By Jan Schultz
The Imperial Republican

City council members finalized an agreement with Miller & Associates last week, setting standard fees for city construction projects in which they are involved as engineers.

At the council's meeting March 23, a 3-0 vote approved the agreement for services over the next four years until May, 2013. During that time, Miller & Associates will not alter those fee schedules.

Kent Cordes, an engineer with the firm, said the four-year agreement will eliminate the need for the council to approve agreements each time there is a project requiring engineering services.

Approval of the agreement, which has one fee scale for the engineering/design work and another for observation work, does not bind the city to work only with Miller & Associates.

The fee schedule has a sliding scale, based on cost of the project. As the project cost increases, the percentage for Miller's charges drops.

As an example, for engineering and design, the fee is 9.5% for the first $100,000 project cost. The next $150,000 is 7.5%. Over $2 million, it drops to 5.5%.

For strictly its observation work, Miller's fee ranges from 6% to 4.75%.

Other council business

Forgiveness of $75,000 in loan funds to Allo Communications in Imperial was approved, on recommendation from Community Development Director Leslie Carlholm. She said the $75,000 is part of $288,000 loaned to the firm for expansion in 2005, and was funded through a state Community Development Block Grant. Some of the loan funds also came through the city's revolving loan fund, originally started with a CDBG grant the city received to help rebuild Imperial Auction Market after a fire. Subsequent businesses have been given low-interest loans from that fund, which the businesses pay back, continually building that fund to be loaned to other businesses. Part of the requirements for the loan to Allo was creation of 15 jobs, and making 51% of those jobs available to persons of low-to-moderate incomes. Carlholm said the business was short two employees of meeting the 15-employee goal, but in their original job creation requirements for another CDBG loan, she said Allo created three more jobs than what was required at that time. Carlholm noted that Allo has infused nearly $1.6 million in wages into the local economy since opening.

Two new firemen, Dirk Hill and Kyle Hansen, were approved as members of the Imperial Volunteer Fire Department, after recommendation from the IVFD.

The city extended its membership in the League Association of Risk Management (LARM) until Sept. 30, 2012, and by doing so, will receive a 5% discount on the coming year's premium. LARM handles all of the city's workman's comp, liability, vehicle, property and errors/omissions insurance. City Clerk/Administrator Jo Leyland said the discount will be applied in October,

when the city’s base premium is figured. The past year, the premium was around $80,000, she said.