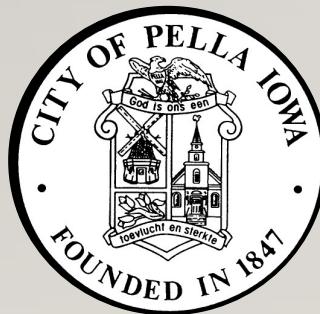


# City of Pella Council Meeting May 20, 2025

# Board Appointments and Reappointments

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B-2  
to  
B-5

**Building Code Board of Appeals**  
Reappointment  
Brent Lansen

**Library Board of Trustees**  
Appointments  
Mathew R. Kelly  
Ethan Tromp  
Anna B. Christensen

# Budget Amendment #1 FY 24-25

E-1-a & E-1-b



- This resolution approves budget amendment #1 for Fiscal Year 24-25
- Taxes or rates will not increase due to this amendment
- Primary reason for this amendment is to ensure expenditures do not exceed any of the budget categories the State of Iowa has established
- All items are covered by offsetting revenue or utilization of cash on hand
- The amendment results in a net decrease of fund balance of \$312,781
- Staff recommends approval of budget amendment #1 which adjusts for changes that could not have been anticipated when originally approved



# Rezoning Application *Federated Fellowship*

E-2-a & E-2-b



- Federated Fellowship has applied to rezone the western 20 feet of their property at 411 Roosevelt Rd.
- The proposed rezoning is from Limited/Light Industrial (M1) to Institutional (INS)
- Intention of rezoning is to expand their parking lot



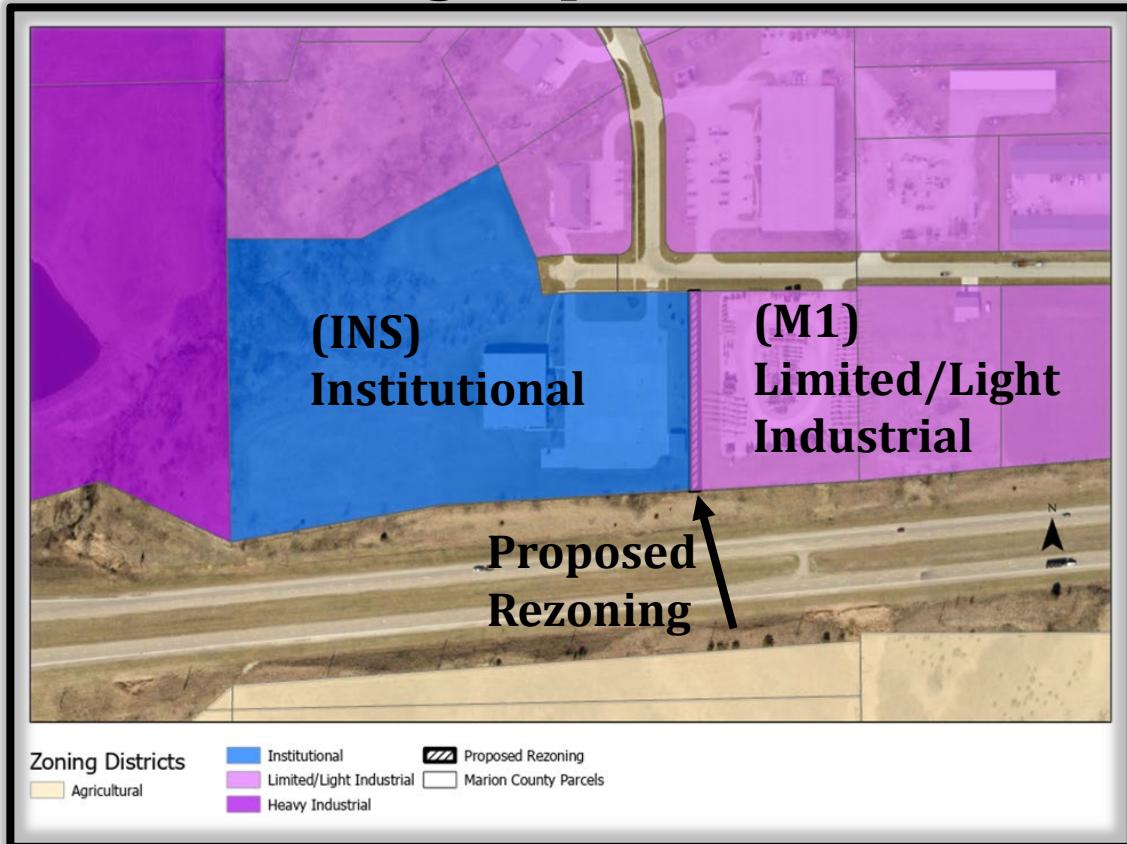
# Rezoning Application *Federated Fellowship*

E-2-a & E-2-b

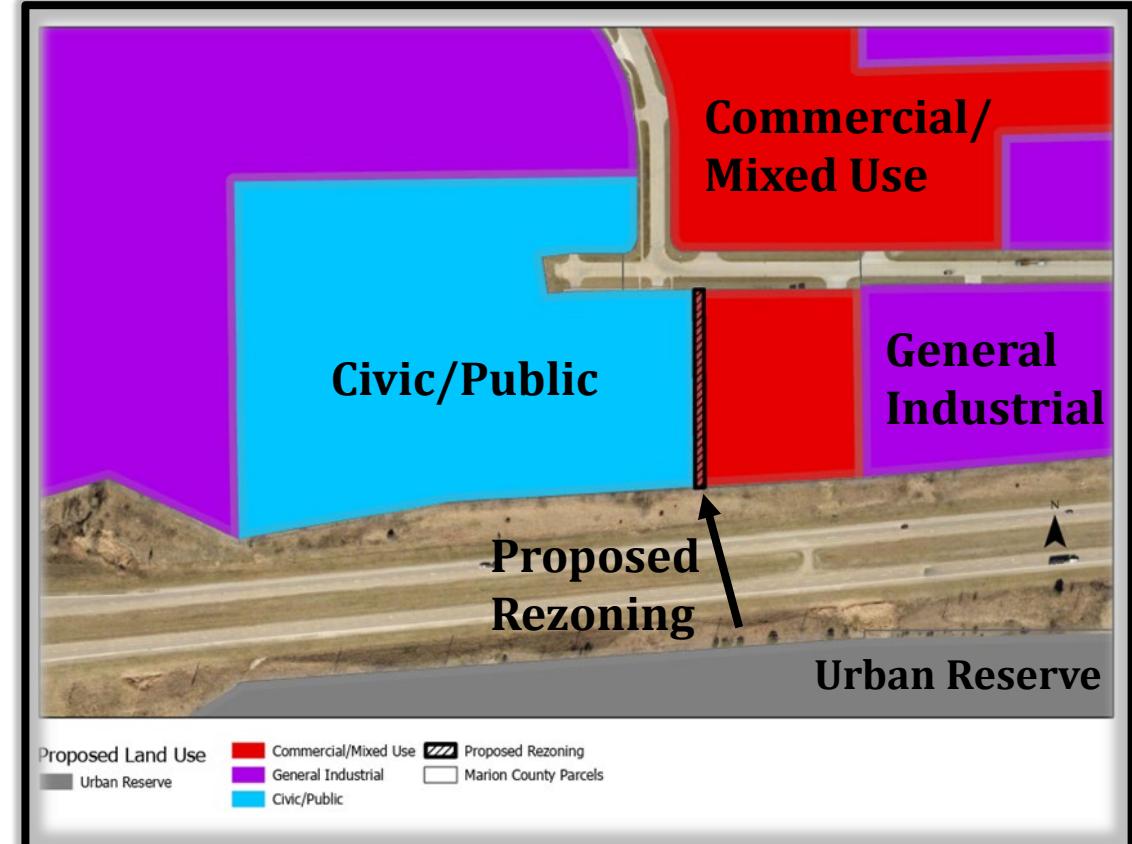


- The Future Land Use Map identifies the subject site as Commercial/Mixed Use
- Surrounding the property includes a combination of Civic/Public, Commercial/Mixed Use, and Urban Reserve

## Current Zoning Map

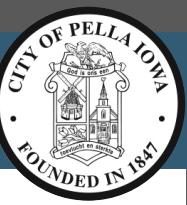


## Future Land Use Map



# Rezoning Application *Federated Fellowship*

E-2-a & E-2-b



- Staff believes the rezoning aligns with aspects of the city's Comp Plan and recommends approval
- The P&Z Commission unanimously approved the rezoning application on April 28, 2025
- The applicant is requesting waiver of the second and third readings of the ordinance



# Lincoln Street Reconstruction Project

F-1



- This resolution authorizes staff to seek bids for the Lincoln Street Reconstruction project
- The engineer's opinion of probable cost is \$1,073,594
- This project involves reconstruction of the sanitary sewer, water main, pavement and removal of pavement/driveway on Lincoln St. from 100 ft. west of Houston to East 3<sup>rd</sup> St.

- If approved, the projects' critical dates will be:
  - June 12<sup>th</sup> Bid Letting
  - June 17<sup>th</sup> Public Hearing
  - July 7<sup>th</sup> Notice to Proceed
  - Nov. 21<sup>st</sup> Final Completion



# Consulting Agreement Greenwood Consulting

F-2

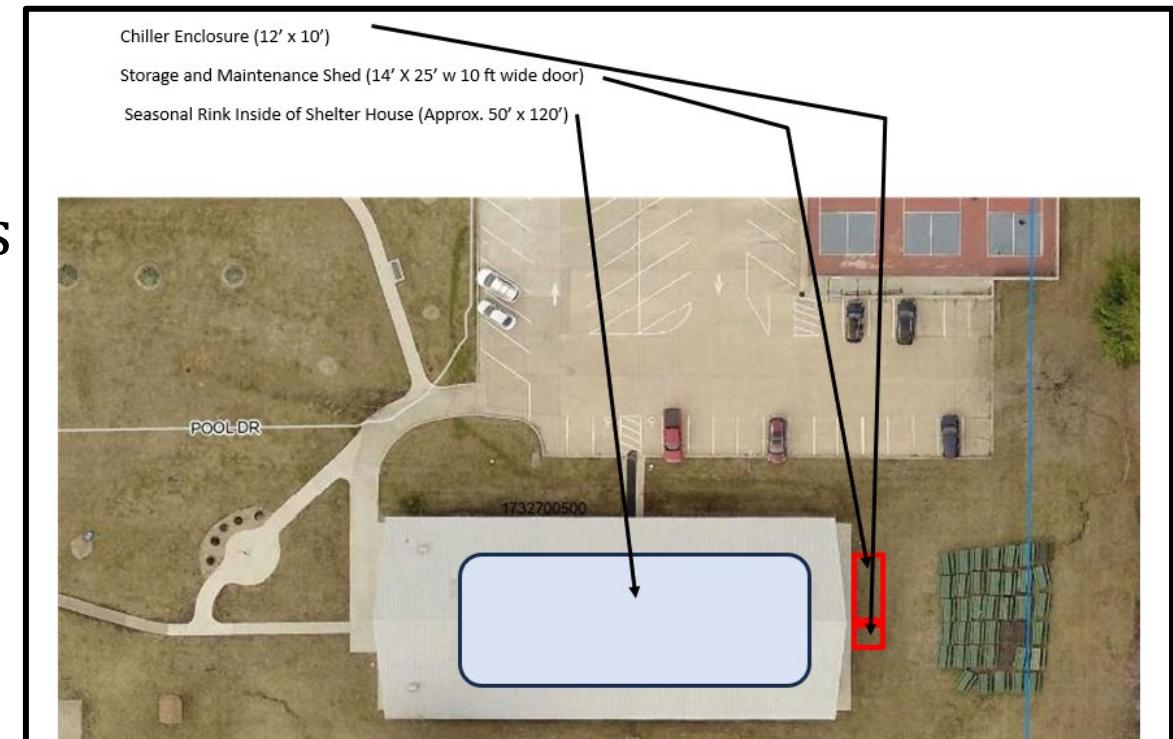


- This resolution approves an agreement with Greenwood Consulting Services for oversight on upcoming projects related to construction of the Pella Rec Center
- Bob Veenstra will serve as Project Manager under this agreement
- Estimated cost for services is not to be expected to exceed \$2,000/month
- Staff believes this agreement is essential due to lack of capacity and resources due to the recent retirement of the Public Works Director
- The funding source for this agreement would be salary savings related to the vacancy
- Staff recommends approval of this agreement to allow for oversight of the Pella Rec Center and other projects as needed while the Public Works Director position is vacant



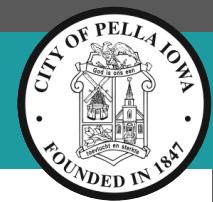
# Spirit of Pella Ice Rink Chiller Agreement

- This resolution approves a donation and construction agreement with the Spirit of Pella to construct the ice rink chiller system
- The city and Spirit of Pella will jointly review & approve project plans and agree to work in good faith to maintain the project within funding commitments
- Prior to starting, Spirit of Pella must provide the city with documentation that funding is fully secure
- Contributors would be recognized through signage approved by Council



# Ice Rink Chiller System Request

F-3

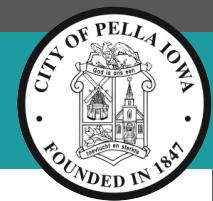


- The Spirit of Pella is proposing to raise funds for the initial acquisition cost of approximately \$500,000
- The Spirit of Pella is responsible for funding 100% of the project costs including purchasing, constructing, and engaging with the contractor
- Once constructed, the system would be owned and maintained by the city with an estimated annual cost of \$15,000



# Ice Rink Chiller System Request

F-3



- Proposed timeline

Funding secure & Council approval to start

Construction

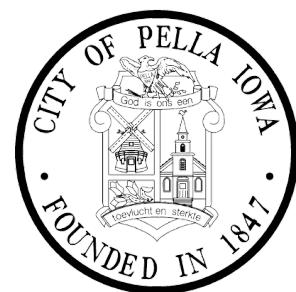
Project completion

By March 1, 2026

Late spring/summer 2026

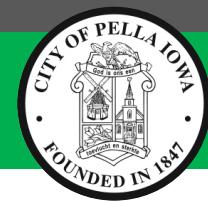
Summer 2026

- Staff recommends approving the donation and construction agreement for installation of the ice rink chiller
- It is important to note that this agreement is similar to the previous donation agreement used by the city for the mini-pitch system at Caldwell Park



# LOSST Revenue Bonds Counsel Agreement

F-4



- This resolution approves an engagement agreement with Ahlers and Cooney to act as Bond & Disclosure Counsel related to anticipated Local Option Sales & Service Tax Revenue Bonds associated with the Pella Rec Center
- To utilize capital loan notes, the city must comply with all public finance-related rules and regulations
- Ahlers and Cooney has long served as the city's Bond Counsel
- Staff recommends approval of this resolution and engagement agreement for legal services in the following amounts:

Bond Counsel	\$50,321
Disclosure Counsel	17,000
Work-to-date	<u>27,679</u>
Total	<u>\$95,000</u>



# LOSST Revenue Bonds Set Public Hearing

F-5



- This resolution sets the public hearing for the issuance of Local Option Sales & Service Tax Revenue Bonds
- The purpose of the bonds is to cover costs associated with city's portion of the design, engineering, construction, furnishing and equipping of the Pella Indoor Recreation & Aquatic Center
- This resolution also sets the maximum amount of debt to be issued at \$17,000,000
- If approved, the city is proposing to close on the bonds on July 17, 2025
- In summary, staff is recommending approval of this resolution which simply sets the public hearing for June 3, 2025

**NOTICE  
OF  
PUBLIC  
HEARING**

# LOSST Revenue Bonds *Reimbursements*

F-6



- This resolution declares the Council's intent to utilize future bond proceeds
- As background, the city is in the process of issuing Local Option Sales & Service Tax Revenue Bonds to finance a portion of the Pella Indoor Recreation & Aquatic Center project
- Staff anticipates the need to make payments for the construction of the project before receiving proceeds from the sale of the bonds
- Staff recommends approval of this resolution to be eligible to use bonded funds to reimburse the city for payments made prior to receiving funds



# LOSST Revenue Bonds *Third-Party Allocations*

F-7



- This resolution approves contributions made on behalf of any third-party to fund the construction of the Pella Indoor Recreation & Aquatic Center to be allocated as equity
- As background, the city has received a generous amount of community pledges and donations in support of this project
- The greater the ratio of third-party contributions vs public contributions creates a scenario that would require funds from bonds to possibly be issued as taxable
- Staff recommends approval of this resolution to protect the city's ability to issue tax-exempt bonds to finance the construction of this project

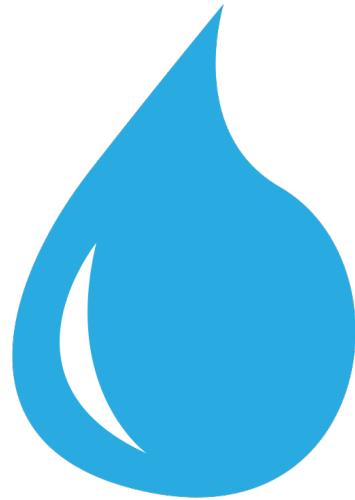


# Ordinance Water Rate Increase

G-1



- This ordinance increases water rates by 5% effective July 1<sup>st</sup>
- This 5% increase is necessary to support the ongoing maintenance and operation of our water treatment and distribution system
- The monthly impact of the proposed increase is:



	<b>Base Rate (Minimum Charge)</b>	<b>Cost Per 1000 Gallons</b>	<b>7,000 Gallons Residential</b>	<b>35,000 Gallons Commercial</b>	<b>100,000 Gallons Commercial</b>
Current	\$21.37	\$5.16	\$57.49	\$201.97	\$537.37
Proposed	\$22.44	\$5.42	\$60.38	\$212.14	\$564.44
<b>Increase</b>	<b>\$1.07</b>	<b>\$0.26</b>	<b>\$2.89</b>	<b>\$10.17</b>	<b>\$27.07</b>

# Ordinance Water Rate Increase

G-1

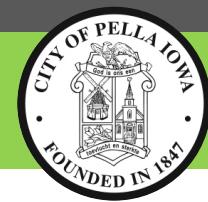


- Staff is requesting Council consider waiving the second and third reading of this ordinance to allow sufficient time to update our billing system
- If approved, the new rates would be effective July 1<sup>st</sup>
- The new rates would be reflected on bills that are due on August 20<sup>th</sup>



# Ordinance Sanitary Sewer Rate Increase

G-2



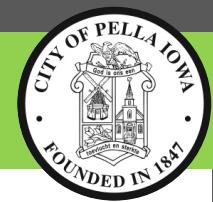
- This ordinance increases sanitary sewer rates by 5% effective July 1<sup>st</sup>
- This 5% increase is necessary to support the ongoing maintenance and operation of our sanitary sewer treatment and collection system
- The monthly impact of the proposed increase is:



	<b>Base Rate (Minimum Charge)</b>	<b>Cost Per 1000 Gallons</b>	<b>7,000 Gallons Residential</b>	<b>35,000 Gallons Commercial</b>	<b>100,000 Gallons Commercial</b>
Current	\$21.42	\$5.36	\$58.94	\$209.02	\$557.42
Proposed	\$22.49	\$5.63	\$61.90	\$219.54	\$585.49
<b>Increase</b>	<b>\$1.07</b>	<b>\$0.27</b>	<b>\$2.96</b>	<b>\$10.52</b>	<b>\$28.07</b>

# Ordinance Sanitary Sewer Rate Increase

G-2



- Staff is requesting Council consider waiving the second and third reading of this ordinance to allow sufficient time to update our billing system
- If approved, the new rates would be effective July 1<sup>st</sup>
- The new rates would be reflected on bills that are due on August 20th



# Ordinance *Telecom Utility Service/Rate Changes*

G-3



- This ordinance establishes or amends rates for the following:
  - Cloud based VOIP phone systems, equipment, and fees
  - 5-Gigabit internet service
  - Premise visit & customer-owned equipment repair fee
  - Monthly lease rates for Multi-GIG equipment
  - Reconnect fee for accounts disconnected for non-payment
  - Combine local & unlimited long-distance voice service for commercial & tax-exempt accounts and monthly fees
- Staff believes there will be no significant change in the cost of existing voice service for current commercial & tax-exempt customers
- Staff recommends approval of this ordinance which adapts rates to cover costs the city incurs with provisioning and upgrades





# City of Pella Policy & Planning

## May 20, 2025

# HIRTA Funding Request

J-1



- HIRTA representative, Brooke Ramsey, is attending virtually to present a funding request
- The full request is in the Council packet



# Tulip Toren Renovation Repainting

J-2



- The Tulip Toren Renovation project was completed in 2024
- After completion, an elected official voiced concern regarding the color of the middle band being painted gold and has requested it be painted white
- Original contractor quoted staff an amount of \$8,500 to repaint the middle band white
- Contractor would be able to complete painting while doing warranty work later this summer
- Staff is seeking Council direction on repainting
- If Council decides to proceed, staff is seeking direction on the need for additional quotes





# Facility Plan Overview

- Due to potential long-term leases at the Community Center, it may be difficult to sell tax-exempt debt to fund the renovation of the facility
  - Crossroads of Pella
  - Union Street Players
- Taxable debt has an interest rate of 1.50% to 1.75% higher than tax-exempt debt
- As a result, the proposed \$17 million LOSST Bond issue may need to be dedicated to the Pella Indoor Recreation Center
- This would allow the city to use its cash contribution of \$5.5 million for the Community Center



# Facility Plan Overview

## Revenue

LOSST Bond/LOSST Cash	\$17,000,000
City Cash Contributions	5,500,000
GO Bond Infrastructure	6,719,300
Pella Rec Contract	16,038,500
Friends of Comm Center Contract	2,285,000
Pledges Received	1,603,500
Federal/State Grants	<u>1,500,000</u>
<b>Revenue Total</b>	<b><u>\$50,646,300</u></b>

## Estimated Cost of Projects

Indoor Recreation Center	\$35,142,000
Community Center	7,785,000
Infrastructure	<u>7,719,300</u>
<b>Total Projects</b>	<b><u>\$50,646,300</u></b>



# Facility Plan Rec Center

## Project Revenues

LOSST Bond	\$17,000,000
State of Iowa CAT Grant	500,000
Pledges Received	1,603,500
Pella Rec Contract	<u>16,038,500</u>
<b>Total Project Revenues</b>	<b><u>\$35,142,000</u></b>

## Project Expenditures

Construction Contract	\$29,969,000
Architectural Fees	2,950,000
Contingency	899,100
Sports Equipment	899,100
Furnishings	224,800
Third Party Testing	90,000
Expense <u>Reimb./Printing</u>	<u>110,000</u>
<b>Total Project Budget</b>	<b><u>\$35,142,000</u></b>



# Facility Plan Community Center

## Community Center renovation components:

- Mechanical/electrical/plumbing upgrades
- Exterior improvements
- Reopen the community gymnasium
- Bid alternate: southeast addition for accessibility



### Project Revenues

Cash Contribution	\$5,500,000
Friends of Comm Center Contract	<u>2,285,000</u>
<b>Total Project Revenues</b>	<b><u>\$7,785,000</u></b>

### Project Expenditures

Estimated Project Budget	<b><u>\$7,785,000</u></b>
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The following items are anticipated to be on Council agendas soon:

- Memorial Building
- Timberview Park naming request
- Lead Service Lines
- Stormwater Management program

## Upcoming Meeting Dates

June 3rd

June 17th