

City of Elk Run Heights  
Regular Council Meeting  
Located at Eddis Winstead Council Chambers  
January 12, 2021 - 6:00 p.m.

Mayor Lundy called the meeting to order at 6:00 pm. All present recited the Pledge of Allegiance. Roll call of Council Members: Present – Smock, Ratchford, Wilson, Bass, and Sallis. Quorum present.

Ratchford/Bass to approve of the January 12, 2021 Agenda. Ayes-Five. Motion carried.

Presentation by Mark Reinders with MidAmerican Energy regarding franchise fees on the bills for Elk Run Heights residents was moved later into meeting.

Ratchford/Wilson to approve of Consent Agenda - All items listed on the consent agenda will be enacted by one motion. There *will be no separate discussion unless a request is made prior to the time the council votes on the motion.* a. Approve the December 8, 2020 regular meeting minutes and December 22, 2020 special meeting minutes b. City Clerk's Reports as of December 31, 2020: Budget Report, Treasurer's Report, Fund Report, Revenue and Expenditure Reports and Investment Report. c. Approval of Building Inspection, Library, PeopleService Sewer/Water and Police reports Roll call vote: Ayes-Five.

Wilson/Sallis to approve Resolution Calendar – All items listed under the Resolution Calendar will be enacted by one vote. There will be no separate discussion of these items unless a request is made prior to the time Council votes on the motion. a. Resolution 3044 authorizing the payment of bills and transfers b. Resolution 3045 approving INRCOG to assist the City of Elk Run Heights develop a disaster recovery plan c. Resolution 3046 setting the date of Public Hearing for maximum property tax levy rate for January 12, 2021. Roll call vote: Ayes-Five.

Ratchford/Sallis to approve appointment of Phil Harris to fill vacancy from 01/01/2021 through 03/01/2022 on the Board of Adjustment. Ayes-Five. Motion carried.

Ratchford/Smock to reappoint Shelley Wach to the Planning and Zoning Board for a 5-year term from 01/01/2021 through 01/01/2026. Ayes-Five. Motion carried.

Ratchford/Bass to open Public Hearing regarding the maximum tax dollars from certain levies for FY22 Budget. Max levies will be set at 8.10, which is no change from previous years at 6:05 p.m. Ayes-Five. Motion carried. Proof of publication on file and no public comments. Mayor Lundy explained this is a new step added to the budget process. Clerk Eastman added this is to give the public an additional opportunity to discuss the tax rates. Ratchford/Bass to close public hearing at 6:05 p.m. Ayes-Five. Motion carried.

Ratchford/Bass to approve Resolution 3051 approving the maximum tax dollars from certain levies for the FY22 Budget. Roll call vote: Ayes-Five.

Ratchford/Smock to set the date of public hearing to raise Wastewater Treatment Plant Project Capital Project fee from \$50.00 to \$60.00 on February 16, 2021. Ayes-Five. Motion carried.

Ratchford/Smock to approve the Elk Run Heights Annual Exam. Ayes-Five. Motion carried.

Ratchford/Bass to approve the Mayor to sign updated PeopleService Operations and Maintenance Agreement authorizing the 2.4% increase, which was outlined in paragraphs 1.4 and 4.2 of the original contracts. Mayor Lundy explained this is the annual increase. Councilor Ratchford asked what the amount increased is going to be. Clerk Eastman stated the increase is \$281.00 per month. Ayes-Five. Motion carried.

Ratchford/Bass to approve the agreement of repayment for delinquent water and sewer fees for 122 Toneff Drive by amending it to a payment amount of \$125.00 making the balance paid off in 2 years. Clerk Eastman explained while doing water bills this quarter, she ran across an account that had not been billed the quarterly bill since October 2015. Eastman contacted the resident and explained they will need to pay this to the City. Eastman and the resident agreed they would pay back \$3,000.00 by paying \$100.00 per month. City Attorney Prendergast explained to Council this would be a contract we are entering into and they have the right to not agree to this amount of repayment or rate at which it is paid back. Prendergast added when someone signs their agreement for utilities they are entering into a contract and there is a 10-year statute of limitations. She continued, at the rate agreed to it would take two and a half years to pay off and pointed out this may be a long wait depending on what the Council has in mind for retrieving the funds. Councilor Ratchford pointed out there is responsibility on both sides. He then asked if the amount that was figured included late fees. Eastman responded no. Ratchford stated he is okay with the amount agreed on but thinks it should be paid back within 2 years. Councilor Bass stated he thinks that is fair and reasonable. Councilor Smock added she believes it is more than fair, asking if they made any reference to a lumpsum they would be able to make work. Eastman responded that they did say they could not pay the entire amount at once. Ayes-Five. Motion carried.

Smock/Ratchford to approve Ordinance 269 an ordinance amending the code of ordinances of the city of Elk Run Heights, Iowa, by amending provisions pertaining to title 10 Vehicles and Traffic, Chapter 10.04 Traffic Code, Article IX. Parking, Section 10.04.440 Residential Parking, second reading. Roll call vote: Ayes-four. Nay-Bass.

Ratchford/Sallis to suspend the rules requiring the 3rd reading and place on file final adoption of Ordinance 269. Roll call vote: Ayes-four. Nay-Bass.

Ratchford/Smock motion to adopt Ordinance 269. Roll call vote: Ayes-four. Nay-Bass.

Presentation by Mark Reinders with MidAmerican Energy regarding franchise fees on the bills for Elk Run Heights residents was handled by City Attorney Prendergast due to Reinders being unable to attend the meeting. Prendergast explained this franchise fee would not exclude the City from the County share of local option sales (LOST) tax revenues. The 1% of LOST revenue that is currently included in the bill will only be redirected straight to Elk Run Heights as a franchise fee; this change will not affect residents bills in any way. Prendergast explained this will not cost them more, it is only redirecting how the monies are received. Councilor Ratchford stated concerns with the timing of implementing this. Prendergast stated there is no requirements for this to be voted on by the residents but is going to require an Ordinance which will allow for public notice. Council discussed this and agreed the 1% is something that would benefit the City and its residents but pointed out they do not want to go any higher thus causing them more costs. Council would like to move forward with this process.

Discussion/possible actions: CD investments. Ratchford/Bass motion to reinvest CD funds. Clerk Eastman told Council there are two large CD's for the Wastewater Treatment Plant that are maturing and will need to know if they would like to reinvest, providing them with the current rates. Council agreed to reinvest the 2 upcoming CD's at a rate of .85% for 13 months. Ayes-Five. Motion carried.

Public discussion: Non-agenda items. None

Mayors/Council/Engineer Reports. Mayor Lundy told Council about a watermain break on McCoy Road, pointing out the budget for this is depleting. City Engineering Mike Dryden stated the plans for the park will be going to the DOT before Tuesday of the following week. Lundy asked if there was a starting date. Dryden responded July.

Ratchford/Sallis to adjourn at 6:35 p.m. Ayes-five. Motion carried.