

CITY OF SIGOURNEY, IOWA
MINUTES OF REGULAR CITY COUNCIL MEETING OF
WEDNESDAY, SEPTEMBER 21, 2022

The Sigourney City Council met in regular session in the Council Chambers at City Hall on Wednesday, September 21, 2022, with Mayor Morlan presiding and the following Council members answering roll call: Tish, Clark, Conrad, McLaughlin, Iosbaker and Lentz. Others present were: John Wehr, City Attorney; Rodger Aller; Gail McLaughlin; Casey Jarmes, Sigourney News Review; and Angie Alderson, City Clerk.

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

Council member McLaughlin moved, seconded by Council member Iosbaker, to approve the following items on the Consent Agenda: minutes of regular Council meeting of September 7, 2022; Council accounts payable in the amount of \$41,423.62; City Clerk's Financial Reports for June 2022; payroll expenses, miscellaneous expenses, ACH and monthly transfers for June 2022; City Clerk's Financial Reports for July 2022; payroll expenses, miscellaneous expenses, ACH and monthly transfers for July 2022; Resolution No. 2022-09-03 re: Resolution Providing for the Temporary Closing of East Pleasant Valley Street; Resolution No. 2022-09-04 re: Resolution Providing for the Temporary Closing of the 100 Block of South Jefferson Street; Doug Glandon to attend the Iowa Association of Housing Officials' Annual Class on October 19-20, 2022 at Hawkeye Community College in Cedar Falls, Iowa at a Cost of \$200.00 and to use the City's credit card for hotel reservations and meals; Ashley Fry and Angie Alderson to attend the Iowa Municipal Finance Officers Association Fall 2022 Conference in Des Moines, Iowa on Thursday, October 20, 2022 at a cost of \$125.00 each; Ashley Fry and Angie Alderson to attend the Iowa League of Cities Budget Workshop in North Liberty, Iowa on Thursday, November 3, 2022 at a cost of \$50.00 each; new copier contract with Access Systems: Customer Equipment Pickup Authorization Form and Cost Per Image Agreement; Water Utility Vendor Agreement for the Low-Income Household Water Assistance Program; community betterment project: concrete pad at the 880 North Main Street City Shop for \$25,000.00; credit card report; and the time and place for the October 5, 2022 regular Council meeting will be at 6:00 p.m. at City Hall. Upon the roll being called, the following voted Ayes: Tish, Clark, Conrad, McLaughlin, Iosbaker and Lentz. Nays: None. Motion approved.

Additional City Business: City Clerk Alderson had previously sent information including costs for advertising in the 2023 Keokuk County Visitor's Guide. She stated the City had placed an ad in the 2021 guide at a cost of \$450.00 for a full-page ad. The cost in 2023 is \$650.00 for a full-page ad. The Council asked if there would be any changes to the ad. City Clerk Alderson responded that changes could be made, and they usually tried to update the pictures. Council member Iosbaker moved, seconded Council member Lentz, to approve a full-page display ad to be put in the 2023 Keokuk County Visitor's Guide. Upon the roll being called, the following voted Ayes: Tish, Clark, Conrad, McLaughlin, Iosbaker and Lentz. Nays: None. Motion approved.

Council member Iosbaker stated there have been some recent developments that probably need to be brought to the Council's attention. Rodger Aller, Façade Project Observer, stated he had received a call that there was a roof leak in the Wohler building. (*Mr. Aller provided narrative and pictures for the Council to view.*) Mr. Aller talked with Kevin (*R.G. Construction employee*) and they along with Mayor Morlan went onto the roof this morning. They saw some problems up there that could have possible serious leaks down the road. Mr. Aller question why the air vents were left up there. They are totally outdated and in very poor shape. On the cornice part of the back side there was nothing ever done with that. It could have been covered with some roofing material and been done with it, but they did not. Mayor Morlan stated that if you look closely the two flat areas that are a little hard to see have a lot of cracking in the tar that was placed down on that, which is a possible leak. In the first picture (Exhibit C) there is a chunk of the blacktop that was on there but is not there anymore. Mr. Aller stated he did not see any bad joints or that type of thing, but once the water gets in there it can run a lot of different ways underneath the membrane. The air conditioning pads were never put under the air conditioners, which they were probably supposed to have been. So that creates a lot of sound to the roof when those are running plus it is hard on the roof. Council member Tish asked if R.G. Construction was notified of the situation and City Clerk Alderson stated she called Rod Curtis (*the architect*) and sent him the pictures of the inside of the building. Mr. Curtis emailed R.G. Construction, but the City Clerk did not see a response back. Council member Clark asked if replacing the vents was part of the project. City Clerk Alderson stated that she did not know. Council member Clark asked if the other part that was not touched included in the roof. Mr. Aller stated that removing the vents would have been a lot cheaper than going around them and putting on all the flashing like they did. Council member Clark asked if they are being used. Mr. Aller stated that not to his knowledge unless they ran something he is not aware of

underneath. Council member Clark stated that he could understand them not removing them if they did not know if they were being used and Mr. Aller replied it is pretty obvious, they are not necessary. Mayor Morlan stated that Exhibit A shows the top of (one of the vents) and the large pipe that comes up with the cone shaped cover over it and the band around the outside. Mayor Morlan stated he thinks they could have eliminated any leakage there if they would have just put a cap on the whole thing. Council member Tish asked if the leak came from that spot and Mayor Morlan responded that they do not know that. Mr. Aller stated that it is in that general area because it is about four feet from the wall. The pictures you see of the apartment, that is about where the leakage is and so that puts it right over the top of it, but it could run several different directions if it got onto a beam or other things in the roof structure. Council member Iosbaker pointed out that Exhibit F and Exhibit G are pictures of the ceiling in the main living area of the apartment and the windows are on the north side of the building facing the courthouse. In the photographs, if you look closely, you can see on Exhibit G on the extreme left the water has caused the texturing to fall off. It has fallen onto the furniture. About every four feet there is a stripe like that with leakage and it extends basically the length of the front façade as it is both the living room and the bedroom involved. Council member Tish asked what Kevin's response was. Mr. Aller stated he really did not say anything one way or the other. He did agree that something should be done with those areas, but he did not say he would do it. Mayor Morlan stated that he (*Kevin*) is not in a position to make a statement because this was the subcontractor that was the roofer that was responsible. Council member Iosbaker stated every roof that has been touched has a hole in it somewhere. He is totally unaware, and he does not know if anyone else on the Council is aware, of any remedy or anything like that in communication about this material type from the contractor or the contractor's insurance company and the City has business owners that are being left hanging. Council member Iosbaker stated that the original damage that Wohler's sustained with their furnace the contractor said that would be covered and after the Wohler's received their first dunning letter they paid it themselves. There has not been any communication whatsoever. He would also note that we are nearing the end of this project cycle. This payment request may be the second to the last that the City will be asked to authorize. Council member Clark asked John Wehr, City Attorney, what happens if the City does not pay this until stuff is fixed. Mr. Wehr stated that this is an interesting project because the City is the contract owner, the architect is Curtis, and the contractor is R.G. Construction. The building owners are just benefactors of the City's ownership. The roofing company is a subcontractor. The contract says, "based upon application for payment submitted to the architect by the contractor and certificates for payment issued by the architect the owner shall make progress payments on account of the contract sum to the contractor." Once the architect says he has certified an amount, the owner shall make the payment under the terms of the contract. "If provided that an application for payment is received by the architect not later than the 30th day of the month" and it looks like the application was signed on September 1st, but the architect approved it September 13th. It was after the 30th day of the month. "The owner shall make payment of the certified amount to the contractor, not later than the 15th day of the month but if the application for payment is received by the architect after the 30th the payment shall be made by the owner not later than 30 days after the architect received the application for payment. The architect certificate was dated September 13th. It looks like the City has 30 days after the 13th to make the payment, if you interpret it that way, because it was not received by the 30th day of the month. Mr. Wehr stated there are a lot of warranty clauses in the contract. There are actually contractor warranties to the owner and the architect that the work will conform to the requirements of the contract documents and will be free from defects. There is an express warranty in the contract and there is quite a bit of time to come in on the warranty. Council member Iosbaker stated that this extended to eight years of the implied or implicit warranty. Mr. Wehr stated it is not like this is done and over with. Council member Iosbaker stated that suggests to him that even though the roof work was completed in August or July it is under warranty. Mayor Morlan stated he thought the roof was warranted for twenty years. Mr. Wehr stated the owner is the City so who gets the warranty the building owner or the City. Council member Iosbaker stated there is a warranty on the roof itself and the work the contractor performed which really addresses getting the roof tight so that it does not leak. That should provide a path to that and then there is the incremental question of the costs incurred by the building owners to repair the damages that have been incurred as a result. The big question in Council member Iosbaker's mind and in acknowledging the degree of damage that has been incurred by the individual owners varies considerably from building to building to building. He does not have an understanding if there is anything that can be done. Do the building owners have to incur these costs or is there anything . . . He feels the business owners are being imposed upon significantly and they seem to have no recourse. Given this most recent situation, just a few days old, as an individual Council member he is reluctant to authorize this until we can figure out how or whether this situation can be remedied. After reading the contracts, it seems like the fact that the City sits in the middle of this contract creates a firewall in terms of getting remedies for poor workmanship, poor performance, things like that. He would like to understand that before the City authorizes this. (*Council member Iosbaker made a motion at this time, but discussion continued before a second was made.*) The Council further discussed the timing of payment with the City Attorney John Wehr. Council member Lentz asked what happens if the City says no to the payment on October 5th. Mr. Wehr stated it says that payments due and unpaid under

the contract shall bear interest from the date payment is due at the rate stated below which is 1.5%. It does not say if that is per annum, per week, per day, per month or just 1.5% of the total amount. Council member McLaughlin asked if the Council tables this what are they are going to do in the meantime until the next Council meeting. Council member Tish stated we could get a response from them and to look at the specs. Mr. Aller stated the roofer is supposed to be back next week to fix some other issues and Kevin and Mr. Aller are going to take him up there and show him. He may not even be aware of this. After he looks at this maybe the roofer would have some suggestions. Mayor Morlan stated up to this time the City has had a hard time getting any response from R.G. Construction at all. If the Council tables this, it will get his attention and he will come talk to us. Council member Iosbaker agreed with Mayor Morlan, and he thinks this is what the Council wants. Mr. Wehr read an excerpt from the Construction Contracts between the City and the building owners. The building owners agree that they “understand that the City or other duly authorized agents will be responsible for supervision and coordination of the performance of the contract.” The City is responsible for supervision and coordination. Mr. Aller stated that the spec book states there is supposed to be a work schedule. These schedules are received sporadically and usually have to be asked for. Council member Tish asked where the information came from. City Clerk Alderson stated this is a contract between the building owner and the City. This did not necessarily come from CDBG. Would this be necessary going forward and if this is something that needs to be amended to better protect the City and the building owners. City Clerk Alderson stated that to her knowledge it is not CDBG language, but she would have to ask. Mr. Wehr stated it is an interesting project because the City is the owner of the contract. The building owners gave permission to go onto the property and to cooperate but left the City responsible for supervision and coordination. Mayor Morlan stated that the roof problems here are indicative of other situations we have had in the buildings, so we are not talking about just roofs. Council member Iosbaker moved, seconded by Council member Conrad, to table discussion and possible approval of the application and certificate for payment no. 10 to R.G. Construction for the Sigourney CDBG Façade Improvement Phase I Project until the October 5th Council meeting. Upon the roll being called, the following voted Ayes: Tish, Clark, Conrad, McLaughlin, Iosbaker and Lentz. Nays: None. Motion approved.

Council member McLaughlin left the Council meeting as she had a meeting with the Keokuk County Community Endowment Grant Committee where she represents the City of Sigourney.

Council member Iosbaker stated there has been quite a bit of activity at SADC (Sigourney Area Development Corp.). They have been active in the community and have issued about \$70,000.00 worth of loans for new business and business expansion. Planning has begun on the annual SADC raffle. The Farmers Market will be closing soon, and planning will commence for next year. Things are going very well with the relationship with the school district. The website development is coming along very well. They have had another demonstration from the High School Junior who is doing the website development. It was very well received by the board when shared. It will be populated, and Council member Iosbaker is optimistic that by late October they will have something published. It will not be a total website, but it will be out there, and it will be a vast improvement.

Public Safety: Council member Clark stated that at the last Council meeting the updates to the UTV Ordinance were approved along with the first reading. The Public Safety Committee asked City Attorney John Wehr to review this Ordinance and there are two things they would like to change. The first change is under 3-15-2 Definitions. The Committee would like to change the definition to what the State of Iowa identifies as a UTV. The second change is under 3-15-4 subsection 4 – operational headlights “turned on” at all times on primary road extensions. These are the only two changes made, but felt they were significant enough to go back and approve the first reading again. Council member Clark moved, seconded by Council member Lentz, to approve the first reading of Ordinance Title III – Community Protection, Chapter 15 – Utility Trail Vehicles (UTVs). This motion died from lack of a second. Council member Conrad stated that the wording under the definition changed from UTV to Off Road Utility Vehicle and should the title of Chapter 15 be Off Road Utility Vehicle to tie it all up with the same wording as the definition. City Clerk Alderson asked if UTV should be changed to Off Road Utility Vehicle throughout the Ordinance. Council member Conrad stated he thought we could make this change and still move forward. City Attorney Wehr agreed that might be the best solution. Council member Clark moved, seconded by Council member Lentz, to approve the first reading of Ordinance Title III – Community Protection, Chapter 15 – Utility Trail Vehicles (UTVs) changing UTV to Off Road Utility Vehicle. Upon the roll being called, the following voted Ayes: Tish, Clark, Conrad, Iosbaker and Lentz. Nays: None. Motion approved.

Human Resources: City Clerk Alderson stated the medical insurance has increased by 3.4%. Council member Conrad stated that the Human Resources Committee is recommending that the City keep the same general plan which is increasing 3.4% instead of switching to any other plan. City Clerk Alderson stated our agent feels there may be a larger increase next year and the Human Resources Committee discussed meeting next spring and

talking about other options. Council member Iosbaker moved, seconded by Council member Clark, to approve the policy for employee medical insurance benefits. Upon the roll being called, the following voted Ayes: Tish, Clark, Conrad, Iosbaker and Lentz. Nays: None. Motion approved.

City Clerk Alderson stated she just received the dental insurance information. This usually increases three to five percent every other year. Council member Tish moved, seconded by Council member Iosbaker, to approve a policy for employee dental insurance benefits. Upon the roll being called, the following voted Ayes: Tish, Clark, Conrad, Iosbaker and Lentz. Nays: None. Motion approved.

City Clerk: City Clerk Alderson stated she had missed one of the G.O. Bonds on the obligation report and is presenting to the City Council with the correction.

Public Input: Gail McLaughlin stated that when she goes to the hospital from her home it is convenient to turn on to South Stuart Street. When she turned off Kelley Street toward the hospital entrance, the entire right side of the street was filled with cars. She was hoping she did not meet anybody on the road as she would have to back up a half block. She asked if this is a concern or would the City need to make it no parking on both sides of the street after the new addition to the hospital is completed. Mayor Morlan stated that the Council would review this with the Director of Public Works.

Mr. Aller stated that when they were on the roof today, they were down the alley by the Fire Station and there are signs there that are broke off with steel stakes sticking out of the ground. Mayor Morlan stated he has talked with the Director of Public Works and that is the Fire Station's responsibility.

Mayor Morlan asked for a motion to close the Council meeting. Council member Iosbaker moved, seconded by Council member Lentz, to adjourn the meeting. Upon the roll being called, the following voted Ayes: Tish, Clark, Conrad, Iosbaker and Lentz. Nays: None. Motion approved.

The meeting was adjourned at 6:46 p.m.

Jimmy Morlan, Mayor

ATTEST: _____
Angela K. Alderson, City Clerk