

CITY OF LEON
REGULAR COUNCIL MEETING
October 13, 2025
6:00 PM

Mayor Bob Frey called the meeting to order at 6:00 PM. Council members present were Jonathan Erb, Jerry Parsons, Trevor Brown, Lisa Moffett, and Tonya Lindsey.

Also in attendance were Public Works Department Director Connor Christensen, Fire Chief Doug Moffett, Monty Beemer, Keith Hinds, and Penny Sheetz.

Motion by T Lindsey seconded by J Parsons to approve the agenda. All ayes, motion carried.

Motion by J Erb seconded by L Moffett to approve the consent agenda. All ayes, motion carried.

During the time for public to comment on items not on the agenda, Monty Beemer requested that the council consider implementing an ordinance prohibiting the use of engine brakes within the city limits.

Road project funding discussion:

Micheal Maloney, financial advisor from DA Davidson, was able to discuss with the council the procedures necessary to issue a \$3,000,000 bond for street repairs and the funding source opportunities that are available to the city for bond repayment.

Administrator Sheetz, discussed with the council and the public present how the city plans to use Local Option Sales Tax funds, Road Use Tax funds, Water and Sewer funds, and Tax Increment Financing funds to make bond payments. He said that by using these funding sources, the necessity to increase property taxes would be greatly reduced and possibly not be required at all.

Mr. Maloney concurred with Administrator Sheetz stating that he and Administrator Sheetz had discussed using these funds, that are not property tax, for bond repayment from the beginning of their conversations. He mentioned that the budget can change from year to year regarding which funds are utilized to for repayment based on the city's year to year needs. He also stated that the publication for the public hearing is, because of state law, not allowed to include language that communicates to the public the city's intention to use other funding sources to reduce the potential tax burden.

Mr. Maloney then clarified what tabled Resolution 2025-33 did for the city had it been approved on September 2. He first said that the public hearing held by the city gives the city the authority to proceed to bond for money not to exceed \$3,000,000 for specific purpose stated in the public notice for the hearing. If the amount were to be larger or the purpose of borrowing the money were to change, the city would have to restart all of the

proceedings.

He said that Resolution 2025-33 allows DA Davidson to go to the bond market to find a lender and negotiate the terms of borrowing the money. After DA Davidson finds the best interest rate for the city, the firm will return a city council meeting to inform the council of the borrowing terms.

Administrator Sheetz spoke about how the city could use the time that DA Davidson was spending to market the bonds to work with the city's engineering firm to construct a more detailed plan for road rehabilitation that fits with the projected \$3,000,000 budget.

Mr. Maloney told the council of a town in western Iowa, with who he has been working, that closed on a bond for roads in July. That town was able to finalize the design for the project with their engineer in early October and will be receiving construction bids in the future. He said that there is no right or wrong on the timing of engagement with the city's engineering firm, but if the city signed a contract with the engineering firm before borrowing the money, the city would have to pay for the design contract with money the city has on hand and not bond funds. He agreed with Administrator Sheetz that the design contract could likely cost \$150,000 for a project this size.

Administrator Sheetz and Mr. Maloney informed the council of the compounding cost that the city could incur if the project was broken into smaller projects and all of the projects were moved to completion. He said that beyond the likelihood that the construction costs would inflate over time, there would be multiple reoccurring fees for financial advising and legal work that would reduce the efficiency of the city's money.

Mr. Maloney mentioned another city which had project bids come in lower than the engineer's construction estimate. That city was able to complete additional road work with the funds the city had borrowed from bonding.

A short discussion was had between Mr. Maloney and Administrator Sheetz about the council's ability to reject the negotiated bond terms in the future. Mr. Maloney said that the council has the power to reject the terms, but runs the risk of negatively impacting the city's ability to market future bond if the timing is too close to bond finalization because investors would not want to invest in a city that had backed out at the last minute in the past.

Timing of future actions was discussed with the council with options of holding a special meeting in October or waiting until the regular November meeting presented as options.

Motion by J Parsons seconded by J Erb to approve RESOLUTION 2025-40: A RESOLUTION DIRECTING THE TRANSFER OF \$243,000.00 FROM THE LOCAL OPTION SALES TAX CASH FUND TO THE ROAD USE TAX FUND TO REPAY THE ROAD USE TAX FUND FOR THE EXPENSE OF STREET MAINTENANCE, REPAIR, AND EQUIPMENT. All ayes, motion carried.

Motion by T Brown seconded by J Parsons to approve RESOLUTION 2025-41: RESOLUTION APPROVING AND ADOPTING A REVENUE PURPOSE STATEMENT FOR THE USE OF REVENUES FROM ELECTRIC AND NATURAL GAS FRANCHISE FEES. All ayes, motion carried.

Motion by J Parsons seconded by T Lindsey to approve RESOLUTION 2025-42: A RESOLUTION SETING A PUBLIC HEARING ON THE RENEWAL OF ELECTRIC ENERGY AND NATURAL GAS FRANCISE. All ayes, motion carried.

Motion by L Moffett seconded by T Lindsey to approve Listing Seven Pieces of Public Works Department Equipment on the Purple Wave Auction Website for Sale. All ayes, motion carried.

Motion by J Parsons seconded by J Erb to approve Paying Northway Well & Pump CO the Quoted Amounts of \$6,914.00 and \$12,721.00 for the Repair of two Water Plant Pumps. All ayes, motion carried.

Motion by J Erb seconded by T Brown to approve Paying Emergency Apparatus Maintenance, Inc the Quoted Amount of up to \$15,000.00 for repair of the Fire Dept Water Truck Pump. All ayes, motion carried.

Motion by J Parsons seconded by J Erb to approve Registering the Leon Volunteer Fire Department to Participate in The State of Iowa Length of Service Award Programs Retirement Plan. All ayes, motion carried.

Motion by L Moffett seconded by T Brown to approve Renewal of Delta Dental Insurance with a 1.04% premium increase. All ayes, motion carried.

Dog control discussion:

L Moffett said that she had requested additional discussion on dog control because the city had not come up with a workable solution to enforcing city ordinances in regards to dogs. She told of a phone call with a citizen who is irritated about his neighbor's barking dog. She informed the citizen that he should call city hall to report the disturbance.

Administrator Sheetz spoke agreed that the situation is frustrating because the current situation has him having to leave other work to look for at large dogs and interact with dog owners. Sheetz stated that the Decatur County Emergency Manager has been assisting him with dog issues when she is involved because someone has been chased or bitten. He said that 2 tickets were issued for a dog at large last week.

Doug Moffett gave details of the time when he was hired as the dog catcher for Leon. He said that he was on call 24 hours a day and was paid monthly.

A discussion was held about the ticketing procedure and the procedure for filing tickets with the court.

Administrator Sheetz asked the council what they thought the potential solution would be?

Council members not having an immediate solution agreed to have J Erb contact Corydon and Wayne County to find out how they are handling the situation. T Lindsey will contact Mt Ayr and Ringgold County. L Moffett will review the current city ordinances.

Motion by J Erb seconded by T Brown to adjourn at 8:15 pm. All ayes, motion carried.

<These minutes are subject to approval at the next regularly scheduled council meeting.>

Bob Frey, Mayor

Kyle Sheetz, City Admin/Clerk