

Madrid City Council
Regular Meeting
February 15, 2010

The Council meeting was called to order at 5:33 p.m. with Mayor Jeff Gibbons presiding.

Present at Roll Call: Lane Shaver, Val Chapman, Mike Heeren, Don Lincoln

Other City Officials present: City Administrator/Clerk Todd Kilzer, Deputy City Clerk Donna Havlik, Police Chief Rick Tasler, City Attorney John Jordan and Fire Chief Jim Murry

Motion by Councilperson Lincoln, seconded by Councilperson Chapman, to approve the agenda with the following amendments as requested by Mayor Gibbons:

Under 7.) "Department Reports", Item h.) "Administration", add 1.) "Request to Change March Meetings to the 8th and 22nd, 2010."

Ayes: All Present

Motion Carried

Motion by Councilperson Heeren, seconded by Councilperson Shaver, to approve the City Council meeting minutes of February 1, 2010 and the Library Board meeting minutes of January 12, 2010 by consent agenda.

Ayes: All Present

Motion Carried

Motion by Councilperson Lincoln, seconded by Councilperson Heeren, to approve the February 15, 2010 claims totaling \$41,425.79 and the January Financial Reports. Councilperson Heeren questioned the Heart of Iowa Coop claim in the amount of \$1,901.90. Kilzer advised the Council the amount represented a replacement of a faulty meter head in the amount of \$85.60 and the balance was to fill the tank twice with diesel. Councilperson Lincoln asked about the donation amount of \$250.00 listed under the Fire Department. Kilzer explained that was the monthly donation that the City allocates to the Fire Department's Auxiliary fund.

Ayes: All Present

Motion Carried

Fire Chief Jim Murry advised the Council that the Fire Department has approved appointing Ashley Bennett as a probationary member of the department and requested the Council's formal approval. Motion by Councilperson Chapman, seconded by Councilperson Shaver, to appoint Ashley Bennett as a probationary member of the Madrid Fire Department.

Ayes: All Present

Motion Carried

Chief Murry also advised the Council that the department has just purchased 6 new digital pagers to replace the monologue pagers. A total of 25 pagers will need to be replaced by the year 2012 due to the changing of the transmitting frequency. A "first round" purchase of 6 pagers totaled \$2,460.00 but Murry informed the Council that the pagers have been funded through Boone County 911 funds. Murry added that he would be approaching Dallas and Polk Counties for a portion of 911 funding to assist with the purchase of their share of the digital pagers. Murry requested the Council's consideration to pay for the expenses associated with a trip to Michigan to obtain a 2006 John Deere ATV gator. The ATV will be on permanent loan from the United States Forestry Service for as long as the department wants to use it as an emergency vehicle for the High Trestle Trail. The ATV will require some repairs due to a problem with the constant velocity clutch. Murry indicated that the labor could be handled locally and that he is hoping to get the parts donated. Murry estimated the expenses for the nearly 1200 mile round trip; including meals and one night lodging for two people to be approximately \$500.00. Murry will use his pickup and a small trailer to transport the ATV to Madrid. Councilperson Lincoln commented that he would check on the City's insurance coverage for the use of a volunteer's personal vehicle. Motion by Councilperson Heeren, seconded by Councilperson Shaver, to approve the estimated expenses of \$500.00 associated for the trip to Michigan to pick up the John Deere ATV gator.

Ayes: All Present

Motion Carried

Councilperson Heeren asked if the Fire Department had a policy for digging out the fire hydrants during the winter. Murry responded that the department has dug the fire hydrants out twice this winter and have planned to dig them out again in March. Councilperson Shaver suggested that the Council should ask the Madrid citizens to assist with the clearing of the snow from the fire hydrants.

Motion by Councilperson Heeren, seconded by Councilperson Chapman, to approve a 2.5% hourly wage increase for Library Aide Nathaniel Outcalt and Library Director Angie Strong. Outcalt's salary will increase from

\$7.84 to \$8.04 per hour effective February 24, 2010. Strong's salary will increase from \$12.99 to \$13.32 per hour effective February 23, 2010.

Ayes: Chapman, Heeren, Lincoln

Nays: Shaver

Motion Carried

Police Chief Rick Tasler advised the Council that the department will need to plan for the purchase of a four wheel drive vehicle in fiscal year 2011-2012. Tasler reported that officers have been using their personal vehicles to assist some citizens during emergency calls. Kilzer added that the Fire Department has allowed the Police Department to use the SUV whenever needed. Councilperson Shaver questioned if there were any sidewalk complaints. Tasler responded that he had received a few. Kilzer commented that he has not received many complaints although; when the owners have been contacted regarding a sidewalk complaint, the owners have taken care of the problem. Tasler added that he has had some complaints regarding snowmobiles on the bike trail. Tasler suggested that the Department of Natural Resources may patrol the trail to enforce the ATV and snowmobile regulations. Kilzer added that the grand opening for the trail to be September 18, 2010 providing on the construction completion.

Motion by Councilperson Shaver, seconded by Councilperson Heeren, to approve the payment of \$261.61 to Boone County Engineer for the snow removal from Locust Street between 21st and 22nd Streets. The Council expressed their appreciation to Boone County in their assisting the City with this area of snow removal.

Ayes: All Present

Motion Carried

Kilzer formally requested that the March 1st and March 15th, 2010 Council meetings be changed to March 8th and March 22nd, 2010 to allow for the submission of the fiscal budget material in a timely manner for publication.

Motion by Councilperson Chapman, seconded by Councilperson Shaver, to approve the rescheduling of the Council meetings to the eighth and the twenty-second during the month of March, 2010.

Ayes: All Present

Motion Carried

City Attorney John Jordan advised the Council that the City of Madrid verses Melton/Starry trial is scheduled for February 23, 2010. Jordan will keep the Council updated as the case progresses.

Motion by Councilperson Shaver, seconded by Councilperson Chapman, to approve payment to Bartlett & West in the amount of \$17,210.00 for the storm drainage/sewer rehab project. Kilzer reiterated that Bartlett & West will submit the necessary documents to Simmering and Cory, the grant administrators, for the CDBG reimbursement to the City.

Ayes: All Present

Motion Carried

Motion by Councilperson Lincoln, seconded by Councilperson Chapman, to approve the third reading and final adoption of Ordinance #446, "An Ordinance Amending 136.04 of the 1999 Code of Ordinances of the City of Madrid, Iowa". Kilzer advised the Council that there has not been any additional commentary since the February 1, 2010 Council meeting. Jordan added that this ordinance becomes effective once it is published.

Ayes: All Present

Motion Carried

Kilzer reviewed the Fiscal Year 2008-2009 audit report with the Council by highlighting the changes in the cash balances of the governmental funds and the proprietary funds. Kilzer pointed out that the City had a decrease in the general fund of \$21,254.00 which was largely due to transfers to meet expenses in the debt service area. Road Use Tax fund also reflected a decrease in balance of \$36,713.00. The City taxed for employee benefits in the amount of \$113,873.00 and spent \$151,444.00 for a net loss of \$37,571.00. Kilzer commented that part of that decrease in the general fund was because there was a transfer of \$170,000.00 out; \$70,000.00 of that amount went into employee benefits which actually helped increase the final cash balance of the employee benefit fund by approximately \$32,000.00. Kilzer explained that the state allows the City to collect for the emergency fund by a tax levy that is proportional to the population and overall evaluation. Kilzer added that the amount collected ranges from \$10,000.00 to \$11,000.00 which typically is transferred into the general fund to cover added expenses. Property taxes collected of \$201,500.00 less the debt service amount of \$356,042.00 left a decrease of \$154,542.00. Capital projects reflected a loss of \$48,617.00 due to the fact that the City was closing out the Southern Prairie project and was making the final payments to the contractors. Kilzer advised the Council that there was approximately a 25% decrease in water revenues partially due to the decrease in the City's investments. The sewer fund reflected \$22,540.00 gain although after the transfer outs for debt service the fund became revenue neutral. Kilzer summarized the ups and downs as a result of a loss in anticipated revenues, transfers, and projects. The overall report reflected a net increase of approximately \$24,000.00. Kilzer added that the City had received \$75,000.00 through a REAP grant for trail construction in fiscal year 2008-2009 although the City spent the funding in fiscal year 2009-2010. Kilzer cautioned that without that grant,

the City would have reflected a loss of approximately \$45,000.00. Kilzer commented that his goal is to cut expenses in the fiscal year 2010-2011 so that the City does not have to impose a property tax increase.

Motion by Councilperson Heeren, seconded by Councilperson Chapman, to approve the payment request of Bowman & Miller, P.C. in the amount of \$6,900.00 for the annual auditing expense, the yearend report and the assistance with the road use report. Kilzer added that Lowen Pooch, P.C. will be doing a work reduction / partial retirement and will no longer be the auditor of record. Kilzer has considered putting the audit out for bid after Pooch fully retires.

Ayes: All Present

Motion Carried

The Council noted correspondence received on February 11, 2010 from Mediacom announcing upcoming channel changes.

The Council also received notice that the Iowa Department of Natural Resource has approved the Boone County Landfill Solid Waste Management Comprehensive Plan; which Madrid is a part of.

Motion by Councilperson Shaver, seconded by Councilperson Chapman, to postpone the regular Council meeting and go into a Executive Session at 6:15 p.m. as permitted under the Iowa Code 21.5 (1) (c) for discussion of litigation matters.

Ayes: All Present

Motion Carried

The Council reconvened the regular Council meeting at 6:31 p.m.

The Council had discussed in closed session, the possibility of appealing the arbitrator's decision by a law suit. The Council has decided not to pursue that process based on the City Attorney's recommendation. Motion by Councilperson Heeren, seconded by Councilperson Chapman, to not seek judicial review of the arbitrator's decision through legal process.

Ayes: Chapman, Heeren, Lincoln

Nays: Shaver

Motion Carried

The Council voiced concern and disappointment in the arbitrator's decision to award a 3% pay increase to the union employees. Open discussion followed regarding options available to the City to cut expenses such as a decrease in overtime, employee participation on health insurance premiums, wage freeze for non-union employees and a change in the snow removal policy and other public services. Councilperson Heeren mentioned that the Council had discussed hiring a Public Works Supervisor in the past but had decided against it due to the cost involved. Councilperson Heeren added that overtime should be held to a minimum and that the Council cannot expect Kilzer to babysit all the employees all of the time. Kilzer suggested that the Council look closely at the health insurance premiums and primarily the spouse/family plans. Kilzer advised the Council that the structure of the health insurance plan may be reviewed and revised but according to the union contract, the Council cannot implement employee participation in premium until the next union bargaining year. Kilzer added that the Council needs to be aware that they cannot change anything that would adversely affect the union contract. Councilperson Shaver commented that the citizens need to understand that it is not the Council that is in favor of the increased wages; it is the Union City employees that expect annual wage increases which may lead to property tax increases.

Motion by Councilperson Shaver to adjourn the meeting at 6:53 p.m.; seconded by Councilperson Heeren.

Ayes: All Present

Motion Carried

Mayor Jeff Gibbons

ATTEST:

Todd D. Kilzer
City Administrator / Clerk