

**ELY CITY COUNCIL  
REGULAR MEETING  
MARCH 9, 2009  
ELY CITY COUNCIL CHAMBERS**

Mayor Jim Doyle called the meeting to order at 7:00 p.m. Council members present: Tom Winkowski, Bill Grove, Mark Banowetz and Bob Ballantyne; Stephanie Mai arrived during the meeting. Also present: Kay Hale, Allan Hale, Cindy Nulty, Pat Nulty, Aaron Cooper, Mike Zscherny, Matt Sedrel, Jack Costigan, Jacob Grieder, Jason Laird, Keith Schulte, Terry Smith, Jim/Millicent Cozzie, David Bruhn, Jason Galloway, Lisa Hinton, Andy Breitsprecher, Dan Carter, Tom Tjelemland, Jesse Grade, Dave Rasmussen, Ken Jans, Shawn Webber, Jeff Hilleman, Katie Jo Bruhn, Bridget Day, Vicki Vargason, Lori Wilcoxson, Dawn Longwell, City Engineer Scott Pottorf and Clerk-Administrator Aaron Anderson.

Banowetz, second by Grove, moved to approve the Consent Agenda consisting of:

- Agenda.
- Minutes of the February 9, 2009 regular meeting.
- Treasurers Report for the period ended February 28, 2009.
- Bills Payable for March 2009 totaling \$47,188.51
- Purchase Orders for March 2009: registration to Iowa Municipal Management Institute for A Anderson, \$410.00
- Resignation of Judy Janssen from the Ely Library Board with the Councils respect and appreciation for service to Ely.

Motion carried – 4 to 0.

Treasurer’s Report (summary) for the period ended February 28, 2009

	Receipts	Disbursements	Transfers	Ending Balance
General	\$ 5,504.57	\$ 17,136.12		\$ 421,623.98
Road Use	9,617.37	6,435.73		-4,319.07
TIF Fund	1,534.99			156,757.34
Debt Service	368.27			27,923.08
Other Projects				-85,574.85
Library Project				3,169.70
North End Infra	2,088.47			76,778.29
Water Utility	14,109.22	6,501.22		294,191.32
Water/Sewer Reserve				100,000.00
Sewer Utility	41,019.86	8,713.17		174,056.16
Sewer Debt Service				-46,066.86
Sanitary Utility	6,296.44	5,537.39		51,826.57
PR Clearing	11,760.75	11,117.45		2,550.57
Totals	\$ 92,299.94	\$ 55,441.05		\$1,172,907.13

**Communications:** Mayor Doyle reported receiving the following communications: minutes of the February 2009 Plan and Zoning Commission meeting, Public Works Director’s Monthly Report. Linn County Deputy presented the Sheriff’s Office Monthly Activity Report.

**Citizen Requests.** Pat Nulty, 1760 Rock Island Drive, stated he received notice from the City Administrator that his and other property in Southbrook is included in a 100-year flood zone

proposed by FEMA as part of an update to the floodplain maps. Mr. Nulty stated considerable concern regarding the designation, including loss of property value, that the proposed designation is poorly researched and that he believes the city should reprioritize spending to build berms and other physical measures to protect the affected properties. Mayor Doyle and the City Council discussed this matter with Mr. Nulty

Ms Mai arrived.

Dan Carter, 1510 Hillcrest, stated Hillcrest street holds 1 to 2 feet of water every time it rains, and asked what the City's plans are to fix it. Mr. Carter stated he has a pond due to street runoff in his back yard every time it rains, that Hillcrest Street will be the original entrance to the new city park and that repairing Hillcrest Street should be included in that budget. Mayor Doyle and the City Council discussed this matter with Mr. Carter.

Kay Hale, 1265 Parkview Ln, reported considerable concern with lack of enforcement of traffic laws, and noted several instances of drivers in Ely running through the school bus "Stop" arm. Mayor Doyle, the City Council and Linn County Sheriff's Deputy discussed this matter with Ms Hale.

Terry Smith, 1190 State Street, stated he is opposed to the city spending money to develop the park at a time when the economy and business climate are so poor. Mr. Smith stated he believes there are better uses for local option sales tax money.

### **Development of Ely City Park**

**Park Layout and Cost Estimates.** City Engineer Scott Pottorff summarized plans for mass grading of the Ely City Park site; noting the proposed work includes construction of a "dry-bottom" drainage retention structure on the southeast corner of the park, and a "wet-bottom" drainage detention structure at the south-west corner; and that construction plans were prepared to perform the work in two phases; "One Field Only" would include grading for one ball field only and drainage areas, "Second Phase" includes mass grading for the balance of the site. Mr. Pottorff reported the estimated cost for "One Field Only" is \$82,418, for "Phase 2" only is \$106,783" and to conduct both phases at the same time is \$164,230. Mr. Pottorff stated the Park & Recreation Commission plans on requesting bids to open at the April City Council meeting in order for grading to be complete by mid-June and a solid stand of grass in place by fall.

Jeff Hilleman and Dave Rasmussen, representing the Ely Park & Recreation Commission, reported the park grading would start to relieve the drainage problems in the area, including on Hillcrest Street.

**Request for Funding for Park Development – Ely Parks & Recreation Commission.** There was considerable discussion among the Mayor, City Council and Park Commission representatives regarding how to pay for the park grading work; including estimates for and reliability of local option sales tax proceeds, other projects Ely has committed to, availability of financial assistance, and other items. During this discussion, Keith Schulte suggested the possibility of a local business advancing the City enough money to cover

the first portion of the park grading project, to be repaid with local option sales tax proceeds as Ely receives those revenues.

Mai moved to come up with funds to get park work started, second by Winkowski. Mai withdrew motion after discussion.

Mai moved to authorize advertising for bids for the east-half or One-Field Only option as the primary bid item, with Phases 2 & 3 as alternates, second by Ballantyne. Motion carried – 5 to 0.

**Third Reading and Final Adoption - Ordinance No. 211, “An Ordinance to Revise Sanitary Sewer Rental and Use Rates”.** Mayor Doyle summarized the changes to the sanitary sewer use and rental rates proposed in Ordinance No. 211, noting that the increase is needed to meet debt service costs stemming from the new mechanical wastewater treatment plant. Ballantyne moved to approve the third reading and final adoption of Ordinance No. 211, “An Ordinance to Revise Sanitary Sewer Rental and Use Rates,” second by Mai.

Aye: Ballantyne, Mai, Banowetz, Grove, Winkowski

Nay: None

Absent: None

Mayor Doyle declared the motion approved and Ordinance No, 211 adopted 5 to 0.

**Report re: Result of Local Option Sales Tax Special Election.** Clerk-Administrator Anderson reported the question of imposing a 1% local sales and services tax in Ely passed at a special election held on March 3<sup>rd</sup> by a vote of 154 votes in favor and 121 against. Mr. Anderson reported the Iowa Department of Revenue “unofficially” estimates Ely will receive approximately \$150,000 in local option taxes during FY 2009-10.

**Fiscal Year 2009-10 Property Tax Levy and Financial Budget.**

**Public Hearing re: Proposed Property Tax Levy and Budget for FY 2009-10.**

Ballantyne moved to open a public hearing re: the proposed property tax levy and budget for FY 2009-10 at 9:04 p.m., second by Mai. Motion carried 5-0. Mayor Doyle opened the public hearing at 9:04 p.m. Clerk-Administrator Anderson reported notice of the public hearing was posted and published as required, and no comments received verbally or in writing. Mr. Anderson reported the proposed property tax rate of \$9.81816/\$1,000 taxable valuation is \$.44761/\$1,000 valuation less than the current property tax rate. Mayor Doyle asked for comments from the public; none were offered or received.

Ballantyne moved to close the public hearing at 9:06 p.m., second by Winkowski. Motion carried – 5 to 0.

**Resolution No. 09-0309-10, Adopting Levy for Property Taxes Payable FY 2009-10 and Financial Budget for FY 2009-10.** Ballantyne moved to approve Resolution No. 09-0309-10, second by Winkowski.

Aye: Ballantyne, Mai, Banowetz, Grove, Winkowski

Nay: None

Absent: None

Mayor Doyle declared the motion approved and Resolution No. 09-0309-10 approved.

**Authorize Application to Iowa Community Disaster Grant Program for Vavra Park Clean-Up.** Clerk-Administrator Anderson reported the Iowa Homeland Security and Emergency Management Agency states Ely is automatically eligible for \$6,641.71 through the “Iowa Community Disaster Grant” program for work related to clean-up from the June 2008 flooding. Winkowski moved to authorize applying to the Iowa Community Disaster Grant for disaster clean up funds to cleanup and repair flood related damage at Vavra Park; second by Ballantyne. Motion carried – 5 to 0.

**Prepayment & Re-Financing of 2000 and 2001 General Obligation Bonds.** Mayor Doyle reported the city’s finance advisor estimates Ely would save more than \$14,000 over 5 years by pre-paying in June, 2009, and re-issuing at lower interest rates.

**Authorize Initiating Process to Prepay 2000 & 2001 General Obligation Bonds.** Banowetz moved to initiate the process and authorize necessary proceedings to prepay the City of Ely 2000 and 2001 General Obligation Notes in June, 2009, second by Mai. Motion carried – 5 to 0.

**Renewal of Franchise to Allow Interstate Power and Light Company to Provide Electric Light, Heat and Power.** Clerk-Administrator Anderson reported representatives of Iowa Power and Light Company, of which Alliant Energy is a subsidiary, reported the electricity franchise is due for renewal in 2010. He reported the City Council may proceed to renew the franchise as is, consider adding a franchise fee, or include language in the franchise ordinance to allow enacting a franchise fee in the future. Ballantyne moved to proceed with the process to renew the electricity franchise with Interstate Power and Light Company to include language that would enable future enactment of a franchise fee, second by Banowetz. Motion carried – 5 to 0.

#### **American Recovery and Reinvestment Act Funding – “Green Projects”**

**Prioritize Projects for which to Request Grant Funding.** Clerk-Administrator reported federal economic stimulus funds are available for “green infrastructure” projects through the Iowa Finance Authority; and IFA announced applications will be due May 15. It was the consensus of the Mayor and City Council to seek “green projects” funds through the American Recovery and Reinvestment Act for the following projects:

- "Fuhrmeister Area Drainage Improvement" - estimated cost - \$85,000.
- Ely City Park storm water management infrastructure including retention ponds and infiltration strips; budgetary cost estimate - \$165,000.
- Hillcrest St Drainage Improvements. This project will replace undersized and ineffective storm sewers on a roughly 1,000-foot stretch of Hillcrest Street. Estimated cost - \$376,506, per most recent engineer’s estimate.
- Street sweeper/vacuum truck; cost estimate: \$65,000 if purchase used, \$105,000 if purchase new.
- Vavra Drive Water Line Replacement: Replace roughly 400 feet of marginal 4" diameter water line that serves six homes with new water main, estimated cost - \$10,000.

**Water System Improvements Project.**

**Motion to Begin Closed Session to Discuss the Purchase of Real Estate, per §21.5(j) Code of Iowa.** Winkowski moved to conduct a closed session to discuss purchase of real estate as site for a new water tower due to reasonable expectation premature disclosure of details would increase the price the City pays, per §21.5,j Code of Iowa, 2007, as amended, at 9:16 p.m., second by Mai,. Motion carried – 5 to 0. Mayor Doyle declared the meeting in closed session at 9:16 p.m.

Banowetz moved to end the closed session at 9:48 p.m., second by Mai; motion carried – 5 to 0. Mayor Doyle declared the closed session ended and meeting in regular open session at 9:48 p.m.

Ballantyne moved to authorize the Mayor and City Administrator to negotiate directly with the owners of the alternate “Buresh Secondary”, “Edellen Northeast” and “Splendid Villa” water tower sites, and direct the City Engineer to gather additional information needed to compare sites on a consistent basis, second by Banowetz; motion carried – 5 to 0.

Winkowski moved to adjourn, second by Grove. Motion carried – 5 to 0. The meeting adjourned at 9:50 p.m.

---

James E. Doyle Jr., Mayor

Attest:

---

Aaron Anderson, Clerk/Administrator