



MEETING MINUTES
FINANCE & ADMINISTRATION SUB-COMMITTEE
Wednesday, September 21, 2022 - 7:00 AM
Held via Microsoft Teams

Present: Councilmember Greg Hudson, Councilmember Kevin Trevillyan, City Manager Tom Hadden, Deputy City Manager Jamie Letzring, Finance Director Tim Stiles, Budget Analyst Chris Hamlett, City Engineer Brian Hemesath, Fire Chief Craig Leu, Accounting Associate Jenny Buffington, and Secretary Katie Johnson

Meeting was called to order at 7:00 AM

1. Sanitary Sewer District Fees (continued from July 6th meeting)

Mr. Hemesath stated that the City contracted with Veenstra & Kimm to review areas of the city to determine which sewers needed to be built, give cost estimates, and determine how much of the land would be developed. They would then take that information and divide the acreage to how much it would cost per acreage. Certain areas would be more expensive due to infrastructure and topographical issues.

Mr. Stiles pointed out that it is important to contrast the differences between Raccoon River & Grand Avenue West. Grand Avenue West had been developed when the City had original fees. The City has received most payments and have recovered most of its money back. Raccoon River on the other hand, has received some connection fees, like Microsoft Osmium, but hasn't recovered much cost. The City hasn't put in a good share to service that area. One area is in advanced stages while the other is still in infancy.

Mr. Hemesath discussed a summary of fees. He also noted that the areas of Grand Avenue West and Middle Creek are almost completely developed with very little infrastructure to complete. The way the City increases the cost is by the construction cost index in the Engineering News Magazine. It is reviewed in April and compared to the previous year and then increase by that amount. Areas that are already built out are changed by a financial indicator. Staff is recommending continuing to increase the fees at the construction cost index but capping it at 4%. The difference would be paid by the City.

Councilmembers expressed concern over capping the increases. The City should not cover the additional costs over 4%.

Councilmembers are supportive of the staff recommendations of using the benchmark fees without the cap and placing on a future Council Agenda.

2. Purchase of Replacement Fire Engine

Chief Leu stated that they currently have a fire truck that was purchased in 2001 and is currently being used as a backup unit. Staff would like to purchase a new unit that would go into service as a front-line vehicle and a 2016 model would move to backup status. Fire trucks are increasing in price yearly. There is a price increase as of November 1st. The Fire Chief will utilize the Sourcewell cooperative purchasing program as previously approved by council. Sourcewell is a public agency that offers competitively solicited purchasing contracts. 70% of Fire Chiefs utilize Sourcewell.

Councilmembers are supportive of executing a contract through Sourcewell for the replacement and placing on a future Council Agenda.

3. Staff Updates

Mr. Stiles stated that October 17th the 2022E and 2022F bonds will be sold. 2022E is at 5% variable rate so that will be put into a long-term permanent bond financing arrangement. The other bond is for the next round of borrowing to finance projects out West.

Mr. Stiles mentioned a potential development project around the RecPlex. The Developer is asking the City to back fund a parking garage and a convention center. Staff feels that a feasibility status would need to be completed. There are three main consultants nationally that could do the work. The one that is most likely to be used has already done similar work for Polk County and the City of Des Moines.

4. Other Items

None

Meeting was adjourned at 8:09 AM.

Respectfully Submitted,

Katie Johnson

Katie Johnson
Recording Secretary