

Committee of the Whole
December 11, 2018

Present: Mayor Vulich; Councilmembers Gassman, Seeley, McGraw, Allesee, Connell, and Schemers, City Attorney, City Administrator, City Clerk, Press and interested citizens. Councilmember Odor – absent.

1. Comprehensive Opioid Abuse Site-Based Program Grant – Kristin Huisenga, Executive Director of the Clinton Substance Abuse Council/Coalition Coordinator of the Gateway ImpACT Coalition

Huisenga stated meetings had been occurring monthly with the facilitators of the grant. Huisenga stated the first outreach event was also held, with one attendee present. Huisenga stated outreach events would be occurring monthly. Renae Council of Mercy Hospital stated progress had been made for the medication-assisted treatment program at Mercy. Council stated a nurse had been hired for the program and a space had been solidified. Council stated the program was slated to begin in mid-January 2019. Huisenga stated the grant was progressing full steam ahead and quarterly reports would be provided to the Council.

2. Oxidation Ditch Mixers at the RWRf – Water Quality Superintendent Bob Milroy

Superintendent Milroy stated an alternative energy study was completed in 2016 for the RWRf that showed the two major energy users were the blowers and the mixers. Superintendent Milroy stated the mixers moved water around in the oxidation ditches and ran 24/7. Superintendent Milroy stated the mixers also ran at a high RPM (revolutions per minute) which led to more maintenance issues. Superintendent Milroy stated he had been looking for ways to improve savings.

Superintendent Milroy stated he found mixers that would run on a lower RPM and visited another treatment plant in Iowa that was operating with the subject mixers for the last ten years without issue. Superintendent Milroy stated switching to the proposed mixers would result in an approximate energy savings of \$40,000.00 per tank per year. Superintendent Milroy stated two tanks ran at a time, with a projected total energy savings of \$80,000.00 per year. Superintendent Milroy stated Alliant Energy reviewed the proposed mixers and would offer an approximate rebate of \$60,000.00 per tank. Councilmember Connell stated the new mixers would pay for themselves in two years. Superintendent Milroy concurred. Superintendent Milroy stated it would be proposed that one tank be upgraded with the new mixers this fiscal year and the other tanks be budgeted for FY20 and FY21 at \$160,000.00 each fiscal year.

M/S, Connell-Schemers moved to approve authorizing Superintendent Milroy to proceed with procuring bids for one tank. On roll call, Gassman, Seeley, McGraw, Allesee, Connell, Schemers – Yes; Odor – Absent. Motion carried.

In discussion prior to second, Councilmember Seeley inquired about the lifespan of the mixers. Superintendent Milroy stated the current mixers had a projected lifespan of ten years. Councilmember Connell inquired when the current mixers were purchased. Superintendent Milroy stated the existing mixers had been purchased in 2010. Councilmember Seeley inquired if the new mixers, with a lower RPM, would have a similar lifespan. Superintendent Milroy stated the lifespan should be better than ten years. Councilmember Seeley inquired if the tanks would go from three mixers to two. Superintendent Milroy stated the tanks would go from six mixers to five mixers per tank.

In discussion before roll call, Councilmember Gassman inquired about spending money on new mixers rather than contacting the manufacturer for the existing tanks. Superintendent Milroy stated contact had been made with the manufacturer of the existing tanks. Councilmember Gassman inquired about tanks that used air and bubbles. Superintendent Milroy stated the existing tanks used air and bubbles and the mixers moved the water through. Councilmember Seeley stated by purchasing mixers for one tank at a time, the City could determine how well the new mixers worked prior to replacing the mixers in all the tanks. Superintendent Milroy concurred and stated staggering replacement would also help prevent the need to repair or replace all mixers at the same time in the future. Councilmember Gassman stated comparison would need to be completed to determine if the projected energy savings occurred. Superintendent Milroy stated meters would be installed to provide an accurate comparison.

3. Seventh Amendment to the City's Consent Decree – Water Quality Superintendent Bob Milroy

Superintendent Milroy stated the DNR had been very cooperative in working with the City on proposed amendments to its Consent Decree. Superintendent Milroy stated the original Consent Decree required the City to operate and maintain continuous flow monitoring at the 3rd Avenue Pump Station. Superintendent Milroy stated the goal was to observe CSO (combined sewer overflow) events. Superintendent Milroy stated data was collected internally for the 3rd Avenue Pump station, with no record of the flow going through the lift station required. Superintendent Milroy stated it would be proposed that the water flow through the 3rd Avenue Pump Station by gravity and that pumping only occur when the river level was above 17 feet. Councilmember Seeley inquired if the change would help with basement back-ups. Superintendent Milroy answered in the affirmative as long as the river level was under 17 feet. Superintendent Milroy stated the 3rd Avenue Pump Station was not designed to run 24/7 and the change would help reduce the amount of maintenance costs. Councilmember Gassman inquired if the 3rd Avenue Pump Station was scheduled for upgrading. Superintendent Milroy stated a VFD (variable frequency drive) had been replaced. Superintendent Milroy stated with the proposed change, some upgrades could be delayed.

M/S, Seeley-Gassman moved to forward the Seventh Amendment to the City's Consent Decree to the next City Council agenda. On roll call, Gassman, Seeley, McGraw, Allesee, Connell, Schemers – Yes; Odor – Absent. Motion carried.

4. Joint 28E Agreement for Lincolnway Railport Project – City Administrator Matt Brooke

Administrator Brooke stated the County provided a loan/grant to the City in the amount of \$6,000,000.00 for the development of the Lincolnway Railport Project pursuant to a 28E Agreement executed in 2009. Administrator Brooke stated the City was to reimburse the County over a ten-year period from sales of the lots at the Park. Administrator Brooke stated at the end of the ten-year period any remaining unpaid balance was to be paid in full. Administrator Brooke stated the City had paid \$750,000.00 to the County, with \$5,250,000.00 remaining outstanding. Administrator Brooke stated the proposed draft Joint 28E Agreement would provide that the transfer of the property owned by the City in the Rail Park to the County would serve as satisfaction in full of the unpaid County grant balance of \$5,250,000.00. Administrator Brooke stated the City would still help sell properties at the Park and the City would receive a percentage of the commission on the sales.

Councilmember Gassman stated the City had hoped the Rail Park project would be successful. Councilmember Gassman stated when funds were borrowed from the County, it was expected that the funds be repaid. Councilmember Gassman stated everyone in the County had been

paying back the debt. Councilmember Gassman stated the ground had been rented by farmers and inquired about selling the ground to the farmers. Councilmember Connell stated the site would lose its accreditation if it was sold to farmers.

Mayor Vulich stated approximately 240 acres in the Park were owned by the City. Councilmember Gassman stated the City had put in various improvements, including roads, bridges, rail and rail switches. Councilmember Gassman stated he was unhappy with the rail agreement. Councilmember Gassman stated the rail and sewer to the property had added value to the property. Councilmember Gassman stated tax relief was provided by the City to the industries that had located at the Rail Park. Councilmember Gassman inquired if an appraisal of the property owned by the City had been completed. Administrator Brooke answered in the affirmative and stated the 240 acres owned by the City had no infrastructure on them. Councilmember Seeley inquired when the property was appraised. Administrator Brooke stated the property had been appraised three months ago. Administrator Brooke stated if an agreement was not reached, citizens would continue to pay for the Rail Park on their real estate taxes.

Councilmember Gassman inquired how much had been invested in the Rail Park. Administrator Brooke stated if the ground owned by the Clinton Regional Development Corporation ("CRDC") was included, an investment of \$18 million had been made. Administrator Brooke stated the City would still be able to execute development agreements on future sales. Councilmember Gassman inquired if the assessment for the County bond for the Rail Park was only assessed to Clinton residents on the tax bills. Administrator Brooke stated he believed that was the case. Councilmember Gassman stated the project was a large investment and he did not believe the proposed 28E Agreement was a fair deal. Councilmember Gassman stated he believed the City was not being compensated for its investment.

Mayor Vulich stated the County wanted \$5,250,000.00 and the City would have to pay the County the sum. Councilmember Gassman stated the sum had already been paid. Mayor Vulich stated the County did not consider the sum paid. Councilmember Gassman reiterated that the debt had already been paid off. Administrator Brooke stated the bond taken out by the County for the loan to the City would be paid off in the spring of 2019.

Councilmember Seeley stated the land at the Rail Park was in the City limits and any development would benefit the City via real estate taxes. Councilmember Seeley inquired if discussions had occurred with the CRDC. Administrator Brooke stated the property was owned by the City, not the CRDC. Councilmember Seeley stated he believed the CRDC should be included in the discussion. Administrator Brooke stated the CRDC was not involved with the loan from the County. Councilmember Allesee stated the CRDC received a copy of the Committee of the Whole agenda and if the CRDC had concerns, someone from the CRDC could have attended the meeting.

Councilmember Seeley inquired if the City would have any say on the sale price of properties at the Rail Park. Administrator Brooke stated the 28E provided that the County and City would negotiate and businesses needed to be attracted to the Park. Councilmember Seeley stated the ultimate goal was for the site to be developed and if the property was developed the County would benefit as well. Councilmember Connell concurred and stated in either instance the property would be government controlled.

Councilmember Connell stated he liked the proposed 28E Agreement but did not want to solely provide the ground to the County in order for the City to be able to borrow more. Administrator

Brooke stated that was not necessary and the City did not have to borrow. Mayor Vulich stated \$0.50 of every \$1.00 currently went to the City when ground was sold at the Rail Park. Mayor Vulich stated the County could not discuss the proposed 28E Agreement until the City made a decision. Mayor Vulich stated \$5,250,000.00 had already been paid by the citizens through real estate taxes. Mayor Vulich stated since the land was not sold, the citizens would be paying twice if an agreement was not reached. Mayor Vulich stated the County obtained a bond to loan money to the City and the citizens of Clinton have been paying for the bond.

Mayor Vulich stated for the \$750,000.00 that the City paid to the County from a property sale, the County did not pay down the bond principal and instead chose to gradually apply the \$750,000.00 each year. Councilmember Gassman inquired about the amount the City invested and what the County had been paid. Mayor Vulich stated the City invested approximately \$5 million in the Park, and after applying sale proceeds, the City's outstanding investment was approximately \$3.9 million in the Park.

Councilmember Seeley stated he would like to know what the County would be agreeable to. Administrator Brooke stated the Council had authorized Ahlers & Cooney to work with both the City and the County in order to prepare a draft 28E Agreement. Administrator Brooke stated work had been ongoing with the County for several months. Administrator Brooke stated it would be up to the Council to provide feedback on what it would like. Mayor Vulich stated a public hearing would be required if the land would be conveyed to the County. Mayor Vulich stated nothing had been signed and the matter was before the Council for consideration.

Councilmember Gassman stated if the Council approved the draft agreement, it would go to the County for review. Councilmember Gassman stated a special meeting was scheduled to expedite the agreement in advance of the upcoming budget meetings. Administrator Brooke stated the Council did not have to proceed with the special meeting and stated the public hearing would allow the ability to receive comments.

Councilmember Gassman made a motion to postpone consideration of the draft 28E Agreement until April of 2020. Motion failed for lack of a second.

Councilmember Connell inquired how the 10% commission for the City was determined. Administrator Brooke stated the figure was negotiable and a starting number was provided for discussion. Mayor Vulich stated the City could complete development agreements since the property was located in the City limits.

Councilmember Gassman made a motion to postpone consideration of the draft 28E Agreement until the Council meeting on April 9, 2020. Motion failed for lack of a second.

Councilmember Seeley stated the City was not a real estate agent and expressed concerns about the City acting as a realtor and taking commission. Attorney O'Connell stated he did not see an issue, and Ahlers & Cooney had prepared the agreement.

Councilmember Connell inquired if Councilmember Gassman would be agreeable to the Council not taking any action until after March of 2019. Councilmember Gassman stated more items would need to be considered. Councilmember Seeley stated the draft could be forwarded to the County for review and the Council could direct the Administrator to provide answers to the Council's questions.

M/S, Seeley-Schemers moved to forward the draft Joint 28E Agreement for the Lincolnway Railport Project to the County for review and directed the City Administrator to provide more information to the Council as outlined in the Committee of the Whole meeting. On roll call, Gassman, Seeley, McGraw, Allesee, Connell, Schemers – Yes; Odor – Absent. Motion carried.

In discussion prior to roll call, Councilmember Gassman inquired if a set date should be chosen for future discussion on the matter. Attorney O’Connell stated he would advise leaving the date open-ended. Councilmember Gassman stated he wanted to plan for the future.

5. Mayor and Council Updates

Mayor Vulich stated the last meeting of the year would occur on December 20, 2018 at 9:30 AM and would only be a Council meeting. Mayor Vulich stated there would be no special meeting after the Committee of the Whole meeting on December 11, 2018.

Mayor Vulich stated the Iowa Department of Transportation had officially approved the City’s Traffic Safety Improvement Grant for the North 3rd Street Traffic Safety Improvements Project.

Councilmember Allesee thanked Canadian Pacific and the Benevolent Society for their Freezing for Food event. Councilmember Allesee stated 21,000 pounds of food was received and over \$5,500.00 of donations were also received. Councilmember Schemers stated Clinton had the largest showing of the cities visited.

M/S, Connell-Gassman moved to adjourn. All in favor.

Respectfully Submitted,

Lisa Frederick
City Clerk