

The City Council of Gilbertville, Iowa met in Regular Session on Monday, May 16, 2016 at 7:00 P.M. at City Hall with Mayor Thome calling the meeting to order. Council members present: Ramaker, Balvanz, French and Becker. Meinert absent. Quorum present.

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

Pledge of Allegiance

Motion by French/Ramaker to approve the May 16, 2016 regular session agenda. Ayes - Four. Motion carried.

Approve Agenda

Motion by Ramaker/Balvanz to approve the following items listed on the consent agenda: 1) Minutes of the April 18, 2016; 2) Payment of bills and transfers; 3) Clerk's reports for April 2016 Ayes – Four. Motion carried.

Consent Agenda

Mayor Thome opened the Public Hearing to approve a special permit to authorize the reconstruction, alteration and operation of a Beauty Salon/SPA, Car Dealership and reasonable related business activities located at 1222 5th Street. Proof of publication on file, no written or oral comments on file. Motion by Becker/French to close the hearing at 7:03 p.m. Roll call vote. Ayes—Four Motion carried.

PH for Salon/SPA car dealership

Motion by Balvanz/French to approve Resolution 2016-1077 to approve the reconstruction, alteration and operation of a Beauty Salon/SPA, Car Dealership and reasonable related business activities located at 1222 5th Street. Roll call vote. Ayes—Four. Motioned carried.

Res 16-1077 Salon SPA dealership

Cindy Knox from Iowa Northland Council of Governments (INRCOG) explained the Housing Rehabilitation Grant Application process. The city was awarded a grant in 2012 and there were 12 applicants of those 6 houses had work done to them. The grant is for low to moderate income (LMI) homeowners at 80% or below the area medium. The grant allows for work to be done on the home to repair things such as roofs, siding, and wiring. The recipient must own the home and meet the LMI guidelines once the work is completed they loan is forgiven after 5 years. A new requirement is radon testing and it can be costly if found in a home. Last time the city contributed \$2,000 per home local match and she suggests contributing \$3,000 per home local match this time to help cover the radon testing. INRCOG will prepare the grant at no cost to the city and in return they ask that a memorandum of understanding to have INRCOG handle the administration of the grant. Council will appoint a housing committee, the committee will identify an area of houses and applications will be sent out to the people in that area to determine if they are interested. The returned applications will be used to show there is an interest and help the city determine how many houses they would like to include in the grant application. Last time the houses were done by lowest income first but the city can chose which order they would like to have them done in. Becker explained that last time the city match was from LMI TIF funds that are set aside for LMI projects from funds received in the TIF area. Clerk explained there is a balance of approximately \$13,000 and those funds could be used for the city match. Cindy explained the application is due in January, if the city is interested in having INRCOG apply for the grant a resolution approving a memorandum of understanding will need to be approved by Council.

INCOG presentation on HSG rehab grant program

Motion by French/Ramaker to approve Resolution 2016-1078 approving Mayor signing a memorandum of understanding with INRCOG for general administration of the Housing Fund Contract. Roll call vote. Ayes –Four. Motion carried.

Res 16-1078 INRCOG HSG program

Tom Madden presented and explained what was completed per pay request #4 for the WWTP and confirmed he has no concerns, things are moving forward very well and are on schedule. Motion by Becker/French to approve Resolution 2016-1080 approving pay request #4 to WRH in the amount of \$53,437.40. Roll call vote. Ayes – Four. Motion carried.

Res 16-1080 Pay Req #4 WWTP

Larry Burger from Speer Financial was present to explain and answer questions on the city debt capacity, TIF rebate agreement options and the State Revolving Fund (SRF) loan. He explained when they prepared the reports showing the debt capacity, a 20% reserve is left in case of an emergency in the city. With the current debt and the anticipated debt from the WWTP the city would have \$252,254 in debt capacity. He he ran a report showing anticipated borrowing on the revenue side of the SRF loan for the WWTP and it shows increasing the user fee to \$13 and a 10% increase to the operating budget and 2% the remaining years. This should cover the 1.10% revenue ratio factor for revenue borrowing. He explained this was just a suggestion as long as the revenue meets the ratio rates can be raised using whatever method the Council believes is best. Mayor Thome asked if the user fee would be permanent, Larry stated it would be either for the life of the debt or until the revenue without it meets the 1.10% ratios which could be done when new houses are built. Mayor Thome stated they have been working with Developers and with the City Engineer on the land that was purchased. Part of the land has drainage problems and the Engineer is estimating it would cost around \$225,000 to \$400,000 to take care of the problem. The interested Developers want to ensure that the water problem will be taken care of by the city before they agree to develop the land. The work wouldn't have to be done right away because there are 12 to 14 lots that could be developed. Mayor Thome asked Larry about possible rebate agreements. Larry said there are many ways it can be done but the best way is usually to do a tax rebate, when a house is built part of the taxes are paid back to the Developer. This method has less risk for the city. Using Tiff the city would have to set aside LMI funds of 45%. A meeting is going to be held with the Developer and Larry agreed to

Larry Burger Borrowing options WWTP and Land

participate in the meeting. Larry explained on a housing TIF area it runs for 10 years after the debt is certified and he could aid the city in determining the best time to do this. It is best to start when a number of houses are being built allowing the city to capture the taxable value from more houses before the 10 years runs out. Larry explained the city approved borrowing not to exceed 2.2 million from the SRF for revenue debt and is currently drawing funds down on this. A public hearing is being set tonight to approve not to exceed \$600,000 SRF GO Debt. He explained the city wants to only borrow the minimum in GO debt they can because it affects their debt capacity and the revenue borrowing effects the rates.

Motion by French/Ramaker to approve Resolution 2016-1079 to approve the redirection of essential bond funds from 2011 B GO bonds for the WWTP to the Well/Well House #4 project Roll call vote. Ayes-Four. Motion carried.

Res 2016-1079
redirect 2011B
GO from WWT
to Well#4

Chief Bauwens reported Officer Brokaw accepted a full time job and will be reducing his hours from 22 a week to 12. Chief Bauwens is requesting to hire a part time office to fill his hours. Becker questioned the cost involved, \$400 to \$500, Chief Bauwens said it would not be that high, the new officer will just need a uniform. He is looking to hire someone already in law enforcement so they will have all the equipment needed. Funds are in the budget to pay for the uniform. Mayor Thome stated that the part time officers have been working out very well. Motion by Becker/Ramaker to approve hiring a part time office to fill the vacated hours. Ayes—Four. Motion approved.

Approval to hire
PT office to
replace hours

Chief Bauwens reported the laser radar gun stopped working, it won't turn on. He is requesting to purchase a TruSpeedLR radar gun for \$1995.00. It will run on batteries. He looked at several the GTSB conference and decided this was the best option for the need and cost. There are funds in this year's budget. Motion by Ramaker/French. Ayes—Four. Motion approved.

Approval to
purchase new
radar gun

Mayor Thome opened a Public Hearing to approve Ordinance 297 amending provisions pertaining to Chapter 92 water rates. Proof of publication on file, no written or oral comments on file. Motion by Becker/French to close the hearing at 8:21 p.m. Roll call vote. Ayes—Four Motion carried.

PH for Ord 297
water rates

Motion by French/Balvanz to receive and place on file Ordinance 297 amending chapter 92.02 pertaining to water rates. Ayes—Four. Motion carried.

Ord 297 place on
file water rater

Motion by Becker/Ramaker approving 1st reading of Ordinance 297 amending Chapter 92.02 pertaining to water rates. Ayes—Four. Motion carried.

Ord 297 1st
reading

Motion by Becker/French approving Resolution 2016-1081 to fix a dated for a public hearing on a proposal to enter into a General Obligation Sewer Improvement Loan and Disbursement Agreement and to borrow money thereunder in a principal amount not to exceed \$600,000. Roll call vote, Ayes—Four. Motion carried.

Res 16-1081 PH
for GO bond of
\$600,000

Reports:

Police: Chief Bauwens introduced Aaron Haas he works at the Black Hawk County jail and has been riding along when he has time to work on finishing up his field training. He was just recently hired part time for the City of Evansdale.

Police

Clerk: Clerk Etringer reported she is waiting to hear back for Mr. Greufe on the next step for the PTO conversion. True North is to contact her the week of May 23 for disability rates. They are still working on the details of Laserfiche. Bank Iowa came in to give a presentation of products they have to offer, they are to be putting a proposal together to send.

Clerk

Mayor: Mayor Thome mentioned how nice the spring flowers look at the North Welcome sign, how nice it looks when you come into town. He greatly appreciates all the hours and hard work put into always making it look so nice. He reported in the PWD absence that the Gaming Commission was out taking picture of the new Public Works Building, they were very impressed with it and a check should be coming any day. The water tower does need to get painted and the longer we wait the worse it will get.

Mayor

Motion by Becker/French to adjourn at 8:43 p.m. Ayes – Four. Motion carried.

Adjourn

Mark Thome, Mayor

ATTEST: _____
Jean Etringer, City Clerk