

Regular City Council Meeting
City Hall, Cherokee, Iowa
October 28, 2014 – 7:00 P.M.

A regular meeting was called to order on this date by Mayor Murphy. Present: Council member Johnson, Brown, Miller, Pingel, Peck, City Attorney Miller, Administrator Eikmeier, Clerk-Treasurer Taylor.

A motion by Brown, seconded by Johnson, unanimously added the following items to the agenda: #5.08-N. 11th St. Drainage Improvements and #5.09-Closed Session for Possible Litigation as per Iowa Code Chapter 21.5(c).

A motion by Pingel, seconded by Peck, unanimously approved the following under “Consent Business”.

City council minutes of October 14th.

Brad Nelson, president of the Cherokee Co. Fair Board, was present to request a reduction to their water bill. During the period between July 15 and September 15, the fairgrounds incurred a serious water leak. This water did not enter the sanitary sewer. The sewer portion of the 2 billings for this period totaled \$852.76. A motion by Brown, seconded by Miller, authorized adjusting the sewer bills based on last year’s water use during the same time period. Motion carried.

Prior to submitting an application for the proposed CDBG Sanitary Sewer Project, the City must have a firm appointed as the CDBG Administrator. Proposals were received from Simmering and Cory and SIMPCO, and after rating them on several criteria, it was recommended that Simmering and Cory be hired. Their cost to submit an application is \$900 and administration of the grant, if awarded, would be \$20,000. A motion by Miller, seconded by Brown, awarded a contract to Simmering & Cory. Motion carried.

Similar to the administration contract, the CDBG grant application process requires that the City authorize a contract with an engineering firm prior to submitting an application. Proposals were received from Bolton & Menk, ISG, and Veenstra and Kim. Using a rating system, it was recommended that Bolton & Menk be offered a contract. On a motion by Peck, seconded by Miller, the council awarded a contract to Bolton & Menk, Spencer, Iowa, subject to successfully negotiating a contract fee after grant award. Motion carried.

The council reviewed a proposal from Schmillen Construction for the purchase and placement of concrete rip-rap at the municipal wastewater plant. Schmillen has the contract to remove the concrete floor from the former CN Railroad warehouse. The wastewater plant on River Road has had several washout areas as a result of past years’ floods and rip-rap is needed to avoid a threat to the lagoons. A motion by Brown, seconded by Pingel, authorized a contract with Schmillen Construction to rip-rap the area at \$215/load for 30-40 loads. Motion carried.

The council reviewed a list of 10 vacant city-owned properties that are being maintained by City crews. These properties have been acquired over the past two years through abandonment proceedings. In the past, the City has advertised all properties for sale, solicited bids, held a public hearing, and then decided whether or not to accept the bids. As an alternative, Administrator Eikmeier suggested regularly marketing the lots on the city’s website, in newsletters, and in the newspaper. Whenever an offer comes in, the City can announce the terms of the proposed sale, hold a public hearing on the proposed sale, and if no objections are received approve the sale. John Meis commented that LeMars uses this approach, but keeps the offers

confidential when they are received. Then at the public hearing, the city could open the bidding up to anyone else. The Administrator said he currently has an offer on one of the properties. A motion by Pingel, seconded by Johnson, authorized proceeding with the sale of city-owned properties on an ongoing basis. The offer already received will be brought forward for consideration at a future meeting. Motion carried.

Administrator Eikmeier reported that John Meis has completed the design phase for the N. Roosevelt Street Project. The project is scheduled to be bid over the winter and under construction as soon as school is out next spring. However, due to soil conditions and several other factors, the current estimate is \$860,000, which is substantially higher than original estimate of \$525,000. The federal share of the project is a maximum of \$420,000. This increases the City's share of the project by \$280,000. (The \$860,000 cost estimate includes \$160,000 for water main relocation, which isn't covered by federal funds). John Meis explained that when the project was originally considered in 2009, the City didn't own the railroad right-of-way. Now that they do, the hump in the street can be removed between Jefferies and Gillease Streets. Also, the State now requires 7" paving, rather than 6". He also wants to relocate the water main from under the street to behind the curb. The Administrator said the City could move forward with an altered project that would retain the existing curbs, mill down the street surface, recompact it, then install an asphalt overlay. If the cost estimate for this project is less than the City's share of the original project, it may be an option. However, this option is a 20-year solution compared to 40 years with a complete rebuild. The other option is to delay the project until October 2015 and review it again at that time. A motion by Johnson, seconded by Peck, postponed the project until October 2015. The council will reconsider the project at that time. Motion carried.

The council continued discussion of the possible reorganization of City departments and personnel. The Administrator had asked the council to try to narrow the options to two. Council consensus was to go with option 3 or 4. Option 3 merges the street, water, and wastewater departments into a public works department with a Public Works Director and 9 hourly employees. Option 4 merges water and wastewater into a combined utility department with a combined superintendent position, eliminates the street superintendent position (through early retirement), fills that position with an hourly employee, and appoints a foreman in the street department to report directly to the Administrator. This leaves 1 Utility Superintendent and 9 hourly employees. Both options leave the Park Supt. and full-time employees in place. The next step would be to prepare an early retirement plan for the November meeting and if adopted, set a deadline for the impacted employees to accept the offer. The other option would be to wait until budget workshops in January and February to make a decision. Council member Brown recommended offering the early retirement plan to employees with 35 years or more of service to see who is definitely interested so the council knows where to go from there. Council member Peck said that the retirement plan needs to be a binding contract so employees can count on it not being rescinded by a future council. The Administrator said that one council can't bind another council, however the offer would be a legal document and if not honored by future councils would reflect badly on their credibility. The early retirement plan would consist of the City paying health insurance for the employee and spouse until age 65. The employee would continue to contribute to the premiums at the same rate as full-time employees. Council member Brown asked the Administrator if he felt the Public Works Director position could be filled with the \$75,000-\$80,000 salary as stated and who would hire for the position? The Administrator felt that it could be filled with someone with 3-5 years of progressive experience. He said the Administrator could do the hiring after recommendations being reviewed by council, or they could establish a hiring committee of 2 council members, the Mayor, and the Administrator. Administrator Eikmeier reported that he is still investigating options for the Grade 4 wastewater operator, which has to be dealt with no matter where they go from here. A motion by Brown,

seconded by Pingel, eliminated options 1, 2, and 5; will continue to consider options 3 and 4, as well as the option to make no changes at this time; put together a retirement plan for employees with 35 years or more of service and get their feedback; and take public comments at the November 11th meeting. Motion carried.

The council reviewed bids to repair an 8'-10' washout that has formed next to the roadway on the west/southwest side of N. 11th St. across from the Country Club. The project consists of the installation of 18" dual wall storm sewer and crushed concrete bedding. Schoon Construction - \$11,021.25; Lundell Construction - \$14,680. On a motion by Peck, seconded by Brown, the council unanimously awarded a contract to Schoon Construction for \$11,021.25.

1. Administrator's report – council was reminded of a benefit for John Langschwager, wastewater employee, on Saturday November 1st beginning at 4:00 p.m.; fire department employees have completed their work with Storm Lake's housing inspector and will begin rental inspections in the next few weeks; FEMA has approved the flood buy-out grant of \$1,424,700, with the local share of \$284,941 to be funded by a Community Development Block Grant.
2. Duane Mummert, Park Supt., presented his quarterly report to the council. They have completed removal of the Kohn house and maintenance building; removal of the remaining maintenance building should be completed by Thanksgiving; the pool is partially winterized; the final pour of the approach to the trestle bridge will be completed after cleaning out the creek; parking lots and streets damaged by flooding have been resurfaced; and seeding is almost complete in the parks where sand and silt was removed. Duane reported on a major washout below the corner of the new trail that goes up the hill to Sequoia. He will need to bring in 60 tons of rock at \$83/ton to stabilize this area. FEMA has given preliminary approval to the project, but there is no guarantee it will be funded.

On a motion by Johnson, seconded by Brown, the council went into executive session at 8:15 p.m. to discuss matters of possible litigation as per Iowa Code Chapter 21.5(c). Roll call was: AYES: Johnson, Brown, Miller, Pingel, Peck. NAYS: None.

A motion by Pingel, seconded by Peck, returned the council to regular session at 8:30 p.m. Roll call was: AYES: Pingel, Peck, Johnson, Brown, Miller. NAYS: None.

No action was taken in executive session.

The meeting was adjourned at 8:31 p.m.

News media – Ken Ross, *Chronicle Times*.

Mark Murphy – Mayor

ATTEST:

Debra Taylor
City Clerk-Treasurer