The Hiawatha City Council met in a special session February 16, 2010. Mayor Theis called the meeting to order at 6:00 P.M. Council members present: Nancy Melsa, Bob Rampulla, Linda Bendixen and Marty Bruns. Dick Olson by teleconference. Staff present: City Administrator, Gary Rogers; Finance Director, Cindy Kudrna; City Engineer, Dick Ransom; Fire Chief, Mike Nesslage and City Attorney, Mark Parmenter.

Bob Rampulla moved the approval of the agenda, second by Marty Bruns. Motion carried.

**2010 Christmas Decorations**

City Clerk, Kim Downs discussed 2010 Christmas Decoration options for Center Point and North Center Point Road (streetscape area).

Options:

* Tri-Candle Wreaths w/ vinyl bows, LED lights
* Silhouette Snowflakes w/ LED lights
* Garland Snowflakes w/ LED lights

Downs presented the advantages and disadvantages of each and expressed her concerns regarding the silhouette snowflakes looking plain during the day. The wreath or garland snowflake would have greenery or white garland star to look at and not just a metal looking snowflake. Downs also noted that each of the decorations come with a warranty of either four or five years.

Bob Rampulla presented RESOLUTION #10-023 authorizing the purchase of 5’ garland snowflakes for each of the street lights along Center Point and North Center Point Road (streetscape area), second by Linda Bendixen.

Roll call vote:   
AYES: Nancy Melsa, Bob Rampulla, Dick Olson, Marty Bruns, Linda Bendixen

NAYS: None

**Resolution #10-023 approved.**

**Future Annexation Procedures-Property Tax Relief-Sanitary/Water Connection**

Mayor, Theis and City Engineer, Dick Ransom in the past three months have met with some property owners who own land north of the current City boundary between Loggerhead Road and I-380. They also own property north of County Home Road and west of I-380. They have expressed an interest in annexing to the City of Hiawatha. The Brittany Estates subdivision lays between the current City boundary and the property interested in annexing.

City Engineer, Dick Ransom discussed future annexation and its impact on the City and on the interested residents.

As per Iowa Code 368.7, Cities are allowed to offer a tax transition period for properties within a newly annexed area. Iowa Code 368.11,3,m, provides a schedule for the transition period. The code also provides that the City Council can develop its own schedule as long as it does not provide for a greater exemption than the one provided in the code.

The 2008-2009 payable tax schedule for this area sets the rate for the properties as they are now at 28.66659 per thousand. If the properties were annexed into Hiawatha, the rate would be 39.34862 per thousand. This is slightly more than a 37% increase. To ease the tax burden of annexation and to provide an incentive for annexation, they could recommend the state schedule as follows:

* 75% 1-2 years
* 60% 3-4 years
* 45% 5-6 years
* 30% 7-8 years
* 15% 9-10 years

Mayor, Theis asked the council for permission to talk to the interested individuals regarding the tax schedule.

***Marty Bruns moved proposing a full 10 year transition tax schedule as per Iowa Code to the interested annexing parties, second by Dick Olson. Motion carried.***

City Engineer, Dick Ransom also discussed extension and connection to City sewer and water services. In order to encourage the previous annexation, the City Council approved sewer and water extensions to provide service to the newly annexed territory without a charge to connect to service. With the exception of one smaller lot, the areas serviced were large open tracts that could be developed. Provisions of service to individually developed parcels would be the responsibility of the developer/land owner. Brittany Estates is different in that the sewer and water lines would provide direct services to the houses.

City Engineer recommends the City consider a per lot charge for providing sewer and water service to each lot.

Council questioned if the City brings the services to their property, does the resident have to connect immediately or can they wait to connect when their septic or water system goes bad?

Ransom responded by saying, “No”, however when their septic concerns come to the surface, being apart of the City would be more attractive.

***Council requested City Engineer to bring estimated connection fees to the next regular council meeting for further discussion.***

***Dick Olson removed himself from the meeting due poor phone connection at 6:45 P.M.***

**Closed Session as per Iowa Code Chapter 21.5(j) to Discuss the Purchase of Particular Real Estate**

Marty Bruns moved to enter into closed session as per Iowa Code Chapter 21.5(j) to discuss the purchase of particular real estate at 7:07 P.M., second by Bob Rampulla.

Roll call vote:   
AYES: Nancy Melsa, Linda Bendixen, Bob Rampulla, Marty Bruns

NAYS: None

ABSENT: Dick Olson

Bob Rampulla moved to go out of closed session and enter into regular session at 8:35 P.M., second by Marty Bruns.

Roll call vote:   
AYES: Nancy Melsa, Bob Rampulla, Linda Bendixen, Marty Bruns

NAYS: None

ABSENT: Dick Olson

Bob Rampulla moved to adjourn the meeting at 8:39 P.M., second by Linda Bendixen. Motion carried.

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Thomas A. Theis, Mayor

ATTEST: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Kim Downs, City Clerk