



CITY OF CLEAR LAKE

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Mayor
NELSON P.
CRABB

February 4, 2011

HONORABLE MAYOR & CITY COUNCIL MEMBERS:

City
Administrator
SCOTT
FLORY

The next meeting of the Clear Lake City Council is scheduled for Monday, February 7, 2011, 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

ITEM #6A. Lady of the Lake lease agreement. In March of 2007, the City entered into a 3-year lease agreement with the current owners of the Lady of the Lake to utilize a specific amount of Lake shoreline under the City's control. The lease expired in 2010, but, in effect, has continued since that time as an implied contract. It is proposed to renew the previous lease agreement between the City and the Lady of the Lake for a 3-year term once again, under all the same earlier conditions and requirements.

SHANE W.
COONEY
Ward 1

At its previous meeting, the City Council established the date, time, and place for a public hearing on the proposal. Notice of hearing was published in the newspaper.

TONY
NELSON
Ward 2

ITEM #6B. NICC&M Property Tax Rebate Agreement. The City previously approved a property tax rebate with the North Iowa Cultural Center & Museum (NICC&M) in January of 2009. The Development Agreement provided for a 3-year property tax rebate. The final rebate payment is set to occur on December 1st of 2011.

BEN
FURLEIGH
Ward 3

The NICC&M Board of Directors has expressed its need to have the property tax rebate Development Agreement renewed for a 5-year term. Property tax repayments occur semi-annually on June 1st & December 1st. Consequently, as the Council considers its 2012 fiscal year budget, unless the Agreement is renewed, there would be only the December 1st of 2011 repayment in the FY 12 municipal budget.

MIKE
CALLANAN
At Large

The semi-annual property tax repayments are currently roughly \$5,500 each. So, it is anticipated that over the life of the proposed rebate agreement, an amount less than \$59,000 will have been rebated back to the NICC&M.

TERRY
UNSWORTH
At Large

At its previous meeting, the City Council established the date, time, and place for a public hearing on the proposal. Notice of hearing was published in the newspaper.

ITEM #6C. 19 S. 3rd Street – City/CL VFW Parking Lot Agreement. At its previous meeting, the Council established February 7th as the date for a public hearing on the



proposed Development Agreement to be entered into between the City and the CL VFW regarding the development of a public parking lot at 19 S. 3rd Street. Notice of hearing was published in the newspaper.

Under the terms of the proposed Development Agreement, the City would be responsible for all costs, up to \$250,000, associated with building demolition, utility abandonment, environmental work, site preparation, and parking lot construction. Any costs above that amount would be shared equally between the City and the CL VFW. The City would be responsible for all maintenance of the parking lot under the same parameters as any other City-owned parking lot.

The site is located in the City's Downtown Urban Renewal Area. Both the Urban Renewal Plan and the Clear Lake Downtown Redevelopment Plan identify additional parking as a priority.

The initial term of the Development Agreement is for a period of 50 years, which corresponds to the anticipated life cycle of the anticipated improvements.

ITEM 6E. 2012 fiscal year budget proposal. The proposed City tax rate for the 2012 fiscal year, which begins July 1, 2011, is \$10.54/\$1,000 of taxable valuation. This represents an increase from the previous five (5) consecutive fiscal years, during which the tax rate remained at \$10.04/\$1,000 of taxable valuation. The increase in the tax rate for FY 12 is due exclusively to the voter-approved \$2.3 million general obligation bond issue for the new fire station. For FY 11, for cities with a population of more than 5,000, Clear Lake had the 5th lowest tax rate in Iowa; trailing only Altoona, Urbandale, Clive, and Dubuque.

The taxable valuation for FY 12 (January 1, 2010) continues the positive trend of growth in the Community. The taxable valuation for FY 12 is \$447 million. The proposed FY 12 budget reflects total expenditures among the various programs of \$14.3 million; of which \$6.7 million is directed towards operations; \$6.3 million towards capital; and \$1.3 million to debt service.

The remaining schedule for budget consideration is as follows:

February 21st	Council to adopt a "preliminary" budget and set a public hearing date for March 7th.
February 23rd	Publish notice of hearing in the newspaper.

March 7th	Conduct hearing and adopt final budget.
March 15th	Certify budget to County Auditor.

ITEM #6F. Sanitary Sewer Collection System Improvement Project. The CDBG Sanitary Sewer Collection System Improvement Project represents the largest overall public improvement project undertaken by the City. The scope of the project will be divided into two (2) separately bid and awarded contracts. Contract #1 includes the “underground improvements” and Contract #2 will be for the “above grade” infrastructure improvements. The aspect of the Project under consideration for the Council at this meeting is Contract #1 only.

The items and scope of work included in Contract #1 include the following: pavement removals; sanitary sewer main & manholes; sanitary sewer services; water main; water services; storm sewers, including intakes and manholes; sub-drain; temporary aggregate surfacing; and miscellaneous work, including seeding. The location of the Project improvements generally is describes as: North Shore Drive, from 7th Ave N. to Buddy Holly Place; Buddy Holly Place, from North Shore Drive to 8th Ave N.; 8th Ave N., from Buddy Holly Place to 5th Place N.; 5th Place N., from 8th Ave N. to 10th Ave N.; and 10th Ave N., from 5th Place N. to N. 8th Street.

The engineer’s estimate of the probable cost of construction for Contract #1 is \$2,342,384. Indirect project costs (i.e., legal, engineering, etc.) associated with contract #1 are estimated at \$273,079. The total project cost estimate for Contract #1 is \$2,618,384. Project funding sources include the following: CDBG; TIF; water, sewer and RUT revenues; and special assessments (obsolete water & sanitary sewer services only).

Enclosed in your packet are the legal proceedings necessary to initiate the special assessment process. The hearing on the Resolution of Necessity would be at a special Council meeting on February 28th, at 6:30 p.m.

ITEM #6H. 12th Ave S. Outdoor Recreation Complex Grading Improvements. The Council approved the purchase of roughly 20 acres of property in April of 2008, which, when combined with the roughly 19 acres the City previously owned, brought the total amount of property owned by the City to nearly 40 acres. In July of 2009, the Parks & Recreation Department, working with Yaggy Colby Associates, developed a revised conceptual master plan for the 12th Ave S. Outdoor Recreation Area, based on the additional land being added to the previous site.

In the proposed FY 11 (amended) and FY 12 budgets, the Council has allocated funding to make necessary improvements to the site, in order to ensure that it can be fully developed in accordance with the site concept master plan. These improvements consist of grading and site work.

The opportunity to make these grading and site improvements is made possible because the Clear Lake Sanitary District (CLSD) is proposing to expand its S. 24th Street Equalization Basin. That Project will result in a need to haul roughly 15,000 cubic yards of excavated material from the site. The proximity of the City's property, roughly ½ mile from this site, would reduce the project costs to the CLSD for hauling the excess material off-site. It is also a commodity that is necessary and would benefit the City's site. The area of the City's site that would be utilized is labeled as "Phase 1" in the attachments in your packet; primarily the location of the youth soccer fields.

As a result, the CLSD, in consultation with the City, has incorporated the use of the City's site as a haul location into its base bidding documents for its Project. The preliminary estimate of the anticipated cost for striping, salvaging, & spreading the top soil; placement, grading, & compaction of the excavated material; seeding; and indirect costs is \$111,000. The estimated cost share would be \$68,000 from the CLSD and \$53,000 from the City.

The Project bid letting on Friday, February 4th, at 2:00 p.m. In conjunction with the bid letting process, the City also requested that bids be taken, as an "add alternate", to determine what the cost of the grading improvements would be for the balance of the 12th Ave S. Outdoor Recreation Area Complex (i.e., Phase 2). Following the results of the bid letting, the Council will need to determine whether or not to approve the add-alternate. The preliminary opinion of cost for Phase 2 is \$90,000. The CLSD Board of Trustees is expected to consider making an award of contract at its regular meeting on February 8th.

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

Scott Flory
City Administrator

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)
Gary Bright, Director, CL Chamber (C/A only – via e-mail)

Doug Meyers, Fire Chief (C/A only – via e-mail)
Dave Parks, CL VFW (C/A only – via e-mail)
Jeff Nicholas, NICC&M (C/A only – via e-mail)
Tim Moreau, P.E., (C/A only – via e-mail)
Mike Danburg, P.E., (C/A only – via e-mail)

TENTATIVE AGENDA
CLEAR LAKE CITY COUNCIL
CITY HALL – 15 N. 6TH STREET
MONDAY, FEBRUARY 7, 2011
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 – January 17 (regular meeting) & 24 (workshop), 2011.
 - B. Approval of the bills & claims.
 - C. Licenses & Permits:
 - Liquor License: Class B Native Wine Permit (WBN) with Sunday Sales, Lake Coffee & Ice Cream, (renewal).
 - Street Closing Request: North Iowa Snow Seekers, February 11 & 12, 4:30 to 10:00 p.m. each day.
 - Tax Abatement Application: Nicholas & Angela Garman, 504 Pine Brooke Drive.
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. Lady of the Lake – lease renewal:

- Review of proposal, Scott Flory, City Administrator.
- Public Hearing.
- **Motion** to approve **Resolution #11-05**, “A Resolution approving a lease agreement with the Lady of the Lake Inc.”
- Discussion and consideration of **Motion** by City Council.

B. Property Tax Rebate – North Iowa Cultural Center & Museum::

- Review by Scott Flory, City Administrator.
- Public Hearing.
- **Motion** to approve **Resolution #11-06**, “A Resolution approving a Development Agreement with North Iowa Cultural Center & Museum and authorizing annual appropriation Tax Increment Payments and pledging certain tax increment revenues to the payment of the Agreement.”
- Discussion and consideration of **Motion** by City Council.

C. 19 S. 3rd Street – Parking Lot Improvement Project:

- Review by Scott Flory, City Administrator.
- Public Hearing
- **Motion** to approve **Resolution #11-07**, “A Resolution approving a Development Agreement between the City of Clear Lake, Iowa, and the Clear Lake VFW Saratoga Post #4868 – 19 S. 3rd Street.”
- Discussion and consideration of **Motion** by City Council.

D. Fire Station Building Improvement Project:

- Update regarding construction of the improvements and review of Pay Application #3 by City Council.
- **Motion** to approve Pay Application #3 by City Council.
- Discussion and consideration of **Motion** by City Council.

E. 2012 Fiscal Year municipal budget proposal:

- Review of proposal, Scott Flory, City Administrator.
- Discussion by City Council.

F. CDBG Sanitary Sewer Collection System Improvement Project – Contract #1:

- Review of proposal, Scott Flory, City Administrator.
- Review of Preliminary Assessment Plat & Schedule, Jason Petersburg, P.E., Veenstra & Kimm.

- **Motion** to approve **Resolution #11-08**, “A Preliminary Resolution for the construction of Sanitary Sewer Collection System Project improvements in the City of Clear Lake, Iowa.”
- Discussion and consideration of **Motion** by City Council.
- **Motion** to approve **Resolution #11-09**, “A Resolution Fixing Lot Values.”
- Discussion and consideration of **Motion** by City Council.
- **Motion** to approve **Resolution #11-10**, “A Resolution adopting preliminary plat & schedule, estimate of cost, and proposed plans and specifications for the construction of the Clear Lake, Iowa Sanitary Sewer Collection System Improvement Project – Contract #1.
- Discussion and consideration of **Motion** by City Council.
- **Motion** to approve **Resolution #11-11**, “A Resolution of Necessity (proposed)”.
- Discussion and consideration of **Motion** by City Council.

G. North Central Iowa Fire Department Mutual Aid Agreement:

- Introduction to request, Scott Flory, City Administrator.
- Review of proposal, Doug Meyers, Fire Chief.
- **Motion** to approve **Resolution #11-12**, “A Resolution approving a Mutual Aid Agreement between participating municipal fire departments located in the North Central Iowa area.”
- Discussion and consideration of **Motion** by City Council.

H. 12th Avenue S. Outdoor Recreation Complex Grading Improvements::

- Introduction by Scott Flory, City Administrator.
- Review of 2/4/11 bid letting, Mike Danburg, P.E., Yaggy Colby.
- Consideration of bids and **Motion** to approve add-alternate for Phase 2 improvements.
- Discussion and consideration of **Motion** by City Council.

I. All Veterans Social Center of Clear Lake (2000 N. Shore Drive):

- Review by Mayor Nelson P. Crabb.
- **Motion** to set the date for a public hearing on a request from the All Veterans Social Center of Clear Lake regarding conveyance of the real estate and property of the corporation to the City of Clear Lake.
- Discussion and consideration of **Motion** by City Council.

7. Chief of Police's Report:

8. Mayor's Report:

- Appointment of Scott Johnson (420 19th Street W.) to the Library Board of Trustees (6-year term) (subject to Council approval)

9. Public Works Director's Report:

- Review of Request for Proposal (RFP) for "2011 Sanitary Sewer Rehabilitation Project".

10. City Administrator's Report:

- Early Retirement Incentive Program (6/1/11-6/30/12).

11. City Attorney's Report:

12. Other Business:

13. Closed Session – Pursuant to the Code of Iowa Section 21.5 (c) to discuss strategy with counsel in matters that are presently in litigation or where litigation is imminent where its disclosure would be likely to prejudice or disadvantage the position of the government body in litigation.

14. Adjournment.

NEXT REGULAR MEETING – FEBRUARY 21, 2011