

Committee of the Whole
October 4, 2016

Present: Mayor Vulich, Council Members Gassman, Seeley, McGraw, Determann, O'Neill, Connell, Allesee, City Administrator, City Attorney, City Clerk, Press and interested citizens.

1. Proposal for Interim Administrator and Executive Search Services – Council Member Connell

Councilmember Connell advised the Council that he had time to look over the proposal and thought it unique in that the City will have someone to shadow City Administrator Kinser, act as interim and lead the search for a new City Administrator. City Attorney Patrick O'Connell stated that it will be good to have someone in place during the budget process. He advised that there are two separate contracts under consideration; one for the search firm and one for Richard Schrad. He continued in stating that Mr. Schrad lives in Arkansas and is willing to stay in Clinton through the winter. This solves all of the problems at once. He will work with the Council and City staff to market the City to potential candidates. He further stated that Mr. Schrad lead the search for the City Administrator in Ottumwa and it worked out great. He proceeded to state that Mr. Schrad will get to know the Mayor, Council and staff and will make sure that the person coming in is a good fit for the City. He advised the Council that the search firm canceled working for another city in order to take the job in Clinton. He stated that they are a sole source provider and it will be good to have an interim for a smooth transition. He further stated that the dates in the proposal are not set in stone and can be changed to fit people's schedules.

Councilmember Connell stated that he is concerned that there may be date conflicts for the Mayor and himself; however, it is a good timetable and if the Council can all make themselves available, the City could have a City Administrator on board by January, 2017.

Councilmember Allesee stated that she is familiar with Mr. Schrad and what is said about him is true.

Councilmember O'Neill stated that he called three cities and all were extremely happy with Mr. Schrad's services. He continued in stating that the advantage is that he will be here and all staff will have an opportunity to talk with him in a relaxed atmosphere and will be able to make a smooth transition.

Councilmember Gassman stated that it is fortunate that a group like this was found. In the past the job notice was just put in the newspaper and the City would receive all types of applications. He continued in stating that this is a great opportunity.

Councilmember Determann stated that he was concerned at first; however, we are on a timeline. He stated that he would have preferred a longer process. He continued in stating that with the budget process coming up the City will need someone. He inquired regarding what would happen if the Council rejects all of the candidates. City Attorney O'Connell stated that he did not think that the City would proceed to the final phase if no candidates make the cut. He continued in stating that he had the same concerns; however, with such a great search firm those concerns have been lessened.

Councilmember Seeley stated that it is important to find a replacement. With an interim the ball will not be dropped. It will be good to have overlap because without a transition period this could end poorly.

Councilmember O'Neill stated that it is important that everyone gets a seat at the table. Everyone will have input. Mr. Schrad will find the person we want and will eliminate those who do not come close.

Mayor Vulich stated that he would begin his vacation on October 12th and will be gone until the 22nd. He continued in stating that if the timeline is adhered to he would be left out. Councilmember Gassman stated that the timetable is flexible. Mayor Vulich stated that he researched Mr. Schrad and the search firm and they are highly rated. He continued in stating that he feels comfortable; however, the mechanics still need to be worked out.

Councilmember Connell stated that he was shocked at the price. He thought it would have been double. City Attorney O'Connell stated that the proposal to the other city was the same cost. He continued in stating that in speaking with other search firms they are all within \$100 of the cost. He further stated that the Council would need to come up with a monthly stipend and let Mr. Schrad select his own place to live.

Councilmember Determann inquired regarding the start date. Mayor Vulich stated that it depends on when the Council approves the agreement. City Attorney O'Connell stated that he could share everyone's timelines with Mr. Schrad so we can move forward.

M/S, Connell-O'Neill moved that the maximum monthly stipend be set at \$1,500. On roll call, carried unanimously.

M/S, Seeley-Connell moved to forward the agreement with Brimeyer Fursman to the next City Council agenda. On roll call, carried unanimously.

M/S, Allesee-Gassman moved to forward the contract with Dick Schrad subject to his approval of the monthly \$1,500 stipend to the next City Council agenda. On roll call, carried unanimously.

2. Solid Waste Billing Discussion – Anita Dalton/Jessica Kinser

City Administrator Kinser advised the Council that through the gathering of data related to septic systems, we have determined how many properties are within the corporate boundaries of the City of Clinton and what their current billing status is. She stated that options #2 and #3 would have an expense and option#1 would not.

Option #1

City Finance Director Anita Dalton advised the Council that she had reached out to the Clinton County Sanitarian for information related to septic tanks in the City of Clinton.

There are 160 households in the corporate boundaries of Clinton which receive no bill currently for either sewer or solid waste. These are properties with septic systems located on private drives which the City does not service. These residents are included in the population used to determine the City's annual fee to the CCASWA. The monthly charge built into the current City Service charge is \$2.49/month, which would result in \$398 additional dollars per month, and \$4,781 per year.

Councilmember Determann inquired regarding what the \$2.49 was for. Director Dalton stated that it is a Clinton County head tax which is used for opening new cells in the Landfill.

Option #2

The 160 households mentioned in option 1 could also be billed the whole City Services fee of \$11.44 per month, which covers, recycling, yard waste, and the per capita fee. Billing the \$11.44 per month (which includes the \$2.49 in option1), would result in \$1,830 per month or \$21,965 per year.

Director Dalton stated that the City cannot actually provide the recycling and yard waste services on private drives, but could pursue hold harmless agreements with the homeowners' associations for this purpose.

Option #3

Option 3 is to charge all household, regardless of whether on a private drive or using a private services, the full \$19.65 per month. At present, there are 7,649 customers paying this full charge, with an additional 1,900 who are not paying the cart charge and are not solid waste customers. This does not include the 160 who are getting no bill. If the Council were to change the billing to bill all residences one flat fee of \$19.65, this would create an additional \$15,599 per month or \$187,188 per year in revenue. This analysis is only based on the 1,900 customers not being billed for a cart currently. If the Council were to include those 160 customers mostly on private drives into option 3, this would result in an additional \$3,144 per month or \$37,728 per year.

Director Dalton stated that the analysis looks at revenue only. With any change in service, it should be anticipated that there would be an operational impact which would result in changes in expenditures. This has not been looked at for the purposes of this discussion. If the Council would like to proceed with options 2 or 3 it is recommended that an additional financial analysis be completed prior to any sort of implementation in order to allow for a full understanding of the true revenues and expenditures anticipated.

Councilmember O'Neill stated that one scenario would be to add the solid waste fee onto the tax bill. He continued in stating that there are a lot of problems when it is put together with the sewer bill.

M/S, O'Neill-Gassman moved to table this item until a committee can discuss this and come up with a proposal. On roll call, carried unanimously.

3. Sewer Billing Statistics for FY16 – Anita Dalton

Finance Director Dalton advised the Council that comparing June 30, 2015 to June 30, 2016 the City is at \$2 Million in accounts receivable due to a large settlement with a commercial entity and the ability for water shutoff. She stated that at the end of the fiscal year the amount sent to the collection company was \$226,130.73 of which the City has received \$2,186.50. She continued in stating that there is \$898,000 in sewer liens at the County Treasurer's office and \$137,000 in solid waste with a collection rate of 72%. She further stated that the total in accounts receivable is down \$1.6 million. She proceeded to state that this is good news and the City is moving in the right direction.

Director Dalton advised the Council that the water shutoff is a great tool. People are paying attention to our letters and the Iowa American Water Company letters. She stated that they are now in the \$750 range and now when someone gets a letter or is shut off they are not coming in. We may be at a point where people are struggling.

Director Dalton stated that people have 21 days to come in and pay in full or set up a payment plan. If someone misses a payment we are targeting them. Councilmember Determann inquired regarding if they miss a payment does the Water Company immediately shut them off. Director Dalton stated that the City has to start all over.

Councilmember O'Neill inquired regarding whether the City will be at the \$500 range this time next year. Director Dalton stated maybe; however, there are a lot of accounts in the \$750 range. She continued in stating that there were 95 shutoffs in FY16. She further stated that 80% of the people who were shut off came in and paid \$84,000, 15% of people who received an intent to shut off letter paid \$92,000 and 381 people initiated payment plans at \$57,150.

Director Dalton advised the Council that the City has collected \$1 Million through the Iowa Offset Program.

Councilmember O'Neill thanked Dalton and her staff on behalf of the Council for their hard work.

4. ADA Lift for Trolley – Dennis Hart

Transit and Fleet Superintendent Dennis Hart advised the Council that his recommendation is to order a new ADA lift for the trolley. Councilmember Gassman inquired regarding the funding. Superintendent Hart stated that it would come from his parts budget. Councilmember O'Neill inquired regarding the amount of money already put into the trolley. Superintendent Hart stated \$2,000 invested this spring and \$7,000 to \$8,000 for a new engine in 2012. The plan was to put the trolley on a route which would travel to Eagle Point Park, the Arboretum, 5th Avenue, Main Avenue, etc.

Councilmember Allesee inquired regarding the price of a new trolley. Superintendent Hart stated \$300,000 to \$400,000. Mayor Vulich inquired regarding whether the trolley could be used for tours if it was on a route. Superintendent Hart stated that it could be used for tours at no charge. The City has 80 hours a year of governmental use before we get into charter languages.

Councilmember Seeley suggested moving the trolley out of Transit and moving it to Recreation. City Administrator Kinser stated that doing so would not fit the mission of Parks and Recreation. Superintendent Hart stated that if the trolley was moved to Parks and Recreation and used for charter it could not be housed in the MTA buildings, driven by MTA staff or worked on by transit mechanics. Councilmember Seeley stated that the trolley could be run on sponsorships and donations and as long as we do not charge, can be put on a route. Mayor Vulich stated that the Lyons Business Group was going to sponsor the trolley and let people ride for free. Councilmember Seeley stated that he did not want to spend this without knowing if people are really engaged.

Councilmember Connell inquired regarding whether the trolley could be up and running for New Year's Eve. Superintendent Hart stated that it could. Councilmember Seeley inquired

regarding whether Superintendent Hart would commit to using the trolley once a week during the year on a route. Superintendent Hart stated yes.

M/S, Gassman-O'Neill moved to direct Transit and Fleet Superintendent Hart to procure the new ADA lift. On roll call, carried unanimously.

5. Surplus Equipment – Dennis Hart

Transit and Fleet Superintendent Hard advised the Council that he has several vehicles which were replaced during the Capital Process and now he must get rid of the old ones.

M/S, Gassman-Connell moved to forward a resolution for surplus equipment to the next City Council agenda. On roll call, carried unanimously.

6. Mayor & Council Updates

Councilmember Connell stated that he had attended the ground breaking for the new law center and jail.

Councilmember O'Neill stated that he would hold his public forums on the first Saturday of each month from 9:30 AM to 11:00 AM at the Ericksen Center for the remainder of the year.

M/S, Determann-O'Neill moved to adjourn. All in favor.

Respectfully Submitted,

Pat Van Loo
City Clerk