

TENTATIVE AGENDA  
OTTUMWA CITY COUNCIL

SPECIAL MEETING NO. 5  
Council Chambers, City Hall

January 25, 2020  
8:30 O'Clock A.M.

ROLL CALL: Council Member Meyers, Berg, Roe, Stevens and Mayor Pro Tem Dalbey.

APPROVAL OF THE AGENDA

IDENTIFICATION OF CITIZENS DESIRING TO COMMENT ON AGENDA ITEMS:

(When called upon by the Mayor, step to the microphone; state their name, address and agenda item to be addressed. The Mayor will invite you to address the Council when that topic is being discussed. Remarks will be limited to **three minutes or less**. The City Clerk shall keep the time and notify the Mayor when the allotted time limit has been reached. Comments are to be directly germane to the agenda item being discussed; if not directly germane as determined by the Mayor will be ruled out of order.)

**All items on this agenda are subject to discussion and/or action.**

1. Moulder and Associates presentation of City Administrator candidates.

RECOMMENDATION: Upon completion of interview panel process with Mayor, City Council, City Department Heads and Community Panel, candidates are dismissed.

2. Panel discussion with Council and deliberation in closed session on City Administrator candidates. Panel members will be dismissed after discussions and council will continue/remain in closed session.
  - a. Motion to enter into closed session in accordance with Iowa Code Section 21.5 1.i. ("To evaluate the professional competency of an individual whose appointment, hiring, performance, or discharge is being considered when necessary to prevent needless and irreparable injury to that individual's reputation and that individual requests a closed session.") for the purpose of conducting City Administrator interviews and return to open session.
3. Return to open session to receive comments and discuss making an offer to a City Administrator candidate at the next regularly scheduled City Council meeting, or later pending acceptance of offer.

PUBLIC FORUM:

The Mayor will request comments from the public on topics of city business or operations other than those listed on this agenda. Comments shall not be personalized and limited to **three minutes or less**. Comments not directly applicable to operations, inappropriate, or an improper utilization of meeting time, as determined by the Mayor, will be ruled out of order. When called upon by the Mayor, step to the microphone; give your name, address and topic on which to address the Council. The Council is not likely to take any action on your comments due to requirements of the Open Meetings Law. Pertinent questions, comments or suggestions may be referred to the appropriate department, city administrator or legal counsel for response, if relevant.

ADJOURNMENT:

**\*\*\* It is the goal of the City of Ottumwa that all City Council public meetings are accessible to people with disabilities. If you need assistance in participating in City Council meetings due to a disability as defined under the ADA, please call the City Clerk's Office at (641) 683-0621 at least one (1) business day prior to the scheduled meeting to request an accommodation. \*\*\***



[ CITY OF ]  
O T T U M W A

**FAX COVER SHEET**

City of Ottumwa

DATE: 1/22/2020 TIME: 8:30 AM NO. OF PAGES 2  
(Including Cover Sheet)

TO: News Media CO: \_\_\_\_\_

FAX NO: \_\_\_\_\_

FROM: Christina Reinhard

FAX NO: 641-683-0613 PHONE NO: 641-683-0620

MEMO: Tentative Agenda for the Special City Council Meeting #5 to be held on 1/25/2020

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\*\*\* FAX MULTI TX REPORT \*\*\*  
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JOB NO. 1213  
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Schedule with 2 Applicants  
Ottumwa, IA  
January 25, 2020

Mayor Lazio

Oman's withdrawal leaves two applicants to interview. The only change this causes is that the interview panels will have a break with no one to interview. The length of time to conduct all three interviews remains the same.

You may want to arrange the schedule so that one of the panels does not report to City Hall until 9:15 AM, otherwise they would just have to wait around after the initial reporting at 7:45 AM.

Time	Mayor / Council Chambers	Community Panel	Department Head	
8:30 9:15	Gaa	Break	Rath	
9:25 10:10	Break	Rath	Gaa	
10:20 11:05	Rath	Gaa	Break	

William Moulder

The undersigned hereby requests a Closed Session of the OTTUMWA City Council on Jan 25, 2020, pursuant to Code of Iowa §21.5(1)(i) "to evaluate the professional competency of an individual whose appointment, hiring, performance or discharge is being considered when necessary to prevent needless and irreparable injury to that individual's reputation and that individual requests a closed session."

Signature: Philip Rath

Name (printed): Philip Rath

Date: Jan 24, 2020

FILED

2020 JAN 24 AM 11:38

CITY CLERK  
OTTUMWA, IA

The undersigned hereby requests a Closed Session of the 0 Aventura City Council on Jan 25 2020, pursuant to Code of Iowa §21.5(1)(i) "to evaluate the professional competency of an individual whose appointment, hiring, performance or discharge is being considered when necessary to prevent needless and irreparable injury to that individual's reputation and that individual requests a closed session."

Signature: 

Name (printed): Joseph A. Gaa

Date: Jan 24, 2020

FILE

2020 JAN 24 AM 11:39

CIT  
OFFICIALS

# **CITY COUNCIL INTERVIEW QUESTIONS OTTUMWA CITY ADMINISTRATOR**

**January 25, 2020**

These questions are offered as suggestions only. If you have questions that you prefer to ask you may do so. If there is insufficient time to ask all the questions that is okay. The objective of the interview process is to provide an opportunity to view the candidates, in person, and evaluate the candidate's composure, communications skills, and public appearance.

All candidates should be asked the same questions to allow for comparison. Follow-up questions may be asked on any point raised and there is no obligation to ask the same follow-up question to all other candidates.

Of course, questions regarding marital status, religion, political affiliation, or sexual orientation are not permitted. Candidates often volunteer information on these matters and there is no need to stop them from sharing the information.

The schedule provides 45 minutes with each candidate. That does not mean you must interview for 45 minutes. It provides time for you to take a break and make notes regarding your impressions of the interview. When you have finished with the candidate they are to return to the central location. We will come into get the candidate as the time nears 45 minutes.

This interview form is for your use. Please use it to make notes regarding your impressions of the candidate to assist your recollection during the discussion with the Mayor and City Council. At the conclusion of the discussion please discard your notes as you leave the Council Chamber.



## CITY COUNCIL INTERVIEW QUESTIONS OTTUMWA CITY ADMINISTRATOR

Candidate \_\_\_\_\_

**Opening Presentation:** The first thing the candidate will do in the council interview is to make a presentation (no more than 5-7 minute) to the Council as if this was an issue before the council.

*Candidates scenario is: a project, community effort, leadership challenge or major event where your presence helped resolve an issue.*

*Identify the 1. Issue. 2. Your role. 3. Others involved. 4. Outcome(s).*

*Your presentation should highlight your ability to be creative, agile, and that demonstrates your leadership. You may use power point or handouts if you like, but neither is required.*

1. Evaluation of the presentation:

Completeness

Clearly presented

Demonstrated adequate knowledge of subject

Quality of public presentation

2. When researching this job and community, surely you have learned a thing or two. Please tell us what you have learned about Ottumwa.
3. Name and explain the 3 most important keys to having an effective budget and how your background and experience will contribute to the city in these areas.
4. What challenges did you face in your last position and how did you handle them?
5. Why have you decided to leave your past/current position and apply for this position?
6. The City Administrator has significant influence on organization culture. If you were able to construct your ideal working culture in City, what would it look like?

7. How will emerging social, economic, and political trends impact cities like Ottumwa in the next 3-5 years, and how will your management style be impacted?
8. Tell us about a time when you had to make an unpopular personnel decision. What was the issue? How did you solve it? What were the results?
9. Describe the ideal Council/Administrator relationship within the context of the following areas:
  - a. What would be the ideal way for the Mayor-council to give you direction?
  - b. What would your ideal role be in strategy and policy development?
  - c. Your relationship with the council when there are differences of opinion among them?
10. Based upon what you have learned about the community, why do you think you would be a good fit for City?
11. What are your skills and experience with communications and media relations?
12. What is a question you would really like to be asked, and what is your answer to that question? OR, what are your closing comments?
13. Do you have any questions for the council?

## Community Revitalization Using the City's Annual Budget as a Compass

By Joe Gaa

**The Situation:** Upon arriving as City Manager in Chariton, Iowa in March 2014, I found a community that had been suffering from financial despair with a backlog of projects and priorities. By using the annual budget as the guiding tool and pairing revenue sources with project needs, many improvements were made over five years.

- General fund was -\$750 three years prior. Spending freeze no major capital projects or purchases (vehicles/equipment) in five years
- Several new funding sources had been tapped, but not yet tied to projects (franchise fee, storm water fee, LOST re-allocated)
- Most residential streets were nothing more than a maze of potholes
- Low morale within staff and community. Lack of community beautification and pride

### How it Started:

1. March 3, 2014- FY2015 budget was approved with no capital plan
2. Department heads worked together to establish a vehicle and equipment purchasing plan that was implemented in the FY2016 budget. Financed vehicles for 3-years and equipment for five
3. Codes enforcement and nuisance abatement were a big focus during 2014
  - a. Opened 14 derelict building cases in 2014, nearly the same in 2015
  - b. Hired a codes enforcement officer in 2015 (FY2016)
  - c. To date, approximately 30 structures have been torn down

### What Happened:

Starting with the FY2016 budget planning process, 2-3 pots of money were available annually, with 3-4 competing interests for each pot. Council identified priorities. Staff then was able to plan for internal and external funding.

- In 2015 a multi-year, residential asphalt overlay program was launched. The plan was reviewed and adjusted annually. As of 2019, the residential areas first identified are complete. In 2018 a chip and seal plan returned to address low grade streets in less traveled areas.
- Community Re-Development was a Key Objective
  - o Main Street Community- 2012
  - o Downtown Façade Renovations

- Upper Story Housing Project
- Planning for Streetscape Improvements
- Established Relationships with MS Iowa and Economic Development Authority
- Housing
  - Mostly infill
  - Housing Study Completed late 2014
  - Use of TIF to incentivize growth
  - Partnership with Lucas County Development
- Additional Infrastructure
  - Wastewater System- Developed plans to address inflow and infiltration issues. With new funding plan in place we had the ability to seek grant funding and utilize SRF loans.
  - Airport- Upon arrival, a 90% FAA funded taxiway construction had been on hold for several years due to lack of local match. By allocating a small amount of LOST funds annually, three FAA capital projects have now been completed.

**Key Takeaways:**

- Long-range planning is key to community development
- You can do more if you utilize outside funding
- It is nearly impossible to plan and complete a great project in one day
- It takes everyone working together to work out of an adverse situation
- If you let everything deteriorate for 30 years, it takes more than one year to fix it
- Communicating your plans is a must
- My motto: Leave it better than you found it
- The plans have continued after my departure

# Financial Sustainability: A Case Study Involving Monroe, WI

Philip Rath

*Presented to Ottumwa, IA*

*January 25, 2020*



*"The story we tell ourselves in this City is that we're broke, busted, bankrupt. And we turn to the citizens, begging them to understand this obvious fact, and to provide us more money for what we need. But **how do we stand behind this story when we collect over \$600 million in every year?**"*

*We're not broke! We just choose to lock in our assumptions that every dollar we spend, is spent exactly as it should be...*

**- City of Toledo Councilwoman**



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## Issue:

- **Due to levy constraints and aging infrastructure the City is facing a structural deficit - jeopardizing the financial sustainability of the community.**

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## Issue: Insufficient Levy for Fixed Assets

### Estimated Annual Investment for Full Replacement Cost

Category	Annual Capital at Current Inventory Levels
Property	\$ 960,017
Vehicles	\$ 526,524
Equipment	\$ 192,792
Tech / Comm	\$ 100,000
	\$ 1,779,333

- 2015 Capital "Levied" = \$92,400

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## Issue: Public Works Projects Spending

- **Aging Infrastructure** – High costs to maintain and/or replace public infrastructure.
- **"Out of sight / Out of mind"** - Buried infrastructure often forgotten as life cycle lasts decades

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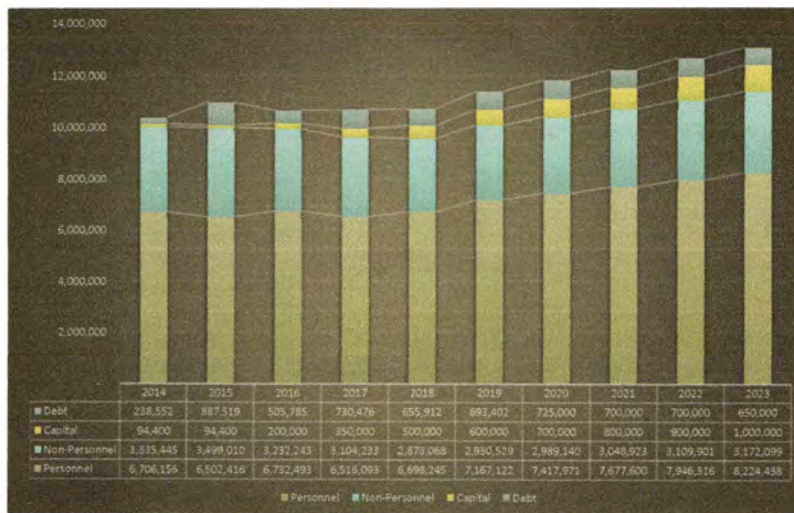
## Issue: Avoid the "7 Deadly Sins" of Budgeting

- 1) Rob Peter to pay Paul
- 2) Use accounting tricks
- 3) Borrow
- 4) Sell assets
- 5) Make something up
- 6) Nickel and dime the employees
- 7) Delay asset maintenance or replacement

Not viable solutions for LT financial stability...

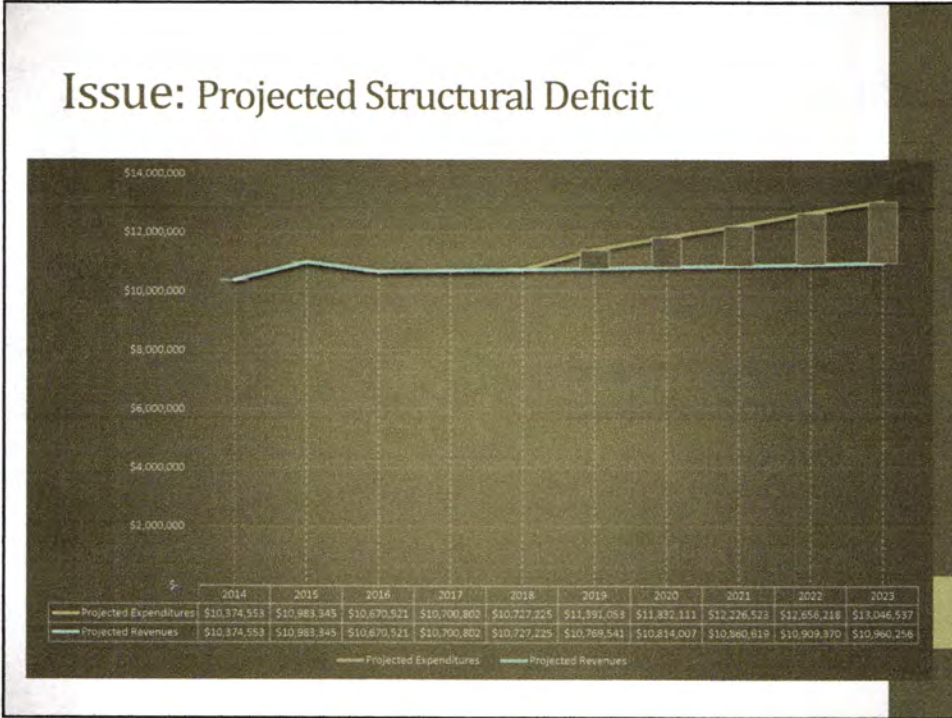
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## Issue: Expenditures Projected to Increase

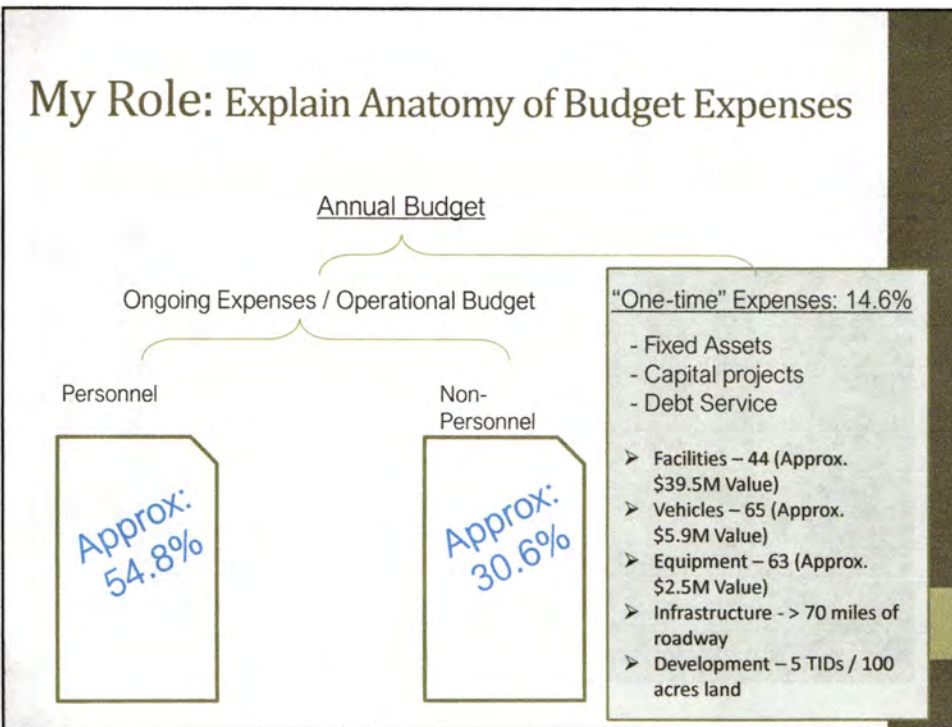


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## My Role: Address Levy Deficiency for Fixed Assets

- Worked with staff to verify list of fixed assets and continuing need of future assets
- Calculated Full Replacement Value of the current assets
  - Equipment
  - Facilities
  - Technology / Communications
  - Vehicles
- Estimated the expected life of the assets (depreciation)
- Determined the annual value necessary for full replacement
- Established a goal to incrementally increase the amount of levied capital and reported to staff, elected officials, and public

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## My Role: Address Infrastructure (Public Works)

- Worked with staff to verify list of public assets, age, and estimated cost(s):
  - Roads – Maintenance vs. Replacement
  - Wells, Towers, and Water Mains
  - Lift Stations, WWTP, and Sewer Mains
  - Storm sewer mains and curb and gutter
- Reviewed / Recommended long-term maintenance programs to enhance the life of qualified infrastructure
- Reported the current and future state of the infrastructure to elected officials and the public – identifying aging infrastructure and the future impact upon the municipality
- Encouraged BPW to review utility rates annually
- Encouraged the Council to shift the tax levy to address replacement of fixed assets to free up \$ for future projects

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## My Role: Address Structural Deficit

- Approach to Budgeting
  - Budget is a “planning” document
  - Maintain an objective approach – not favoring one division over another – Mission Statement
  - Maintain services with high community priorities
  - Limit the negative impact of reduced or eliminated services
  - Limit the impact upon current employees
  - Address the structural deficit
    - Reduce operating levy
    - Maintain or increase the capital levy

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## My Role: Address Structural Deficit (cont.)

- **The Mercury News** From 2007
- [Across the Board Cuts Address \\$14.5 Billion Shortfall](#)
- **California Governor's Office:** “Across-the-board approach spreads reductions as evenly as possible so no single program gets singled out.”
- **Reaction:** “the governor's approach would be like a family deciding to cut its monthly mortgage payment, dining-out tab and Netflix subscription each by 10%, rather than
- eliminating the restaurant and DVD spending in order to keep up the house payments.”

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## My Role: Address Structural Deficit (cont.)

- Introduced concept of “new’ budgeting process Priority Based Budgeting (PBB) to the City.
- Guided council to identify important priorities and definitions
- Steered the staff through the implementation process for PBB

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## Others Included: Key Stakeholders

Community-Wide issue(s) involved numerous stakeholders:

- Finance and Taxation Committee
- Board of Public Works
- Staff
- Supervisors
- Common Council
- Community Partners
- Residents and Business Leaders

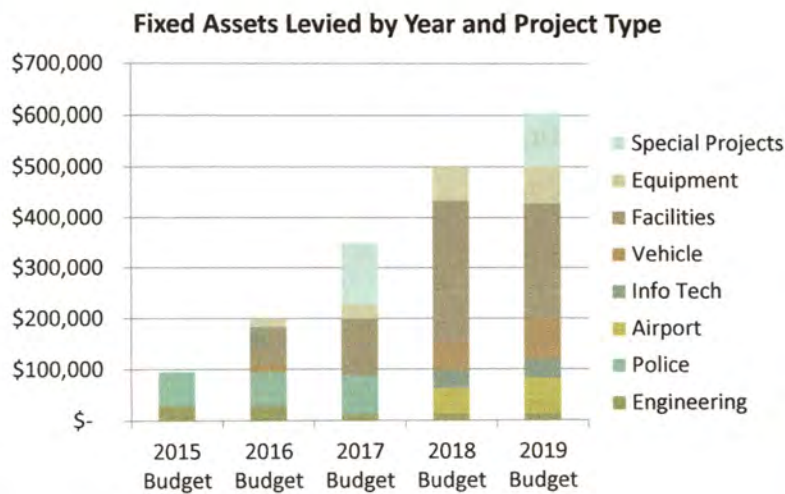
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## Outcome: Road to Financial Sustainability

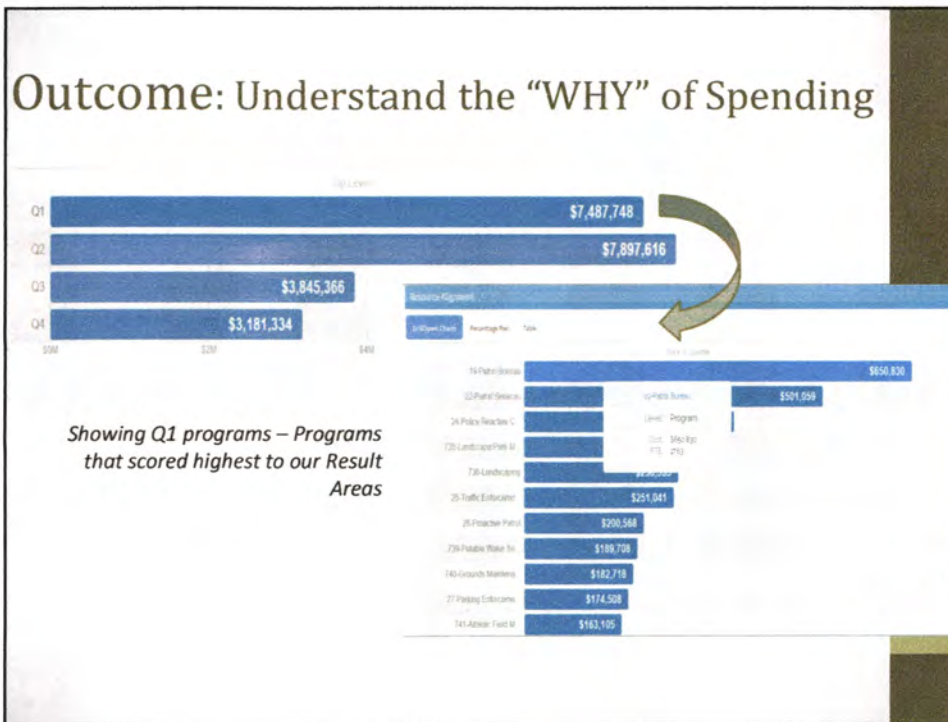
- Fixed Assets:** Goals have been established and the municipality is in line with a steady increase of dollars into the replacement accounts.
- Educated on Infrastructure Needs:** The issue of aging infrastructure has been noted and rate structures have been reviewed to plan for future needs and reduce need for drastic utility rate increases.
- Instituted Priority Based Budgeting (PBB):** The program is a continual work in progress - linking budgeting with planning & evaluation on a program-by-program basis.

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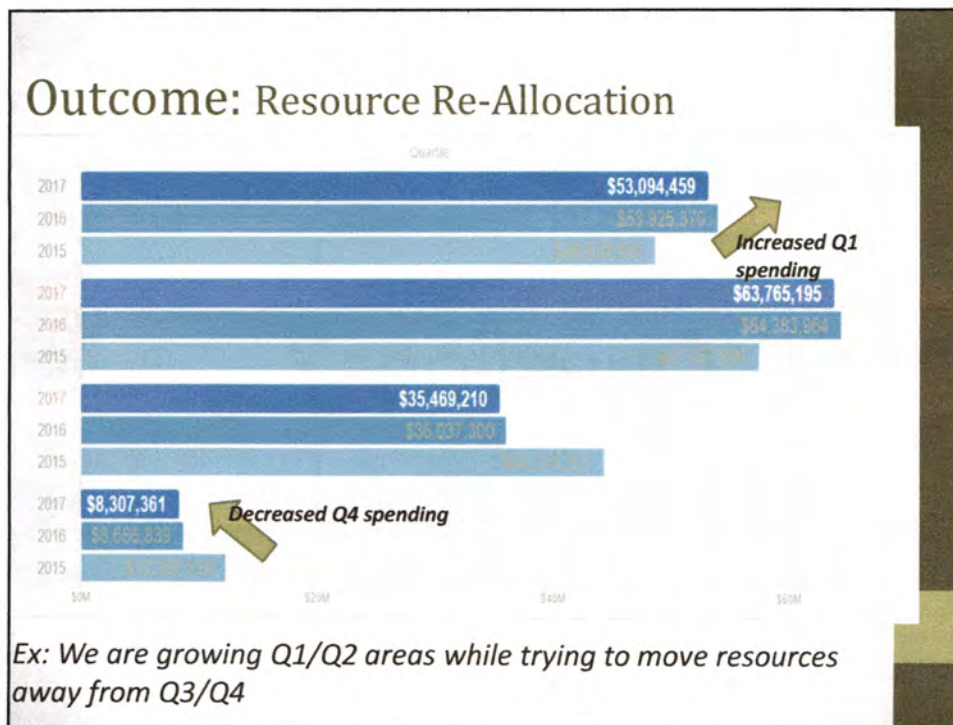
## Outcome: Increased Capital Levy



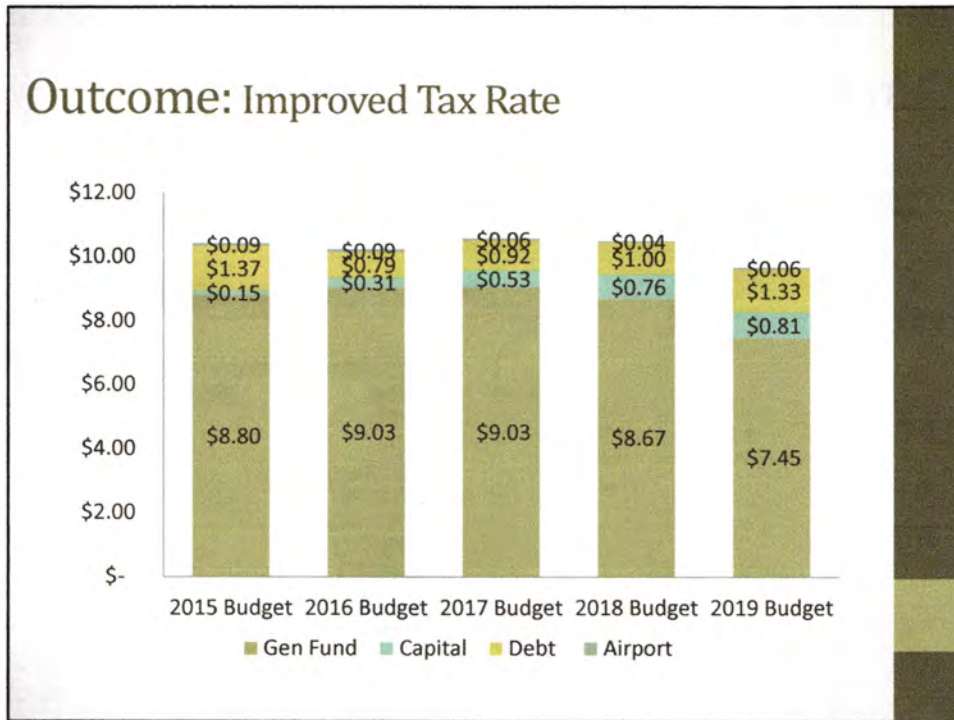
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# Questions?

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