CITY OF SIGOURNEY, IOWA MINUTES OF REGULAR CITY COUNCIL MEETING OF WEDNESDAY, MARCH 16, 2022

The Sigourney City Council met in regular session in the Council Chambers at City Hall on Wednesday, March 16, 2022, with Mayor Morlan presiding and the following Council members answering roll call: McLaughlin, losbaker, Atwood, Tish, Clark and Conrad. Others present were: Tim Oswald, Piper Sandler & Co.; Mike Sellers and Lora Lee Sellers; Casey Thompson; Jerry Wohler; Don Northup, Director of Public Works I; Richard Fortney, Police Officer; 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: McLaughlin, losbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved.

Council member Clark moved, seconded by Council member McLaughlin, to approve the following items on the Consent Agenda: minutes of March 2, 2022 Council meeting; Council accounts payable claims in the amount of \$72,258.30; City Clerk Financial Reports for February 2022; payroll expenses, miscellaneous expenses, ACH and monthly transfers for February 2022; Ashley Fry and Angie Alderson to attend the IMFOA (lowa Municipal Finance Officers Association) Spring Conference 2022 on Thursday, April 21, 2022 in Des Moines at a Cost of \$125.00 each; community betterment project for \$2,000.00 for Library collection building; credit card report; and the time and place for the April 6, 2022 regular Council meeting will be at 6:00 p.m. at City Hall. Upon the roll being called, the following voted Ayes: McLaughlin, losbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved.

<u>Public Hearing(s):</u> Mayor Morlan stated it was the time and place for the public hearing on the proposal to dispose of the City's interest in properties located at 308 South East Street and 309 West Elm Street. Council member McLaughlin moved, seconded by Council member Tish to open the public hearing on the proposal to dispose of the City's interest in properties located at 308 South East Street and 309 West Elm Street. Upon the roll being called, the following voted Ayes: McLaughlin, losbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved and the public hearing was opened at 6:02 p.m.

Mayor Morlan asked if any additional bids had come in. City Clerk Alderson stated she had not received any and Mayor Morlan turned the meeting over to John Wehr, City Attorney, who opened the bids. Mr. Wehr stated according to the notice that was published the hearing is set for tonight at 6:00 p.m. or shortly thereafter to look at the bids and make a final determination. The minimum bid is \$500.00, and it must identify the street address on the outside. The bidder's name was not required on the outside, but it was not prohibited. Mr. Wehr proceeded to open the bids for Parcel 1 (308 South East Street). Mr. Wehr reminded the Council the bids can be raised if bidders so desire until such time as the City accepts or rejects a final offer. Mr. Wehr reviewed the contract. The successful bidder will sign the contract, become the owner and then the bidder would have until September 16th to have the property torn down, basements filled and utilities disconnected. Any time before then, after the project is completed and the City makes an inspection the deed would become the bidders. In reality the property is owned tomorrow. There were two bids for 308 South East Street in Sigourney, lowa. Casey Thompson made a written bid of \$500.00, and Lora Lee Sellers made a written bid of \$600.00. Mr. Wehr stated Casey Thompson could raise his bid if he so desired or otherwise the Council could vote on the proposed \$600.00 bid from Lora Lee Sellers. Casey Thompson rescinded. Mr. Wehr stated there was one bid for 309 West Elm Street from Casey Thompson for \$500.00.

Mayor Morlan stated that Lora Lee Sellers has high bid on 308 South East Street and Casey Thompson on 309 West Elm Street. Mayor Morlan then asked for a motion to close the public hearing. Council member Clark moved, seconded by Council member Atwood, to close the public hearing on the proposal to dispose of the City's interest in properties located at 308 South East Street and 309 West Elm Street. Upon the roll being called, the following voted Ayes: McLaughlin, losbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved and the public hearing was closed at 6:05 p.m.

Council member McLaughlin moved, seconded by Council member Atwood, to approve Resolution No. 2022-03-06 approving the sale of the property located at 308 South East Street to Lora Lee Sellers for \$600.00 with \$300.00 down. Upon the roll being called, the following voted Ayes: McLaughlin, losbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved.

Council member Atwood moved, seconded by Council member Conrad, to approve Resolution No. 2022-03-07 approving the sale of the property located at 309 West Elm Street to Casey Thompson for \$500.00 with \$250.00

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down. Upon the roll being called, the following voted Ayes: McLaughlin, losbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved.

Mayor Morlan stated it was the time and place for the public hearing on the proposed budget estimate for Fiscal Year July 1, 2022 – June 30, 2023. Council member Tish moved, seconded by Council member Atwood, to open the public hearing on the proposed budget estimate for Fiscal Year July 1, 2022 – June 30, 2023. Upon the roll being called, the following voted Ayes: McLaughlin, losbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved and the public hearing was opened at 6:08 p.m.

Mayor Morlan stated the proposed city budget for fiscal year ending June 30, 2023 was published according to law on March 2, 2022. Mayor Morlan then asked the City Clerk if she had received any written objections and City Clerk Alderson stated she had not. Council member Conrad stated the Council has adopted max tax levy for one portion of the budget. There is a portion that deals with the debt payments and that they are taxed in the appropriate amount. Council member Conrad pointed out that dollars for other employee benefits are being lowered to help keep the fund balance down. The rate being suggested is 15.41553 for the upcoming year. Council member Conrad asked if anyone had any questions. Mayor Morlan asked if there was any public input, hearing none he asked for a motion to close the public hearing.

Council member Conrad moved, seconded by Council member Clark, to close the public hearing on the proposed budget estimate for Fiscal Year July 1, 2022 – June 30, 2023. Upon the roll being called, the following voted Ayes: McLaughlin, losbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved and the public hearing was closed at 6:11 p.m.

Council member Conrad moved, seconded by Council member Iosbaker, to approve Resolution No. 2022-03-08 to adopt the City Budget for Fiscal Year July 1, 2022 – June 30, 2023. Upon the roll being called, the following voted Ayes: McLaughlin, Iosbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved.

Additional City Business: Tim Oswald, Piper Sandler & Co., stated interest rates had not gone the City's way the last month or so and he is asking the Council to not consider the refinancing part of this project at this time. He does not feel the savings warrants the effort. The money is ready to move forward, but the refinancing does not make any sense. Mr. Oswald explained the differences in the interest rates throughout the loan comparing the rates to what was estimated in January. They are 1% to 1.4% higher than estimated in January. The refinancing was for bonds sold in 2013 and 2016. The 2016 bond did not have great savings, but there was some savings, and we were already in the process of doing a bond issue, so it made sense to move forward. This is no longer the case. The 2013 bond still saves money in the amount of \$28,000.00. Mr. Oswald does not feel this is warranted at this time, but he expressed this is the Council's decision. Piper Sandler & Co. would have brought this to the City's attention even without a new bond in the process but would not have been excited about it. The interest savings is approximately a third of the original estimate. Council member Conrad asked if these numbers were just estimated then rates could still go up tomorrow. Mr. Oswald stated that it is unlikely, but yes it could happen. Council member Tish asked if these would be set rates or variable. Mr. Oswald explained the rates would be set once they are sold. Council member Clark asked why it does not make sense to save \$28,000.00 during this process. Mr. Oswald stated they like to compare the savings to prior amount of interest to be paid for and that generates about a 21% reduction in the interest payments. That is not awful or outstanding, just a slight decrease. What Mr. Oswald is worried about when the City sells the issue, the City is agreeing that they cannot repay the issue for seven more years. Seven years is not the full life of the bond, but it would be mathematically difficult to refinance this issue is 2029 as there is not much interest left to be paid and it would be hard to cover fees and still generate any savings at all. Mr. Oswald is concerned that locking up, essentially for the rest of the life of the bond, to pick up a \$28,000.00 savings may not make sense versus just monitoring for a while. Council member losbaker asked about the additional work that has to be done on refinancing, but those numbers are already factored in. There are transactions fees involved (attorneys and Piper Sandler's are the biggest) with selling bonds. Doing the new dollars with the refinancing keeps the refinancing fees low as compared to doing a bond for refinancing only. Council member Clark asked that if the City refinanced the 2013 bond, they would not be able to pay it off for seven years, but now if the Council wanted to pay the bond off next year even more interest could be saved. Council member Clark asked if that was even possible to pay off early. City Clerk Alderson stated probably not as this would raise the tax levy rate considerably. Mr. Oswald stated that paying early with cash would be hard, but by refinancing with a new issue there could still be a savings. Council member Clark asked what the highest the interest will get, still the 3.2%. Mr. Oswald stated the plan is to sell the bonds tomorrow and that is what they currently think the highest rate will be, but he cannot absolutely state it will not be higher than that. Mr. Oswald stated there are three agenda items and his recommendation would be to vote down items

4-2 and 4-3. Agenda item 4-1 could be to table and set a special Council meeting to approve the final results of the bonds for the new money part. A special Council meeting was set for Friday, March 18, 2022 at 8:00 a.m.

Council member Conrad moved, seconded by Council member Tish, to table Resolution No. 2022-03-09 directing the acceptance of a proposal to purchase \$2,485,000* General Obligation and Refunding Capital Loan Notes, Series 2022; and approving the form and authorizing execution of a Note Purchase Agreement until Friday, March 18, 2022 at 8:00 a.m. Upon the roll being called, the following voted Ayes: McLaughlin, losbaker, Atwood, Tish, Clark and Conrad. Motion approved.

Council member Iosbaker moved, seconded by Council member Conrad, to approve Resolution No. 2022-03-10 authorizing the redemption of outstanding Capital Loan Notes, Series 2013, dated August 22, 2013. Upon the roll being called, the following voted Ayes: None. Nays: McLaughlin, Iosbaker, Atwood, Tish, Clark and Conrad. Motion denied.

Council member Isobaker moved, seconded by Council member Conrad, to approve Resolution No. 2022-03-11 authorizing the redemption of outstanding Capital Loan Notes, Series 2016, dated August 17, 2016. Upon the roll being called, the following voted Ayes: None. Nays: McLaughlin, Iosbaker, Atwood, Tish, Clark and Conrad. Motion denied.

City Clerk Alderson explained that after the last Council meeting, the (*Keokuk County*) Auditor's office had another discussion and Fourth Ward description would need to be changed as well. The Auditor's office can not move forward until the City gets our information approved. As the other map was not going to work as printed, City Clerk Alderson asked Matt Walker, French-Reneker-Associates, the cost to update from the previous ward map. The map is done and ready to go. Council member Clark moved, seconded by Council member Atwood, to approve the first reading of Ordinance 2-1-5 Wards-Precincts and to update the reading dates. Upon the roll being called, the following voted Ayes: McLaughlin, losbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved.

Council member McLaughlin moved, seconded by Council member Clark, to waive the second reading of Ordinance 2-1-5 Wards-Precincts. Upon the roll being called, the following voted Ayes: McLaughlin, losbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved.

Council member Tish moved, seconded by Council member Clark, to waive the third and final reading of Ordinance 2-1-5 Wards-Precincts. Upon the roll being called, the following voted Ayes: McLaughlin, losbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved.

City Clerk Alderson stated that a few people have met regarding the July 4th festivities and would like to start planning for the event to be held July 2-4, 2022. They would also like to have a planning meeting and publicize this to be April 4th. Port-a-potties would need to be ordered and donation letters will probably need to be sent out. Jerry Wohler stated that they will be doing Trivia Night for the July 4th festivities and fireworks. Council member Tish asked what the City has been responsible for regarding the 4th of July. There is a separate committee, but it is under the City's insurance umbrella. There were not any festivities during 2020 and Jerry and Emily Wohler kindly put together an event in 2021. The money for the July 4th festivities is receipted and spent out of the Restricted Gifts Fund. Some of the organizations do have their own insurance. Council member Clark moved, seconded by Council member Tish, to approve the July 4th festivities from July 2nd through July 4th and to hold a planning meeting. Upon the roll being called, the following voted Ayes: McLaughlin, losbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved.

City Clerk Alderson stated that if the Council is interested in starting a Façade Phase II project, it needs to start now. There have been some inquires from interested building owners around the square. She has called Brad Grefe with Area 15 Regional Planning Commission and he felt his part would be fairly simple this time, but the architect would have the workload. She also called Rod Curtis with Curtis Architecture and he felt he could do this. The application is due July 31, 2022 and the City should know in September or October if they will receive the grant. And hopefully Phase I should be winding down about that time, but the deadline is around the end of the calendar year. Some decisions will need to be made fast. The City started with a meeting inviting the building owners. There must be a certain number of facades to proceed. Corner buildings can count as two (2) facades. Roofs can be part of the project, which has been beneficial. Council member Conrad explained part of the process including making sure there are enough building owners in a contiguous area. Council member Tish asked about the share of the costs. City Clerk Alderson explained in the Phase I the Community Development Block Grant

paid 55%, the City paid 25% and the building owners paid approximately 20%. This could vary for a new grant application. The City has control of the target area and that could help keep the costs within a budget the City is comfortable with. The City can start with finding out how many building owners are interested and if there would be enough to move the project forward. The current project ended with 119 East Marion Street. If the project goes east this could include the 121 East Marion Street building which the City currently owns. Council member Tish asked if a building could be sold during this process. City Clerk Alderson thought that was possible as long as the new owner was willing to accept what has already been approved. Planning or starting a new Phase does not lock the Council into moving forward. The property owner can also limit how much they want to spend. Council member Tish moved, seconded by Council member McLaughlin, to approve starting Phase II for Façade Improvements. Upon the roll being called, the following voted Ayes: McLaughlin, Iosbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved.

Council member Isobaker stated that SADC (Sigourney Area Development Corporation) will be proceeding to work the schools to start working their website. There are at least four (4) students that are interested. Jeff Graff, SADC President, and Council member Iosbaker are confident they can find additional people who would like to participate. There is an outreach program taking place in SADC where they are looking to align themselves with other economic development groups in Keokuk County. There are other communities that have been contacted and there is interest. There is a podcast available with the Fairfield economic development group. There was an annual meeting held earlier this week. There are inquiries from people interested in starting businesses. SADC would like to have a start up package provided. There has also been a lengthy conversation on childcare as one of the top needs in the area as well as housing. This would be an important undertaking as this could affect people moving to or staying in the area. An action plan is being assembled starting with a survey. SADC is also working with the schools in the area to help revitalize Indian Hills to see if more activity can take place there. There is a lot of activity right now.

<u>Park and Recreation:</u> Council member McLaughlin reviewed the pool personal for the 2022 swimming season. Council member McLaughlin moved, seconded by Council member Tish, to approve Resolution No. 2022-03-12 re: Pool Personnel for the 2022 Swimming Season. Upon the roll being called, the following voted Ayes: McLaughlin, Iosbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved.

Council member McLaughlin explained creating a flag football director position would be like the soccer director position. The job description would start on June 1st through October 31st and include the mowing. Council member McLaughlin moved, seconded by Council member Clark, to approve creating a seasonal position for a Flag Football Director. Upon the roll being called, the following voted Ayes: McLaughlin, losbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved.

Council member McLaughlin reviewed the display ad for creating the Flag Football Director position. Council member McLaughlin moved, seconded by Council member Tish, to approve the display ad for the Flag Football Director position. Upon the roll being called, the following voted Ayes: McLaughlin, losbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved.

<u>Street and Sanitation</u>: Council member Conrad stated the Finance Committee is trying to identify the street projects that will be done if borrowing money for the new bond is approved. He reviewed the maps showing the outlined street projects and whether the projects are mill and fill, sealcoat and/or repairs. Don Northup, Director of Public Works I, explained that there are rules in place that if a sidewalk is being touched (included) they have to meet the ADA rules and regulations. Council member losbaker moved, seconded by Council member Tish, to approve Resolution No. 2022-03-13 re: Street Projects for Fiscal Year 2023. Upon the roll being called, the following voted Ayes: McLaughlin, losbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved.

Director of Public Works I Northup reviewed the areas being proposed for sealcoat work this summer. He said they are going to try something new this year. They are trying to get away from chip and seal and try using river rock. The river rock will last longer and is not as dirty as the chips. Council member McLaughlin moved, seconded by Council member Atwood, to approve the proposal with LL Pelling Co. for 2022 sealcoat work. Upon the roll being called, the following voted Ayes: McLaughlin, Iosbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved.

City Clerk Alderson stated she just learned about an application for money to fix the City's minor collector streets. This is a Fiscal Year 2022 application cycle, but the money would be given to spend in Fiscal Year 2025 and/or Fiscal Year 2026 if awarded. After talking with Matt Walker this would be doable. City Clerk Alderson explained

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what she could regarding this money. There would be a contract with French-Reneker-Associates if this money is awarded. There are parts of Pleasant Valley Street that could use some work. Council member Tish moved, seconded by Council member Clark to approve Resolution No. 2022-03-14 to proceed with the Surface Transportation Program (STBG/SWAP) application for Fiscal Year 2022 and authorizing the Mayor to sign the application. Upon the roll being called, the following voted Ayes: McLaughlin, losbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved.

<u>Water and Wastewater:</u> Council member Conrad moved, seconded by Council member losbaker, to approve Pay Estimate No. 13 from Boomerang Corp for Proposed Wastewater Treatment Plant Improvements – CDBG #19-WS-009 – Sigourney, Iowa – SRF #CS192087001. Upon the roll being called, the following voted Ayes: McLaughlin, Iosbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved.

A Water Committee meeting was set for Tuesday, March 29, 2022 at 4:00 p.m.

<u>Public Safety:</u> Mayor Morlan asked if the Council had a chance to review the changes made to the temporary 28E Agreement with the Keokuk County Sheriff's Department. John Wehr, City Attorney, had also review the changes. Council member Clark stated that he did not like the on-call time. He further explained that when the Sheriff's Department is on-call when there is not a City officer, the deputies have to drive to Sigourney. The City is paying for the deputies to drive, and the response time would be longer. Council member Clark stated it does not make sense to have the Sheriff's Department on-call on the days a City Officer is working. Council member Clark moved, seconded by Council member Atwood, to approve renewing the Temporary 28E Agreement with the Keokuk County Sheriff's Department. Upon the roll being called, the following voted Ayes: McLaughlin, losbaker, Atwood, Tish, Clark and Conrad. Nays: None. Motion approved.

A Public Safety Committee meeting was set for Thursday, March 31, 2022 at 5:00 p.m.

<u>Public Input:</u> Jerry Wohler promoted the Trivia Night for the 19th of April. The proceeds will primarily go to the July 4th festivities and the rest to the fireworks.

Director of Public Works I Northup stated he had attended Certified Pool Operator school and he is certified for five (5) more years.

Council member Clark talked about the school's position on the moving the school buses to the east side of the school. The school superintendent will be contacting the City to set up a meeting to discuss this.

Council member McLaughlin asked about the dog removal from the last Council meeting.

Council member losbaker mentioned that with the pool needing some major work in a few years, maybe the City should talk about some fundraising. Council member Conrad asked if the fundraising done for the Keota pool was a community group or the City.

The meeting was adjourned by acclamation at 7:51 p.m.

	Jimmy Morlan, Mayor	
ATTEST:Angela K. Alderson, City Clerk		