

**CITY COUNCIL MINUTES  
TUESDAY, MARCH 27, 2018, 7:00 P.M.  
CHEROKEE CITY HALL**

A regular meeting was called to order on this date by Mayor Schmidt. Roll call: Present: Councilpersons Agnitsch, Brown, Miller, Pingel, City Administrator Kooiker, City Attorney Herbold and City Clerk-Treasurer Cargin. Absent was Councilperson Johnson.

**Changes/Additions to Agenda**

Motion by Brown, seconded by Pingel, to move Item 6.03(h) Executive Session to immediately after Item 6.03(a). Motion carried.

**Ordinance #663 Increasing Residential Garbage Rates.**

Miller has visited with Eric Lundell of Sanitary Services about a possible one bag limit for garbage pickup, if residents have more than one bag it would have to be placed in a cart that can be lifted by the garbage truck. Lundell has agreed that this is a pretty good compromise. Brown is in favor of having residents purchase a cart instead of renting it from Sanitary Services. Lundell doesn't look at it as a rental, he sees it as part of the garbage service. If carts are purchased he won't be able to maintain them. Brown replied that if a resident's cart is broken, don't pick up the garbage until it is repaired or replaced. He asked Lundell if the carts are not mandatory is he still asking for a \$2.50/month increase. Lundell stated that he considers \$1.50 of the requested increase as driven by inflation, the remaining \$1.00 would be for the cart. He still needs to increase fees, he has not had a raise for four years. The use of carts will save the residents money down the road, increasing his efficiency as well as improved safety for his employees and a cleaner town. Brown asked if every household in Marcus uses a cart. Lundell replied they do the same thing as he and Miller discussed, they are allowed one or two small bags otherwise they put the garbage in a cart. Pingel asked if the carts are owned by the resident and Lundell replied that they are owned by Sanitary Services. Pingel questioned Lundell about the availability of parts for the carts, whether owned or rented and commented that if the carts are purchased through Lundell, he can still obtain parts. Most residents want to own the carts. Doris DeForest, 609 W. Cedar, asked what people are to do if they do not have the room to store a cart. A 65 gallon cart takes up about 1 ½" more floor space than a regular can. Lundell replied that people that have only one or two bags of garbage can still put them out for pickup as he discussed with Miller. Huge piles on the curb will not be picked up which will force people to recycle. Jan Woodall, 435 W. Cherry, asked if you wished to purchase your own cart would there be restrictions on type and size and how much would the carts cost. Lundell replied that this has not really come up previously as the carts have always been rented. Michael Wright, 404 Warrior St. stated this proposed ordinance is enriching a private contractor on the backs of the citizens of Cherokee. What about the elderly? He knows that the contractor provides a service to retrieve the garbage container/bags and puts the container back in place for the elderly that cannot get their garbage to the curb but when is the contractor going to start charging for that service as well? Miller replied that that is why the compromise was made to allow for one bag to be picked up without a container. Brown thinks that the rate increase and the cart requirement are two different issues and should be treated as such. Deb Sorenson, 400 Sequoia Dr., said she would never fill a 96 gallon cart. Lundell replied he is willing to carry a smaller size, right now he has 65 gallon as well as the 96 gallon used in other towns. Attorney Herbold commented that

she is hearing a lot of resistance from the residents and suggested a second proposal in order to compromise. Lundell replied that residents can stick to a one or two bag limit and forget the carts but he will still have to ask for a fee increase. Eliminating the cart provision will not help out in the long-term as in a couple of years we will be right back at the same problem, residents are not recycling enough and the garbage is still making a mess. Without mandatory carts, Lundell is asking for a \$1.00 month increase. Wright mentioned there is no recycling container at Ridgeview Village Apts. Lundell agreed but said these apartments are on a commercial route, and most apartments buildings do have recycling containers. Brown asked Lundell if Cherokee's garbage pickup rates are the same as Marcus. Lundell replied that Marcus has every other week recycling and he has one guy doing the whole town. Carts make the pickup go a lot faster and the town is a lot cleaner, they don't have to pick up piles. Kooiker advised the council can approve the second reading as written, approve it with a lesser increase than \$2.50, approve it without the cart provision and consider it when the contract with Sanitary Services is brought forward for negotiation. Brown would prefer to see the fee increase and the cart requirement negotiated separately. Lundell stated that residents now think the landfill rate is too high. Imagine what the rate will be when the landfill has to open a new cell because people have not increased recycling? Kooiker asked if the city did approve a \$2.50 increase, would Lundell provide a recycling container for residents as part of the increase? Lundell indicated he would be willing to work on that. Miller and Pingel asked for pricing if residents purchase the carts rather than rent. Lundell was not sure on the price of a 35 gallon but his cost is about \$70 for a 65 gallon cart and \$75 on a 96 gallon cart. Brown would rather see a .50/month increase and a requirement that one bag of garbage can be set out, for more than that residents have to either purchase or rent a cart from Sanitary Services. Brent Kach, manager of Cherokee County Solid Waste said he hauled garbage for 20 years and most hauling companies have gone to what Lundell is suggesting for efficiency and safety reasons. Motion by Brown, seconded by Miller, to approve the second reading of Ordinance #663 with an increase in monthly garbage rates from \$14.50 to \$15.00, and bring forth the Sanitary Services contract for negotiation with the third reading of the ordinance. The mandate to buy or rent a cart if setting out more than one bag of garbage will be negotiated and included in the contract. Roll call was: AYES: All. NAYES: None

### **Ordinance #664 Prohibiting Residency in Campgrounds**

Motion by Miller, seconded by Pingel to approve the second reading and waive the third reading of Ordinance #664, an Ordinance Prohibiting Claim of Residency in City Campground Areas. Roll call was: AYES: All. NAYES: None.

### **2018 Street Projects**

Josh Pope, city engineer, updated the council on the 2018 street projects which will include replacing storm sewer inlets, curb and gutter and pedestrian ramps and the mill and overlay of asphalt surfacing along/within the following streets: W. Elm St. between S. 7<sup>th</sup> & S. 8<sup>th</sup> St., N. 7<sup>th</sup> St. between W. Main St. and W. Cedar St., N. 8<sup>th</sup> St. between W. Main St. and W. Willow St. and W. Bluff St. between N. 9<sup>th</sup> St. and N. 11<sup>th</sup> St. The project is estimated to cost \$480,958.00 and of that \$142,848 is assessable, with assessments for curb and gutter for impacted parcels estimated to range from \$2,924 to \$11,428. Motion by Brown, seconded by Miller to adopt Resolution 2018-22, a Preliminary Resolution for the Construction of Street, Storm Sewer and Other Public Improvements, Resolution 2018-23 Fixing Values of Lots, Resolution 2018-24

Adopting Preliminary Plat and Schedule, Estimate of Cost and Proposed Plans & Specs and Resolution 2018-25 Resolution of Necessity and authorized the mayor to sign an engagement agreement with Ahlers Cooney relating to preparation of assessments. Roll call was: AYES: All. NAYES: None.

**Resolution 2018-26 Reimbursement for Asbestos Removal – Cookie’s Tap Building**

Motion by Brown, seconded by Pingel to table Resolution 2018-26, a Resolution Authorizing Reimbursement for Removal of Asbestos to Facilitate Demolition of the former Cookie’s Tap Building at 208 W. Main until the full council is present. Roll call was: AYES: All. NAYES: None.

**Consent Agenda**

On a motion by Brown, seconded by Pingel, the following was approved under Consent Agenda.

Roll call was: AYES: All. NAYES: None

City Council Minutes of March 13, 2018.

Bills totaling \$178,227.27

AJ BADKER	VOLLEYBALL REFEREE 2/15	\$30.00
ALLIANT ENERGY	GAS	\$3,009.81
ATIRA CREDIT MASTERCARD	MISC. CHARGES	\$589.05
BOLTON & MENK, INC.	WILSON SCHOOL NUISANCE	\$975.00
BOMGAARS	OPERATING SUPPLIES	\$689.30
BRANDON PEDERSEN	UTILITY BILL REFUND	\$31.54
BROWN SUPPLY CO.	CHECK VALVE, PIPE	\$2,109.00
BRYCE KREMER	VOLLEYBALL REF. - 3/1,3/8,3/15	\$90.00
BUILDERS SHARP. & SERVICE	OIL & FILTER	\$62.74
CHEROKEE AVIATION AUTHORITY	PROPERTY TAX DRAW	\$813.62
CINTAS	FIRST AID SUPPLIES	\$8.50
COUNSEL	COPY OVERAGE & CONTRACTS	\$179.17
COUNTRY TIRE & SERVICE	TIRE REPAIR	\$34.38
CROSSROADS OF WESTERN IA	CLEAN TOWELS, SHRED DOCUMENTS	\$37.57
DEER VALLEY LAND IMPROV.	SNOW REMOVAL 2/7/18	\$580.00
FOUNDATION ANALYTICAL LAB	WASTEWATER & WATER SAMPLES	\$332.00
GREG EATON, FIRE CHIEF	3/18 FIREMAN PAYROLL	\$325.00
HALLETT MATERIALS	2" BALLAST STONE, ICE CONTROL SAND	\$6,947.49
HEATH HAGBERG	BASKETBALL CLINIC	\$500.00
IOWA COMM. ASSURANCE POOL	PROPERTY & LIABILITY INS. PREMIUM	\$120,030.04
IOWA LAKES ELECTRIC COOP	ELECTRICITY	\$58.34
IOWA NARCOTICS OFFICERS ASSN.	TRAINING	\$225.00
JAMES CREEL	VOLLEYBALL REFEREE 2/15	\$30.00
JANITOR'S CLOSET, LTD.	C. CENTER SUPPLIES	\$330.89
JESUS JAVIER LOPEZ	UTILITY BILL REFUND	\$21.07
JIM AGNITSCH	SIMPCO MEETING MILEAGE	\$62.13
K & M TREE SERVICE	122 N. 1ST TREE REMOVAL	\$360.00
KRISTI EBEL	BASKETBALL SCORER 2/13-3/20	\$180.00
MARK HURD	BASKETBALL CLINIC	\$500.00

MASON HILL	SOCCER REFEREE 3/3 & 3/17	\$140.00
MEDIACOM LLC	INTERNET	\$305.90
MICHAELA GIBSON	SOCCER REFEREE & SET UP 3/10	\$75.00
MID AMERICAN ENERGY	ELECTRICITY	\$20,627.99
MID-AMERICAN BENEFITS, INC	4/18 ADMIN & FLEX FEES, CLAIMS	\$1,156.76
MID-IOWA SALES CO.	FOAMING GLASS AERO	\$15.80
NORTHWEST IA LEAGUE OF CITIES	LEAGUE OF CITIES MEETING/JA/CS	\$30.00
OFFICE ELEMENTS	PAPER TOWELS	\$122.10
ONE OFFICE SOLUTION	OFFICE SUPPLIES	\$136.26
PAITYN HAGBERG	VOLLEYBALL REF- 3/1, 3/8, 3/15	\$90.00
PITTS TRUCKING	HAUL ROCK	\$4,508.26
RIVERFRONT CAR WASH	SNOW REMOVAL 3/6/18	\$405.00
SCE, LLC	BACKHOE & OPERATOR, SNOW REMOVAL	\$2,580.00
SETH THILL	MEAL & FUEL REIMBURSEMENT	\$71.80
SIOUX SALES COMPANY	EARPIECE	\$110.90
STEPHEN VEIT, M.D.	HEP B SHOT	\$132.50
SUPERIOR INDUSTRIAL EQUIPMENT	REPAIR KIT, VALVES	\$403.94
SYNCHRONY BANK/AMAZON	BOOKS	\$246.20
TOM MUMMERT	SNOW REMOVAL	\$427.50
TOMETICH ENGINEERING	LEWIS HOTEL	\$2,481.00
TOMETICH ENGINEERING	123 E. MAIN STREET	\$150.00
TOMETICH ENGINEERING	WILSON SCHOOL NUISANCE	\$800.00
TYLER EBEL	VBALL & SOCCER, REF, BBALL SCORER	\$450.00
UNITYPOINT CLINIC-OCC. MED	DRUG TEST	\$37.00
UNUM LIFE INS. CO OF AMERICA	4/18 LIFE & DISABILITY INS.	\$1,058.43
UPS	SHIP PACKAGE	\$20.64
USPCA	2018 DETECTOR DOG TRIALS REGISTRATION	\$100.00
USPS	CYCLE 2 UTILITY BILL POSTAGE	\$328.23
WIESE OIL & SUPPLY CO., LT	PROPANE, GREASE, FUEL	\$2,031.75
WINDSTREAM	TELEPHONE	\$42.67

### **Purchase Police Dept. Vehicle**

Motion by Miller, seconded by Brown approved the low bid of \$21,103 (after trade in of a 2014 Chevy Tahoe) for a 2018 Ram 4x4 Crew Cab pickup for the police department. Roll call was: AYES: All. NAYES: None.

### **Storm Water Quality Initiative**

Motion by Miller, seconded by Agnitsch to authorize the mayor to sign a Work Order/Agreement with Bolton & Menk Inc. for engineering and administrative services relating to the Storm Water Quality project to be located northeast of the Community Center. The City has been awarded a grant from Iowa Department of Agriculture and Land Stewardship in the amount of \$100,000 toward the \$242,500 project cost. Roll call was: AYES: All. NAYES: None.

### **Action on Board of Adjustments Recommendations**

Kooiker reported on two variance applications recently considered by the Board of Adjustment. An application for square footage and a side yard setback variance for construction of a garage at 425 Gillease was recommended for approval by the BOA with stipulations, with one board member voting against approving the application as well as a neighbor expressing opposition. Motion by Brown, seconded by Pingel, to send this application back to the Board of Adjustment for further review. Roll call was: AYES: All. NAYES: None. An application for a side yard setback variance for a house addition at 211 Chief St. was unanimously recommended for approval by the BOA and had no opposition from neighbors. Motion by Agnitsch, seconded by Miller to agree with the BOA recommendation for approval. Roll call was: AYES: All. NAYES: None.

### **Wilson School Building**

Shawn Foutch, a developer from Johnston IA laid out a proposal to rehabilitate the former Wilson school building into rental housing as a historic renovation project. He estimates the building can be rehabilitated into approximately 24 apartments ranging from studio to 3 bedroom units. He estimates the project will cost approximately \$3 million to construct and will have a final residual value of \$1.5 million under normal taxation as a commercial rental property. Foutch is in the business of saving historic structures and turning them into residential properties. He sees a big funding gap, but there are tools out there such as tax abatement, an Iowa Workforce Housing application and a commitment of funds from the council. He believes the pieces can come together. Summarized proposal includes: 1. Parties enter into a development agreement. 2. City to go through a process to acquire the property and sell to Foutch for \$1.00. 3. City agrees to support applications for tax credits etc. 4. Foutch agrees to comply with applicable codes, ordinances and laws. 5. Foutch will have a signed agreement with the neighbors to the north. 6. City will help financially with \$350,000 toward the project if the building can be rehabilitated, \$400,000 if the building has to be demolished, with a payment of \$50,000 to start the process. 7. After analysis if the result is that the building does not qualify for state tax credits and funding sources for rehabilitation are not available, Foutch will be responsible for demolition. If it does qualify for tax credits, Foutch will continue with financial applications and legal and accounting as well as design work and the City will contribute another \$50,000 toward these efforts. 8. If feasible to go ahead with the rehab, Foutch will set up financing and work with the City to make sure there is clear title. 9. Foutch obtains clear title and the City contributes a final \$250,000 to support the project. 10. Upon completion of the project, Foutch will operate the property as a multi-family residential rental property for a minimum of five years before selling it. Herbold asked Foutch if he would be willing to purchase the tax sale certificate rather than the City and Foutch said he was open to that. He will have to get an attorney to look at it. Brown asked if he and the Swains are able to get together on a price for the purchase of the vacant lot east of the building. Karen and Ricky Swain indicated yes. Kooiker asked about shared service lines. The sewer line is a shared line with the Swain's building. Foutch said he has discussed the shared line with the Swains, and both parties are okay with it if the City allows it. Kooiker thinks that allowing the shared service is fine but noted that in case of a dispute the City can mandate that separate lines be installed. Foutch suggested laying out in the draft agreement what would happen if the service line doesn't work. Kooiker noted that our bond attorney will be consulted to make sure the proposed rehab project is a proper use for bond funds.

**Executive Session**

Motion by Brown, seconded by Miller to go into Executive Session at 8:30 p.m. to discuss Litigation Strategy (closed pursuant to Iowa Code 21.5(1)(c). Roll call was: AYES: Pingel, Miller, Brown, Agnitsch. NAYES: None.

Motion by Brown, seconded by Pingel to resume open session at 8:50 p.m. Roll call was: AYES: All. NAYES: None.

**Action Per Executive Session**

Motion by Brown, seconded by Agnitsch to adopt Resolution #2018-21, a Resolution to Acquire at Tax Sale the Former Wilson School located at 100 E. Willow by Cherokee County Ordinance 2016-01 and 2016-02. Kooiker remarked that this action does not commit the City to owning the property, but streamlines the path for Foutch to accept ownership. Roll call was: AYES: All. NAYES: None. Motion by Miller, seconded by Pingel to proceed with the research necessary and to bring an update and/or agreement to a Council meeting for consideration as soon as possible. Roll call was: AYES: All. NAYES: None. Motion by Miller, seconded by Brown to table Items 6.03 (c) through 6.03 (g) to a later date. Roll call was: AYES: All. NAYES: None.

**Adjournment**

On a motion by Brown, seconded by Miller, the meeting was adjourned at 8:54 p.m.

Media Present: Nikki Thunder, *KCHE Radio*

Craig Schmidt, Mayor

ATTEST:

Diane Cargin  
City Clerk Treasurer