



CITY OF PELLA

CITY COUNCIL OFFICIAL MINUTES

March 21, 2023

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 (614 Main Street) at 6:00 p.m., Mayor Don DeWaard presiding. Council members present were: Mark De Jong (via phone), Liz Sporrer, Lynn Branderhorst, Calvin Bandstra, Dr. Spencer Carlstone, Dave Hopkins. Absent: None. City Administrator Mike Nardini and City Clerk Mandy Smith were present. Thirteen staff members and forty-nine members of the general public attended in person. Fifteen members of the general public attended via conference call.

B. MAYOR'S COMMENTS

1. Approval of Tentative Agenda.
Branderhorst moved to approve, seconded by Bandstra.
On roll call the vote was: AYES: 6, NAYS: None. Motion carried.
2. Reappointment of Curtis Baugh to the Civil Service Commission.
Branderhorst moved to approve, seconded by Hopkins.
On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

BACKGROUND: Mayor DeWaard would like to reappoint Curtis Baugh to serve another term on the Civil Service Commission. Mr. Baugh has served on the Civil Service Commission since 2003. He is a Senior Business Consultant with the Des Moines Area Community College, an Executive in Residence with the Drake Business Clinic, and participates in the Drake Venture Mentoring Service. If approved, Mr. Baugh's new four-year term would expire on April 1, 2027.

ATTACHMENTS: None
 REPORT PREPARED BY: Shane S. McSheehy, Chief of Police
 REVIEWED BY: City Administrator, City Clerk
 RECOMMENDATION: Approve the reappointment

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

Thirteen comments were received and addressed.

D. APPROVAL OF CONSENT AGENDA

Branderhorst moved to approve the consent agenda, seconded by Hopkins.
 On roll call the vote was: AYES: 6, NAYS: None. Motion carried.
 The following items were approved:

1. Approval of Minutes
 - a. Official Council Minutes for March 7, 2023
2. Report of Committees
 - a. Policy and Planning Minutes for March 7, 2023

PRESENT: Mayor Don DeWaard, Mark De Jong, Lynn Branderhorst, Calvin Bandstra, Dr. Spencer Carlstone
 ABSENT: Liz Sporrer, Dave Hopkins
 OTHERS: City staff and visitors

The Policy and Planning meeting began at 6:41 p.m.

The first agenda item was a discussion regarding a request from Pella Historical to replace the outdoor speaker system in the Central Business District (CBD) prior to this year's Tulip Time Festival. The system's major components are obsolete and have caused many issues during Tulip Time set up. The cost to purchase and install a new system totals \$269,305. Pella Historical initially proposed to fund \$114,653 of the project with a request for the city to provide the remaining \$154,652. This request was scheduled to be discussed during budget work sessions when they were originally planned for the end of February, which would have allowed time to replace the system prior to Tulip Time 2023. Due to the budget work sessions being rescheduled to the end of March, Pella Historical is now requesting to proceed with the project at their own risk/cost as their primary concern is having a functioning sound system for this year's festival. At the end of the discussion, Council informed Pella Historical they can proceed with engaging the services of a qualified vendor, at their own risk and cost, to replace the sound system. City Administration is recommending inclusion of the funding request of \$154,652 for this project during the upcoming budget work sessions. The next item on the agenda was an update on the long-term facilities plan. In April of 2022, Council approved a \$45 million base plan to construct an indoor recreation facility and renovate the existing Community Center. During this meeting, Council reviewed the following latest estimated costs:

	Base Plan (April 2022)	Current Estimates
Pella Rec Center	\$31,000,000	\$37,485,000 to \$43,080,000*
Community Center	5,500,000	5,500,000
Infrastructure	6,000,000	7,612,500
Contingency	<u>2,500,000</u>	<u>2,500,000</u>
Total	<u>\$45,000,000</u>	<u>\$53,097,500 to \$58,692,500</u>

* The current estimated costs for the Pella Rec Center include approx. \$5.6 million in alternates (the reason for the range in costs as shown above)

The base plan involved the city committing \$22 million towards the plan and raising \$23 million. During this meeting, Council reviewed the following financial commitments to-date:

City of Pella Local Option Sales Tax Bond	\$17,000,000
City of Pella Surplus Cash	5,000,000
Private Pledges	<u>13,100,000</u>
Total Funding Commitments	\$35,100,000
Estimated Facilities Plan Cost	\$(53,097,500) to \$(58,692,500)
Remaining Funding to be Secured	\$(17,997,500) to \$(23,592,500)

Staff estimates the city will have approx. \$5.0 million in surplus fund balance as of June 30, 2023. Should Council wish to use these funds for the long-term facilities plan, they would need to be formally declared surplus funds and transferred via Council approval of a resolution. Council discussed using these funds for the required engineering costs for the long-term facilities plan, which includes:

Pella Rec Center engineering	\$2,750,000
Alternates/supplemental fees	794,900
University Street extension engineering	759,500
Sanitary Sewer engineering	118,000
Community Center engineering	412,500
Contingency	<u>165,100</u>
Total	<u>\$5,000,000</u>

Mayor DeWaard reminded Council that the \$5.0 million for engineering is included in the overall costs that were previously referenced in this meeting. He further stated that in order to keep the projects moving forward, we need to keep the engineers working.

Council member Branderhorst expressed concern with utilizing the \$5.0 million in surplus fund balance for this purpose, stating she feels that the project hasn't yet received the amount of private funding needed to proceed. Additionally, Branderhorst referenced the state legislature discussing property tax reform which could impact future city funding. Branderhorst recommended allowing more time for the fundraising committee to obtain additional pledges before spending city funds on further engineering.

Council member De Jong stated that he feels Council's responsibility is to have a vision for the future and that Council needs to be bold and proceed with the next steps of this project.

DeWaard mentioned that there is tremendous community support for this project which he feels is evident by the \$13.1 million of private pledges received to-date.

Branderhorst stated that she would like the community to vote on this project, requesting that language be added to the ballot this fall.

Council member Carlstone stated that his purpose in running for Council was to have a strong vision for the future which includes making difficult decisions focused on investments. Carlstone believes amenities and quality of life attract people to communities.

Council member Bandstra mentioned that in the banking industry, loans aren't considered for approval until architectural work and engineering estimates are completed. Furthermore, Bandstra pointed out that engineering work can be used later should the project need to be delayed due to funding.

The next agenda item was a review of the schematic design for the Pella Rec Center. Shive Hattery representatives were in attendance to present updated renderings to Council. The project is ready to proceed to the next phase which is design development. The proposed facility is 78,000 square feet including four full sized gymnasiums, an indoor walking track, workout areas, competition and recreation swimming pools, large atrium areas, meeting spaces, childcare facilities, concession areas, and a bouldering wall. The estimated cost of the facility is:

Base engineering fees	\$2,750,000
Alternate design engineering fees	400,000
Suppl. engineering/admin fees	144,000
Furnishing and fixtures	1,663,073
Contingency fees	4,609,951
Construction	<u>33,512,350</u>
Total Estimated Cost	<u>\$43,079,374</u>

Staff believes alternate bid items are necessary to align the project with the financial resources. The proposed project includes approx. \$5.6 million in alternate bids (two gymnasiums and the bouldering wall). The estimated design fees for the alternate bids totals \$400,000. Staff informed Council that they plan to work with Shive over the next 30 days to develop project alternates and will report back to Council with a recommendation.

The last item on the agenda was a discussion regarding two proposed engineering agreements:

1. Engineering agreement with Garden & Associates for the extension of University Street and Baseline Drive. This project is necessary to provide access to the Pella Rec Center and will also provide multiple access points to the existing Pella Sports Park. This project needs to proceed in conjunction with the next step of engineering for the Pella Rec Center as site grading for the facility will need to align with the profile of University Street and Baseline Drive. This project includes a 31' urban collector street, associated grading and storm sewer improvements, a 12" water main, and a 10' trail south of University Street. The University Street improvements would be located in an 80' right-of-way which would need to be acquired with the project. The not-to-exceed engineering fees total \$309,500 which includes the preliminary design, final design, and bidding process. Construction services and project administration are not included as part of this contract. The total construction cost for the extension of University Street and Baseline Drive is estimated to be approx. \$5,625,900.
2. Engineering agreement with Veenstra & Kimm for sanitary sewer improvements to serve the Pella Rec Center. This project includes 900 LF of 8" gravity sewer, a new lift station, and 1,200 LF of 6" force main. This new sewer system and lift station will replace the existing sand filter/septic system that is currently serving the Pella Sports Park. The not-to-exceed engineering fees total \$118,000 which includes preliminary design, final design, bidding process, construction services, and project administration. The total construction cost for the sanitary sewer improvements is estimated to be approx. \$835,475.

At the end of the discussion, staff was directed to proceed with placing both engineering agreements, as presented, on a future Council agenda for formal consideration.

Nardini informed Council that he and Mayor DeWaard recently met with Congresswoman Mariannette Miller-Meeks. As a result of this meeting, staff will be submitting an application for federal grant funding to assist with financing the city's long-term facilities plan. The application is due on March 16th.

The meeting adjourned at 7:44 p.m.

Respectfully submitted:

Mandy Smith
City Clerk

b. Board of Adjustment Minutes for October 25, 2022

Chairperson Westra called the Board of Adjustment to order at 6:00 p.m. in the Memorial Building. Members present were: Vince Nossaman, Jaci Nunnikhoven, Lyle Vander Meiden, Mike Vander Wert, and Corey Westra; absent: Kristi Kiou, Larry Lautenbach, Susan Reiter. Staff present: Planning and Zoning Director Gerald Buydos, Zoning Analyst Jared Parker, and the Deputy City Clerk. One member of the public attended the meeting.

CHAIRPERSON'S COMMENTS:

Approval of the Tentative Agenda: Motion by Nunnikhoven, second by Vander Meiden to approve the tentative agenda. Motion carried 5-0.

APPROVAL OF MINUTES: Motion by Vander Wert, second by Nunnikhoven to approve the minutes from September 19, 2022. Motion carried 5-0.

PUBLIC HEARING: Consider a Minor Modification Request from Michaela Chapman for Her Property Located at 313 E. First St. to Reduce the Minimum Setbacks of the Side Yard

Michaela Chapman submitted a minor modification application to reduce the minimum setback of the side yard of the property located at 313 E. First St. to build an addition. The subject property is located within the Two-Family Residential (R2) zoning district. This request would reduce the standard minimum north interior side yard setback of the R2 zone from seven feet to approximately five feet, which is the distance of the existing eastern portion of the building from the property line. The applicant requested the following minor modification: "Allow an addition to an existing legal nonconforming structure to extend no closer to the property line than an adjoining portion of the existing structure. (Sect. 165.43.3.H.1.d)."

Staff believes the requested minor modification will not have a negative impact on the subject property or neighboring properties and would not increase the amount of people or vehicles within the neighborhood. Staff also believes the proposal would maximize the owner's use of the property while still complying with City Code. Staff received no objections to the minor modification. For these reasons, staff believes the minor modification request should be granted and, therefore, recommended approval of the proposal.

Convened Public Hearing on the minor modification request. No written comments were received. Jim Meinders was present on behalf of the applicant to answer questions from the Board and to speak in favor of the minor modification request.

Motion by Vander Meiden, second by Vander Wert to close the Public Hearing as no further comments were received. Motion carried 5-0.

Motion by Nossaman, second by Vander Meiden to approve the minor modification request as submitted. Motion carried 5-0.

OTHER BUSINESS

Planning and Zoning Director Gerald Buydos explained to the Board that Jeff Dingeman had withdrawn his variance request for his property located at the northern terminus of West 12th Street. This item had been tabled at the Board meeting held on September 19, 2022.

Next Meeting Date: The next meeting is scheduled for November 21, 2022.

Adjourned at 6:28 p.m.

c. Planning and Zoning Commission Minutes for January 23, 2023

Vice-Chairperson Canfield called the Planning and Zoning Commission to order at 7:00 p.m. in the Public Safety Complex. Members present were: Sarah Buchheit, Joe Canfield, Julio Chiarella, Cathy Haustein, Tom Johnson, Marc Vande Noord, and Ann Visser; absent: Teri Vos. Staff present: Planning and Zoning Director Gerald Buydos, Zoning Analyst Jared Parker, Local Programming Coordinator Monte Goodyk, and the Deputy City Clerk. Four members of the public were present.

APPROVAL OF TENTATIVE AGENDA: Canfield announced that item E-1, a public hearing to consider an ordinance amending Section 165.33 of the zoning ordinance for the purpose of allowing certain signs in the right-of-way, was being pulled from the agenda. Motion by Visser, second by Buchheit to approve the amended agenda. Motion carried 7-0.

APPROVAL OF MINUTES: Motion by Johnson, second by Vande Noord to approve the minutes of the December 13, 2022 meeting. Motion carried 7-0.

NEW BUSINESS PROPOSED

Consider a Site Plan, Submitted by Cornerstone Church, for Property Located at 1020 E. Oskaloosa St.

Cornerstone Church submitted a site plan application to construct two buildings and an addition on their property at 1020 E. Oskaloosa St. The Activities Building will be approximately 7,780 square feet, the Cadet Building will be approximately 2,268 square feet, and the addition will be 6,405 square feet. Approximately 41,000 square feet of pavement will be added. The existing building is 17,438 square feet and approximately 55,000 square feet of pavement is pre-existing. The first site plan for this property was approved by the Planning and Zoning Commission on January 27, 2020.

Chapter 165.36(F)(3) requires the proposed site plan to conform to the City's Comprehensive Plan. The Future Land Use Map of the Comprehensive Plan identifies this site for "Commercial/Mixed Use" land uses. Staff concluded in 2018 that this is compatible with the proposed land use since Religious Assembly is permitted in commercial zoning districts and that it is compatible with the surrounding area. Therefore, staff believes the proposal meets this description in the Comprehensive Plan.

Staff believes the proposed site plan meets the requirements of the City's zoning code and is consistent with the City's Comprehensive Plan. Therefore, staff recommended the site plan be approved as submitted.

Pelds Design Services Engineer in Training Brandon Short was present to answer questions from the Commission. He mentioned possibly reducing the number of fire hydrants servicing the site from two to one. Planning and Zoning Director Gerald Buydos stated that Short's proposal can be reviewed by the City of Pella's Fire Chief and any changes to the location and number of fire hydrants can be administratively approved.

Motion by Johnson, second by Chiarella to approve the site plan as submitted. Motion carried 7-0.

OTHER BUSINESS / WORK SESSION

Annual Elections for Planning and Zoning Commission Chair and Vice-Chair

On an annual basis, the Planning and Zoning Commission is required to select a Chair and Vice-Chair from its membership. All members of the Commission are eligible to serve in these roles. The primary role of the Chair is to conduct the Planning and Zoning Commission meetings in accordance with the Planning and Zoning Procedural Rules. In the absence of the Chair, the Vice-Chair will serve as the Chair during the Planning and Zoning meetings. In addition to the above responsibilities, both positions will serve in a liaison role for staff.

Prior to the meeting, Vos, in communication with staff, indicated that she would be willing to serve another term as Chair. Canfield stated that he would be willing to serve as Vice-Chair for another term.

The Commission unanimously re-elected Vos as Chairperson and Canfield as Vice-Chairperson for 2023.

Work Session to Review Commission Procedural Rules

The City of Pella Planning and Zoning Commission Procedural Rules govern the conduct of the Commission. Staff asked the Commission to review them on an annual basis for familiarity and to determine whether any changes should be made. The rules may be amended through a resolution by a majority vote of the entire Commission.

Following review, the Commission decided that no changes to the Procedural Rules are necessary. Additionally, the Commission decided to move the start time of Commission meetings from 7:00 p.m. to 6:00 p.m. going forward.

Other: The Commission discussed with staff the three vacancies on the Commission. One vacancy is for an individual living within the Pella city limits and two others are for those living within the Mahaska County two-mile extraterritorial jurisdiction. Staff will email the Commission a link to the board/commission application so that they may share it with individuals who may be interested in serving.

Buydos mentioned that, at the next meeting, the Commission will possibly have four preliminary plats for consideration. The sign ordinance amendment that was pulled from this agenda may also be back on the agenda for consideration as well.

Next Meeting Date: The next regular Planning and Zoning Commission meeting is scheduled for February 27, 2023, at 6:00 p.m.

Adjourned at 7:26 p.m.

3. Petitions and Communications

a. Temporary Outdoor Service Privilege on a Class B Beer Permit for The Wijn House

BACKGROUND: The Wijn House, located at 615 Franklin Street, has applied for a temporary outdoor service privilege on their class B beer permit starting May 4, 2023, through May 6, 2023. The purpose of this request is to allow additional space to accommodate their customers during the Tulip Time Festival. It is important to note that this request is consistent with previously approved requests during Tulip Time. As background, the State of Iowa Alcoholic Beverages Division (ABD) requires that an outdoor service area must be a designated area adjacent to the licensed premises. The Wijn House is proposing the outdoor service area would extend from their building south to the alleyway, as outlined on the attached map. This area would be enclosed with a temporary fence, which meets the Iowa ABD requirements. Patrons wishing to sit outside must walk through the business to access the outdoor service area, which is located completely on private property. The application has been completed online with the state. Staff is recommending approval.

ATTACHMENTS: Map
REPORT PREPARED BY: City Clerk
REVIEWED BY: City Administrator
RECOMMENDATION: Approve temporary outdoor service privilege on beer permit

b. Special Event Permit Request for the Red Rock Threshers Tractor Pull

BACKGROUND: The Red Rock Threshers have applied for a special event permit for their annual tractor pull. The event is scheduled to be held on Saturday, June 3, 2023, from 9:30 a.m. to 9:00 p.m. The event is requested to be held on city property located east of Geetings near the intersection of South Prairie Street and Truman Road, as shown on the attached map. Set-up is requested to begin on Friday, June 2, 2023 at 3:00 p.m., with take down complete by Saturday, June 3, 2023 at 10:00 p.m.

All pertinent city departments have reviewed this application and comments are attached. The certificate of insurance has been received. At the time of Council packet publication, the special event permit fee was still pending; therefore, staff recommends conditional approval of this special event pending receipt of the applicable fee.

ATTACHMENTS: Application/Map, Department Comments
REPORT PREPARED BY: City Clerk
REVIEWED BY: City Administrator
RECOMMENDATION: Conditional approval of special event permit pending receipt of applicable fee

E. RESOLUTIONS

1. Resolution No. 6562 entitled, "RESOLUTION SETTING A DATE FOR A PUBLIC HEARING ON THE MAXIMUM PROPERTY TAX DOLLAR COLLECTION AND MAXIMUM LEVY RATE FOR FISCAL YEAR 2023-2024."

Hopkins moved to approve, seconded by Sporrer.

On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

BACKGROUND: This resolution establishes the public hearing date of April 4, 2023 and approves the maximum operational levy for the fiscal year (FY) 2023-24 budget, which begins on July 1, 2023 and extends to June 30, 2024. As background, state law requires municipalities to conduct a public hearing to determine the maximum amount of property taxes levied for operations. Please note, Council is not obligated to levy the maximum amount, rather the public hearing and associated notice simply identify the maximum amount which could be levied. For FY 2023/2024, Council will be provided with two options as outlined below for establishing the maximum operational levy:

Option #1 – Maintaining the Current Property Tax Levy at \$10.20 per \$1,000 of Taxable Valuation

This option involves maintaining the current property tax rate at \$10.20. Please note, if Council chooses this option, the city would be levying \$162,205 less for operations in FY 23-24 than in the current FY.

	Proposed FY 23-24	Current FY 22-23	% Change
Operational Levy	\$ 9.87	\$ 10.02	(1.50)%
Debt Service Levy	<u>.33</u>	<u>.18</u>	<u>83%</u>
Total Levy	<u>\$ 10.20</u>	<u>\$ 10.20</u>	<u>0%</u>
Operational Levy Amount	\$6,196,065	\$6,358,270	(2.55)%

Option #2 – Increasing the Property Tax Rate to \$10.70

If Council would like to have additional flexibility in considering the FY 23-24 budget, option #2 increases the tax levy 4.9% to \$10.70.

	Proposed FY 23-24	Current FY 22-23	% Change
Operational Levy	\$ 10.37	\$ 10.02	3.5%
Debt Service Levy	<u>.33</u>	<u>.18</u>	<u>83%</u>
Total Levy	<u>\$ 10.70</u>	<u>\$ 10.20</u>	<u>4.9%</u>
Operational Levy Amount	\$6,509,828	\$6,358,270	2.38%

From staff's perspective, Council is free to choose either option for establishing the maximum operational levy for FY 23-24. In addition, Council's decision on the maximum operational levy will not impact City Administration's FY 23-24 budget recommendation. The only difference between the two options is whether Council would like to have the ability to increase the city's property tax rate for the FY 23-24 budget.

Listed below are factors Council should consider in establishing the maximum operational levy amount for FY 23-24:

Property Tax Rate

The City of Pella has one of the lowest property tax rates in the State of Iowa. Furthermore, the city's current property tax rate of \$10.20 per \$1,000 has been the same for over 21 years.

Water Rates and Garbage Rates

For the FY 23-24 budget, staff will be proposing a 10% increase in water rates. In addition, the city may also need to increase its refuse rates for FY 23-24 as our current contract expires this July.

Debt Service Levy Increases

The projected debt service levy for FY 23-24 is projected to increase by \$107,000 in FY 23-24. In order to keep the city's tax rate at \$10.20, the city will need to have an offsetting decrease to its operational rate. The additional debt service levy is attributed to the issuance of debt for the following projects: Airport Wildlife Fence, 218th Ave. project, Prairie St. project, and the Monroe St. improvements. As the City Council considers potential projects in future years, the city's debt service levy may need to be increased to fund the projects. Likewise, it may not be feasible in future years to continue to decrease the operational levy to maintain the city's total tax rate at \$10.20.

Pella Ambulance

The FY 23-24 budget includes the Pella Ambulance and it's projected \$691,000 operating subsidy.

State of Iowa Property Tax Legislation

This spring, the State of Iowa passed legislation which decreased the residential rollback from 56.49% to 54.65% resulting in a decrease in property tax revenues of approx. \$160,000 for the General Fund.

State of Iowa Funding Decreases

The city is projected to receive \$138,174 in state backfill revenue in FY 23-24. This is a decrease of \$47,000 from FY 22-23. Furthermore, the State of Iowa has notified us that this amount will be fully eliminated by FY 26-27.

Inflation and Compensation Increases

From staff’s perspective, inflationary pressures are one of the more challenging aspects of the FY 23-24 budget. The projected compensation increases for the city’s workforce will be higher this year due to the tight labor market and the compensation review conducted by the City of Pella.

In summary, state law requires cities to hold a public hearing to set the maximum operational property tax rate annually. This resolution establishes the public hearing date of April 4, 2023. During this meeting on March 21, 2023, Council will need to direct staff on which maximum operational levy they would like to consider for the FY 23-24 budget as staff is required to publish the appropriate public notice in the Marion County Express on March 24, 2023 to meet the necessary publication deadlines established by the state.

ATTACHMENTS: Resolution, Public Notice for Option #1, Public Notice for Option #2
REPORT PREPARED BY: City Administration
REVIEWED BY: City Administrator, City Clerk

RECOMMENDATION: Approve resolution setting the public hearing date of April 4, 2023 and direct staff which of the attached public notice options to proceed with publishing in the March 24, 2023 Marion County Express to meet the necessary publication deadlines established by the state

2. Resolution No. 6563 entitled, “RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF A REAL ESTATE GIFT AGREEMENT WITH COMMUNITY BETTERMENT ORGANIZATION.”

Branderhorst moved to approve, seconded by Hopkins.

On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

BACKGROUND: This resolution approves and authorizes the execution of a real estate gift agreement with the Community Betterment Organization (CBO). As background, the CBO currently owns the properties at 215 Main Street, 712 Huber Street, and 714 Huber Street. These properties were formerly utilized for the Pella Early Learning Center before the daycare relocated to a portion of the PCD Fitness facility at 308 SE 9th Street. The CBO has generously informed the city that they would like to gift these facilities to the City of Pella for municipal use, subject to a right of first refusal to be held by the CBO for 15 years.

Staff recommends proceeding with acceptance of this real estate gift as these facilities would address several items which are identified in the city’s long-term facility plan, including relocation of the Council Chambers. This would allow a dedicated meeting space which would also accommodate commission and board meetings while allowing the Public Safety Complex to be used exclusively by the Police Department.

In summary, staff is recommending approval of the attached resolution which approves and authorizes the execution of a real estate gift agreement with the CBO for the properties located at 215 Main Street, 712 Huber Street, and 714 Huber Street.

ATTACHMENTS: Resolution, Real Estate Gift Agreement
REPORT PREPARED BY: City Clerk
REVIEWED BY: City Administrator
RECOMMENDATION: Approve resolution

3. Resolution No. 6564 entitled, “RESOLUTION APPROVING ENGINEERING SERVICES AGREEMENT WITH GARDEN & ASSOCIATES, LTD. FOR THE EAST THIRD STREET RECONSTRUCTION PROJECT.”

Branderhorst moved to approve, seconded by Carlstone.

On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

BACKGROUND: This resolution approves an engineering services agreement with Garden & Associates for the East Third Street Reconstruction project. This project involves complete reconstruction of East Third Street (1,100 LF more or less) from Oskaloosa Street to Peace Street, including:

- Repaving 25’ back-of-curb to back-of-curb 7” concrete urban street
- Storm sewer improvements including additional intakes
- Secondary sewer and associated services
- Replace 4” water main with new 8” water main, associated appurtenances, services, hydrants
- Replace sanitary sewer and sewer services in the right-of-way

The estimated breakdown of the not-to-exceed engineering fees based on hourly rates is listed below:

Preliminary, final design and bidding process	\$64,500
Construction services and project administration	72,500
Additional services (permits and easements)	<u>4,500</u>
Total Engineering Services	<u>\$141,500</u>

The attached contract includes the construction phase if the city proceeds with project construction.

Staff estimates the total construction cost for these improvements to be approximately \$660,500. If approved, Garden & Associates will revise an engineer’s estimate for the project as part of their work.

In summary, staff is recommending approval of this resolution approving an engineering services agreement with Garden & Associates for the East Third Street Reconstruction project.

ATTACHMENTS: Resolution, Engineering Agreement, Map
REPORT PREPARED BY: Public Works Department
REVIEWED BY: City Administrator, City Clerk
RECOMMENDATION: Approve resolution

4. Resolution No. 6565 entitled, “RESOLUTION APPROVING PRELIMINARY PLAT FOR HOPKINS SUBDIVISION.”

Bandstra moved to approve, seconded by Sporrer.

On roll call the vote was:

AYES: 5 (Bandstra, Sporrer, De Jong, Branderhorst, Carlstone)

NAYS: None

ABSTAIN due to a conflict of interest: 1 (Hopkins)

Motion carried.

BACKGROUND: This resolution approves a preliminary plat for Hopkins Subdivision. As background, Dave Hopkins (RAVE Property Management) has submitted a preliminary plat for nine parcels along Bos Landen Drive. The 2.47-acre site is currently undeveloped and was conditionally rezoned to Multiple-Family Residential (R3) in November of 2021.

PELLA CITY CODE REQUIREMENTS FOR SUBDIVISION PLATS: The subdivision ordinance states that the City Council shall review the preliminary plat for conformance with the Comprehensive Plan, zoning ordinance, and subdivision ordinance. Preliminary plats are required whenever the subdivider of any tract or parcel of land within the platting jurisdiction of the city wishes to make a subdivision. The preliminary platting process allows the City Council the opportunity to review the overall layout of the lots and street pattern, as well as compliance with all applicable city infrastructure and code requirements.

ZONING CLASSIFICATION: This property is conditionally zoned R3. When the property was rezoned in November of 2021, the property owner agreed to these conditions:

1. The following uses that would otherwise be permitted in R3 zoning will not be allowed on this site: Multi-Family, Group Homes, Manufactured Housing, Retirement Residential, Townhouse Residential, Clubs, Community Centers, Convalescent Center, Day Cares, Education, Family Home, Group Care/Home, Guidance Services, Religious Assembly, Bed and Breakfast, Boarding Houses.
2. The development on this site will comply with type 'B' and 'C' screening requirements.
3. All buildings constructed on this site will need to comply with enhanced design standards.

PROPOSED DEVELOPMENT: The site would consist of nine residential lots. The lots can be either single family units, duplex units, or single family attached, which must use two lots to comply with code.

LOT REQUIREMENTS: The proposed lots meet all R3 zoning district minimum requirements.

REQUIRED IMPROVEMENTS: The developer is required to make and install all public improvements identified in City Code Sec. 170.13. The following is a review of those requirements:

Streets: The subdivider shall grade and improve all new streets between the property lines, within the subdivided area. The paving on such new streets shall be built according to the Design Standards.

STAFF COMMENT: The site would be served by Bos Landen Drive.

Storm Sewer and Drainage: The subdivider shall construct all storm water management structures including, but not limited to, storm sewers, drains, inlets, manholes, and drainage conveyances, to provide for the adequate removal of all surface drainage according to the Design Standards and Standard Specifications. Engineering calculations, including references to support all assumptions and recommendations, shall accompany all storm water management systems designs.

STAFF COMMENT: The city's engineering consultant and Public Works Director have had the opportunity to review and approve the development's storm water management plan and drainage calculations. The engineering consultant noted no issues with the proposed system.

Secondary Storm Sewer: Subdividers must provide a secondary storm sewer system with access to the system from all lots in a subdivision. The City Engineer may grant a waiver to this requirement based on the zoning of the subdivision or the topography or other site characteristics of each lot. Proposed secondary storm sewer system designs, including locations of conduit, grading, drainageways, and outlets, must be shown on the preliminary plat.

STAFF COMMENT: The site consists of nine lots. The city's engineering consultant and Public Works Director have had the opportunity to review and approve the development's storm water management plan and drainage calculations.

Sanitary Sewer: The subdivider shall construct sanitary sewers in conformance with the Design Standards and Standard Specifications. The subdivider shall provide a connection for each lot to the sanitary sewer. The sanitary sewer shall be in operation prior to occupancy of any building.

STAFF COMMENT: The site will be connected to the public sanitary sewer via the eight-inch gravity main within the site. The city's engineering consultant and Public Works Director have had the opportunity to review and approve the development's sanitary sewer plan.

Water Mains and Fire Hydrants: The subdivider shall install water mains and fire hydrants in the subdivided area. The installation of water mains and fire hydrants shall be made prior to the street pavement construction and shall be in conformance with the Design Standards and Standard Specifications.

STAFF COMMENT: The site is served by a 10-inch public water main running along Bos Landen Drive. The Fire Chief has reviewed and approved the pre-existing hydrant locations to the north of the site.

Sidewalks: Property owners shall install a four-foot-wide concrete sidewalk along each lot frontage prior to the issuance of an occupancy permit for the structure on the lot. Sidewalks shall be installed in accordance with the Design Standards and Standard Specifications.

STAFF COMMENT: Sidewalks will be required for the site.

Erosion Control Measures: The subdivider shall construct and maintain erosion and sediment control measures in accordance with the Design Standards.

STAFF COMMENT: The city's engineering consultant and Public Works Director have reviewed the preliminary plat and expressed no concerns with the site's erosion control measures.

Landscape Measures: The subdivider shall construct and install landscaping per the conditional zone change approval. The conditional zone change requires landscaping be installed between the project boundaries and the city-owned golf course. The landscaping will be required to be installed with the Final Plat approval. Street trees that are designated can be installed after the houses are constructed.

STAFF COMMENT: The city's engineering consultant, Public Works Director, and Bos Landen Golf Course have reviewed the preliminary plat and expressed no concerns with the landscape plan.

COMPREHENSIVE PLAN: City Code Sec. 170.06.2 tasks the City Council to review the proposed preliminary plat for conformance with the Comprehensive Plan. The Comprehensive Plan's Future Land Use Map identifies this site as Low-Density Residential. The proposed use complies with this designation. The Comprehensive Plan also calls for increased housing in the community, which this project helps satisfy.

SUMMARY AND STAFF RECOMMENDATION: Staff finds this preliminary plat meets the minimum requirements of the zoning and subdivision ordinances, while also conforming to the Comprehensive Plan. Based upon the findings, staff recommends the preliminary plat be approved as submitted. Finally, it is important to note, the Planning and Zoning Commission unanimously approved this preliminary plat at their meeting on September 26, 2022.

ATTACHMENTS:	Resolution, Application, Aerial Map, Preliminary Plat
REPORT PREPARED BY:	Planning and Zoning Director
REPORT REVIEWED BY:	City Administrator, City Clerk
RECOMMENDATION:	Approve resolution

5. Resolution No. 6566 entitled, "RESOLUTION AUTHORIZING SHIVE-HATTERY TO PROCEED WITH THE SCHEMATIC DESIGN PHASE OF THE PELLA INDOOR RECREATION CENTER PROJECT."

Branderhorst moved to table the resolution for 30 days as indicated in the Council packet on page 108.

Motion died for lack of a second.

Bandstra moved to approve the resolution, seconded by Hopkins.

On roll call the vote was:

AYES: 5 (Bandstra, Hopkins, Sporrer, De Jong, Carlstone)

NAYS: 1 (Branderhorst)

Motion carried.

BACKGROUND: This resolution approves the schematic design of the Indoor Recreation Center project and authorizes Shive-Hattery to proceed with the design development phase of the project. Please note, after discussing the schematic design of the proposed facility during the Policy and Planning meeting on March 7, 2023, Council directed staff to present this item for formal consideration.

Listed below is additional background on the proposed schematic design:

Proposed Pella Rec Center Design

The schematic design proposed for the Pella Rec Center is approx. 78,000 square feet and includes the following components:

- Four full sized gymnasiums
- Indoor walking track
- Workout areas
- Competition swimming pool
- Recreation swimming pool
- Large atrium areas, meeting spaces, childcare facilities, and concession areas
- Boulderling wall

Before proceeding with the design development phase of the project, Shive-Hattery would like to be aware of any changes requested by Council.

The reason for this request is any future changes to the layout of the facility may require additional engineering and resulting change orders for the City of Pella.

Design Development Phase of the Project: The design development phase of the project will involve mechanical and electrical work, site grading, and refinement of construction cost estimates. Furthermore, the city will need to proceed with engineering for the extension of University Street and Baseline Drive; this is necessary as the site grading for the Pella Rec Center facility needs to align with the profile of University Street and Baseline Drive. A separate contract for engineering services for the University Street and Baseline Drive extension project is included as agenda item E-6. The cost of the design development phase of the project is \$550,000. If Council approves proceeding with this phase of the project, the city will use cash reserves to fund the engineering fees.

Project Schedule: The tentative project schedule is for the Pella Rec Center to begin operation in the fall of 2025; therefore, if Council desires to open the facility in 2025, Shive-Hattery will need to proceed with the design development phase of the project at this time. Additionally, the city will need to proceed with engineering services for the extension of University Street and Baseline Drive. Please also keep in mind that before the city is able to approve any construction contracts, we will need to have firm funding sources for the project; therefore, the timing of this project is subject to obtaining sufficient funding.

Project Estimated Cost: The estimated cost of the Pella Rec Center facility is \$43,079,374 which includes the following items:

Base Engineering Fees	\$2,750,000
Alternate Design Engineering fees	400,000
Suppl. Engin. & Admin Fees	144,000
Furnishing and fixtures	1,663,073
Contingency fees	4,609,951
Construction	<u>33,512,350</u>
Total Estimated Cost	<u>\$43,079,374</u>

Project Funding: During the Policy and Planning meeting on March 7, Council received a financial update on the long-term facilities plan, as shown on the attached staff memo. In summary, the estimated cost of the facilities plan totals \$58,692,500. To-date, the city has raised approximately \$35.4 million. In addition, Mayor DeWaard has appointed a committee to raise funds for the proposed indoor recreation center.

Alternate Bid Items: To align with the city's financial resources, staff will be proposing the usage of alternative bids for the indoor recreation center project. This means the city would solicit construction bids for items identified as alternates and depending on financing, the city might not proceed with construction of the alternate items.

Staff plans to make a recommendation on potential alternates once the project's major donors/partners are finalized. The reason for this position is because industry standards have typically recommended that the estimated cost of alternates should not exceed 20% of the total project cost. It is staff's understanding that alternates in excess of 20% of the project costs could create complications for construction firms bidding on the project. If staff were to identify alternates based on the amount of funds that have been raised for the project to-date, the estimated cost of the alternative bid items would be in excess of 20%.

When Council approved the long-term facilities plan in April of 2022, it established the following goals:

Improve the quality of life in the community. Attract new citizens. Increase the city's tax base.

Staff believes the proposed indoor recreation center meets the goals identified above. Furthermore, the proposed location of the project at the northwest corner of the Pella Sports Park is in a future growth area identified in the Comprehensive Plan. Overall, staff is supportive of this project; however, staff also believes the size and scale of this project is directly related to the level of funds the city is able to raise.

It is also important to consider that a significant amount of funds have been raised for the city's facility plan, which indicates there is support for the proposed schematic design of the indoor recreation center. Furthermore, as of this date there are no proposals to increase the level of city funding for the project. Since the city is actively raising funds for this project, staff believes it is a Council policy decision on the level of engineering which should be performed during the fundraising stage of the project.

If Council proceeds with the design development phase of the project, then Council should be aware there may be engineering change orders if significant changes are made to the project at a later date. Likewise, if Council does not proceed with the design development phase of the project at this time, Council should be aware of the following items:

1. Under the terms of the city's contract with Shive-Hattery, engineering services can be suspended for 30 days. Legal counsel should be contacted if the city intends to delay engineering services for longer than a 30-day time period.
2. If engineering is delayed, it may impact opening of the indoor recreation center in 2025.

ATTACHMENTS: Resolution; Staff Memo to Council from March 7, 2023; Schematic Design

REPORT PREPARED BY: City Administration

REVIEWED BY: City Administrator, City Clerk

RECOMMENDATION: Seeking Council direction

6. Resolution No. 6567 entitled, "RESOLUTION APPROVING ENGINEERING SERVICES AGREEMENT WITH GARDEN & ASSOCIATES, LTD. FOR THE UNIVERSITY STREET AND BASELINE DRIVE EXTENSIONS." Branderhorst moved to table the resolution for 30 days or until Council is aware of how the public right of way on this property will be acquired. Motion died for lack of a second.

Bandstra moved to approve the resolution, seconded by Hopkins. On roll call the vote was:

- AYES: 5 (Bandstra, Hopkins, Sporrer, De Jong, Carlstone)
NAYS: 1 (Branderhorst)
Motion carried.

BACKGROUND: This resolution approves an engineering services agreement with Garden & Associates for the extension of University Street and Baseline Drive as discussed with Council during the Policy and Planning meeting on March 7, 2023.

This project includes the extension of University Street (5,320 LF) and Baseline Drive (1,435 LF) which is required to access the Pella Rec Center and to provide multiple access points to the Pella Sports Park. Specifically, this project includes the following items:

- New 31' back-of-curb to back-of-curb urban collector street with associated grading and storm sewer improvements.
• New 12" water main along University St. then south to the existing 8" water main on Baseline Dr.
• New 10' trail on the south side of University St. from 240th to the Pella Rec Center.
• The University St. improvements would be located in an 80' ROW to be acquired with the project.

The total construction cost for the above improvements is estimated to be approx. \$5,625,900.

The not-to-exceed engineering fees, based on hourly rates, for this engineering services agreement totals \$309,500 and includes the project's preliminary design, final design, and bidding process. Construction observation services and project administration are not included as part of this agreement. If Council approves this agreement, city cash reserves will be used as the funding source.

While this project has often been associated with construction of the Pella Rec Center, Council should be aware that the extension of University St. has been in the Comprehensive Plan since 2007. Furthermore, this street extension would provide a transportation linkage to a preferred growth area identified in the Comprehensive Plan, in addition to providing a secondary access point to the Pella Sports Park.

Staff Recommendation: If Council approves resolution no. 6566 which authorizes Shive-Hattery to proceed with the design development phase of the Pella Rec Center project, then staff recommends approval of this engineering services agreement with Garden & Associates for extension of University Street and Baseline Drive.

ATTACHMENTS: Resolution, Engineering Agreement, Map

REPORT PREPARED BY: Public Works Department

REVIEWED BY: City Administrator, City Clerk

RECOMMENDATION: Recommend approval contingent upon Council approval of resolution no. 6566 which authorizes Shive-Hattery to proceed with the design development phase of the Pella Rec Center project

7. Resolution No. 6568 entitled, "RESOLUTION APPROVING ENGINEERING SERVICES AGREEMENT WITH VEENSTRA & KIMM FOR THE INDOOR RECREATION CENTER SANITARY SEWER IMPROVEMENTS." Branderhorst moved to table this resolution for 30 days or until Council has a greater understanding of the project's private funding and a pro forma outlining the operational costs of the indoor recreation center. Motion died for lack of a second.

Hopkins moved to approve the resolution, seconded by Sporrer. On roll call the vote was:

- AYES: 5 (Hopkins, Sporrer, De Jong, Bandstra, Carlstone)
NAYS: 1 (Branderhorst)
Motion carried.

BACKGROUND: This resolution approves an engineering services agreement with Veenstra & Kimm for sanitary sewer improvements to serve the Pella Rec Center as discussed with Council during the Policy and Planning meeting on March 7, 2023.

Specifically, this project includes 900 LF of 8" gravity sewer from the Pella Rec Center south to the area near the existing Pella Sports Park sand filter/septic system. The project would include a new lift station at that location and 1,200 LF of 6" force main constructed south to Old Highway 163 where it will intercept the existing 6" force main constructed with the Lely project. This new sewer system and lift station will replace the existing sand filter/septic system and serve the Pella Sports Park.

The estimated breakdown of the not-to-exceed engineering fees based on hourly rates is listed below:

Table with 2 columns: Description and Amount. Rows include Preliminary, final design & bidding process (\$60,000), Construction services & project administration (58,000), and Total Engineering Services (\$118,000).

The total construction cost for the sanitary sewer improvements is estimated to be approx. \$835,475.

The attached agreement includes construction phase engineering services if the city goes forward with construction. If Council approves this agreement, city cash reserves will be used as the funding source.

Staff Recommendation: If Council approves resolution no. 6566 which authorizes Shive-Hattery to proceed with the design development phase of the Pella Rec Center project, then staff recommends approval of this engineering services agreement with Veenstra & Kimm for the sanitary sewer improvements related to the Pella Rec Center.

ATTACHMENTS: Resolution, Engineering Agreement

REPORT PREPARED BY: Public Works Department

REVIEWED BY: City Administrator, City Clerk

RECOMMENDATION: Recommend approval contingent upon Council approval of resolution no. 6566 which authorizes Shive-Hattery to proceed with the design development phase of the Pella Rec Center project

F. CLAIMS

1. Abstract of Bills No. 2123.
Branderhorst moved to approve, seconded by Bandstra.
On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

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

Four comments were received.

H. POLICY AND PLANNING

From 7:37 p.m. to 7:56 p.m., Council adjourned to the Policy and Planning meeting to hold a discussion regarding the following items, with no formal Council action taken:

1. Community Center Renovation Project Architect Selection Process Update
2. Southside Beautification Project Update
3. Pella Community Ambulance Request to Implement K-9 Therapy Program

I. ADJOURNMENT

There being no further business claiming their attention, Bandstra moved to adjourn, seconded by Sporrer.
On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

Meeting adjourned at 7:57 p.m.