



CITY OF PELLA

CITY COUNCIL OFFICIAL MINUTES

September 20, 2022

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, Liz Sporrer, Lynn Branderhorst, Calvin Bandstra, Dr. Spencer Carlstone, Dave Hopkins. Absent: None. City Administrator Mike Nardini and City Clerk Mandy Smith were present. Nine staff members and fourteen members of the general public attended in person. Four members of the general public attended via conference call.

B. MAYOR'S COMMENTS

1. Approval of Tentative Agenda.
Bandstra moved to approve, seconded by Sporrer.
On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

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

No comments were received.

D. APPROVAL OF CONSENT AGENDA

Branderhorst moved to approve the consent agenda, seconded by De Jong.
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 September 6, 2022
2. Report of Committees
 - a. Policy and Planning Minutes for September 6, 2022

PRESENT: Mayor Don DeWaard, Mark De Jong, Liz Sporrer, Lynn Branderhorst, Calvin Bandstra, Dr. Spencer Carlstone, Dave Hopkins
ABSENT: None

OTHERS: City staff and visitors

The Policy and Planning meeting began at 8:01 p.m. The only item on the agenda was a discussion regarding repairs to the Bos Landen Conference Center. This facility sustained water damage due to a frozen water pipe in early 2020. In August of 2021, Council approved an engineering agreement for this project with Klingner & Associates.

The city's insurance policy includes replacement cost coverage to restore the facility to its original condition. Staff has confirmed that all items included in the base bid prepared by Klingner will be covered under the insurance policy. The base bid preliminary estimate of \$604,870.75 includes:

- Reconstruction/modification of the restroom facilities for ADA compliance
- Replacing flooring, walls, ceilings, counters, and interior doors affected by the water damage
- Associated electrical work
- Installation of an elevator to bring the conference center up to code

The insurance company has also approved an agreement with Klingner for the additional engineering necessary to install the elevator; this agreement is for a lump sum fee of \$7,000.

Staff presented an alternate bid for items not covered by insurance that are recommended to be repaired while the facility is under construction. The preliminary estimate of \$153,569.59 includes:

- Replacing windows with rotten sills in the conference and restaurant areas
- Replacing damaged flooring and wall coverings in the kitchen area
- Adding a family restroom on the main floor

Council member Bandstra inquired about the future plans for use of this facility. City Administrator Mike Nardini responded that the conference center has been used for rentals including weddings and business meetings. Nardini added that while the alternate bid items are not related to the water damage, they are considered wear and tear items that need to be completed regardless of the ultimate use of the facility.

At the end of the discussion, Council directed staff to move forward with preparing this project for a bid letting to include both the base and alternate bids as presented to Council.

The meeting adjourned at 8:16 p.m.

Respectfully submitted:

Mandy Smith
City Clerk

3. Petitions and Communications

- a. Renewal of Class C Liquor License with Sunday Sales for Applebee's Neighborhood Grill & Bar

BACKGROUND: Apple Corps LP, DBA Applebee's Neighborhood Grill & Bar at 1600 Washington Street, has applied for renewal of their class C liquor license with Sunday sales. The term of the new license is 12 months and, if approved, would expire on November 2, 2023.

The application has been completed online with the state. Staff is recommending approval of this renewal.

ATTACHMENTS: None
 REPORT PREPARED BY: City Clerk
 REVIEWED BY: City Administrator
 RECOMMENDATION: Approve renewal

4. Resolution No. 6490 entitled, "RESOLUTION APPROVING AN APPLICATION AND AGREEMENT FOR FEDERAL ASSISTANCE, GRANT NO. PEA-CEG-3-19-0112-016-2022"

BACKGROUND: This resolution authorizes the city to accept the grant agreement to construct a new Automated Weather Observing System (AWOS). As a reminder, in 2021, the city entered into an agreement with Voltmer, Inc. in the amount of \$168,630 to construct the new AWOS system. It should be noted that the grant covers nearly 90% of the project and engineering costs, which amounts to \$167,967. The attached resolution formally approves the grant application and agreement and authorizes the Finance Director to administer the grant. Additionally, the resolution authorizes the Finance Director to sign any documents related to the grant on behalf of the City of Pella.

ATTACHMENTS: Resolution, Grant Agreement
 REPORT PREPARED BY: City Administration
 REVIEWED BY: City Administrator, City Clerk
 RECOMMENDATION: Approve resolution

E. PUBLIC HEARINGS

1a. Not to exceed \$1,600,000 General Obligation Capital Loan Notes

Public Hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.

No written or oral comments were received.

Hopkins moved to close the public hearing, seconded by Sporrer.

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

BACKGROUND: These resolutions institute the proceedings to take additional action for the authorization of a loan agreement and issuance of not-to-exceed \$1,600,000 of General Obligation Capital Loan Notes for the purpose of making road improvements to Prairie Street (from Truman to South Street) and Monroe Street (from Oakwood to W. 3rd Street). Additionally, the resolutions approve the preliminary official statement for actual borrowing of just over \$1.4 million General Obligation Capital Loan Notes Bonds, Series 2022A.

In considering this item, it is essential to point out the preliminary sources and uses of funds associated with the issuance:

Monroe Street	\$300,000
Prairie Street	1,050,000
Issuance costs	41,358
Capitalized interest	<u>31,200</u>
Total	<u>\$1,422,558</u>

Projected sources of funding for the project are as follows:

Par amount	\$1,350,000
Premium	<u>72,558</u>
Total	<u>\$1,422,558</u>

In conjunction with our Underwriter, D.A. Davidson, the city has prepared a preliminary official statement outlining the details of the proposed sale of the bonds. Subject to revisions from bond counsel Ahlers & Cooney, and D.A. Davidson, this preliminary official statement will be distributed in connection with the offering of the bonds for sale.

The pricing date for the bonds is scheduled for October 4, 2022. As opposed to going to market with and taking bids on the proposed issuance, the city is working with D.A. Davidson to negotiate the terms of the agreement. This approach will allow the city to focus distribution with local financial institutions to ensure they have an opportunity to participate in the financing. D.A. Davidson will work with the city to ensure that local institutions receive as much of the Notes issued as they want (at the market clearing price), keeping as many dollars as possible within the community.

It should be noted that while the bond issue limit is listed as not-to-exceed \$321,000 for the improvements associated with Monroe Street and \$1,123,500 for the improvements associated with Prairie Street, the proposed General Obligation Capital Loan Notes, Series 2022A, will be for \$1,600,000 payable through June 2037. The annual debt service payments for this bond will be included in the financial preparation of the city's fiscal year 2024 budget process. Staff believes that the budget can sustain the proposed debt service schedule of the bonds without increasing property taxes, but Council will make the final determination of the funding source and annual city tax rate certification through the preparation of all future city budgets.

Summary: The following items are on the agenda for consideration related to this item:

Agenda item E-1-a: Public hearing on the authorization of a loan agreement and note issuance

Agenda item E-1-b: Resolution No. 6491: Institutes proceedings to take action for the issuance of not-to-exceed \$1,600,000 General Obligation Capital Loan Notes.

Agenda item E-3: Resolution No. 6493: Approves preliminary official statement for 2022A and 2022B.

ATTACHMENTS: Resolution No. 6491, Resolution No. 6493, Preliminary Official Statement
 REPORT PREPARED BY: Administration
 REPORT REVIEWED BY: City Administrator, City Clerk
 RECOMMENDED ACTION: Approve resolutions

1b. Resolution No. 6491 entitled, "RESOLUTION INSTITUTING PROCEEDINGS TO TAKE ADDITIONAL ACTION FOR THE ISSUANCE OF NOT TO EXCEED \$1,600,000 GENERAL OBLIGATION CAPITAL LOAN NOTES."

Branderhorst moved to approve, seconded by De Jong.

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

- 2a. Not to exceed \$2,200,000 General Obligation Capital Loan Notes
Public Hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
No written or oral comments were received.
Hopkins moved to close the public hearing, seconded by Sporrer.
On roll call the vote was: AYES: 6, NAYS: None. Motion carried.
BACKGROUND: These resolutions institute the proceedings to take additional action for the authorization of a loan agreement and issuance of not-to-exceed \$2,200,000 of General Obligation Capital Loan Notes for the purpose of fulfilling the city's financial obligation for the Prairie Ridge Commercial Development Area. Additionally, the resolutions approve the preliminary official statement for actual borrowing of just over \$2.1 million General Obligation Capital Loan Notes Bonds, Series 2022B.
In conjunction with our Underwriter, D.A. Davidson, the city has prepared a preliminary official statement outlining the details of the proposed sale of the bonds. Subject to revisions from bond counsel Ahlers & Cooney, and D.A. Davidson, this preliminary official statement will be distributed in connection with the offering of the bonds for sale.
The pricing date for the bonds is scheduled for October 4, 2022. As opposed to going to market with and taking bids on the proposed issuance, the city is working with D.A. Davidson to negotiate the terms of the agreement. This approach will allow the city to focus distribution with local financial institutions to ensure they have an opportunity to participate in the financing. D.A. Davidson will work with the city to ensure that local institutions receive as much of the Notes issued as they want (at the market clearing price), keeping as many dollars as possible within the community.
It should be noted that the bond issue limit is listed as not-to-exceed \$2,200,000 for the purpose of fulfilling the financial obligations for a development agreement that Council approved on September 7, 2021. Through this agreement, the developer was obligated to construct a public street and associated infrastructure as well as a Smash Park recreation center which serves as a regional entertainment center with a variety of recreational amenities and activities, including pickleball courts, outdoor turf games, a restaurant, an indoor/outdoor bar and patio area, and meeting rooms. In addition, the developer is in the process of constructing a Chick-fil-A fast casual restaurant which is expected to open later this fall.
The proposed General Obligation Capital Loan Notes, Series 2022B, will be for \$2,100,000, payable through June 2037. The annual debt service payments are expected to be funded by the new incremental valuation of the development.
Summary: The following items are on the agenda for consideration related to this item:
Agenda item E-2-a: Public hearing on the authorization of a loan agreement and note issuance
Agenda item E-2-b: Resolution No. 6492: Institutes proceedings to take action for the issuance of not-to-exceed \$2,200,000 General Obligation Capital Loan Notes.
Agenda item E-3: Resolution No. 6493: Approves preliminary official statement for 2022A and 2022B.
ATTACHMENTS: Resolution No. 6492, Resolution No. 6493, Preliminary Official Statement
REPORT PREPARED BY: Administration
REPORT REVIEWED BY: City Administrator, City Clerk
RECOMMENDED ACTION: Approve resolutions
- 2b. Resolution No. 6492 entitled, "RESOLUTION INSTITUTING PROCEEDINGS TO TAKE ADDITIONAL ACTION FOR THE ISSUANCE OF NOT TO EXCEED \$2,200,000 GENERAL OBLIGATION CAPITAL LOAN NOTES."
De Jong moved to approve, seconded by Hopkins.
On roll call the vote was: AYES: 6, NAYS: None. Motion carried.
3. \$1,405,000 (amount subject to adjustment) General Obligation Capital Loan Notes, Series 2022A
\$2,085,000 (amount subject to adjustment) Taxable General Obligation Capital Loan Notes, Series 2022B
Resolution No. 6493 entitled, "RESOLUTION APPROVING OFFICIAL STATEMENT."
Hopkins moved to approve, seconded by De Jong.
On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

F. PETITIONS & COMMUNICATIONS

- 1a. Special Event Permit Request for Drive Through Coats and Coffee.
Branderhorst moved to approve, seconded by Sporrer.
On roll call the vote was: AYES: 6, NAYS: None. Motion carried.
BACKGROUND: Crossroads of Pella has requested a special event permit to host Drive Through Coats and Coffee, a coat donation event, on the south side of the Community Center at 712 Union Street. The event is requested to be held on Tuesday, October 18, 2022, from 7:30 to 9:30 a.m. If approved, set-up would begin at 6:45 a.m. with take down complete by 10:00 a.m.
During this event, the promoter is requesting to close 13 parking spaces on the north side of Union Street, south of the Community Center, as shown on the attached map.
All pertinent city departments have reviewed this application and comments are attached. The fee and insurance certificate have been received. Staff is recommending approval of this special event permit and resolution.
ATTACHMENTS: Resolution, Application/Map, Department Comments
REPORT PREPARED BY: City Clerk
REVIEWED BY: City Administrator
RECOMMENDATION: Approve special event permit and resolution
- 1b. Resolution No. 6494 entitled, "RESOLUTION TEMPORARILY CLOSING PUBLIC WAYS OR GROUNDS IN CONNECTION WITH A SPECIAL EVENT KNOWN AS DRIVE THROUGH COATS AND COFFEE."
De Jong moved to approve, seconded by Branderhorst.
On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

G. RESOLUTIONS

1. Resolution No. 6495 entitled, "RESOLUTION ENTERING INTO A CONTRACT WITH THE GOVERNOR'S TRAFFIC SAFETY BUREAU FOR THE PURPOSE OF SPECIAL TRAFFIC ENFORCEMENT IN THE CITY OF PELLA."

Branderhorst moved to approve, seconded by Hopkins.

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

BACKGROUND: This resolution approves the Pella Police Department entering into a contract with the Governor's Traffic Safety Bureau (GTSB) starting October 1, 2022 through September 30, 2023.

As background, the purpose of this contract is to accomplish the provisions contained within the Fiscal Year 2023 Highway Safety Plan, State and Community Highway Safety Grant PAP 23-402-MOPT, Task 69-00-00, and Impaired Driving Countermeasures Grant 23-405d-M6OT, Task 00-69-00. The GTSB is an agency within the Iowa Department of Public Safety that allocates funding from the National Highway Traffic Safety Administration.

If this contract is approved by Council, the GTSB would provide the Pella Police Department with \$6,450 in funds to accomplish the following:

- Conduct 100 overtime hours of planned high visibility traffic enforcement with an effort directed at occupant restraint, impaired driving, and excessive speed violations during times and at locations identified as high-risk.
- Conduct two targeted traffic enforcement projects, one conducted at night and one multi-jurisdictional project.
- Conduct 12 public information/education activities aimed at improving driver safety behaviors.
- Conduct two observational occupant protection surveys.
- Purchase one moving radar and one preliminary breath tester to utilize for impaired driving-related traffic enforcement.

It is important to note that no matching funds are required under this contract. Participation in this contract is beneficial to the Pella Police Department as it provides equipment for the department that would otherwise need to be purchased.

ATTACHMENTS: Resolution, Contract
REPORT PREPARED BY: Shane S. McSheehy, Chief of Police
REVIEWED BY: City Administrator, City Clerk
RECOMMENDATION: Approve resolution

2. Resolution No. 6496 entitled, "RESOLUTION ORDERING CONSTRUCTION OF THE PELLA FIBER TRANSPORT NETWORK TO IMU, AND FIXING A DATE FOR HEARING THEREON AND TAKING OF BIDS THEREFOR."

Hopkins moved to approve, seconded by De Jong.

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

BACKGROUND: This resolution establishes November 1, 2022 as the public hearing date and authorizes staff to seek bids for the Pella Fiber Transport Network West to IMU construction project. As background, this project includes construction of a fiber optic network to connect Pella to a Point of Presence (POP) site located at Indianola Municipal Utilities (IMU) Central Office. The total length of the new construction is 42.6 miles.

28E Agreement with IMU: As further background, in March of this year, the Pella City Council approved a 28E Agreement with IMU to construct this shared fiber transport line. This Agreement states that each party is responsible for 50% of the total project cost. The project engineer, NewCom Technologies, estimates the probable costs for construction of this project to be \$2,354,570.54, as shown on the attached engineer's estimate.

Project Timeline: If approved, the proposed timeline for the project is:

Bid letting - October 10, 2022 at 1:00 p.m.

IMU Board review/approval of bid - October 24, 2022

City of Pella public hearing/award contract - November 1, 2022

Substantial completion of project - September 29, 2023

In summary, staff is recommending approval of this resolution establishing November 1, 2022 as the public hearing date and authorizing staff to seek bids for the Pella Fiber Transport Network West to IMU construction project.

ATTACHMENTS: Resolution, Notice to Bidders and Notice of Public Hearing, Engineer's Opinion of Probable Costs
REPORT PREPARED BY: Telecommunications Director
REPORT REVIEWED BY: City Administrator, City Clerk
RECOMMENDED ACTION: Approve resolution

H. ORDINANCES

1. Ordinance No. 1016 entitled, "AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF PELLA, IOWA, BY AMENDING SEC. 165.32, OFF-STREET PARKING, FOR THE PURPOSE OF EXEMPTING CONVERTED RESIDENTIAL UNITS FROM BEING REQUIRED TO PROVIDE OFF-STREET PARKING IN THE CBD DISTRICT."

De Jong moved to place ordinance no. 1016 on its second reading, seconded by Hopkins.

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

It was moved by Bandstra 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 Hopkins.

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

De Jong moved that ordinance no. 1016 be adopted, seconded by Sporrer.

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

Mayor DeWaard declared the ordinance duly passed and adopted.

BACKGROUND: This ordinance amends City Code to exempt converted residential units from the requirement to provide off-street parking in the Central Business District (CBD). As background, on July 5, 2022, Council directed this item be presented to the Planning and Zoning Commission for review and recommendations. After holding three workshops, the Commission voted to recommend approval of the attached ordinance during their meeting on August 22, 2022.

Current City Code Requirements

The following requirements are currently in place regarding residential parking in the CBD:

- Off-street parking shall be provided for any new building constructed, for new uses or conversions of existing buildings, or for enlargements of existing structures.
- Any use within the CBD, other than residential, is exempt from the requirement to provide off-street parking.
- Single-family residential units must provide two spaces per dwelling unit on site.
- Residential uses are not allowed in the basement or ground floor, only on the second level or above.

Ordinance Amendment

Below is the text which would be adopted as part of City Code Section 165.32, Off-Street Parking, should this ordinance be adopted:

Any use within the CBD Central Business District, other than new build residential units, is exempt from the requirement to provide off-street parking. This exemption includes residential conversions within existing buildings on the second or third floors. However, any commercial or residential off-street parking facilities constructed in the CBD District after the effective date of this Zoning Ordinance must comply with the design standards set forth in this section.

Summary

In summary, staff is recommending approval of this ordinance amending City Code to exempt converted residential units from the requirement to provide off-street parking in the CBD. It is important to note that the Planning and Zoning Commission voted unanimously to approve this ordinance on August 22nd.

ATTACHMENTS: Ordinance
 REPORT PREPARED BY: Planning and Zoning Director
 REPORT REVIEWED BY: City Administrator, City Clerk
 RECOMMENDATION: Approve ordinance

2. Ordinance No. 1017 entitled, "ORDINANCE APPROVING A MORATORIUM ON THE ISSUANCE OF BUILDING PERMITS FOR SINGLE FAMILY AND TWO-FAMILY RESIDENTIAL HOMES WITHIN COMMERCIAL ZONED DISTRICTS IN THE OSKALOOSA STREET CORRIDOR."

Branderhorst moved to place ordinance no. 1017 on its second reading, seconded by De Jong.

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

It was moved by Branderhorst 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 Hopkins.

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

Branderhorst moved that ordinance no. 1017 be adopted, seconded by De Jong.

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

Mayor DeWaard declared the ordinance duly passed and adopted.

BACKGROUND: This ordinance approves the Oskaloosa Street Corridor moratorium. Specifically, this moratorium applies to the issuance of building permits for single family and two-family residential homes within commercially zoned districts on Oskaloosa Street, from Main Street to 240th Place. The language in the attached ordinance is consistent with previous moratoriums adopted by Council in 2018 and 2019.

As background, on August 2, 2022, Council discussed redevelopment of the Oskaloosa Street Corridor. During that meeting, Council directed staff to proceed with placing this moratorium on a future agenda for formal consideration. If approved, the moratorium will remain in place until December 31, 2023, or until Council adopts the necessary zoning changes to implement an economic development plan for the Oskaloosa Street Corridor, whichever would occur first.

It is important to note that the moratorium does not apply to existing single family and two-family homes which are being rebuilt due to catastrophic events such as a fire or a tornado.

In summary, staff is recommending approval of this ordinance adopting the Oskaloosa Street Corridor moratorium.

ATTACHMENTS: Ordinance, Map
 REPORT PREPARED BY: City Administration
 REPORT REVIEWED BY: City Administrator, City Clerk
 RECOMMENDATION: Approve ordinance

I. CLAIMS

1. Abstract of Bills No. 2111.

Branderhorst moved to approve, seconded by Sporrer.

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

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

Comments were received and addressed.

K. ADJOURNMENT

There being no further business claiming their attention, Hopkins moved to adjourn, seconded by De Jong.

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

Meeting adjourned at 6:32 p.m.