

COUNCIL PROCEEDINGS
APRIL 26, 2021

Charles City city council met in a planning session on April 26, 2021 at 6:00 p.m. via Zoom due to the COVID-19 pandemic. Mayor Dean Andrews presided and the following council members were present: Keith Starr, Jerry Joerger, DeLaine Freeseaman, Phoebe Pittman and Phillip Knighten. Also present were city administrator Steve Diers and city engineer John Fallis.

Hannah Jones was present to discuss a request for closure of Salsbury Street for the Comet Rodeo at the school. They are asking for this closure on May 14 from 11:30 a.m. to 3:15 p.m. for a bean bag tourney and four square game. This item will be on the next regular agenda for council action.

The agreement with ADC and the Chamber are up for renewal. These are three year agreements and are funded through the city's TIF districts. The Chamber has changed their name to Main Street Charles City and their agreement covers the payments to Main Street Iowa, Façade grants and Cultural/Entertainment grants administered by them. The Main Street payment will increase from \$23000 to \$25000 per year, Façade is set at \$35,000/year and Cultural/Entertainment is set at \$25,000/year. It was noted that there is flexibility to utilize Cultural/Entertainment funds for Façade grants if needed. Mark Wicks, Chamber director, commented that there have been some good things done with these grants in the downtown area and that Façade funds can also be used for upper story rehab in the downtown. Council member Starr asked that with the increased costs of materials currently, should we look at increasing these funding amounts. Wicks replied that we should be okay with these amounts. The urban renewal plan will need to be amended for these new agreements and we will do both agreements plus the changes to Cambrex development agreement all at once. The ADC funding request has been submitted by ADC director Tim Fox and he is asking for an increase to \$46,000/year from the current \$42,000/year. This agreement will also be for three years and is funded through the city's TIF funds of Riverside, SW Bypass and South Grand. The funding from SW Bypass is \$17,500 and Floyd County also utilizes \$17,500 from this TIF for their support of ADC. Fox thanked the city for it's past and future support. There is a SW TIF meeting April 30 so we will determine the final funding from there at that time.

The 2017 development agreement with Cambrex could possibly be amended. This project ended up being bigger than they originally planned with the addition of another building. With the increase in valuation that was much higher than originally anticipated, Cambrex is requesting an amendment to their agreement to allow for a higher tax rebate. This issue has been discussed by the SW TIF board, since this project is in that district, and they are recommending approval of this amendment. The total rebate would go from \$170000 to \$575000, both over 9 years, so it is a significant change. The board did have another request for an increase in a tax rebate but the board felt it wasn't a significant enough change to warrant amending. Cambrex will pay all legal fees associated with the process to amend the agreement. Dorsey Whitney will prepare all of the necessary proceedings for the city and county to make this amendment.

Water superintendent Cory Spieker was present to discuss the proposed clear well expansion project. Our current underground storage is undersized and he is recommending adding a million gallons of underground storage. SEH had done a water system model of our water system a couple of years ago and these issues were discussed at that time. The constant starting and stopping of our system is hard on the equipment and with more storage, we could alleviate a lot of that wear and tear. We couldn't go much larger than an additional million gallons of storage due to land constraint around the water plant. SEH has been in discussion with Chris Diggins from NIACOG and they can assist us in getting a CDBG grant for this project. NIACOG would not charge us for the grant writing but would ask us to sign an agreement that we would hire them for the admin if we are awarded the grant. This grant cycle is quarterly so if we aren't awarded the first time, they recommended applying subsequently. We are eligible for up to \$600,000 for our population size. We also need to have an approved engineering study and be on the intended use plan with the state for the SRF loan process. SEH has sent the engineering report to the DNR but haven't heard back yet. They are recommending hiring SEH to get started on this project so that we are far enough along to be considered shovel ready, will make it more favorable for grant approval. Council member Knighten asked if we didn't get the grant, would we still go forward with the project. City administrator Diers replied that we would then just have to increase the amount of our SRF loan. Council member Freeseaman stated that we should go for this grant given the wear and tear on our equipment. A memorandum of understanding with NIACOG can be prepared for the next meeting as well as an agreement with SHE so this process can get started. SEH asked if we were interested in applying for a planning and design loan through SRF, if so, he can get started on that process. Reply was yes.

Discussion on title issues on property located on Cedar Street. DeLaine Freeseaman owns a parcel located right north of the Charley Western Trail and next to Riden Addition. He has discovered a surveying error that occurred back in the 1960's and it has resulted in a small strip of property that has no owner attached to it. In order to get marketable title to this strip, Freeseaman would like to acquire quit claim deeds from two owners in Riden Addition and the city which will match up the north line of this strip and make it the adjoining property line. Freeseaman will reimburse the city for legal fees and costs in connection with this quit claim deed. The city will need to hold a public hearing on this transfer.

Budget amendment for FY21 has been prepared and was reviewed. The state requires that a budget amendment be completed if the expenses go over the amounts set at budget time and amendments must be completed before May 31. An amendment is needed in the public safety, public works, health and social services, culture and recreation, community and economic development, debt service, capital projects and business type budgets. Most of the increase is due to COVID expenses, changes in the timeline for capital projects, payment to Floyd County for the balance in the communications

equipment fund, employees adding family insurance coverage and replacement of vehicles involved in accidents. A public hearing will be set for May 17 at the May 3 meeting.

MidAmerican is designing a project to place a fiber line within existing right of ways and new easements to communicate with their substations. Most of it will be placed in street right of ways but two easements are needed on city property. One of these is immediately north of the Charles Street water tower and the other is at Victory Park between the river and Clark Street. MidAmerican has prepared a letter of intent for council review and hopefully approval before the design plans are completed. Survey and easement plat won't be completed until the project is complete so that the centerline can be designated using the actual location of the fiber. This letter of intent is non binding and will allow this project to proceed with construction of the fiber lines. This will be on the next regular meeting agenda for council consideration.

City administrator Diers reported that our rural innovation grant application made it through the first round. We have been informed that the Canadian National rail road wants to purchase the Kansas City rail line and this will extend them south. They are asking for a letter of support from the city. We have two homes left to do on our CDBG housing rehab grant and have had issues finding contractors to complete them. Housing director Katie Nolte has been in contact with a contractor from Sumner who is interested, so we will be going out for bids on these two homes. The Charles City FFA is going to be asking the council to allow chickens to be raised at the high school as part of their curriculum at our next workshop.

Council member Pittman reported that May is Historic Preservation Month and our commission is working on articles and information to be shared, especially on Lions Field which is celebrating an anniversary this year. It was also mentioned that May is Tourism Month.

There being no further business, meeting was adjourned.

Dean Andrews, Mayor

Attest:

Trudy O'Donnell, City Clerk