CITY OF SIGOURNEY, IOWA MINUTES OF REGULAR CITY COUNCIL MEETING OF WEDNESDAY, DECEMBER 15, 2021

The Sigourney City Council met in regular session in the Council Chambers at City Hall on Wednesday, December 15, 2021, with Mayor Pro-tem Schultz presiding and the following Council members answering roll call: Morlan (*via phone*), Schröeder, Conrad and McLaughlin. Others present were: Gary Iosbaker; Stephani Atwood; Adam Clark; Matt Walker, French-Reneker-Associates; Don Northup, Director of Public Works I; Brent Gilliland, Director of Public Works II; Richard Fortney, Police Officer; and Angie Alderson, City Clerk.

The meeting was called to order at 6:00 p.m. Council member McLaughlin moved, seconded by Council member Conrad, to approve the tentative agenda. Upon the roll being called, the following voted Ayes: Morlan, Schröeder, Conrad, McLaughlin, and Schultz. Nays: None. Motion approved.

Mayor Glandon administered the Oath of Office to Adam Clark on December 1st, 2021 at City Hall.

Council member Conrad moved, seconded by Council member McLaughlin, to approve the following items on the Consent Agenda: minutes of December 1, 2021; Council accounts payable claims in the amount of \$54,368.72; City Clerk's Financial Reports for October 2021; payroll expenses, miscellaneous expenses, ACH and monthly transfers for October 2021; Resolution No. 2021-12-02 re: Mayor Elect's Annual Appointments for Calendar Year 2022; Resolution No. 2021-12-03 re: Official City Holidays and Regular Council Meetings for Calendar Year 2022; Resolution No. 2021-12-04 re: Mayor-Elect's Pro Tempore; Resolution No. 2021-12-05 re: Planning and Zoning Commission Reappointments; Resolution No. 2021-12-06 re: Planning and Zoning Commission Board of Adjustments Reappointment; Approval Resolution No. 2021-12-07 re: Memorial Hall Reappointment; credit card report; and the time and place for the January 5, 2022 regular Council meeting will be at 6:00 p.m. at City Hall. Upon the roll being called, the following voted Ayes: Morlan, Schröeder, Conrad, McLaughlin, and Schultz. Nays: None. Motion approved.

Additional City Business: Tim Oswald, Piper Sandler & Co., reviewed the process to sell general obligation bonds. The bond process cannot be started until the Urban Renewal Plan is completed. The bond process will be started in February. The public hearing for the general obligation bonds will be set at the February 16, 2022 Council meeting and the public hearing will be held at the March 2, 2022 Council meeting, authorize the official statement associated with the bonds and then sell the bonds on March 16, 2022. Everything will be wrapped up at the first Council meeting in April of 2022. The City has been discussing borrowing money for some time and started with the possibility of refinancing some bonds sold in 2016 with an interest rate of approximately 4.50%. As the discussion for borrowing money for projects was discussed it was decided to combine the purposes. Mr. Oswald provided information showing the savings on the interest rate as being at 2% which cuts 2.50% off. The refinancing would not add to nor shorten the length of bond payments. This equates to a saving of \$81,000.00. The adjusted savings for inflation in present value is stating that \$81,000.00 of future savings is equalivant to \$75,000.00 in cash today. We would be cutting 55% of the remaining interest costs off. This is an attractive transaction. This is paying off an old bond with the proceeds of a new one and locking in a new payment schedule and savings. This will be one bond for two purposes, and it will be broken out for reporting purposes. Mr. Oswald explained the new bond. The new money piece is being calculated at 15 years. This can be adjusted if the Council decides to payoff in a shorter or longer time frame. When the new money and the refinancing are added together, we are looking at just over \$2,500,000.00. That information will be given to the bonding attorney. Typically, the hearing amount is higher than what is needed to cover any changes such as adding something at the last moment, bonds are sold differently than originally discussed, etc. The hearing will use "not to exceed" language. Mr. Oswald is proposing "not to exceed \$2,700,000.00". That has a little bit of cushion in case something comes up. We will issue the amount of bond needed to pay for the projects, whatever that is, and we will not borrow any more than we have to. Council member Conrad asked if this would work for the bonding capacity, and it should. Council member Conrad asked how the City was looking to a borrower today. Mr. Oswald responded the last time he looked at the City's financial we were fine. We are not high on the debt limit or tax rates. Mr. Oswald reviewed a spreadsheet he had given to the Council showing the interest rates, etc. Mr. Oswald explained some of the criteria that goes into "rating" a city. He looks to see if the City is generating enough funds to pay for the water and sewer systems and whether the tax rates are high compared to other cities.

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The debt rates are in pretty good shape. They are not low, but they are not ridiculously high either. He also looks at the general fund, is there adequate reserve there. If we had a lot of commercial ventures, we were pursuing or tons of economic development dollars floating through then he would look more at other things. Because of the size of our city Mr. Oswald does not recommend that we get a rating. There are a number of factors involved including population, income levels that are at or very close to the state average and selling enough debt that would require monitoring. A rating is not required. Council member Conrad stated the Finance Committee has discussed the different number of years and concluded the City would have the ability to pay. The ten-year payoff would be steep. Fifteen-year and twenty-year are doable and the Committee would like to recommend fifteen-year as they felt the City could do this and it opens up the bonding abilities faster for years 16 through 20. The rates seem more consistent with less fluctuation. They had also discussed the life span of the projects. City Clerk Alderson asked Mr. Oswald about moving forward with the street projects even though the public hearings for the money have not been held yet. Mr. Oswald stated that if the City had approved a construction contract before the public hearing was held, he would have a little concern. He would prefer out of precaution that the public hearing is held before a contract is awarded. Signing engineering contracts is not an issue. The process for the bond hearing can be earlier if needed. Do not set a schedule awarding a contract before the bond hearing is done, so the City knows they have the legal authority to sell the bonds.

Council person Morlan was disconnected during the discuss and was reconnected.

City Clerk Alderson stated the TIF portion of the public hearing for the bonding is almost ready to be sent to the City Council. Simmering & Cory is ready to send this to the Ahlers & Cooney attorneys for their input. Ahlers & Cooney has an engagement letter for the City to sign outlining what the attorneys will be doing and what is expected from the City. This also includes a fee schedule with their rates although we do not know how long this will take. Council member Conrad moved, seconded by Council member McLaughlin, to approve the Engagement Letter for the Downtown Urban Renewal Plan with Ahlers & Cooney and the Mayor Pro tem be authorized to sign the letter in the Mayor's absence. Upon the roll being called, the following voted Ayes: Morlan, Schröeder, Conrad, McLaughlin, and Schultz. Nays: None. Motion approved.

Council member McLaughlin moved, seconded by Council member Conrad, to approve the third and final reading of Ordinance 2-1-5 Wards-Precincts. Upon the roll being called, the following voted Ayes: Morlan, Schröeder, Conrad, McLaughlin, and Schultz. Nays: None. Motion approved.

Council member Conrad explained the usage of email. Each Council member has a separate email account. but not everyone uses these. The Council is looking at getting laptops so that can be shared between each other so there would not necessarily be so much paper generated. The Finance Committee is looking at \$8,000.00 to \$10,000.00 initially and then \$2,000.00 or so per year as replacement and annual fees. Council member Elect losbaker explained the software would be Microsoft software. It would facilitate electronic meetings, document sharing and media sharing during the meetings. All the devices would be wirelessly connected. This would have a cloud storage area where Council related data such as what is shared would be located, referenced and accessible. Each Council member would have a working area. Council member Elect losbaker stated that he and Council member Morlan learned at the Municipal Leadership Academy the implications of open records in a digital world with regard to email, text messages and social media. Anything that is discussed amongst Council members using electronic media or any other media falls under open records. There will need to be very clear policies in place on how these are used and the expectations about the where data would go, and everyone needs to be aware that on demand the public can ask for this information and the City would have to produce it. Council member Conrad explained the purpose is to keep City business separate from personal lives. The computers would need to be signed out and there will be rules to go with this. Council member Elect losbaker stated he would like to do a proof of concept with two machines to show Council members how this works prior to going out and purchasing all these items. Council member McLaughlin moved, seconded by Council member Morlan, to approve to proceed with price estimates for laptops, software and accessories for the Mayor, City Council and City Clerk. Upon the roll being called, the following voted Ayes: Morlan, Schröeder, Conrad, McLaughlin, and Schultz. Nays: None. Motion approved.

There was no report for Sigourney Area Development Corporation (SADC).

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Park and Recreation: Council member McLaughlin stated the Park and Recreation Committee met last week and would like to make the recommendation to the Council to hire both Christie Iosbaker and Tim Schneider as co-directors of the soccer program. They will take care of all the mowing using the City's equipment or their own if they chose to do that. They will be under the City's insurance as employees, and they will split the \$2,500.00 fee and will be paid at the beginning of the season. Council member McLaughlin moved, seconded by Council member Conrad, to approve hiring Christie Iosbaker and Tim Schneider as soccer co-directors for the 2022 soccer season. Upon the roll being called, the following voted Ayes: Morlan, Schröeder, Conrad, McLaughlin, and Schultz. Nays: None. Motion approved.

Council member McLaughlin stated the Park and Recreation Committee would like to recommend the display ad for the pool personnel as written for the 2022 pool season. With the applications, a manager and assistant manager would be chosen and then they would have a say for lifeguards for the season. Council member Conrad moved, seconded by Morlan, to approve the display ad to advertise for pool manager, assistant pool manager and lifeguard positions for the summer of 2022. Upon the roll being called, the following voted Ayes: Morlan, Schröeder, Conrad, McLaughlin, and Schultz. Nays: None. Motion approved.

Council member McLaughlin stated offering a pool pass discount has been done in the past and the Park and Recreation Committee would like to recommend offering a ten percent discount on season passes through May 16th, 2022. Council member McLaughlin moved, seconded by Council member Conrad, to approve offering a ten percent pool pass discount for the 2022 swimming season. Upon the roll being called, the following voted Ayes: Morlan, Schröeder, Conrad, McLaughlin, and Schultz. Nays: None. Motion approved.

Council member McLaughlin stated the Park and Recreation Committee would like to offer punch cards at a reduced rate. The Committee is recommending \$25.00 for a 10-punch card ticket for those that live in town and \$30.00 for a 10-punch card ticket for those that live out of town. The punch cards can be purchased by someone living in town and used to take nonresidents to the pool such as family members visiting, etc. Council member Schultz asked why they were discontinued in the past. Council member Conrad explained there are lots of options for discounts and there are all sorts of different things. Council member Schultz asked if the lifeguards understood all of this. One of the concerns is the out-of-town people coming to the pool at the wrong rate, he does not feel that this is fair to the citizens. Council member Conrad stated this was discussed that whoever buys the ticket has to be there and they can use it however they want. Council member McLaughlin explained that if she purchased a punch card, she could not just send her out of town grandchildren to the pool with it, she had to be there as well. Council member McLaughlin moved, seconded by Council member Morlan, to approve offering a pool punch ticket for the 2022 swimming season at \$25.00 for city residents and \$30.00 for non-residents. Upon the roll being called, the following voted Ayes: Morlan, Schröeder, Conrad, McLaughlin. Nays: Schultz. Motion approved.

Street and Sanitation: Matt Walker, French-Reneker-Associates, reviewed the Engineering Services Agreement for the 2022 Street Improvements Project. This is in reference to the upcoming bonding project. Mr. Walker reviewed the streets that are being considered for this project. They are Jefferson Street from Jackson Street to Washington Street, Jefferson Street from Marion Street to Skillman Street, Shuffleton Street from Jackson Street to Skillman Street, Skillman Street from Main Street to Jefferson Street, and West Street from Walnut Street to Washington Street. This is approximately 22 blocks. As the funding is approved, the dollar amount is set and we get further along in design, there will be a better knowledge of where the City is at dollar wise and there could be a couple blocks added. Most of the streets in this project are existing overlays. We would be milling the existing surface, patching, and putting down a new three-inch lift. There are four or five blocks that are straight PCC which would be getting a three-inch overly and patching. Included in this is sidewalks as part of the ADA requirements. Anytime the streets are upgraded (and resurfacing is considered upgrading) the ramps at the corners of the intersections have to be upgraded to be ADA compliant. HMA is Hot Mix Asphalt and PCC is concrete. There are areas that will be patched, and the big cracks removed as well as fixing the broken curbs. Then a three-inch overlay will be poured on top. The reason for milling is to leave space for the curbs and drainage. The crown is already there. On Jefferson Street, one block on the square has been done more recently and would be a different undertaking when it is decided to redo the square. The reason for asking for approval before the bond is set in stone is it is going to take some time to survey all the sidewalks and to actually get the drawings and specs put together. If we

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wait until April to start the entire process, the City would be looking at the majority of the work probably being done in 2023. The ESA is set up with design as the lump sum portion. The engineering during construction and construction observation is hourly. It is set up that it is not quite full-time construction observation, but there are quite a few hours built in. After talking with the Public Works Directors Northup and Gilliland, if the City gets a good contractor on the street side and the sidewalks there is an opportunity for French-Reneker-Associates to not be present as much for some of that work and the City could handle some of the day to day operations to try to keep those costs lower than what is listed in the agreement. That portion is hourly so French-Reneker-Associates will only bill what they are here doing. Council member Schlutz asked what happened to the material that is reclaimed. Mr. Walker stated that it can be stockpiled somewhere in the City to be used as it is a good milling base, or we can just have the contractor haul it off. Public Works Director I Northup stated that in the past it has been used at the ball fields, etc. Council member Conrad moved, seconded by Council member McLaughlin, to approve the Engineering Services Agreement with French-Reneker-Associates, Inc. in connection with the 2022 Street Improvements Project. Upon the roll being called, the following voted Ayes: Morlan, Schröeder, Conrad, McLaughlin, and Schultz. Nays: None.

<u>Water and Wastewater:</u> Matt Walker, French-Reneker-Associates, stated the majority of the work this month from Boomerang Corp. is included in the SGAR systems themselves. Essentially the SGARs are almost completely ready to be operational. Although the City cannot receive wastewater to them yet. Council member Conrad moved, seconded by Council member McLaughlin, to approve Pay Estimate No. 10 from Boomerang Corp. for Proposed Wastewater Treatment Plant Improvements – CDBG #19-WS-009 – Sigourney, IA --- SRF #CS192087001. Upon the roll being called, the following voted Ayes: Morlan, Schröeder, Conrad, McLaughlin, and Schultz. Nays: None. Motion approved.

<u>Finance</u>: Council member McLaughlin moved, seconded by Council member Conrad, to approve the annual Council members remuneration for calendar year 2021. Upon the roll being called, the following voted Ayes: Morlan, Schröeder, Conrad, McLaughlin, and Schultz. Nays: None. Motion approved.

Public Input: Council member Morlan stated that one of the appointments to Area 15 Transportation Board was not included on the resolution and he would like to be appointed to this board. Council member Morlan asked if anyone else had volunteered for the Fire Board. City Clerk Alderson stated no one had volunteered for the Fire Board appointment yet. She also stated that she had just found out today what the names of the committees Council member Morlan was appointed to. Hopefully, a new Council member will be appointed on January 5th and then on January 19th the resolution will be updated and include those Area 15 boards.

Council member Schröeder left the Council with this: Gravity is the soul of wit so be very witty, very brief and thank you for the experience. The Council applauded the retiring Council members: Schultz, Schröeder and Bender.

Council member Schultz stated he has been the Council for twelve years. It has been quite an experience and he does not regret being on the Council all these years. More recently we had issues, but we got through that, and everyone survived.

The meeting was adjourned by acclamation at 7:09 p.m.

Randall D. Schultz, Mayor Pro tem