

**Regular City Council Meeting
City Hall, Cherokee, Iowa
November 25, 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.

Mayor Murphy added the following items to the agenda: 4.05-New class “C” liquor license for Loft 101, LLC at 101 N. 2nd St.; 4.06-New class “B” beer/wine permit and new cigarette permit for Kimmes Cherokee Country Store at 830 S. 2nd St.; 5.04c-Award legal services contract for FEMA funding.

At 7:01 p.m., Mayor Murphy opened a public hearing on the sale of surplus properties at 217 W. Elm and 316 W. Locust. Administrator Eikmeier reported that FEMA has now indicated that the City can move houses as part of the buyout program. CDBG funding, which will pay the local share of the program, requires that occupied low-to-moderate income housing be replaced with similar housing. Moving structurally sound houses from the buyout area would help satisfy this requirement. The council could proceed with the sale of these two lots, or they could defer opening the bids for 60 days to see which lots could be used for relocated houses. As there were no oral or written comments, the Mayor closed the hearing at 7:04 p.m. On a motion by Pingel, seconded by Johnson, the council closed bidding on the properties at 217 W. Elm and 316 W. Locust, but deferred acting on the bids at this time until it is decided whether the lots would be used to move houses. Motion carried.

A motion by Brown, seconded by Miller, approved the second presentation of an ordinance amending bids or quotations requirements by increasing amounts for construction and service contracts to \$10,000 with Council approval, and price quotations of \$4,000 up to \$10,000 with approval of City Administrator. Roll call was: AYES: All. NAYS: None.

On a motion by Brown, seconded by Peck, the council waived the third presentation of Ordinance No. 601, amending bids or quotations requirements by increasing amounts for construction and service contracts to \$10,000 with Council approval, and price quotations of \$4,000 up to \$10,000 with approval of City Administrator, and ordered its publication. Roll call was: AYES: All. NAYS: None.

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

City council minutes of November 11th.

Renewal of Class “C” liquor license – Monterrey Mexican.

Reviewed Park & Rec. Board minutes of November 17th.

Pay estimate #5 to Christensen Bros. for \$90,675.60 for the River Road bridge project.

New Class “C” liquor license – Loft 101, LLC, 101 N. 2nd.

New Class “B” beer/wine permit and new cigarette permit for Kimmes Cherokee Country Store, 820 S. 2nd.

Mark Leeds, Chairman of the Cherokee Co. Solid Waste Commission, presented a periodic report on landfill operations. He reviewed revenues and expenses to date and explained that rates for cities in the county as well as the rural areas are based on population. They also take in garbage from Ida County who pays fees based on tonnage. Although recyclables are going to LeMars, Administrator Eikmeier said that with cities paying fees based on a population basis rather than tonnage, there doesn’t seem to be any incentive to recycle, as residents don’t see a reduction in fees. He understands that it’s easier for the Commission to budget knowing their revenues are constant, but he has suggested to the Commission that they move toward tonnage-based fees. Mr. Leeds said the biggest issue is the bond payments on the pellet equipment. Although they have a potential buyer for this equipment, the proceeds can’t directly pay off the bonds, as they have to be held for 8 years before early payment. He also explained that the landfill has to pay DNR for every ton of garbage they take in, as well as putting money aside for a new cell, which costs approximately \$500,000, so they do want to encourage recycling. They have upgraded equipment with the purchase of a new compactor, bulldozer, and pickup. He reported that there is a

company looking at the landfill as a possible site for recycling asphalt shingles. The shingles would be ground up and sold to asphalt companies with the landfill getting a commission from the sales.

No one was present from Iowa Workforce Development, so they will be invited to a future meeting.

Brian Pittman, Core Contracting, was present to request \$25,000 from the City in the form of a 15-year, 0% loan. This would be used to support their application to the Iowa Finance Authority for low income housing tax credits to renovate the Willowbrook 24-unit apartment complex. The estimated cost of the project is \$1,500,000. Mr. Pittman said that this is a competitive process based on a point system that attracts 35-45 applicants, with 20%-25% being funded. One way to get points is with a City contribution. If they don't receive the tax credits, the project probably won't proceed. Because Willowbrook's property taxes are based on a formula that rates the percentage of tenants of low income, rather than property value, the \$1.5 million investment would not be reflected in the increase of property tax revenue. Administrator Eikmeier asked whether a letter of support from the City would help in the application process. Mr. Pittman said he would appreciate the letter, but it wouldn't count toward points. Council member Brown wasn't in favor of loaning the money, as the City wouldn't see any increase in tax revenues as a result of the improvements. A motion by Brown, seconded by Pingel, authorized sending a letter of support citing the City's financial constraints. Motion carried.

A motion by Brown, seconded by Miller, awarded the administration contract for FEMA funding to SIMPCO for the property buyout program. This will be based on actual hours at \$75/hour, not to exceed \$85,000. Motion carried.

On a motion by Miller, seconded by Johnson, the council awarded the administration contract for CDBG funding to SIMPCO for the property buyout program. This will be based on actual hours at \$75/hour, not to exceed \$12,367. Motion carried.

A motion by Johnson, seconded by Peck, awarded the legal services contract for the property buyout program at \$1,150 per house not to exceed \$34,500 (30 houses). Motion carried.

A motion by Pingel, seconded by Brown, awarded the following contracts in conjunction with the CDBG Housing Rehabilitation Program. 430 E. Willow to L & J Dream Builders for \$9,221; 430 E. Willow to Jorgenson, Ltd. for \$1,777 for siding asbestos removal; 500 E. Spruce to L & J Dream Builders for \$23,225; and 501 Park to L & J Dream Builders for \$25,324. Motion carried.

The current Park Dept. budget includes \$16,000 for the purchase of a new skid loader with the stipulation that the purchase not be made until after the end of the calendar year. Duane Mummert, Park Supt., is requesting authorization now so that it can be ordered and received shortly after the first of the year. The quote from Builder's Sharpening & Service is \$16,460.08. On a motion by Brown, seconded by Peck, the council unanimously authorized the purchase of the skid loader from Builder's Sharpening & Service.

A motion by Brown, seconded by Miller, unanimously authorized filling the vacancy in the Police Department. The City will advertise for certified officers only.

1. Administrator's report – in the next 2 weeks he hopes to start making offers for houses in the FEMA buyout program, although closings won't be done until February because the demolition process must be completed within 90 days of the closing. He also reported that he would be contacting a house mover to look at potential houses to be moved in order to maintain housing stock.

2. Jim Agnitsch, Street Supt., presented his quarterly report to the council. They kept busy all summer with mowing; ran the maintainer twice a week throughout the summer keeping the gravel streets and alleys in shape after all the rainfall; new batting and bedding was placed in the downtown nodes; painted school crosswalks; had the sewer machine rebuilt and have used it quite a bit cleaning sewers; hot mix patching; 12 manhole castings and lids were replaced on Hwy. 59 by the DOT; the traffic signal base at Bow and 2nd was replaced; winter equipment is ready – blades, salt, calcium chloride; and new employee, Armond Rider, is well versed in heavy equipment and has brought new ideas to the department.

The meeting was adjourned at 7:55 p.m.

News media – Ken Ross, *Chronicle Times*; Nikki Thunder, KCHE.

Mark Murphy – Mayor

ATTEST:

Debra Taylor
City Clerk-Treasurer