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MINUTES OF THE PROCEEDINGS
OF THE BURLINGTON, IOWA CITY COUNCIL

Meeting No. 10
May 21, 2012

The Burlington City Council met in regular session at 6:30 p.m. in the Thomas J. Smith Council Chambers, City Hall with Mayor Davidson, Council Members Anderson, Fleming, McCampbell and Reed present.

BURLINGTON CITY COUNCIL

CONSENT AGENDA: To the Public:

All matters listed under Item I., Consent Agenda, having been discussed were considered to be routine by the City Council and were enacted by one motion. There was no separate discussion of these items. If discussion was desired, that item was removed from the Consent Agenda and was considered separately.

Introduced By: McCampbell

Seconded By: Reed

MOTION: To approve all items listed under Item I., Consent Agenda.

DISCUSSION: Mayor Davidson reviewed the items listed on the consent agenda to the viewing audience. Tim Scott of 2017 South 15th Street requested the removal of the Resolution Amending the Personnel Manual for Non-Union Employees from the Consent Agenda for discussion at the close of the meeting. All present had opportunity to speak and nothing additional was filed in the office of the City Clerk.

(VOTE: 5 - AYES)

CARRIED

PRESENTATION BY CAPITOL THEATER:

John Speer, Executive Director for the Capitol Theater and Performing Arts Center, stated that they were ready to open on June 1, 2012. He thanked the City Council for \$50,000.00 for the donation made for construction and renovation of the Capitol Theater. He stated that the Capitol Theater will bring magic to the downtown area. He noted all the scheduled events for 2012. Council Member McCampbell suggested that the Capitol Theater could show movies made by local citizens. The Mayor and Council wished John Speer, Executive Director for the Capitol Theater and Performing Arts Center success. All present had opportunity to speak and nothing additional was filed in the office of the City Clerk.

HEARINGS:

1. Statement: Consideration of a Loan Agreement in a Principal Amount Not to Exceed \$7,200,000.00

COMMENTS: The City Manager stated that the hearing was for a loan agreement in a principal amount not to exceed \$7,200,000.00 was for the sewer project at the WWTF with some of the money being used for a sewer separation project. He stated that it is unsure if Council will go through the bonding process now or do a bond anticipation note and use a draw down basis as needed and then do the final bonding at the end of the project when the final cost is known. He stated

that the risk of bonding later is that the cost of borrowing may have gone up with interest rates, but given the concern over the negative outlook the City received by Moody in January 2012, if the City does not have a plan in place to address our ongoing debts in other funds, the City will be downgraded through a rating process now. He stated that he was meeting with Travis Squires, of Piper Jaffray, to determine which route for the Council to take. He stated that these

are projects budgeted in fiscal year 2012-2013. Stan Stratton of 2809 Shamrock Drive asked which phase this was of the sewer project. The Public Works Director stated that there were three separate areas being separated. This was the first phase of the Cascade Sewer Separation of a possible three more phases.

He stated that the Hawkeye Sewer Separation Project was completed. He stated that the third area was between Hawkeye Sewer and Cascade Sewer (the Market and Angular area) and it is not known how many phases it will take to complete. Stan Stratton of 2809 Shamrock Drive asked if his sewer bill will increase. The

City Manager stated that there would be a 9% increase per year over the next three or more years then 5% increases. He stated that the project involves a lot of debt and revenue bonds will be paid back by sewer revenue. He further stated that the project is mandated by the DNR to be completed by 2027. All present had opportunity to speak and nothing additional was filed in the office of the City Clerk.

Introduced By: Fleming
Motion to Close

Seconded By: Reed

CARRIED

Introduced By: Fleming
Resolution Declaring Intent to Enter into a Sewer Revenue Loan Agreement

Seconded By: McCampbell

DISCUSSION: None.
(VOTE: 5 - â AYESâ)

ADOPTED

2. Statement: Consideration of Budget Amendment No. 1 for Fiscal Year 2011-2012

COMMENTS: The City Manager reviewed the budget amendment for fiscal year 2011-2012. He stated that under expenditures, the debt service payments will be amended by \$4,090,000.00, which was refinancing of existing debt obligation. He

stated that under revenues, the budget is being amended by \$3,390,000.00 for debt service issues and other City taxes is amended by \$500,000.00 for local option sales tax. Council Member Reed stated that next time he would like to see a slide presentation for the public to view. Council Member Anderson stated that she hoped the public understood that the City did not borrow additional \$4,090,000.00 money, but instead refinanced existing debt to save money. All present had opportunity to speak and nothing additional was filed in the office of the City Clerk.

Introduced By: Fleming
Motion to Close

Seconded By: Reed

CARRIED

Introduced By: Fleming
Resolution Approving Budget Amendment No. 1 for Fiscal Year 2011-2012

Seconded By: McCampbell

DISCUSSION: None.
(VOTE: 5 - â AYESâ)

ADOPTED

Council for approval at their June 18, 2012 City Council meeting. Council Members Reed, Anderson and Fleming stated that they were ready to move ahead with the agreement. Julie Bowers of Workingâ Bridges of Grinnell, Iowa stated that she felt she has an excellent team that is qualified with a bent toward restoration. She felt they were overlooked in the process. Leon Shahan of 1821

Mt. Pleasant Street stated that the project was not necessary with only a few homes affected by the closure of Cascade Bridge. He stated that the Mt. Pleasant Street bridge is more heavily used and was in need of repair. Stan Stratton of 2809 Shamrock Drive stated that the issue has never been brought up to the citizens of Burlington by ballot. He stated that he did not want his property taxes to go up for a few people that live on the other side of Cascade Bridge. He urged the Council to place the issue on the August ballot when the citizens of Burlington vote on the Local Option Sales Tax. Terry Arellano of 2800 South Main Street stated that the citizen of Burlington in the Imagine Campaign voted as their number one issue the replacement/fixing of Cascade Bridge. She asked if the firm the City was selecting had any experience in rehabilitation of bridges. The City Manager stated that out of the three firms the City looked at one of the firms had very limited experience in this type of a project. He stated that Shuck-Britson, Inc. had experience in both rehabilitation and replacing bridges. All present had opportunity to speak and nothing additional was filed in the office of the City Clerk.

(VOTE: 4 - â AYESâ MCCAMPBELL, REED, ANDERSON AND FLEMING

1 - â NAYâ DAVIDSON)

ADOPTED

Introduced By: Reed

Seconded By: Fleming

2. Resolution Awarding Contract for the Animal Shelter Remodel and Expansion Project

DISCUSSION: The City Manager stated that the proposed Resolution awards contract for the Animal Shelter Remodel and Expansion Project. He stated that three bids were received with the low bid amount of \$820,000.00. He stated that the project was originally estimated to cost \$1,000,000.00 with the City paying one half of the cost up to \$500,000.00. He further stated that the Humane Society has raised funds for the project and they are excited about moving forward. Tim

Scott of 2017 South 15th Street stated that he has known for years that something needed to be done at the Animal Shelter. He stated that he was not happy with the amount of the cost that the City was donating, but when commitments are made, then commitments are made. He urged the Council to move forward with some type of planning stage to reduce the need for the animal shelter itself by reducing the number of animals being killed each year as that cost is tremendous and by using some type of sterilization program. Council Member McCampbell stated that he was an animal lover, has a dog from the shelter

and has donated blankets to the shelter. He stated that on May 2, 2011 he was not serving on the Council when the decision was made on financing the project.

He stated that he was in favor of the animal shelter, just not the cost of the project. He stated that the City did not have the money for the project and that he would not vote in favor. Eric Benne, representing the Humane Society, stated that he has not heard from the Human Society board of directors as to the

amount of money the Society would use for the cost of the shelter over the \$410,000.000 planned. He stated that part of the \$518,000.00 raised was intended to cover maintenance expenses associated with moving the animal shelterâ s operations to a temporary facility during the renovation. He stated

that the present facility was antiquated and not user friendly. He stated that the new facility would be as energy efficient as possible. He further stated that some of Tim Scott's ideas have been discussed by the board in the past. He

stated that the Humane Society agreed back in February 2012 that they would use their funds first then let the City bond at a later date for whatever their portion ends up being. Stan Stratton of 2809 Shamrock Drive stated that Eric Benne has done a good job and has done his homework. He stated that he didn't

think we needed a dog hotel, but that the animals do need to be taken care of. Council Member Reed stated that the initial number thrown out was \$1,400,000.00,

which he and many others had initial sticker shock. He wanted to thank Eric Benne and the Humane Society for getting that number down. He stated that he was on the City Council that voted and promised on the financing of the project.

He stated that the City and the Humane Society have a partnership and ultimately it is the City's building. He stated that the cost savings should pay for itself in less than a 10-year period. He reminded the Council and the viewing audience that if they had to pay for constructing a new building by themselves, they could not afford to build at this time. He further stated that

he would be voting in favor due to the hard work by the Humane Society and the promise he made both in 2011 and February 2012. Council Member Anderson stated that she was not on the Council when the agreement was made by the City to cover

up to half of the cost of the facility up to \$500,000.00, but she was agreeing to it now. She stated that the City was the lead donor, which is why others made donations and pledges toward the project. She stated that it would be a slap in the face for the Council to renege on their promise. Council Member Reed stated that no matter how the vote comes out, the Council needed to look at

the fee structure. Council Member McCampbell stated that a previous Council should not have voted on the issue during an election year. Council Member Fleming stated that he was ready to vote in favor of awarding the contract. Mayor Davidson stated that there was a need for a new shelter but, he would be voting no as the City cannot afford to build a new shelter this year. The City Manager stated that the City will be bonding for the shelter. He stated that the

Council needs a 5-year plan in place. He stated that bonding for projects such as the Animal Shelter and the Cascade Bridge will impact property taxes with a \$.22 increase. All present had opportunity to speak and nothing additional was filed in the office of the City Clerk.

(VOTE: 3 - AYES REED, ANDERSON AND FLEMING

2 - NAYS MCCAMPBELL AND DAVIDSON)

ADOPTED

Introduced By: Fleming Seconded By: McCampbell

3. Resolution Amending the Personnel Manual for Non-Union Employees

DISCUSSION: Tim Scott of 2017 South 15th Street stated that he had asked that the Resolution Amending the Personnel Manual for Non-Union Employees be removed from the Consent Agenda as he felt it was not a routine item. He questioned the

increase dollar amount and how the budget would be impacted. The Human Resources Director stated the difference between last year's total of non-union

base salary adjustments was an increase of \$33,591.00, which was the lowest she has seen during her time as Human Resources Director. She stated that the salary schedule on which the increases are based, has not changed for three years. She stated that all non-union employees would receive 3.5% and only 3

people below mid-point would receive 5%. Tim Scott stated his concern for the additional \$33,591.00 that is being spent yearly on salary increases. Mayor Davidson stated that the last union contracts were negotiated for five years. Council Member Reed stated that he felt employees deserved an increase in pay, but did not want to see people laid off when the City could freeze wages. The Human Resources Director stated that the Council needed to be cautious in freezing wages as the City has a hard time attracting professional positions such as City Engineer, Librarian, Finance Director and Operations Manager. She stated that the City was not competitive with other Cities. Council Member Reed

asked the City Manager how much of our budget is spent on wages and benefits. The City Manager stated that the City budgets out of the general fund \$13,400,000.00 out of a \$17,000,000.00 budget. All present had opportunity to speak and nothing additional was filed in the office of the City Clerk.

(VOTE: 4 - AYES MCCAMPBELL, ANDERSON, DAVIDSON AND FLEMING

1- NAY REED)

ADOPTED

COMMENTS FROM AUDIENCE: Leon Shahan of 1821 Mt. Pleasant Street stated that the City has been running a budget deficit since the mid 1990s of \$3,000,000.00 to \$4,000,000.00 a year. He stated that he will pay more on property taxes on his home from now until he dies than what he paid for his home. Stan Stratton of 2809 Shamrock Drive asked when the City reaches its debt limit, if the City then

starts bonding. The City Manager stated that the debt limit is bonding and that

the City was at 75% of their debt limit capacity of what they can borrow. He stated that if the City does not issue general obligation bonds next year, then they would go down to 60% of bonding capacity, so there is flexibility within that debt limit. Council Member McCampbell stated that it was not a good idea to reach debt load capacity. Tim Scott of 2017 South 15th Street stated that effective July 1, 2012 the Des Moines County Landfill would be charging \$47.00 a

ton compared to Lee County which charges \$32.00 a ton and Scott County that charges \$20.00 a ton. He felt that the Des Moines County Landfill fees should be more in line with other Counties. All present had opportunity to speak and nothing additional was filed in the office of the City Clerk.

Adjournment: 8:31 p.m.
, 2012

Approved: June 4

Kathleen P. Salisbury, MMC
dson
City Clerk

Jim Davi
son
Mayor

(See recording on file in the office of the City Clerk for complete discussion and documentation.)

ITEM I.
Consent Agenda

FINANCES AND MISCELLANEOUS
Minutes of Previous Meetings
Payroll and City Claims

BEER, LIQUOR, WINE AND CIGARETTES

REPORTS AND BONDS

RESOLUTIONS:

1. Resolution Awarding Contract for the 2012 Ongoing Sealcoat Reclamation Project
2. Resolution Adopting and Approving Tax Compliance Procedures Relating to Tax Exempt Bonds
3. Resolution Selecting Company for Engineering Design and Construction Observation of Phase III of the Flint River Trail
4. Resolution Approving the Placement of Stop Signs as Provided in Chapter 71 of the Burlington City Code
5. Resolution Approving Contract Between the City of Burlington and Burlington Steamboat Days, Inc. to Provide Beer and Wine Concession Services at Memorial Auditorium, the Port of Burlington and Adjoining Grounds

SET DATE FOR PUBLIC HEARING:

1. Consideration of an Amendment to Ordinance No. 3220, An Ordinance Creating the Sunrise West Planned Unit Development (PUD) Overlay District, By Amending Section 12. Street Right-of-Way (June 18, 2012)