CITY COUNCIL
REGULAR MEETING
MARCH 25, 2024
6:30 PM

The Milford City Council met in regular session March 25, 2024 at 6:30 p.m. in the Community Center Board Room. Mayor Anderson presided.
Members present: Chris Hinshaw, Doug Frederick, Shane Hoffman, David Worshek and Kyle Mohni.
Absent: None
Others present: City Administrator LeAnn Reinsbach, Jason Eygabroad, Brad Willemssen, Drew Hage, Alaina Hinders and Steve Schwaller.

Mayor Anderson led the Pledge of Allegiance.

Motion by Hoffman second by Hinshaw to approve the agenda. Voting aye: Hinshaw, Frederick, Hoffman, Worshek and Mohni. Nay: None. Motion carried.

Motion by Hoffman second by Mohni approve the consent agenda. Voting aye: Hinshaw, Frederick. Hoffman, Worshek and Mohni. Nay: None. Motion carried.

Items on the Consent Agenda were as follows:

- Minutes of March 11, 2024 council meeting
- Minutes of the March 19th special joint MMU meeting

CITIZEN OPPORTUNITY FOR COMMENT

Public hearing on amending the sewer service charges in section 99.02 rate by increasing the charges by 6% per year for the next four (4) years in Milford, Iowa at 6:30 p.m.
Mayor Anderson opened the public meeting at 6:33 p.m. City Administrator LeAnn Reinsbach mentioned no written or oral comments were received at the City Clerk's office. Drew Hage asked the question if the increase was due to normal maintenance and projected projects. Mayor Anderson responded yes and that our finance Director Tim Oswald did a sanitary sewer utility analysis and based upon that information it was suggested to run these figures. With no other comments from the public Mayor Anderson closed the public hearing at 6:34 p.m.

ACTION AND DISCUSSION ITEMS

First consideration of ordinance amending the Code of Ordinances of the City of Milford, Iowa, by amending the sewer service charges in section 99.02 rate by increasing the charges by 6% per year for the next four (4) years in Milford, Iowa.
Motion by Hoffman second by Frederick to approve first reading of **Ordinance 3-25-24** Ordinance amending the Code of Ordinances of the City of Milford, Iowa, by amending the sewer service charges in section 99.02 rate by increasing the charges by 6% per year for the next four (4) years in Milford, Iowa. Roll call vote. Voting aye: Hinshaw, Frederick, Hoffman, Worshek, and Mohni. Nay: None. Motion carried.

Consider waiving the second and third reading and passage of ordinance amending the Code of Ordinances of the City of Milford, Iowa, by amending the sewer service charges in section 99.02 rate by increasing the charges by 6% per year for the next four (4) years in Milford, Iowa.
Motion by Hoffman second by Hinshaw to consider waiving the second and third reading and passage of **Ordinance 3-25-24** Ordinance amending the Code of Ordinances of the City of Milford, Iowa, by amending the sewer service charges in section 99.02 rate by increasing the charges by 6% per year for the next four (4) years in Milford, Iowa. Roll call vote. Voting aye: Hinshaw, Frederick, Hoffman, Worshek, and Mohni. Nay: None. Motion carried.

Motion by Hinshaw second by Hoffman to adopt **Ordinance 3-25-24** Roll call vote. Voting aye: Hinshaw, Frederick, Hoffman, Worshek and Mohni. Nay: None. Motion carried.

Council to review and approve Beck Engineering Professional Services Agreement for the 13th Street reconstruction project. Motion by Hoffman second by Hinshaw to approve Beck Engineering Professional Services Agreement for the 13th Street reconstruction project. All voting aye. Motion carried.

Council to review and approve CTS Proposal for the 13th Steet reconstruction project.
Motion by Hoffman second by Mohni to approve CTS Proposal for the 13th Steet reconstruction project. All voting aye. Motion carried.

Council to review and possibly approve Frontline Warning Systems contract.
Motion by Hoffman second by Hinshaw to approve Frontline Warning Systems contract. All voting aye. Motion carried.

Possible discussion FY2025 budget
City Administrator Reinsbach asked the council to revisit the $5500.00 donation to the Commercial Club that was previously approved because the city took over the downtown planters last year. The council took no action, Reinsbach explained that Deputy City Clerk Ballis was able to break off the Heerde Trust money into separate bank #15 within the software. The $40,000 in expenses the community center budgeted will come out of account number 001-460-6311 Update Facility/Development. After the expenditure is made Ballis will do a bank transfer from bank #15 and it will show up on the monthly bank cash reports found in the council packets for the first meeting of the month. Reinsbach confirmed this would be acceptable practice with our auditor Carol Sporrer with Winther & Stave. Reinsbach mentioned in reviewing additional documents on the A34 project and speaking with Zach Gunsolley with the DOT last week they will hold back 5% of the $1,657,800 grant money until the project is completed. The remaining amount is available now and will be reimbursed within 4 weeks of submittal so the City won't have to wait until the project is completed like Reinsbach originally thought. She contacted Tim Oswald, the city's financial advisor, and he made the

reduction on the dollar amount the City will need to bond for on the A34 project. The initial amount of issue was $6,865,00 and now it's $5,400,000. The levy rate will stay the same and the difference will show up on the long-term debt schedule on the column labeled "Paid for funds other than current year debt service taxes" which means, the amount paid using TIF revenue is decreased. A pre-con meeting is set for April 2nd at 10:30 a.m. but Reinsbach wanted to make council aware another budget amendment may need to be made because nothing was budgeted this year for A34 infrastructure expenses only material procurement and engineering. Mohni is still unsure of the purchase of the snowblower which will be paid for outright from LOST money along with the payloader. Mohni wanted to know if money could be set aside for the payloader instead of doing a lease agreement vs possibly bonding. Reinsbach told the council that as part of the due diligence questionnaire that she had a couple weeks ago she learned that if the city must lease a piece of equipment part of Iowa law requires due process steps every time the city enters into any loan, bond issue or lease agreement. Dorsey & Whitney will need to give us proceedings. That led to the 5-year lease agreement interest rate of 5.799% vs a 3-4% interest rate if we bonded for, this in conjunction with the A34 project but did a 5-year payoff. Reinsbach reached out to Tim Oswald via cell phone for clarification. *Tim explained that under federal securities laws, the lease purchase agreements have a form 8038G which is a tax-exempt IRS form. The lease purchase agreement has that form tied to it that it counts as tax exempt borrowing for IRS purposes. Under Iowa law in order to borrow money you have to hold a hearing and adopt a resolution to authorize the loan and that's true whether it's a bank loan or a lease purchase or a bond issue and the proceedings are the same.* After the phone call the finance committee felt they should get together and discuss it before any action is taken.

TEAP study discussion
Reinsbach stated the infrastructure committee met with a couple of business owners back in February and felt moving forward with the TEAP study would be the recommendation to the city council. She was also asked to get a couple letters of support and only one was received by Todd Abrahamson with the school district. Mohni is concerned about the bump outs along Hwy 71, Hinshaw was concerned about the cost to the city, Worshek was wondering what the City of West Okoboji is thinking. After much discussion it was decided to hold off on any recommendations to the DOT until a public meeting is had with the homeowners who live along Hwy 71 and a joint meeting is held with the City of West Okoboji.

Resolution setting public hearing on proposed ordinance change regarding mandatory water connections.
Several council members had concerns on the water connection policies in place with MMU. After a short discussion there was a motion by Hoffman second by Hinshaw to table resolution until council has a joint meeting with MMU. All voting aye. Motion carried.

Resolution approving snow blower purchase
Motion by Hoffman second by Hinshaw to table approving the snow blower purchase until the finance committee can meet. All voting aye. Motion carried.

Resolution recommending time limits on board meetings
City Administrator Reinsbach inadvertently missed getting this resolution into the packets. Motion by Hoffman second by Hinshaw to table until the boards accept the change of limiting meeting not exceed an hour and a half. All voting aye. Motion carried.

Resolution regarding contributions to Dickinson County Hockey Association
Motion by Hoffman second by Worshek to approve Resolution **24-40** Resolution regarding contributions to Dickinson County Hockey Association. Roll call vote. Voting aye: Hinshaw, Frederick, Hoffman, Worshek and Mohni. Nay: None. Motion carried.

Resolution regarding contributions to Okoboji Blue Water Festival
Motion by Hoffman second by Hinshaw to approve Resolution **24-41** Resolution regarding contributions to Okoboji Blue Water Festival Roll call vote. Voting aye: Hinshaw, Frederick, Hoffman, Worshek and Mohni. Nay: None. Motion carried.

Resolution regarding contribution to Voluntary Action Center
Motion by Hoffman second by Mohni to approve Resolution **24-42** Resolution regarding contribution to Voluntary Action Center. Roll call vote. Voting aye: Hinshaw, Frederick, Hoffman, Worshek and Mohni. Nay: None. Motion carried

Resolution regarding contribution to Pearson Lakes Art Center
Motion by Hoffman second by Hinshaw to approve Resolution **24-43** Resolution regarding contribution to Pearson Lakes Art Center. Roll call vote. Voting aye: Hinshaw, Frederick, Hoffman, Worshek and Mohni. Nay: None. Motion carried.

Resolution regarding contribution to Okoboji Tourism
Motion by Hoffman second by Frederick to approve Resolution **24-44** Resolution regarding contribution to Okoboji Tourism. Roll call vote. Voting aye: Hinshaw, Frederick, Hoffman, Worshek and Mohni. Nay: None. Motion carried.

Resolution regarding contribution to Lakes Area Dog Park
Motion by Hoffman second by Mohni to approve Resolution **24-45** Resolution regarding contribution to Lakes Area Dog Park. Roll call vote. Voting aye: Hinshaw, Frederick, Hoffman, Worshek and Mohni. Nay: None. Motion carried.

Resolution regarding contribution to YMCA
Motion by Hoffman second by Worshek to approve Resolution **24-46** Resolution regarding contribution to YMCA**.** Roll call vote. Voting aye: Hinshaw, Frederick, Hoffman, Worshek and Mohni. Nay: None. Motion carried.

Resolution regarding contribution to Discovery House
Motion by Hoffman second by Hinshaw to approve Resolution **24-47** Resolution regarding contribution to Discovery House. Roll call vote. Voting aye: Hinshaw, Frederick, Hoffman, Worshek and Mohni. Nay: None. Motion carried.

Resolution regarding contribution to Milford Commercial Club
Motion by Hoffman second by Hinshaw to approve Resolution **24-48** Resolution regarding contribution to Milford Commercial Club. Roll call vote. Voting aye: Hinshaw, Frederick, Hoffman, Worshek and Mohni. Nay: None. Motion carried.

COMMENTS BY MAYOR, COUNCIL, AND STAFF

Reinsbach informed the council that an information meeting for the residents who live along A34 will be on April 2nd at 5:30 p.m. She attended the quarterly Shield Board meeting last Thursday and the group agreed to add the City of West Okoboji as the 13th entity on a 6-month probationary period. Michael Raner will be working on some training schedules in case you see any combined staff this is why. With no other discussion, motion to adjourn by Worshek second by Hinshaw at 7:28 p.m. All voting aye. Motion carried.

Respectfully submitted,

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Steven R. Anderson, Mayor LeAnn Reinsbach, City Administrator/Clerk