

CITY OF MUSCATINE
REGULAR CITY COUNCIL MINUTES
Council Chambers – 7:00 p.m. – January 17, 2013

Mayor Pro Tem Phil Fitzgerald called the City Council meeting for Thursday, January 17, 2013, to order at 7 p.m. Councilmembers present were LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Phillips, and Spread.

Mayor Pro Tem Fitzgerald welcomed the Leadership Muscatine group.

The meeting began with the Pledge of Allegiance.

#22372. Councilmember Bynum, seconded by Councilmember Spread, moved the Consent Agenda be approved as follows:

- Minutes of the January 3, 2013 City Council meeting and January 10, 2013 In-Depth meeting
- Second reading for a Class “B” Wine Permit, Class “C” Beer Permit and Sunday Sales for GM Food Mart, 2881 Highway 61 – Nanak Express LLC (pending inspections); second reading for a new Class “C” Liquor License and Sunday Sales for Palms Theatre, Muscatine, 3611 Palms Drive – RL Fridley Theatres Inc. (pending inspections and insurance); first reading for a new Class “C” Liquor License for Delta Waterfowl, 3200 Lucas Street – Delta Waterfowl Foundation (pending inspections and insurance); renewal of a Class “E” Wine Permit, Class “C” Beer Permit, and Sunday Sales for Wholesale Food Outlet #312, 807 Grandview Avenue – Nash-Finch Company (pending inspections); renewal of a Class “E” Liquor License and Catering Privilege for Francesca Vitale’s, 128 E. 2nd Street – The Sicilian Pizza & Subs, LLC (pending inspections and insurance)
- Use of city property approved for Great River Days Parade on July 27, 2013
- Use of city property approved for Great River Days Community Celebration July 22-28, 2013
- Closure of Weed Park approved for Annual Melon City Criterium May 26, 2013 from 6:00 a.m. to 6:00 p.m.
- Use of city property approved for 2013 Muscatine Boat Show June 5-9, 2013
- Closure of Weed Park approved for HNI Corporation Company Picnic on August 18, 2013 from 9:00 a.m. to 5:00 p.m.
- Filing of Communication 12A-B
- Approval of Bills for Approval totaling \$1,928,671.04

Vote – All ayes; motion carried.

PUBLIC HEARING

Mayor Pro Tem Fitzgerald stated a public hearing was being held concerning the proposed rezoning within the Ripley’s Mobile Home Park.

There were no oral or written petitions for or against the proposed rezoning.

#22373. Councilmember Spread moved the public hearing be closed. Seconded by Councilmember Phillips. All ayes; motion carried.

PUBLIC HEARING

Mayor Pro Tem Fitzgerald stated a public hearing was being held concerning the proposed general obligation refunding loan agreement.

There were no oral or written petitions for or against the proposed loan agreement.

Councilmember LeRette asked how much the city would be paying off early.

Finance Director Nancy Lueck stated approximately \$1 million was being paid off. She stated the loan agreement is for approximately \$1,115,000 at a much lower interest rate.

Vote – All ayes; motion carried.

#22374. Councilmember Shihadeh moved the public hearing be closed. Seconded by Councilmember Natvig. All ayes; motion carried.

#22375. Councilmember Natvig moved to approve the first reading of an ordinance rezoning property within the Ripley's Mobile Home Park. Seconded by Councilmember Spread. All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Phillips, and Spread. Motion carried.

#22376. Councilmember Phillips moved the resolution be adopted taking additional action to enter into a loan agreement and authorizing the use of the Preliminary Terms Offering therewith. Seconded by Councilmember Bynum. All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Phillips, and Spread. Motion carried.

#22377. Councilmember LeRette moved the resolution be adopted authorizing submission of a Community Development Block Grant application for downtown revitalization in the City of Muscatine. Seconded by Councilmember Natvig. All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Phillips, and Spread. Motion carried.

#22378. Councilmember Shihadeh moved the resolution be adopted approving amendments to the Muscatine Municipal Housing Agency Capital Improvements Program Grant. Seconded by Councilmember Spread. All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Phillips, and Spread. Motion carried.

#22379. Councilmember Shihadeh moved the request be approved from the Muscatine Municipal Housing Agency to authorize the submission of a grant application to the United Way for the 2014 Sunset Park after school program operation. Seconded by Councilmember Natvig. All ayes; motion carried.

Councilmember Shihadeh, speaking in reference to the grant application to the United Way, asked if the grant was being submitted because HUD funds cannot be used for the after school program.

Housing Administrator Dick Yerington stated that Councilmember Shihadeh was correct. He stated any funding received will be used specifically for the teacher.

#22380. Councilmember Bynum moved to approve the purchase of a new fire engine from Pierce in the amount of \$496,438. Seconded by Councilmember Spread.

Councilmember Natvig stated if Pierce was a dealer or the manufacturer.

Fire Chief Jerry Ewers stated Pierce is a dealer.

Councilmember Spread, speaking in reference to the optional deductions that were made to reduce the cost of the truck, asked if anything important was given up.

Chief Ewers answered no and then explained what the deductions were.

Councilmember Bynum asked if there were any height restrictions with the new South End Fire Station, and Chief Ewers answered no.

Councilmember Natvig asked when delivery can be expected.

Chief Ewers stated it will probably be the third week of August.

Vote – All ayes; motion carried.

#22381. Councilmember Natvig moved to approve the request from the Police Department to approve the purchase of vehicle emergency equipment and installation from Racom in the amount of \$7,845.90. Seconded by Councilmember LeRette. All ayes; motion carried.

#22382. Councilmember Spread moved to approve the five year golf cart lease agreement with Yamaha Motor Corporation USA in the amount of \$516.54 annually for each of the 47 carts and a five-year service agreement with Harris Golf Carts for the annual maintenance of the carts in the amount of \$105 per cart. Seconded by Councilmember Natvig.

Councilmember LeRette asked how the new agreements compare to the last ones.

Golf Professional Dan McGinn stated they are very similar. He stated cost has gone up a little bit from five years ago.

Councilmember LeRette asked if it was the same company, and Mr. McGinn answered yes.

Councilmember Bynum asked if the city has looked at purchasing the carts instead of leasing them.

Mr. McGinn stated staff feels leasing is the best option because as the carts get older, fees increase for maintenance.

Councilmember Bynum asked how long golf carts can be expected to last.

Mr. McGinn stated they last about five years. He pointed out that the carts at the golf course are about at the end of their useful life.

Vote - All ayes; motion carried.

#22383. Councilmember LeRette moved to approve the five-year agreement with Coca Cola Refreshments for non-alcohol beverages at the golf course. Seconded by Councilmember Spread.

Councilmember Bynum stated that many of his constituents feel the city should not be looking at the monetary value but rather at what the local vendor has done for the community. He read a number of the comments he had received stating why the city should choose the local vendor.

Councilmember Natvig stated he had not received much input from the public but those that he did talk to were in support of the local distributor. He stated he understands there are always two sides to every argument; however, all public input has been in support of the local distributor.

Councilmember LeRette stated that everyone wants to support the local vendor when they can; however, he feels that City Council will be setting a precedent if it moves away from the standard policy. He stated he talked with the City Administrator about the RFP process and learned the bid from Coca Cola Refreshments is a credible bid. He stated that in addition, over the life of the agreement, the city will realize a savings of almost \$17,000.

Councilmember Shihadeh asked why we solicit bids for non-alcoholic beverages but not for alcoholic beverages.

Mr. McGinn stated he could not give an exact reason but he did say that the non-alcohol vendors do provide an exclusive incentive and he does not believe the alcohol beverage providers do.

There was further discussion concerning Councilmember Shihadeh's concern.

City Administrator Mandsager stated that Councilmember Shihadeh had asked a good question and that it was something that should be looked into.

Councilmember Spread pointed out that the local vendor did not submit an incentive when responding to the RFP. He also pointed out that the issue being discussed concerning alcoholic beverages does not pertain to the item on the agenda.

Councilmember Fitzgerald stated he feels the local preference policy does need to be reviewed.

Councilmember Phillips referenced the \$17,000 savings which she stated is a lot of money.

Councilmember Fitzgerald stated that Coca Cola Refreshments had responded to everything required in the RFP.

Vote – Four ayes: Councilmembers Spread, Phillips, LeRette, and Fitzgerald. Three nays: Councilmembers Natvig, Shihadeh, and Bynum. Motion carried.

Under comments, Councilmember Phillips asked for an update on the theater's projected opening date.

City Administrator Mandsager stated it should be open by the end of February.

Councilmember Natvig stated he was glad to see the Leadership Muscatine group at the meeting tonight.

Councilmember LeRette echoed Councilmember Natvig's comment.

City Administrator Mandsager reminded everyone of the Recreation Extravaganza taking place at the Muscatine Mall on Saturday beginning at 10:00 a.m. He encouraged everyone to join in the walk scheduled to begin at 11:00 a.m.

#22384. Councilmember Natvig moved to go into Closed Session at 7:37 p.m. to discuss pending litigation. Seconded by Councilmember LeRette. All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Phillips, and Spread. Motion carried.

Mayor Pro Tem Fitzgerald called the Closed Session to order at 7:46 p.m. Councilmembers present were LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Phillips, and Spread. Also present were City Administrator Gregg Mandsager, Finance Director Nancy Lueck, and Water Pollution Control Director Jon Koch.

#22385. Councilmember Natvig moved to leave Closed Session at 8:05 p.m. Seconded by Councilmember Spread. All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Phillips, and Spread. Motion carried.

#22386. Councilmember Phillips moved to approve a settlement agreement with Veenstra & Kimm pertaining to the Water Pollution Control Improvements Project. Seconded by Councilmember Natvig. All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Phillips, and Spread. Motion carried.

#22387. Councilmember Shihadeh moved the meeting be adjourned at 8:06 p.m. Seconded by Councilmember Bynum. All ayes; motion carried.

Philip Fitzgerald, Mayor Pro Tem

ATTEST:

Gregg Mandsager, City Administrator