

SPECIAL COUNCIL MEETING

MINUTES

JUNE 23, 1988

5:00 P.M.

Present: Mayor Don LeMar, Councilmember Brewer, Phillips, Kemp, York, Harder and Sayles; Councilmember Amerine arrived at approximately 5:10 p.m.

Also Present: Soren Wolff, City Administrator; Deb Neels, Director of Finance and Records; Kevin Whittaker, Director of Planning and Community Development; Jack Paetz, Housing Administrator; and Randy Hill, Administrative Assistant/Acting Public Works Director

Mr. Rex Ramsey, Financial Consultant, reported that a total of eight (8) bids had been received at 1:00 p.m. on June 23 with the low bid from Northern Trust and Savings Bank, Chicago, Illinois with an effective rate of 6.572%. It was noted this compared with the estimated interest rate of 6.838% which resulted in approximately \$20,000 less in interest cost than initially projected.

Councilmember Harder asked if some financial institution would be part of several bids. Mr. Ramsey indicated that usually does not happen. Councilmember Phillips commented the prospectus prepared for the bond issue rating was an interesting summary of the City of Muscatine.

11057 On motion by Councilmember York, seconded by Councilmember Harder, it was moved to authorize the sale of the \$1.065 Million Dollars in General Obligation Bonds to the low bidder of Northern Trust and Savings Bank, Chicago, Illinois with an effective interest rate of 6.572%. The resolution was approved unanimously.

The Council then reviewed the status of the Comprehensive Improvement Assistance Program for the Clark House and Sunset Park Public Housing Projects. It was noted, at the June 16, 1988 meeting the recommendation to reject the low bid on Phase I was tabled for further discussion. It was noted the only bid received was from Hy-Brand in the amount of \$90,969 which was substantially over the architect's estimate of \$55,000. Mr. Bob Burgin, of Robert H. Burgin and Associates, Inc. P.C., indicated it was difficult to determine exactly where the problem was due to only one bid being received. Mr. Burgin did indicate Hy-Brand made several proposals on reducing the cost by changing certain materials. The City Administrator indicated it was not proposed to change the plans and specifications if the project is rebid, but instead several deduct alternates would be included.

Councilmember Brewer indicated he had talked to Hy-Brand and they had noted there was some uncertainty concerning the prevailing wage rate. Jack Paetz indicated the December 1987 wage rates, as established by the Federal Government, had been provided to Hy-Brand. It was noted these rates are in effect for six (6) months and the City had just received new rates from the Federal Government to be effective July 1, 1988. Mr. Paetz indicated these rates had not changed from those submitted in December. Councilmember Brewer further indicated he had talked to two other local contractors who had taken out bids but had not submitted bids and as they felt some portion of the plans and specifications were not clear. Mr. Burgin indicated that he did not feel there was anything in the plans and specifications which were complicated and he noted he had not received any calls from any other contractors except Hy-Brand. Mr. Brewer also noted that Hy-Brand had indicated they may not bid the project again.

Councilmember Harder indicated that due to the high bid, he did not see how the City could award the bid without rebidding the project.

11058 On motion by Councilmember Harder, seconded by Councilmember Sayles, it was moved to adopt the resolution rejecting the only bid received from Hy-Brand in the amount of \$90,969 and a new bid opening date be set for July 19, 1988. The resolution was approved. Voting YES: Councilmembers Phillips, Kemp, York, Harder, Sayles and Amerine; NO, Councilmember Brewer. Councilmember Harder asked Councilmember Brewer if he would have awarded the only bid to Hy-Brand even though it was substantially above the estimate. Councilmember Brewer indicated that he probably would.

Councilmember Kemp suggested that the architect make an extra effort in trying to encourage bidders to bid on the project.

Jack Paetz, Housing Administrator, indicated the architect had continued to work on Phase II of the project which primarily involves the conversion of the Clark House Heating System from electric to gas, installing a new intercom system, and providing hookups for cable TV to each individual dwelling unit. Bob Burgin indicated the plans and specifications were not totally complete and would not be completed for another week. The City Administrator indicating that since the plans were not complete and a public hearing had been set for July 7, 1988, the City Council should consider resetting the public hearing for the July 21, 1988 meeting. It was noted the plans and specifications should be available for review by the City Council and the public prior to the public hearing.

11059 On motion by Councilmember Brewer, seconded by Councilmember Kemp, it was moved to reschedule the public hearing on Phase II of the Comprehensive Capital Improvements Program for July 21, 1988.


The City Administrator indicated the Insurance Committee was not ready to make their presentation to the City Council as they had just completed their final meeting on Wednesday, June 22, 1988. It was decided that a Special Council Meeting would be held at 3:00 p.m. on Monday, June 27 to consider the recommendations of the Insurance Committee and the City Administrator further indicated an item involving the close out of the 1976 Federal and State Grant on the Water Pollution Control Plant would also be on the agenda.

The City Administrator reported a total of seven (7) property owners were recommended to be assessed a total of \$487.50 for weed removal costs for 1987. These property owners have not paid the cost of weed cutting on private property performed by the City after proper notice of code violations.

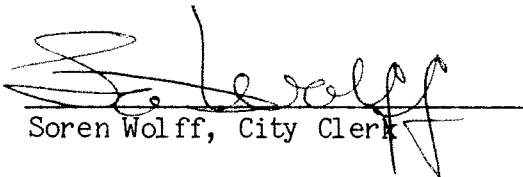
11060 On motion by Councilmember Amerine, seconded by Councilmember Phillips, it was moved to approve the resolution authorizing the assessment of weed mowing cost to seven (7) private property owners in the total amount of \$487.50. The resolution was approved unanimously.

The Council then continued the discussion of the problem with dust control on City streets which do not have full improvements, and basically consist of either sand and/or gravel. Randy Hill reviewed several county roads where tree sap had been applied. It was noted the application appeared to work well on graveled surfaces but not on sand roads. Councilmember Harder indicated he had visited a site where tree sap had been applied to a sand base and it did not appear to have the stability of providing longterm dust control. The City Administrator indicated it would probably be in the City's best interest to consider calcium chloride application on sand streets and tree sap on the graveled sections. It was further noted that at the July 7, 1988 Council Meeting staff would be coming back, as directed by Council, with a list of priorities for applying seal coat to several of the unimproved streets. City Council indicated staff should proceed to develop a program of using tree sap and calcium chloride in an amount up to \$3,000 for those streets that would not be considered for seal coating this summer.

11061 On motion by York, seconded by Kemp, it was moved to adjourn the meeting. The motion was approved unanimously. The meeting adjourned at approximately 6:15 p.m.


Don LeMar, Mayor

ATTEST:


Soren Wolff, City Clerk