

**MCGREGOR CITY COUNCIL
REGULAR MEETING
APRIL 21, 2021 6:30 P.M.**

The MCGREGOR CITY COUNCIL met in Regular Session at 6:30 p.m. on **Wednesday, April 21, 2021** at City Hall with Mayor Troester presiding. The meeting was called to order at 6:30 p.m. followed by the pledge of allegiance. Council members attending in person: Carroll, Halvorson, Echard, and Hallberg. Scott was absent. Due to COVID 19 guidelines released by the CDC, and federal and state government the meeting was held electronically to help combat the spread of the virus. Social distancing was in place for those in attendance with public access limited to meet the prescribed guidelines. Public access was provided via Zoom.

Scott moved, seconded by Halvorson to approve the Consent Agenda by one motion a) Agenda as listed b) Regular Meeting minutes March 17,2021 c) Bills and Claims as presented for period March 18, 2021 through April 21, 2021 - City- \$169,601.82, Library - \$628.59, March 2021 Revenues - \$75,810.14, March 2021 Expenses - \$97,621.44 d) Treasurer's Report for March 2021. Roll call vote: Ayes – all. Motion carried.

Hearing of Delegations: No comments received.

Police report – agility tests are scheduled for applicants for the full time officer position. Three applications received. The chief answered questions regarding the report.

Mayor Troester read a proclamation in celebration of Municipal Clerks Week, May 2 – May 8, thanking City Administrator McManus for her pride and interest in McGregor and the effort and quality of service she provides to McGregor.

Mayor Troester read a proclamation recognizing May as National Preservation Month, and May and the remainder of 2021 as a celebration of the 175th anniversary of the platting of McGregor. In the spirit of the celebration of preservation month, Mayor Troester read an announcement that Jenifer Collins Westphal and her husband Jeff of Philadelphia, daughter and son-in-law of Herb Collins and Joanne (Collins) Stewart, have entered into agreements to purchase the Sullivan Opera House and the Alexander Hotel. Mayor Troester, Administrator McManus and Economic Development Lead Boelman have been delegated by Mr. Westphal to establish a non-profit for the purpose of historic preservation of downtown McGregor. In conjunction with the museum and HPC the new properties will potentially serve as the new home(s) of the museum, its collection and an expanded historical and cultural experience of McGregor. Both transactions are expected to close by mid-summer. The couple is proud of its hometown and appreciate its important, yet, underappreciated, role in American history.

Heidi Kuhl, Northland Securities, was present to provide rate increase scenarios to cover debt for the Main Street project. Ms. Kuhl noted that because the city is nearing pay off of its existing debt, the rate increase did not have to be excessive. Two and three year splits were provided and also either 50/50 base/flow for sewer or all base increases. New projected costs had been received earlier in the day from the engineer, however, there has not been sufficient time to review. The council felt that the best method for the increases was to do the increases over two

years, and if necessary make adjustments up or down based on final costs. Projected approximate increase for storm sewer is \$3.75 per month (\$1.88 annually) over two years and sewer increase is \$1.01 per month over two years for flow rate and \$2.14 per month over two years for base rate. Council directed Ms. Kuhl to begin the process to change the ordinances and have them ready to present at the May meeting. Water rates were provided as an example but MMU will be responsible for raising rates sufficiently to meet minimum coverage requirements of the bonds to repay debt.

Echard moved, seconded by Hallberg to approve Pay Request No 2 – FEMA Alternate Project (Ash St.) to Midwest Concrete in the amount of \$46,217.88. Roll call vote: Ayes – all. Motion carried. Hallberg moved, seconded by Echard to approve Change Order No 2 for the FEMA Alternate Project to reroute storm sewer in the amount of \$49,654.00. Roll call vote: Ayes – all. Motion carried.

Council discussed potential revisions to the Ohmer Ridge Covenants and possible discounts in the lot prices. Troester, McManus, Boelman, Echard and Carroll had met with Ryan Johnson from Allen Realty to discuss a few weeks earlier. Echard moved, seconded by Hallberg to direct the city attorney to prepare a revised Ohmer Ridge Covenants to present to existing property owners for their consideration to include 1000 sq feet living space minimum residence on Lots 7-11 and with an acceptable offer combining two of these lots. Roll call vote: Ayes – all. Motion carried. The revised covenants will be mailed along with a letter from the city administrator requesting current property owners to sign off on the proposed revisions. A total of six lot owners is required to pass. The council considered an offer to purchase Lot 14 made by Roland and Marguette Clinton for \$4,000. The amount offered was \$9,000 less than the current price. Council took no action. Halvorson moved, seconded by Echard to approve a purchase offer for Lot 13 from Todd and Sarah Albracht for \$8,000 with a contingency to mark out lot lines and construct with no basement. Roll call vote – Ayes – All. Motion carried.

Council considered options for expending the refunded housing program funds from the Mo Joe Kautman estate. After discussions with UERPC it was determined that the city could establish local guidelines to provide assistance to low to moderate income properties, or for ADA sidewalk improvements. A drive by survey was taken and several properties could benefit from having sidewalks repaired. Council was happy with the option for sidewalks, etc and directed city hall staff to work on a program to expend the funds.

Halvorson moved, seconded by Hallberg to approve the cooperative agreement NO 2020-16-122A addendum with the IDOT to provide \$4.5 million towards the Main Street project. Roll call vote: Ayes – all. Motion carried. Hallberg moved, seconded by Echard to approve Resolution 01-04-2021 Authorizing Transfers of Funds for Debt Service. Roll call vote: Ayes – all. Motion carried. Halvorson moved, seconded by Hallberg to approve Resolution 02-04-2021 Authorizing Transfer of Funds for Debt Service (loader lease). Roll call vote: Ayes – all. Motion carried. Hallberg moved, seconded by Echard to approve Resolution 03-04-2021 Authorizing Transfer of TIF Funds for Incremental Debt (internal loans). Roll call vote: Ayes – all. Motion carried. Halvorson moved, seconded by Echard to approve Resolution 04-04-2021 Authorizing Transfer of TIF Funds for Debt Service (2013A bond). Roll call vote: Ayes – all. Motion carried.

Carroll moved, seconded by Hallberg to approve a Use of City Property permit for Hole in the Sock Gang for the 2021 season. Roll call vote: Ayes – all. Motion carried. Hallberg moved, seconded by Carroll to approve a Use of City Property permit for the small parking lot east of Steve’s Silver Dollar for Saturday and Sundays May 1 & 2 through October 16-17. Roll call vote: Ayes – all. Motion carried. Hallberg moved, seconded by Echard to approve a Business Enhancement Grant for Point Ann Place, LLC (former Stauer House) for property improvements for the short term rental property in the amount of \$2,500. Roll call vote: Ayes – all. Motion carried.

Main Street project updates – New project estimates are being prepared as the switch to SRF funding is in progress. These new amounts must be submitted for inclusion on the Intended Use Plan. The engineer received communication from SRF that SHPO has no record of submission from USDA. This is being looked into and explains the extended delay awaiting historic clearances. Additional funding options through EPA are being looked into. The mayor asked the council to once again review proposed changes for outdoor wood furnaces. Complaints have been received, photos were presented of the smoke from the furnace at Backwoods. The smoke and smell are entering other businesses and residences and are a nuisance. The mayor regretfully felt that their use must not be allowed, it is affecting peoples health, and the business of neighboring establishments. The attorney will review and provide additional information at the next meeting. Hallberg moved, seconded by Echard to set a hearing date on May 19, 2021 at 6:30 p.m. to take comments regarding the proposed FY Budget Amendment NO 2. Roll call vote: Ayes – all. Motion carried.

Council discussed options to be able to provide shovel ready projects should there be any funding become available from the infrastructure bill being considered. One option is to contract with an engineer as a city engineer who could work on various projects as determined after prioritizing those on the list. Contracting for projects on a by – project basis is the other option. Council would like more info on the city engineer possibility.

McManus indicated there may be reason to hold a special meeting on the 29th for several items that came up – Revised IDOT for the staging area, Main Street Sewer IUP and new cost estimates, engineering increase for alternate project change order.

With business concluded, Echard moved to adjourn the meeting. Seconded by Hallberg. Ayes – All. Meeting adjourned.

Lyle J Troester, Mayor

Attest:

Lynette L. McManus, City Administrator