councilmembers Rehwaldt, Fitzgerald, Natvig, Saucedo, Bynum, Harvey, and Spread. Motion carried.

#23683. Councilmember Spread moved to adjourn the meeting at 9:26 p.m. Seconded by Councilmember Rehwaldt. All ayes; motion carried.

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Diana Broderson, Mayor

ATTEST:

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Gregg Mandsager, City Administrator