

**MINUTES
FORT MADISON CITY COUNCIL
Tuesday, September 17, 2013- 7:00 P.M.**

The Fort Madison City Council met in adjourned session on Tuesday, September 17, 2013, at 7:00 P.M. at the Municipal Building, 811 Avenue E, Fort Madison. Presiding was Mayor Bradley A. Randolph with Council Members Chris Greenwald, Brian Wright, Kevin Rink, Neal Boeding, Travis Seidel, Jason Huppert and Mark Lair present.

PROCLAMATION: MAYOR Randolph read a proclamation for “No Text On Board – Pledge Day”.

VISITORS AND APPEARANCE REQUESTS

There were none.

AGENDA

Wright MOVED and Lair SECONDED to approve the agenda.

MOTION PASSED 7 AYES

CONSENT AGENDA

Rink MOVED and Boeding SECONDED to approve:

- Minutes of September 3, 2013, as written;
- Liquor License Renewal: Aldi, Inc., 927 Avenue G, effective November 4, 2013 – Class C Beer, Class B Wine and Sunday Sales; and
- Payment of Claims.

MOTION PASSED 7 AYES

ORDINANCES AND RESOLUTIONS

1ST READING, AMEND 9-7-6 AND 9-7-20, PARKING: Greenwald MOVED and Lair SECONDED to approve the first reading of an ordinance amending City Code Section 9-7-6, restricting parking on Avenue E 150 feet west of the centerline of 13th Street and City Code Section 9-7-20 removing Paragraph L to remove the no parking designation on the north side of Avenue G in the 1800 block.

City Manager Smith said a concern was raised and the Traffic Safety Committee reviewed it and have recommended these Code changes. Installing a no parking zone at Lincoln School from the corner to the parking cutout will improve vision to the west. Since the former Middle School is no longer a school, it was recommended to remove the bus loading zone and no parking restrictions on the north side of Avenue G.

ROLL CALL: AYES: Greenwald, Wright, Rink, Boeding, Seidel, Huppert, Lair
 NAYES: None

MOTION PASSED 7 AYES

The Mayor then declared said Ordinance PASSED and APPROVED this 17th day of September, 2013.

2ND READING REZONE PROPERTY AT 1814 AVENUE F: Rink MOVED and Boeding SECONDED to approve the second reading of an ordinance rezoning property located at 1812 Avenue F from R-4 Single Family Dwelling District, to R-6, Multi-Family Dwelling District.

ROLL CALL: AYES: Greenwald, Wright, Rink, Boeding, Seidel, Huppert, Lair
 NAYES: None

MOTION PASSED 7 AYES

The Mayor then declared said Ordinance PASSED and APPROVED this 17th day of September, 2013.

RESOLUTION NO. 2013-69, ACCEPT PIP 2011-08, DENMARK HILLTOP LANDSLIDE: Greenwald MOVED and Wright SECONDED to adopt a resolution accepting Public Improvement Project 2011-08, Denmark Hilltop Landslide as complete.

Smith said this project turned out to be more complicated than it was originally thought. FEMA approved approximately \$284,000 for the project and the final cost is \$431,000. The City will continue to be in conversation with FEMA asking for more reimbursement for the project.

ROLL CALL: AYES: Greenwald, Wright, Rink, Boeding, Seidel, Huppert, Lair
 NAYES: None

MOTION PASSED 7 AYES

The Mayor then declared said Resolution ADOPTED and ENACTED this 17th day of September, 2013.

RESOLUTION NO. 2013-70, AUTHORIZE \$5,000 TO GREAT RIVER HOUSING TRUST FUND: Greenwald MOVED and Seidel SECONDED to adopt a resolution authorizing a \$5,000 cash match to the Great River Housing Trust Fund.

Smith said SEIRPC formed a Housing Trust Fund in 2010 that allows them to bring in money through the Iowa Finance Authority and Federal Home Loan Bank for owner occupied rehabilitation projects and matching funds are needed for the program. Since that time approximately \$80,000 worth of projects have been done within Fort Madison City Limits. This would be an ongoing obligation.

Jeff Hanan, SEIRPC, said a fundraiser golf outing will be held this year and that is also being used to help with the local match also. Most of the work is siding, roof replacement, furnaces, water heater, new electrical, windows and plumbing. This is a five year forgivable loan for the homeowner.

ROLL CALL: AYES: Greenwald, Wright, Rink, Boeding, Seidel, Huppert, Lair
 NAYES: None

MOTION PASSED 7 AYES

The Mayor then declared said Resolution ADOPTED and ENACTED this 17th day of September, 2013.

OTHER

APPROVE FLOYD'S EZWAY FOR FALL CLEAN UP: Greenwald MOVED Boeding SECONDED to approve the bid of Floyd's EZWay in the amount of \$65.00 per unit for the 2013 Fall Clean-Up Program.

Greenwald MOVED and Boeding SECONDED to amend the motion to read "\$62.00 per unit" instead of "\$65.00 per unit".

MOTION PASSED 7 AYES

A vote was then taken on the amended motion.

MOTION PASSED 7 AYES

APPROVE CONTRACT TO MANAGE FM RLF WITH SEIRPC: Rink MOVED and Greenwald SECONDED to approve the Mayor's signature on the contract for managing and operating the Fort Madison Revolving Loan Fund (RLF) with Southeast Iowa Regional Planning Commission.

Smith reported the Fort Madison Revolving Loan Fund was originally set up with seed money from what is now the Grant Opportunity Fund. When interest rates were higher, the fees to manage and operate the program were paid through the interest on the funds. This contract will cost approximately \$4,800-\$4,900 per year;

Hanan said SEIRPC has been promoting the Revolving Loan Funds but with the economic situation no funds have been loaned since 2010. He believed things were starting to pick up. Hanan said the funds do not compete with the banks but partner with them.

Randolph questioned if it was possible to have a fee based upon on the amount of the loan awarded. Hanan said all the contracts for the seven different RLFs are structured the same way. There is a certain amount of work that needs to be done no matter what but he felt this could be looked into. Greenwald suggested looking at other options. Smith said this could be tabled and a closer look taken at what the ongoing costs are.

Greenwald MOVED and Rink SECONDED to table the motion.

MOTION PASSED 7 AYES

DISCUSSION ITEMS

GOAL SETTING UPDATE: Smith the highest priority goals have been completed. Some items are ongoing, such as annexation. In August the review and revision of employee job descriptions began.

RESULTS OF NORTHEAST AREA SEWER STUDY: Smith reported last year Council approved a sewer study for land in the northeast area of the City. The study has been completed. The engineers suggest either a gravity or pressure system. Most of the City's sewer mains are the gravity system. The engineers also looked at initial construction costs and 30 year maintenance costs. While the maintenance costs are based on 30 years, Smith said the systems should last 50-100 years.

The cost for a gravity system would be \$1,420,000 for the City and \$80,000 for the property owners. A pressure system would be \$140,000 for the City and \$730,000 for the property owners. The gravity system has the lower long term maintenance cost. The pressure system has higher maintenance costs with a majority of the maintenance on the homeowner's side as the grinder pumps installed at each residence will need to be replaced on regular basis.

Smith said staff recommends the gravity option due to the lower long term maintenance costs. If Council decides to proceed, Smith recommended financing the project by splitting the cost with the property owners with a special assessment where the owners would pay the costs over a 10 year period interest free. The cost would be \$20,000 for

each of the existing residences and would pay for roughly half of the project. Smith did not believe the project would necessitate a large increase in sewer rates.

At this time Mayor Randolph opened the floor.

Roger Ploeckelman, 90 High Point, asked if vacant lots would be charged. Smith said if anyone wished to connect would be charged an assessment. Ploeckelman questioned if the initial assessment could be lowered if additional properties connect. Smith was unsure but said this could be looked into.

Merlin Hellman, #1 Blackhawk Heights, said a new leach field costs \$15,000-20,000 but does not increase the property's value. He has been told by realtors a sewer system can increase the property's value and hoped the City would continue to look into this.

Greenwald questioned if this could be done without forcing anyone. Smith said there would be a higher rate increase if done this way.

Rob Nall, 6 Blackhawk Heights, just purchased his house and is having a new septic tank installed tomorrow. He was not in favor of spending \$20,000 that he didn't need.

Bill Mullan, 18 High Point, asked if property owners were assessed when a new sewer line was run to the west end of town. Smith was unsure as this occurred before he began with the City. He believed it was financed through Tax Increment Financing (TIF) and the sewer line to the county jail was financed partially by a grant.

Lair questioned if there would be enough benefit to offset the cost. Smith said if development occurred in this area, this would be one way to have a portion completed. If Council agrees, he could approach other residences in the area to see if there is an interest to extend the line but going out further would increase costs. More research could be done on how this could affect future development .

Craig Abolt, 11 High Point, felt this needed to move forward to see if it can be worked out financially and to hold more discussions with the homeowners on the options.

Lair questioned if there are any grants or TIFs that could be used for this. Smith said most of the grants for sewer service have income restrictions. Seidel suggested the City work on some of the unknowns and get more input from the property owners. Smith has had meetings with interested property owners and would have more. He said there was some interest for the pressure system as it was less money up front.

Hellman believed each property paid over \$4,000 a year in taxation which is less than someone on Avenue D and he has less benefits than those properties.

Greenwald felt more time was needed to do projections, look at growth potential and find out more.

Lair questioned how past developments such as Richards Drive and Vica Lane were financed. Smith said extensions of sewer to new development have almost all been paid with TIF, as the new property taxes paid for it. An existing tax base is harder to finance. Hellman felt this would increase the City's tax base. Smith said it this would happen but would be difficult to project when this would occur.

Fred Winke, 3285 Country Club Lane, lives outside of City limits and questioned if his area would have to be annexed before he could be hooked up. Smith said it would be up to the City Council but he would recommend the property be annexed. The City has implemented incentives for property owners to annex. The proposed sewer line does not extend far enough out to serve those outside of City limits.

Maggie Abolt, 11 High Point, said property taxes on her home have been paid for 80 years and they do not have sewer. She asked that they be treated fairly and consistent with the way other subdivisions have been treated. She felt it was the right thing to do to provide sewer systems to the City's residents but questioned using the promise of a sewer system as a "carrot" to promote annexation. Smith pointed out the sewer systems are not paid out of property taxes but by the rates the citizens pay for sewer. The taxes pay for police, fire, parks, recreation and other services.

Greenwald wanted to have more research done. Lair noted several places in the City have septic systems and it wouldn't cost as much to provide sewer to them. Smith said several persons have connected recently and have had to pay a portion of the costs.

PRESENTATIONS BY LIAISONS TO BOARDS AND COMMISSIONS

Greenwald reported the Board of Adjustment met and worked out the parking concerns at the old Middle School. Lair said the Young Eagles Experimental Flying Association will be at the Airport on September 21. Huppert stated the Tourism Commission will interview applicants for the Tourism/Marketing Coordinator position on Thursday

ADJOURNMENT

At 8:12 P.M., Greenwald MOVED and Wright SECONDED to adjourn until Tuesday, October 1, 2013 at 7:00 P.M.

VOICE VOTE APPROVAL

MANUAL CLAIMS AND WARRANTS: See Manual Claims dated September 4, 2013, in the amount of \$415,664.69 and Claims dated September 12, 2013 in the amount of \$277,569.93.

<u>PAYROLL</u>	<u>9/6/2013</u>
General	\$154,645.67
RSVP	1,361.79

Docks	671.79
Old Fort	4,244.94
Road Use	17,824.50
Water	31,855.49
Sewer	28,905.57
Solid Waste	20,796.58
Storm Water	<u>2,837.16</u>
	\$263,143.49

Mayor Bradley A. Randolph
City of Fort Madison

ATTEST:

Melinda L. Blind, City Clerk