

## Committee of the Whole

March 3, 2015

Present: Mayor Vulich, Council Members McGraw, Rowland, Determann, Wilke, O'Neill, Allesee, City Administrator, City Attorney (by telephone), City Clerk, Press and interested citizens. Councilmember Gassman – absent.

### 1. Fiscal Year 2014 Audit – Anita Dalton/Heidi Hobkirk – McGladrey

Ms. Heidi Hobkirk, McGladrey, presented the Council with a summary report of the City's audit. She stated that under "Auditor Communications" the City received a clean report. There were no new account standards from the previous year. Management does put estimates in the financial statements and we concur that the estimates are reasonable. She continued in stating that there were no disagreements with management, no consultations with other accountants and no difficulties in performing the audit.

Ms. Hobkirk advised the Council that there was an increase in Use of Money and Property category which was offset by a decrease in other and intergovernmental categories. She stated that there was a decrease of \$4.4 Million in debt service due to refunding bonds. She continued in stating that the General Fund Balance is made up of 5.9% non-spendable dollars and 94% of unassigned funds.

Ms. Hobkirk advised the Council that there was an increase in operating revenue and a decrease in operating expenses in the Sewer Fund. She stated that there was \$156,000 in operating income loss and \$2.19 Million in non-operating. City Administrator Kinser stated that the City subsidized the account by \$2 Million from Local Option Sales Tax.

Ms. Hobkirk advised the Council that there was a non-major increase in operating revenues and operating expenditures in the Solid Waste fund. She stated that Transit is approximately the same per year. The Airport saw a \$13,000 increase in operating revenues and also an increase in operating expenditures as well as an increase in non-operating funds related to grants. She continued in stating that the Marina stays consistent.

Ms. Hobkirk advised the Council that under Government Auditing Standards deficiencies are reported if found. She stated that the first level is a Material Weakness and none were found. The second level is a Significant Deficiency which if found, is significant enough to report to Council. She continued in stating that two were found relating to segregation of duties in Accounts Payable and Payroll. Recommendations were made to the Finance Director and changes have already been made. She further stated that Control Deficiency is reported in a separate letter to the Council and is related to journal entries and a lower level of segregation of duties.

Ms. Hobkirk advised the Council that in a Single Audit auditors look at internal processes and have recommended a clean opinion and found no deficiencies. She stated that this is a clean audit. She thanked Finance Director Anita Dalton, her staff, and City staff for the time and documents provided during the audit.

Councilmember Allesee inquired regarding whether the deficiencies were due to the size of the department. Ms. Hobkirk stated that they were. Councilmember Determann inquired regarding whether last year's deficiencies had been corrected. Ms. Hobkirk stated that last year's deficiencies had been corrected.

M/S, Rowland-O'Neill moved to forward the Fiscal Year 2014 Audit to the March 24, 2015 Council agenda. On roll call, carried unanimously.

## 2. Rezoning of the 700 Block of North 18<sup>th</sup> Street – Ron Fletcher

Mr. Ron Fletcher advised the Council that he is proposing \$6 Million worth of new homes resulting in 30 new residences. He stated that there is a strong need for affordable housing and this would be near where the growth is taking place. He continued in stating that \$130,000 in new taxes would be generated and there would be a roll over effect by using local subs. He further stated that he has made revisions to the original proposal to meet all legal requirements. There would be 30 units with one road in. Adjustments were made to the entry, elevations of the homes and increases made to the size of the residences.

Mr. Fletcher stated that his proposal meets several of the points found in the City's Comprehensive Plan: the need to improve housing, become more aggressive to obtain new residents which will work well with Mr. Dolan's development giving individuals the opportunity to choose the price range of the home they are looking for, encourage development of unused property, create new housing stock since a large percentage of the City's housing stock is 30 to 50 years old, make available affordable quality housing, and promote development near already existing infrastructure.

Mr. Fletcher advised the Council that on June 12, 2007 Mr. Dan Dolan came to the Council and requested that the land which is adjacent to Mr. Fletcher's be zoned R-5 exactly what Mr. Fletcher is requesting. Mr. Fletcher stated that he made sure that the road is in compliance with City Code for access of emergency vehicles.

Mr. Fletcher advised the Council that Landmark Engineering has determined that there is no legal dispute regarding the fence line. He stated that he is only requesting his property to be zoned like Dan Dolan's. He continued in stating that when the individual bought the property they must have been aware of what the City was doing. He further stated that the neighbors will be surrounded by 218 new homes in Dan Dolans development and he will only add 30 more.

Councilmember O'Neill inquired regarding whether Mr. Fletcher was requesting TIF. Mr. Fletcher stated that he is not requesting TIF. Councilmember O'Neill stated that Mr. Dolan does not consider Mr. Fletcher's proposal as an advantage. Councilmember Rowland inquired regarding how the lift station would work. Mr. Fletcher stated that Landmark Engineering designed the lift station and the City approved it. Lift stations are relatively trouble free and have a life expectancy of 30 years, in fact there are working lift station in the City which are over 50 years old. Councilmember Rowland inquired regarding whether Mr. Fletcher would be installing the lift station. Mr. Fletcher stated that he would. He further stated that at this time he is only asking for a zoning change, there are many more legal requirements which must be met.

Ms. Pam Graboski, 326 South 18<sup>th</sup> Street, inquired regarding whether the rezoning proposal would take a super majority to approve considering the large amount of opposition to Mr. Fletcher's request. City Attorney O'Connell stated that he would research this and provide an answer. Ms. Graboski inquired regarding the number of rezones with lift stations. Mayor Vulich stated that there are many throughout the City. Ms. Graboski advised that when she last spoke to the Council she had related that there are many neighbors opposed to Mr. Fletcher's proposal. She stated that the City cannot find a survey of the land. She further stated that Mr. Fletcher has not communicated with the neighbors. She advised that Ms. Holy has secured the services of an attorney and is still researching issues with the fence line, sewer lines and driveway.

Councilmember Wilke inquired regarding whether Ms. Graboski had written opposition from the neighbors on 18<sup>th</sup> Street. Ms. Graboski stated that Councilmember O'Neill has the petition. Councilmember O'Neill stated that he has a petition with 40+ signatures. Councilmember

Determann inquired regarding whether Mr. Dolan's R-5 extend all the way to the southern property line. City Administrator Kinser stated that the R-5 extends all the way down.

Councilmember Wilke inquired regarding whether the neighbors have seen Mr. Fletcher's plans regarding the development and whether they are knowledgeable of what will be there. Ms. Graboski stated that the neighbors are concerned regarding the increase in the number of vehicles and the development being close to their properties. They think that the development will not fit and they do not like the City changing the zoning. Mayor Vulich inquired regarding whether a public hearing would need to take place if the Council decided to move this request forward. City Attorney O'Connell stated that a public hearing would need to take place. He continued in stating that it would take a ¾ vote if there are 20% of the neighbors, living within 200' of the property who oppose the rezoning.

Councilmember O'Neill stated that there are 100% of the neighbors living within 200' of the property in opposition to the rezoning. He continued in stating that he has known Mr. Fletcher for 20 years and he is a nice guy with a bad idea. He further stated that he had 48 signatures on a petition last year. He proceeded to state that he thought it prudent to research what was being proposed. He stated that it is his obligation to represent everyone. He had 48 people opposed the first time and there are 41 opposed now. The neighbors do not want the project and he has not received a call from anyone who is in favor of the rezoning. He continued in stating that it is important to him that it does not get approved. He further stated that Ms. Holey and Mr. Dolan did not receive information regarding the proposal.

Councilmember Allesee stated that she has not seen the 40 names or heard any opposition. Councilmember Rowland stated that he has received two calls from individuals who are interested in Mr. Fletcher's homes. He continued in stating that we are forgetting that land usage is restricted in Clinton and we have not had a lot of construction. He further stated that we must grow the tax base. The land is there for development. He proceeded to stated that he remembers when people were opposed to the Ericksen Center, the cell tower and the widening of 13<sup>th</sup> Avenue North. We have to send a message to the business community that we are receptive to these proposals. There is R-5 zoning across the road already and the project looks more than reasonable. He stated that Mr. Fletcher is not asking for TIF and he admires his courage to put up his own money. He continued in stating that there will be no devaluation of property. He further stated that he would support the request and with the code requirements met this will be a good project.

Councilmember Wilke stated that he believes in public hearings which give people the opportunity to come and speak. He continue in stating that he agrees with the project. Since there is R-5 zoning across the street this area can be developed in the same manner.

M/S, Allesee-Rowland moved that the rezoning of the 700 Block of North 18<sup>th</sup> Street go to public hearing. On roll call, McGraw, Rowland, Determann, Wilke, Allesee – Yes; O'Neill – No. Motion carried.

### **3. RFP for Broker Services at the Railpark- Pat O'Connell**

City Attorney Patrick O'Connell advised the Council that he has met with the CRDC, the Council and Mayor Vulich and has made amendments to the RFP. He stated that the first amendment gives the City the opportunity to opt out, the second change is that the Master Plan and Conceptual Layout of the park is not attached; however, is available from the City Administrator, the third change gives applicants 45 days to submit the RFP and requests that they provide an electronic copy to the City Administrator and Mike Kirchhoff, the fourth change is that the applicant must be a licensed commercial broker in good standing for at least five years, and if not licensed in Iowa, the ability to obtain licensure prior to the anticipated start date of the contract. He continued in stating that we would not want to disqualify a good broker if they are not licensed in Iowa. He further stated that the fifth change is related to reduced commissions and adds the Clinton Area Chamber of Commerce and the CRDC to the list of

the City's development sources. Councilmember Rowland inquired regarding what source means. Mayor Vulich stated that if any of the development sources find a lead a lower amount of commission goes to the broker. He further stated that there have been times that the City has received leads for such entities as Alliant Energy due to special needs of a client. Councilmember Rowland inquired regarding how a broker would feel about the list. Councilmember O'Neill stated that entities on the list want a broker to find national or international developers; however, if someone on the list brings a developer to the table a broker will come to terms with that. He continued in stating that brokers will find their own leads and if this is what it takes for compromise then this is good. Councilmember Rowland stated that he has seen RFP's that are too restrictive. The "opt out" language has been good for the Marina and is also in this RFP. City Attorney O'Connell stated that if it is too stringent it will push people away; however, we must include enough specifics to protect ourselves.

M/S, Determann-Wilke moved to direct that the RFP's be sent out. On roll call, carried unanimously.

#### **4. Police Chief Hiring Process- Jessica Kinser**

City Administrator Kinser stated that Police Chief Brian Guy formally announced his retirement which will take place on April 30, 2015. She continue in stating that this will give the City time to begin the process of finding a new Police Chief. She further stated that the wage range is low so she is thinking of hiring more toward the high end.

Councilmember Determann inquired regarding whether the individual would become part of 411. City Administrator Kinser state that they would if they are a sworn officer. Mayor Vulich inquired regarding whether an individual who is not a sworn officer could become Police Chief. City Attorney O'Connell stated that they could not become Police Chief if they are not a sworn officer. He continued in stating that if a City has a Public Safety Department and not a Police Department they must have a sworn officer as department director.

City Administrator Kinser stated that the first step is recruitment. She continued in stating that she is recommending an outside consultant for recruitment. She further stated that this is an important position with specific skill sets and our way of advertising would not work. Councilmember O'Neill inquired regarding why the City is not using Paul Gruefe. He stated that it would be beneficial to use him. City Administrator Kinser stated that he could be solicited; however, he will charge an outside fee for the service. She continued in stating that the city must look at a wider audience. She further stated that this is a Civil Service position. The process takes approximately 107 days. There would be an assessment center, the Civil Service Commission would then perform interviews and then provide a certified list to the Council. A panel would then interview persons on the certified list. She advised the Council that she is looking for permission for soliciting RFP's from consultants.

Councilmember Determann inquired regarding the cost of the process. City Administrator Kinser stated that she did not know the cost at this time. Mayor Vulich stated that there would be costs associated with the recruiter, assessment center and Civil Service Commission.

Councilmember Rowland stated that the City has an HR person and inquired regarding why he is not being used. The City will not attract many candidates because the pay is too low. He continued in stating that Paul Greufe is more than capable. He has filled a lot of positions. Councilmember Determann inquired regarding whether the City would perform a credit check. City Administrator Kinser stated that extensive background checks would be performed as well as personal interviews with references and physical capabilities check. City Attorney O'Connell stated that there are entities which specialize in recruitment of chiefs. He continued in stating that he has names of chiefs who can give the City names of recruiters.

Councilmember O'Neill stated that the City spent from August to today to approve an RFP for a broker. We want to know what is going out in the RFP before it is mailed out. Paul Greufe could do an RFP for specific things. City Administrator Kinser stated that this RFP is for someone to do recruitment. Two weeks would be the turnaround time. She advised not to build in delays to slow down the process. Councilmember O'Neill stated that he would like to see at least 10 qualified people. Mayor Vulich inquired regarding the timeline for the RFP. City Administrator Kinser stated that they would be sent out on Friday and responses would need to be back in two weeks. Mayor Vulich stated that information should be available by March 24<sup>th</sup> to see who is out there and can do the job.

Councilmember Rowland stated that he wanted to know what is in the RFP. City Administrator Kinser stated that it is a very standard RFP.

M/S, Allesee-Wilke moved to direct the City Administrator to send out the RFP. On roll call, McGraw, Determann, Wilke, O'Neill, Allesee – Yes; Rowland – No. Motion carried.

## **5. Police Officer Vacancy – Jessica Kinser**

City Administrator Kinser advised the Council that the vacancy was budgeted; however, the arbitration award of 2.35% was more than what was budgeted, and the wages budgeted for the vacated position were utilized to meet this shortfall. If the position were to be filled as of April 1, 2015, the full-time wages for a new officer through June 30<sup>th</sup> would be \$11,363. She stated that the Council could reallocate some of the budgeted contingency funds towards this effort. This would allow the Police Department to refill the position, without the risk of exceeding the full-time wage line item. She further stated that the next basic training schools at the Iowa Law Enforcement Academy are scheduled to start on April 20<sup>th</sup> and April 27<sup>th</sup> and ending on July 31<sup>st</sup> and August 7<sup>th</sup>. If the City misses these classes, a new hire that is not certified would have to wait until the next schools begin in August. Following the Academy, or for an officer that is already certified, five months of field training is needed before an officer is considered street ready. This is a long process to get someone on the street and the delay until July 1<sup>st</sup> continues to delay when someone could be ready.

She advised the Council that there is a draft of a budget modification resolution in the packet. For the position to be hired in case the candidate needs to attend the academy. She stated that there are three individuals on the current list who are certified. She recommended that a motion be made to forward the resolution on to the March 10<sup>th</sup> Council meeting for consideration.

Councilmember O'Neill stated that part of the salary was taken for arbitration; however, the City offers a \$10,000 bonus if a candidate is certified. City Administrator Kinser stated that she was not sure who was next on the list. Councilmember O'Neill stated that it makes no sense to move \$11,000 right before the next academy. City Administrator Kinser stated that the problem comes with staffing. It is an issue of having someone on the streets. Councilmember O'Neill inquired regarding why this was not explained when the money had to be used for arbitration. The SRO's will out of the schools and back on the streets. There is no reason to break into the contingency fund. Councilmember Wilke stated that the discussion took place with the discussion about overtime. Councilmember Rowland stated that If someone is hired it will reduce the overtime.

MS, Determann-O'Neill moved to not fill the position. On roll call, Rowland, Determann, Wilke, O'Neill, Allesee – Yes; McGraw – No. Motion carried.

In discussion before roll call, Councilmember Rowland inquired regarding whether the Council planned on filling the position. Councilmember O'Neill stated that it would be filled in August.

**6. Mayor & Council Member Updates**

Mayor Vulich advised that the National Geographic Mississippi River Geotourism Project would hold a two-day meeting March 9 and March 10 at Stoney Creek Inn to promote tourism on the Mississippi River.

Councilmember O'Neill commended the Street Department for the work they did clearing the streets after the ice event.

M/S, Determann-Rowland moved to adjourn. All in favor.

Respectfully Submitted,

Pat Van Loo  
City Clerk