

**ELY CITY COUNCIL
REGULAR MEETING
JULY 14, 2014
ELY CITY COUNCIL CHAMBERS**

Mayor Jim Doyle called the meeting to order at 7:00 p.m. Council members present: Stephanie Mehmen, Bill Grove, Kay Hale, Dave Rasmussen and Bob Ballantyne. Also present: Jim Miller, Duane Kunkel, Connie Kunkel, John Harris, Travis Squires, Tracey Achenbach, Keith Schulte, Eric Wirth, Al Buck, Butch Wieneke, Annette Wieneke, Sarah Sellon, Kati Jo Bruhn, Elli Wieneke, Rob Kramer, Erin Kramer, Cullen Woods, Dan Schmidt, Public Works Director Ron Stark, City Engineer Scott Pottorff and Clerk-Administrator Aaron Anderson.

Mayor Doyle led the City Council and others attending in the Pledge of Allegiance.

Hale, second by Mehmen, moved to approve the Consent Agenda consisting of:

- Agenda, as presented
- Minutes of the June 9, 2014 regular meeting.
- Minutes of the June 23, 2014 special meeting
- Treasurers Report for the period ended June 30, 2014.
- Bills Payable for July 2014 totaling \$188,930.72.
- Temporary Class B Beer with Outdoor Sales for the Ely Volunteer Fire Department “Party in Our Back Yard” August 9, 2014
- Appointment of James Higdon, 1165 Glendale Lane, to Library Board of Directors.

Motion carried – 5 to 0.

Treasurer’s Report (summary) for the period ended June 30, 2014

	Receipts	Disbursements	Transfers	Ending Balance
General	\$ 16,030.13	\$ 46,336.30		\$ 769,903.57
Road Use	16,345.36	24,844.49		\$7,686.20
L O S T	17,813.00			142,234.78
TIF Fund	761.65			60,060.09
Debt Service				8,037.95
Other Projects		540.26		165,939.79
Library Project				-64.23
Way Point Sign				-19,595.29
North End Infra				-29,589.93
Water Utility	18,328.21	12,241.33		296,882.87
Water/Sewer Reserve	5,216.40			115,697.00
Sewer Utility	26,014.14	20,366.17		45,004.11
Sewer Debt Service	11,767.92	-250.00		18,164.92
Sanitary Utility	6,358.19	7,843.27		33,822.61
Storm Water	30.66			251.55
Farmers Market				1,030.76
PR Clearing	12,620.91	8,034.20		6,527.10
Totals	\$ 131,286.27	\$ 119,956.02		\$ 1,623,047.85

Communications. Library Director Sarah Sellon presented a report on activities at the Ely Public Library. Deputy Steffen distributed the monthly Sheriff’s Office Activity Report.

Citizen Requests.

Housing Fund for Linn County. Linn County Supervisor John Harris reported Linn County's involvement with the Housing Fund for Linn County and introduced Tracey Achenbach, the Housing Fund's director. Ms Achenbach reported on the Housing Fund's mission, activities and programs. The Housing Fund's programs include a program to offer financial assistance to low/moderate income families for housing improvements, and a grant program of up to \$5,000 per person available to cities and counties for repairs to homes and houses. Ms Achenbach noted that sidewalks are eligible under the grant program.

Commercial Building Forgivable Loan Program.

Resolution No. 14-0714-37, Approving Request for Forgivable Loan for Improvements at 1675 & 1685 Dows Street. Mayor Doyle reported Ely received an application to the Commercial Building Forgivable Loan Program from Dr. Sharon Sassen-Croy for work already performed at 1675 & 1685 Dows Street. Mayor and City Council discussed the matter, noting that the program calls for the property owner to apply before the work is performed which was not done in this case; and that the applicant solicited bids for the work and appears that the work was not done by the low bidder. Hale moved to table to find out why the low bid was not used, and why the program process was not followed; second by Mehmen. Motion carried – 5 to 0.

2014 General Obligation Bond Issue

Review Bids Received for \$1,100,000 General Obligation Corporate Purpose Bonds, Series 2014b Travis Squires, Finance Advisor with Piper Jaffray, reported bids for the 2014 General Obligation Bond Issue were due at 1:00 p.m. Monday July 14, 2014; and that Ely received the following bids:

<u>Bidder</u>	<u>True Interest Rate</u>
UMB Bank, Kansas City, MO	2.086181%
Bankers Bank, Madison WI	2.108000%
D.A. Davidson & Co., Denver CO	2.248906%
Northland Securities, Minneapolis MN	2.7500%
Hutchison Shockey & Erley, Chicago IL	3.0000%

Mr. Squires reported the bid from UMB Bank of Kansas City, MO includes a premium of additional money to Ely at no additional cost to the city, is the low cost responding bid, recommended accepting the bid from UMB Bank and issuing the general obligation note by approving Resolution No. 14-0714-37. Mr. Squires noted the note is a general obligation bond for which property taxes can be levied, and that the resolution allows Ely to use other sources of money such as local option sales tax and TIF to pay the debt service. Mr. Squires also noted that Ely's plan to repay the debt with local option sales tax and TIF appears sound and that a property tax levy appears unnecessary.

Resolution No. 14-0714-37, Resolution Approving a Loan Agreement and Providing for the Sale and Issuance of General Obligation Corporate Purpose Bonds, Series 2014, and Providing for the Levy of Taxes to Pay the Same. Grove moved to approve Resolution No. 14-0714-32, Resolution Approving a Loan Agreement and Providing for the

Sale and Issuance of General Obligation Corporate Purpose Bonds, Series 2014, and Providing for the Levy of Taxes to Pay the Same, second by Ballantyne.

Aye: Ballantyne, Rasmussen, Hale, Grove, Mehmen

Nay: None

Absent: None

Mayor Doyle declared the motion passed and resolution adopted – 5 to 0.

Ely City Park Improvements Project.

Public Hearing re: Plans, Specifications and Form of Contract. Ballantyne moved to open a public hearing re: plans, specifications and form of contract for the Ely City Park Improvements project at 7:44 p.m., second by Mehmen. Motion carried – 5 to 0. Mayor Doyle declared the public hearing open at 7:44 p.m. Clerk/Administrator Anderson reported notice was posted and published as required, and no comments received. Mayor Doyle asked for comments regarding the public hearing item from the public. Al Buck, project architect with Solum Lang, summarized the proposed project noting he worked with the Parks Commission on the design, to prepare the bid documents and on other matters. Bob Ballantyne asked what the bid alternates are. Mr. Buck responded that Alternate #1 is to pave the trail from the Hillcrest Street parking lot to the building, and Alternate #2 is to pave sidewalk around both ball diamonds.

Bob Ballantyne noted bids came in higher than anticipated and asked how that affects the bond package. City Clerk/Administrator Anderson replied there is some money in the bond package for contingencies, like this, and that the premium included in UMD's bid increases the amount of money available. Mr. Anderson noted that the actual bids will stress the money available for all projects included in the bond package, though it appears enough money will be available if this project and others remain close to estimated cost. Al Buck reported the City could work with the contractor to remove items from the contract, though Ely would not get full value for doing this due. Mr. Buck stated he could work with Parks Commission to change specifications and re-bid the project. Mr. Ballantyne stated City Council did not know the cost alternates available for the State Street Bridge project at the time, and that this is a good time to take the chance to award the bid and proceed in hope that bids for the other projects will come in lower. Dave Rasmussen stated he believes Ely would end up with higher costs if the project is rebid; and that the city can work with Mr. Buck to bring some costs down. Mr. Ballantyne stated there is a lot of excitement in Ely for this project. Mr. Buck stated Ely had bids from five reputable contractors, and that the bid amounts were in a tight spread. Mr. Rasmussen stated the contractor might help to lower costs. Mr. Buck stated he can generate a list of items that could lower cost and the contractor can be asked to do the same.

Kay Hale asked what Alternate #1 was. Al Buck replied it is to pave a trail from the play area to the parking lot, Alternate #2 is to pave sidewalk around the ball fields.

Ballantyne moved to close the public hearing at 7:48 p.m., second by Rasmussen. Motion carried – 5 to 0. Mayor Doyle declared the public hearing closed and meeting in regular session at 7:48 p.m.

Resolution No. 14-0714-39, Approving Plans, Specifications and Form of Contract.

Ballantyne moved to approve Resolution No. 14-0714-39, Approving Plans, Specifications and Form of Contract, second by Mehmen.

Aye: Ballantyne, Rasmussen, Hale, Grove, Mehmen
 Nay: None
 Absent: None

Mayor Doyle declared the motion passed and resolution adopted – 5 to 0.

Review Bids Received for Ely City Park Improvements Project. Al Buck reported bids for the City Park Improvement Project were due at 3:00 p.m. July 14, 2014; and Ely received the following bids:

Company	Base Bid	Alternate 1	Alternate 2
Seydel Construction	\$ 354,000.00	\$ 13,750.00	\$ 7,800.00
Kleiman Construction	\$ 363,286.00	\$ 18,527.00	\$12,966.00
Miron Construction	\$ 369,097.00	\$ 17,408.00	\$12,686.00
Garling Construction	\$ 370,000.00	\$ 13,000.00	\$ 7,100.00
City Construction	\$ 385,600.00	\$ 15,200.00	\$10,800.00

Al Buck reported the bid from Seydel Construction, of Iowa City, is the low responding bid. Mayor Doyle and City Council members discussed the amount of bid with Mr. Buck, noting that the amount of bid is higher than estimated and seeking options to lower the final project cost.

Resolution No. 14-0714-40, Awarding Bid for Ely City Park Improvements Project. City Administrator Anderson reported this resolution awards the bid for the Ely City Park Improvements Project to Seydel Construction, for the work identified as “Base Bid” for the lump sum cost of \$354,000.00. Ballantyne moved to approve Resolution No. 14-0714-40 for the base bid only, subject to discussions with contractor to try to lower final project cost; second by Hale.

Aye: Ballantyne, Rasmussen, Hale, Grove, Mehmen
 Nay: None
 Absent: None

Mayor Doyle declared the motion passed and resolution adopted – 5 to 0.

Parks Commission

Accept Quote to Re-Roof Schulte Park Pavilion/Shelter. Clerk/Administrator Anderson reported a request for quotes was distributed on June 13, 2014 to install a 26-gauge raised seam metal roof for the Schulte Park Pavilion/Shelter building; and one quote received from Pa’s Construction to perform the work for \$4,950.00, with a previous quote from Darnell Construction for \$4,200.00. Mr. Anderson reported quotes were previously received to install a 35-year asphalt shingle roof, with the low cost quote being \$2,575.00 from Pa’s Construction. Mayor Doyle and City Council members discussed the matter with Mr. Anderson, Al Buck and others; including scope of work to be performed, useful life of steel and asphalt shingles, benefits and drawbacks of removing the existing shingles for the steel roof, comparative cost of the two options and useful life. Mehmen moved to accept the quote of \$4,200 from Darnell Construction for the 26-gauge standing seam metal roof, second by Rasmussen. Motion carried – 4 to 1; Grove opposed.

Kunkel Addition to Ely, Iowa.

Resolution No. 14-0512-21, Approving Developer's Agreement – Kunkel Addition. City Clerk/Administrator Anderson reported this resolution would approve the developer's agreement for the Kunkel Addition, based on the version that has been under discussion for several months. Duane Kunkel requested that number of lots that may be final platted before a second access to Banner Valley Road is built be changed from 40 to 60. Mayor and City Council discussed with this with Mr. Kunkel; including impact on storm water management, impact on traffic and that it should not affect the stream level of Banner Valley creek. Ballantyne moved to approve Resolution No. 14-0512-21 Approving Developer's Agreement – Kunkel Addition, revised so that up to 60 lots may be final platted before the Developer constructs a second access to Banner Valley Road; second by Rasmussen.

Aye: Ballantyne, Rasmussen, Hale, Grove, Mehmen
Nay: None
Absent: None

Mayor Doyle declared the motion passed and resolution adopted – 5 to 0.

Construction Plans for Kunkel First Addition. City Engineer Scott Pottorff reported he reviewed proposed construction plans for Kunkel First Addition, and worked with Mr. Kunkel and Dan Schmidt to resolve questions and concerns. Mr. Pottorff stated they are still working on configuration of accessible sidewalk ramps, and that other than that all engineering concerns regarding the construction plans. Mr. Pottorff stated he recommends City Council approve the construction plans, subject to the City Engineer approving location and configuration of accessible sidewalk ramps. Ballantyne moved to approve the construction plans for Kunkel First Addition, as reviewed by the City Engineer, subject to the City Engineer approving location and configuration of accessible sidewalk ramps; second by Rasmussen. Motion carried – 5 to 0.

Resolution No. 14-0714-41, Approving Agreement for Engineering Services for Sanitary Sewer Improvement Project. Mayor Doyle reported this resolution approves a contract with MMS Consultants for engineering services to design, bid and construct a sanitary sewer main able to offer gravity sewer service for the Kunkel Addition and other territory to the north; with engineering fees of \$12,000.00. Hale moved to approve Resolution No. 14-0714-41, Approving Agreement for Engineering Services for Sanitary Sewer Improvement Project second by Ballantyne.

Aye: Ballantyne, Rasmussen, Hale, Grove, Mehmen
Nay: None
Absent: None

Mayor Doyle declared the motion passed and resolution adopted – 5 to 0.

Hoover Trail Extension from Ely City Park to Community Center at 1570 Rowley St.

Discuss Possible Alignments and Design Process. Mayor Doyle and City Council members discussed some possible alignments with City Engineer Scott Pottorff. Mayor and City Councils scheduled a workshop meeting for 6:00 p.m. Wednesday July 23, 2014 to discuss the matter further.

Urban Renewal/Tax Increment Financing

Resolution No. 14-0714-42, Scheduling Public Hearing on Urban Renewal Plan and Amendment. Grove moved to approve Resolution No. 14-0714-42, second by Hale.

Aye: Ballantyne, Rasmussen, Hale, Grove, Mehmen
Nay: None
Absent: None

Mayor Doyle declared the motion passed and resolution adopted – 5 to 0.

Banner Valley Road/Banner Valley Creek

Discuss Possible Actions re: Banner Valley Creek Drainage Analysis & Possible Improvements Report. Mayor and City Council discussed the action steps presented in the “Banner Valley Creek Drainage Analysis and Possible Improvements” report City Engineer Scott Pottorff presented in April, 2014. Discussion included, but is not limited to: that the action steps in the report may be performed over several years, focus on efforts to mitigate risk to life and property, and efforts to decrease peak volumes or rate of flow compared to efforts to guide the flow of the stream and storm water. Hale moved to direct the City Engineer to research actions and cost needed to re-grade Banner Valley Road so the low spot is above the twin culverts that convey Banner Valley Creek from the north to the south side of the road; second by Grove, Motion carried – 5 to 0.

Public Works – Streets, Water, Sewer & Equipment.

Report and Recommendations re: Security at Public Works Shop/WWTP. Clerk/Administrator Anderson reported on options for improving security at the public works shop/WWTP at 1122 Vista Rd. Hale moved to authorize leaving the public works area open from 7:00 a.m. Monday through 3:30 p.m. Friday, for the facility to be open to public from 8:00 a.m. to 4:30 p.m. Saturdays and Sundays beginning in spring 2015, and to authorize spending up to \$840.00 for trail-cams for the WWTP area; second by Mehmen. Motion carried – 5 to 0.

Administrative, Personnel and Staffing

Process for Determining Feasibility of a Cultural, Recreational and Community Facility. Mayor and City Council discussed the Clerk/Administrator’s report re: process to determine feasibility of a Cultural, Recreational and Community facility in Ely. Mayor and City Council will start recruiting volunteers to serve as a lead committee for this process.

Resolution No. 14-0609-35a, Setting Wages and Salaries for City of Ely for FY 2014-15. Clerk-Administrator Anderson reported there were transcription errors in some employees’ wages in the version of Resolution No. 14-0609-35 presented in June which this resolution corrects. Ballantyne moved to approve Resolution No. 14-0609-35a, Setting Wages and Salaries for City of Ely for FY 2014-15, second by Hale.

Aye: Ballantyne, Rasmussen, Hale, Grove, Mehmen
Nay: None
Absent: None

Mayor Doyle declared the motion passed and resolution adopted – 5 to 0.

Resolution No. 14-0714-43, Confirming Bank Designation and Signatory Authority.
Grove moved to approve Resolution No. 14-0714-43, Confirming Bank Designation and Signatory Authority; second by Hale.

Aye: Ballantyne, Rasmussen, Hale, Grove, Mehmen

Nay: None

Absent: None

Mayor Doyle declared the motion passed and resolution adopted – 5 to 0.

Discussion Items

Grove moved to adjourn, second by Hale; motion carried – 5 to 0. The meeting adjourned at 9:11 p.m.

James E. Doyle Jr., Mayor

Attest:

Aaron Anderson, Clerk/Administrator