

REGULAR MEETING NO. 28
Council Chambers, City Hall

October 4, 2022
5:30 O'Clock P.M.

The meeting convened at 5:30 P.M.

Present were Council Member Galloway, McAntire, Hull, Pope, Roe and Mayor Johnson.

Pope moved, seconded by Roe to approve consent agenda items: Mins. from Regular Mtg. No. 27 on Sept. 20, 2022 as presented; Recommend re-appointment of Molly Myers Naumann to Historic Preservation Commission, term to expire 1/1/2025, due to a vacancy; Civil Service Commission Eligibility Lists for Sept. 28, 2022: Comm. Specialist Ent., WPCF – Operator Ent., WPCF – Maintenance Tech. Ent.; Canvasser/Solicitor application for Knights of Columbus for Annual Tootsie Roll Drive Oct. 14-16, 2022; Beer and/or liquor applications for: Club 888, 123 W. Third St.; all applications pending final inspections. All ayes.

Roe moved, seconded by Galloway to approve the Agenda as presented. All ayes.

City Admin. Rath reported the Human Rights Commission will hold their first official mtg. Monday, Oct. 10, 2022. Ottumwa Public Safety Adv. Committee needs members; do not have a quorum to hold mtgs. Personnel: new staff Tifani Young-Recycling Center, Rachel Thompson – Firefighter, Jack Carter – WPCF Maintenance Tech., Waseem Nasir – Finance Dir. Current topics of interest – ATV's / UTV's / Golf Carts inside City limits – work session later this month for council to discuss current ordinance.

Mayor Johnson inquired if there was anyone from the audience who wished to address an item on the agenda. Laura Berry, Shawn Berry and Viki Wilson requested to speak about item F-5. Katie Howard, Keith Caviness and Mickey Hucks, Sr. requested to speak about items G-1 and G-2.

This was the time, place and date set for a public hearing to discuss status of funded activities for Ottumwa Blessings Soup Kitchen Pandemic Response Program. A public hearing was held on Oct. 4, 2022, at 5:30 PM at City Hall in Ottumwa, IA, for the purpose of updating the public on the status of the Blessings Soup Kitchen Pandemic Response Project funded, in part, by the Community Development Block Grant (CDBG) program. Bradley J. Grefe, grant administrator from Area 15 Regional Planning Commission, reported that in May 2022, the Iowa Economic Development Authority (IEDA) awarded a CDBG to the City of Ottumwa from the non-entitlement COVID-19 pandemic response fund for the purpose of food bank/food program assistance for the Blessings Soup Kitchen in downtown Ottumwa. The City qualified for CDBG funds based on the HUD National Objective of "low-to-moderate income benefit". The City's U.S. Census data show an LMI of 55.3%. The City applied for and was awarded \$100,000 in CDBG-CV funds. The original scope of work for the project was to purchase a variety of commercial-grade kitchen equipment and supplies for the Blessings Soup Kitchen. The est. cost of the project was \$100,000. This has not changed. Since award, IEDA staff visited to get a first-hand look at the operation and understand the project and provide guidance on procurement process. Procurement of equipment will begin in Oct. with equipment expected to be purchased, delivered, and installed by Dec. 2022. To date, no funds have been drawn on the grant for activity or administration. The CDBG contract end date is May 31, 2023. Open for comments, concerns, and questions. No questions were asked.

Approx. 25 in attendance. No objections were rec'd. McAntire moved, seconded by Galloway to close public hearing. All ayes.

This was the time, place and date set for a public hearing to discuss status of funded activities for Ottumwa ISU Bldg. Upper-Story Housing Project. A public hearing was held on Oct. 4, 2022, at 5:30 PM at City Hall in Ottumwa, IA, for the purpose of updating the public on status of ISU Building Upper-Story Housing Project funded, in part, by the Community Development Block Grant (CDBG) program. Bradley J. Grefe, grant administrator from Area 15 Regional Planning Commission, reported that in May 2022, the Iowa Economic Development Authority (IEDA) awarded a CDBG to the City of Ottumwa from the non-entitlement COVID-19 pandemic response fund for the purpose of converting the vacant second-story of 307/309 E. Main St. [the former Iowa Southern Utilities building] into new apartments. The project qualified for CDBG funds based on the HUD National Objective of "low- to moderate income benefit". To meet this criterion, once completed, each of the units will be rented to an LMI tenant for the first three yrs. The original scope of work—which has not changed—was to rehabilitate the vacant upper-level space into three apartments. The project will create two 1-bedroom units and one 2-bedroom unit. The City applied for and was awarded \$500,000 in CDBG-CV funds. The est. cost of the project was \$604,000. The City est. funds to match the grant award with \$15,000 in City downtown revitalization program funds and \$89,000 from the property owner, RG Property. The current budget for the project sits at just over \$603,000 and includes costs for construction; grant administration; architectural fees; and other fees such as radon testing, recording, and public notices. RG Construction was pre-approved by IEDA to be the general contractor on the project as an affiliated company of RG Property. The owner entered into a development agt. with the City in Aug. 2022 upon the project's environmental clearance. Construction began in Aug., and as of the Sept. pay application, RG was approximately 5% complete by scheduled cost. To date, most of the actual construction work has been limited to installing new electrical service to the bldg., but components with longer lead times [i.e. windows] have been ordered. The project is expected to be complete by April 2023. At this time, the architect has not billed for services yet and the grant administrator has billed approx. 25%. The CDBG contract end date is May 31, 2023. Open for comments, concerns, and questions. Councilperson Roe inquired about the expected implications for the City as it pertains to the property's potential valuation increase. A specific est. has not been made for this building, but it was noted that similar improvements to downtown properties have resulted in significant increases in assessed value and, therefore, tax revenue. Approx. 25 in attendance. No objections were rec'd. Roe moved, seconded by Galloway to close public hearing. All ayes.

This was the time, place and date set for a public hearing to discuss status of funded activities for the Ottumwa North Market Street Façade Improvements Project. A public hearing was held Oct. 4, 2022, at 5:30 PM at City Hall in Ottumwa, IA, for the purpose of updating the public on the status of the North Market Street Façade Improvement Project funded, in part, by the Community Development Block Grant (CDBG) program. Bradley J. Grefe, grant administrator from Area 15 Regional Planning Commission, reported that in Feb. 2022, the Iowa Economic Development Authority (IEDA) awarded a CDBG to the City of Ottumwa from the non-entitlement COVID-19 pandemic response fund for the purpose of making

commercial façade improvements to bldgs. on North Market Street downtown. The City qualified for CDBG funds based on the HUD National Objective of “preventing or eliminating slums or blight”. A slum & blight inventory survey was performed by RPC staff in Dec. 2021 and the City Council passed a resolution designating the “slum and blight area” later that month. To be eligible for funding, the bldgs. must be designated as in fair or poor condition. All three properties were designated as “fair”. The original scope of work for the project was to rehabilitate five facades on three bldgs. Major work items included: masonry repair, upper-level window repair/replacement, painting, and storefront repair/replacement. The City applied for and was awarded \$250,000 in CDBG-CV funds. The est. cost of the project was \$446,000. The City est. funds to match the grant award with \$95,000 in City downtown revitalization program funds and \$101,000 from local property owners. Although the overall scope of work has not changed, the bid cost was significantly below the original estimates. Two bids were received and the contract for construction was awarded Christner Contracting, Inc. (Ottumwa, IA). Their bid of \$277,777 was surprisingly lower than the est. that had been developed from similar projects that bid during “pandemic pricing”. The overall grant project cost currently sits at approx. \$347,102, which includes a construction contingency; grant administration costs; architectural fees; and other fees paid like asbestos testing, easement recording, and public notices. There are three change orders pending approval tonight, all of those are within the contingency allowance. Construction began in Aug. 2022. As of the Sept. pay application, both bldgs. were approx. 25% complete by scheduled cost. The project is expected to be mostly finished by Thanksgiving 2022. Lead times on windows will push final completion on 105-107 N. Market into Jan. The architect has billed approx. 80% of their contract amount and the grant administrator has billed approx. 50%. The CDBG contract end date is May 31, 2023. Open for comments, concerns, and questions. Councilperson Roe inquired about the expected implications for the City as it pertains to the property’s potential valuation increase. A specific est. has not been made for these buildings, but it was noted that similar improvements to downtown properties have resulted in significant increases in assessed value and, therefore, tax revenue. It was also noted that rehabbing the façades of 105-107 specifically will lead to commercial redevelopment in the 107 storefront and removing the slipcover will open the second story for potential apartments. Approx. 25 in attendance. No objections were rec’d. Roe moved, seconded by Galloway to close public hearing. All ayes.

This was the time, place and date set for a public hearing to adopt Amendment No. 2 to *Our Ottumwa 2040* Comprehensive Plan and providing Year Two Plan Updates. Comm. Development Dir. Simonson reported the changes included in this amendment. No objections were rec’d. McAntire moved, seconded by Galloway to close the public hearing. All ayes.

Roe moved, seconded by McAntire that Res. No. 239-2022, adopting Amendment No. 2 to *Our Ottumwa 2040* Comprehensive Plan and providing Year Two Plan Updates, be passed and adopted. All ayes.

This was the time, place and date set for a public hearing on Ord. No. 3210-2022, an Ord. Amending the Zoning Ord. of the City of Ottumwa, IA, by conditionally rezoning property generally located at 1235 Hutchinson Ave., in the City of Ottumwa and directing the Zoning Administrator to note the Ord. No. and

date of this change on the Official Zoning Map. Simonson reported the owners of 1235 Hutchinson have applied for voluntary annexation. This Ord. would rezone the property when it is annexed from AG Agriculture/Urban Preserve to C1 Neighborhood Commercial. This rezoning would permit the construction and operation of a Dollar General retail store. This could bring in approx. \$1.7 Million in annual sales, staff twelve employees, and increase property tax revenue. P&Z recommended on a vote of 5-4 to approve the rezoning with the following conditions: property will be developed within two years and liquor sales and pawnshop uses will not be permitted. Concerns voiced by Shawn & Laura Berry and Viki Wilson – this is a quiet area, with retail space moving in we will see higher volumes of foot and vehicle traffic; how will this affect appraised value of our residential homes; will this area remain desirable after the store opens; will other parcels then be annexed into city limits. McAntire moved, seconded by Roe to close public hearing. All ayes.

Roe moved, seconded by Galloway to pass first consideration of Ord. No. 3210-2022, amending the Zoning Ord. of the City of Ottumwa, IA by conditionally rezoning property generally located at 1235 Hutchinson Ave., in the City of Ottumwa and directing the Zoning Admin. to note Ord. No. and date of change on the Official Zoning Map. All ayes.

Hull moved, seconded by Pope to pass second consideration of Ord. No. 3202-2022, an Ord. amending Appendix D, Electricity Franchise, with Interstate Power and Light Comp. for the purpose of imposing a Franchise Fee. Keith Caviness, Katie Howard and Mickey Hucks, Sr. voiced similar concerns on passing this Ord. Motion carried 4-1. Nays: McAntire.

Hull moved, seconded by McAntire to pass second consideration of Ord. No. 3209-2022, an Ord. repealing Ord. No. 2888-2000 and granting to MidAmerican Energy Comp., its successors and assigns, the right and non-exclusive franchise to acquire, construct, erect, maintain and operate in the City of Ottumwa, IA, a Natural Gas System and to furnish and sell natural gas to the City and its inhabitants and auth. the City to collect franchise fees for a period of 25 yrs. Again concerns voiced by Mr. Caviness, Ms. Howard and Mr. Hucks, Sr. Motion carried 4-1. Nays: McAntire.

McAntire moved, seconded by Pope to approve replacement of two slide gates for Walnut Station and Diffuser stations for WPCF totaling \$20,888. All ayes.

Roe moved, seconded by Galloway to approve Howden personnel to come on site to WPCF to repair equipment totaling \$8,734. All ayes.

Roe moved, seconded by McAntire that Res. No. 240-2022, awarding contract for asbestos abatement and demolition of 437 N. Court to Dustin Smith of Environmental Edge and Dan Laursen of Ottumwa, IA for \$1,500 for abatement and \$18,000 for demolition, be passed and adopted. All ayes.

Galloway moved, seconded by McAntire that Res. No. 241-2022, awarding contract for demolition of 201 N. Holt to Dustin Smith of Environmental Edge and Dan Laursen of Ottumwa, IA for \$7,900, be passed and adopted. All ayes.

Roe moved, seconded by Galloway that Res. No. 242-2022, awarding contract for asbestos abatement and demolition of 306 W. Sixth St. to Dustin Smith of Environmental Edge and Dan Laursen of Ottumwa, IA for \$4,775 for abatement and \$12,000 for demolition, be passed and adopted. All ayes.

Pope moved, seconded by McAntire that Res. No. 243-2022, awarding contract for asbestos abatement and demolition of 309 Mer Rouge to Dustin Smith of Environmental Edge and Dan Laursen of Ottumwa, IA for \$3,500 for abatement and \$10,000 for demolition, be passed and adopted. All ayes.

Hull moved, seconded by Galloway that Res. No. 244-2022, awarding contract for asbestos abatement and demolition of 153 S. Fellows to Weston McKee of Fairfield, IA for \$12,300 for abatement and \$19,000 for demolition, be passed and adopted. All ayes.

Hull moved, seconded by Roe that Res. No. 245-2022, awarding contract for asbestos abatement and demolition of 157 S. Iowa Ave. to Dustin Smith of Environmental Edge and Dan Laursen of Ottumwa, IA for \$6,000 for abatement and \$12,500 for demolition, be passed and adopted. All ayes.

Galloway moved, seconded by Pope that Res. No. 246-2022, approving Change Order No. 4 for the Ottumwa Park Campground Shower House and Office Project, be passed and adopted. Parks Dir. Rathje reported CO#4 increases contract \$1,700; new contract sum \$594,842. All ayes.

Pope moved, seconded by Hull that Res. No. 247-2022, approving Change Order No. 1 and accepting the work as final and complete and approving Final Pay Request for 2022 Street Patch Repair Program, be passed and adopted. PW Dir. Seals reported CO#1 increases contract \$3,660; new contract sum \$149,410. All ayes.

Roe moved, seconded by Galloway that Res. No. 248-2022, approving Change Order No. 1 for N. Market Façade Improvements Project, be passed and adopted. Zoning & Housing Coord. Rusch reported CO#1 is cost adj. for masonry at 105-107 N. Market totaling \$4,200 which is 100% within the project contingency and does not change the original contract sum \$277,777. All ayes.

Roe moved, seconded by Pope that Res. No. 249-2022, approving Change Order No. 2 for N. Market Façade Improvements Project, be passed and adopted. Rusch reported CO#2 substitutes alum. door jambs in place of wood at 105-107 N. Market totaling \$1,043.89 which is within the project contingency and does not change the original contract sum \$277,777. All ayes.

McAntire moved, seconded by Pope that Res. No. 250-2022, approving Change Order No. 3 for N. Market Façade Improvements Project, be passed and adopted. Rusch reported CO#3 makes masonry cost adj. at 114-118 N. Market totaling \$1,800 which is within the project contingency and does not change the original contract sum \$277, 777. All ayes.

Roe moved, seconded by McAntire that Res. No. 251-2022, releasing a Request for Proposals RFP for the Purchase, Renovation, and Redevelopment of City owned property located at 131 E. Main, known as the First National Bank Bldg., be passed and adopted. Rusch reported the City acquired property after it was found to be abandoned by previous owner. The property is listed on the National Register of Historic Places and is a critical part of the Main Street district. Proposals will be reviewed by City staff, Historic Preservation Commission and Main Street Ottumwa. All ayes.

Galloway moved, seconded by Pope that Res. No. 252-2022, releasing a Request for Proposals RFP for the Purchase, Renovation, and Redevelopment of City owned property located at 513 N. Court, known as the W.R. Daum House, be passed and adopted. Rusch reported the City acquired property after it was found to be abandoned by previous owner. The property contributes to the Court Hill Historic District. Proposal will be reviewed by City staff and the Historic Preservation Commission. All ayes.

Mayor Johnson inquired if anyone from the audience wished to address an item not on the agenda. There were none.

There being no further business, Roe moved, seconded by Hull that the mtg. adjourn. All ayes.

Adjournment was at 7:08 P.M.

CITY OF OTTUMWA, IOWA


Richard W. Johnson, Mayor

ATTEST:


Christina Reinhard, CMC, City Clerk

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