

Adel City Council
April 11, 2017 – Meeting Minutes

The Adel City Council met in regular session at Adel City Hall, 301 S. 10th St., Adel, Iowa, on Tuesday, April 11, 2017 at 6:00 p.m. Mayor Peters called the meeting to order and the following answered roll: Ockerman, Hillmer, McAvoy, Haynes, and McAdon.

Staff Present: City Attorney Reich, City Administrator Brown, City Clerk Steele, Finance Director Sandquist, Public Works Director Overton, Parks and Recreation Director Schenck, Library Director James, Fire Chief Morlan, Police Officer Young, and Street Laborer Foster.

PUBLIC HEARING

1. Rate Increases for the Proposed Improvements to the City's Water, Sanitary Sewer and Storm Water Utility Systems

Motion by McAvoy, seconded by Hillmer, to open the public hearing

Roll: Ayes-Unanimous. Motion carried.

Derrick Anderson with McClure Engineering gave a brief overview of the debt service assessments and why they are necessary and that they will be used to pay for the proposed utility system improvements. He provided a handout that gave an overview of each utility. Council Member Ockerman asked how old the raw water system and wells were and Anderson responded they were around 40 years old. Council Member Hillmer asked for an update on the proposed federal budget that may do away with the USDA grants. Anderson replied that as long as the City gets a letter of condition from USDA locking in the funds by July 2017, then the City will receive those funds even if the USDA grant program is discontinued in the next budget year. Council Member Haynes commented that, regardless of the recent growth, the City would have to complete these projects anyway due to DNR regulations and aging of current utility systems.

No written comments were received. Oral comments were received from:

- **Elizabeth Flinn, 430 N. 9th St** – asked if the tax abatement homes were on City water or Xenia. Mayor Peters replied that it depends where the new homes are being built. Some of the developments are on Xenia and some are on City utilities.
- **Adam Doll, 1322 Bailey Ct** – asked if the proposed annexation to the south of Adel would be serviced by Xenia. Mayor Peters confirmed that they would be.
- **Bill Baldon, 702 Rapids St** – asked about the adjustable rate Mr. Anderson was referring to in his overview of the USDA loans. Anderson explained the rate is adjustable until the City locks it in. Once it is locked in, then it is a fixed rate for the life of the loan. Baldon asked what percentage of the improvements are due to the new housing developments compared to the older parts of Adel. Anderson responded that approximately 20% of the total \$37 million for the proposed projects is due to Adel's growth. The other 80% is due to DNR regulations and aging of utility systems.
- **Rob Christensen, 820 Greenwood Hills Dr** – how long will the term be for the USDA loans. Anderson noted the USDA loans are typically 40 years. Christensen asked Mayor and council what will happen 30 years from now? Will there be another large increase or is the City currently saving for the future and could the City be using taxes that were abated to help fund these projects and not increase rates as much? Mayor Peters noted the proposed rate increases would be used to pay for the current utility system projects. Council Member Hillmer added it would also be used for future use as well. Typically, property tax dollars are not used to fund these types of utility projects, utility user fee revenue is. Mayor Peters added that the property tax dollars are used to fund the general fund, which pays for fire & police, debt service, etc.
- **Amy Lucht, 1104 Rapids St** – asked do the proposed improvements only cover geographical areas of town and/or only a certain number of households. Anderson advised that the improvements will cover the current size of Adel plus a 20-year growth, based on the current trend. Anderson added that, if the growth is faster than what they predicted, then the modular system they designed can be added onto in the future.
- **Kimberly Paul, 215 S. 17th St** – stated she is currently paying for the storm water utility and her neighborhood has had a number of issues with storm water but it is not one of the areas that will be seeing improvements. How was it determined which areas of town would have the storm water improvements?

Council Member Ockerman responded that the areas to be improved were decided upon through the study that McClure completed based on research and the survey received from residents after the heavy rain in June 2015. All the areas included in the improvements are the older areas of Adel and not the new areas.

- ***Brian Clark, 912 Grove St** – questioned if the USDA loan is a 40-year term but the system utility improvements being done are only projected for a 20-year growth, what about the final 20-years of the loan? Anderson noted the improved utility system would be able to service a population of 8,800. If needed, the City would be able to add additions to the system for an additional cost. Clark asked whether the rate increases would level off after 4 years. Anderson explained that PFM has analyzed these projects to be spread over the next 5 years. The first three years presented were calculated conservatively and after year 3 they will review financial status to see if any increases will be necessary for the remaining 2 years.*
- ***Mac Vanpelt, Adel** – questioned why the City was not replacing all of the infrastructure in the older part of town? When it does go out, will there be another increase? Furthermore, who will be doing the inspection on these projects? Mayor Peters commented the residents are already looking at a large increase with the proposed improvements so if the City were to do all of the older part of town, those increases would be even larger. As for the inspection, McClure has been the City's engineer for over 20+ years and they have qualified inspectors. McClure and their inspectors will work closely with city staff as well.*

Motion by Haynes, seconded by McAdon, to close the public hearing

Roll: Ayes-Unanimous. Motion carried.

2. Minor Zoning Changes to the Current City of Adel Zoning Code

Motion by McAvoy, seconded by McAdon, to open the public hearing

Roll: Ayes-Unanimous. Motion carried.

No written comments were received. Oral comments were received by Rob Christensen – 820 Greenwood Hills Dr.

Motion by Haynes, seconded by McAdon, to close the public hearing

Roll: Ayes-Unanimous. Motion carried.

PROCLAMATION

Arbor Day – April 28, 2017

COMMENTS FROM THE PUBLIC

Bill Baldon, 702 Rapids St, Adel – Inquired about the Adel Aquatic Center loan. Asked when the aquatic center project will be paid off and, once it is paid in full, will the 1% LOST sales tax be eliminated. Parks and Recreation Director Schenck advised the loan for the aquatic center is a 20-year loan. Mayor Peters advised there was not a sunset for the sales tax in the ballot language when it was voted on.

Tim Daughtery, Rural Adel – Commented on the City's annexation policy as it relates to City utilities. He expressed, when the City annexes land, then the City should provide or have a plan to provide City infrastructure for all utilities if possible. Council Member Ockerman noted the City is currently working on providing sewer services for the east annexation; however, due to the agreement with Xenia Rural Water, the City is currently limited to be able to provide water services. The City is currently working on negotiations with Xenia Rural Water to be able to provide water services to the newly annexed and future annexed areas.

CONSENT AGENDA

- a) Consider Approval of City Council Minutes Dated March 14, 2017
- b) Consider Approval of City Council Minutes Dated March 27, 2017
- c) Consider Approval of March Bills and March 31, 2017, Treasurer's Report
- d) Consider Approval of Full Member Firefighters – Justin Kitzinger and Nick Orstad
- e) Consider Approval of Probationary Firefighter – Joel Steenhoek

Motion by Haynes, seconded by McAdon, to approve the consent agenda

Roll: Ayes-McAdon, Ockerman, McAvoy, Haynes. Nays-Hillmer. Motion carried.

DEPARTMENT HEAD REPORT

Tuesday, April 25, 2017 – Special Council Meeting

Dallas County will be holding a Walkability Study on May 4, 2017 and May 5, 2017 – Some City Staff and Council Members will be attending

NEW BUSINESS

- a) Discussion/Possible Action Regarding Negotiations with Xenia Rural Water Association
Dan Manning updated council regarding status of negotiation with Xenia. There has only been one meeting so far but he feels there can be an agreement reached; however, it's still very early in the discussion process. Council Member Ockerman asked about obtaining the territory from Xenia after they have already put in infrastructure whether it would meet the City specifications. Manning advised the City specifications should be enforced and followed by Xenia. Mr. Anderson noted that McClure does review the plats to make sure the infrastructure meets City specifications. Council Member Hillmer asked Manning his opinion if the City should still continue negotiations or if Xenia is done negotiating and any further negotiations would be wasting the City's time and money? Manning replied he felt it was worth it to explore for a little while longer since there has only been one meeting held. No action was taken.
- b) Consider Approval of Setting Public Hearing Date for the Proposed Annexation to the South of Adel along Highway 169 (approximately 1,000 acres) – June 13, 2017 at 6:00 p.m.
Council Member Ockerman expressed he feels this public hearing is premature since the council has not received McClure's review and had all the council committees meet. Council Member Haynes agreed with Ockerman. Council Member McAvoy noted this is not approving the annexation, it is just giving the public a chance to voice their opinions. Council Member Hillmer pointed out this annexation request was presented to the City back in February 2016 and it is not being driven by the City but by the landowners themselves.
Motion by Hillmer, seconded by McAvoy, to approve setting a public hearing date for June 13, 2017 at 6:00 p.m.
Roll: Ayes-Hillmer, McAvoy, McAdon. Nays-Haynes, Ockerman. Motion carried.
- c) Consider Approval of Ordinance No. 313, Amending the Zoning Classification of Certain Real Property Located at 29456 Old Portland Road – Bloomfield Acres from A-1 to P.U.D. – Third Reading
Council Member Ockerman expressed he doesn't feel this zoning amendment is needed. Scott Hamilton – 1343 S. 5th St asked if the proposed area was in a floodplain? Mayor Peters replied he did not have the expertise to answer that question. McClure Engineering has reviewed the plans and has approved them.
Motion by McAvoy, seconded by Hillmer, to approve the third reading and adopt Ordinance No. 313
Roll: Ayes-McAvoy, McAdon, Hillmer. Nays-Haynes, Ockerman. Motion carried.
- d) Consider Approval of Bloomfield Acres P.U.D. Developer's Agreement and Master Plan
Council Member McAvoy asked City Attorney Reich whether the developers had address all the issues council asked of them and are there any loose ends still remaining. Reich replied from a legal aspect, there are no loose ends that need to be addressed. Council Member Hillmer asked Dan Novelli – 7008 Madison Ave, Urbandale the following questions:
- 1. What is the rent? \$850 to \$1,300/\$1,400 a month**
 - 2. Will the development be accepting housing vouchers? They as a developer do not accept the housing vouchers. The housing vouchers have a maximum rent limit, which the proposed rent would be over the vouchers maximum limits so they would not be acceptable. Furthermore, on the application, the applicants have to show their income is 3 times the amount of the rent.**
 - 3. Who are you targeting for renters? Typically, recent college graduates starting out, families that have 1-2 children and then empty-nesters once children are grown.**
- Paula James, 420 S. 6th St – asked about the agreement that states there can be up to 3 unrelated adults in one unit so does the income requirement of 3 times the amount of rent apply to each applicant or as a group? Each individual adult has to pass the requirements, not as a group. James also noted that Bondurant has some of these developments in their town and they put together a petition to stop any more from coming in.**

Rob Christensen, 821 Greenwood Hills Dr – does this development qualify for a tax abatement and if so how will it affect fire and police departments? Mayor Peters stated that it does qualify and he spoke with Police Chief Shepherd and Shepherd stated, if it is approved, they will patrol it. Mark Lee, engineer for Bloomfield Acres, addressed Scott Hamilton’s question mentioned earlier regarding development being located in a flood plain. Lee stated that some of it was in a flood plain; however, they have raised the elevation to above 880 ft so it is no longer in the floodplain.

Motion by McAvoy, seconded by McAdon, to approve Bloomfield Acres P.U.D. Developer’s agreement and master plan

Motion to amend by Ockerman, seconded by Haynes, to amend and approve the developer’s agreement with his proposed changes. (Signed Hold Harmless agreement, only 1 unrelated adult, cost of sewer connection, easement for bike trail on east property line to be able to tie in future bike trails, street lighting needs to be LED 100 watt, 20 ft height and 150 ft spaced between each post, tax abatement is effective at the time of the unit and not giving a guarantee if it is no longer active, and will not be providing garbage/recycling services as we currently do not service any other developments built the same way.)

Roll: Ayes-Haynes, Ockerman. Nays-McAdon, Hillmer, McAvoy. Motion to amend failed.

Roll: Ayes-McAdon, Hillmer, McAvoy. Nays-Haynes, Ockerman. Main motion carried.

- e) Consider Approval of Retracting Approval for 3 Chickens at 1506 Main Street – Originally Approved on July 10, 2012

Motion by Haynes, seconded by Ockerman, to approve retracting the approval for 3 chickens at 1506 Main St

Roll: Ayes-Unanimous. Motion carried.

- f) Consider Approval of Ordinance No. 316, Amending Water Use Charges and Implementing Debt Service Charge (1st Reading)

Motion by Haynes, seconded by McAdon, to approve first reading of Ordinance No. 316

Roll: Ayes-Unanimous. Motion carried.

- g) Consider Approval of Ordinance No. 317, Amending Sewer Use Charges and Implementing Debt Service Charge (1st Reading)

Motion by Haynes, seconded by McAvoy, to approve first reading of Ordinance No. 317

Roll: Ayes-Unanimous. Motion carried.

- h) Consider Approval of Ordinance No. 318, Amending Storm Sewer Rate and Implementing Debt Service Charge (1st Reading)

Motion by Haynes, seconded by McAdon, to approve first reading of Ordinance No. 318

Roll: Ayes-Unanimous. Motion carried.

- i) Consider Approval of Water Committee’s Recommendation on the East Annex Sewer Extension Agreement with McClure Engineering

Council Member Hillmer requested council to wait to approve this item until we know whether the County Jail gets approved and maybe the County would be able to help pay for it. Hillmer expressed concern for conflict of interest regarding Council Member Ockerman being on the County Jail Committee and an employee of MidAmerican, for which this project will benefit both parties. Ockerman responded that he is not an employee of MidAmerican, he is a contractor. The committee for the jail is a citizen committee promoting the bond election for the new jail, which he believes is not a conflict of interest.

Motion by Ockerman, seconded by Haynes, to approve sewer extension agreement with McClure Eng. Motion to amend and postpone voting until the May 9, 2017 city council meeting by Hillmer. Motion to amend dies for a lack of second.

Roll: Ayes-Haynes, McAdon, Ockerman, McAvoy. Nays-Hillmer.

- j) Consider Approval of Ordinance No. 319, Water Conservation Plan (1st Reading)

Motion by McAvoy, seconded by Haynes, to approve first reading of Ordinance No. 319

Roll: Ayes-Unanimous. Motion carried.

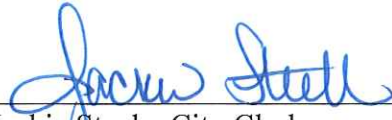
- k) Consider Approval of Issuing a Check in the Amount of \$1,664.10 to the Dallas County Treasurer to Correct the County Fund Distribution for the Library
Motion by Haynes, seconded by McAdon, to approve refund in the amount of \$1,664.10 to Dallas County Treasurer
Roll: Ayes-Unanimous. Motion carried.
- l) Consider Approval of Ordinance No. 320, Revisions to Chapter 165 – Zoning Code (1st Reading)
Motion by Hillmer, seconded by McAdon, to approve first reading of Ordinance No. 320
Roll: Ayes-Unanimous. Motion carried.
- Motion by Haynes, seconded by McAdon, to waive the second and third readings and adopt Ordinance No. 320**
Roll: Ayes-Unanimous. Motion carried.
- m) Discussion/Possible Action of Moving Forward with Sale of City-Owned Property – 425 River Street
Motion by McAvoy, seconded by McAdon, to move forward with the sale of city-owned property and begin advertising to accept bids
Roll: Ayes-Unanimous. Motion carried.
- n) Consider Approval of Resolution No. 17-21, Budget Transfers
Motion by Hillmer, seconded by McAdon, to approve Resolution No. 17-21
Roll: Ayes-Unanimous. Motion carried.
- o) Consider Approval of Resolution No. 17-22, Authorizing Agreement with Ahlers & Cooney for the Purpose of Obtaining Bond Counsel for USDA Loans and/or Grants
Motion by Ockerman, seconded by McAdon, to approve Resolution No. 17-22
Roll: Ayes-Unanimous. Motion carried.
- p) Consider Approval of Resolution No. 17-23, Fixing Date for a Meeting on the Authorization of a Loan Agreement and the Issuance of Not to Exceed \$1,600,000 Sewer Revenue Capital Loan Notes, and Providing for Publication of Notice Thereof
Motion by Hillmer, seconded by McAdon, to approve Resolution No. 17-23
Roll: Ayes-Unanimous. Motion carried.
- q) Consider Approval of Resolution No. 17-24, Fixing Date for a Meeting on the Authorization of a Loan Agreement and the Issuance of Not to Exceed \$5,500,000 General Obligation Capital Loan Notes (For Essential Corporate Purposes), and Providing for Publication of Notice Thereof
Motion by McAvoy, seconded by McAdon, to approve Resolution No. 17-24
Roll: Ayes-Unanimous. Motion carried.
- r) Consider Approval of Resolution No. 17-25, Amending Building Address from 618 N. 7th Street to 618 Main Street
Motion by Hillmer, seconded by McAdon, to approve Resolution No. 17-25
Roll: Ayes-Unanimous. Motion carried.
- s) Discussion/Possible Action on Tom Fuller’s Offer to Purchase City-Owned Land Near Archery Range
Motion by Haynes, seconded by McAvoy, to approve obtaining an appraisal on the city-owned land near Archery Range
Roll: Ayes-Haynes, Ockerman, Hillmer, McAvoy. Nays-McAdon. Motion carried.
- t) Consider Approval of Setting Public Hearing Date for Fiscal Year 2016-2017 Budget Amendments – May 9, 2017 at 6:00 p.m.
Motion by Hillmer, seconded by Haynes, to approve setting a public hearing date for May 9, 2017 at 6:00 p.m.
Roll: Ayes-Unanimous. Motion carried.

OTHER BUSINESS

1. Council Member McAvoy gave an update from the MAC meeting.
2. Meeting adjourned 8:54 p.m.



James F. Peters, Mayor

Attest: 

Jackie Steele, City Clerk