



# CITY OF CLEAR LAKE

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Mayor  
NELSON P.  
CRABB

April 16, 2010

HONORABLE MAYOR & CITY COUNCIL MEMBERS:

City  
Administrator  
SCOTT  
FLORY

The next meeting of the Clear Lake City Council is scheduled for Monday, April 19, 2010, at 6:30 p.m., in the Council Chambers, at City Hall. Please refer to the enclosed agenda for the items discussed below.

COUNCIL MEMBERS

SHANE W.  
COONEY  
Ward 1

TONY  
NELSON  
Ward 2

BEN  
FURLEIGH  
Ward 3

MIKE  
CALLANAN  
At Large

JON  
MONSON  
At Large

ITEM #6A. Bond Refunding. At its April 5th meeting, the City Council approved a Resolution to set the date for a statutorily required public hearing necessary in order to advance refund certain outstanding maturities of three (3) series of General Obligation (G.O.) bonds/notes. The net result of which is that the City will ultimately realize a positive economic annual debt service savings, by refunding these previously issued bonds/notes, of approximately \$55,000 in total interest costs. The proposed refunding is for the General Obligation Library Notes, Series 2001; General Obligation Street Improvement Notes, Series 2002; and General Obligation Corporate Purpose Bonds, Series 2005A in the amount of approximately \$1.175 million, which represents all the remaining maturities of the Series 2001, Series 2002, and Series 2005 bonds/notes less the June 1, 2010 maturities. The existing rates of interest on those bonds/notes range from 3.5% to 5%.

Following the public hearing, the Council will consider a Resolution to enter into a Loan Agreement, approve Bond Purchase Agreement, and authorize the call of bonds for early redemption.

The Council previously approved Ruan Securities (Des Moines) to serve as financial advisor and underwriter for this proposed refunding. The interest rates range from 1.1% to 2.6% over the 5-year debt payment schedule. The Notes, of course, are not callable. The remaining schedule is that at its meeting on May 3rd, the Council will authorize the issuance of the Series 2010A Bonds. Closing and delivery of funds to the City is anticipated on May 27th. Lastly, June 1st is the date for redemption of the 2001, 2002, and 2005A bonds/notes.

ITEM #6B. Traffic Signal Intersection Street Lighting Retrofit Project. The City Council authorized submittal of an Energy Efficiency Conservation Block Grant (EECBG) application, with a 50% local match, at its March 1st meeting. The City was recently notified by the Iowa Office of Energy Independence (OEI) that its grant request was fully-funded in the amount of \$19,500; the total cost of the project is estimated at \$39,000, which includes all professional services and construction.



The Project, of course, entails the retro-fitting of 15 250-watt high-pressure sodium street lights with energy-efficient LED street lights. The affected street lights are those that are co-located on the City's traffic control signals, with the exception of the traffic control signal at S. 12th Street & 4th Avenue S.. That particular intersection had the LED street lighting installed when it was constructed back in May (2009).

Enclosed in your packet is a proposed EECBG Agreement to be executed between the City and the Iowa OEI. The Agreement must be approved and submitted to the OEI by April 22nd. Also enclosed for your consideration is a Professional Services Agreement with Yaggy Colby Associates (Mason City ) to provide professional services related to the project. The total cost of the proposed Professional Services Agreement is \$8,000. The original grant application included an estimate of \$9,000 for this work. Yaggy Colby Associates, as consultant, will ensure the City meets compliance requirements of numerous Federal Acts as a result of these funds being derived from the US Department of Energy and the American Recovery & Reinvestment Act (ARRA).

At this point, the "tentative" Project schedule calls for the plans & specifications to be completed in July, 2010. Competitive sealed quotes for construction will be solicited from contractors in August, with an award of contract later that month. Authorization to begin construction will be given in early September and work will be substantially completed by October 31st.

ITEM #6C. 2nd Avenue N. Street Improvement Project. One of the major public works improvement projects for FY 11 is the reconstruction of 2nd Avenue N., between N. 6th Street and N. 8th Street. The preliminary design plans & specifications for the reconstruction project will be reviewed with the Council by the Project engineer. Also, the tentative Project schedule for special assessment, bidding, and construction will be reviewed.

The proposed Project schedule calls for the Council to initiate the special assessment process at its April 19th meeting. The hearing on the Resolution of Necessity would be held at the Council's regular meeting on May 17th. It is anticipated that the bid opening would be held on June 16th and that the Council would act on the bids and award the contract at its regular meeting on June 21st. Construction of the underground utilities would commence on or about August 16th and be complete by October 29th. Grading and paving would commence in May of 2011 and be completed by mid-June, 2011.

The Project generally consists of pavement removals and excavation; upgrade and

replacement of the existing water main to an 8" main; sanitary sewer manhole replacements; new sanitary sewer and water service lateral replacements, where necessary; storm sewer and intake improvements; sub-drain; defective sidewalk replacement; ADA sidewalk ramps; driveway approaches; and either PCC or ACC paving.

The engineer's opinion of the probable cost of construction is approximately \$580,000, including legal, engineering, & administrative costs. Roughly \$137,000 would be funded from special assessments. The balance would be funded from a variety of revenue sources, including: TIF, General Fund; and utility revenues.

ITEM #6D. 2010 Water Distribution System Improvement - financing. The total cost of the "2010 Water Distribution System Improvement Project", including engineering, legal, construction, and administrative is roughly \$1,125,000. Approximately \$950,000 is the cost of construction alone. The Project is proposed to be funded from Tax-Increment Financing Revenues, Water Utility Revenues, and a general obligation (G.O.) bond. The amount of the proposed bond issuance is a not-to-exceed \$600,000.

The Council will consider a Resolution setting the date for a public hearing on the proposal to issue \$600,000 in general obligation debt for this project. The date of the hearing would be set as May 3rd. Notice of hearing will be published, as required by law, in the newspaper on or about April 21st

The City will be soliciting competitive quotes for the private placement of this debt issuance from financial institutions in Clear Lake. The proposed debt service schedule would be for a period of 7 years, with a call provision. The quote proposals will be due on April 28th. The Council will consider awarding the financing, following hearing, at its May 3rd meeting.

ITEM #6E. 2010 Sanitary Sewer Collection System Improvement Project. In December of 2009, the City was awarded a Community Development (Disaster Recovery) Block Grant (CDBG) in the amount of \$2,368,000 to facilitate improvements to the City's sanitary sewer collection system. This grant opportunity was made available for communities in Iowa that were negatively impacted by the flooding and rain events of June 8th & 9th of 2008. The grant agreement between the City and the Iowa Department of Economic Development (IDED) was approved by the City in December of 2009 and in January of 2010 by IDED. In February of 2010, the City Council, following an RFP process, selected and approved Veenstra & Kimm (Mason City) to provide professional engineering services for the project. The local match required of the City for the project is \$310,000.

The City is required to submit to the Iowa DNR an approved "Facility Plan" for technical review to determine compliance with State design standards and adequacy of the proposal to meet particular parameters. Once approved by the City and Iowa DNR, the Facility Plan becomes the basis for the scope of the final project design. It is anticipated that once submitted to the Iowa DNR, the review process will be completed in roughly 10 weeks. The City is anticipating a late summer bid letting, with construction to begin late this fall and be completed in the late summer of 2011.

Please feel free to contact me if you have questions about any of the agenda items.

Scott Flory  
City Administrator of Clear Lake

Cc: Jennifer Larsen, City Clerk (with attachments)  
Joe Weigel, Public Works Director (with attachments)  
Linda Nelson, Finance Officer (with attachments)  
Greg Peterson, Chief of Police (with attachments)  
Charlie Biebesheimer, City Attorney (with attachments)  
Tim Moreau, P.E., V&K (C/A only – via e-mail)  
Mike Danburg, P.E., YCA (C/A only – via e-mail)  
Chip Schultz, Senior Vice President Ruan Securities (C/A only via e-mail)  
Gregg Gillman, Director NCIGP (C/A only – via e-mail)  
Gary Bright, Director CL Chamber (C/A only – via e-mail)

TENTATIVE AGENDA  
CLEAR LAKE CITY COUNCIL  
CITY HALL – 15 N. 6<sup>TH</sup> STREET  
MONDAY, APRIL 19, 2010  
CITY HALL – COUNCIL CHAMBERS  
**6:30 P.M.**

1. Call To Order by Mayor Nelson P. Crabb.
2. Approval of Agenda.
3. Consent Agenda:

- A. Minutes – April 5, 2010.
- B. Approval of the bills & claims.
- C. Licenses & Permits:
  - Liquor License: Class B Wine Permit with Sunday Sales, *Weathered Elements*; Class B Wine Permit with Sunday Sales, *Uncorked, LLC*; Special Class C Liquor License with Sunday Sales, *Clear Lake Arts Council*; Class B Beer Permit (includes wine coolers) with Outdoor Services & Sunday Sales, *Oak Hills Par 30*; Class E Liquor License with Carryout Beer, Carryout Wine & Sunday Sales, *Econo Foods*; Class C Liquor License with Outdoor Service & Sunday Sales, *Rumorz*; (renewals).
  - Tree Trimmer's License: Bitker Tree Service, Mason City, (renewal).
  - Excavator's License: Lauen Son Construction, Meservey, (renewal).
  - Transient Merchant License: Ole's Concession & Catering (Tropical Sno), Clear Lake, (renewal).

4. Citizen's 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. General Obligation Refunding Loan Agreement – not to exceed \$1.175 million:

- Introduction by Scott Flory, City Administrator.
- Review of proposal, Chip Schultz, Senior Vice-President Ruan Securities.
- Public Hearing.
- Discussion and consideration of proposal by City Council.
- **Resolution #10-26**, "A Resolution taking additional action to enter into a Loan Agreement, approving Bond Purchase Agreement, and authorizing Call of Bonds for early redemption."

B. Traffic Signal Intersection Street Lighting Retrofit Project:

- Introduction by Scott Flory, City Administrator.

- Review of proposal, Mike Danburg, P.E., Yaggy, Colby, Associates.
- Discussion and consideration by City Council.
- **Resolution #10-27**, “A Resolution accepting and approving an Energy Efficiency & Conservation Block Grant (EECBG) award from the Office of Energy Independence funded by the American Recovery & Reinvestment Act (ARRA); authorizing the Mayor to execute the grant agreement accepting the EECBG award; and providing an effective date.”
- **Motion** to approve Professional Services Agreement with Yaggy Colby & Associates.

C. 2<sup>nd</sup> Avenue N. Street Reconstruction Improvement Project (N. 6<sup>th</sup> Street to N. 8<sup>th</sup> Street):

- Introduction by Scott Flory, City Administrator.
- Review preliminary plans & specifications, Mike Danburg, P.E., Yaggy Colby & Associates.
- Discussion and consideration by City Council.
- **Resolution #10-28**, “A Preliminary Resolution for the construction of public improvements in the City of Clear Lake, Iowa.”
- **Resolution #10-29**, “A Resolution fixing lot values.”
- **Resolution #10-30**, “A Resolution adopting preliminary plat and schedule, estimate of cost, and proposed plans & specifications for the construction of the Clear Lake, Iowa 2<sup>nd</sup> Avenue N. Improvement Project, 2010.”
- **Resolution #10-31**, “A Resolution of Necessity (proposed).”

D. 2010 Water Distribution System Improvement Project:

- Review of request, Scott Flory, City Administrator.
- Discussion by City Council.
- **Resolution #10-32**, “A Resolution to fix a date for a public hearing on a loan agreement in a principal amount not to exceed \$600,000.”

E. 2010 Sanitary Sewer Collection System Improvement Project Facility Plan:

- Introduction by Scott Flory, City Administrator.
- Review of proposed Facility Plan by Tim Moreau and Jason Petersburg, Project engineers – Veenstra & Kimm.
- Discussion by City Council.
- **Motion** to approve Facility Plan and direct engineer to submit to the Iowa DNR.

F. Update from the Clear Lake RAGBRAI Committee:

- Introduction by Mayor Nelson P. Crabb.
- Review by Diane Thompson, Committee Chairperson.
- Discussion by City Council.

7. Chief of Police's Report:

8. Mayor's Report:

9. Public Works Director's Report:

- Update on service utility abandonment and site surface work at 109 & 111 N. 8<sup>th</sup> Street and 709 2<sup>nd</sup> Ave N. locations.
- Update regarding construction activities for the "Surf District" Park & Parking Area Improvements.
- Update regarding construction activities for the 2010 Water Distribution System Improvement Project.
- Update regarding construction activities for the 2009 Stormwater Quality Improvement Project.
- Review of totals for the spring "Large Item Pick-up".

10. City Administrator's Report:

- Update regarding "Transportation Enhancement" grant – North Shore Drive (400 Block) Streetscape Improvement Project.
- Update regarding health insurance renewal rates from Wellmark BC/BS.

11. City Attorney's Report:

12. Other Business:

13. Adjournment.

NEXT REGULAR MEETING – MAY 3, 2010