

**City of Sheldon
City Council Report for 3/20/2019
Regular Meeting at 4:30 p.m.**

3d. Change order #2 for Airport snow removal equipment storage building.

Attachments: Change order #2.

Background: This project is substantially complete. This change order was approved at the Airport Commission meeting on March 12 and is being forwarded to you for your consideration and approval. The amount is for \$89.92 for two outdoor emergency lights. The specifications showed indoor lights. The building is now being used, and the insurance coverage began on March 12. The final pay order will be coming forward soon.

3e. Set hearing for granting of underground electric easement at Water Treatment Plant to MidAmerican Energy.

Attachments: Proposed Easement.

Background: Page 4 of the attached easement has a drawing of where this permanent easement will be located. This is to grant an underground electric easement at the City Water Plant on Old Highway 60. No action is to be taken on this item tonight other than to set the hearing for April 3.

3f. Approve WWTP pay request #10.

Attachments: Pay request #10.

Background: This is a routine pay request. The project is on schedule and on budget. The project has two completion dates – the first substantial completion date is November 2019 for the plant itself. July 2020 is the substantial completion date for the demolition/removal of the four clarifiers, digesters, chorine contact chamber, and the RBC (Rotating Bio Cylinder) building.

5a. Submittal of a CDBG application on behalf of Village Northwest Unlimited.

- i. Public Hearing.**
- ii. Consider sub-recipient agreement.**
- iii. Resolution authorizing grant.**

Attachments: Grant information and resolution.

Background: The hearing date was set at the March 6 Council meeting and published on March 13. The proceeds will be used two ICFID buildings (Intermediate Care Facilities for people with Intellectual Disabilities). The project is expected to begin in Spring of 2020. CDBG assistance (Community

Development Block Grant) is being sought for \$600,000. Village Northwest will undertake a major fundraising campaign for the remaining dollars.

5b. Discussion and direction regarding utility billing reminder notices.

Attachments: None.

Background: The City has a longstanding requirement of mailing reminder notices for past due utility accounts per City Ordinance 92.05, which was last updated in 2005. Here is the current code:

City Code 92.04 (1).Notice. If an account is not paid by the due date, the Clerk shall notify each delinquent customer, by a courtesy reminder notice. Such notice shall be sent by ordinary mail informing the customer of the nature of the delinquency. If payment is not received within twelve (12) days from the date of the reminder notice, a disconnect notice, which shall include a late penalty and a twenty-five dollar (\$25.00) administrative charge, will be delivered informing the customer of pending disconnection as specified in the notice. If requested by the customer, he/she shall be afforded the opportunity for a hearing prior to the discontinuance of service. (*Ord. 005-3155 – Oct. 05 Supp.*)

The bills are mailed the last day of the month, and a reminder notice is mailed out the 11th of the next month. If the bill is not paid by the 25th, we then assess a 1 ½% finance fee and a \$25 administrative fee and deliver disconnect notices. It is time to review the practice of sending out reminder notices. As of March 2019, the City has 2,279 utility accounts. On average, we are sending 350 - 500 reminder notices a month. On March 11, we sent out 463 notices. It is an expensive effort both in terms of postage and staff time. It would be better to skip directly to the disconnect notice or adjust the billing to have a “if paid by this date, the bill is X” and “if paid after this date, the bill is Y”. This would be a significant change in the process, and we would like your guidance prior to bringing forward an ordinance amendment. In summary, we recommend shortening the process from four steps to three:

1. Sending the original bill.
2. Mailed Reminder. (**This is the step we are proposing to remove**).
3. Mailed Disconnect notice.
4. Door tag.

5c. 1st reading of Ordinance amending the Code of Ordinances of the City of Sheldon, Iowa, by amending provisions of section 115.04 pertaining to Cemetery rates.

Attachments: Ordinance amendment; March 13 Cemetery Board minutes.

Background: The Cemetery Board met on March 13, for the first time since 2014. The Board recommends increasing most of the Cemetery fees by \$25.00. Second and third reading can be waived if you desire. Please note that the

ordinance language also makes the grave opening price the same for East Lawn Cemetery and the non-City cemeteries (St. Patrick's and St. Paul's).

One of the other topics at the meeting was to find ways to encourage the re-sale of old lots. There are many grave spaces in East Lawn cemetery which have never been used. A century ago it was common for people to buy graves "just in case", and many people bought them in groups of 7 or 9. Iowa law has a process for declaring a grave site to be abandoned after 75 years. Simply put, it includes a certified mailing to an heir, and then waiting another three years.

Frank Postma of Le Mars would like to purchase three locations in Block 55 which have been unused since they were purchased by F.N. Connelly in 1899; Mr. Postma's parents and uncle are buried nearby. Using Ancestry.com and other websites, a friend of mine in Sioux Falls was able to locate F.N. Connelly's grandson in Utah. On March 12, I called Frank C. Connelly of Sandy, Utah and had a great conversation with him. He confirmed he is the grandson of Frank Nicholas Connelly, who was a cigar maker in Sheldon in the late 1800's and early 1900's. His grandfather left Sheldon in approximately 1910; he died in 1939 and is buried in Salt Lake City. The Cemetery Board has approved the issuance of the deed to F.N. Connelly's grandson contingent on submission of a signed request. Frank C. Connelly then plans to sell the locations to Frank Postma.

6a. City Manager's Report.

- I will be attending the Iowa Municipal Management Institute in Iowa City from March 19-22. I will not be at the March 20 City Council meeting.
- Tom Fuoss of Perspective is working with me and our departments to review the property inventory for liability insurance. Our current deductibles are \$200 for liability and \$350 for comprehensive. We have a good claims history so we are exploring an increase in the deductibles to see if we can reduce our liability insurance cost. Sheldon is one of the original members of the Iowa Community Assurance Pool (ICAP).
- The property at 408 W. 10th Street is empty. The utilities were shut off at least eight years ago. I had a nice visit with the owner on March 5. He lives in Rock Valley. He plans to sell the property, which is zoned Light Industrial. The lot is a small corner lot. Therefore, a variance would likely be necessary.
- The trailer at 907 Western Avenue in Sheldon is abandoned and windows are broken out. The property hasn't had water service since January 17, 2013. I have asked the owner to remove it from the property. The owner lives in Sanborn.

- Spring Clean-up is set to begin Monday, April 29. The last day to purchase “flags” will be Friday, April 26.
- On March 8, Todd Uhl signed the final paperwork on four FEMA grants. We were awarded funding to cap the wells, fix the river bank by the trail bridge, replace the landscaping by the trail bridge, and emergency pumping efforts. The total amount granted is \$67,966.06. FEMA supplies 75%, Iowa Homeland Security supplies 15%, and 10% is left unfunded as a local match. Some of the dollars are already here and the rest will come after we complete the work and submit to Iowa Homeland Security. We have until Spring 2020 to complete the work.
- On March 7, Justin Campbell of Premier Online confirmed with Todd Uhl that Premier is planning on continuing their fiber installation in Sheldon this year. Below is a map of this year’s area. Everything inside the red line is where they will be.



- In April, we will be bringing forward the paperwork to the Council to proceed with paying \$2,265,000 in 2013 debt, which is callable June 1. This will help reduce our debt load from 83.58% of legal limit for FY18-19 to 65.75% for FY19-20.
- Angie and I are continuing our review of the City’s bank accounts (21 accounts in three banks). At the March 12 Airport Commission meeting,

the Commission approved the consolidation of the 'Municipal Airport' and 'Sheldon Mun Airport Reserve' savings accounts. The Airport has had four accounts for many years – three savings accounts and one checking account. The consolidation will occur soon. The third savings account is for the USDA airport loan and needs to remain separate. The original loan amount in 2001 was for \$400,000. The USDA airport loan will be paid off on July 1, 2020. As of July 1, 2018, the balance was \$60,345.39, and the balance estimate for July 1, 2019 is \$30,784.01.

The Prairie Museum has two savings accounts and one checking account. Angie and I are recommending the consolidation of the two savings accounts. This will be a topic at the Museum Board's next meeting in April or May.

- We have received a request from a property owner in the 800 block of 5th Avenue to vacate the eastern ½ of the alley that runs from 4th Avenue to 5th Avenue between 8th Street and 9th Street. The next step is to find out what easements and utilities are in the alley. Utility locates will be completed when the weather improves. Todd and I prefer vacating the entire alley rather than just half. City Code Chapter 137 requires consideration by the Planning & Zoning Commission and a hearing in front of the City Council. The last time the City vacated an alley was on August 15, 2007 (behind the United Methodist Church between 5th and 6th Avenue).
- Three open houses (come and go anytime) have been set to solicit community participation regarding the Gas & Electric franchise discussion. The mailer approved at the March 6 meeting will be mailed soon. Representatives from Mid-American and the City will be present:

Wednesday, April 3 from 5:30 – 8:00 PM in City Council Chambers (after the regularly scheduled Council meeting)

Thursday, April 4 from 5 – 7 PM at the Sheldon Fire Department/Sheldon Community Ambulance Team (SCAT) office.

Friday, April 12 from Noon – 2 PM at City Hall – 3rd floor.

The First Readings of the Gas and Electric Franchise Ordinances are tentatively set for Wednesday, April 17 at 4:30 PM.

- On Friday morning, March 15 (just before this report was finalized) we received confirmation that the basement of the Library experienced water damage due to the recent rains. We are at the very early stages of determining the extent of the damage.

6b (i). Determine procedure for appointment of Mayor at April 3 Council meeting.

Attachments: Official notice.

Background: As of the completion of this report, we have received interest letters from Fred Grein, Wayne Barahona and Bob Engel. More letters are expected. Letters of interest are not legally required for the appointment. Letters were requested to help streamline the process and are being made public upon receipt. At the March 6 City Council meeting, the Council extended the timeframe for the letters from March 13 to March 28, which is the day before the release of the April 3 agenda. The vacancy notice was published on March 13. The notice is being published again on March 20 (to note the March 28 deadline for letters of interest). City Code states the following:

5.11 VACANCIES. A vacancy in an elective City office during a term of office shall be filled, at the Council’s option, by one of the two following procedures:

(Code of Iowa, Sec. 372.13 [2])

1. Appointment. By appointment following public notice by the remaining members of the Council within forty (40) days after the vacancy occurs, except that if the remaining members do not constitute a quorum of the full membership, or if a petition is filed requesting an election, the Council shall call a special election as provided by law.

(Code of Iowa, Sec. 372.13 [2a])

2. Election. By a special election held to fill the office for the remaining balance of the unexpired term as provided by law. *(Code of Iowa, Sec. 372.13 [2b])*

I suggest the following procedure to help ensure a smooth process at the April 3 meeting:

- The appointment will occur at the very end of the April 3 meeting.
- Allow each candidate an opportunity to speak for up to 3 minutes.
- After all the candidates have spoken, the Council members can ask questions of the candidates.
- Each candidate will have 3 minutes to make a closing statement, and it will be in reverse order of the opening statements.
- The Council members will be given a ballot and will write the name of their preferred candidate on the ballot, and then the Council member shall sign the ballot. The ballots will be passed to the City Clerk, who will tabulate them in the presence of the City attorney.
- Note: I am not suggesting a secret ballot by the voting council members. What I am suggesting is a process where ballots will be used instead of “Motion to approve so and so” and “second”. Each ballot would be signed

by the Council member so that each Council member's vote will be known after the voting is over, but not during the voting.

- If a Council member chose to be a candidate for the position of Mayor, they will need to abstain from the voting.
- Regardless of minimum vote requirements, for the purposes of this procedure, three votes would be required. In the case of a "2 -1 -1 -1" vote, "2-1-1" or a "2-1" vote, the voting continues until there are 3 votes for a candidate.
- After a candidate has receive three votes, there would be a motion with a roll call to affirm the winner. Any prior ballots would be available for review at the end of the meeting by the candidates, media and public, and the results of those ballots would be printed in the minutes.
- The successful candidate will take office on April 15, 2019, which is 40 days after the vacancy occurred. (The oath does not need to be taken at Council meeting).