

**Coralville City Council
Work Session
January 14, 2025
City Hall**

Present: Mayor Meghann Foster, Council Members Mike Knudson, Hai Huynh, Laurie Goodrich, Rich Vogelzang

Staff Present: City Administrator Kelly Hayworth, Deputy City Administrator Ellen Habel, Fire Chief Orey Schwitzer, Director of Parks and Recreation Sherri Proud, Streets and Solid Waste Superintendent Eric Fisher, Director of Parking and Transportation Vicky Robrock, City Clerk Thor Johnson, Police Chief Kyle Nicholson, Community Development Director Dave Johnson, Library Director Alison Ames Galstad, Wastewater Treatment Superintendent Dave Clark, City Engineer Scott Larson, Human Resource/Risk Manager Lynn Knight, Director of Finance Ann Hester

Mayor Foster opened the meeting at 5:05 pm. Foster thanked the staff for their work on the budget.

1. Youth Sports Complex Project Presentation: This item was moved to the work session following the regular City Council meeting.
2. Fiscal Year 2026 Budget Presentation and Discussion by the Management Team: Director of Finance Ann Hester shared the assumptions used in preparing the draft Fiscal Year 2026 budget: an increase of property value by 3.67%; application of a 1% limitation factor; and \$317,245 in new property tax dollars. Hester said the current gap in the budget is \$811,610. She also reviewed the backfill history and phaseout and transit general fund support and federal funding support. City Administrator Kelly Hayworth noted the COVID funds for transit were consumed in FY2025.

Department heads then reviewed their proposed budgets.

Streets and Solid Waste Superintendent Eric Fisher said the proposed Solid Waste budget includes increased fees for yard waste bags, which haven't increased in 15 or more years. Fisher said each bag costs 60 cents and a 24-cent tipping fee. He said the department currently charges \$1 per bag and he proposes increasing that to \$1.50, which would generate \$17,000. He also proposed increasing the fee for an annual yard waste sticker from \$25 to \$40, which would generate \$8,625. Finally, Fisher's budget proposes charging departments for dumpster collection, which would generate \$25,900.

Director of Parks and Recreation Sherri Proud said her proposed budget includes an additional 10 cents per hour for part-time staff, \$1 increase for cart use at Brown Deer Golf Club, \$1 to \$2 increase per ticket for Center for Performing Arts-produced shows, and increases to BASP fees. She said the budget requests \$30,000 for fundraising consulting for the CCPA and the

Recreation Center, and noted the budget for the CCPA attempts to be realistic in revenue projections.

Library Director Alison Ames Galstad noted personnel costs are 70% of the library budget and she is proposing a 4% increase in materials. Galstad said the Library was awarded a \$25,000 Community Foundation of Johnson County grant to expand a part-time ELL staff person to full-time.

Community Development Director Dave Johnson said his proposed budget does not propose any changes in fees and revenues from Building and Planning and Zoning are projected to decrease 3% from FY25, reflecting the shift from commercial to residential construction. He said there is not a projected change in rental permit revenue. Johnson noted a proposed increase for training and education, as well as funds for the final phase of the permit software system. Johnson also noted the department is self-supporting.

City Engineer Scott Larson said the proposed budget for his department includes an increase of \$10,000 for engineering consulting.

Deputy City Administrator Ellen Habel reported that the CoralVision budget reflects declining revenues from the MediaCom franchise fee, and a slight increase in salaries and benefits.

Police Chief Kyle Nicholson said his budget proposes an increase to the overtime fee for hiring officers for security, increased EMT pay, costs for mandatory annual psychological exams, a parking ticket system, license plate recognition system, three new patrol cars with associated equipment, and the department's share of a Mental Health Liaison. He said the estimate for the animal shelter cost for FY26 is \$110,001.

Fire Chief Orey Schwitzer said his proposed budget includes costs for replacing the concrete pad in front of Station #1 as part of the 5th Street improvements, an increase to the length of service and shift pay programs, and increases to reserve transfers for vehicle replacement and SCBA.

Streets and Solid Waste Superintendent Eric Fisher said the Streets budget includes Road Use Tax Fund dollars budgeted at \$3,135,679 based on IDOT estimates of \$140.50 per capita, an increase of 5%. Fisher said the budget also includes \$75,000 for reserves for facility expansion. For the Solid Waste budget, Fisher said that in addition to the yard waste bag and sticker increases, it includes an automated refuse truck and facility replacement study. He said he will continue to monitor costs and revenues.

Water Superintendent Jordon Altenhofen was unable to attend. Hayworth said the Water Department proposed budget includes replacement of 2 media filters and a generator from the reserve fund balance. Hayworth said the department also proposes further investment in Clow I-hydrants for pressure monitoring and Hydrant Buddy. He noted the current ordinance adds 5.5% to water fees annually through FY26 and staff is reviewing what will be needed beyond that.

Wastewater Treatment Superintendent Dave Clark said his proposed budget includes the following capital projects: wastewater treatment facility biosolids pump, Oakdale Trunk Sewer, and sanitary sewer cured-in-place pipe repair.

Larson said the proposed Stormwater budget maintains the BMP grant program and reduces three consulting engineering lines.

Parking and Transportation Director Vicky Robrock said the proposed Transit budget includes \$12,000 to update the transit app so the upgrade is free to all users; 2 light-duty electric buses, requiring local match of \$180,000 and at a total cost of \$1.2 million; and replacement of the farebox collection system, which may include mobile payment. Robrock said the budget proposes raising the park and ride monthly fee, which hasn't increased since the program began in 2015, by \$5. Robrock said the Parking budget proposes raising the overnight rate from \$8 to \$10, which would be the first increase since 2008. She said the proposed budget also includes an additional \$2 per hour for cashiers; \$150,000 to replace the versa handler, which is used for snow removal; and \$47,000 to replace card readers.

Human Resource/Risk Manager Lynn Knight said her proposed budget includes increased funding for EAP services and staff development.

City Clerk Thor Johnson said the proposed Clerk's budget includes \$10,500 for a municipal election.

Hayworth thanked the staff for their work on the budget and said work will begin on closing the deficit. He specifically thanked Robrock for her work on the Transit budget.

The work session was suspended at 6:17 pm for the regular meeting of the City Council.

The work session resumed at 7:10 pm.

Present: Mayor Meghann Foster, Council Members Mike Knudson, Rich Vogelzang, Laurie Goodrich, Hai Huynh

Staff Present: City Administrator Kelly Hayworth, Deputy City Administrator Ellen Habel, City Attorney Kevin Olson, Parks and Recreation Director Sherri Proud, Police Chief Kyle Nicholson

1. Youth Sports Complex Project Presentation: Proud reviewed the plans for the relocation of the S.T. Morrison diamond to the Youth Sports Park. She noted the 375' diamond will have 70', 80', and 90' base paths for baseball teams 13U and older, and the 250' diamond will have 60', 65', and 70 base baths. Proud said the park opened in 2011 and in 2016 the trail system and shelters on the west side were added. She also noted the additional restrooms are roughed in and will be built out with a total budget of \$1.8 million. For the timeline, Proud would like to start work in late May and seed in August or September of this year. Hayworth added these expenses would be paid from the Oakdale TIF.

2. 2026 Budget Discussion: This item was combined with the following item.
3. City Administrator's Time: Kelly Hayworth provided the following updates:
 - He and Proud will meet with Iowa City Community School District staff to review details regarding the Recreation Center, and the District will use that information as they proceed with their Capital Improvement Plan.
 - This is a great time to walk the Clear Creek Trail and see the work on the Clear Creek stream mitigation work. Hayworth said a bus tour on Friday for City staff would highlight this area.

At this time, Proud left the meeting.

- Staff will look at the budget in detail to identify options for closing the \$800,000 gap for FY26. There was then some discussion regarding franchise fees and property taxes.

Councilor Goodrich said the Iowa League of Cities legislative day is coming up. She also distributed an article about property taxes from the Des Moines Register.

Mayor Foster asked if organizations requiring TIF assistance are required to follow federal, state, and local laws following an inquiry from Sen. Wahls and an incident in Cedar Rapids. City Attorney Kevin Olson responded that all City agreements for assistance include that requirement.

Adjourned at 7:51 pm.

Notes taken by Ellen Habel, Deputy City Administrator