

OTTUMWA CITY COUNCIL MINUTES

REGULAR MEETING NO. 26
Council Chambers, City Hall

August 2, 2011
6:30 O'clock P.M.

Present were Council Member Niner, Weller, Caviness, Meyers, Morgan, and Mayor Uehling.

Meyers moved, seconded by Morgan to approve the following Consent Agenda items: minutes from Regular Meeting No. 25, July 19, 2011 as presented; acknowledge June financial report and payment of bills as submitted by the Finance Dept.; Final payment to Turner Concrete Construction for the Gray Eagle Multiuse Trail Repair (RFP #18-2010) in the amount of \$1,473.10; beer and/or liquor applications for Veterans of Foreign Wars No. 775,702 W. Main, change of ownership; Pizza Hut of Ottumwa-Fairfield, 1247 Theatre Drive; Champion Bowl, 2601 Roemer Ave.; Appanoose Rapids Brewing Company, 332 E. Main St., with outdoor service area; Wal-Mart Supercenter #1285, 1940 Venture Drive; Recovery Room, 1805 W. Second St., pending dram; and Bridge City Bowl, 1527 Albia Road, temporary outdoor service area on 8/23-25/2011, 8/30-9/1/2011, 9/6-8/2011 and 9/13-15/2011, pending final inspections. All ayes.

Morgan moved, seconded by Meyers to approve the agenda as presented. All ayes.

Director of Finance Jay reported there will be a special meeting Monday, August 8, 2011 at 4:00 P.M. at Bridge View Center with a presentation from VenuWorks on the management of the center. The meeting will continue with a work session at 6:30 P.M in the Council Chambers.

Fire Chief Miller reported there is a burn ban in effect that began July 30, 2011 at 3:00 P.M. and will remain in effect until further notice. Forty-two applicants will be testing for the position of Fire Fighter to establish an eligibility list on August 19, 2011. The outdoor warning system will need to be repaired and bids will be received and brought back to Council with a recommendation. Training will begin with Cargill at no cost to the City, and is a great way to get the company familiar with the Fire Dept. and their services. Out of nineteen Haz-Mat teams, Ottumwa Fire Dept.'s Captain Brian Carnahan was recognized as Haz-Mat Tech of the year.

Mayor Uehling inquired if anyone in the audience wished to speak on a specific agenda item. Nancy McGee, 617 N. Fifth St. would like to speak on the development of Kohl's.

Caviness moved, seconded by Niner to approve the firm of McGowen, Hurst, Clark & Smith P.C. to provide services to the City of Ottumwa for filing retiree medicare drug subsidy applications in the amount of \$12,000.00 per year and authorize the Finance Director to sign the contract. All ayes.

Weller moved, seconded by Morgan to approve the City/County Election Precinct Agreement and authorize the Mayor to sign. All ayes.

Caviness moved, seconded by Niner to authorize the City Clerk to certify the election precinct boundary ordinance, precinct population totals and precinct maps to the Secretary of State. All ayes.

Meyers moved, seconded by Weller to approve improvements for Central Park contingent upon no cost to the City of Ottumwa. All ayes.

Caviness moved, seconded by Weller to approve the Ottumwa Public Safety Advisory Board recommendations of July 25, 2011. All ayes.

This was the time, place and date set for a public hearing on the proposed Amendment No. 4 to the West Gate Economic Development Urban Renewal Area in the City of Ottumwa, State of Iowa. City Planner Shafer reported that a consultation meeting was held on July 12, 2011 with the taxing entities. On July 19, 2011 a written objection was received from the Wapello County Supervisors that contained concerns of the removal of the site from the existing West Gate area and creating a new urban renewal area, the use of TIF funds and terms of the project to assist the development of the retail store. City Admin. Helfenberger returned a written response on July 22, 2011 that addressed the existing land assessed as agricultural, significant improvements are needed and financial incentives are necessary, the existing level and flooding conditions that restricts access and development of the proposed shopping center site, and the projects identified in the urban renewal plan will increase the tax base and create jobs. Nancy McGee, 617 N. Fifth Street, stated that she does not support the City paying the developer \$2 million dollars to come to Ottumwa. She said the money can be better spent on things such as the Transit Department. Caviness moved, seconded by Meyers to close the public hearing. All ayes.

Caviness moved, seconded by Weller that Res. No. 125-2011, determining an area of the City to be an Economic Development Area, and that the rehabilitation, conservation, redevelopment, development, or a combination thereof, of such area is necessary in the interest of the public health, safety or welfare of the residents of the City; designating such area as appropriate for Urban Renewal Projects; and adopting Amendment No. 4 to the West Gate Economic Development Urban Renewal Plan, be passed and adopted. All ayes.

Caviness moved, seconded by Niner to pass the first consideration of Ordinance No. 3025-2011, amending Ordinance Nos. 2715-1989, 2813-1994, 2916-2002 and 3007-2009, providing that general property taxes levied and collected each year on all property located within the amended West Gate Economic Development Urban Renewal Area, in the City of Ottumwa, County of Wapello, State of Iowa, by and for the benefit of the state of Iowa, City of Ottumwa, County of Wapello, Ottumwa Community School District, Indian Hills Community College and other taxing districts, be paid to a special fund for payment of principal and interest on loans, monies advanced to and indebtedness, including bonds issued or to be issued, incurred by the City in connection with the amended West Gate Economic Development Urban Renewal Plan. All ayes.

Meyers moved, seconded by Niner to waive the second and third readings and pass and adopt Ordinance No. 3025-2011, amending Ordinance Nos. 2715-1989, 2813-1994, 2916-2002 and 3007-2009, providing that general property taxes levied and collected each year on all property located within the amended West Gate Economic Development Urban Renewal Area, in the City of Ottumwa, County of Wapello, State of Iowa, by and for the benefit of the state of Iowa, City of Ottumwa, County of Wapello, Ottumwa Community School District, Indian Hills Community College and other taxing districts, be paid to a special fund for payment of principal and interest on loans, monies advanced to and indebtedness, including bonds issued or to be issued, incurred by the City in connection with the amended West Gate Economic Development Urban Renewal Plan. All ayes.

This was the time, place and date set for a public hearing on a proposed Ottumwa Wildwood Drive/ Highway 34 Urban Renewal Plan for a proposed Urban Renewal Area in the City of Ottumwa, State of Iowa. City Planner Shafer reported that a consultation meeting was held on July 12, 2011 with the taxing entities. On July 19, 2011 a written objection was received from the Wapello County Supervisors that contained concerns of the removal of the site from the existing West Gate area and creating a new urban renewal area, the use of TIF funds and terms of the project to assist the development of the retail store. City Admin. Helfenberger returned a written response on July 22, 2011 that addressed the existing land assessed as agricultural, significant improvements are needed and

financial incentives are necessary, the existing level and flooding conditions that restricts access and development of the proposed shopping center site, and the projects identified in the urban renewal plan will increase the tax base and create jobs. Caviness moved, seconded by Niner to close the public hearing. All ayes.

Caviness moved, seconded by Niner that Res. No. 124-2011, determining an area of the City to be an economic development area, and that the rehabilitation, conservation, redevelopment, development, or a combination thereof, of such area is necessary in the interest of the public health, safety or welfare of the residents of the City; designating such area as appropriate for Urban Renewal Projects; and adopting the Ottumwa Wildwood Drive/Highway 34 Urban Renewal Plan, be passed and adopted. All ayes.

Meyers moved, seconded by Weller to authorize the Mayor to sign the Declaration of Agreement to Include Agricultural Land in the Ottumwa Wildwood Drive/Highway 34 Urban Renewal Area. All ayes.

Caviness moved, seconded by Niner to pass the first consideration of Ordinance No. 3024-2011, providing that general property taxes levied and collected each year on all property located within the Ottumwa Wildwood Drive/Highway 34 Urban Renewal Area, in the City of Ottumwa, County of Wapello, State of Iowa, by and for the benefit of the state of Iowa, City of Ottumwa, County of Wapello, Ottumwa Community School District, Indian Hills Community College and other taxing districts, be paid to a special fund for payment of principal and interest on loans, monies advanced to and indebtedness, including bonds issued or to be issued, incurred by the City in connection with the Ottumwa Wildwood Drive/Highway 34 Urban Renewal Area. All ayes.

Caviness moved, seconded by Niner to waive the second and third readings and pass and adopt Ordinance No. 3024-2011, providing that general property taxes levied and collected each year on all property located within the Ottumwa Wildwood Drive/Highway 34 Urban Renewal Area, in the City of Ottumwa, County of Wapello, State of Iowa, by and for the benefit of the state of Iowa, City of Ottumwa, County of Wapello, Ottumwa Community School District, Indian Hills Community College and other taxing districts, be paid to a special fund for payment of principal and interest on loans, monies advanced to and indebtedness, including bonds issued or to be issued, incurred by the City in connection with the Ottumwa Wildwood Drive/Highway 34 Urban Renewal Area. All ayes.

This was the time, place and date set for a public hearing on the proposed Development Agreement with Continental 256 Fund LLC., and the City of Ottumwa. City Planner Shafer reported that the Development Agreement obligates the City to provide \$2 million in Developer incentives in exchange for a Tax Guarantee Agreement. The development will create a 2.5 acre outlot in addition to the development site of Kohl's. Letters of support were received from the Ottumwa Economic Development Corporation and Ottumwa Main Street. No objections were received. Caviness moved, seconded by Niner to close the public hearing. All ayes.

Caviness moved, seconded by Meyers that Res. No. 131-2011, approving and authorizing the execution of a Development Agreement by and between Continental 256 Fund LLC and the City of Ottumwa, be passed and adopted. Council Member Morgan stated he still had concerns with paying \$2 million. He feels it would be different if an industrial business were to be considered, a business that could create full-time jobs that a person could support their family on. Ayes: Niner, Weller, Caviness, Meyers. Nays: Morgan. Motion carried.

Caviness moved, seconded by Meyers that Res. No. 122-2011, approving a proposal from Standard Insurance Company to provide life insurance benefits for full-time City employees and qualified retirees, be passed and adopted. All ayes.

Caviness moved, seconded by Niner that Res. No. 126-2011, fixing the date for a meeting on the proposition of the issuance of not to exceed \$2,050,000.00 General Obligation Bonds, Taxable Series 2011A, of the City of Ottumwa, State of Iowa and providing for publication of notice thereof, be passed and adopted. All ayes.

Caviness moved, seconded by Meyers that Res. No. 127-2011, fixing an amount for dispositional expenses against real estate owned by Steven Stanbridge and Noelle Stanbridge, be passed and adopted. All ayes.

Caviness moved, seconded by Niner that Res. No. 128-2011, fixing August 16, 2011 as the date for a public hearing regarding a reduction in transit services within the City of Ottumwa, be passed and adopted. All ayes.

Meyers moved, seconded by Weller that Res. No. 132-2011, approving Change Order #1 for the Asphalt Street Repair Program 2010, be passed and adopted. All ayes.

The Mayor inquired if anyone from the audience wished to address the Council on an item not on the agenda. There were none.

Weller moved, seconded by Niner that the meeting be adjourned. All ayes. Adjournment was at 7:40 P.M.

CITY OF OTTUMWA, IOWA

Dale Uehling, Mayor

ATTEST:

Amanda Valent, City Clerk

OTTUMWA CITY COUNCIL MINUTES

SPECIAL MEETING NO. 27
Bridge View Center, 102 Church Street

August 8, 2011
4:00 O'clock P.M.

Present were Council Member Morgan, Niner, Weller, Caviness and Mayor Uehling. Council Member Meyers was absent.

Mayor Uehling opened the meeting by explaining the RFP Committee sent out and received back one RFP for the Management of the Bridge View Center. VenuWorks of Ames, Iowa submitted an RFP, but a one to two year contract extension with Centerplate is still an option. Brent Lott noted the RFP Committee is comprised of Brent Lott, Jane Broeck-Kramer, Keith Caviness, Brian Morgan, Dennis Hohn, Dale Uehling, Joe Helfenberger, Bob Jay, Joni Keith, Mike Moreland and Greg Kenning. VenuWorks of Ames, Iowa is here to give a presentation on the management of the Bridge View Convention and Events Center. Joe Briglia, Vice President of Development, said the presentation will include talk about decreasing the subsidy, booking, marketing, sales, and boosting the activity levels. VenuWorks works with staff to train, mentor, and create a career path with a transition plan that they have. There are also standards and procedures of operation that will be touched on. Steve Peters, President, stated VenuWorks is probably the only company that was created specifically to manage the smaller accounts. VenuWorks now manages over forty accounts in eleven states. Looking at the trajectory, they think the next level is a million dollars in revenue. The goal is to generate more diversified programming which creates more revenue. Although the challenges for the smaller accounts are similar, the answers are different. They will be working with the facility to find the answers. Joe Briglia added another task would be working in the community and making sure the facility is a part of the community by selling sponsorships, community programs, and relationships. Phil Potter, National Director of Programming, mentioned the relationships that he has with agencies and artists and named some of the main acts that have played at their venues. These included: Larry the Cable Guy, Tim McGraw, Miranda Lambert, Papa Roach, TNA Wrestling, and Rodney Carrington. Tammy Koolbeck, Regional Vice President, stated the corporate office is very involved in the management of the facility. There are bi-monthly meetings and monthly marketing calls plus a network between the markets. Budgets are developed hand-in-hand with the marketing and business plan. Press releases and public relations are done as well. Each market talks to the others. If there is an event in one market a call will be made to let the others know. It is just as important to book the meeting space as it is the concerts and live shows. 75% of the buildings they manage have meeting space. They work with a company called Red 7 Media who surveys and works with meeting planners. They have generated a lead list that they can begin working on almost immediately. They also work closely with the community. The local person is the key. The question was raised about Spencer not having an adjoining hotel and how that is dealt with because the Bridge View Center does not have an adjoining hotel either. Tammy Koolbeck said the meeting planner knows this upfront and works with the facility to overcome the obstacle. Steve Peters noted most of the buildings they manage do not have an adjoining hotel. Events coming to places like Bridge View Center and smaller venues are most likely not flying in and are able to drive to the hotel if needed. There are ways to overcome these issues. Tammy Koolbeck added they work closely with hotels in the cities where event centers are located. They look at sponsorship opportunities. Sponsors are viewed as partners in building. Steve Peters stated they have been successful in selling naming rights and putting a promotional name on buildings. They contact a third party and look at how much value it would be worth to sponsor if they went out in this market place and generated that many impressions if they had to buy all of them. That comes out to a big number. They then go out to the buying sponsor and show it gives them a 5-1 value to price ratio. The Us Cellular Center began with just sponsoring one event and now they sponsor the entire facility. It's a process and does not happen overnight, but is an option. Russ Ferguson, Director

of Food and Beverage, said he believes there is potential to increase food and beverage revenue at Bridge View Center with potential events. As far as support staff, they transition their people from one building to another. The financial reporting system is extensive and ranges from sales by event to actual versus budget sales. Every two weeks they are analyzing whether they are meeting goals for the year. The pricing for the food is based on the market where the facility is. He stated they always try to purchase locally. If this is not possible, they have national contract pricing that can be used. Tammy Koolbeck said if they are fortunate enough to become partners with the city, there is a transition plan in place. They work closely with the board and city on the budget goals and business plan. Positions within the facility will carry more than one responsibility due to being a smaller staff. This is feasible because there is support from the corporate office. There is a financial audit conducted annually and an operational audit performed every two years. There is a report that comes from the building each month and once a month they have a staff meeting in Ames where they go through all those reports and identify where there are issues. They track those issues and see what needs to be corrected. The company's website is very inclusive and includes access to forms, job descriptions, training manuals and sample contracts. They have a TicketMaster contract that goes with them anywhere they go. The building currently has a TicketMaster contract and this can supersede the current contract. This will get a better rate than the city can get on its own. There is a 35 cent mark fee for every ticket sold that goes to the building. VenuWorks has a 72 hour resolution guarantee. An issue will not sit more than 72 hours without being addressed. They offer a TULIP policy for those sponsors and events that do not have insurance. This is a Tenant User Liability Insurance Policy. VenuWorks adds this to their policy for a nominal amount. Council Member Caviness asked how much the amount is and if it's close to around \$100. Steve Peters said that sounds correct. Council Member Caviness also stated that he does not mind sharing profits, but he does not like to have losses unless the management company is willing to share it in as well. Joe Briglia noted that incentive fees cannot be based on the bottom line. It has to be based on revenues and expenses. They can trigger it, not earn incentive unless they are able to reduce the subsidy. Their incentive fee is capped and cannot be any larger than the base fee. Council Member Caviness asked if Bridge View is viewed as having a target revenue of \$1 million, what number is put on that as a profit for the City. Joe Briglia said with every event done to get the revenue of \$1 million, there are costs involved with that. Just the same, as the center gets busier they will need to hire more people and there will be risks that are taken. A lot has to happen for the building to be profitable. They are able to meet this with a plan. They are focused on the small markets. Council Member Caviness asked if any of the facilities VenuWorks manages are profitable. Steve Peters said yes there are. Each community is different. One event center may charge for parking where the next event center may not. There is more of a challenge in the smaller communities. Council Member Caviness asked if the facility will we ever see a black number. Steve Peters said a budget will be prepared and goals set to try to achieve that. Mayor Uehling stated as the use of the facility is increased, the thing that will happen is more people will be coming to the community, eating at the restaurants, and buying other things in the community. We have already seen an increase in the sales tax revenue and hotel/motel tax. Although we may not be in the black immediately, we will be closer. Council Member Morgan said he is apprehensive with this. He would like to see events brought into the facility and just bring people in here and get them out of their houses, book events that will sell in this area. Mike Moreland asked what the purpose is of having two accounts, the box office account and the operating account. Steve Peters said the box office account serves as an escrow account. The monies received from tickets are put into the box office account and once the event/show has completed they do a transfer of funds to the operating account and the entertainer/event. This is good business to ensure the entertainment holds up their end of the bargain. If they do not, the money in the box office account can be returned to those who bought tickets. The account is then cleared for every event.

Caviness moved, seconded by Morgan to recess the meeting and reconvene Special Meeting No. 27 at 6:30 P.M. in the City Council Chambers at City Hall, 105 E. Third Street. All ayes. The meeting recessed at 5:54 P.M.

RECONVENED SPECIAL MEETING NO. 27
Council Chambers, City Hall

August 8, 2011
6:30 O'clock P.M.

Weller moved, seconded by Niner that Res. No. 133-2011, awarding the contract for the installation of a culvert in the 1400 block of East Court Street and authorizing the Mayor to sign the contract, be passed and adopted. Public Works Dir. Seals reported three bids were received on July 28, 2011 and the low bidder was Portzen Construction, Inc. of Dubuque, Iowa in the amount of \$43,910.74. All ayes.

Caviness moved, seconded by Weller that Res. No. 136-2011, approving the agreement between the City of Ottumwa and Calhoun-Burns and Associates, Inc. for professional services for the Eisenhower Bridge Repair Project, be passed and adopted. All ayes.

Niner moved, seconded by Weller that Res. No. 137-2011, rescinding Res. No. 199-2010 and rejecting all bids for the Blackhawk Demolition Project, be passed and adopted. Public Works Dir. Seals reported due to the time delay with review of the bridge for historical significance, Taylor Construction is no longer willing to honor their contract. The project will be re-let after rejecting all bids. All ayes.

Morgan moved, seconded by Weller that the meeting be adjourned. All ayes. Adjournment was at 6:47 P.M.

CITY OF OTTUMWA, IOWA

Dale M. Uehling, Mayor

ATTEST:

Amanda Valent, City Clerk

OTTUMWA CITY COUNCIL MINUTES

REGULAR MEETING NO. 28
Council Chambers, City Hall

August 16, 2011
6:30 O'clock P.M.

Present were Council Member Morgan, Niner, Weller, Caviness, Meyers, and Mayor Uehling.

Meyers moved, seconded by Morgan to approve the following Consent Agenda items: minutes from Regular Meeting No. 26, Aug. 2, and Special Meeting No. 27 on Aug. 8, 2011 as presented; payment to Musco Sport Lighting of Oskaloosa, IA for repair of the Bi-Fold Door at Building #23 (Big Hangar) at the Ottumwa Regional Airport in the amount of \$6,250.00; payment to Musco Sports Lighting of Oskaloosa, IA for the installation of siding on the south wall at Building #23 (Big Hangar) at the Ottumwa Regional Airport in the amount of \$12,382.00; Res. No. 129-2011, setting Sept. 20, 2011 as a public hearing on the intent to dispose of city owned property located at 449 S. Ransom St.; Res. No. 130-2011, setting Sept. 20, 2011 as a public hearing on the intent to dispose of city owner property located at 2445 E. Main St. All ayes.

Morgan moved, seconded by Niner to approve the agenda as presented. All ayes.

City Admin. Helfenberger reported there will be Solid Waste Commission meeting on Wednesday, Aug. 17, 2011 at 5:00 P.M. in Room 108 at City Hall. There will also be a special meeting Monday, Aug. 22, 2011 and Monday Aug. 29, 2011.

Mayor Uehling inquired if anyone in the audience wished to speak on a specific agenda item. There were none.

Caviness moved, seconded by Niner to approve the staff recommendation to have the committee that prepared the RFP proposal for the management of Bridge View Center negotiate with VenuWorks for a management contract. All ayes.

This was the time, place and date set for a public hearing on the intent to dispose of city owned property located at 206 N. Fellows. Health & Inspections Supv. Gates reported three bids were received on July 26, 2011 and Steve Erwin submitted the best bid in the amount of \$16,600.00. No objections were received. Caviness moved, seconded by Niner to close the public hearing. All ayes.

Morgan moved, seconded by Weller that Res. No. 134-2011, accepting the bid and approving the sale of city owned property located at 206 N. Fellows to Steve Erwin, be passed and adopted. All ayes.

This was the time, place and date set for a public hearing on the intent to dispose of city owned property located at 209 Albany. Health & Inspections Supv. Gates reported one bid was received on Aug. 3, 2011 from Randy and Suzanne Anderson in the amount of \$2,670.00. No objections were received. Caviness moved, seconded by Niner to close the public hearing. All ayes.

Weller moved, seconded by Meyers that Res. No. 135-2011, accepting the bid and approving the sale of city owned property located at 209 Albany to Randy and Suzanne Anderson, be passed and adopted. All ayes.

This was the time, place and date set for a public hearing on the resolution instituting proceedings to take additional action for the authorization and issuance of not to exceed \$2,050,000 General Obligation Bonds. Dir. of Finance Jay reported these bonds will be used to finance the Urban Renewal

Project in the Wildwood Dr./Hwy 34 Urban Renewal Area and will be repaid using Tax Increment Financing from the developed property. No objections were received. Caviness moved, seconded by Niner to close the public hearing. All ayes.

Meyers moved, seconded by Caviness that Res. No. 146-2011, instituting proceedings to take additional action for the authorization and issuance of not to exceed \$2,050,000 General Obligation Bonds, be passed and adopted. Ayes: Niner, Weller, Caviness, Meyers. Nays: Morgan. Motion carried.

Caviness moved, seconded by Meyers that Res. No. 147-2011, directing the advertisement for sale of \$2,050,000 of General Obligation Bonds, Taxable Series 2011A and approving electronic bidding procedures, be passed and adopted. Ayes: Niner, Weller, Caviness, Meyers. Nays: Morgan. Motion carried.

This was the time, place and date set for a public hearing on the proposed reduction in City transit services. Interim Transit Dir. Hagist reported Bob Bourne, Consultant, was hired to review the transit services. Based upon the anticipated reduction in funding, the following services will be terminated or reduced: JARC Route eliminated, PTYC North and South Routes eliminated, Sunday service eliminated, operate two routes instead of four on Saturdays, and eliminate the first trip on all routes weekday mornings and start Lift at 6:45 A.M. Kenny Mathew Sr., 109 E. Woodland, stated the citizens did not do anything wrong yet they are being penalized. He said they are losing night, weekend, and Sunday services. He would like for there to be minivan to be able to take people to church. He said there are already volunteers and his wife is one of them. If someone needs a ride then someone should come and get them, especially if they are handicapped. He wants to make sure everyone that needs a ride gets a ride. Council Member Caviness asked Mr. Hagist to explain how the reductions will affect citizens. Interim Transit Dir. Hagist said the reductions will not affect the Ottumwa Housing High Rises or Tenco. Council Member Niner asked how many people will be affected. Mr. Hagist said he does not know off the top of his head. The routes were looked at and evaluated and then reductions were made based on the evaluations. He also added that volunteers are not allowed to drive the vehicles. Caviness moved, seconded by Niner to close the public hearing. All ayes.

Caviness moved, seconded by Meyers that Res. No. 143-2011, approving a contract and an addendum contract between the City of Ottumwa and the Iowa Department of Transportation for funding for transit services in Ottumwa, be passed and adopted. City Attorney Keith stated that a final draft has not yet been received from the state, but it is coming. The one year contract will be retroactive to Sept. 1, 2011. Council Member Weller asked if approving the contract would obligate the City to enter into a contract if the final draft is received and language in the contract is different than the draft reviewed by Council. City Attorney Keith stated if figures or timeline has changed in the final contract received by the state she will not recommend the Mayor sign. All ayes.

Caviness moved, seconded by Meyers that Res. No. 144-2011, approving a reimbursement agreement between the City of Ottumwa and the Iowa Department of Transportation for amounts overpaid by DOT to the Ottumwa Transit Services, be passed and adopted. All ayes.

Caviness moved, seconded by Meyers that Res. No. 145-2011, providing for the reduction or elimination of city transit services after public hearing is held, be passed and adopted. All ayes.

Niner moved, seconded by Weller that Res. No. 138-2011, approving and adopting The Policy Statements for the Downtown Facade Improvement Program and the Downtown Interest Buy-Down

Rehabilitation Program; and rescinding Res. No. 193-2007 in its entirety, be passed and adopted. All ayes.

Weller moved, seconded by Meyers that Res. No. 139-2011, fixing an amount for abating nuisance/demolition against certain lots in the City, be passed and adopted. All ayes.

Caviness moved, seconded by Weller that Res. No. 140-2011, authorizing the Mayor to sign and submit the 2012 Certified Local Government (CLG) Grant Application for an intensive level survey of an area in the downtown, and, if funded, to sign all related documents, be passed and adopted. All ayes.

Caviness moved, seconded by Meyers that Res. No. 142-2011, approving the final plat of Wildwood Centre Subdivision, to the City of Ottumwa, Wapello County, Iowa, be passed and adopted. All ayes.

Meyers moved, seconded by Caviness that Res. No. 148-2011, awarding the contract for the installation of a culvert on Birchwood Dr. and Birchwood Knoll and authorizing the Mayor to sign the contract (RFP #12-2011), be passed and adopted. All ayes.

The Mayor inquired if anyone from the audience wished to address the Council on an item not on the agenda. Kenny Mathew Sr., 109 E. Woodland, stated that at one time the park department cleared snow from the alleys. He would like it if this was arranged again because the alleys need to be cleared so that people can get out.

Caviness moved, seconded by Niner that the meeting be adjourned. All ayes. Adjournment was at 7:31 P.M.

CITY OF OTTUMWA, IOWA

Dale Uehling, Mayor

ATTEST:

Amanda Valent, City Clerk

OTTUMWA CITY COUNCIL MINUTES

SPECIAL MEETING NO. 29
Council Chambers, City Hall

August 22, 2011
5:00 O'clock P.M.

Present were Council Member Niner, Weller, Caviness, Meyers, Morgan and Mayor Uehling.

The Mayor inquired if anyone from the audience wished to address an agenda item. There were none.

Caviness moved, seconded by Weller to approve the low bid from Gullett Fence Co. in the amount of \$4,003.00 for the Bark Park Fence. Park Dir. Rathje reported two bids were received on Aug. 12, 2011 with Gullett Fence Co. having the low bid. All ayes.

Meyers moved, seconded by Weller to approve the purchase of a Digital Radio System in the amount of \$100,118.49 from Communication Engineering Company (CEC). Public Works Dir. Seals reported one bid was received on Aug. 17, 2011, and the low bidder was Communication Engineering Company (CEC) of Hiawatha, Iowa. All ayes.

Caviness moved, seconded by Weller that Res. No. 151-2011, setting Sept. 6, 2011 as a public hearing on the Council's intent to sell city owned property located at Building #80 and the adjacent approximate 5 acres at the Ottumwa Regional Airport, be passed and adopted. All ayes.

This was the time, place, and date set for a public hearing on the proposed changes in the city election precinct boundaries. City Clerk Valent reported the precinct documents were returned from the Secretary of State for revisions to be made. Precinct totals were re-calculated to reflect the totals per the Secretary of State's Office. Precincts 2 and 4 were corrected to reference census blocks and tracts as defined in the 2010 census. Precinct 2 was also revised to portray a more accurate description of the precinct boundary. Precincts 1 and 7 were corrected to include the census tracts within the river as well as north and south of the river. No objections were received. Caviness moved, seconded by Niner to close the public hearing. All ayes.

Niner moved, seconded by Meyers to pass the first consideration of Ordinance No. 3026-2011, amending Chapter 12, Article II, Precincts of the Municipal Code of the City of Ottumwa, Iowa by repealing Sections 12-29, 12-30, 12-32, and 12-35 and enacting a substitute in lieu thereof. All ayes.

Caviness moved, seconded by Niner to waive the second and third considerations and pass and adopt Ordinance No. 3026-2011, amending Chapter 12, Article II, Precincts of the Municipal Code of the City of Ottumwa, Iowa by repealing Sections 12-29, 12-30, 12-32, and 12-35 and enacting a substitute in lieu thereof. All ayes.

Meyers moved, seconded by Caviness to authorize the City Clerk to certify the election precinct boundary ordinance, precinct population totals and precinct maps to the Secretary of State. All ayes.

Stephen Black, Friends of Naval Air Station (NAS) Ottumwa, presented a proposal for Building No. 36 (Administration Building) at the Ottumwa Regional Airport. Friends of Naval Air Station (NAS) Ottumwa is a nonprofit organization with the goal of preserving Building No. 36 for heritage and benefiting economic development. The proposal is to create a museum within Building No. 36 that both educates and pays tribute to the former base's contributions to the community. Costs could be offset through the rental of office space and will also encourage economic development. Mr. Black stated the Administration Building is important because this was the base headquarters and all Navy

personnel went through this building. It is made of brick and can give visitors a look into the past. The first item to address with the building is the roof. The window openings will also need to be sealed and a detailed study to address renovation of the building needs to be conducted. The Friends of Naval Air Station Ottumwa will be fundraising to finance this project. Mr. Black said that Cape May in New Jersey was leased at \$1.00 per year and then ownership was turned over to the nonprofit organization for a purchase price of \$1.00. Mayor Uehling asked if Mr. Black would like a formal resolution to be drafted. Mr. Black said yes. They would then be able to move forward.

Airport Supv. Francis gave an overview of the land and properties located at the Ottumwa Regional Airport and identified which properties were privately owned and those owned by the City. He described the current runway and the plan to extend. He explained this would require purchasing land, and easements and right-of-ways could be utilized as well. They are in the process of getting the deer fence up. Once completed, if the runway is extended, the fence would simply be taken down and placed at the end of the runway. No part of the fence would be destroyed or discarded. Airport Supv. Francis noted Building No. 37 and 38 are the only two remaining original Navy buildings still standing. Building No. 38 is rented to Bakery Trading Co. and Building No. 37 has severe structure issues and, without attention, will go into further deterioration. He stated he would like a general consensus from the Council as to what direction they would like to go with Building No. 37, repair or demolish. City Admin. Helfenberger added that Cyclone Business Jet may be interested in the property. If so, a development agreement could be drafted to include fixing it up.

Public Works Dir. Seals reported staff started discussing the Administrative Consent Order with IDNR and EPA in 2007. They have successfully negotiated twenty-five years to complete the listed projects. The projects began on the south side because that is where they identified more problems. To date, the City has received more than \$12 million dollars in grant monies. Ted Payseur, Vice President of Veenstra & Kimm, stated that this is a very lengthy timeline and it has taken almost five years to get to this. He said this is the longest timeline in the state. Mr. Payseur noted that Ottumwa is defined as a disadvantaged city in the Consent Order yet must move in good faith on the projects. He said this is a very fair contract and recommends getting it in place and moving forward. He added Ottumwa has done a wonderful job. Mayor Uehling stated this will clean up the lagoon and be a great benefit for the area and the Greater Ottumwa Park. With the accomplished work on the south side there have been fewer basement backups. Council Member Niner said getting twenty-five years when it was originally set at fifteen years is great, but it's still about what citizens can afford. Public Works Dir. Seals stated there still has to be a method to pay for the projects. Options include TIF funding, Local Option Sales Tax, and not just the sewer fund. But there has to be a secure funding source. When looking at a sewer rate increase you have to look at the twenty-five years and not just a few years. He said the key is Paragraph 8 on Page 9, Affordability, of the Administrative Consent Order which states rates cannot exceed a certain percentage of the Median Household Income (MHI). Council Member Niner asked what official MHI will be used. Public Works Dir. Seals said the most current 2009 census data would be used. Council Member Niner said if the citizens can't afford it, then they can't afford it. Mr. Seals added that there are other funding options. Council Member Morgan asked about bonding options. Dir. of Finance Jay said the Local Option Sales Tax is due to expire on Dec. 31, 2012. He is looking at taking an extension of the 1% sales tax increase to a ballot in the fall of 2012. This can help pay for the sewer separation if extended. Council Member Caviness added that with more people coming in to the community there will be more money in revenue. The Mayor inquired if anyone wished to address the Council on an item not on the agenda. There were none.

Caviness moved, seconded by Niner that the meeting be adjourned. All ayes. Adjournment was at 7:13 P.M.

CITY OF OTTUMWA, IOWA

Dale M. Uehling, Mayor

ATTEST:

Amanda Valent, City Clerk