

**PROCEEDINGS OF THE CITY COUNCIL OF THE CITY OF CORALVILLE,  
JOHNSON COUNTY, IOWA SUBJECT TO THE APPROVAL BY THE CORALVILLE  
CITY COUNCIL AT A SUBSEQUENT MEETING**

A Regular Meeting of the City Council of the City of Coralville, Johnson County, IA was held at City Hall, 1512 7<sup>th</sup> Street on Tuesday, March 14, 2023 with Mayor Meghann Foster presiding and was called to order at 6:30 PM. Recorded webcasts of this meeting are on Mediacom 118-8 and on-demand at [www.coralville.org/coralvision](http://www.coralville.org/coralvision).

The following Council Members were present: Knudson, Jones, Goodrich. Absent: Gross, Huynh.

The following Staff were present: City Attorney Don Diehl; City Administrator Kelly Hayworth; City Engineer Scott Larson; Police Chief Shane Kron; Stormwater Coordinator Amy Foster; Communications Specialist Jon Hines; and Deputy City Clerk Kelly Lindsay.

Motion by Jones, seconded by Knudson to approve the agenda. Ayes: 3. Absent: 2. Motion carried.

Votes are 3 Ayes and 2 Absent for Motions, Resolutions, and Ordinances unless otherwise noted.

Mayor Meghann Foster awarded a Certificate of Appreciation to Anaman Concierge Services for their significant contributions to the Community. Owners Felix and Omolola Anaman of Anaman Concierge Services, LLC accepted the Certificate of Appreciation and Felix Anaman thanked the Mayor and Council for their support.

Foster proclaimed March 21, 2023 as "Save Soil Day." Romy Lodh accepted the proclamations and spoke about the importance of preserving soil quality.

There were no community comments.

**LOAN AGREEMENTS ~ PUBLIC HEARING**

Foster declared this the time for a public hearing on proposed General Obligation Essential Corporate Purpose Loan Agreements. There were no public or written comments. Foster closed the public hearing.

This is for entering into one or more loan agreements in the principal amount of not to exceed \$55,000,000.00 for the purpose of refunding all or a portion of outstanding Taxable General Obligation Bonds, Series 2018E and its Taxable General Obligation Urban Renewal Funding Loan Note, Series 2018I.

**RESOLUTION NO. 2023-37**

Resolution determining to proceed with the entering into one or more General Obligation Essential Corporate Purpose Loan Agreements and taking additional action thereon was introduced by Knudson, seconded by Jones. A roll call vote was taken. Resolution declared adopted.

**STATUS OF FUNDED ACTIVITIES ~ PUBLIC HEARING**

Planner Tom Gruis from the East Central Iowa Council of Governments (ECICOG) read the following Status of Funded activities into the minutes:

**THE STATUS OF FUNDED ACTIVITIES FOR THE FOOD PANTRY PROJECT OF CORALVILLE,  
IOWA, AS ASSISTED BY THE COMMUNITY DEVELOPMENT BLOCK GRANT-CV (CDBG-CV)  
PROGRAM**

As required for this hearing, it is noted that:

- a. For a general description of accomplishments to date, it is noted that the following has been completed: the food pantry has purchased some equipment including, but not limited to, a gas range, dishwasher, and oven. A contractor has been procured to complete the remodel of the existing kitchen, and work is commencing in March of 2023.
- b. For a summary of expenditures to-date: through November 30, 2022, a total of \$23,946.30 has been invoiced and submitted for grant reimbursement. This expenditure is for equipment purchased. \$21,869 was supported by grant funds and \$2,078 was supported by local match. \$5,000 has been invoiced and expended for grant administration, which is 100% supported by local match. There is \$78,131 remaining in grant funds and \$7,422 of required local match.
- c. For a general description of remaining work, it is noted that the following is needed: receipt of and installation of range hood, installation and hookup of gas range and oven, installation of commercial sinks and grease trap, installation of commercial dishwasher, and removal of some cabinets.
- d. For a general description of changes made to the project budget, performance targets, activity schedules, project scope, location, objectives or beneficiaries: the budget is currently at the same level as proposed in the grant application, but some proposed equipment purchases will not be part of the project due to higher than estimated remodeling costs. The CDBG project was amended to limit the scope to the existing kitchen. The project will be completed later than anticipated but by the end of April 2023. The objectives and beneficiaries remain the same.

Public in attendance: 11 people in attendance. Meghann Foster, Laurie Goodrich, Keith Jones, Mike Knudson, Kelly Hayworth, Don Diehl, Shane Kron, Scott Larson, Jon Hines, Kelly Lindsay, Dustin Opatz.

Foster declared this the time for the public hearing for the Community Development Block Grant (CDBG-CV) Program Contract 20-CVN-025 Status of Funded Activities (SOFA). There were no public or private comments. Foster closed the public hearing.

### **AUDIT REPORT**

Auditor Dustin Opatz from BerganKDV, LLC presented the Fiscal Year 2022 Audit Report. Opatz started with the independent audit report where the City has hired BerganKDV, LLC to provide an opinion on the City's financial statements and the City is responsible to prepare the financial statements. BerganKDV, LLC is expressing an unmodified opinion which is the best opinion they are allowed to give and is the same opinion the City has received in the past. The financial statements are fairly presented in all material respects. Opatz moved on to the Government Auditing Standards Report which is needed due to the level of grant activity the City has and they have to look closer at the City's compliance with laws, contracts, grant agreements and related internal controls. The Government Audit Standards Report had two findings – one related to material audit adjustments and one related to bank reconciliations. Then he went through the Single Audit Report. Because the City expends over \$750,000.00 in federal money during the year, they had to look a little closer to the City's compliance with specific federal programs and had no related findings related to this test work. The last report is the Iowa Legal Compliance Report where the Office of the State Auditor gives a specific check list of state statutes, they want to check compliance with. There were three findings which were the same ones found last year. The first finding is related to expenditures that exceeded the amounts budgeted. Councilperson Knudson asked for clarification on this finding. Opatz reiterated individual expense categories were over budget amount, not necessarily expenditures as a whole. This can be rectified in the future by initiating budget adjustments toward the end of the year if certain expenditure categories appear as if they will go over budget. The second finding is deficit fund balances. This is mostly due to TIF funds having more expenditures than revenues right now, and the City's plan is that in the future, this will be reversed, and increased revenues will eventually make up the deficit. The third finding is related to interfund transfers that were not budgeted for or passed by a separate resolution.

The Auditor then reviewed the General Fund which decreased by about \$2.5 million, or 13%, to \$16.7 million. This is the second highest it has been in the past five years reported, meaning the general fund is in decent shape. The fund balance minimum in the City's fund balance policy is 35%, and the general fund is in compliance with this policy. General Fund revenues increased significantly in the intergovernmental category. This is related to \$1.5million in ARPA funding that the City did not have last year. In general, fiscal year 2022 has been a much more "normal" year, in terms of expenses and revenues returning to pre-COVID-19 levels. Hotel/Motel tax revenue in fiscal year 2022 was almost back to what it was pre-pandemic. Additionally, revenue related to charges for services is closer to normal with park and recreation services resuming. Councilperson Knudson asked if this information can be accessed in the council meeting agenda packet. The Audit Report is available in the agenda packet, as well as on the City's website, and available in person at City Hall and Coralville Public Library. General fund expenditures are consistent with spending over prior years, the only notable exception being Parks and Recreation expenditures which increased about three-quarters of a million dollars, mostly due to increased programming as the programming and services return to pre-pandemic levels. For Enterprise Funds the Water Fund shows the total income supported operating expenditures including depreciation for all 5 years presented. The ability for revenue to support operating expenses in this way has been consistently shrinking over the past five years, with fiscal year 2022 showing the smallest amount of coverage. Water Revenues were up due to increased usage and expenses were up due to some increased in repair and maintenance costs. City Administrator Kelly Hayworth noted the narrowing gap between revenue and expenditures is why City Council increased water rates this year, next year, and the following year, so that water revenue will continue to be able to cover all operating expenditures. The Sewer Fund shows the total revenues covered expenses including depreciation for all 5 years presented, and has a healthier margin than Water Fund. Sewer Revenues were approximately the same as last year, and expenses decreased from last year, related to the City's contribution to ArenaCo related to the Stormwater Arena Project in fiscal year 2021 that did not occur in fiscal year 2022. The Parking Fund has mostly been consistent over the past five years, with an outlier of fiscal year 2021 related to COVID-19: reduced events during the pandemic led to decreased parking revenue. In fiscal year 2022, parking revenues have nearly returned to pre-pandemic levels, and revenues are once again supporting operating expenditures. Parking Fund revenues increased by 20% over the last year, and operating expenditures increased by about 5%. Opatz stated the hotel fund has been in rough shape for several years. He noted that net income has been negative for the past 4 years, and Unrestricted Net Position is significantly negative. Opatz noted there is not much the City can do, as it is at the mercy of the hospitality industry. It would not be as simple as raising rates to cover increased expenses. Opatz reiterated he wanted City Council to be aware as the deficit is significant. Councilperson Knudson asked how these figures would be reflected in coming years, considering the City's current borrowings to fund hotel renovations. City Administrator Kelly Hayworth reported both revenues and expenditures would be increased in the coming years: revenue will increase due to bond proceeds, and expenditures will increase related to renovation costs. Opatz looked at tax capacity, levy and rates. The tax rate was almost identical to last year, but decreased a tiny bit, and the property valuation increased slightly year over year, so the tax levy increased by about 2.1% year over year. It was noted the audit was received and placed on file March 9, 2023. Copies are available at the Coralville Public Library and City Hall. The Audit can be viewed on the City website [www.coralville.org/news](http://www.coralville.org/news) starting on March 15, 2023.

### **FISCAL YEAR 2024 BUDGET – MAXIMUM LEVY**

This will set the total maximum property tax dollars hearing for the Fiscal Year 2024 as required by the State of Iowa. This hearing is an additional step in the budget process created by legislation passed during the 2019 legislative session. The public hearing is March 28, 2023.

### **RESOLUTION NO. 2023-38**

Resolution setting a public hearing date on the total maximum property tax dollars for the Fiscal Year 2024 was introduced by Jones, seconded by Goodrich. City Administrator Hayworth noted this would keep the maximum levy the same as the current year at 12.19209%. The City will lose about \$272,000 due to the changes in property tax rollback at the state level. The City will be able to recover this amount

by reducing various budget areas in excess of \$200,000 and making up the remainder through projected increased revenue. A roll call vote was taken. Resolution declared adopted.

### **CORAL NORTH APARTMENTS**

This will approve the paving, curb and gutter, water mains, stormwater mains, and sidewalks and release the Coral North Apartments. The sanitary sewer line was installed and accepted prior to this project.

### **RESOLUTION NO. 2023-39**

Resolution accepting public improvements constructed for Coral North Apartments, Coralville, Iowa was introduced by Goodrich, seconded by Knudson. A roll call vote was taken. Resolution declared adopted.

### **CLEAR CREEK TRAIL CONNECTION**

This is for revising the trail railroad crossing based on the Iowa Interstate Railroad design which will include new roadway and trail crossing tracks and panels, new roadway crossing signals and cantilever and new trail crossing signals for the Clear Creek Trail connection from Highway 6 to the Tom Harkin Trailhead for not to exceed \$3,800.00.

### **RESOLUTION NO. 2023-40**

Resolution approving Supplementary Agreement No. 2 with Shoemaker & Haaland for the Clear Creek Trail Connection was introduced by Knudson, seconded by Jones. A roll call vote was taken. Resolution declared adopted.

### **CORALVILLE GREEN INFRASTRUCTURE EQUALITY PROJECT**

These two grant funding sources will support the cost of practice implementation and the creation of a targeted educational campaign to address barriers to installing green infrastructure within lower income or minoritized populations. Residential households within the state identified opportunity zone between Highway 6 and I-80 will be included in this program. The Iowa DNR grant is for \$30,000.00 and the Iowa Department of Agriculture and Land Stewardship grant is for \$15,000.00.

### **RESOLUTION NO. 2023-41**

Resolution authorizing and directing the Mayor to execute and sign that certain Iowa Department of Natural Resources (DNR) Contract Number 23ESDWQBSKONR-0008 was introduced by Jones, seconded by Goodrich. A roll call vote was taken. Resolution declared adopted.

### **RESOLUTION NO. 2023-42**

Resolution authorizing and directing the Mayor to execute and sign that certain Iowa Department of Agriculture and Land Stewardship Contract Number URBAN23WQUI-005 was introduced by Goodrich, seconded by Knudson. A roll call vote was taken. Resolution declared adopted.

### **MOTION BY JONES TO APPROVE CONSENT CALENDAR items a-t inclusive:**

- a) Approve minutes for the February 28, 2023 Coralville City Council Regular Meeting.
- b) Approve **new** 8-Month Special Class C Retail Alcohol License (Beer/Wine) with Outdoor Service and Sunday Sales for ***Coralville Creekside Ballpark***. Eff. 04/01.
- c) Approve **new** Class C Retail Alcohol License for ***Blue Agave Mexican Restaurant***. Eff. 03/13.
- d) Approve Special Class C Retail Alcohol License (Beer/Wine) for ***Coral Ridge Cinema***. Eff. 03/15.

- e) Approve Class C Retail Alcohol License with Outdoor Service for **Otis's Tailgators Sports Bar & Grill**: Eff. 03/29.
- f) Approve Class C Retail Alcohol License for **Three Samurai**: Eff. 04/01.
- g) Approve Class C Retail Alcohol License with Outdoor Service for **Hy-Vee Market Café**: Eff. 04/09.
- h) Approve Class C Retail Alcohol License for **Peking Buffet**: Eff. 04/09.
- i) Ratify payment to **Iowa City Area Development (ICAD)** for Coralville's "Better Together" contribution (#BT2030-3): \$10,000.00.
- j) Approve payment to the **Iowa Law Enforcement Academy** for Basic Level 1 Training School for Police Officers (#322972): \$13,300.00.
- k) Approve payment to **Iowa City UNESCO City of Literature** for FY 2022-2023 Partnership Dues: \$10,000.00; and Paul Engle Prize Sponsorship; \$20,000.00; (March 3, 2023): for a total of \$30,000.00.
- l) Approve payment to **AAA Mechanical Contractors, Inc.** for the Aquatic Center water heater replacement project (#12461865): \$28,695.00.
- m) Approve payment to **Impact7G** for the CCMB-MBO Clear Creek Mitigation Banking Instrument (#29513): \$15,982.80.
- n) Approve payment to **Confluence** for the 5<sup>th</sup> Street Master Plan (#24707): \$145.00.
- o) Approve an upcharge and payment of \$195.00 for paint color and correction of vehicle type approved at 2/14/2023 Council Meeting to 2023 Chrysler Voyager. (A bid and payment to **Stew Hansen Dodge, Des Moines, Iowa** for one 2023 Chrysler Pacifica: \$36,313.50, was approved at the 2/14/2023 Council Meeting and Purchase Order 02/27/2023 total (which includes upcharge) is \$36,508.50.)
- p) Accept quotations and approve contract with **The Powder Shop** for Town Center Pedestrian Fixtures Rehabilitation for \$12,200.00. (This is for sand blasting, rust treatment and powder coating the green pedestrian amenities located in the Town Center.)
- q) Approve attendance of Christina Bleil to Tyler Connect 2023 in San Antonio, Texas from May 7-10, 2023: \$2,909.00.
- r) Approve attendance of Chris Kapfer to LEIN (Law Enforcement Intelligence Network) School in Des Moines, IA from April 3-14, 2023: \$1,360.80.
- s) Approve the January 2023 Treasurer's Report.
- t) Approve Bill List for March 14, 2023.

Seconded by Goodrich. A roll call vote was taken. Motion carried.

Receipts for the month of January were General: \$1,854,656.10; Road Use: \$288,662.73; Police Grant: \$623.74; Employee Benefits: \$203,197.66; Iowa River Landing Operation: \$237,793.11; TIF-12<sup>th</sup> Avenue: \$39,098.34; TIF-Oakdale: \$107,326.50; TIF-Mall/Hwy 6: \$162,802.40; Debt Service: \$519,542.09; Rental Properties: \$16,011.57; Iowa River Landing: \$348.19; Brownfields: \$29,812.89; West Land Use: \$120,392.21; Trust & Agency: \$23,971.01; Perpetual Care: \$400.00; Water: \$272,808.76; Sewer: \$560,977.98; Parking: \$533,232.57; Solid Waste: \$126,912.31; Transit: \$174,058.14; Storm Water: \$64,831.35; Hotel: \$12,057.52. Total receipts for January 2023 were \$5,349,517.17 and of this \$625,100.94 were property tax.

City Administrator Kelly Hayworth reported there will be impacts to traffic as construction begins on the I-80 1<sup>st</sup> Avenue interchange next week. City Engineer Scott Larson added there were some changes to the schedule, and construction may begin March 20<sup>th</sup> or 21<sup>st</sup>. Hayworth noted pedestrian and bike access will be available throughout the construction period.

Mayor Meghann Foster will miss the March 28<sup>th</sup> City Council meeting, as she will be in Washington D.C. for National League of Cities. Foster reminded there are lots of opportunities to get involved in RAGBRAI and to contact City Hall for information on how to become involved. Foster noted recent legislation at the state level, and reinforced that LGTBQIA+ members of our community are valued and loved and Coralville will remain an inclusive community for all.

City Attorney Don Diehl had nothing to report.

Councilperson Mike Knudson thanked Stormwater Coordinator Amy Foster for her work on green infrastructure grants and education. Knudson also thanked City Administrator Kelly Hayworth for working on the budget and maximum levy in absence of a Finance Director.

Councilperson Keith Jones echoed Mayor Foster's comments about Coralville continuing to support all residents and be an inclusive community. Jones reported there will be a ribbon cutting for the grand opening of the new Coralville Community Food Pantry at 4:30pm on April 6<sup>th</sup> and more information will come as the event gets closer.

Councilperson Laurie Goodrich reported it is her pleasure to serve on the Coralville 150<sup>th</sup> Anniversary committee and the events are bringing together people in many different ways. Coralville Parks and Recreation and Coralville Public Library have offered wonderful programming for all people for many years, and these departments are joining together with the Johnson County Historical Society and other City and volunteer groups to celebrate Coralville's 150<sup>th</sup> Rich History, Bright Future series. There will be an event March 26<sup>th</sup> at Coralville Public Library called "Life and Times." Longtime Coralville residents Rex Brandstatter and Councilperson Keith Jones are presenting at 3pm, and displays and activities are open noon to 5pm.

Motion by Knudson, seconded by Jones to adjourn at 7:51pm. Motion carried.

Meghann Foster, Mayor

Kelly Lindsay, Deputy City Clerk