

MINUTES OF THE NORWALK CITY COUNCIL WORKSESSION ON 01-28-16
(Unabridged)

Mayor Tom Phillips called the City Council meeting to order at 5:45 p.m. Present at roll call: Erika Isley, David Lester, Ed Kuhl and Stephanie Riva. Jaki Livingston was absent.

Staff present included: Marketa Oliver, City Manager; Jodi Eddleman, City Clerk; Jean Furler, Finance Director; Tim Hoskins, Public Works Director; Nancy Kuehl, Parks and Recreation Director; Greg Staples, Police Chief; Ryan Coburn, Acting Fire Chief; Wade Wagoner, Planning and Economic Development Director and Jim Dougherty, City Attorney.

Proposed FY 2016-2017 budget

Oliver presented a power point and noted that it had been a record breaking banner year. Again this year the guiding principles of budget were to keep the levy stable, address capital priorities, reduce reliance on TIF and enhance public safety. The levy is proposed to be effectively the same as last year. Last year's levy was \$15.69376 this year the levy is \$15.69499. With the changes in valuations to homes and the roll back, an average property owner this year will pay approximately \$35 more in city taxes than last year.

Isley asked if the NCIS project is in the capital plan. Hoskins responded that that depends on the size of projects that are selected some take longer to complete. Isley believes the strategy needs to be reviewed; Oliver stated staff can update the capital plan per council direction. Isley suggested keeping Lakewood drive in the FY 17 budget. Oliver stated staff will bring back design fees for Lakewood in the FY 17 budget to the council.

Mayor Phillips asked about replacing panels on Woodmayr Circle. The challenge with Woodmayr Circle is that it is a very expensive street that serves an extremely small number of people. Oliver suggested using the money budgeted in the operating budget for an overlay to help the street.

Isley asked if staff could evaluate what is spent in economic development to entities such as MPO, Greater Des Moines Partnership, Warren County Economic Development and the chamber to help offset the cost of the panel replacement on Woodmayr Circle as well as the search for the next city manager. Oliver said that the costs to the MPO are membership costs and without being in the MPO, the City does not have access to those funds. Also, without the City support, the Chamber would be damaged. She said the Chamber has great leadership and has been an incredible support to the City's economic development activities. She continued that WCEDC also has been essential to many of the recent projects and is working on a couple of very large projects in Norwalk right now.

Potential Bond Issue

The bonding capacity is around \$30 million. The current level is \$17,185,000 and the general fund is \$10 million of that. The remainder of the debt counting against the City's constitutional debt limit is GO debt that is abated by TIF. The city does not want to go over 75% of the \$30 million.

The city could potentially roll the fire truck, pool, city hall generator, public safety HVAC system into one short term bond issue.

The fire apparatus is nearly 20 years old and needs replaced sooner than expected. To maintain accordance, with NFPA regulations the first out engine has to be less than 20 years old. The vehicle repair line item is spending \$12,000 to \$15,000 to maintain the truck and keep it in operation.

If LOSST (Local Option Sales and Service Tax) passed, you could choose to use those revenues to pay for the fire apparatus and abate the property tax levy with those revenues.

Coburn applied for the assistance to firefighters grant for \$725,000 to help offset the cost of the fire truck and will know the status of that grant in April. Kuhl asked how much to match the grant. Coburn said that it would be 10%.

It was the consensus of the council to have staff give scenarios what it would look like to include NCIS and the fire truck in the FY 17 budget, showing the council what debt service scenarios would look like doing one project one year and one the next. Staff will bring back for council discussion at the February 4th meeting.

The other item listed under the potential bond issue is the issue of the pool. Kuehl had developed a spreadsheet of what she thought it would cost to refurbish the pool. The pool will be 25 years old in July, not a lot of work done to the pool over that time. The floor has been

resurfaced and water heaters have been replaced. Estimates for the pool repair from DCI are \$755,423. This estimate is a 10 year fix for the pool.

Kuehl does not know if that is what the public would want or not. Kuehl would like a vote to go to the community to see what the residents want. This estimate does not include a new slide or any additional features. A bond for the pool would take a 60% majority vote to pass.

The mayor agreed that hiring a construction manager to manage the project is the way to go. Isley does not feel like council would need a public vote to pay that amount to repair the pool. It was the consensus of the council to move forward with fixing the pool.

Staff will bring back to council and show that included in a revised state budget form that would have a public hearing. A number of other smaller items if the council decided to bond for a fire apparatus there is the need for a generator for city hall for \$30,000.; replacement for the public safety HVAC system which is \$130,000 and storm siren upgrades are \$72,500. Isley asked storm siren upgrade last year or this year. It was budgeted but it cost more than anticipated and there were more sirens that need replaced.

If a bond is going to be done, Furler indicated the City could roll those costs together and into a smaller bond with a shorter term that would not be more than 10 years because you do not want the bond to outlive the life of the equipment.

Highway 28 Corridor Study

The city has met with the DOT and they strongly recommend the city do a study for the highway 28 corridor. This is budgeted in FY 17 and it is for traffic signals all along the Highway 28 corridor. It is approximately \$40,000. There is money in the RUT reserves to pay for that.

Hoskins stated that the DOT is looking at signalization for the off-on ramp on the south side of Highway 5. What the study would do especially with the potential for the development of the North Shore and the traffic it would become important for the city to have on the table before the DOT pulled the trigger on the signalization at that location.

After the study is done the city would qualify for grants to help pay for the signalization. The study will account for the movements in the intersection regardless of what direction traffic is coming from. They grade intersections on how quickly people can get through them. Signals are set up to meet the DOT criteria.

Staff will bring a contract back for the council's consideration. Council consensus was to move forward immediately with the study.

Water Revenue Bond

Furler indicated it would not count against outstanding debt limit if the city does the transmission fee with the new water line into town a new water tower will not be needed for another couple of years. The question is which route you want staff to go as they prepare bond numbers. Riva asked if a water line is done then a water tower is not needed for another couple of years. Hoskins answered no.

Phillips asked where a water tower would be placed. Hoskins stated that that hasn't been determined yet. It was the consensus that the water line is more important than the tower at this time.

Kuhl asked for recommendation from staff based on that discussion and present to the council. Oliver responded that the Maffit reservoir debt service payment ends in FY 18. That will help offset that cost. The payment for that debt comes from the water revenue.

Riva asked what the warren water buyout is. Oliver responded that warren water owns a lot of the customers in the western annexation area. The city has to purchase those customers from Warren Rural Water to be able to serve the customers.

Dougherty responded that to buyout the customers is shockingly expensive federal law says the city has to buy out the area that was set up with federal funding.

Chief Staples talked to the council about the parking of the police vehicles, that at some point the city will need to provide a place for the cars to park.

Kuhl said there is a lot of expensive equipment in the cars that needs to be protected as well.

Discussion of the City manager position

The Council discussed the city manager position and indicated they would not name someone as interim manager at this time. They also would like to move forward with issuing an RFQ for a search firm. Riva and Lester will look at the examples Oliver provided and the issue will be finalized at the next council meeting. Isley and Kuhl will update the position description. There was also consensus among the council to stay with a City Manager instead of move back to a City Administrator.

The Mayor adjourned the meeting at 7:38 p.m.

Tom Phillips, Mayor

Attest:

Jodi Eddleman, City Clerk