

The City Council of Gilbertville, Iowa met in Regular Session on Monday, May 02, 2016 at 7:00 P.M. at City Hall with Mayor Thome calling the meeting to order. Council members present: Ramaker, Balvanz, Meinert, French and Becker. Quorum present.

Rita Becker gave the invocation, Mayor Thome led the Pledge of Allegiance.

Pledge of Allegiance

Motion by French/Meinert to approve the May 02, 2016 regular session agenda. Ayes - Five. Motion carried.

Approve Agenda

Motion by Becker/Ramaker to approve the following items listed on the consent agenda: 1) Minutes of the April 18, 2016; 2) Payment of bills and transfers; 3) Utility bill reconciliation for April 2016. Ayes – Five. Motion carried.

Consent Agenda

Public Comment: A concern was raised regarding the amount of garbage set out at 1913 5th street excess garbage has been setting out for two weeks. Clerk Etringer has contacted the homeowner and is in the process of getting it cleaned up.

Public comment

Discussion was held on the water fund balance. Deputy Clerk Adamson explained the water operating balance is negative approximately \$49,000 due to funds to build the public works building and expenditures for the well/well house project that were not part of the bid project, \$28,333 will be reimbursed from the grant for the public works building. The user fee balance is approximately \$85,000, part of that could be transferred to the operating balance. The well project fund is negative \$22,246, in order to close the project funds will need to be transferred funds to zero out the negative balance. An option is to rescind the resolution reallocating funds from the bond for the WWTP to the Well house project and approve a new resolution. Estimated net revenue at the end of the year shows the rates will need to be increased approximately \$2 to meet the 1.1% ratio. Becker suggested transferring funds from the user fee fund to the water operating fund to make it flush because the revenue generated next year would make the debt payment. Mayor Thome asked if it would be better to raise rates by a percentage per household or a dollar amount. Becker stated raising the base rate would be better, at budget time it was discussed to increase water/sewer \$2 each. Adamson explained they also needed to take into account an increase will need to be made in sewer to make the debt payment for the WWTP to meet the 1.1% for the revenue portion of the State Revolving Fund (SRF) loan. She explained that she and Clerk Etringer met with Maggie from Speer Financial to discuss borrowing options for the WWTP. The GO debt affects the city debt capacity but it can be paid for with funds other than revenue from sewer and the 1.1% net revenue factor doesn't have to be met for the GO debt. With the current debt the city has and the possibility of debt to develop the land Maggie recommended approving GO debt of \$600,000. Once Council approves this a public hearing date will be set to close on that part of the loan in June. Borrowing the GO debt will give a better idea of the amount that will need to be borrowed in revenue debt and give Council a better idea of where the sewer rates will need to be to make the payment and meet the 1.1%. Adamson explained the net revenue and summary sheet provided by Speer Financial. The payment schedule has a gradual increase to the payment to allow for a gradual increase in the rates. Mayor asked if the increase was to the base rate or user fees. Adamson stated that after talking with Maggie it may be best to add to the user fee for the debt and remove it after the debt is paid off. The water tower debt was supposed to be paid off in five years and that has not been done, that concerns him. Balvanz doesn't want to do a user fee and say it will disappear in a few years if that is not going to happen. Adamson agreed and suggested the ordinance include an end date so the Council would review the rates and determine the need for the user fee at that time. She is concerned adding to the base rate would be an increase that may never go away and make budgeting for the PWD Director more difficult knowing what is operating revenue versus revenue being generated for debt. Discussion was held on the best way to implement an increase. Adamson stated the sewer fund has a good balance because the user fees and local option tax (LOST) funds allocated to sewer have been building over the last several years. At the end of the project the Council can determine how much will be used to pay for the project which will result in borrowing less. The LOST funds can be used to offset the debt payment on the GO portion of the debt and last year the city asked for \$15,000 in a debt service levy so the debt levy would not have to increase by much if any. Adamson asked PWD Delagardelle if he had room in any of his other budgets to pay for part of the public works building and the expense could be reallocated to and offset expense in the other departments. PWD Delagardelle stated funds in the vehicle fund could be used if needed. Clerk Etringer stated she feels by using the user fee it is easier to explain to citizens that the need for the increase is due to the project and will be used to pay the debt. Mayor Thome suggested a \$2 increase to the water base rate and \$5 to the surcharge, he also agreed increasing only the base rate it may never be decreased, hopefully the surcharge can be once the debt is paid, thus agreeing to include a clause in the ordinance. Council agreed to do an ordinance to increase the water surcharge by \$5.00 and the base rate by \$2.00 for the next agenda. Motion by Becker/ French to rescind the Resolution

Water operating budget

reallocating funds from the WWTP bond to the Well/Well house project debt to close the well project. Ayes – Five. Motion carried.

Motion by Becker/Meinert to approve borrowing not to exceed \$600,000.00 for a General Obligation (GO) debt for the Wastewater Treatment Plant. Ayes –Five. Motion carried.

SRF-GO loan amount WWTP

Motion by Meinert/French to approve setting a public hearing date of May 16, 2016 to approve a Special Permit for a commercial business at 1222 5th Street, in a residential district. Ayes—Five. Motion carried.

PH 5/16/16 for car dealership

Motion by Meinert/Balvanz to table the approval of the Laserfiche imaging equipment until more information could be obtained regarding the ability of multiple users. Ayes – Five. Motion carried.

Imaging equipment

Motion by Meinert/French to approve \$1,148.05 for the prior purchase of a new computer by the Public Works Department to replace one that had quit working Ayes –Five. Motion carried.

PWD new computer

Discussion was held to agree on the terms of converting all time off into one category of Paid Time Off (PTO). It was agreed to approve column 2 for the amount of time to be given, the carry over amount will be prorated, all hours will be given at the beginning of each calendar year, maximum of five days allowed to be carried over, unless an exception is needed and approved by Mayor and Council, a new hire will be prorated after 90 days, two week notice will be required to get paid for any unused time. As soon as amounts are received on disability rates decisions will be made regarding disability policies and outstanding sick time accrued balances.

PTO conversion

Reports:

Police: In Chief Bauwens absence officer Brokaw reported things have been quiet and going well.

Police

Clerk: Clerk Etringer reported she is waiting to hear back from Cindy Knox for information on the Housing Rehabilitation Grant Program.

Clerks Report

Public Works: Public Works Director Delagardelle (PWD) reported he has submitted the request for the grant funds for the public works building. As of the end of April, everything has been moved out of Urban Service buildings into the new building. They are working on the softball diamonds and have all the parks sprayed. Looking at the details of what needs to be done to get the water tower painted. Progress on the wastewater treatment plant continues to move forward. PWD, Becker and Ramaker will meet with the Engineer Claassen to see what the next steps are to expedite moving forward with the land development.

PWD Report

Motion by Becker/Meinert to adjourn at 9:08 p.m. Ayes – Five. Motion carried.

Adjourn

Mark Thome, Mayor

ATTEST: _____
Jean Etringer, City Clerk