



CITY OF CLEAR LAKE

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Mayor
NELSON P.
CRABB

January 29, 2016

HONORABLE MAYOR & CITY COUNCIL MEMBERS

City
Administrator
SCOTT
FLORY

The next regular meeting of the Clear Lake City Council is scheduled for Monday, February 1, 2016, at 5:30 p.m., in the Council Chambers, at City Hall. Please refer to the attached agenda for the items discussed below.

COUNCIL MEMBERS

MARK
EBELING
Ward 1

TONY J.
NELSON
Ward 2

JIM
BOEHNKE
Ward 3

MIKE
CALLANAN
At Large

GARY
HUGI
At Large

ITEM #6A. 2016 G.O. Refunding Loan Agreement. At the previous City Council meeting, the Council set the date for a public hearing on a proposal to enter into a future loan agreement in a principal amount not to exceed \$1,700,000 to refund three (3) outstanding City General Obligation bond issues. The primary purpose of the transaction is to achieve approximately \$50-60,000 (+/-) in total interest savings over the life of the bonds. The authorization of the refunding bonds does NOT result in the City incurring new debt, but simply provides for the re-financing of outstanding debt.

The current interest rates on the City's outstanding bonds proposed to be refunded range from 2.5% to 3.8%. This is proposed to be a "non-rated" and "bank qualified" issuance. The City will solicit competitive sealed quotes, including from the local banks, for the placement of the issue. It should be noted that the majority of the refinanced debt is currently held by Clear Lake Bank & Trust.

The proceeds from the refunding will be utilized to refinance existing debt from three (3) prior bond issues that are "callable". Those were as follows: 2008 General Obligation Water Improvement Bond (\$1,200,000) issued for the east water tower project; 2010 General Obligation Water Improvement Note (\$600,000) issued for the west-end and south-end water distribution system looping project (total project was \$1,200,000); and 2011 General Obligation Fire Station Bonds (\$2,300,000).

The remaining schedule is as follows:

Council Meeting, February 1st: Council holds public hearing.

Week of February 1st: Review of Terms with Bank(s)

Week of February 8th: Finalize Terms with Bank(s)

Council Meeting, February 15th: Council considers Bond Purchase Agreement (locks in interest rates on refunding) and Council authorizes redemption of prior debt



Council Meeting, March 7th: Council authorizes issuance of G.O. Refunding Bonds, Series 2016

Wednesday, March 23rd: Closing / delivery of funds

ITEM #6B. RFP 2016 Regenerative Air Street Sweeper Replacement. The City currently uses two street sweepers for street cleaning operations: a 2005 Johnston Regenerative Air Vacuum Sweeper and a 2011 Pelican 3-wheel Mechanical Broom Sweeper. At certain times of the year, in particular the fall, the City utilizes both sweepers to lessen localized street flooding and storm sewer collection system congestion. Generally speaking, the useful life of a municipal street sweeper is between 7-8 years. Obviously, the primary factors in determining whether to replace such a piece of equipment are: age, overall physical condition, availability of parts, and repairs. The 2005 Johnston has more than surpassed its useful life expectancy and its reliability necessary for use as a day-to-day sweeper is now circumspect. It has experience higher maintenance costs and undesirable down time the last few years as a result of mechanical failures of a significant nature and is showing wear and fatigue on the drive and chassis components.

The City has allocated \$220,000 in the FY 16 amended budget proposal for the purchase of a new regenerative air vacuum street sweeper. Delivery is due within 75 days of the award.

Bid proposals were opened on Tuesday, January 26th, at 1:00 p.m. Two vendors submitted bid proposals. The bids ranged from \$184,662.89 to \$198,350. The aforementioned bids are after deduction for trade of the City's 2005/06 Johnston VT650. The Public Works Director is recommending the purchase of the Schwarze A7 Tornado from Elliott Equipment of Grimes, Iowa in the amount of \$184,662.89.

Smart Quote: *"The surest way to corrupt a youth is to instruct him to hold in higher esteem those who think alike than those who think differently."* – Friedrich Nietzsche, philosopher

Scott Flory
City Administrator

PUBLIC NOTICE IS HEREBY GIVEN that the following governmental body will meet at the date, time, and place herein set out. The tentative agenda for said meeting is as follows:

TENTATIVE AGENDA
CLEAR LAKE CITY COUNCIL
CITY HALL – 15 N. 6TH STREET
MONDAY, FEBRUARY 1, 2016
5:30 P.M.

1. Call to Order and Pledge of Allegiance led by Mayor Nelson P. Crabb.
2. Approval of Agenda.
3. Consent Agenda:
 - A. Minutes – January 18, 2016.
 - B. Approval of the bills & claims.
 - C. Licenses & Permits:
 - **Liquor License**: Class C Liquor License (LC) (Commercial) with Outdoor Service & Sunday Sales, Veterans Memorial Golf Club, (renewal).
 - **Tree Trimmers License**: Clapper Tree Service, Clear Lake, (renewal).
 - **Excavator's License**: Larson Contracting, Lake Mills, (renewal).
4. Citizens opportunity to address the Council on items not on the agenda:
 - In conformance with the City Council's Rules of Procedure, no action can occur on items presented during the Citizens forum.
 - Please walk to the lectern, state your name (spell last name), address, and subject of your discussion.
 - Speakers are limited to a maximum of five (5) minutes per person.
5. Unfinished Business:
6. New Business:
 - A. 2016 General Obligation Bond Refunding Loan Agreement:
 - Review of proposal, Scott Flory, City Administrator.
 - Public Hearing.
 - **Motion** to close public hearing by City Council.
 - Discussion and consideration of **Motion** by City Council.
 - **Motion** to approve **Resolution #16-02**, "A Resolution Expressing Intent to enter into a Loan Agreement by City Council.
 - Discussion and consideration of **Motion** by City Council.

B. Purchase of a new (replacement) 2016 regenerative air street sweeper:

- Introduction by Scott Flory, City Administrator.
- Review of bid opening and recommendation, Joe Weigel, Public Works Director.
- **Motion** to authorize the purchase by City Council.
- Discussion and consideration of **Motion** by City Council.

7. Chief of Police's Report:

8. Mayor's Report:

9. Public Works Director's Report:

10. City Administrator's Report:

11. Other Business:

12. Adjournment.

NEXT REGULAR MEETING – FEBRUARY 15, 2016

This notice is given pursuant to Chapter 21.4(1) of the Code of Iowa and the local rules of said governmental body.