

**Coralville City Council**  
**Work Session**  
**January 11, 2023**  
**City Hall**

Present: Mayor Meghann Foster, Council Members Mike Knudson, Hai Huynh, Laurie Goodrich, Keith Jones

Staff Present: City Administrator Kelly Hayworth, Deputy City Administrator Ellen Habel, City Engineer Scott Larson, City Attorney Kevin Olson

Mayor Foster opened the meeting at 7:20 pm.

1. Fiscal Year 2024 Budget Discussion: City Administrator Kelly Hayworth reported the final numbers from the Johnson County Auditor are now available and final valuations are higher than the estimates. He also noted many cities in Iowa are seeing a lower taxable value of as much as 8% because of the rollback on multi-family properties and the automatic rollback on the first \$150,000 of commercial valuation, which previously had to be requested. Hayworth said he is working to determine the specific impact of those in Coralville. He also noted concerns regarding plans by legislators for this session regarding property taxes. Hayworth said Coralville has the fourth highest hotel/motel taxes collected of any city in Iowa, behind Des Moines, West Des Moines, and Cedar Rapids.

Regarding enterprise fund budgets, Hayworth said for Coralville Transit, as the federal COVID funds are exhausted over the next two years, the general fund will need to fill that gap. He said the new federal infrastructure bill is resulting in more transit funds that are directed to MPOJC for distribution among Coralville, Iowa City, and Cambus transit systems based on a formula, and the increased funds will benefit budget revenues beginning in FY23.

For the Water Department, Hayworth said several projects are budgeted and in process, including the Well 10 Recasing, which will be complete in February; the test well at Well 15 that will be abandoned; and the Water Filter Media Replacement. Hayworth said upcoming projects include Well 16, a Silurian well, and the accompanying raw water main; generator replacement at Wells 9 and 10; and controls upgrades at Wells 11 and 12. City Engineer Scott Larson said that the controls are in pits at those wells, so water can enter and cause problems and the upgrades would move the controls above ground. Hayworth said the four-year planned rate increases are generating the funding for these projects.

For Wastewater Treatment, upcoming projects include the West Land Use Area Central Trunk Sewer, which will serve the new Clear Creek Amana school, and the second phase which extends to a North Liberty lift station and will serve the UIHC hospital in North Liberty through a prior agreement by which the homes in the Scanlon area of Coralville are served by North Liberty sewer. Hayworth noted the UIHC hospital is a much greater user than the agreement anticipated so the sewer line will be upsized and UIHC will be asked to fund that portion of the cost. Hayworth said this project will be paid via the UIHC contribution, per acre fee paid with

development, and SRF loan, and these funds are built into the existing rate structure. Hayworth said rehabilitation of the Oakdale Trunk Sewer, which has line and manhole issues, and replacement of the Oakdale Boulevard Force Main will be funded with SRF and bonds. He said the replacement of the Brown Deer Lift Station is necessary but will not occur for a while; and funds are currently in reserve for the abandonment of the Kempf Lift Station, replacement of the Valley View Drive Sanitary Sewer, and Wastewater Treatment Plant Biosolids Pump replacement. Hayworth said this budget is balanced with no rate increase necessary, and funds are on hand to pay for improvements.

Hayworth said Deputy City Administrator Ellen Habel and Streets and Solid Waste Superintendent Eric Fisher are working on relocation of the recycling center and changes to curbside recycling. Habel said the relocation of the recycling center is expected to occur in the spring and will include a drive-through drop-off facility. Hayworth noted the Streets and Solid Waste budgets are balanced and the next work session will include review of the general fund and revenues.

2. City Administrator's Time: Hayworth provided the following updates:

- The Clear Creek streambank credits are moving forward and will require an ordinance passed by the Council stating their intent to sell the credits and to allow the sale.

Adjourned at 8:25 pm.

Notes taken by Ellen Habel, Deputy City Administrator