

Personnel & Finance Committee/ Budget Hearing – City of Harlan – January 13th and Jan 29th and February 2nd 2015

The Personnel & Finance Committee met on Thursday, January 13th, 2013 at 8:15 a.m. in the Council Chambers at City Hall.

Present: Mike Kolbe - Chairman, Jay Christensen, Dave Miller

Absent: None

Also Present: Debra Sawyer, Gene Gettys, Terry Cox, Sharon Kroger and Dave Pederson

The Chairman called the meeting to order at 8:15a.m.

The meeting was called to order. It was moved by Miller and seconded by Christensen that the agenda be approved. The motion carried unanimously.

Any conflicts of interest are to be stated if and when applicable. None stated.

Terry Cox, City Administrator, informed the Council that the 29th of January has been chosen for the next Budget Planning Session if needed.

Debra Sawyer, City Clerk/Finance Director explained the executive overview that was provided for Council to see expenses only. A full comparison of revenue vs. expenditures will be provided at the next meeting.

The Committee members met with the following: Times varied from posted agenda:

Street Department – Ron Buck – General budget review; explanation of revenue and expenditures. Capital/Equipment purchases were reviewed. The sidewalk project was discussed that will be coming up in November 2015. The general public will have a deadline at the end of November 1st, 2015. Depending on the results of the study done by DOT, we may have to put a light in at 19th St/Chatburn. We have budgeted dollars to install sidewalks for those properties that missed the November 1st deadline. Those expenses will be certified with the County Treasurer and assessed to their property taxes. In addition, we have budgeted monies to install the ADA bump pad at the corners. How we divided salaries and benefits for the Street Dept. was discussed in which Sawyer responded she splits the costs based on how much is available after projects are deducted from the Road Use Tax Fund. Ron reported that we have an agreement with the school that states we will salt the driveways of the schools and bill them a small figure in exchange for them allowing us to use a place in the bus barn to store road salt. It hold approximately 230 tons. The salt shed by the Streets Department holds approximately 135 tons. It will be getting a new roof this spring because the current one was damaged by the hail storm that happened in late June/early July. Down the road, Buck reported that he would like to put in a Quonset type building to store all our salt supply. We average approximately 250 tons each winter. The committee reviewed items listed under the capital expenditures.

Vet's Auditorium and Activity Center – Tim Miller – General budget review; explanation of revenue and expenditures of both facilities as well as events in past and upcoming. Reviewed capital expenditures. All capital improvements to the Activity Center are going to be paid out of the donation fund given to us from Mr. Therkioldsen. All capital expenditures items for the Vets are paid out of equipment fund transfers or excess levy amounts not expended during the fiscal years. (The only way we end up with a balance after the levy is

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City Facilities; Park & Recreation; Swimming Pool – Kevin Krohn was present to review these three budgets. **City Facilities:** Review of revenues and expenditures. Krohn told the committee that 4Paws is offering the City a wonderful resource in placing animals that have been abandoned. They place these animals in good homes. The City will continue to give a donation to 4Paws to help with the expenses they incur while assisting the city. **Parks:** Review of revenues and expenditures. Discussion was had regarding the damage that we experience each year from vandals. Would it be easier if we just had port-o-pots? Have we looked at getting any grant money from Shelby County Foundation? They like giving money for projects that benefit children's activities. Terry and Hoss were going to work on one for the fencing needed for Pioneer Park. Additionally, other projects on the horizon for the Parks Dept. would include: RV camping hook-ups at Little George, power outlets at Bebe Park, and perhaps a heated park shelter. **Pool:** It was decided to keep the pool passes the same price as last year. Our prices are very comparable to cities our size. The price of the chemicals have gone up and we will be going to a system with muriatic acid instead of using the CO2 gas. The water now has a high level of alkaline so it will be best to treat with the muriatic acid. This way is in line with how other cities treat their pools. We now have the leak fixed that was under the pool. We went from losing 20,000 gallons of water a day to only 5-7,000 gallons a day. We will need to sandblast and paint the bottom of the pool this year. .

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Lunch 12:45 – 1:15

Clerk's office – Debra Sawyer review of expenditures. Discussion of the need purchase a new large printer for the main area, the third and final payment for the software upgrade is due, and the completion of the Council Chambers will be done. Additionally, it was a request from Councilman Kolbe that we try and buy local for our office supplies. Sawyer reported that they always want to buy as cheaply as they can to preserve their budget dollars. It was agreed that the Clerk's office will price shop before purchases.

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Shelby County Chamber of Commerce and Industry (SCCI) –Todd Valline updated the committee on where they were today and where they were headed. It is their intent to become more self-sufficient so they will be able to pay all their own bills. They are working along with the Friends of Downtown to possibly get a Main Street program going again. They are thinking they could perhaps be a branch SCCI but they would be financially responsible for themselves. SCCI is looking to change the benefit package of members. They are looking at getting a mobile app for members to utilize. Additionally, they are looking for possible grants to make SCCI better. It is also the intent to have a countywide website where you could go for multiple businesses throughout Shelby County in one spot. Each entity would be responsible for updated their own information. He also reported that interest in the position for administrative assistant was successful. They have gotten great response and have 3 they feel are really strong candidates.

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his salary again this year to reduce the request from the general fund since the City Administrator also assists with projects related to the Sewer department.

Various topics:

SWITA – No changes;

Ambulance - budget increased from \$33,000 to \$47,000

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Landfill – budget went from \$66,025 to \$76,590

TIF budget will stay the same as FY2014/2015

Industrial Park fund will be reviewed. A small amount will be budgeted in case we need to work on anything.

There was general discussion and the meeting adjourned at 5:00 p.m. and will be continued on Thursday, January 29th, 2015 at 11:30 a.m.

Continuation meeting:

The Personnel and Finance Committee met on Monday, January 29th 2015 at 11:30 a.m. in the Council Chambers at City Hall to continue the January 13th budget meeting.

Present: Mike Kolbe Chairman; Jay Christensen, Dave Miller

Also Present: Terry Cox, Debra Sawyer, Mayor Gene Gettys, Roger Bissen, Dave Miller,

The Chairman called the meeting to order.

The meeting was called to order. It was moved by Miller and seconded by Kroger that the agenda be approved. The motion carried unanimously.

Any conflicts of interest are to be stated if and when applicable. None stated.

Fire Chief Roger Bissen was present to discuss the latest issue happening in the City of Shelby and their loss of their fire department. Bissen informed the committee that there may be a chance that the Harlan Fire Dept. will have to cover some of the territory that was once covered by the City of Shelby's Fire Department if something happened before they got their fire department back together. We currently only cover up to Tennant but we don't go into Tennant. Now we may have to cover to south of Tennant. This wouldn't exactly be like mutual aid since they do not have a fire department to reciprocate if we needed assistance. We would only need to do this until they were operational again since we are part of the Step Up Program.

Another topic that will be brought up in a Public Safety meeting next week. We will need to look over an agreement to provide fire service for the Shelby County Race Track during the race season. We will need to cover the track from 5:45pm until close. We will need to provide 3 fireman and 1 fire engine. They will be paying \$75/engine and \$75/each fireman. They would deposit money in our checking account after each weekend. Miller wanted to make sure that we will be covered at all times if there is a fire here in town or the area that we are responsible for. Additionally, the topic of the Tri-County Special Operations (Haz Mat coverage) will be on the agenda.

Terry Cox reviewed the decision made by the Library Board. They will be reducing one employee to part-time hours and they will no longer be eligible for our benefit package. This will reduce the amount of benefits by approximately \$15,000. Additionally, Miller suggested we reduce their budget to \$345,000 since there was no attempt to get any additional help from the surrounding communities that utilize our library. Discussion was had on how to handle keeping track of the Downtown Upper Story/Façade project. Currently it is housed in a special fund just for that project. Cox suggests moving it to the general fund and adding a line to the Mayor/Council or City Administrator's budget. After further discussion it was decided we would keep the process the same as it is right now and provide the committee with financial statements for that fund. Terry reviewed where we were with the bond expenditures.

The levy was presented at \$17.00 but this put our debt levy far lower than it was projected by PFM when our last bond issue was presented.

There was general discussion and the meeting adjourned at 1:30 p.m. and will be continued on Monday, February 2nd, 2015 at 12:00 p.m.

Continuation meeting:

The Personnel and Finance Committee met on Monday, February 2nd, 2015 at 12:00 p.m. in the Council Chambers at City Hall to continue the January 29th budget meeting.

Present: Mike Kolbe Chairman; Jay Christensen, Dave Miller

Also Present: Terry Cox, Debra Sawyer, Dave Miller, Sharon Kroger, Mayor Gene Gettys, Dave Pederson, and Jenny Blankenship – PFM (via conference call)

The Chairman called the meeting to order.

The meeting was called to order. It was moved by Miller and seconded by Kroger that the agenda be approved. The motion carried unanimously.

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Jenny Blankenship from PRM began the meeting provided a recap of the 2014 Bond Issue and how it affects our bond levy. There were a few differences between what they presented to us and how we are actually paying our debt payments. The first difference is PFM was under the assumption that we would be paying the entire payment of the 2012 Sewer Bond out of the Sewer Fund. We currently are paying only \$85,000 towards that payment which will make the bond levy a little higher than anticipated. Right now it shows a short come is still present even with our annual 3% increase. Jenny stated that she believes that they can go back and do an analysis to see what kind of increase we will need to cover those expenses. If we didn't have the one-time payment we have this year that is absorbing some

of those dollars not received from the sewer department our bond levy would be much higher. Jenny then presented the committee with a new analysis. She reviewed the payment schedule model which shows an increase to the bond levy of 30¢ increase in FY16/17, and a 20¢ increase starting FY17/18 and thereafter until the bond debt is paid off. If we want to help bring down those increases we need to do a sewer analysis to see if the sewer fund is in the position to absorb those bond payments in addition to producing the amount of monies they estimated during the 2012 Bond Issue. The committee directed Jenny to complete an updated sewer analysis. Jenny will present it to the P&F Committee the week of April 20th, 2015. It was moved by Christensen and seconded by Miller to approve the proposed budget as presented with a proposed levy amount of \$17.35. Motion carried. The motion will be presented to the City Council for final approval.

With no further discussion it was moved by Miller and seconded by Christensen to adjourn the meeting. Motion carried.

These minutes are as recorded by the City Clerk and are subject to Council approval at the next regular meeting.

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Debra Sawyer, City Clerk/Finance Director explained the executive overview that was provided for Council to see expenses only. A full comparison of revenue vs. expenditures will be provided at the next meeting.

The Committee members met with the following: Times varied from posted agenda:

Street Department – Ron Buck – General budget review; explanation of revenue and expenditures. Capital/Equipment purchases were reviewed. The sidewalk project was discussed that will be coming up in November 2015. The general public will have a deadline at the end of November 1st, 2015. Depending on the results of the study done by DOT, we may have to put a light in at 19th St/Chatburn. We have budgeted dollars to install sidewalks for those properties that missed the November 1st deadline. Those expenses will be certified with the County Treasurer and assessed to their property taxes. In addition, we have budgeted monies to install the ADA bump pad at the corners. How we divided salaries and benefits for the Street Dept. was discussed in which Sawyer responded she splits the costs based on how much is available after projects are deducted from the Road Use Tax Fund. Ron reported that we have an agreement with the school that states we will salt the driveways of the schools and bill them a small figure in exchange for them allowing us to use a place in the bus barn to store road salt. It hold approximately 230 tons. The salt shed by the Streets Department holds approximately 135 tons. It will be getting a new roof this spring because the current one was damaged by the hail storm that happened in late June/early July. Down the road, Buck reported that he would like to put in a Quonset type building to store all our salt supply. We average approximately 250 tons each winter. The committee reviewed items listed under the capital expenditures.

Vet's Auditorium and Activity Center – Tim Miller – General budget review; explanation of revenue and expenditures of both facilities as well as events in past and upcoming. Reviewed capital expenditures. All capital improvements to the Activity Center are going to be paid out of the donation fund given to us from Mr. Therkielidsen. All capital expenditures items for the Vets are paid out of equipment fund transfers or excess levy amounts not expended during the fiscal years. (The only way we end up with a balance after the levy is

requested is if we make more revenue than projected.) Current projects may include a new digital sign for the Veterans' building, in which the board is willing to split the cost.

Police Department – Frank Clark – General budget review; explanation of revenue and expenditures. Social Security benefits are now in force and have been budgeted accordingly. Review of capital/equipment purchases. The police vehicles are on an 18 month trade- in rotation schedule right now. A committee member asked Frank to explain to the new members of council what type of expertise the force has. Steve Davis and Frank Clark have special training in sex crime investigation. Bill McDaniel is our Taser instructor. He also keeps up to date on changes in the legislature and any new laws that pertain to Taser usage. Tim Peterson is our certified K9 officer. He does weekly training in drug tracking. Brent Soll is our firearm officer/instructor. He also serves as the force's rifle instructor. We currently have a 50yd pistol range, a 75yd shot gun range, and a 100yd rifle range. Frank informed the committee that they have been working on active shooter exercises. We have sent Brent Soll for the training and he comes back and "trains the trainers". In addition to our schools the Police Dept. has received interest from several businesses in town who would like to have an active shooter program in place. In addition to the active shooter training the police has been performing the force trains on a regular basis. They would like to have a certified defensive tactic officer but we can't justify sending someone to school for it right now when we have an officer in academy.

Library– Mike Burris – General budget review; explanation of revenue and expenditures. Burris informed the committee that circulation numbers are down from last year. Miller asked if patron numbers are down why we are still employing the current staff. Burris explained that in order for our library to maintain its certification with the State of Iowa we have to be open and staffed at a certain level. He said they have been looking at ways to increase numbers and are planning on beefing up the video equipment. They found that division to still be very popular. The committee asked if he visited any of the towns in our county that don't have a library to ask for monetary support in which he replied no, he only sent them letters. There was a concern from the committee of how much the numbers have dropped, yet we still have the same staff and there has not been an attempt to get any additional support from any other town in the county. The committee additionally asked if the Foundation was looking at getting requests for quote to replace the roof. Mike said he would check.

City Facilities; Park & Recreation; Swimming Pool – Kevin Krohn was present to review these three budgets. **City Facilities:** Review of revenues and expenditures. Krohn told the committee that 4Paws is offering the City a wonderful resource in placing animals that have been abandoned. They place these animals in good homes. The City will continue to give a donation to 4Paws to help with the expenses they incur while assisting the city. **Parks:** Review of revenues and expenditures. Discussion was had regarding the damage that we experience each year from vandals. Would it be easier if we just had port-o-pots? Have we looked at getting any grant money from Shelby County Foundation? They like giving money for projects that benefit children's activities. Terry and Hoss were going to work on one for the fencing needed for Pioneer Park. Additionally, other projects on the horizon for the Parks Dept. would include: RV camping hook-ups at Little George, power outlets at Bebe Park, and perhaps a heated park shelter. **Pool:** It was decided to keep the pool passes the same price as last year. Our prices are very comparable to cities our size. The price of the chemicals have gone up and we will be going to a system with muriatic acid instead of using the CO2 gas. The water now has a high level of alkaline so it will be best to treat with the muriatic acid. This way is in line with how other cities treat their pools. We now have the leak fixed that was under the pool. We went from losing 20,000 gallons of water a day to only 5-7,000 gallons a day. We will need to sandblast and paint the bottom of the pool this year. .

Sanitation Department – Steve Kenkel – General budget review; explanation of revenue and expenditures. The revenue is still including a payment from Monogram Foods for a buy-in for the extension of service that they needed. We are finishing up televising our sewer line. The company who won the contract was supposed to be done in November 2014 and are now paying a fine for each day they are overdue. The new target date is now April 2015. We do know that there are 2 blocks that they will not be able to grout. We will have to fix that area first. Discussion was had regarding the pay range of the WWTP Superintendent and the Asst. WWTP Superintendent. We have not been paying them what the market rate is for someone with their experience. The committee reviewed data provided by the City Manager and agreed. It was moved by Miller and seconded by Pedersen to approve the proposed new pay scale recommendations from the City Manager for the WWTP Superintendent and Assistant Superintendent. Motion carried.

Lunch 12:45 – 1:15

Clerk's office – Debra Sawyer review of expenditures. Discussion of the need purchase a new large printer for the main area, the third and final payment for the software upgrade is due, and the completion of the Council Chambers will be done. Additionally, it was a request from Councilman Kolbe that we try and buy local for our office supplies. Sawyer reported that they always want to buy as cheaply as they can to preserve their budget dollars. It was agreed that the Clerk's office will price shop before purchases.

1:15 p.m.

Fire Department – Roger Bissen - General budget review; explanation of revenue and expenditures. Revenue for serving fire extinguisher has dripped since last year. Bissen reported that some of the clients he obtained when we started doing this went back to their old carrier when they were offered a discount on multiple services. To assist with billing for the fire department it was decided that the Clerk's office would start billing for them. Bissen also informed the committee that there has been some interest in reviving the Auxiliary group comprised of the firemen's wives called The Flames. Some services they would be providing is making sure the firefighters remain hydrated during fires and that food is available.

Shelby County Chamber of Commerce and Industry (SCCI) –Todd Valline updated the committee on where they were today and where they were headed. It is their intent to become more self-sufficient so they will be able to pay all their own bills. They are working along with the Friends of Downtown to possibly get a Main Street program going again. They are thinking they could perhaps be a branch SCCI but they would be financially responsible for themselves. SCCI is looking to change the benefit package of members. They are looking at getting a mobile app for members to utilize. Additionally, they are looking for possible grants to make SCCI better. It is also the intent to have a countywide website where you could go for multiple businesses throughout Shelby County in one spot. Each entity would be responsible for updated their own information. He also reported that interest in the position for administrative assistant was successful. They have gotten great response and have 3 they feel are really strong candidates.

Airport – Terry Cox - General budget review; explanation of revenue and expenditures. We are looking at completing the runway project FY2014/2015. Additionally, we are also installing an electronic pump which will allow customers to fuel up 24 hrs. a day. Not much changed in the budget.

City Administrator - Terry Cox - General budget review; explanation of revenue and expenditures. No changes for the most part. The Sewer department is paying a portion of

his salary again this year to reduce the request from the general fund since the City Administrator also assists with projects related to the Sewer department.

Various topics:

SWITA – No changes;

Ambulance - budget increased from \$33,000 to \$47,000

Communication Center - budget same at \$110,000

Band – no change to budget

Cemetery – no change to budget

Landfill – budget went from \$66,025 to \$76,590

TIF budget will stay the same as FY2014/2015

Industrial Park fund will be reviewed. A small amount will be budgeted in case we need to work on anything.

There was general discussion and the meeting adjourned at 5:00 p.m. and will be continued on Thursday, January 29th, 2015 at 11:30 a.m.

Continuation meeting:

The Personnel and Finance Committee met on Monday, January 29th 2015 at 11:30 a.m. in the Council Chambers at City Hall to continue the January 13th budget meeting.

Present: Mike Kolbe Chairman; Jay Christensen, Dave Miller

Also Present: Terry Cox, Debra Sawyer, Mayor Gene Gettys, Roger Bissen, Dave Miller,

The Chairman called the meeting to order.

The meeting was called to order. It was moved by Miller and seconded by Kroger that the agenda be approved. The motion carried unanimously.

Any conflicts of interest are to be stated if and when applicable. None stated.

Fire Chief Roger Bissen was present to discuss the latest issue happening in the City of Shelby and their loss of their fire department. Bissen informed the committee that there may be a chance that the Harlan Fire Dept. will have to cover some of the territory that was once covered by the City of Shelby's Fire Department if something happened before they got their fire department back together. We currently only cover up to Tennant but we don't go into Tennant. Now we may have to cover to south of Tennant. This wouldn't exactly be like mutual aid since they do not have a fire department to reciprocate if we needed assistance. We would only need to do this until they were operational again since we are part of the Step Up Program.

Another topic that will be brought up in a Public Safety meeting next week. We will need to look over an agreement to provide fire service for the Shelby County Race Track during the race season. We will need to cover the track from 5:45pm until close. We will need to provide 3 fireman and 1 fire engine. They will be paying \$75/engine and \$75/each fireman. They would deposit money in our checking account after each weekend. Miller wanted to make sure that we will be covered at all times if there is a fire here in town or the area that we are responsible for. Additionally, the topic of the Tri-County Special Operations (Haz Mat coverage) will be on the agenda.

Terry Cox reviewed the decision made by the Library Board. They will be reducing one employee to part-time hours and they will no longer be eligible for our benefit package. This will reduce the amount of benefits by approximately \$15,000. Additionally, Miller suggested we reduce their budget to \$345,000 since there was no attempt to get any additional help from the surrounding communities that utilize our library. Discussion was had on how to handle keeping track of the Downtown Upper Story/Façade project. Currently it is housed in a special fund just for that project. Cox suggests moving it to the general fund and adding a line to the Mayor/Council or City Administrator's budget. After further discussion it was decided we would keep the process the same as it is right now and provide the committee with financial statements for that fund. Terry reviewed where we were with the bond expenditures.

The levy was presented at \$17.00 but this put our debt levy far lower than it was projected by PFM when our last bond issue was presented.

There was general discussion and the meeting adjourned at 1:30 p.m. and will be continued on Monday, February 2nd, 2015 at 12:00 p.m.

Continuation meeting:

The Personnel and Finance Committee met on Monday, February 2nd, 2015 at 12:00 p.m. in the Council Chambers at City Hall to continue the January 29th budget meeting.

Present: Mike Kolbe Chairman; Jay Christensen, Dave Miller

Also Present: Terry Cox, Debra Sawyer, Dave Miller, Sharon Kroger, Mayor Gene Gettys, Dave Pederson, and Jenny Blankenship – PFM (via conference call)

The Chairman called the meeting to order.

The meeting was called to order. It was moved by Miller and seconded by Kroger that the agenda be approved. The motion carried unanimously.

Any conflicts of interest are to be stated if and when applicable. None stated.

Jenny Blankenship from PRM began the meeting provided a recap of the 2014 Bond Issue and how it affects our bond levy. There were a few differences between what they presented to us and how we are actually paying our debt payments. The first difference is PFM was under the assumption that we would be paying the entire payment of the 2012 Sewer Bond out of the Sewer Fund. We currently are paying only \$85,000 towards that payment which will make the bond levy a little higher than anticipated. Right now it shows a short come is still present even with our annual 3% increase. Jenny stated that she believes that they can go back and do an analysis to see what kind of increase we will need to cover those expenses. If we didn't have the one-time payment we have this year that is absorbing some

of those dollars not received from the sewer department our bond levy would be much higher. Jenny then presented the committee with a new analysis. She reviewed the payment schedule model which shows an increase to the bond levy of 30¢ increase in FY16/17, and a 20¢ increase starting FY17/18 and thereafter until the bond debt is paid off. If we want to help bring down those increases we need to do a sewer analysis to see if the sewer fund is in the position to absorb those bond payments in addition to producing the amount of monies they estimated during the 2012 Bond Issue. The committee directed Jenny to complete an updated sewer analysis. Jenny will present it to the P&F Committee the week of April 20th, 2015. It was moved by Christensen and seconded by Miller to approve the proposed budget as presented with a proposed levy amount of \$17.35. Motion carried. The motion will be presented to the City Council for final approval.

With no further discussion it was moved by Miller and seconded by Christensen to adjourn the meeting. Motion carried.

These minutes are as recorded by the City Clerk and are subject to Council approval at the next regular meeting.

Personnel & Finance Committee- February 12, 2015

The Personnel & Finance Committee met on Thursday, February 12, 2015 at 12:00 p.m. in the Council Chambers at City Hall.

Present: City: Mike Kolbe - Chairman, Dave Miller and Jay Christensen

Absent: None

Also Present: Terry Cox, Debra Sawyer, Sharon Kroger, Pam Meurer, Bob Bjoin, and Tricia Spangenberg and her entire 2nd Grade Class

The Chairman called the meeting to order at 12:00 p.m.

The agenda on motion by Christensen and seconded by Miller was approved and any conflicts of interest stated as applicable.

The meeting began with Tricia Spangenberg and her 2nd grade class. She explained that her students were learning about government and did a project in which they were answering questions like what do they have to do to be successful? Some of the answers her class came up with were:

- Sometimes you have to scrap the idea and start all over
- It takes patience to be successful
- You have to think how you can win
- To synergize; putting your brain together
- Sometimes it takes acting out situations

The class examined what happens when there are no rules or laws. The found out:

- Everything broke down
- Time not spent meaningfully
- People need rules

They learned that laws are put into place to make us safe and to govern us. Many questions came up regarding:

- The Mayor and his office
- Who makes the laws
- Who makes the rules
- Can they help solve problems in town

This lead up to the project in which they presented the Mayor and City Council with their own ideas of what Harlan needs. Chairman Kolbe said they had received and reviewed all the letters they sent to City Hall. Each child then read their own letter. Many wonderful ideas were presented to the committee. The letters were very inventive, and their presentations were very insightful. Dave Miller commented that their letters encompassed many issues including; social, economic, recreation, education, health and wellness. Ms. Spangenberg stated along the way there was a lot of writing, a lot of learning and a lot of research. Chairman Kolbe stated that in government, we experience a lot of what they experienced during this exercise and above all compromise is very important. He then presented the whole class with certificates for being good citizens.

Terry reported:

- We will be opening bids for the Council Room Renovation tomorrow at noon.
- The public hearing for the budget will be set on Tuesday's Council meeting which will take place on March 3rd, 2015. The proposed levy has been set at \$17.35.
- He opened the bids for the Council Chamber table. We received bids from Dan D'Arcy in the amount of \$9,900 and Phil M. Miller Construction in the amount of \$8,590. It was moved by Miller and seconded by Christensen to approve the bid from Phil M. Miller

Construction in the amount of \$8,590 to build the new Council Chamber table. Motion passed unanimously and will be presented to the City Council.

Debra Sawyer, City Clerk and Pam Meurer, Deputy City Clerk reported:

- One of the outcomes from the IRS Audit in 2013 was the uniform allowance the employees receive are to be considered a fringe benefit so in turn the monies should be taxed through payroll. We have corrected this issue from 2013 to present but the IRS made us go back to 2011. The end result is we had to issue W2C's to each employee the IRS tagged. Because they have been issued corrected W2's the employee will need to file an amended tax return for the years of 2011 and 2012. It has been requested the filing fees for the amended returns be reimbursed by the City since the error was not of their making. Dave Miller agreed that since the employee had done nothing wrong we should be responsible for something we should have been doing. The committee put a cap on the amount of up to \$50 for each year they have to amend. It was moved by Miller and seconded by Christensen to approve the reimbursement of the filing fees for those employees who were issued amended W2's for 2011 & 2012. Proof of filing fees must be presented to the City Clerk's office for reimbursement. Motion passed unanimously and will be presented to the City Council.

With no other issues to report it was moved by Miller and seconded by Christensen to adjourn the meeting.

These minutes are as recorded by the City Clerk and are subject to Council approval at the next regular meeting.

Personnel & Finance Committee- February 19, 2015

The Personnel & Finance Committee met on Thursday, February 19th, 2015 at 12:00 P.M. in the Conference Room at Shelby County Chamber of Commerce and Industry.

Present: Mike Kolbe - Chairman, Jay Christensen, Dave Miller

Absent: None

Also Present: Dan and Ellen Rosmann, Dean Fajen with HGM, Roger Bissen, Todd Valline and Terry L. Cox

The meeting was called to order. It was moved by Miller and seconded by Christensen that the agenda be approved. The motion carried unanimously.

Any conflicts of interest are to be stated if and when applicable. None stated.

Todd Valline discussed the proposal for a prospective party to fill the vacant space at Shelby County Chamber of Commerce and Industry. Dan and Ellen Rosmann gave a video presentation and everyone received a copy of their business plan. After lengthy discussion, there was no vote, however all 3 members of P&F would encourage the Rosmann's to locate somewhere and they see no problems with it being at the Shelby County Chamber of Commerce and Industry. Todd stated that the Shelby County Chamber of Commerce and Industry Board met Tuesday, February 17, 2015 and they thought it would be a great option to pursue with a five (5) year agreement. The Rosmann's will work with Todd Valline and come back with a proposal to see what monies are needed and what grants they are pursuing.

There being no further business, meeting was adjourned.

These minutes are as recorded by the City Administrator and are subject to Council approval at the next regular meeting.

Personnel & Finance Committee- March 10th, 2015

The Personnel & Finance Committee met on Tuesday, March 10, 2015 at 11:30 a.m. in the Council Chambers at City Hall.

Present: City: Chairperson Mike Kolbe, Dave Miller and Jay Christensen

Absent: None

Also Present: Terry Cox, Debra Sawyer, Dave Pedersen, Roger Bissen, and Sharon Kroger

The Chairman called the meeting to order at 11:30 a.m.

The agenda on motion by Miller and seconded by Christensen was approved and any conflicts of interest stated as applicable.

Todd Valline from the Shelby County Chamber and Industry (SCCI) was present to discuss the possible lease of the open space at SCCI. Following up on Farm Table's presentation from the last council meeting, Todd presented the committee with a lease proposal. The proposal discussed the rent of the facility using a graduated increase in rental fees. The proposed lease is for the period of one year. Todd informed the committee that he did some price comparison and the rental rate proposed falls within the normal range.

Miller suggested that we lower the ranges originally suggested to show good faith as wanting to work with the Farm Table in which the rest of the committee was for. Todd Valline told the committee that he also ran the proposed lease past the City Attorney.

Questions arose regarding the whether mechanical work will need to be done prior to Farm Table moving in. At some point changes will need to be done to support large refrigeration units in addition to trenching the floor to install drains, in which Roger Bissen suggested we install 4-5 drains since we will have to open the floor. The storage unit will need to have access to outlets designed to support the 220V coolers. A new electrical panel will also need to be installed. In addition to installing a meter so all utilities for the facility can be separated from the office space currently occupied by SCCI. Kolbe suggested that we take any rent we collect from them and use it to make the changes as they need to be done.

Todd expressed that instead of the City paying for all the items listed above right away Farm Table would be more interested in the City helping with the payment for architectural designs that need to be done. They intend to apply for grants to help with any design changes they need. They also plan on having a commercial kitchen installed in the future. The entity that is assisting them with these grant application feels they have a very good shot of receiving funding since their operation falls in the programs the USDA likes to fund.

Additional conversation was had discussing responsibility of costs. Todd said that he would update the lease and have it ready for the Council meeting tonight.

It was moved by Miller and seconded by Christensen to approve the proposed lease with the following rate changes to rent of 4,144 square feet. Months 1-3 will be at \$.01 per square foot, months 3-6 will be at \$.08 per square foot and months 6-12 will be at \$.15 per square foot which will compute to the rate suggested during their presentation at the March 3rd Council meeting. Motion carried unanimously.

Terry presented the one bid we received for 402 Broadway. The bid was for \$2,000 but it is unclear on whether the party plans on building any structure on the land. After further discussion the Committee instructed Terry to discuss the use of the property with the interested party.

We did not receive an eligible bid for the 608 Hill Street property but there is an interested party wanting to possibly put a multi-car garage on the property with the hopes of renting space to other occupants in the downtown area. The party was instructed to submit a proposal to the Council.

Terry informed the committee that he has been working with MAPA and other State agencies to obtain funding for 4 new entrance signs for the City limits and additional lighting projects.

With no other issues to report it was moved by Christensen and seconded by Miller to adjourn the meeting.

These minutes are as recorded by the City Clerk and are subject to Council approval at the next regular meeting.

Personnel & Finance Committee- April 27th, 2015

The Personnel & Finance Committee met on Monday, April 27th, 2015 at 12:00 p.m. in the Council Chambers at City Hall.

Present: City: Chairperson Mike Kolbe, Dave Miller and Jay Christensen

Absent: None

Also Present: Terry Cox, Debra Sawyer, Mayor Gene Gettys, Dave Pedersen, Sharon Kroger, Steve Kenkel, WWTP Superintendent, Krista Allen from HMU, Jenny Blankenship and Jon Burmeister from PFM

The Chairman called the meeting to order at 12:00 p.m.

The agenda on motion by Miller and seconded by Christensen was approved and any conflicts of interest stated as applicable.

Jenny Blankenship and Jon Burmeister from The PFM Group introduced their 2015 Sewer Analysis report. They presented two options, Exhibit 1 and Exhibit 2. The only difference between the two is Exhibit 2 includes the cost of both sewer bonds, the proposed bond and the one issued in 2012. Jenny went through each line item and asked if there were any questions. The Mayor asked if the 5% was an average increase. Steve Kenkel explained the increases including the costs of a new generator, the increase in utilities due to the new lift station, and the testing costs that increased for the Cookers for a period of time. Additionally, the price of wages increase due to the sharing of the City Administrator's salary. Jon Burmeister explained if the Council chooses to do the yearly analysis we would have a better tracking system in place.

Jenny also explained the analysis included transferring the Sewer Replacement Fund savings account, currently housed at Shelby County State Bank, into Fund 615 – Sewer Equipment Replacement Fund. This way the Council will be able to track the monies as it will be added to the Cash in the Bank report.

A breakout of the analysis included:

- Exhibit 1 shows an increase in sewer user fees to 4% instead of 3% each year. The issuance of the new bond in addition to the use of some cash will cover the upcoming projects totaling \$2.1M. This bond will be paid for using sewer use fees, in addition to the \$85K payment we currently transfer to cover a partial payment of the 2012 Bond Issue.
- Exhibit 2 explains the scenario of the sewer fund paying for the total amount of each bond. The increase in sewer use rates would increase from 3% each year to 9% for FY2016-2018 and then reduce to 4% thereafter until the bonds are paid off.

Miller suggested we start the increase earlier than January 2016. Jenny agreed and said the best way to do it is start them July 1st of each year so we can follow our budgetary fiscal year. Another suggestion is to raise the base rates. There has not been an increase since 2011. Jenny explained that raising the base rates will guarantee an increase in cash flow. Steve suggested if we raise the base rate could we then reduce the increase to the sewer use fees from 9% to perhaps 6-7%. Jenny said she would plug in the new projection and get back to the Council with the updated scenario.

Terry Cox recommended to the Committee that we employ The PFM Group to perform a yearly Sewer Analysis. It was moved by Miller and seconded by Christensen to accept Cox's recommendation to have a yearly analysis done. Motion carried unanimously. A copy of the agreement will be presented at the next Committee meeting on May 1st, 2015.

It was moved by Miller and seconded by Kolbe to cash in our two saving accounts and move those funds to the City's regular checking account. The Industrial Park account will be moved to the checking account and be credited to Fund 160 – Industrial Park and the Sewer Equipment Replacement account will be moved to the checking account and be credited to Fund 615 – Sewer Equipment Replacement Fund.

The topic of a possible installation of a natural gas line being run out to the WWTP. The cost of this project would be approximately \$63K. This installation would pay for itself within 8 years. Additionally, we would be recognizing a cost savings each year by approximately \$9K. Miller suggested we further investigate this project and discuss it at the next Public Health and Sanitation meeting. Miller also suggested that we hire out the installation job and check with our engineer's at V&K for a list of contractors who would be interested in this type of project.

Lastly, Terry informed the Committee that we are looking at installing security cameras in City Hall and Harlan Police Department. It was suggested that two cameras be installed in each department. In addition, Roger is looking into re-installing a panic button for City Hall and the Council Chambers.

With no other issues to report it was moved by Christensen and seconded by Miller to adjourn the meeting.

These minutes are as recorded by the City Clerk and are subject to Council approval at the next regular meeting.

Personnel & Finance Committee- May 1st, 2015

The Personnel & Finance Committee met on Friday, May 1st, 2015 at 12:00 p.m. in the Council Chambers at City Hall.

Present: City: Chairperson Mike Kolbe, Dave Miller and Jay Christensen

Absent: None

Also Present: Terry Cox, Debra Sawyer, Mayor Gene Gettys, Dave Pedersen, Sharon Kroger, Steve Kenkel, WWTP Superintendent, Krista Allen from HMU

The Chairman called the meeting to order at 12:00 p.m.

The agenda on motion by Miller and seconded by Christensen was approved and any conflicts of interest stated as applicable.

Steve Kenkel was present to discuss the Corn Empire Institute. Steve is looking to donate his entire collection to whomever is willing to assist with this project. His collection is comprised of vintage pieces that gives the viewer a blueprint of how the corn industry has grown and progressed over time. The thought is to have his items as a static display and invite others, like Pioneer, Monsanto, DeKalb, and John Deere, to showcase their products in six month increments. Steve passionately spoke about what this institute could become, including items like a future restaurant or distillery. The possibilities could be endless if handled correctly and he has been working with the Governor regarding this project. At one point, the Governor asked Steve if he could see the project being housed at Steve's farm, but feels his home is too far off the beaten path and a project like this needs to be located in a highly visible location. Further discussion was held regarding possible locations the institute could be built. Steve would like to keep the institute in Shelby County and mentioned that he has had interest from another community but he is open to any and all ideas. When asked what outcome he expected from this meeting, Steve responded saying he would just like to know if the City is interested in this type of venture in which the committee said they were. Further discussion regarding this subject will be had directly after the May 12th, 2015 Council meeting

Next on the agenda was a discussion in regards to entering into a yearly agreement for financial advisory services with PFM, Inc., which will include a formal cash analysis. The cost of the agreement is \$6,500. By performing yearly analysis the City will have the ability to track cash flow year after year and will include projections for future cash flows. It was moved by Miller and seconded by Christensen to accept the agreement from PFM, Inc. for financial advisory services which will include a yearly cash analysis. Motion passed unanimously. Recommendation will be forwarded to City Council for final approval.

The last item on the agenda is to review the updated Sewer Cash Analysis report. Debra Sawyer, City Clerk, presented the two revised options Jenny Blankenship from PFM, Inc. forwarded to her. The analysis is as follows;

- Exhibit 1 shows an increase in the base rate from \$6.75 to \$8 and sewer user fees from an annual 3% increase to a 6.25% increase from July 2015-2017. In July 2018 onward the rate drops to 4%. The issuance of the new bond in addition to the use of some cash will cover the upcoming projects totaling \$2.1M. Payment for this bond and the Sewer Bond issued in 2012 will be paid for using sewer use fees.
- Exhibit 2 shows an increase in the base rate from \$6.75 to \$8 and sewer user fees from 3% to 3.5%. The reduction in the sewer use fees is due to the proposed removal of administrative salaries from the sewer budget. Those costs will then be put back into the general operating budget and will decrease the starting cash balance.

Research found the increase was comparable to other surrounding cities fees. Those included Denison's base rate at \$8.76 and \$2.99 per 1,000 gallons, Shenandoah's base rate at \$5.00 plus an addition \$5.00 for the first 100 cu. ft., Glenwood at \$15.00 plus \$4.35 1,000 gallons, Forest City (sister plant) has a base rate at \$6.50, and Carroll's base rate at \$7.45 plus \$3.89 per 100 cu. ft. consumed.

It was moved by Miller and seconded by Christensen to accept the proposal presented in Exhibit 1 which will increase the sewer base fee to \$8.00 and increase sewer use fees to 6.25% beginning July 1, 2015. Motion passed unanimously. Recommendation will be forwarded to City Council for final approval

With no other issues to report it was moved by Christensen and seconded by Miller to adjourn the meeting.

These minutes are as recorded by the City Clerk and are subject to Council approval at the next regular meeting.

Personnel & Finance Committee- May 26th, 2015

The Personnel & Finance Committee met on Tuesday, May 26, 2015 at 5:45 P.M. in the City Council Chambers at City Hall.

Present: Mike Kolbe - Chairman, Jay Christensen, Dave Miller

Absent: None

Also Present: Dan Schumacher, Sharon Kroger, Mayor Gene Gettys and Terry L. Cox

The meeting was called to order. It was moved by Miller and seconded by Christensen that the agenda be approved. The motion carried unanimously.

Any conflicts of interest are to be stated if and when applicable. None stated.

City Administrator

- Terry updated everyone on potential sites for the Corn Empire Institute. Mike Kolbe mentioned that he is working on a potential site. Mayor Gene Gettys and Terry are meeting on Thursday, May 28th, 2015 with one of the owners of a potential site. They will update everyone after the City Council Meeting on Tuesday, June 9th, 2015 unless an earlier meeting is needed.
- Terry brought up that there is a lot of interest in the house that was just removed on 12th Street and we will need to review this at a future P&F Meeting.

There being no further business, meeting was adjourned.

These minutes are as recorded by the City Administrator and are subject to Council approval at the next regular meeting.

Personnel & Finance Committee- June 9th, 2015

The Personnel & Finance Committee met on Tuesday, June 9, 2015 at 5:45 P.M. in the City Council Chambers at City Hall.

Present: Mike Kolbe - Chairman, Jay Christensen, Dave Miller

Absent: None

Also Present: Debra Sawyer, Ellen Walsh-Rosmann, Todd Valline, Ken Weber, Vaughn Perry, Bob Bjoin, Terry Musich, Brett Shields, Sharon Kroger, Mayor Gene Gettys and Terry L. Cox

The meeting was called to order. It was moved by Miller and seconded by Christensen that the agenda be approved. The motion carried unanimously.

Any conflicts of interest are to be stated if and when applicable. None stated.

City Administrator

- Mayor Gene Gettys and Terry discussed with the property owner for the potential Corn Empire Institute. We need to set up another Personnel and Finance Committee meeting to go into closed session.
- Discussed 12th Street property options and after lengthy discussion with property owners in the neighborhood, it was moved by Dave Miller and seconded by Jay Christensen to divide the property into three sections (A, B, and C) and have it go out for bids. Motion carried unanimously.
- Ellen Walsh-Rosmann and Todd Valline were present to discuss Farm Table. They have been operating for 2 ½ months and there is a need for more power to support the bigger coolers. Todd Valline and Ken Weber will meet with Ellen on Wednesday, June 10th to make a plan and timeline that Farm Table is looking at. There are grants that can be completed.

City Clerk

- The Clerk gave a report on some past tax issues. It was moved by Dave Miller and seconded by Jay Christensen to write off \$100 that was billed to Walter Rogers property that the City owns and \$10 to the Ruth Henkelman property that is now owned by another. Motion carried unanimously.
- There is some property at 10th and Court that is owned by Stephen Nichols and it is roughly \$550, however she doesn't want to do anything with this balance at the moment.

There being no further business, meeting was adjourned.

These minutes are as recorded by the City Administrator and are subject to Council approval at the next regular meeting.

Personnel & Finance Committee- June 18th, 2015

The Personnel & Finance Committee met on Thursday, June 18th, 2015 at 12:00 p.m. in the Council Chambers at City Hall.

Present: City: Chairperson Mike Kolbe, Dave Miller and Jay Christensen

Absent: None

Also Present: Terry Cox, Debra Sawyer, Mayor Gene Gettys,

After Closed Session at 12:35pm Roger Bissen; Fire Chief, Beech Family

The Chairman called the meeting to order at 12:02 p.m.

The agenda on motion by Christensen and seconded by Miller was approved and any conflicts of interest stated as applicable.

On motion by Christensen and seconded by Miller to go into closed session according to State Statute 21.5 Subsection J. Motion carried.

On motion by Miller and seconded by Christensen to go back into regular session. Motion carried.

Ron Beach and family were present to discuss their bill for the fire that destroyed ROV 3 Holdings, LLC property located at 1612 8th Street. ROV 3 Holdings, LLC feel they should not have to pay for a fire call. They believed that this type of service was covered by with the money they pay for taxes. They also feel that stating we were going to assess the unpaid balance to their property and in essence take away their property isn't right either. Fire Chief Roger Bissen stated that the City has an ordinance in place that allows them to bill for services. This was put in place in 2004. Beach asked if others pay for their calls, in which we stated yes. The norm is not a large bill like they had. We often issue bills for around \$150-\$500 a call. The rates, which were created by Shelby County Emergency Service, were based off of Iowa Haz-Mat Task Force Rates. The cost for personnel covers all the personnel present, not only Harlan and we only bill for firefighters that are actively fighting the fire. Mrs. Beach stated she heard we paid each firefighter \$100/call in which we informed her that we only pay \$13/call.

Miller stated we have 3 options. One - we can pursue the ordinance and make them pay, two – we can negotiate down to the fire insurance coverage, and three – resend the ordinance and not charge for services. Bissen stated we bill based on the amounts outlined in the ordinance and we bill only for time spent there. Cox stated we didn't have to make a decision right this second. We can discuss this further and do a little research before we make a final decision. It was mentioned that we could bill and accept what the person has for insurance coverage. Questions have to be addressed as to – what happens if the person doesn't have insurance. What would we do then? On motion by Miller and seconded by Christensen to table this item and place a stay on the deadline to certify the debt on ROV Holdings, LLC property located at 1612 8th Street. Motion carried. We will get back to ROV 3 Holdings before July 22nd, 2015.

Next the disposal of the 12th Street property the City owns was discussed. Cox informed the committee that our City Attorney Todd Argotsinger recommended that we dispose of the property as one unit. He suggested that we leave it up to the buyer to split up the lot if they wished to do so. On motion by Christensen and seconded by Miller to sell the lot as one large property with a minimum bid of \$10,000. All bids need to be sealed and will be opened on Friday, July 17th at 5pm. Motion carried. The recommendation will be forwarded to City Council for final approval

With no other issues to report it was moved by Christensen and seconded by Miller to adjourn the meeting.

These minutes are as recorded by the City Clerk and are subject to Council approval at the next regular meeting.

Personnel & Finance Committee- July 24th, 2015

The Personnel & Finance Committee met on Thursday, July 24th, 2015 at 12:00 p.m. in the Council Chambers at City Hall.

Present: City: Chairperson Mike Kolbe, Dave Miller and Jay Christensen

Absent: None

Also Present: Terry Cox, Debra Sawyer, Mayor Gene Gettys, Dave Pedersen, Sharon Kroger, Chief Frank Clark, Todd Argotsinger - City Attorney, Terry Knapp – Knapp Realty, Bill McCarty – Hansen House and Ruthanne Grimsley – RAGTIME Productions

The Chairman called the meeting to order at 12:00 p.m.

The agenda on motion by Miller and seconded by Christensen was approved and any conflicts of interest stated as applicable.

Bill McCarty from Hansen House was present to discuss a possible project for the G.H. Christiansen Subdivision. His company would like to build an assisted living complex for elderly citizens. The property will be able to house up to 18 residents and will employ 14 full time employees. Wages will be around the \$12/hr. range. This project will cost approximately \$2M. The facility will need approximately 5 lots to build on and Bill expressed an interest in having an option on the surrounding lots also. The land is zoned R-4 which allows for a multi-family residence to be built on it.

City Administrator Terry Cox recommended that we sell him only the lots they want in the original plans and allow for an option on the remaining lots of interest. He also recommended that we give the lots to them at a nominal price of \$1,000 per lot. He would also allow for options on the additional land within 3 years. Hansen House will be responsible for putting in sidewalks, installing a culvert and if they want the property surveyed they would also have to absorb that cost. Bill asked if the land was in a flood plain – in which it isn't. He also asked if there were any underground tanks – in which Terry responded no.

Bill asked the committee if it would be ok if he requested that a survey be done and a soil sample before a final decision has been made. If all comes out fine he is looking to move as soon as this fall to begin construction. Terry mentioned that once plans have been decided on that a pre-construction meeting be scheduled so that everyone is all on the same page.

Chief Clark asked what the average resident's age is –in which Bill responded between 80-100 years old. Clark was concerned about the safety of staff in an assisted living situation. Bill assured the Chief that there are some confrontations but not often violent, if at all. Clark did ask that he be invited to speak to the new hires so they know who to call if the need ever arose.

It was moved by Miller and seconded by Christensen to sell the land to Hansen House for \$1,000 per lot with an option to buy the additional lots within three years. The land included located in the SE region, outlined in the architectural drawings as presented. Motion carried unanimously. Bill will be looking at forming a new name for this new venture and will get that information to us as soon as it is decided on.

Cox proceeding with his report:

- The Mayor, Miller and Cox attended a Friends of the Downtown meeting last week. The group is wanting to apply for a CDBG through SWIPCO. It will be a \$1M project in which the Feds will contribute \$500K, the City \$250K and the business owners downtown \$250K. They will need to have 15 interested parties to qualify for the grant.
 - The City would have to come up with \$5,000 up front to start the paperwork. An additional \$10K in architectural fees will also need to be provided up front.
 - Additionally, do we, the City, put on hold the current program we have for the Downtown Upper Story/Façade grants?
 - We need to set up a time for a P&F after 5pm so the owners of the businesses downtown can attend to discuss this.
- Nuisances were discussed next. It was decided which properties the City Attorney would proceed on. It was moved by Miller and seconded by Christensen to have Argotsinger proceed abandonment on 1014 Broadway, 910 Court, and 904 Court. Motion carried unanimously
- Chief Clark stressed that if we were not going to move forward on 212 Market that the City needed to do something about the dilapidated garage that is on the property. It has become a safety hazard. It was moved by Miller and seconded by Christensen to amend the original motion and to include 212 Market Street in the houses the City Attorney would start abandonment proceedings on. Motion carried unanimously

Ruthanne Grimsley of RAGTIME Productions was present to discuss option surrounding the City's website. It was discussed that WordPress, would not be a good solution. The program can be used by any layman and is great for a Mom & Pop shop. She stated that she called around to City's comparable to our size and not one of them used WordPress and their IT was handled by an outside source. She currently donates her time and does the work for free. She suggested that we are due to have an upgrade done. Our current website uses Flash which does not carry over to smartphones and tablets. Our graphics are not seen. She suggested we move to the newer version and utilize a style called fluidity. This allows for a webpage to be viewed according to the size of the screen you are looking at. For instance on a smartphone the web page will reduce to the screen and the look will be different from the desktop version automatically.

Additionally, one of the problems in the past was none of the departments pages were being updated because she was not getting any requests to do so. She mentioned she hasn't heard from some of the departments in years. The committee instructed Ruthanne to put together a proposal on how much it is going to cost to revamp our current website. She will present the proposal at the next meeting along with giving the committee a few examples they can choose from.

With no other issues to report it was moved by Christensen and seconded by Miller to adjourn the meeting.

These minutes are as recorded by the City Clerk and are subject to Council approval at the next regular meeting.

Personnel & Finance Committee- July 24th, 2015

The Personnel & Finance Committee met on Thursday, July 24th, 2015 at 12:00 p.m. in the Council Chambers at City Hall.

Present: City: Chairperson Mike Kolbe, Dave Miller and Jay Christensen

Absent: None

Also Present: Terry Cox, Debra Sawyer, Mayor Gene Gettys, Dave Pedersen, Sharon Kroger, Chief Frank Clark, Todd Argotsinger - City Attorney, Terry Knapp – Knapp Realty, Bill McCarty – Hansen House and Ruthanne Grimsley – RAGTIME Productions

The Chairman called the meeting to order at 12:00 p.m.

The agenda on motion by Miller and seconded by Christensen was approved and any conflicts of interest stated as applicable.

Bill McCarty from Hansen House was present to discuss a possible project for the G.H. Christiansen Subdivision. His company would like to build an assisted living complex for elderly citizens. The property will be able to house up to 18 residents and will employ 14 full time employees. Wages will be around the \$12/hr. range. This project will cost approximately \$2M. The facility will need approximately 5 lots to build on and Bill expressed an interest in having an option on the surrounding lots also. The land is zoned R-4 which allows for a multi-family residence to be built on it.

City Administrator Terry Cox recommended that we sell him only the lots they want in the original plans and allow for an option on the remaining lots of interest. He also recommended that we give the lots to them at a nominal price of \$1,000 per lot. He would also allow for options on the additional land within 3 years. Hansen House will be responsible for putting in sidewalks, installing a culvert and if they want the property surveyed they would also have to absorb that cost. Bill asked if the land was in a flood plain – in which it isn't. He also asked if there were any underground tanks – in which Terry responded no.

Bill asked the committee if it would be ok if he requested that a survey be done and a soil sample before a final decision has been made. If all comes out fine he is looking to move as soon as this fall to begin construction. Terry mentioned that once plans have been decided on that a pre-construction meeting be scheduled so that everyone is all on the same page.

Chief Clark asked what the average resident's age is –in which Bill responded between 80-100 years old. Clark was concerned about the safety of staff in an assisted living situation. Bill assured the Chief that there are some confrontations but not often violent, if at all. Clark did ask that he be invited to speak to the new hires so they know who to call if the need ever arose.

It was moved by Miller and seconded by Christensen to sell Lot 17, G.H. Christiansen Subdivision, to Hansen House, after Mr. McCarty hires a survey done of the property they want, for \$1,000 per lot with an option to purchase each or any of Lots 15, 16, 18, and/or 19, for \$1,000 per lot, provided a proper residential structure in built upon said lot within three (3) year of the date the deed is recorded on the respective properties. The land included is located in the far SE corner of the subdivision, as outlined in the architectural drawings as presented. Motion carried unanimously. Bill will be looking at forming a new name for this new venture and will get that information to us as soon as it is decided on.

Cox proceeding with his report:

- The Mayor, Miller and Cox attended a Friends of the Downtown meeting last week. The group is wanting to apply for a CDBG through SWIPCO. It will be a \$1M project in which the Feds will contribute \$500K, the City \$250K and the business owners downtown \$250K. They will need to have 15 interested parties to qualify for the grant.
 - The City would have to come up with \$5,000 up front to start the paperwork. An additional \$10K in architectural fees will also need to be provided up front.
 - Additionally, do we, the City, put on hold the current program we have for the Downtown Upper Story/Façade grants?
 - We need to set up a time for a P&F after 5pm so the owners of the businesses downtown can attend to discuss this.
- Nuisances were discussed next. It was decided which properties the City Attorney would proceed on. It was moved by Miller and seconded by Christensen to have Argotsinger proceed abandonment on 1014 Broadway, 910 Court, and 904 Court. Motion carried unanimously
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Ruthanne Grimsley of RAGTIME Productions was present to discuss option surrounding the City's website. It was discussed that WordPress, would not be a good solution. The program can be used by any layman and is great for a Mom & Pop shop. She stated that she called around to City's comparable to our size and not one of them used WordPress and their IT was handled by an outside source. She currently donates her time and does the work for free. She suggested that we are due to have an upgrade done. Our current website uses Flash which does not carry over to smartphones and tablets. Our graphics are not seen. She suggested we move to the newer version and utilize a style called fluidity. This allows for a webpage to be viewed according to the size of the screen you are looking at. For instance on a smartphone the web page will reduce to the screen and the look will be different from the desktop version automatically.

Additionally, one of the problems in the past was none of the departments pages were being updated because she was not getting any requests to do so. She mentioned she hasn't heard from some of the departments in years. The committee instructed Ruthanne to put together a proposal on how much it is going to cost to revamp our current website. She will present the proposal at the next meeting along with giving the committee a few examples they can choose from.

With no other issues to report it was moved by Christensen and seconded by Miller to adjourn the meeting.

These minutes are as recorded by the City Clerk and are subject to Council approval at the next regular meeting.

Personnel & Finance Committee- July 30, 2015

The Personnel & Finance Committee met on Thursday, July 30, 2015 at 5:00 p.m. at Shelby County Chamber of Commerce and Industry office, 1901 Hawkeye Avenue, Harlan, Iowa.

Present: Chairman Mike Kolbe and Dave Miller
Absent: Jay Christensen

Also Present: Mayor Gene Gettys, Terry Cox, Todd Valine, Judy Schroeder dba Market Street Gifts, and Donna Deuel dba The Flower Barn

Chairman Kolbe called the meeting to order.

It was moved by Miller seconded by Kolbe, to approve the agenda. The motion carried unanimously.

No conflicts of interest were stated.

Judy Schroeder and Donna Deuel, on behalf of the Friends of Downtown, were present to discuss the CDBG grant for the downtown revitalization project. There was a lengthy discussion and the Committee directed Terry to invite SWIPCO to the August 4, 2015 Council meeting to make a presentation for Council approval of the \$5000 local match.

City Administrator's report:

- Reported the City is matching the County's \$250 match for new flags around the square (see County Auditor's e-mail attached)
- Terry and Kevin Krohn have worked with Abstract Painting who painted our pool for \$25,000 approximately eight (8) years ago, and to paint in this fall would cost \$32,722.00 (to Council 8/4/15).
- Terry has been working with the IDNR regarding the flood plains. With the recently effective new flood plain maps (June, 2015), a few properties which were not previously considered in the flood plain are now designated in the 100 year flood plain and must buy flood insurance. He has a 16-page application which the owners will have to submit to FEMA.
- RAGTIME Productions will be submitting a proposal to update the City's web page.
- A draft agreement was sent to the prospect who wants to build in the GH Christiansen Subdivision and will follow-up on it.
- Terry showed photos of Buck Creek Dog Park in Atlantic which is being finalized this year.
- Terry and Ken Weber have been having a difficult time meeting with DOT (Deb Arp) to discuss the part that the Utilities are doing on their labor for the grant for 6th, 7th, and 12th St. lights, but it will get done
- There will be an Ambassador's Visit in September for the new Council Chambers and the new Police Department.

The being no further action, the meeting adjourned.

Terry L. Cox, Secretary

Personnel & Finance Committee of the City of Harlan, Iowa October 30, 2015

The Personnel & Finance Committee met on Friday, October 30, 2015 at 12 o'clock noon in the City Council Chambers, 711 Durant Street, Harlan, Iowa.

Present: Chairman Mike Kolbe, Dave Miller, and Jay Christensen

Absent: None

Also Present: Mayor Gene Gettys, City Administrator Terry Cox, Council person Sharon Kroger, Interim City Clerk Pam Meurer, Vets Auditorium/CG. Therkildsen Activity Center Manager Tim Miller, Police Chief Frank Clark, Patrol Officer Bill McDaniel, SWIPCO Director John McCurdy and Alexis, and Shelby County Chamber of Commerce and Industry Director Todd Valine, HR-1 Source Jack Lipovac*, and Harlan Newspapers Managing Editor Bob Bjoin

Chairman Kolbe called the meeting to order.

It was moved by Christensen and seconded by Miller to approve the agenda. The motion carried unanimously.

No conflicts of interest were stated.

John McCurdy and Alexis Stensland of SWIPCO spoke about the targeted area for the CDBG grant for the downtown building rehabilitation. RDG was the only firm to submit a bid, but they feel they are qualified and a good firm to work with and would recommend accepting the bid. (JEO declined to bid, but asked to be kept in mind for future projects.) The contract with RDG would be contingent on getting the CDBG grant. John said the architect fees are about 10-15% of the total project. Alexis presented a map of the targeted area. She and John explained that the number of interested businesses will have to be narrowed down to 8 – 12 participants, or the state won't be inclined to look at the application. They suggested a smaller target area and to proceed with the rehab project in phases to make a bigger impact. The target area needs to be modified and confirmed in the next week, because our time to the 2/8/16 application deadline is short. John said the target area goes by buildings, not owners. Deposits by participants for architectural renderings were discussed.

It was moved by Christensen and seconded by Miller to approve hiring RDG as the architect for the downtown CDBG rehabilitation project. The motion carried unanimously.

The Mayor asked if the offer could be extended to those outside the target area to secure the architect's services. They could then own their plans and bid out to contractors. John said he'd have to confirm if that is a possibility, as he wouldn't want anything to taint the Davis-Bacon requirements of the grant. Jay thought that, for his own building, it might be more feasible cost-wise to pursue a City Downtown Upper Story/Façade grant due to the historical requirements of the CDBG grant. Terry advised that the CDBG project could take from 2-3 years. Alexis advised that IAED says once a project is done for a targeted area, a future grant application cannot include any of the buildings in the prior application, and the building owners would need to be advised of that. Todd also stated there would be two (2) documents to execute with the City – 1) Assigning city an easement and 2) Building owner signing off that they accept the cost and will not back out going forward.

It was moved by Miller and seconded by Christensen to reduce the target area to the buildings facing the square and the one corner building on each corner of the square. The motion carried unanimously.

*Jack Lipovac of HR-One Source arrived.

John stated that a Sole Source letter will go to IAED, stating only one (1) bid was received, but the City is agreeable to the bid. Alexis will contact RDG to come to the 11/3/15 Council meeting and Todd will ask the building owners to attend, also. Alexis said the City is in good shape in that they have the historic designation in place for the downtown area. Dave asked that SWIPCO monitor all the grant deadlines and keep the City informed. Mike suggested a question and answer session after the Council meeting with SWIPCO. Terry asked Alexis for a new drawing of the amended targeted area and the Mayor suggested sending it in PDF format so that it can be viewed on the screens in the Council Chambers.

Chief Frank Clark explained that he had a 2004 Dodge 4x4 with approximately 80,000 miles worth approximately \$8845 their department no longer uses, but it needs some work. He proposed giving it to Vets Auditorium/C.G. Therkildsen Activity Center for Manager Tim Miller's use for \$5000. Tim asked that \$2500 be transferred out of each the Vets Auditorium and Activity Center budgets to the Police Revolving Equipment Fund to reimburse the Police Department. Terry said the City Street Crew can do the repairs to the vehicle. Once the car is transferred, Tim's monthly car allowance will cease. Tim said the Vets Commission is in favor of this transfer.

It was moved by Miller and seconded by Christensen to transfer the Police vehicle to the Vets/Activity Center with \$5000 total transferred from those two (2) departments to the Police Equipment Revolving fund and to cease the Vets/Activity Center Manager's car allowance when the vehicle is transferred. The motion carried unanimously.

Jack Lipovac presented his proposal to find a replacement for the City Clerk's position. He stated that the City needs to state the position requirements and his firm would help set up qualifications, advertising, and appropriate compensation. They will do thorough background, reference, and criminal checks. Their fee is \$12 - \$15,000 and is for the entire hiring process and that it make take approximately 45 days. Mike and Sharon questioned the high cost. Jack stated HR-One Source has hired City Clerks for other Iowa cities. He said that it is important to find someone that will be willing to live in the Harlan city limits and has the qualifications for the position. He was asked about hiring locally and said it is difficult to get someone with the qualifications who is willing to live in town. John said SWIPCO has an employee who has helped a lot with Clerk vacancies in other towns. Terry said HMU has offered to assist, as well. The job was offered in-house and no City employee applied. Jack said to be extra thorough in hiring, since some long-time City positions will be vacated in the coming years and that expertise and experience will be lost. Terry advised reviewing with Jeff Peters of Williams & Co., PC. for qualifications. Tim questioned what happens if something would occur and the successful applicant leaves the Clerk position in 30 days. Jack says HR-One Source guarantees nine (9) months.

Miller moved and Jay seconded to hire HR-One Source, if they solicit locally within Iowa and pursue nationally and also with military service veterans. The motion carried unanimously.

1:25 P.M. Sharon, Jay, and Bob Bjoin left.

Terry presented his report:

- Need to move south lot line of Lot 17, G.H. Christiansen Subdivision to the north 24 – 30 feet past easement to leave access for lots to south.
- Airport update
- Downtown Sound Project – may ask for budget funding
- Closing out 2014 Hail Damage claim with FEMA and Kevin Johnson
- County to eliminate taxes on formerly City-owned property bought first by Lewis Clark and now owned by Bruce Burger.
- ROV 3 Holdings LLC has paid \$1000 of their \$12,550 bill for fire service charges. It was moved by Miller and seconded by Kolbe to forgive the balance of the fire response bill (\$11,550) to ROV 3 Holdings, LLC. The motion carried unanimously.
- Ordinance Committee meeting to consider ordinance from Fire Chief for fees
- Airport Underground Storage application to complete
- Connie Lehan at Shelby County State Bank has determined that Terry should be enrolled as administrator for the City's on-line access and to assign users. It was moved by Kolbe and seconded by Miller to appoint Terry Cox as administrator of on-line access for the City's checking account with Shelby County State Bank. The motion carried unanimously.
- Pam advised that Terry needs to be added as a signer for City warrants, since we need two (2) officers in the office to sign. It was moved by Miller and seconded by Kolbe to add Terry Cox as a signer for City warrants. The motion carried unanimously.
- Dave Martin is working to complete sidewalk construction
- Jenny Kelly brought up a new FMLA booklet from a recent HR meeting
- Miller discussed nuisance properties

The being no further action, the meeting adjourned at 1:50 P.M.

Pam Meurer, Recording Secretary

Personnel & Finance Committee of the City of Harlan, Iowa November 12, 2015

The Personnel & Finance Committee met on Thursday, November 12, 2015 at 12 o'clock noon in the City Council Chambers, 711 Durant Street, Harlan, Iowa.

Present: Chairman Mike Kolbe, Dave Miller, and Jay Christensen
Absent: None

Also Present: Mayor Gene Gettys, City Administrator Terry Cox, Council members Sharon Kroger and David H. Pedersen, Interim City Clerk Pam Meurer, Fire Chief Roger Bissen, Alexis Stensland and Jeremy Middents of SWIPCO, Shelby County Chamber of Commerce and Industry Director Todd Valline, and incoming Council member Greg Bladt

Chairman Kolbe called the meeting to order.

It was moved by Miller and seconded by Christensen to approve the agenda. The motion carried unanimously.

No conflicts of interest were stated.

The Interim Clerk presented her report and noted that we are in the process of getting our DUNS and SAM expired application numbers updated by a firm the City has contracted with for a 5-year agreement at the cost of \$2000. That firm will complete all the federal applications and updates every 90 days, so that the City is always current for the grant reimbursement requests for City projects.

The City Administrator advised the Council on the current status of applications for the City Clerk vacancy.

Roger Bissen discussed the amendments to Chapter 35, Fire Department and Chapter 36, Hazardous Substance Spills and mutual aid. It was moved by Miller and seconded by Christensen to approve the amendments, including that any extra costs the Harlan Fire Department incurs on a fire response can be passed on to the property owner at actual cost and to draft an ordinance for action by the City Council. The motion carried unanimously.

Alexis Stensland advised the Council of the cost of the RDG contract agreement and the timeline of the project. The City should expect to receive an \$8500 invoice from RDG after the grant application is completed. The application is due to be submitted by February 5, 2016. If the City is awarded the grant, work on the project would probably commence in July, 2016. The \$8500 is to be paid to RDG, even if the grant is not awarded. Alexis said RDG may be in Harlan before 11/23/15. She said there are currently 18 interested.

A conference call was placed with Scottny of RDG. Scottny said RDG would address the slum and blight issues. Terry asked if the 18 buildings total over the amount of the grant awarded, should the project be reduced to 15 buildings? Scottny agreed they would have to consider cutbacks, if that should happen. After RDG is done with their preliminary, they will eliminate those building owners who are no longer interested in the grant.

It was moved by Christensen and seconded by Miller to recommend the approval of the contract agreement with RDG. The motion carried unanimously.

Sharon Kroger asked how RDG based their construction cost estimates. Scottny said RDG bases their costs on past projects they've done. Mike Kolbe asked an emphasis be placed on local contractors. Scottny advised that in the past few years very few local contractors submitted bids. Some of this work has to be done by specialty contractors, which may be out of the local area. He also advised there would be one general contractor for the entire project and subs could be pulled from the local area. He has a site visit set for next week on Tuesday, 11/17. If possible, he may stay for the Council meeting. Terry said the two (2) sets of agreements could be signed at that meeting, if approved by Council. The conference call ended.

The Mayor inquired about protecting the renderings, so they could not be utilized individually outside of the contract. A fee for the drawings was discussed. Todd Valline suggested all the drawings be stamped. Miller asked that the drawings be protected as intellectual property. Alexis said Scottny is to have the drafts completed by 12/28/15 and that those drafts will be received by the City before going to the participants. There was discussion of RDG preparing drafts for buildings outside of the target area. Alexis stated RDG wouldn't do more than three (3) outside the target area. Jay Christensen asked if we should have a document in place in case a participant decided to back out of the project – advising that the non-participant couldn't keep the renderings. Alexis said she'd draft a document. Jeremy Middents advised that a clause be put in their contracts to protect the City.

Jeremy then presented the Housing Rehabilitation grant request for six (6) homes initially. He stated more funds could be requested later. This is a 5-year, forgivable loan for LMI owner-occupied properties. SWIPCO will vet the contractors and subs and will not use anyone that has done poor work for them in the past. He discussed the possible local match. Jeremy stated that the State would not necessarily require more local match if the City were to apply for more funds. The grant application is due January, 2016.

A target area was discussed. Mike Kolbe was in favor of looking at a new area, as some of the same properties have been addressed before in past projects. Jeremy presented a map from the Housing Study SWIPCO did last year of housing conditions in the city. Mike suggested 8th Street to 12th Street and from Court to Chatburn Avenue as the target area and Jeremy will use that.

Jeremy said a notification of the availability of grant applications had been published in the Harlan Newspaper. He stated that the State would like to see a financial commitment from an entity outside the City for the local match.

It was moved by Miller and seconded by Christensen that the local match for the Housing Rehabilitation grant not exceed \$18,000 (6 homes at \$3000 each). The motion carried unanimously.

Jeremy advised that property owners be notified that SWIPCO will be doing a telephone survey next month for an LMI survey that is part of the grant application. The public hearing will be scheduled for December.

Terry reported:

- MLA – 3 meetings
- Miracle Mudjacking did street repairs in Southwest Avenue in front of Dave's Auto Body

- Blue Zone smoking ordinance – no action, not enough officers to enforce and already a State Law. Possibly discuss further at an Ordinance meeting
- Terry would like to get a couple experts in for interviews for Clerk's position
- Not proceeding with plat changes yet to GH Christiansen Subdivision to modify easement
- Williams & Co, CPA has sent some paperwork for Pam and Terry to process
- Will be interviewing four (4) IT companies November 24, 2015 from 11:30 A.M. – 1 PM.
- Restrooms have been closed in the City parks
- December 1st 9:30 – 3 PM – Budget Workshop at Activity Center
- December 3rd 4 – 8 PM – MLA meeting in Atlantic

Todd Valline advised that Ohlingers will be maintaining the lawn care and Paul Bruck of Forest Lawn will be doing the snow removal at Shelby County Chamber of Commerce and Industry.

Pam Meurer
Recording Secretary

Personnel & Finance Committee of the City of Harlan, Iowa November 24, 2015

The Personnel & Finance Committee met on Tuesday, November 24, 2015 at 11:30 a.m. in the City Council Chambers, 711 Durant Street, Harlan, Iowa.

Present: Chairman Mike Kolbe, Dave Miller, and Jay Christensen
Absent: None

Also Present: Mayor Gene Gettys, City Administrator Terry Cox, Council members Sharon Kroger and David H. Pedersen, Interim City Clerk Pam Meurer, Police Chief Frank Clark, and HCS Technology Director Lisa Swanson

Chairman Kolbe called the meeting to order.

It was moved by Christensen and seconded by Kolbe to approve the agenda. The motion carried unanimously.

No conflicts of interest were stated.

The purpose of this meeting was to consider four (4) IT proposals for the City.

The first presentation was from Heartland Technology Solutions (HTS). Ryan Pieken, Service Delivery Manager made the presentation with President Bob Gentzler HTS is located on Morningview Drive in Harlan and they have seven (7) locations and do 80% of work remotely. Dave Miller advised that same services need to be compared with all presenters. Security for Police files was discussed and the Committee was advised that background checks are done on all HTS employees. At the conclusion, the City Administrator and the Police Chief expressed their concerns with the recent HTS IT service received at the Police Department while disconnecting from the Shelby County server. Frank did say the HPD was happy with the service from the HTS IT person who worked on their system today. Frank also asked about holiday service and was assured they have emergency response 24/7 and they can change a firewall security on request. Dave Miller stated that this interview process was just the first step and that all the firms should review the City hardware and software for updates. Terry advised that all four (4) companies will need to re-evaluate after this first round is done.

The second presentation was by Health Net Connect/Broadnet Connect. (Ken Stopak, Jeffrey Doty, and James Brown). Health Net is based in Des Moines and their parent company is Unity Point Health, formerly known as Iowa Health Services. They said Myrtue Medical is on Health Net Connect and HMU uses their broadband service. Health Net owns their own data centers. They have holiday service and can change a firewall within 15 minutes. They liaison to software vendors.

The third presentation was Counsel Documents (Michelle Musich, Sales), partnered with Computer Concepts of Carroll (Adam Schweers, President/Owner). Computer Concepts is geared to small to medium businesses – 125 employees or less. They have ten (10) technicians on staff, with ratio of two IT to each account. They service several local Iowa municipalities. They would manage pcs and servers and see about replacements and have managed off-site backup. Technicians are compliant FDIC requirements as far as security is concerned. Can change firewall security in 15 minutes and have 24/7 service. No callback wait as there are always two (2) technicians available.

Christensen and Kroger departed at this time.

The final presentation was from CAS Computers of Defiance. Clarise "Dede" Schnuettgen is the owner/operator and has been the City's sole IT person for a number of years. She advised that a new server should be in the next City budget. She can remotely manage the software. She utilizes Carbonite backup for off-site (cloud) storage, as well as mirrored hard drives and external hard drives. Would also recommend updating to MS Office 2016 and Windows 10. She currently charges \$60 per hour and many times does not charge for all her services. Dede is also the purchaser for the City's hardware and some software and does not charge mark-up. It was noted that the City currently recycles hardware throughout the departments. Although Dede does not employ anyone, she does have people available to physically check computers when she is unable to get to the site. Many times, she can talk employees through a computer issue over the phone if she cannot be on site. Council agreed that not having a back-up technician for her is an issue.

All four companies provided written proposals. At the conclusion of the interviews, the Committee asked Lisa Swanson for her thoughts. Terry said he would like to see one IT company for all City departments.

There being no further discussion, the Committee adjourned at 2:07 p.m.

Pam Meurer
Recording Secretary