

The City Council met in regular session, June 12, 2018 at 7:00 P.M. in the City Hall Council Chamber. Present on roll call: Mayor Vulich; Councilmembers: Gassman, Seeley, Allesee (via phone), Connell, Schemers and Odor. Councilmember McGraw - absent for a portion of the meeting.

M/S, Gassman-Seeley moved to dispense with the reading of the minutes of the regular City Council and Committee of the Whole meetings of May 8, 2018 and they be approved as published on May 21, 2018. On roll call, Gassman, Seeley, Allesee, Connell, Schemers, Odor - Yes; McGraw - Absent. Motion carried.

M/S, Gassman-Seeley moved to dispense with the reading of the minutes of the regular City Council and Committee of the Whole meetings of May 22, 2018 and they be approved as published on June 5, 2018. On roll call, Gassman, Seeley, Allesee, Connell, Schemers, Odor - Yes; McGraw - Absent. Motion carried.

PUBLIC HEARINGS

Mayor Vulich convened a public hearing concerning the vacation of a portion of the 3600 block of Cleveland Street right-of-way. No comments were received, written or oral. M/S, Odor-Gassman moved that the public hearing concerning the vacation of a portion of the 3600 block of Cleveland Street right-of-way be entered into the record. On roll call, Gassman, Seeley, Allesee, Connell, Schemers, Odor - Yes; McGraw - Absent. Motion carried.

M/S, Odor-Gassman moved the Council consider an ordinance for the first time - AN ORDINANCE PROVIDING FOR THE VACATION AND CONVEYANCE OF THE WEST 40 FEET OF THE 3600 BLOCK OF CLEVELAND STREET RIGHT-OF-WAY TO DIXIE LEE LEEPER FOR \$1,200.00. On roll call, Gassman, Seeley, Allesee, Connell, Schemers, Odor - Yes; McGraw - Absent. Motion carried.

M/S, Odor-Gassman moved the rules be suspended and the Council consider an ordinance for the second time. On roll call, Gassman, Seeley, Allesee, Connell, Schemers, Odor - Yes; McGraw - Absent. Motion carried.

M/S, Odor-Gassman moved the rules be suspended and the Council consider an ordinance for the third time. On roll call, Gassman, Seeley, Allesee, Connell, Schemers, Odor - Yes; McGraw - Absent. Motion carried.

M/S, Odor-Gassman moved the rules be suspended and the ordinance under consideration be placed on its final passage and adopted. On roll call, Gassman, Seeley, Allesee, Connell, Schemers, Odor - Yes; McGraw - Absent. Motion carried.

ORDINANCE NO. 2583

Mayor Vulich convened a public hearing concerning the authorization of a loan agreement and the issuance of not to exceed \$3,500,000.00 General Obligation Capital Loan Notes of the City of Clinton, State of Iowa. No comments were received, written or oral. M/S, Schemers-Odor moved that the public hearing concerning the authorization of a loan agreement and the

issuance of not to exceed \$3,500,000.00 General Obligation Capital Loan Notes of the City of Clinton, State of Iowa be entered into the record. On roll call, Gassman, Seeley, Allesee, Connell, Schemers, Odor – Yes; McGraw – Absent. Motion carried.

M/S, Schemers-Odor moved the Council adopt Resolution No. 2018-268 instituting proceedings to take additional action for the issuance of not to exceed \$3,500,000.00 General Obligation Capital Loan Notes. On roll call, carried unanimously.

In discussion before roll call, Councilmember Seeley requested information regarding the notes. City Administrator Matt Brooke stated the notes pertained to the 1st Avenue Force Main Project that would begin in the summer of 2018. Administrator Brooke stated the project would help with drainage and flooding issues near the Riverview Pool and the LumberKings Stadium. City Engineer Jason Craft stated the work in the summer of 2018 would be one of many steps to help alleviate issues in the project area. Engineer Craft stated the pump station would be rebuilt in 2019 and stated \$800,000.00 in funding was awarded for the project through a Community Development Block Grant. Councilmember McGraw joined the meeting.

Mayor Vulich convened a public hearing concerning the proposal to approve and authorize execution of a LMI Funds Agreement by and between the City of Clinton and YWCA of Clinton, Iowa. No comments were received, written or oral. M/S, Gassman-Seeley moved that the public hearing concerning the proposal to approve and authorize execution of a LMI Funds Agreement by and between the City of Clinton and YWCA of Clinton, Iowa be entered into the record. On roll call, Gassman, Seeley, McGraw, Allesee, Connell, Schemers, – Yes; Odor – Abstain. Motion carried.

M/S, Gassman-Seeley moved the Council adopt Resolution No. 2018-269 approving and authorizing execution of a LMI Funds Agreement by and between the City of Clinton and YWCA of Clinton, Iowa. On roll call, Gassman, Seeley, McGraw, Allesee, Connell, Schemers, – Yes; Odor – Abstain. Motion carried.

In discussion before roll call, Councilmember Gassman stated the agreement would provide \$15,000.00 a year to the YWCA for three consecutive years.

AUDIENCE COMMENT

Mrs. Rhonda Kearns, 262 22nd Avenue North, stated she supported the elimination of the City Assessor's office and merging with the County Assessor's office.

CONSENT AGENDA

Councilmember Connell requested that item #8 be removed to Unfinished Business. M/S, McGraw-Seeley moved to approve the Consent Agenda, as amended. On roll call, carried unanimously.

1. Airport Commission – minutes 04/16/2018 – receive, approve and place on file.
2. Committee of the Whole – minutes 05/22/2018 – receive, approve and place on file.
3. Hometown Pride Local Committee – minutes 06/01/2018 – receive, approve and place on file.

4. Completed Work Orders – May and June 2018 – receive, approve and place on file.
5. Correspondence – unsigned – 05/21/2018 – receive, approve and place on file.
6. Plans & Specs – 6th Avenue North Parking Lot Resurfacing Project T-2018 – receive, approve and place on file (copy available for inspection at Clerk’s office).
7. Plans & Specs – Project B-2018, 1st Avenue Force-main Replacement Project – receive, approve and place on file (copy available for inspection at Clerk’s office).
8. Contract and Contractor’s Bond – Rhododendron Showboat Rehabilitation Project – Air Control, Inc. - \$148,240.00 – Removed to Unfinished Business.
9. Contract and Contractor’s Bond – Project K-2018, ADA Curb Ramp Replacement Project – Clinton Engineering Co. Inc. - \$162,353.00 – receive, approve and place on file (copy available for inspection at Clerk’s office).
10. Resolution No. 2018-270 – approving a fiscal year 2019 pay raise for non-bargaining employees.
11. Resolution No. 2018-271 – approving the renewal of dental insurance with Delta Dental of Iowa for fiscal year 2019.
12. Resolution No. 2018-272 – setting AFSCME unit and non-bargaining employees health insurance premium contributions for FY2019-FY2021.
13. Resolution No. 2018-273 – amending the housing inspection delinquency lien list.
14. Resolution No. 2018-274 – authorizing the collection/certification of nuisance clean up liens - \$2,095.48.
15. Resolution No. 2018-275 – authorizing the collection/certification of nuisance clean up liens - \$1,685.00.
16. Resolution No. 2018-276 – requesting assignment of County-held tax certificates.
17. Resolution No. 2018-277 – authorizing acquisition of permanent easements for the Turtle Creek Culvert Replacement and Sanitary Sewer Relocation Project (Merritt).
18. Resolution No. 2018-278 – approving supplemental agreement for primary roads maintenance and repair between Iowa Department of Transportation and the City of Clinton.
19. Resolution No. 2018-279 – awarding contract for the Project P-2018, 13th Avenue South Reclamation Project – Larry L. Detterman Inc. - \$48,350.00.
20. Resolution No. 2018-280 – ordering construction of improvement, setting public hearing and directing advertisement for bids – 6th Avenue North Parking Lot Resurfacing Project T-2018.

21. Resolution No. 2018-281 - approving Change Order No. 1 - Asphalt Resurfacing Project F-2018 - Determann Asphalt Paving, LLC - \$54,778.74.
22. Resolution No. 2018-282 - recommending Payment No. 1 - 2018 Demolition of Structures Project, Phase I - 241 North Bluff Blvd. - Jurgersen Hauling - \$7,457.50.
23. Resolution No. 2018-283 - recommending Payment No. 1 - 2018 Demolition of Structures Project, Phase I - 847 11th Avenue South - BWC Excavating - \$6,080.00.
24. Resolution No. 2018-284 - recommending Payment No. 1 - Orchard Heights Resurfacing Project G-2018 - Determann Asphalt Paving, LLC - \$104,284.92.
25. Resolution No. 2018-285 - recommending Payment No. 2 - Highway 67 (North 3rd Street) Roadway Rehabilitation Project A-2017 - Determann Asphalt Paving, LLC - \$222,710.11.
26. Resolution No. 2018-286 - recommending Payment No. 2 - Asphalt Street Resurfacing Project F-2018 - Determann Asphalt Paving, LLC - \$392,965.88.
27. Resolution No. 2018-287 - recommending Payment No. 3 - 7th Avenue South ADA Curb Ramp Replacement Project A-2018 - Clinton Engineering Company - \$19,287.32.
28. Resolution No. 2018-288 - recommending Payment No. 11 - 25th Avenue North Sewer Separation Project A-2016 - BWC Excavating, LC - \$176,417.89.
29. Resolution No. 2018-289 - approving issuance of cigarette/tobacco/nicotine/vapor permit.
30. Resolution No. 2018-290 - approving Class C Liquor License renewal application with Sunday Sales privilege and issuance of a Class I Letter of Exemption for allowing persons under 21 in licensed premises for Yen Ching Restaurant.
31. Resolution No. 2018-291 - approving Class B Beer Permit License renewal application with Class B Native Wine Permit and Sunday Sales privileges and issuance of a Class I Letter of Exemption for allowing persons under 21 in licensed premises for Pizza Hut - 1616 North Second Street.
32. Resolution No. 2018-292 - approving Class B Beer Permit License renewal application with Class B Native Wine Permit and Sunday Sales privileges and issuance of a Class I Letter of Exemption for allowing persons under 21 in licensed premises for Pizza Hut - 2712 South 25th Street, Suite A.
33. Resolution No. 2018-293 - approving Class A Liquor License renewal application with Sunday Sales privilege and issuance of a Class II Letter of Exemption for allowing persons under 21 in licensed premises for Amvets Post 28.

MOTIONS, RESOLUTIONS, AND ORDINANCES

M/S, Gassman-Seeley moved that the Claims be received, approved and placed on file. On roll call, carried unanimously.

M/S, Schemers-Odor moved the Council consider an ordinance for the second time - AN ORDINANCE REPEALING SECTIONS 31.105; 31.106 AND 31.107 OF THE CODE OF ORDINANCES OF THE CITY OF CLINTON, IOWA. On roll call, carried unanimously.

M/S, Schemers-Seeley moved the rules be suspended and the Council consider an ordinance for the third time. On roll call, Seeley, McGraw, Allesee, Connell, Schemers, Odor - Yes; Gassman - No. Motion carried.

M/S, Schemers-Odor moved the rules be suspended and the ordinance under consideration be placed on its final passage and adopted. On roll call, Seeley, McGraw, Allesee, Connell, Schemers, Odor - Yes; Gassman - No. Motion carried.

ORDINANCE NO. 2584

M/S, Seeley-Gassman moved the Council consider an ordinance for the first time - AN ORDINANCE AMENDING CHAPTER 52 OF THE CODE OF ORDINANCES OF THE CITY OF CLINTON, IOWA. No roll call completed. Motion failed.

In discussion after the motion and second, Councilmember Gassman requested clarification from Administrator Brooke on the ordinance. Administrator Brooke stated the ordinance amendment pertained to the requirement to install grease interceptors at food establishments. Administrator Brooke stated grease interceptors helped prevent clogs in the sewer system and corresponding basement backups. Administrator Brooke stated the Council could choose to adjust the incentive contained within the ordinance. Administrator Brooke stated incentives were meant to encourage installation of grease interceptors, as well as to create a conducive business environment in the City.

Administrator Brooke stated the Council could consider five incentive options: 1) the incentive currently in the drafted ordinance whereby a food establishment could be reduced from Class 3 for sewer billing to Class 2 until the mandatory installation date of June 30, 2020; 2) a five year sewer billing adjustment from Class 3 to Class 2 after a grease interceptor was installed; 3) an indefinite sewer billing adjustment from Class 3 to Class 2 after a grease interceptor was installed; 4) no incentive options; or 5) a flat fee rebate applied to the sewer bill.

Administrator Brooke stated if all 85 existing restaurants installed grease interceptors and were adjusted from Class 3 to Class 2 for billing, approximately \$138,000.00 in revenue would be lost each year. Administrator Brooke stated there would be revenue gained from the collection of inspection fees and a reduction in expenses incurred to clean out clogs caused by fats, oils and grease. Administrator Brooke stated potential reductions in basement backups caused by fats, oils and grease in the sewer system would also benefit the affected residents. Administrator Brooke stated the cost for grease interceptors ranged from \$1,000.00 - \$4,000.00.

Councilmember Gassman stated he would like business establishments to receive some sort of incentive and stated he was supportive of establishments permanently being changed to Class 2 for sewer billing once a grease interceptor was installed. Councilmember Gassman stated with the increase in sewer rates, any lost revenues could be absorbed. Mayor Vulich and Councilmember Schemers concurred on the permanent adjustment to Class 2 for sewer billing once a grease interceptor was installed. Mayor Vulich stated he was not supportive of the higher sewer rates imposed on business establishments. Mayor Vulich stated the high sewer rates were a burden on restaurants and were not conducive to attracting restaurant establishments.

Councilmember Seeley stated he would like the matter referred back to the June 26, 2018 Committee of the Whole meeting for further discussion. Councilmember Seeley requested information on the difference between Class 2 and Class 3 for sewer billing and a thorough review of potential lost revenue if the establishments were changed from Class 3 to Class 2 for sewer billing. City Attorney Patrick O'Connell stated the City could chose to provide a rebate to business owners but legal counsel would need to more fully explore the legal ability to change billing classes as an incentive. Mayor Vulich stated the City used to have five sewer billing classes and had reduced the rate structure to three classes several years ago.

M/S, Seeley-Gassman moved to place the Ordinance Amending Chapter 52 on the June 26, 2018 Committee of the Whole agenda for further discussion. On roll call, Gassman, Seeley, Allesee, Connell, Schemers, Odor – Yes; McGraw – Abstain. Motion carried.

In discussion before roll call, Councilmember Seeley stated he would like a breakout of one year, two year and three year rebate options, an explanation of how Class 2 and Class 3 was assigned to an establishment, and a review of the sewer budget. Mayor Vulich stated he would like to review the prior five class sewer billing structure.

M/S, Odor-Gassman moved that the Council adopt Resolution No. 2018-294 approving agreement with McClure Engineering Company for engineering services for “Preliminary Planning and Design Services and BUILD Grant Application.” On roll call, carried unanimously.

In discussion before roll call, Councilmember Seeley inquired about the initial costs. Administrator Brooke stated the initial costs would be \$30,000.00. Councilmember Seeley inquired if additional costs would not be incurred unless the grant was received. Administrator Brooke answered in the affirmative. Councilmember Connell inquired if the study could be utilized for future grant applications, if a grant was not awarded during the current grant cycle. Administrator Brooke stated some information contained within the study may need to be updated for future grant opportunities.

M/S, Connell-Schemers moved that the Council adopt Resolution No. 2018-295 approving and authorizing execution of a Second Amendment to the Development Agreement by and between the City of Clinton and The Washington, LLC. On roll call, carried unanimously.

In discussion before roll call, Administrator Brooke stated The Washington LLC had executed the agreement. Councilmember Seeley stated he was supportive of the amendment and the amendment restricted The Washington LLC from conveying the property to a non-profit entity, exempt from taxation, for a period of ten years after the fifteen year tax rebate period.

M/S, Seeley-Connell moved that the Council adopt Resolution No. 2018-296 approving and authorizing an amendment to Loan and Disbursement Agreement by and between the City of Clinton and the Iowa Finance Authority, and authorizing and providing for the reissuance of the \$5,675,000.00 Sewer Revenue Capital Loan Notes, Series 2018 (2007 – Rate Reset) of the City. On roll call, carried unanimously.

In discussion before roll call, Administrator Brooke stated \$592,117.00 would be saved by the City due to the interest rate reduction. Councilmember Seeley inquired about the amount of reduction for the interest rate. Administrator Brooke stated the interest rate was going from 3% to 1.75%.

UNFINISHED BUSINESS

M/S, Gassman-Seeley moved that the Council receive, approve and place on file the Contract and Contractor's Bond - Rhododendron Showboat Rehabilitation Project - Air Control, Inc. - \$148,240.00. On roll call, Gassman, Seeley, McGraw, Allesee, Schemers, Odor - Yes; Connell - Abstain. Motion carried.

M/S, McGraw-Seeley moved to adjourn to 7:00 P.M. June 26, 2018. On roll call, carried unanimously.

Mark S. Vulich
Mayor

Lisa M. Frederick
City Clerk