

CITY OF SIGOURNEY, IOWA
MINUTES OF REGULAR CITY COUNCIL MEETING OF
WEDNESDAY, AUGUST 17, 2022

The Sigourney City Council met in regular session in the Council Chambers at City Hall on Wednesday, August 17, 2022, with Mayor Morlan presiding and the following Council members answering roll call: Lentz, Tish, Clark, Conrad, McLaughlin and Iosbaker. Others present were: Wayne Chmelar; Jerry Wohler; Rodger Aller; Casey Jarmes, Sigourney News Review; John Wehr, City Attorney; Don Northup, Director of Public Works I; and Angie Alderson, City Clerk.

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

Council member McLaughlin moved, seconded by Council member Conrad, to approve the following items on the Consent Agenda: Council accounts payable claims in the amount of \$72,462.93; City Clerk Financial Reports for June 2022; Payroll Expenses, Miscellaneous Expenses, ACH and Monthly Transfers for June 2022; Mayor's Proclamation 2022-08-03 re: Designation of Halloween Trick or Treat Night; credit card report; and the time and place for the September 7, 2022 regular Council meeting will be at 6:00 p.m. at City Hall. Upon the roll being called, the following voted Ayes: Lentz, Tish, Clark, Conrad, McLaughlin and Iosbaker. Nays: None. Motion approved.

Council member Conrad moved, seconded by Council member Clark, to approve the remaining item on the Consent Agenda: minutes of regular Council meeting of August 3, 2022. Upon the roll being called, the following voted Ayes: Lentz, Tish, Clark, Conrad and McLaughlin. Nays: None. Abstain: Iosbaker. Motion approved. *(Council member Iosbaker abstained as he was unable to attend the August 3, 2022 regular Council meeting.)*

Additional City Business: Mayor Morlan stated the City received two bids for the Sigourney Upper-Level Apartments at 103 South Jefferson Street – Sigourney, Iowa project. They were from R.G. Construction and Christner Contracting. Mayor Morlan stated the bid from R.G. Construction was lower by approximately \$7,000.00 to \$8,000.00. Mayor Morlan stated that we have not been happy with the results from R.G. Construction. Council member Iosbaker stated that he definitely has reservations about awarding the contract to R.G. based on current circumstances. Regardless of who the contract is awarded to, we would want to make additions to the terms of the contract, so the City has more leverage and protection in the next project. There have been some hard lessons learned with the Façade Project – Phase I. Council member Clark asked if we could legally not take the lowest bid. John Wehr, City Attorney, stated we are required to take a responsive, responsible bidder. Responsive: Bidder has bid according to specifications without any conditions, qualifications or exclusions and in compliance with the bid form and other documents. Responsible: Bidder has the capacity, not only financially but also the skills, manpower and performance ability to complete the project as specified. Factors to be considered, price is just one. Others are business judgment of the bidder, construction experience, ability to secure bonds and insurance. If the City intends to declare a bidder non responsible, it is recommended that the contractor be offered a hearing before the Council. Council member Conrad asked if we had any guarantees that Christner would be any different. Council member Conrad stated that price difference is not a lot, but still a sizable amount. Council member Iosbaker asked what the consequences are that would occur if the Council did not take the low bid. City Attorney Wehr stated that probably the first thing would be a request for all discussions, documents, public records that are available including communications from Area 15, architect and could lead to District Court lawsuit. Council member Conrad noted this would all be a delay in the project. City Attorney Wehr mentioned the due date of the project. Mayor Morlan stated that in both bids neither contractor complied with that. R.G. Construction said they would be done by the 1st of July and Christner stated they would be done June of 2023 if they had to do the roof. Council member Iosbaker asked if the consequences of the project not being done by May 31, 2022 would mean the money gets called back. City Clerk Alderson stated that she was told that everything has to be done as all the bills have to be submitted, approved and paid, so the Grant Administrator can do the final drawdown. The final drawdown will not be paid until everything is done. Council member Iosbaker stated that in theory the City could be left holding the bag for the costs. Council member Clark asked if the building owner had any say in this and what did the City have financially in this. City Clerk Alderson stated that besides what we paid for to make application, \$5,000.00 is what the Council agreed to put into it. But the contract is with the City as the City is the grant recipient. Council member Clark asked if the building owner would be willing to pay the additional cost to go with the different contractor, shouldn't they have some input in that decision. City Clerk Alderson stated that all this would have go through IEDA (Iowa Economic Development Authority). Council member Conrad stated the City's and building owner's portion is only a part of this, that the state has the larger amount, and they are in

control of the grant. City Clerk Alderson stated that she understood that contingencies could be added to the contract between the City and Contractor. Council member Tish ask how we could even move forward if neither contractor can meet the deadline. Council member Iosbaker agreed with this. As there are two bid responses and neither of them meet the criteria and the City does not know the consequences if the contractor is not able to complete and able to make the last draw in time. He feels that the City needs to understand this before a decision is made. City Attorney Wehr thought we should be able to put a mandatory completion date in the contract. Brad Grefe, Area 15 RPC, was looking into finding additional funds for a roof. The roof was not included in the original grant application as there were not issues at that point, but there are now. Council member Tish asked if the building owner is willing to pay to have the roof done himself. This will need to be discussed with the building owner. City Clerk Alderson stated she is not aware that the leak is in the apartment, but in the shared hallway. There are some tasks that need to be done before the Council meets next. Mayor Morlan suggested a Special Council meeting next week. City Attorney Wehr stated that it would be recommended that the contractors be offered a hearing before the Council. The questions are is it worth putting money inside if the roof is not fixed. Second there is a deadline and what can they contractor(s) do to assure the City in meeting that deadline. These would both be responsive responsible questions. Council member Tish asked if deadline issue is resolved to May with the highest bidder, does that allow the City to not award to the lowest bidder. City Attorney Wehr answered that someone would have to sign a commitment to finish by the middle of May. City Attorney Wehr stated to ask both Contractors and the building owner to attend the meeting. City Clerk Alderson stated that she would talk with Brad Grefe, Area 15 RPC, about the consequences of not meeting the grant deadline. If needed she would contact IEDA as well. Council member Iosbaker reiterated that the City would have a contract with the Architect and the General Contractor and Larry Dietrich (building owner) would have a separate contract with the City. City Clerk Alderson stated she thought that is how that would work. Mayor Morlan asked if Rodger Aller should come to the Special Council meeting as he is aware of the issues with R.G. Construction and is that something that should be discussed at the meeting. City Attorney Wehr stated the Council could discuss a responsible bid. Council member Conrad moved, seconded by Council member Clark, to table the approval of Resolution No. 2022-08-04 re: bid award for the Sigourney Upper-Level Apartments at 103 South Jefferson Street – Sigourney, Iowa and hold a Special Council meeting on Tuesday, August 23rd at 7:00 p.m. Upon the roll being called, the following voted Ayes: Lentz, Tish, Clark, Conrad, McLaughlin and Iosbaker. Nays: None. Motion approved.

Council member Iosbaker reported that the Child Care Survey has concluded. They expect to hear from the Child Care Project probably around the first of September. There were 190 families that responded, only 8 businesses responded and only 8 providers responded. The work SADC is doing with the school and the website is coming along well. They had another demonstration, and they are making very good progress. They are now working on the look and feel of the website, and he thinks this is going to be a superb project.

Public Safety: Council member Clark updated the Council on the Police Chief search. Out of the five finalist the Public Safety Committee had for the Police Chief position, they set up two interviews. From those interviews and background checks one was eliminated. The other was offered a chance to come and do an in-person interview, visit the town and do testing, but he declined. The Public Safety Committee is going to be meeting again to discuss what the next steps are. A Public Safety Committee meeting was set for Wednesday, August 24th at 4:00 p.m.

Finance: City Clerk Alderson reminded the Council that when gWorks, the City's financial software, moved to the cloud, the City would eventually have to change credit card companies. This is a five-year contract that will automatically renew each year after that. Council member Iosbaker moved, seconded by Council member Lentz, to approve the payment process agreement with CSG Forte Payments for ACH (Automated Clearing House) Processing, Credit and Debit Card Processing, Account Verification and Customer Identification contingent upon review by City Attorney John Wehr. Upon the roll being called, the following voted Ayes: Lentz, Tish, Clark, Conrad, McLaughlin and Iosbaker. Nays: None. Motion approved.

City Clerk Alderson explained that Forte will be doing the ACH payments for the accounts that are signed up for their monthly payments to be pulled automatically from their funds instead of the City sending a file to the bank. Because of that Forte will either add an additional \$1.75 processing fee to each account at the time of processing or the City can opt to pay 50 cents per account out of the City's funds. Currently, this would amount to approximately \$150.00 per month. Council member Iosbaker stated that when we looked at this last spring there will be a savings through postage that could offset the processing fee. Council member Iosbaker moved, seconded by Council member Lentz, to approve the pricing fee schedule with the City accepting the 50 cents per account fee and the \$5.00 monthly statement fee. Upon the roll being called, the following voted Ayes: Lentz, Tish, Clark, Conrad, McLaughlin and Iosbaker. Nays: None. Motion approved.

Council member Clark moved, seconded by Council member Tish, to approve the merchant application with Forte. Upon the roll being called, the following voted Ayes: Lentz, Tish, Clark, Conrad, McLaughlin and Iosbaker. Nays: None. Motion approved.

Public Input: Council member Clark asked if there was an update on the Façade project. Rodger Aller stated there are a lot of pictures and information being gathered. Council member Iosbaker stated they have been going through each of the buildings and talking with the owners. They are gathering information on the state of the work as it stands now. They are listening to the concerns of the property owners and then compiling this into a series of articles. Council member Clark asked if the information would be available before a decision is made next week. The information that is ready will be shared electronically. Rodger Aller stated that some of the items in question are getting finished. There were questions that were discussed regarding the deadline for the project and the consequences if the project is not finished on time and if there is a penalty clause. Rodger Aller stated that he has concerns regarding the change orders and that should be spelled out clearly in the next project. Mayor Morlan stated that sometimes R.G. Construction would ask for a change order after the work is done and then there are sometimes change orders and the work is not done. Council member Conrad stated the Council needed to be careful when discussing two different issues regarding which issue is on the agenda. The Council discussed the timing of the grants and making sure we do not cause delays for the new grant.

The meeting was adjourned by acclamation at 6:56 p.m.

Jimmy Morlan, Mayor

ATTEST: _____
Angela K. Alderson, City Clerk