

COUNCIL PROCEEDINGS  
JUNE 15, 2016

Charles City City Council met in a planning session on June 15, 2016 at 7:00 p.m. in council chambers. Mayor James Erb presided and the following council members were present: Keith Starr, DeLaine Freeseaman, Dan Mallaro, Michael Hammond and Jerry Joerger (arrived at 7:05 p.m.)

Mayor Erb reminded council that he needs a couple sets of evaluations for Steve and Trudy back. The evaluations will take place in closed session following the planning session on June 27.

Jerry Joerger arrived.

The officials from Simply Essentials were present to inform the council about their planned facilities and operations for the chicken processing plant. This is a privately backed enterprise and they are investing thirty million into upgrades for this plant. They are using a patented flax feed formula in the feed and will be using CO2 rather than shocking to kill the chickens. They are also using an air chill method to cool them once they are processed which will reduce their water consumption. Local farmers will be utilized to provide chickens and they plan on processing sixty thousand birds a day with one shift. Starting wage will be \$12.50, increasing to \$13.50 after two weeks and \$14.50 after four weeks. These are the lowest wages, others will be higher. Benefits include 401K, health/dental/vision and possibly profit sharing. They are recruiting 35-38 growing sites for first shift and all sites will be targeted to within 75 miles of the feed mill. Mayor Erb asked what the timeline is for needed updates to the city's wastewater plant and the reply was that first shift can start right away and they hope to start a second shift in September 2017. Council member Freeseaman stated that our plant wouldn't be ready that fast, what will happen then. Reply was a chemical treatment could be used at the chicken facility and our wastewater plant to reduce the suspended solids to get us by until the wastewater plant updates are completed. Freeseaman also asked if a profit/loss statement had been reviewed by city staff and response was that the private equity firm will be consulted to get permission to release that and it can be submitted. Trucks hauling the live birds will be held in a transfer building until they are unloaded to keep the loose feathers to a minimum.

Discussion on conducting a local feasibility study for broadband expansion. The regional alliance will need an answer soon on whether Charles City will be participating and in order to determine that, we need to find out if the local residents are interested. This pre-feasibility study will educate the community on the options, ask what they want and how much they would be willing to pay to get feed back to see if a local effort will work. This will take 4-6 weeks to complete and if the results are favorable, then we can look at joining the Iowa Fiber Alliance. The broadband commission has discussed this and are recommending to conduct this pre-feasibility study. One other plus is that we could utilize other local utilities' equipment to provide broadband here without expending our own cash for our own equipment. The cable fund will be used to pay for this study.

A request has been received from Kurt Walderbach to transfer the current tax rebate agreement in place with BDH to him since he is purchasing that building from them. He is a physical therapist and will move his business from the south edge of town to this location which will triple his current space. He plans to offer wellness and fitness opportunities as well. He currently has 3 employees but could increase by 2 or 3 within a year. Council member Freeseaman asked if we should use the matrix like we did with the original agreement to see if this qualifies the same as BDH, could help quantify the decision. This will be on the next regular agenda for council approval.

Raises for non-bargaining city employees were discussed. Traditionally, council has always given the same raise to them as to the union employees, which is 2.75% for FY17. A new law going into effect December 1 may affect the status of a couple of employees making them go from salaried to hourly. This item will be on the next regular meeting for action.

A request for quote was sent to all four banks for a transaction fee on a one day borrowing. The amount we will be borrowing is \$253,355 and only one bid was received from First Citizen's for \$50. This item will be on the next regular meeting for action.

City Administrator Diers informed council that the fire truck loan closed today and the SRF loan will close next Friday. The Victory Park sculpture is near completion and installation for this will be starting soon. No date has been set yet for interviews for consulting firms on the joint law enforcement study. Recent concerns raised on the condition of Sportsmen Park prompted staff to look at the engineering study done a few years ago concerning options for renovation of this area. The city has already grubbed out Hyers Creek to help with water flow. Most options involved some effort on the school's part but nothing has been done yet.

There being no further business, meeting was adjourned.

James A. Erb, Mayor

Attest:

Trudy O'Donnell, City Clerk