

MINUTES  
FORT MADISON CITY COUNCIL  
Tuesday, May 5, 2009 7:00 P.M.  
Municipal Building, 811 Avenue E, Fort Madison, Iowa

The Fort Madison City Council met in regular session on Tuesday, May 5, 2009, at 7:00 P.M. at the Municipal Building, 811 Avenue E. Mayor Pro Tem Bob Chesnut presided with Council Members Carrie Fraise, Chris Greenwald, Kevin Rink, Brad Randolph, Neal Boeding and Mark Lair present.

A Proclamation was presented to representatives for “Motorcycle Awareness Month”, and a Proclamation given to the Police Department for “Police Week”.

**VISITORS AND APPEARANCE REQUESTS**

None.

**AGENDA**

Lair MOVED and Rink SECONDED to approve the agenda, as written.

MOTION PASSED 7 AYES

**CONSENT AGENDA**

Randolph MOVED and Boeding SECONDED to approve:

- Minutes of April 21, 2009, as written;
- Renewal of a Class “C” Liquor License to Olde English Inn, dba Kinnic South, 1310 – 14<sup>th</sup> Street, effective June 1, 2009;
- Renewal of a Class “C” Beer Permit to Reif Oil Company, dba Fast Break, 5001 Avenue O, effective July 3, 2009;
- Setting public hearing for May 19, 2009, at 7:00 P.M. on the Fiscal Year 2008-09 Budget Amendment;
- Mayor’s appointment of Lavern Haffner, 1816 Avenue E, to the Soldiers Circle Improvements Advisory Commission;
- New Cigarette Permit to Walgreen’s, 2639 Avenue L, effective May 6, 2009; and
- Payment of Claims.

MOTION PASSED 7 AYES

**PUBLIC HEARING**

***Concerning the status of funded activities for the City of Fort Madison Siemens Power Generation Project:***

Mayor Pro Tem Chesnut opened the public hearing at 7:08 P.M. concerning the status of funded activities for the City of Fort Madison Siemens Power Generation Project.

Susan Coffey of Southeast Iowa Regional Planning Commission presented information for the hearing.

Siemens Power Generation, Inc., renovated an existing facility and constructed a new finishing and paint building on the existing site to manufacture the wind turbine blades, and purchasing machinery and equipment, with the creation of 261 new full-time equivalent (FTE) positions at the Fort Madison facility. Of all positions created, at least 51% will be taken by persons from low and moderate income (LMI) households.

There has not been an extension requested for this project to date. The project end date is June 20, 2009.

The last Annual Status Report submitted for Siemens was for the period ending June 30, 2008, which created over 261 full-time employees, and of those employees 60% are LMI. With those numbers, Siemens has met their obligation to date for this project.

The Fort Madison wind blade facility currently manufactures 845M blades for the 2.3 Megawatt Siemens wind turbine. Blades are created through a molding process and are then repaired, finished and painted on-site. Each blade is 45 meters long (basically the width of a football field) with an approximate weight of 13 tons. The facility is configured as an eight mold operation at maximum capacity, but is currently operating with only six molds. In 2010, the B45 blade will be replaced by the next generation of blade technology.

The original building (a four mold configuration) and land were purchased by Siemens in 2006. A separate paint building was added in 2007 that has the facilities required to paint all blades produced on site. A large expansion was added to the main facility in 2009 to add additional mold space, a new warehouse facility, new office facilities, and a large "lean-concept" blade repair area. A rail spur and separate blade loading facility with the ability to load blades on truck or railcar was also added in 2009.

At full capacity, the facility could manufacture 50 blades per week and would have an employment staff of approximately 500 hourly and 60 salaried employees. At current capacity, 20-25 blades are produced per week with 337 hourly and 44 salaried employees. The facility is part of the US wind turbine supply chain and also the wind turbine blade manufacturing network with sister sites in Aalborg & Engesvang, Denmark. The blades produced at the Fort Madison facility are currently being used to supply the North American wind turbine market.

Funding for the project included \$1,010,000 from the Economic Development Set-Aside (EDSA) Forgivable Loan Program from the Iowa Department of Economic Development. Other money injected into the project came from Siemens, Southeastern Community College, and the City of Fort Madison (TIF Funds), that paid for building acquisition, building construction, machinery, computer hardware, furniture and fixtures, job training, and administration. There is no money left of the Economic Development Set-Aside (EDSA) money to spend.

This project is benefiting the Low Moderate Income (LMI), and the City of Fort Madison has a Residential Anti-Displacement Relocation Act in place for those residents who may have to relocate due the project. No one had to relocate so far during the project.

There being no further oral or written comments, Fraise MOVED and Boeding SECONDED to close the public hearing.

MOTION PASSED 7 AYES

### **ORDINANCES AND RESOLUTIONS**

**3<sup>RD</sup> READING, ORDINANCE NO. C-482, RAISING SEWER RATES:** Randolph MOVED and Greenwald SECONDED to approve the 3<sup>rd</sup> reading of an ordinance amending Title 8, Chapter 7, Section 2 (A-B) to allow for a change in the sewer rate effective June 1, 2009.

MOTION PASSED 7 AYES

**2<sup>ND</sup> READING, ORDINANCE VACATING PORTION OF 16<sup>TH</sup> STREET:** Rink MOVED and Lair SECONDED to approve the second reading of an ordinance vacating an 18 foot by 145 foot portion of the 16<sup>th</sup> Street right-of-way south of Avenue D.

MOTION PASSED 7 AYES

**RESOLUTION NO. 2009-33, SETTING HEARING ON SALE OF 16<sup>TH</sup> STREET RIGHT-OF-WAY:** Randolph MOVED and Boeding SECONDED to approve a resolution setting public hearing for May 19, 2009, at 7:00 P.M. on the sale of an 18 foot by 145 foot portion of the 16<sup>th</sup> Street right-of-way south of Avenue D.

MOTION PASSED 7 AYES

**RESOLUTION NO. 2009-34, ORDERING CONSTRUCTION, PIP 2009-#5, RO WATER TREATMENT PLANT:** Rink MOVED and Boeding SECONDED to approve a resolution ordering construction, setting public hearing and bid letting for Public Improvement Project 2009-#5, RO Water Treatment Plant.

Larry Dinwiddie advised he was going out for bids now in order to obtain good numbers prior to the stimulus jobs being let. Randolph had a question about the 5 firms that responded but it was explained this resolution simply allowed going out for bids and the 5 firms mentioned were part of Agenda Item #10.

MOTION PASSED 7 AYES

**RESOLUTION NO. 2009-35, ORDERING CONSTRUCTION, PIP 2009-#6, FIRE STATION ROOF REPLACEMENT:** Fraise MOVED and Rink SECONDED to approve a resolution ordering construction, setting public hearing and bid letting for Public Improvement Project 2009-#6, Fire Station Roof Replacement.

This resolution allows going out for bids. It is budgeted for 2009-10.

MOTION PASSED 7 AYES

**RESOLUTION NO. 2009-36, DBE PROGRAM FOR AIRPORT PROJECT:** Fraise MOVED and Lair SECONDED to approve a resolution authorizing the Mayor's signature on a Disadvantaged Business (DBE) Program Policy for the Airport Turn-Around Project.

City Manager Smith stated this was a required policy attached to federal grants monies.

MOTION PASSED 7 AYES

### **OTHER**

**CONTRACT FOR SERVICES, 48<sup>TH</sup> STREET AND HIGHWAY 61 PROJECT:** Rink MOVED and Greenwald SECONDED to approve the Mayor's signature on a Contract for Services between the City and Southeast Iowa Regional Planning to manage the 48<sup>th</sup> Street and Highway 61 Street Improvement Project under a Federal Aid Agreement utilizing stimulus funds.

Mr. Smith told Council the City is using Regional Planning to assist us through the bidding process, selection of an engineer, and to do the required recording for stimulus funds.

Ms. Fraise asked if a study would be done to be sure what we're planning is correct. Yes, this will be part of the process. There will be discussions before money is spent.

MOTION PASSED 7 AYES

**ENGINEERING AGREEMENT FOR TRANSMISSION MAIN:** Fraise MOVED and Boeding SECONDED to approve an Engineering Services Agreement with Poepping, Stone & Bach for the design of the new 24-inch transmission main from the new water plant.

Larry Dinwiddie stated that 6 Request for Proposals were mailed out and 5 were received back. A committee reviewed them and they were rated on a scale used for past projects. The firms were called in for questioning and price requests. PSBA used DOT guidelines utilized on former projects. Rink inquired what questions were asked of the firms. Among others, they were asked how many projects they have dealt with on state revolving funds and other projects they have completed similar to ours. It was requested that PSBA provide more reports to the City on this project. Randolph asked if the main would follow the highway. It will as studies have already been completed in that area. If the line would deviate in any way new studies would be needed.

MOTION PASSED 7 AYES

**DISCUSSION AND POSSIBLE ACTION ON RAILROAD CROSSING**

**IMPROVEMENTS AND/OR CLOSURES WITHIN CITY LIMITS:** Mr. Smith began discussions by stating that he had received information this week from the BNSF Railroad and the DOT on the crossings at 18-19-20<sup>th</sup> Streets and Henry Layden Drive. This item came before Council previously and it was his understanding Council did not want to pursue it. BNSF and DOT are interested in closing the 19<sup>th</sup> Street crossing. Lair interjected that was not exactly the facts. Council wanted a hearing to advise and inform the affected citizens of what was being proposed. Smith continued that the match was 60-20-20 instead of the initial 80-10-10 which is significantly higher. However, BNSF said that if we agreed to close one crossing they would pay for the other 3. They are looking at 19<sup>th</sup> Street which is the most likely candidate. The City's share would be approximately \$15,000 and we would get \$45,000 in value for the other closings. If Council wants to go forward with the project, a public meeting would be organized to talk to the residents of the area.

Lair asked about the amount of traffic there. Steve Hayes answered they would conduct a traffic count. Fraise believed we should start the process of getting input from the residents. It was noted there are 16 residential units in that area and 14 of them have water usage.

Mr. Smith concluded that he would set up a meeting for input, obtain a traffic count, and would pursue a DOT grant of \$7,500 to close the crossing if BNSF contributes \$7,500 to close the crossing. He was not sure if that grant was possible, but would ask.

Randolph asked if the DOT would take over all aspects of the closing? No, the BNSF would do that. "Dead-end" signs and reflectors, however, would be installed by the City indicating the closure. Steve Hayes estimated it would cost around \$250 in materials for this physical closure.

**PRESENTATIONS BY LIAISONS TO BOARDS AND COMMISSIONS**

Ms. Fraise stated the Main Street presentation was held today in Des Moines. Larry Dinwiddie attended and said it was well represented and thought they were impressed with the presentation. A decision should be forthcoming next week. Rink advised the ESPN Bass Tournament would be here next month and it would be great if we could spruce up the town. The Tourism Center opens on May 15<sup>th</sup> and they are in need of signage. Randolph reported the Waste Authority met on April 20 and Wade Hamm was named General Manager; there is no Director and no intention of getting one. Lair attended the Airport meeting last night. Cole Construction should be in this week to clean up and close out the debris removal project. There will be a joint meeting of the Airport Commission and Council some time soon.

**ADJOURNMENT**

At 7:45 P.M. Randolph MOVED and Rink SECONDED to adjourn until Tuesday, May 19, 2009, at 7:00 P.M.

VOICE VOTE APPROVAL

MANUAL CLAIMS AND WARRANTS: See Manual Claims dated April 30, 2009, in the amount of \$337,277.94; and Regular Claims dated April 30, 2009, in the amount of \$114,108.29.

<u>PAYROLL – April 9, 2009</u>	<u>April 24, 2009</u>	
General	129,643.91	140,265.98
RSVP	1,253.97	1,253.98
Insurance	0.00	22.00
Old Fort	1,178.61	1,543.41
Road Use	21,692.44	20,917.96
Water	35,652.20	36,645.46
Sewer	28,743.00	31,366.76
Solid Waste	14,606.71	14,470.87
Storm Water	<u>3,200.08</u>	<u>3,477.92</u>
	235,970.92	249,964.34

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Robert L. Chesnut, III, Mayor Pro Tem  
City of Fort Madison, Iowa

ATTEST:

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Suellen M. Mead, City Clerk