

CITY OF MUSCATINE
REGULAR CITY COUNCIL MINUTES
Council Chambers – 7:00 p.m. – June 20, 2013

Mayor DeWayne Hopkins called the City Council meeting for Thursday, June 20, 2013, to order at 7 p.m. Councilmembers present were LeRette, Fitzgerald, Bynum, Phillips, and Spread.

The meeting began with the Pledge of Allegiance.

#22518. Councilmember Phillips, seconded by Councilmember Spread, moved the Consent Agenda be approved as follows:

- Approval of June 6, 2013 City Council minutes and June 13, 2013 In-Depth minutes
- First reading of a new Class “C” Liquor License, Outdoor Service and Sunday Sales for Buffalo Wild Wings, 2608 2nd Avenue – Blazin’ Wings Inc. (pending inspections); first and second reading of a new Class “C” Liquor License and Sunday Sales for 101 West LLC, 101 West Mississippi Drive (pending inspections and insurance); new Class “B” Beer Liquor License, Sunday Sales and Outdoor Sales for Great River Days Inc., Harbor Drive - Great River Days Inc. (pending inspections); Outdoor Service Area for Missipi Brewing Company, 107 Iowa Avenue from September 22, 2013 through November 14, 2013 – R & D Operations Ltd. (pending inspections); renewal of a Class “B” Native Wine Permit and Sunday Sales for The Flower Gallery, 131 East 2nd Street – Karen J. Diercks (pending inspections); renewal of a Class “B” Beer Permit and Sunday Sales for Happy Joe’s Pizza & Ice Cream Parlor South, 927 Grandview Avenue – Max Brewer Corporation (pending inspections and insurance); renewal of a Class “C” Beer Permit and Sunday Sales for Hyink’s Service, 1206 East 2nd Street – Hyink Service Inc. (pending inspections and insurance); renewal of a Class “C” Beer Permit and Sunday Sales for Babe’s Sinclair, 2307 Lucas Street – Rodney L. Yocom (pending inspections and insurance); and renewal of a Special Class “C” Liquor License for Port City Pizzas Uptown, 1903 Park Avenue – Lacey Henderson-Mueller (pending inspections and insurance)
- Request to approve Cigarette and Tobacco Permits effective July 1, 2013 through June 30, 2014 for A & E Convenience LLC, 4701 South Highway 61 – A & E Convenience, LLC; Casey’s General Store #1484, 1111 Oregon Street – Casey’s Marketing Company; Casey’s General Store #2906, 3509 Steamboat Way – Casey’s Marketing Company; Casey’s General Store #2944, 3010 University Drive – Casey’s Marketing Company; Smokin Joe’s, 1504 Park Avenue – The Outlet Inc.; Dollar General #7027, 2000 Cedar Plaza Drive, Dolgencorp, LLC; Family Dollar Stores of Iowa #1820, 725 East 2nd Street – Family Dollar Stores of Iowa Inc.; Fareway Stores Inc. #998, 2100 Cedar Plaza Drive – Fareway Stores Inc.; Fast Avenue One Stop, 2111 Park Avenue - Bruce Brooke; Hy-Vee Food Store, 2400 Second Avenue – Hy-Vee Inc.; Hy-Vee Gas, 2600 Second Avenue – Hy-Vee Inc.; Hy-Vee Mainstreet, 510 E. 6th Street – Hy-Vee Inc.; Hy-Vee Wine & Spirits, 522 Mulberry Avenue, Suite A – Hy-Vee Inc.; Hyink Service Inc., 1206 East 2nd Street – Royce R. Hyink; Kum & Go #436, 501 Cedar Street – Kum & Go LC; Kum & Go #437, 709 Grandview Avenue – Kum & Go LC; Kum & Go #438, 1429 Park Avenue – Kum & Go LC; Loos’ Inc., 711 Park Avenue – Norbert L. Loos; Muscatine Citgo Fast Break, 2603 Second Avenue – Reif Oil Company; New York Dollar Store, 109 East 2nd Street – Antonio Sosa; Wal-Mart Supercenter #559, 3003 North Highway 61 – Wal-Mart Stores Inc.; Walgreens #5885, 1703 Park Avenue – Walgreen Co.; and DJMB Inc. d/b/a West Side Store, 2201 Houser Street – DJMB Enterprises Inc.
- Approval of street closures for Oak Street Between Woodlawn and Maple Avenue and 2nd Street Between Oak Street and Mulberry Avenue
- Approval of the following appointments and reappointments to the city’s various boards and commissions:
Airport Advisory Commission – Reappointment of Bill Leddy

Art Center Board of Trustees – Appointments of Rochelle Conway and Janet Huddleston
Historic Preservation Commission – Appointment of Rochelle Conway and term extensions for Jane Reischauer and Devit Pettit
Library Board of Trustees – Appointment of Travis Sheets and reappointment of James Compton
New Construction Appeal and Advisory Board – Reappointment of Tom Bankhead
Planning and Zoning Commission – Reappointment of Dyann Roby and Allen Harvey
Plumbers Board of Examiners – Reappointment of Tim Kelly
Recreation Advisory Commission – Reappointment of Dr. Bradley Bark and Dana Kraft

- Filing of Communications A-D
- Approval of Bills for Approval totaling \$1,400,597.21 as well as receipt summaries and journal entries for May 2013

Vote – All ayes; motion carried.

PUBLIC HEARING

Mayor Hopkins stated a public hearing was being held concerning the proposed amendment to the 2012 Consolidated Urban Renewal Plan.

Greg Jenkins of the Greater Muscatine Chamber of Commerce and Industry stated the GMCCI supports this proposal and feels from an economic development standpoint it is extremely good for Muscatine. He asked that City Council support the proposed development.

Kevin Shea, the attorney representing CAM II Warehouse Inc., stated his client is asking City Council to reject conferring TIF tax status and other monetary benefits to the Gordon Sevig Trucking Company (GSTC) because it will be creating an unfair competitive advantage for GSTC against CAM II, an already existing Muscatine business. He stated GSTC should be required to pay the same property taxes and operate under the same rules as CAM II.

Councilmember Phillips asked where CAM II is located.

Mr. Shea stated the facility consists of 13 buildings and is located at 6110 49th Street South (Progress Park). He stated that almost 100% of the products at the facility belong to GPC. He pointed out the new facility will be located 2 ½ blocks from CAM II.

Councilmember Spread asked how many employees were working at this location, and Mr. Shea said there were approximately 60 in the Muscatine area.

Councilmember Fitzgerald asked Mr. Shea if his client had been given notice.

Mr. Shea stated that one year was negotiated in January 2013 at which time they were told the contract would not be renewed.

Councilmember Fitzgerald asked if there was a 90 day clause for GPC to get out of contracts with companies such as CAM II.

Mr. Shea stated CAM II's contract, which is a service contract, has always had a 180 day clause.

#22519. Councilmember Bynum moved the public hearing be closed. Seconded by Councilmember Spread.

PUBLIC HEARING

Mayor Hopkins stated a public hearing was being held concerning a proposed development agreement with Wal-View Developments Limited Company/GSTC Logistics Inc.

Kevin Shea, representing the CAM II Warehouse located in Progress Park, stated he does not feel the proposed project will add diversity to Muscatine because there are already warehouses in the community. He stated that if anyone is going to get TIF proceeds, it should be CAM II and not Wal-View. He stated the project will not generate new jobs but rather will take existing jobs from CAM II. He stated the city is going to give Wal-View \$5 million to compete with CAM II who has been paying city taxes for almost 20 years. He stated the tax dollars paid by CAM II will be helping their competitor. He stated Wal-View has already broken ground and is going to build whether they are given the \$5 million or not.

Councilmember Spread asked if CAM II had applied for TIF in the past.

Mr. Shea stated CAM II had applied for TIF benefits in 2006 when it purchased the Newcomb property on Hershey Avenue but the benefits were denied because the foundation was already in the ground.

Councilmember Spread asked if that was grounds for turning down the TIF request, and City Administrator Gregg Mandsager answered yes.

Mr. Shea stated his client is not asking City Council to keep Wal-View out but is asking that the city not provide them with TIF benefits.

City Administrator Mandsager stated that a number of years ago the city was asked to take Progress Park out of the TIF area and designate it as a tax abatement area.

Councilmember Fitzgerald asked about the difference between tax abatement and TIF.

Community Development Director Steve Boka stated that under tax abatement, taxes are forgiven on a declining scale as opposed to TIF where they go back to the developer. He stated the proposed development is in the same TIF area as Newcomb's and Curry's. He then explained why the TIF request from CAM II was denied for the Newcomb property located on Hershey Avenue.

Councilmember Spread stated it was his understanding that any new development that takes place at Progress Park would be eligible for tax abatement and not TIF benefits.

City Administrator Mandsager stated that new facilities or facilities remodeled in Progress Park would be eligible for tax abatement.

Councilmember Fitzgerald asked if this proposed development was outside of the Progress Park Area, and Community Development Director Boka stated it was located in the South End TIF District which has been in existence since 2000.

Mr. Jenkins of GMCCI stated he feels this proposed development will drive economic development for that part of the community. He stated City Council has a great reputation where economic development is concerned.

#22520. Councilmember Spread moved the public hearing be closed. Seconded by Councilmember Bynum. All ayes; motion carried.

#22521. Councilmember LeRette moved to approve the recommended site and concept plan for the proposed band shell on the riverfront. Seconded by Councilmember Phillips.

Councilmember Fitzgerald stated that previous City Councils have worked to maintain the open areas on the riverfront. He stated he also had concerns about vandalism. He then stated he was not opposed to the band shell; however, he would not support its placement on the riverfront.

Mayor Hopkins asked Tom Bankhead, the architect who designed the proposed band shell, to address the glass issue.

Mr. Bankhead stated the glass panels are tempered and laminated and are somewhat bullet proof. He stated they are very tough.

Councilmember Fitzgerald stated he understands that tempered glass is strong when the face is hit with an object; however, it can break if the edges are hit.

Mr. Bankhead stated the lower panels will have trim pieces to protect the edges. He pointed out the band shell's unique design.

Councilmember Bynum asked for clarification on what City Council would be approving.

City Administrator Mandsager stated tonight's action includes approval of the site and basic design of the band shell. He stated that landscaping still needs to be addressed.

Mayor Hopkins stated the conceptual drawings probably have more trees than are necessary. He then stated he tends to ignore the feedback about protecting the view on the riverfront. He stated the proposed 40' by 60' band shell would be placed on top of the elevation currently on the riverfront and would only use 180' of the down river green space area. He stated the proposed band shell will take up very little space.

Mr. Bankhead stated there will not be any topographical changes to the site. He pointed out that trees would be an enhancement to the view of the river.

Mayor Hopkins pointed out that the request tonight is approval of the location and design of the band shell which will be done in two phases. He stated he would like to see the platform poured soon enough for a blues performance in September.

Mr. Bankhead said he would like to see one contractor responsible for the entire band shell project.

City Administrator Mandsager stated it was important for City Council to understand that if funding does not become available, there will be a concrete slab in the green space on the riverfront.

There was discussion concerning the footings for the concrete slab.

Councilmember Spread asked if any funding has been received for the proposed band shell.

Mayor Hopkins answered no. He stated this was the last hurdle before fund raising could begin.

Vote – Four ayes: Councilmembers LeRette, Bynum, Phillips, and Spread. One nay: Councilmember Fitzgerald. Motion carried.

#22522. Councilmember Bynum moved the resolution be adopted approving the amendment to the 2012 Consolidated Urban Renewal Plan. Seconded by Councilmember Fitzgerald.

Councilmember Spread stated we can do this but the question is should we do this. He stated it is his understanding the proposed project is eligible for TIF proceeds and that businesses located in Progress Park are eligible for tax abatement proceeds.

City Administrator Mandsager stated there is nothing preventing the city from putting Progress Park into a new TIF District if City Council chooses to do so. He then explained the differences between the requirements for TIF and tax abatement. He stated the project is paying for itself because only new tax dollars are being used. He also noted that GSTC is installing a significant amount of public infrastructure.

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

#22523. Councilmember Fitzgerald moved the resolution be adopted approving the proposed development agreement with Wal-View Developments Limited Company/GSTC Logistics Inc. Seconded by Councilmember Phillips.

Councilmember LeRette asked how this proposed agreement compares to other agreements we have at this time.

City Administrator Mandsager stated they are all different because they are tailored to each individual project.

Councilmember LeRette asked if the “not to exceed \$5 million” is an estimated amount.

City Administrator Mandsager stated the estimate was \$4.9 million.

Councilmember Spread asked what the assessed value was for the proposed development.

City Administrator Mandsager stated it was assessed at \$18 million which is the minimum amount.

There was further discussion on the proposed development agreement.

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

#22524. Councilmember Spread moved the resolution be adopted accepting completed work for the Golf Course Irrigation Project and authorized final payment to Midwest Irrigation LLC of East Dubuque, Illinois. Seconded by Councilmember Phillips. All ayes: Councilmembers LeRette, Fitzgerald, Bynum, Phillips, and Spread. Motion carried.

#22525. Councilmember Bynum moved the resolution be adopted setting a public hearing on the Dawson Street Reconstruction Project for Thursday, July 11, 2013, at 7:00 p.m. Seconded by Councilmember Spread. All ayes: Councilmembers LeRette, Fitzgerald, Bynum, Phillips, and Spread. Motion carried.

#22526. Councilmember LeRette moved the resolution be adopted setting a public hearing on the 2013 Asphalt Overlay Project for Thursday, July 11, 2013, at 7:00 p.m. Seconded by Councilmember Fitzgerald. All ayes: Councilmembers LeRette, Fitzgerald, Bynum, Phillips, and Spread. Motion carried.

#22527. Councilmember Phillips moved to approve the three-year contract with Genesis Health Systems for Employee Assistance Services effective July 1, 2013. Seconded by Councilmember Bynum. All ayes; motion carried.

#22528. Councilmember Fitzgerald moved to approve the City of Muscatine's Employee Handbook. Seconded by Councilmember Phillips.

City Administrator Mandsager stated the wording had been changed to include the site in the State Code concerning "conflict of interest". He stated that the handbook can be emailed to those employees with email addresses and hard copies provided to those who do not. He stated everyone will be required to sign and turn in the acknowledgement form.

Vote – All ayes; motion carried.

#22529. Councilmember Spread moved to approve the city's insurance renewal effective July 1, 2013. Seconded by Councilmember Fitzgerald. All ayes; motion carried.

#22530. Councilmember Bynum moved to authorize the purchase of a solar battery arrow board from Iowa Plains Signing Inc. of Slater, Iowa, in the amount of \$4,920. Seconded by Councilmember Phillips.

Councilmember Spread asked if this equipment would be used by outside contractors, and Public Works Director Randy Hill stated it will primarily be used in-house.

Vote – All ayes; motion carried.

#22531. Councilmember LeRette moved to approve Change Order #2 for the Mad Creek Sewer Extension Project. Seconded by Councilmember Fitzgerald. All ayes; motion carried.

#22532. Councilmember Fitzgerald moved to approve the Letter of Understanding with McGladrey LLP for the Fiscal Year 2012/2013 City Audit with a fee of \$42,750 for the basic audit and an additional fee of \$2,650 for the Housing Program REAC audit. Seconded by Councilmember LeRette. All ayes; motion carried.

#22533. Councilmember Phillips moved to approve the request from the Water Pollution Control Plant to authorize the issuance of purchase orders to Langman Construction in the amount of \$53,510 for site excavation, installation of manholes, and replacement of pavement and to Mellon Associates in an amount not to exceed \$4,000 for four DeZuric valves. Seconded by Councilmember Spread.

Water Pollution Control Director Jon Koch explained why he was requesting approval to replace four valves rather than the two that had been originally budgeted.

Councilmember Spread asked if this would require a budget amendment.

City Administrator Mandsager stated an amendment would not be necessary because the required funding will stay within the existing budget.

Vote – All ayes; motion carried.

#22534. Councilmember Spread moved to approve the contractual agreement with Muscatine Community College for video product and cablecast services effective July 1, 2013 through June 30, 2016. Seconded by Councilmember Fitzgerald. All ayes; motion carried.

#22535. Councilmember Phillips moved to approve the request from the Police Department to approve a Memorandum of Understanding for Allocation of the 2013 Justice Assistance Grant Direct Award in the amount of \$18,833. Seconded by Councilmember Fitzgerald. All ayes; motion carried.

Under comments, Councilmember LeRette stated there would be no City Council meeting on July 4th and so he wished everyone a happy 4th of July.

Mayor Hopkins stated that earlier in the week Bob Allbee, President of Muscatine Community College, hosted nine college officials from Hebei Province. He stated there are more Chinese leaders who want to tour Muscatine Community College and other parts of Muscatine. He stated the city can probably anticipate a fairly steady flow of people from China.

#22536. Councilmember LeRette moved to go into Closed Session at 8:22 p.m. per State Code 21.5 to discuss property purchase. Seconded by Councilmember Spread. All ayes: Councilmembers LeRette, Fitzgerald, Bynum, Phillips, and Spread. Motion carried.

Mayor Hopkins called the Closed Session to order at 8:29 p.m. Councilmembers present were LeRette, Fitzgerald, Bynum, Phillips, and Spread. Also present were City Administrator Gregg Mandsager, Finance Director Nancy Lueck, Public Works Director Randy Hill, and Community Development Director Steve Boka.

#22537. Councilmember Spread moved to leave the Closed Session at 8:43 p.m. Seconded by Councilmember Bynum. All ayes: Councilmembers LeRette, Fitzgerald, Bynum, Phillips, and Spread. Motion carried.

#22538. Councilmember LeRette moved the meeting be adjourned at 8:44 p.m. Seconded by Councilmember Fitzgerald. All ayes; motion carried.

DeWayne Hopkins, Mayor

ATTEST:

Gregg Mandsager, City Administrator