



CITY OF PELLA

CITY COUNCIL OFFICIAL MINUTES

April 17, 2018

A. CALL TO ORDER BY MAYOR AND ROLL CALL

The City Council of the City of Pella, Iowa, met in regular session at the Public Safety Complex meeting room at 7:00 p.m., Mayor Jim Mueller presiding. Council members present were: Tony Bokhoven, Lynn Branderhorst, Harold Van Stryland, Bruce Schiebout, Larry Peterson. Mark De Jong entered at 7:02 p.m. Absent: None. City Administrator Mike Nardini, City Attorney Kristine Stone, and City Clerk Mandy Smith were present. Six staff members and twelve members of the general public signed the register.

B. MAYOR'S COMMENTS

1. Announce Policy and Planning meeting following the regular Council meeting to discuss:
 - a. Bike Share Program
 - b. Vermeer Trail Options
 - c. Downtown Streetscape Plan
2. Approval of tentative agenda. Van Stryland moved to approve the tentative agenda, seconded by Bokhoven. On roll call the vote was: AYES: Van Stryland, Bokhoven, Branderhorst, Schiebout, Peterson. NAYS: None. Motion carried.
3. Oath of Office for New Reserve Officer Sebastian Sikora
4. Announce closed session pursuant to Iowa Code Chapter 21.5 1 (c) to discuss strategy with counsel in matters that are presently in litigation or where litigation is imminent where its disclosure would be likely to prejudice or disadvantage the position of the governmental body in that litigation.

De Jong enters at 7:02 p.m.

***PUBLIC FORUM (for anyone wishing to address Council regarding agenda items)**

No comments were received.

C. APPROVAL OF CONSENT AGENDA

Schiebout moved to approve the consent agenda, seconded by Peterson. On roll call the vote was: AYES: Schiebout, Peterson, De Jong, Bokhoven, Branderhorst, Van Stryland. NAYS: None. Motion carried. The following items were approved:

1. Approval of Minutes
 - a. Official Council Minutes for April 3, 2018
2. Report of Committees
 - a. Policy and Planning Minutes for April 3, 2018

PRESENT: Mayor Jim Mueller, Mark De Jong, Tony Bokhoven, Lynn Branderhorst, Harold Van Stryland, Bruce Schiebout, Larry Peterson

ABSENT: None

OTHERS: City staff and visitors

The Policy and Planning meeting began at 7:41 p.m. The first item on the agenda was a discussion about a request to allow microbreweries to operate in the City's commercial districts. As background, during the March 20th Policy and Planning meeting, there was significant discussion on which commercial districts microbreweries should be permitted in. At the conclusion of the meeting, Council directed the Planning and Zoning Commission to review allowing microbreweries to operate in commercial zoning districts, except the Central Business District (CBD), subject to obtaining a special use permit. Shortly after the meeting, staff received inquiries from the Mayor and Council relating to whether microbreweries should be restricted from the entire CBD, or only certain portions such as the main retail district. Council reviewed the geographical coordinates of the CBD. During discussion, Council expressed their support of allowing a microbrewery within the community, however, Council remained in general agreement that a microbrewery should not be allowed in the CBD.

At the end of the discussion, Council directed the Planning and Zoning Commission to review both the proposed microbrewery definition, and consider allowing it in all commercial zoning districts with the exception of the CBD, during their next meeting on April 23, 2018. The Planning and Zoning Commission will then make a recommendation to Council.

The next item on the agenda was a discussion about a proposed sidewalk inspection program. Staff is proposing to inspect all residential sidewalks in our community once every four years, which requires the establishment of quadrants. For 2018, staff is proposing to hire Garden & Associates to inspect the northeast quadrant of the City and establish uniform standards for defective sidewalks.

Listed below is the proposed timeline:

- May 1, 2018: Sidewalk inspection completed for the northeast quadrant.
- June 1, 2018: Property owners notified of defective sidewalk panels.

- September 30, 2018: Deadline for property owners to voluntarily replace defective panels.
- October 2018 to March 2019: City completes assessment proceedings including: property owner notifications, public hearing for the proposed assessment project, and conducting a bid letting to hire a contractor to repair the remaining defective panels.
- June 2019: City contractor completes repairs to all remaining defective sidewalk panels in the northeast quadrant.

The Mayor and Council expressed a desire to inform property owners of the standardized cost if they choose not to repair the defective sidewalks by the deadline of September 30, 2018. At the end of the discussion, Council directed staff to proceed with the sidewalk inspection program as proposed and outlined above.

The meeting adjourned at 8:37 p.m.

Respectfully submitted:

Mandy Smith

City Clerk

b. Community Development Committee Minutes for February 7, 2018

Chairperson Cody called the Community Development Committee to order in the Public Safety Complex at 5:30 p.m. Members present were: Leah Bokinsky, Jerry Brummel, Susan Canfield, Patsy Cody, Linda Groenendyk, Phil Groenendyk, Mike Kiser, Jody Lautenbach, Wayne Stienstra, and Dennis Vander Beek. Absent: Robyn Van Berkum. Staff present: Zoning Administrator Bryce Johnson, City Clerk Mandy Smith, and Deputy City Clerk Cynthia Vaske. Others present: Calvin Bandstra, Ryle Smith, Bob Zandi, David Chiles, and Michael Maakestad.

Unless otherwise noted, all actions were taken unanimously.

APPROVAL OF TENTATIVE AGENDA

The Community Development Committee (CDC) agreed to hold the annual elections of Chairperson and Vice-Chairperson after the other new business items listed on the agenda.

APPROVAL OF MINUTES

Motion by Brummel, second by Vander Beek to approve the minutes from the December 13, 2017 meeting. Motion carried 10-0.

NEW BUSINESS

(Case DSN18-01) Review a Design Permit Application for Exterior Alterations to 1400 Fifield Road

Ryle Smith has submitted a design permit application for exterior alterations to his property at 1400 Fifield Road. The project is considered a major project under the City's Design Review District Design Manual, which requires approval from the CDC. In evaluating this design application, staff believes the structure contains sufficient Dutch-themed architectural elements and meets the requirements listed in the Design Review District Design Manual. Ryle Smith, applicant, spoke in favor of the design permit and answered questions from the CDC.

Motion by Brummel, second by L. Groenendyk to approve the design permit as submitted, with the exception of the Cool Gray 4 U color, which requires further review and approval by the Design Subcommittee.

(Case DSN18-02) Review a Design Permit Application for a New Commercial Structure, Known as Bank Iowa, at 640 Washington Street
Bob Zandi with Kirk Gross Company has submitted a design permit application for the construction of the new Bank Iowa at 640 Washington Street. The project is considered a major project under the City's Design Review District Design Manual, which requires approval from the CDC. The alterations have been designed to reflect Pella's unique Dutch character. Staff believes each facade complies with the intent of the Design Review District Design Manual considering the structure's current design. The applicant is proposing to install several major and minor architectural elements including shutters, gable roof, and goose neck lighting. In summary, staff believes the proposed structure meets the intent of the 360° design review. In evaluating this design application, staff believes the structure contains sufficient Dutch-themed architectural elements and meets the requirements listed in the Design Review District Design Manual. The Planning and Zoning Commission will be reviewing the site plan for this development project on February 26, 2018.

Applicant, Bob Zandi, spoke in favor of the design permit and answered questions from the CDC. Zandi also shared material samples with the CDC.

Motion by Vander Beek, second by Stienstra to approve the design permit as submitted, with the condition that the color of the downspouts match the color of the brick. Motion carried 10-0.

ANNUAL ELECTIONS

Chairperson & Vice-Chairperson

Brummel was unanimously elected Chairperson and Kiser was unanimously elected Vice-Chairperson. Canfield, Cody, Vander Beek, and Stienstra will serve on the Design Subcommittee and Bokinsky, Cody, and Van Berkum will serve on the Sign Subcommittee.

OTHER BUSINESS / PUBLIC FORUM

Amendments to Peddler Permits

Zoning Administrator Bryce Johnson said staff is looking in to amendements to peddler permits and will update the CDC as decisions are made.

Adjourned at 6:18 p.m.

c. Historic Preservation Commission Minutes for March 12, 2018

Chairperson Mansueto called the Historic Preservation Commission to order in the City Hall Conference Room at 6:00 p.m. Members present were: Rhonda Kermod, Jim Mansueto, and Kent Oppenhuizen. Absent: Kathy Bruxvoort. Staff present: Finance Director Corey Goodenow and Zoning Administrator Bryce Johnson.

Unless otherwise noted, all actions were taken unanimously.

ANNUAL ELECTIONS - Chairperson & Vice-Chairperson

Mansueto was elected Chairperson and Kermod was elected Vice-Chairperson.

APPROVAL OF TENTATIVE AGENDA

Motion by Kermod, second by Oppenhuizen, to approve the tentative agenda. Motion carried.

APPROVAL OF MINUTES

Motion by Kermod, second by Oppenhuizen, to approve the minutes from the March 28, 2017 meeting. Motion carried.

OTHER BUSINESS/PUBLIC FORUM

Review of Historic District and Landmark Ordinance

The purpose of this review was to revisit the ordinance which was recommended by this Commission in March of 2017 and ultimately adopted by Council on August 1, 2017. Below is an overview of the items covered during this review:

Historic district overlay zones are geographically cohesive areas with significant concentrations of buildings and other resources that possess a high degree of historic integrity and convey a district sense of time and place. To qualify for designation as a historic district, the subject area must contain abutting pieces of property under diverse ownership that meet the following approval criteria:

1. Are significant in American history, architecture, archaeology, and culture; and
2. Possess integrity of location, design, setting, materials, workmanship, feeling, and association; and
3. Are associated with events that have been a significant contribution to the patterns of our history; or

4. Are associated with the lives of persons significant in our past; or
5. Embody the distinctive characteristics of a type, period, or method of construction, or represent the work of a master, or possess high artistic values, or represent a significant and distinguishable entity whose components may lack individual distinction;
6. Have yielded or may be likely to yield information important in prehistory or history.

Five steps are involved to establish a historic district overlay zone, as outlined below:

- Step 1 Property Owner Support (a majority of property owners and the geographical area must support the formation of a district)
- Step 2 Approval of Historic Preservation Commission
- Step 3 Approval of the State of Iowa's Historical Division
- Step 4 Public Hearing conducted at the Historic Preservation Commission, Planning and Zoning Commission, and at the Pella City Council
- Step 5 Approval of an ordinance by the Pella City Council (requires three public readings)

Properties subject to design review guidelines in an approved historic district overlay zone include:

- New single-family or two-family residential homes
- Additions to structures which require a building permit
- Alterations which require a building permit or demolition permit
- Alterations which do not require a building or demolition permit are not subject to design review guidelines

Design review standards apply as follows:

- Contributing structures would follow federal standards
- Non-contributing structures would follow existing Dutch Residential Design Review guidelines
- Commercial properties and multi-family housing would fall under the design review guidelines of the Community Development Committee

Mansueto asked if the Pella Historic Trust will be spearheading the application effort for the Collegiate Historic District. Kermode responded that a neighborhood meeting is scheduled for March 22, 2018 at 6:30 p.m. in room 206 of the Community Center. Sara Andre with the State Historical Society of Iowa will attend the meeting to review the pros and cons of having an overlay zone. Goodenow mentioned that City staff is working on pulling together an application and other necessary materials to submit as part of the application process.

Other Business

Mansueto asked for an update on the status of the Community Center. Goodenow responded that the recently approved budget included funds to conduct a facility analysis of all City owned property and land. This process is expected to take a year. Once completed, the analysis will be presented to Council for consideration of next steps. In the meantime, the Community Center will continue to be used as it currently is and maintained as necessary.

The next meeting is scheduled for April 9, 2018 at 5:30 p.m. Mansueto requested that the Commission discusses potential landmarks during this meeting.

Adjourned at 6:39 p.m.

3. Petitions and Communications

a. Renewal of Class E Liquor License with Class B Native Wine Permit, Class C Beer Permit (Carryout Beer), and Sunday Sales for Casey's General Store #2598

BACKGROUND: Casey's Marketing Company, DBA Casey's General Store #2598 located at 414 S Clark Street, has applied for renewal of their Class E Liquor License with Class B Native Wine Permit, Class C Beer Permit (Carryout Beer), and Sunday Sales. The term of the new license is 12 months and would expire on June 7, 2019.

The application has been completed online with the State, and staff is recommending approval.

ATTACHMENTS: Application
 REPORT PREPARED BY: City Clerk
 REVIEWED BY: CITY ADMINISTRATOR
 CITY CLERK
 RECOMMENDATION: Approve renewal

b. Renewal of Class C Beer Permit with Sunday Sales for Git-N-Go Convenience Stores #38

BACKGROUND: Git-N-Go Convenience Stores, Inc., DBA Git-N-Go Convenience Stores #38 at 209 Oskaloosa Street, has applied for renewal of their Class C Beer Permit with Sunday Sales. The term of the new license is 12 months and would expire on June 1, 2019.

The application has been completed online with the State, and staff is recommending approval.

ATTACHMENTS: Application
 REPORT PREPARED BY: City Clerk
 REVIEWED BY: CITY ADMINISTRATOR
 CITY CLERK
 RECOMMENDATION: Approve renewal

c. Renewal of Class B Native Wine Permit with Living Quarters for Silver Lining Enterprises LLC

BACKGROUND: Silver Lining Enterprises LLC, at 733 Franklin Street, has applied for renewal of their Class B Native Wine Permit with Living Quarters. The term of the new license is 12 months and would expire on April 30, 2019.

The application has been completed online with the State, and staff is recommending approval.

ATTACHMENTS: Application
 REPORT PREPARED BY: City Clerk
 REVIEWED BY: CITY ADMINISTRATOR
 CITY CLERK
 RECOMMENDATION: Approve renewal

d. Special Event Permit Request for Fridays After Five

BACKGROUND: The Pella Area Community & Economic (PACE) Alliance has requested a special event permit for four Friday After Five events on May 11, 18, 25 and June 1, 2018 from 5:00 to 10:00 p.m. Set-up would begin at 4:00 p.m. with take down completed by 11:00 p.m. each evening.

As background, Friday After Five events have been held for the past nine years. The events feature activities for members of the public age 21+ including live music and drinks provided by Monarchs. The events would be held in a fenced location on the Molengracht Plaza, as shown on the attached map. The promoter expects 50 to 100 attendees each evening of the event.

All pertinent City departments have reviewed this application and comments are attached. The fee and insurance certificate have been received, and approval is recommended.

ATTACHMENTS: Application, Map, Department Comments
REPORT PREPARED BY: City Clerk
REVIEWED BY: CITY ADMINISTRATOR
CITY CLERK
RECOMMENDATION: Approve special event permit

e. **Special Event Permit Request for Annual Tulip Time Flight Breakfast**

BACKGROUND: The Pella Airport Committee has requested a special event permit for their annual Tulip Time Flight Breakfast on Saturday, May 5, 2018 from 7:00 to 10:00 a.m. The event would be held on the Pella Municipal Airport property, including the terminal and fixed base operator (FBO) hangar. The promoter is proposing to begin set-up for the event on Friday, May 4 at 4:00 p.m. with take down completed by Saturday, May 5 at 11:00 a.m.

Historically, 500 to 1,000 people attend this annual airport open house and fly-in/drive-in breakfast each year. Antique classic, experimental, and corporate aircraft would be on display. Breakfast would be served by the Pella United Methodist Church.

All pertinent City departments have reviewed this application and comments are attached. The fee and insurance certificate have been received, and approval is recommended.

ATTACHMENTS: Application, Map, Department Comments
REPORT PREPARED BY: City Clerk
REVIEWED BY: CITY ADMINISTRATOR
CITY CLERK
RECOMMENDATION: Approve special event permit

4. Administration Reports – None

D. *PUBLIC HEARINGS

1a. **Public Hearing on Pella Corporation Hangar Lease Amendment. No written comments were received. One oral comment was received and addressed. Bokhoven moved to close the public hearing, seconded by Schiebout. On roll call the vote was: AYES: Bokhoven, Schiebout, Peterson, De Jong, Branderhorst, Van Stryland. NAYS: None. Motion carried.**

BACKGROUND: This resolution approves a second amendment to the Hangar Lease Agreement with Pella Corporation. As background, in 1999 the City and Rolscreen Company entered into a lease for property at the Pella Municipal Airport. This original agreement was amended in 1993 to update the name from Rolscreen Company to Pella Corporation as well as to allow Pella Corporation to sublease a portion of their property to Heritage Imports.

The initial term of this agreement expired on December 31, 2014. Since that time the parties have continued the term of the lease on a month-to-month basis.

Listed below is a summary of the major components of this amendment:

Term: The term of the agreement is extended through December 31, 2027.

Rent: This second amendment increases the annual rent from \$1,000 per year to \$2,000 per year, payable on January 1st of each year of the term.

Insurance and Indemnification: This section has been revised to reflect current aviation and insurance standards.

Recommendation

Staff is recommending approval of this amendment. It is also important to note, this amendment has been reviewed by the City Attorney and our insurance carrier.

ATTACHMENTS: Resolution, Second Amendment to Hangar Lease Agreement
REPORT PREPARED BY: City Administration
REVIEWED BY: CITY ADMINISTRATOR
CITY CLERK
RECOMMENDATION: Approve resolution

1b. **Resolution No. 5858 entitled, "RESOLUTION APPROVING A SECOND AMENDMENT TO THE PELLA CORPORATION HANGAR LEASE." Schiebout moved to approve, seconded by Van Stryland. On roll call the vote was: AYES: Schiebout, Van Stryland, Peterson, De Jong, Bokhoven, Branderhorst. NAYS: None. Motion carried.**

E. PETITIONS & COMMUNICATIONS

1a. **Special Event Permit Request for Thursdays in Pella. Branderhorst moved to approve, seconded by Van Stryland. On roll call the vote was: AYES: Branderhorst, Van Stryland, Schiebout, Peterson, De Jong, Bokhoven. NAYS: None. Motion carried.**

BACKGROUND: The Pella Area Community & Economic (PACE) Alliance has requested a special event permit for Thursdays in Pella on seven Thursday evenings in June and July, as outlined below. The events are scheduled from 6:00 to 9:00 p.m. with set-up starting at 3:00 p.m. and take down completed by 9:00 p.m. The promoter expects 1,000 to 1,500 people will attend each event to enjoy the family-friendly activities around Central Park including music, food, and games. Food vendors will be located on the east side of Broadway Street as outlined on the attached map. Listed below are the proposed street closures, occurring from 3:00 to 9:00 p.m. for each event:

Date	Event Theme	Street Closures
June 7th	Family Circus	800 block of Broadway & two parking spaces on Franklin
June 14th	Game Night	800 block of Broadway & five parking spaces on Franklin
June 21st	STEM Fest	Parking spaces only
June 28th	Ag in the City	600 & 700 block of Franklin, 800 block of Broadway, 700 block of Main
July 12th	BAM	Parking spaces only
July 19th	Happy Campers	Parking spaces only

July 26th Need for Speed 800 block of Broadway & 700 block of Franklin

All pertinent City departments have reviewed this application and comments are attached. The fee and insurance certificate have been received, and approval is recommended.

ATTACHMENTS: Resolution, Application, Maps, Department Comments
REPORT PREPARED BY: City Clerk
REVIEWED BY: CITY ADMINISTRATOR
CITY CLERK
RECOMMENDATION: Approve special event permit and resolution

1b. Resolution No. 5859 entitled, "RESOLUTION TEMPORARILY CLOSING PUBLIC WAYS OR GROUNDS IN CONNECTION WITH A SPECIAL EVENT KNOWN AS THURSDAYS IN PELLA." De Jong moved to approve, seconded by Schiebout. On roll call the vote was: AYES: De Jong, Schiebout, Peterson, Bokhoven, Branderhorst, Van Stryland. NAYS: None. Motion carried.

2. Special Event Permit Request for The Cellar Peanut Pub – Tulip Time. Bokhoven moved to approve, seconded by Peterson. On roll call the vote was: AYES: Bokhoven, Peterson, De Jong, Branderhorst, Van Stryland, Schiebout. NAYS: None. Motion carried.

BACKGROUND: The Cellar Peanut Pub, located at 629 Franklin Street, has requested a special event permit to provide outdoor seating during the 2018 Tulip Time. The applicant is requesting to have the outdoor area open between 10:00 a.m. and midnight beginning May 2, 2018 through May 5, 2018. Set-up is proposed to begin on Tuesday, May 1st with take down completed by Monday, May 7th.

As background, during the 2017 Tulip Time, The Cellar Peanut Pub set-up an Iowa Craft Beer Tent and provided outdoor seating to their customers. This year's special event application request involves the same set-up as 2017, which is also outlined below.

Outdoor Service Area

The proposed outdoor service area would extend from the applicant's garage south to the alleyway as shown on the attached map. It should be noted; the City owns the property from approximately 10 feet south of the applicant's garage to the alleyway. Therefore, in order to accommodate this request, Council will need to approve this special event permit request which authorizes the outdoor service area to be on City property.

Fencing

The Cellar Peanut Pub is proposing to utilize the same eight-foot tall temporary fencing as last year to fully enclose the outdoor service area. A picture of this fencing and the overall layout is included as an attachment to this memo.

All pertinent City departments have reviewed this application and comments are attached. The fee and insurance certificate have been received. Additionally, the applicant has communicated with the Pella Historical Society and it is staff's understanding that the Historical Society is supportive of this request as shown on the attached letter. Finally, if Council decides to approve this special event permit, approval needs to be conditional upon the following:

1. Approval of a temporary outdoor liquor license privilege for the proposed service area. This request is included for Council consideration as agenda item E-3.
2. Extending the proposed craft beer tent to the alley could cause concerns with emergency vehicles needing access for Tulip Time.

Therefore, staff recommends having the Police Department approve the geographical area for the outdoor service.

ATTACHMENTS: Application, Map, Department Comments, Historical Society Letter, Temporary Fence Details
REPORT PREPARED BY: City Administration
REVIEWED BY: CITY ADMINISTRATOR
CITY CLERK
RECOMMENDATION: Conditional approval as listed above

3. Temporary Outdoor Service Privilege on a Class C Liquor License for The Cellar Peanut Pub for May 2, 2018 through May 5, 2018. Bokhoven moved to approve, seconded by De Jong. On roll call the vote was: AYES: Bokhoven, De Jong, Branderhorst, Van Stryland, Schiebout, Peterson. NAYS: None. Motion carried.

BACKGROUND: The Cellar Peanut Pub, located at 629 Franklin Street, has applied for a temporary outdoor service privilege on their Class C Liquor License from Wednesday May 2, 2018 through Saturday May 5, 2018. As part of this request, The Cellar Peanut Pub would like to set-up an Iowa Craft Beer Tent and provide outdoor seating to their customers in conjunction with Tulip Time.

The proposed outdoor service area would extend from the applicant's garage to the alleyway. It should be noted; the City owns the property from approximately 10 feet south of the applicant's garage to the alleyway. Therefore, in order to accommodate this outdoor service area requested as part of the temporary outdoor service privilege, Council will need to approve a special event permit request which authorizes the outdoor service area to be on City property. As noted in the special event permit request, an eight-foot tall temporary fence is proposed to enclose the area. Finally, the applicant has communicated with the Pella Historical Society and it is staff's understanding that the Historical Society is supportive of this request.

The application has been completed online with the state. If Council decides to approve this temporary outdoor service privilege, approval needs to be contingent upon approval of the special event permit which would allow the outdoor service area to be located on City property. The special event permit request is included for Council consideration as agenda item E-2.

ATTACHMENTS: Application, Map
REPORT PREPARED BY: City Administration
REVIEWED BY: CITY ADMINISTRATOR
CITY CLERK
RECOMMENDATION: Conditional approval as listed above

F. PLANNING & ZONING ITEMS – None

G. ADMINISTRATION REPORTS

1. Set Public Hearing Date of May 15, 2018 for FY 17-18 Budget Amendment. Schiebout moved to approve, seconded by Van Stryland. On roll call the vote was: AYES: Schiebout, Van Stryland, Peterson, De Jong, Bokhoven, Branderhorst. NAYS: None. Motion carried.

BACKGROUND: Staff requests permission to set May 15, 2018 as the public hearing date for amending the FY 17-18 budget. The reason for the amendment is to adjust timing differences for capital improvement projects and to adjust accounts that may be over/under funded. All adjustments will be covered by additional revenues or existing funds, therefore there will not be an increase in taxes or fees as a result of the amendment.

ATTACHMENTS: None
REPORT PREPARED BY: Finance Department
REVIEWED BY: CITY ADMINISTRATOR
CITY CLERK
RECOMMENDATION: Set May 15, 2018 as the Public Hearing Date for Amending the FY 17-18 Budget

H. RESOLUTIONS

1. Resolution No. 5860 entitled, "RESOLUTION APPROVING ORDERING THE PREPARATION OF PLANS AND SPECIFICATIONS, FORM OF CONTRACT, NOTICE OF HEARING AND NOTICE OF LETTING, SETTING DATE FOR PUBLIC HEARING, AUTHORIZING THE TAKING OF BIDS, AND AUTHORIZING BID OPENING FOR THE SUNKEN GARDENS WINDMILL RENOVATION PROJECT." Schiebout moved to approve, seconded by Branderhorst. On roll call the vote was: AYES: Schiebout, Branderhorst, Van Stryland, Peterson, De Jong, Bokhoven. NAYS: None. Motion carried.

BACKGROUND: This resolution establishes June 5, 2018 as the public hearing date and authorizes staff to seek bids for the Sunken Gardens Windmill Renovation Project. As background, the Sunken Gardens windmill was originally constructed in the 1930s and last renovated in 1987. In July of 2017, the City hired Klingner & Associates to perform an assessment of the windmill. While the overall results showed a solid foundation, several deficiencies were noted. During the October 17, 2017 Policy and Planning meeting, Council directed staff to proceed with renovation of the windmill.

This project was previously bid on March 8, 2018. At the March 20, 2018 Council meeting the City's engineer, Klingner & Associates, recommended rejecting the sole bid received due to the bid well exceeding the 10% bidding threshold over the A/E opinion of constructions costs. The engineer recommended rebidding the project with additional alternates and an extended timeline for completion of the work in order to allow for contractors to better fit the project into their construction schedules.

The project's scope of work for the base bid includes:

- Complete renovation of the exterior of the structure to include brick foundation cleaning and repair, new siding, roof, deck, windows, and concrete walkway.
- Addition of a door to allow for public access to the outside deck.
- Complete renovation of the interior of the structure to include access ladders and platforms, new and updated electric, cleaning and sealing block and concrete.

It is important to note, the engineer's estimate for the project's base bid is \$148,500.

Included with the bid are six alternates, outlined below, which are intended to extend the effective life of the windmill.

- Alternate A - upgrade of soffit and siding, estimated cost of \$5,000.
- Alternate B - upgrade of deck and railing materials, estimated cost of \$3,500.
- Alternate C - upgrade of hand and guard railing system, estimated cost of \$7,500.
- Alternate D - upgrade of decking columns, estimated cost of \$18,000.
- Alternate E - remove interior shiplap siding and bead board ceiling, estimated cost of \$3,800.
- Alternate F - remove installation of exterior spot light, estimated cost of \$1,600.

Critical dates have been identified as:

May 22, 2018	Bid Letting
June 5, 2018	Public Hearing to Receive Bids and Award of Contract
June 11, 2018	Approximate - Start of Renovation
December 19, 2018	Approximate - Completion of Improvements

ATTACHMENTS: Resolution, Notice to Bidders, Notice of Public Hearing
REPORT PREPARED BY: Community Services Director
REVIEWED BY: CITY ADMINISTRATOR
CITY CLERK
RECOMMENDATION: Approve resolution

I. ORDINANCES

1. Ordinance No. 931 entitled, "AN ORDINANCE AMENDING THE CITY CODE OF THE CITY OF PELLA BY AMENDING THE ZONING ORDINANCE, 165.11 CLASSIFICATION OF USES AND TABLE 165.12-2 PERMITTED USES BY ZONING DISTRICTS BY ADDING PROVISIONS DEFINING BREWPUB AS A USE AND PERMITTING BREWPUBS IN THE CBD CENTRAL BUSINESS DISTRICT AND CC COMMUNITY COMMERCIAL ZONING DISTRICTS." This ordinance was tabled at the February 6, 2018 Council meeting, and due to a lack of motion, it remained tabled.

BACKGROUND: This proposed ordinance was tabled at the February 6, 2018 Council meeting. The proposed ordinance is intended to amend the City's zoning code by creating a definition for Brewpub as a use type under the City's zoning code. In addition, the proposed ordinance would permit Brewpubs to operate in the Central Business District (CBD) and Community Commercial (CC) zoning districts by obtaining a special use permit.

Listed below is the zoning definition of Brewpub.

Brewpub: A restaurant which includes the brewing of beer as an accessory use. The brewing operation processes water, malt, hops, and yeast into beer or ale. By definition, said establishments produce no more than ten thousand (10,000) barrels of beer or ale annually. The area, by definition, used for brewing, including bottling and kegging, shall not exceed twenty-five percent (25%) of the total floor area of the commercial space.

As background on this request, at the October 17, 2017, Policy and Planning session, the City Council heard a request from the Pella Area Community & Economic (PACE) Alliance regarding a desire to allow permitting of brewpubs under the City's zoning code. Following the

discussion, Council directed the Planning and Zoning Commission to review allowing brewpubs in the CC and CBD zoning districts subject to obtaining a special use permit from the Board of Adjustment. Please note, the Planning and Zoning Commission held a work session on this item at their December 18, 2017 meeting.

Special Use Permit

If the proposed text amendment is approved, brewpubs would be able to operate in the CC and CBD zoning districts subject to obtaining a special use permit. The special use permit would allow the Board of Adjustment to evaluate the request for public safety concerns including dust/pest control, odor, traffic impact, and necessary infrastructure. In addition, all buildings in our community are regulated under the State Fire Code which permits the City to perform fire inspections to ensure compliance with the State of Iowa Fire Code for flammable liquids, ventilation, and spill control.

As mentioned above, the Board of Adjustment has the authority to approve special use permits. Prior to approval, the Board of Adjustment is required to hold a public hearing and notify neighboring property owners of the application. This process provides a forum for any adjacent property owners who may have concerns with the proposed business. Furthermore, the Board of Adjustment has wide authority in granting special use permits including, but not limited to, any use or operating hour restrictions.

Recommendation

Staff is recommending this ordinance continue to be tabled until Council can consider the Planning and Zoning Commission’s microbrewery recommendation.

ATTACHMENTS: Ordinance, Written Comment
 REPORT PREPARED BY: Planning and Zoning Department
 REVIEWED BY: CITY ADMINISTRATOR
 CITY CLERK
 RECOMMENDATION: Continue to table ordinance

- Ordinance No. 937 entitled, “AN ORDINANCE AMENDING WATER RATES IN THE CITY OF PELLA, IOWA.” Peterson moved to place ordinance no. 937 on its second reading, seconded by Schiebout. On roll call the vote was: AYES: Peterson, Schiebout, De Jong, Bokhoven, Branderhorst, Van Stryland. NAYS: None. Motion carried. It was moved by Bokhoven that the statutory rule requiring said ordinance to be considered and voted on for passage at two Council meetings prior to the meeting at which it is to be finally passed be suspended, seconded by De Jong. On roll call the vote was: AYES: Bokhoven, De Jong, Branderhorst, Van Stryland, Peterson. NAYS: Schiebout. Motion carried. Schiebout moved that ordinance no. 937 be adopted, seconded by Van Stryland. On roll call the vote was: AYES: Schiebout, Van Stryland, Peterson, De Jong, Bokhoven, Branderhorst. NAYS: None. Mayor Mueller declared the motion carried and the ordinance duly passed and adopted.

BACKGROUND: This ordinance increases the water rates of the City of Pella by 7% effective for utility bills due July 20, 2018 for June usage. As background, the FY 18-19 Budget included this increase which is necessary to fund the long-term water supply plan. Listed below is background information on the proposed increase.

Long-term Water Supply Plan

The City’s long-term water supply plan is intended to meet the community’s supply and treatment needs through the year 2037. Overall, the plan includes a new 3.0 million gallon per day (MGD) reverse osmosis (RO) treatment process, an additional Jordan Well and new water main, and improvements to the existing lime softening treatment plant.

Proposed Water Rate Structure

The proposed rate increase of 7% would be effective for utility bills due July 20, 2018 for June usage. At that time, the base fee for inside the City limits would increase from \$17.77 to \$19.02 per month. In addition, the cost per 1,000 gallons would increase from \$4.29 to \$4.59.

Impact of Water Rate Increases

The proposed rate increase of 7% would be effective for all customer classes. The following chart represents the impact of the rate increase for different customer types inside the City limits. For the average residential customer using 7,000 gallons per month, the proposed increase is \$3.35 per month. For the average commercial customer using 35,000 gallons per month, the proposed increase is \$11.75 per month. For the average industrial customer using 100,000 gallons per month, the proposed increase is \$31.25 per month.

Customer Type	Water Usage in Gallons	Current Bill	Proposed Bill	\$ Increase	% Increase
Residential	7,000	\$ 47.80	\$ 51.15	\$ 3.35	7%
Commercial	35,000	\$ 167.92	\$ 179.67	\$ 11.75	7%
Industrial	100,000	\$ 446.77	\$ 478.02	\$ 31.25	7%

Comparable Cities

The chart below compares water rates of similar sized cities in our region. The average residential and commercial users in Pella would continue to pay slightly more than the City of Knoxville and significantly less than the City of Oskaloosa. For the industrial user, the City of Pella would continue to remain very competitive with the City of Knoxville and continue to be significantly less than the City of Oskaloosa.

It is important to note that when comparing our rates to others in the region, one must consider the service level provided by the utilities. For instance, there are utilities who perform minimal water treatment. In comparison, our water treatment process is a significant component of our rates. In order to compensate for the lack of water treatment, their customers will often need to install additional filtration systems to obtain a higher quality of water. Unfortunately, these costs are typically not included in water rate comparisons.

Water Rate Comparisons--In City Limits

City	Minimum No Usage	7,000 gal Residential	35,000 gal Commercial	100,000 gal Industrial
Knoxville	\$9.00	\$31.50	\$157.50	\$450.00
Oskaloosa	\$13.46	\$62.98	\$314.88	\$899.67
Pella	\$17.77	\$47.80	\$167.92	\$446.77
Pella Proposed	\$19.02	\$51.15	\$179.67	\$478.04

Average without Pella \$11.23 \$47.24 \$236.19 \$674.84

SUMMARY

This ordinance increases the water rates of the City of Pella by 7% effective for utility bills due July 20, 2018 for June usage. The proposed increase reflects the fourth and final increase necessary to fund the City's long-term water supply plan. By implementing rate increases incrementally, financial impacts to rate payers were potentially minimized while at the same time ensuring the utility has adequate cash flows to fund the plan.

ATTACHMENTS: Ordinance
 REPORT PREPARED BY: City Administration
 REVIEWED BY: CITY ADMINISTRATOR
 CITY CLERK
 RECOMMENDATION: Approve ordinance

3. Ordinance No. 938 entitled, "AN ORDINANCE AMENDING WASTEWATER RATES IN THE CITY OF PELLA, IOWA." Schiebout moved to place ordinance no. 938 on its second reading, seconded by Van Stryland. On roll call the vote was: AYES: Schiebout, Van Stryland, Peterson, De Jong, Bokhoven, Branderhorst. NAYS: None. Motion carried. It was moved by Peterson that the statutory rule requiring said ordinance to be considered and voted on for passage at two Council meetings prior to the meeting at which it is to be finally passed be suspended, seconded by Bokhoven. On roll call the vote was: AYES: Peterson, Bokhoven, Branderhorst, Van Stryland, De Jong. NAYS: Schiebout. Motion carried. Schiebout moved that ordinance no. 938 be adopted, seconded by Van Stryland. On roll call the vote was: AYES: Schiebout, Van Stryland, Peterson, De Jong, Bokhoven, Branderhorst. NAYS: None. Mayor Mueller declared the motion carried and the ordinance duly passed and adopted.

BACKGROUND: This ordinance increases the wastewater rates of the City of Pella by 8% effective for utility bills due July 20, 2018 for June usage. As background, the FY 18-19 Budget included this increase which is necessary to fund improvements required by the Iowa Department of Natural Resources (IDNR). These mandated improvements total an estimated \$4.8 million and are necessary to comply with the stringent ammonia, E. coli, and dissolved oxygen limitations established by the IDNR. Overall, staff believes wastewater rates will need to increase by 25% to 30% over the next several years in order to meet the new mandates.

Proposed Wastewater Rate Structure

The proposed rate increase of 8% would be effective for utility bills due July 20, 2018 for June usage. At that time, the base fee for the wastewater rate would increase from \$17.00 to \$18.36 per month. In addition, the cost per 1,000 gallons of water used would increase from \$4.25 to \$4.59.

Impact of Wastewater Rate Increases

The proposed rate increase of 8% would be effective for all customer classes. The following chart represents the impact of the rate increase for different customer types inside the City limits. For the average residential customer using 7,000 gallons per month, the proposed increase is \$3.74 per month. For the average commercial customer using 35,000 gallons per month, the proposed increase is \$13.26 per month. For the average industrial customer using 100,000 gallons per month, the proposed increase is \$35.36 per month.

Typical Customer	Sewer Use in Gallons	Current Bill	Proposed Bill	\$ Increase	% Increase
Residential	7,000	\$46.75	\$50.49	\$3.74	8%
Commercial	35,000	\$165.75	\$179.01	\$13.26	8%
Industrial	100,000	\$442.00	\$477.36	\$35.36	8%

Comparable Cities

The chart below compares the City of Pella's current and proposed wastewater rates against the surrounding cities of Knoxville and Oskaloosa. For all customer classes, even after the proposed increase, Pella's rates continue to be significantly lower than the neighboring communities.

Sewer Rate Comparisons--In City Limits

City	Minimum No Usage	7,000 gal Residential	35,000 gal Commercial	100,000 gal Industrial
Knoxville	\$22.00	\$69.39	\$258.95	\$699.00
Oskaloosa	\$13.10	\$71.68	\$305.99	\$849.94
Pella	\$17.00	\$46.75	\$165.75	\$442.00
Pella Proposed	\$18.36	\$50.49	\$179.01	\$477.36

Average without Pella \$17.55 \$70.54 \$282.47 \$774.47

SUMMARY

As previously stated, an increase in the wastewater rates is necessary to help fund IDNR mandates put into effect for the City's wastewater system. If Council approves this ordinance, the proposed rates would initiate the first of future phased increases necessary to support the required improvements. The proposed rate increase of 8% would be effective for utility bills due July 20, 2018 for June usage.

ATTACHMENTS: Ordinance
REPORT PREPARED BY: City Administration
REVIEWED BY: CITY ADMINISTRATOR
CITY CLERK
RECOMMENDATION: Approve ordinance

I. CLAIMS

1. Abstract of bills No. 2005. Schiebout moved to approve, seconded by Bokhoven. On roll call the vote was: AYES: Schiebout, Bokhoven, Branderhorst, Van Stryland, Peterson, De Jong. NAYS: None. Motion carried.

K. OTHER BUSINESS / *PUBLIC FORUM (any additional comments from the public)

No comments were received.

L. CLOSED SESSION

1. At 7:33 p.m., Van Stryland moved to enter into closed session pursuant to Iowa Code Chapter 21.5 1 (c) to discuss strategy with counsel in matters that are presently in litigation or where litigation is imminent where its disclosure would be likely to prejudice or disadvantage the position of the governmental body in that litigation, seconded by Branderhorst. On roll call the vote was: AYES: Van Stryland, Branderhorst, Schiebout, Peterson, De Jong, Bokhoven. NAYS: None. Motion carried. At 7:46 p.m., Bokhoven moved to reconvene to regular session, seconded by De Jong. On roll call the vote was: AYES: Bokhoven, De Jong, Branderhorst, Van Stryland, Schiebout, Peterson. NAYS: None. Motion carried. No action was taken regarding this closed session.

M. ADJOURNMENT

There being no further business claiming their attention, Schiebout moved to adjourn, seconded by Bokhoven. On roll call the vote was: AYES: Schiebout, Bokhoven, Branderhorst, Van Stryland, Peterson, De Jong. NAYS: None. Motion carried. Meeting adjourned at 7:49 p.m.