

CITY OF MUSCATINE
REGULAR CITY COUNCIL MINUTES
Council Chambers – 7:00 p.m. – September 20, 2012

Mayor DeWayne Hopkins called the City Council meeting for Thursday, September 20, 2012, to order at 7 p.m. Councilmembers present were LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Spread, and Phillips.

The meeting began with the Pledge of Allegiance.

#22216. Councilmember Bynum, seconded by Councilmember Spread, moved the Consent Agenda be approved as follows:

- Minutes of the September 6, 2012 City Council meeting and the September 13, 2012 In-Depth meeting
- Renewal of a Class B Wine Permit, Class C Beer Permit and Sunday Sales for Aldi Inc. #05, 3200 Northpoint Drive – Aldi Inc. (pending inspections); renewal of a Class B Native Wine Permit for Flowers on the Avenue, 1138 E. 9th Street – Flowers on the Avenue (pending inspections); addition of Sunday Sales for a Special Class C Liquor License for Salvatore's, 313 E. 2nd Street – Salvatore Vitale's Italian Restaurant LLC (pending inspections); first reading for a new Class C Liquor License, Catering Privilege and Sunday Sales for The Pearl Ballroom, 101 W. Mississippi Drive – Laura Juszcyk (pending inspections and insurance)
- Request approved from Muscatine High School Student Council for use of city property for 2012 Homecoming {Parade on Thursday, September 27, 2012, beginning at 6 p.m. at Grant Elementary School, turning right onto Mulberry Avenue, and ending at the high school.
- Request approved from Muscatine High School Student Council for use of city property for 2012 Senior March on Friday, September 28, 2012, leaving the high school at 11:45 a.m., traveling down Mulberry to 8th, 8th to Iowa and ending on the riverfront.
- Request approved setting Trick-or-Treat Night on Wednesday, October 31, 2012, from 5:30 to 7:30 p.m.
- Filing of Communications A-F
- Bills for Approval totaling \$1,842,954.05

Vote – All ayes; motion carried.

PUBLIC HEARING

Mayor Hopkins stated a public hearing was being held concerning the proposed vacation of a public right-of-way remnant in the City of Muscatine.

There were no oral or written comments for or against the proposed vacation.

#22217. Councilmember LeRette moved the public hearing be closed. Seconded by Councilmember Natvig. All ayes; motion carried.

PUBLIC HEARING

Mayor Hopkins stated a public hearing was being held concerning the proposed Mad Creek Sewer Extension Project.

Public Works Director Randy Hill stated the engineer for the project had not yet arrived and so he provided an overview of the project. He stated the work includes the construction of approximately 11,800 linear feet of 15" sanitary sewer system along Mad Creek. He stated the project includes clearing and grubbing, trenchless construction of approximately 310 linear feet under Highway 38, removal and replacement of approximately 85 linear feet sanitary sewer main, construction of 15" sanitary sewer main, manhole installation, 10 concrete encased creek crossings, surface restoration, and all associated work.

Upon his arrival, Mike Welch of Shoemaker & Haaland stated the major reason for this project is due to the failure of the lagoons at Ripley's Mobile Home Park. He stated they are in violation of the Iowa Department of Natural Resources permit. He stated there is a definite need for the project. He then stated that easements have been obtained from the six property owners who will be affected by this project.

A gentleman in the audience asked if adjacent property owners would be able to hook up to the new system.

Mr. Welch stated the primary focus right now is the mobile home park. He stated the new system would allow homes beyond the mobile home park to be served.

City Administrator Gregg Mandsager stated that any landowner who might have an interest in tying into the system should contact Community Development Director Steve Boka for more information.

Melvin Bohnsack of Wilton asked if the mobile home park was being annexed into the city.

City Administrator Mandsager stated the property owners have agreed to a voluntary annexation into the city.

Mr. Bohnsack stated it was his understanding the city would now provide fire services, and City Administrator Mandsager stated he was correct.

Councilmember Natvig stated it was his understanding that the major thrust of the gravity system is the lowering of operating costs, and Mr. Welch stated he was correct.

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

#22218. Councilmember Fitzgerald moved the public hearing be closed. Seconded by Councilmember Natvig. All ayes; motion carried.

PUBLIC HEARING

Mayor Hopkins stated a public hearing was being held concerning the proposed sale and transfer of public property within the City of Muscatine.

Community Development Director Steve Boka spoke briefly on the proposal. He stated the city is undertaking the Colorado Street Improvement Project and one area of interest is the "s" curve near the Pierce Furniture Store. He stated several options were looked at with one involving the acquisition of the Pierce Mattress Store. He stated an agreement was reached with the Pierce family which would be the purchase of the mattress store using available resources and the exchange of real estate (Iowa Field) to make up the difference. He stated before any formal action by City Council can take place, a public hearing is required.

City Administrator Gregg Mandsager stated that Item 11D on the agenda pertaining to this proposal will be voted on at the October 4, 2012 City Council meeting.

Mr. Boka stated the City Administrator was correct. He pointed out that if the transfer of the property to the Pierce family takes place, it will be as is.

Councilmember Shihadeh asked what the zoning was for the property.

Mr. Boka stated it is currently zoned Single-Family.

Councilmember Shihadeh asked if it was a wetland.

Mr. Boka stated it is not a wetland area. He stated the property does have water issues that would have to be mitigated before any development could take place.

Councilmember Shihadeh stated it was his understanding that if the transfer does take place, the property owners could do whatever they want with Iowa Field.

Mr. Boka stated that if the property owners wanted to subdivide the property, they would be required to go through Planning & Zoning. He pointed out that at this point in time, there is nothing on the table.

Mayor Hopkins asked Mr. Boka if he had any idea what the Pierce family's plans are and Mr. Boka answered no.

Melvin Bohnsack stated he had questions concerning the development of Colorado Street.

City Administrator Mandsager told Mr. Bohnsack he was welcome to come in and talk with city staff.

The following residents spoke in opposition to the transfer of Iowa Field to the Pierce family:

Pat Grimm, 207 W. 11th Street; Nick and Lori Nietzel, 1114 Iowa Avenue; Noel Henneman, 1110 Iowa Avenue; Dan Nietzel, 211 W. 11th Street; resident at 1106 Iowa Avenue; Jeff Johnson, 215 W. 11th Street; Rebecca Reichert, 1155 Iowa Avenue; Linda Smith, resident of Muscatine; Tim Storr, 1116 Iowa Avenue; and Linda Reichert, 3402 Tipton Road.

The residents expressed their concerns about the property transfer and also offered other solutions for the city to consider.

City staff responded to the questions and concerns that were raised by the residents and City Council members.

Councilmember LeRette asked what affect a delay in the negotiations with the Pierce family would have on the Colorado Street Improvement Project.

City Administrator Mandsager stated the city must follow the Iowa Department of Transportation's process. He asked Public Works Director Randy Hill to provide an update on the bid letting time frame.

Mr. Hill stated that under the current schedule, the earliest a bid letting can take place is July 2013. He stated it could be a 2014 or 2015 project.

Councilmember Fitzgerald, speaking in reference to funding for the purchase of the mattress store, even though he is not necessarily in favor of it, suggested funding the purchase of the store and then selling Iowa Field and putting the revenues generated from the sale back into the budget.

City Administrator Mandsager stated this is an option the city could pursue.

Councilmember Fitzgerald stated that if City Council chose to fund the entire cost, the purchase agreement would have to be renegotiated.

Mr. Boka stated the Pierce family would need to enter a renegotiated purchase agreement if interested in the option suggested by Councilmember Fitzgerald. He stated that if City Council chooses to declare the property as surplus and there are multiple buyers, the property will have to be subdivided. He pointed out that the city does not want to end up with a remnant that no one else wants.

City Administrator Mandsager stated that if City Council chooses to sell the property, he would suggest setting a minimum amount on it.

Councilmember Natvig asked how a delay would affect the grant monies that have been received for the Colorado Street project.

Mr. Hill stated he does not think the grant monies will be jeopardized.

There was further discussion concerning the installation of streets should the property be developed as something other than a single family residence.

Mayor Hopkins stated there has been a lot of passion shown at tonight's meeting.

Councilmember Shihadeh stated he can understand the feelings expressed tonight because Iowa Field is also very dear to his heart. He thanked everyone for attending the public hearing.

Councilmember LeRette also thanked everyone for attending the meeting and offering their input. He stated that what citizens need to understand is that the city's finances are always part of City Council's discussions because the decisions they make determines how much taxes the citizens will pay. He stated many comments were made by residents tonight about Iowa Field being part of their backyard. He stated it is not the city's place to provide anyone's backyard.

Councilmember Spread stated he appreciated the input from those attending the meeting as well. He stated he wanted the citizens to be aware that he has not yet made up his mind on this matter.

Councilmember Phillips agreed with Councilmember Spread's comments. She stated she was glad to see everyone at the meeting tonight and that hearing everyone's comments will help City Council make a better decision on this matter.

Councilmember Bynum stated that City Council, as well as city staff, needs to think about the affect this proposal will have on the families living near Iowa Field. He stated City Council needs to decide how it is going to vote on this matter.

City Administrator Mandsager stated there needs to be a plan in place before the Colorado Street project can move forward. He stated there are two options on the table. The first option is why we are here tonight. He stated that if City Council wishes to proceed with the second option which involves the sale of Iowa Field, he recommended setting a minimum value on the property. He stated that all that is being discussed tonight is the ownership of the property. He stated it is up to the private property owner

to follow the city's processes when choosing to develop the property. City staff will look at options for City Council to review at its next meeting.

There were no written petitions for or against the project.

#22219. Councilmember Spread moved the public hearing be closed. Seconded by Councilmember Bynum. All ayes; motion carried.

#22220. Councilmember Natvig moved the resolution be adopted setting a public hearing to consider the vacation of an alley right-of-way remnant in the City of Muscatine for Thursday, October 4, 2012, at 7 p.m. Seconded by Councilmember Shihadeh. All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Phillips, and Spread. Motion carried.

Gary Carlson, representing HNI, thanked City Council for voting in favor of setting the public hearing on the vacation of the alley right-of-way remnant. He handed out renderings of the proposed \$20 million expansion of the Oak Laminate facility. He stated HNI has worked hard to make the expansion as attractive as possible and a great place to work. He stated a grant request has been submitted to the Iowa Department of Economic Development for this work in an Enterprise Zone.

Councilmember Bynum stated the city appreciates what HNI does for the community.

Mr. Carlson stated that the extension of the Mad Creek Levee made this expansion possible.

Councilmember Fitzgerald asked how many jobs this expansion will maintain.

Mr. Carlson stated there are currently 270 employees in the Oak Laminate facility and that number could increase to 280.

Mayor Hopkins stated that HNI's expansion also provides a very attractive gateway to downtown Muscatine.

#22221. Councilmember Bynum moved the resolution be adopted approving the final plat for the LBM/Phelps Subdivision. Seconded by Councilmember Spread.

Kevin Shay, the attorney representing LBM, stated this final plat was required so that one of the lots could be sold to Phelps Laundry.

Mayor Hopkins asked if Phelps is finished with the Park Avenue property.

Mr. Shay stated he feels the fire at that location necessitated this action.

Vote – All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Spread, and Phillips. Motion carried.

#22222. Councilmember Phillips moved the resolution be adopted setting a public hearing on the vacation of utility easements in Lots 21 and 22 of Riverbend Second Addition for Thursday, October 4, 2012, at 7 p.m. Seconded by Councilmember LeRette. All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Phillips, and Spread. Motion carried.

#22223. Councilmember LeRette moved to approve the second reading of an ordinance revising Title 7 Police Regulations, Chapter 18 Snow Emergency Regulations. Seconded by Councilmember Natvig. All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Phillips, and Spread. Motion carried.

#22224. Councilmember Fitzgerald moved to approve the first reading of an ordinance vacating a public right-of-way remnant within the City of Muscatine. Seconded by Councilmember Spread. All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Phillips, and Spread. Motion carried.

#22225. Councilmember Natvig moved the resolution be adopted approving the plans, specifications, form of contract, cost estimate and setting the bid opening date for the Mad Creek Sewer Extension Project. Seconded by Councilmember Shihadeh. All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Spread, and Phillips. Motion carried.

City Administrator Mandsager, speaking in reference to Item 11D pertaining to the sale and transfer of public property as it pertains to the Colorado Street Improvement Project, stated that staff is looking for direction from City Council on how to proceed.

Councilmember LeRette stated the indication from residents living in the area of Iowa Field is that they would like to see it taken out of the purchase agreement. He stated what he would like to see happen is looking at what has to be done to purchase the mattress store.

Councilmember Shihadeh stated the option of purchasing the building and selling Iowa Field should also be discussed.

City Administrator Mandsager stated that if the property is sold to a private property owner, the city will end up in the situation it is currently facing.

Councilmember Fitzgerald stated that adjacent property owners have expressed an interest in the property as well.

City Administrator Mandsager stated there are currently three options: 1) to consider current purchase agreement with the Pierce family; 2) to do nothing; or 3) to fund the entire purchase of the building and add it to the levy which would require an increase in the tax rate.

There was discussion on other pieces of surplus property the city might have available.

City Administrator Mandsager stated that if the property is put on the market, it would be open to everyone not just the adjacent property owners.

Councilmember Fitzgerald stated he feels the majority of the residents would like to see the property sold and are willing to take that risk.

Councilmember LeRette stated he would be interested in pursuing the sale of the property.

City Administrator Mandsager stated this issue could be discussed in Closed Session at the next City Council meeting, and he wanted to make it very clear there could be the potential for action by City Council once back in open session.

Councilmember Phillips asked what affect this would have on the bid letting.

City Administrator Mandsager stated he could not answer that question without having further discussions with the Pierce family. He pointed out to City Council that the property may not sell once it is on the market.

Mayor Hopkins stated that perhaps the neighbors in close proximity to Iowa Field should meet and discuss ideas amongst themselves.

Councilmember Shihadeh stated that one thing to keep in mind is the property is zoned Single Family at this point in time.

City Administrator Mandsager stated that Councilmember Shihadeh was correct; however, there are no guarantees on who will get the property and what they will do with it. He then stated that prior to the property being subdivided or rezoned, the property owner would have to go through the city's process for doing so.

Councilmember Fitzgerald stated that in order to keep the ball rolling, City Council could take action to fund the purchase of the mattress store and then figure out how to make up the dollars that are spent.

Mayor Hopkins asked what the next step would be.

City Administrator Mandsager stated the next step would be a closed meeting with potential action to follow once back in open session.

Councilmember Fitzgerald asked if a special meeting should be held, and City Administrator Mandsager stated that could be a possibility.

#22226. Councilmember Fitzgerald moved the resolution be adopted approving easements for the Cedar Street Reconstruction Project – Utility Phase. Seconded by Councilmember Phillips. All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Phillips, and Spread. Motion carried.

#22227. Councilmember Natvig moved the resolution be adopted approving the Annual Street Finance Report for the fiscal year ended June 30, 2012. Seconded by Councilmember Spread. All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Spread, and Phillips. Motion carried.

#22228. Councilmember Bynum moved the resolution be adopted accepting the low bid, awarding the contract, and approving the contract and bond from Boche Plumbing in the amount of \$49,900 for the Boiler Replacement Project at the Clark House. Seconded by Councilmember Shihadeh.

Councilmember Natvig asked about the efficiency of the boilers.

Housing Administrator Dick Yerington stated the boilers are the most efficient on the market and that there will be rebates available.

City Administrator Mandsager stated several rebates will be received for multiple projects throughout the city.

Vote – All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Spread, and Phillips. Motion carried.

#22229. Councilmember Fitzgerald moved the resolution be adopted clarifying the City of Muscatine's Pre-Employment Reimbursement Contract Policy for police officers and to ratify existing contracts. Seconded by Councilmember Phillips. All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Spread, and Phillips. Motion carried.

#22230. Councilmember Phillips moved to approve the update to the city's Travel Policy. Seconded by Councilmember Spread.

#22231. Councilmember LeRette moved to amend the original motion to change the gratuity amount shown in 3(d) of the Travel Policy from 15% to 18%. Seconded by Councilmember Natvig. Six

ayes: Councilmembers LeRette, Natvig, Shihadeh, Bynum, Spread, and Phillips. One nay: Councilmember Fitzgerald. Motion carried.

Vote on original motion – All ayes; motion carried.

#22232. Councilmember Natvig moved to approve the request from the Police Department to purchase a 2011 Ford Fusion SE from Uptown Motors in the amount of \$14,000. Seconded by Councilmember Shihadeh. All ayes; motion carried.

#22233. Councilmember Fitzgerald moved to approve the request from Public Works to purchase a ½ ton 4x4 pickup truck for Roadway Maintenance from Dahl Ford in the amount of \$24,346. Seconded by Councilmember LeRette. All ayes; motion carried.

#22234. Councilmember Spread moved to approve the request from the Traffic Committee for the installation of a stop sign on Bandag Drive at Colorado Street. Seconded by Councilmember Phillips. All ayes; motion carried.

Under comments, Councilmember LeRette stated that City Council had earned their salary tonight.

Councilmember Natvig stated it is great to see the new fire station occupied.

City Administrator Mandsager stated it is time to schedule the fall tour; however, there really are not a lot of new projects. He stated that he is thinking about having a project update at the November In-Depth meeting. He asked City Council to let him know if they have a strong interest in the tour. He then stated that he is planning a tour of the landfill.

City Administrator Mandsager reminded everyone of the Police Department's open house at its shooting range on September 25, 2012 at 7 p.m.

#22235. Councilmember Shihadeh moved the meeting be adjourned at 8:47 p.m. Seconded by Councilmember LeRette. All ayes; motion carried.

DeWayne Hopkins, Mayor

ATTEST:

Gregg Mandsager, City Clerk